

**CALENDAR ITEM
C115**

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**CONSIDER HAZARDOUS MATERIAL REMEDIATION FINDING FOR THE
FIRST CLOSING PHASE AS REQUIRED BY THE COMPROMISE TITLE
SETTLEMENT AND LAND EXCHANGE AGREEMENT FOR TREASURE ISLAND
AND YERBA BUENA ISLAND**

PARTIES:

Treasure Island Development Authority

State of California, acting by and through the California State Lands Commission

INTRODUCTION:

The Compromise Title Settlement and Land Exchange Agreement for Treasure Island and Yerba Buena Island (Agreement) was approved by the California State Lands Commission (Commission) on October 14, 2014 (Calendar Item 102). The Agreement was executed by both parties, the Treasure Island Development Authority (TIDA) and the Commission, and was recorded on January 14, 2015.

The subject property of the Agreement includes land located within San Francisco Bay at Treasure Island and Yerba Buena Island, in the City of San Francisco, San Francisco County. The Trust Termination Lands consist of approximately 150 acres. The Public Trust Lands, excluding the unfilled tide and submerged lands, consist of approximately 285 acres. The Public Trust Lands including the unfilled tide and submerged lands surrounding Treasure Island and portions of Yerba Buena Island consist of approximately 850 acres. The subject property does not include a parcel described as the Yerba Buena Island Non-Trust Parcel that is currently owned and administered by the United States Department of Labor. The subject parcel plus the Yerba Buena Island Non-Trust Parcel and the Job Corps Parcel are all defined as "TIDA Property" in the Exchange Act.

Both parties are diligently preparing for the first closing phase which requires the Commission to make a finding related to the hazardous material remediation involving the property to be exchanged as part of the first closing phase.

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HAZARDOUS MATERIAL FINDING:

A condition precedent to the first closing phase is that the Commission must find that all the remedial action necessary to protect human health and the environment with respect to hazardous substances on the land has been completed as determined by the California Department of Toxic Substances Control (DTSC) or that the United States has obtained a warranty deferral, approved by the Governor.

On February 15, 2006, the Department of the Navy submitted a final Finding of Suitability to Transfer (FOST) – Treasure Island Core Transfer Parcel, Southwest Transfer Parcels A and B, and Southeast Transfer Parcel, Naval Station Treasure Island, San Francisco, California. The FOST was amended on November 17, 2014. On October 30, 2014, the Department of the Navy submitted a final FOST for Parcels A through I (FOST 4) Naval Station Treasure Island, San Francisco, California. Together these documents cover the Treasure Island property that will be included in the first closing phase. On May 22, 2006 and November 25, 2014, DTSC sent a letter concurring with the FOST and the amendment and on November 21, 2014, DTSC sent a letter of concurrence for the FOST 4.

For Yerba Buena Island, the Department of the Navy submitted a final Finding of Suitability to Transfer (FOST 2) for Property on Yerba Buena Island on March 22, 2006. On January 3, 2012, the Department of the Navy submitted a final Finding of Suitability to Transfer for Property on Yerba Buena Island (FOST 3) for the Battery Site, Torpedo Building, Site 28, Site 29 Artifacts 1, 2, and 3 and East Side Freeway On-Off Ramps on January 2, 2013. On May 22, 2006, DTSC issued a conditional concurrence on FOST 2 and on January 23, 2014, DTSC issued a letter concurring with FOST 2 and FOST 3. Staff has reviewed the relevant documents, including the documents referenced above. Staff recommends that the Commission find that all remedial action necessary to protect human health and the environment with respect to hazardous substances on the land has been completed as determined by DTSC.

OTHER PERTINENT INFORMATION:

1. The State, acting by and through the Commission, is authorized under Chapter 543, Statutes of 2004, as amended, to enter into the Compromise Title Settlement and Land Exchange Agreement.
2. The staff recommends that the Commission find that the subject approval of the hazardous material remediation finding does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

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Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

EXHIBIT:

- A. Location and Site Map of Public Trust and Trust Termination Parcels

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDINGS:

Find that the subject approval of hazardous material remediation finding is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.


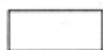

AUTHORIZATION:

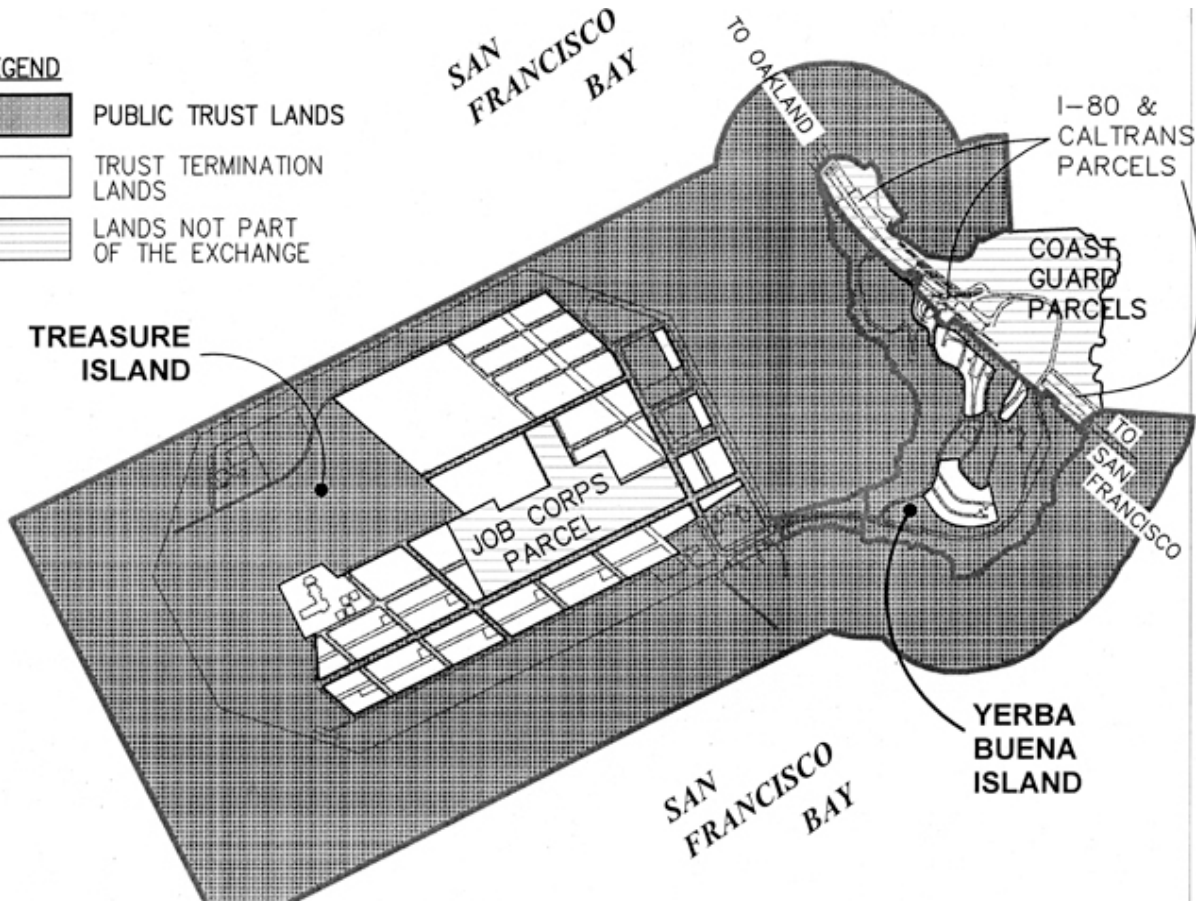
Find that all remedial action necessary to protect human health and the environment with respect to hazardous substances on the land proposed for the first closing phase in the Agreement has been completed as determined by the United State Environmental Protection Agency, the California Department of Toxics Substances Control, and the Regional Water Quality Board, pursuant to the Federal Facilities Agreement for the Naval Station Treasure Island dated September 29, 1992, as amended, and the United States has provided a warranty in accordance with Section 9620(h)(3)(A) of Title 42 of the United State Code.

NO SCALE

SITE

LEGEND

-  PUBLIC TRUST LANDS
-  TRUST TERMINATION LANDS
-  LANDS NOT PART OF THE EXCHANGE



TREASURE ISLAND/YERBA BUENA ISLAND TITLE SETTLEMENT & LAND EXCHANGE

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

W25115
 TREASURE ISLAND/
 YERBA BUENA ISLAND
 SAN FRANCISCO CITY &
 COUNTY



EAP 01/10/12

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.