

**REPORT TO MAYOR AND COUNCIL  
SITTING AS THE LOCAL REUSE AUTHORITY****TO THE HONORABLE MAYOR AND COUNCIL SITTING AS  
THE LOCAL REUSE AUTHORITY:**

DATE: June 1, 2009

**SUBJECT: ACCEPTING A GRANT FROM THE DEPARTMENT OF DEFENSE, OFFICE OF ECONOMIC ADJUSTMENT (OEA) IN THE AMOUNT OF \$706,976 FOR SUPPORT OF THE CONCORD NAVAL WEAPONS STATION REUSE PROJECT MANAGEMENT OFFICE**

**Report in Brief**

Staff is recommending that the City Council sitting as the Local Reuse Authority (LRA) accept a Phase III grant from the Department of Defense, Office of Economic Adjustment (OEA) in the amount of \$706,976 to support the Project Management Office (PMO) for the Concord Naval Weapons Station (CNWS) Reuse Project and additional planning studies for the Reuse planning effort. Staff also recommends that the LRA authorize the City Manager/Executive Director to execute the grant acceptance.

The LRA has commenced a multi-year, multi-phased process to plan for the reuse of the CNWS. The overall planning process requires significant staff time to coordinate community input and regulatory interests, direct planning/engineering/environmental/financial consultants involved in plan preparation and to set conveyance strategies for the LRA's consideration in negotiations with the U.S. Navy. To ensure that focus on the Reuse Project does not distract from other important City activities, a Project Management Office (PMO) was established to provide the needed Reuse Project support. The PMO has been staffed with a full-time Reuse Project Director, Reuse Project Manager and Reuse Project Executive Assistant, and a part-time staff planner. The Phase III grant funding covers labor/fringe benefit costs for a part-time Project Director, part-time (80%) staff planner and part-time (80%) administrative assistant required travel expenditures, supplies and equipment costs for a twelve month period covering March 1, 2009 to March 31, 2010. Staff will submit another grant application to OEA in February 2010 to cover required funding for the period April 1, 2010 to December 31, 2010.

**Background**

The Phase III Grant Application (Refinement of the City of Concord's Preferred Reuse Plan) directly supports the third phase of the City of Concord's comprehensive strategy to respond to the unprecedented planning and integration effort of the Concord Naval Weapons Station into the City of Concord. Phase I, Visioning and Community Outreach, was funded by OEA, in December 2005. Phase II funding for development of the Preferred Alternative covered the period September 2006 – June 2008.

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Phase III supports implementation planning and transactional analysis actions associated with the preferred reuse plan.

The submission of the Phase III Grant Application - Implementation Planning and Transactional Analysis reflects completion of the designation of a preferred community reuse plan and the commencement of a new phase of work. The Phase III Grant will focus on: 1) coordination/oversight efforts associated with the Department of the Navy's (DON's) preparation of an Environmental Impact Statement (EIS) and Section 7 Consultation under the Endangered Species Act (ESA); 2) development of the City's preferred real property disposition strategy; 3) analysis of appropriate transactional documentation; 4) property entitlement analysis, and 5) implementation planning.

### **Discussion**

As described herein, the OEA Phase III grant award in the amount of \$706,976 provides part-time support for the PMO and additional funds for consulting support. Acceptance of the grant award will enable the PMO staff to provide focused and consistent management of the Phase III Reuse Plan implementation.

The Major Project Management Office Tasks for Phase III include:

- Developing supporting policies for Preferred Reuse Plan to support site entitlement. As OEA and the DON are aware the City's General Plan needs to be amended to reflect the Reuse Plan. Establishment of clear land use designations and supporting development policies will enhance the DON transfer process. Completion of these tasks will involve extensive coordination and consultation with the DON;
- Analysis and integration of the Community's Preferred Reuse Plan with Navy environmental remediation actions and Navy conveyance strategies. Designation of general land uses for the CNWS allows the LRA and the DON, in consultation with the USEPA and California DTSC, to collaborate on more effective remediation strategies. This in turn will lead to a more successful and timely conveyance strategy for both the LRA and the DON;
- Analysis and integration of the preferred reuse plan with the Federal Section 7 Consultation process under ESA. This area of collaboration with the DON is even more critical than the remedial considerations noted above. The outcome can significantly impact land uses in Phase III implementation planning. The City of Concord PMO will need to support the DON consultation with technical input on habitat protection and restoration to insure the integrity of the City's Reuse Plan is maintained through the consultation process.

In addition to the request to provide continued funding for the PMO, the LRA is also requesting funding to cover a new Scope of Work for the consulting team. It should be noted that the original solicitation anticipated the need of a Phase III for Implementation Planning and Transactional Analyses. Tasking for this effort was intentionally deferred to allow scope to reflect conditions of the preferred reuse alternative.

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The designation of a preferred alternative for the Reuse Plan is an important step. However, the Reuse Plan does not have the force of California land use law. To create a foundation for implementation/entitlement of the plan, additional detailed work is required on several key areas in the plan. This work is not only beneficial to the City but will be an asset to the Navy when working with private and public interest during disposal of the property.

**Fiscal Impact**

Grant funds cover the labor and benefits cost for the PMO for three part-time staff positions for a twelve month period. The City is required to provide a 10% match of the grant funds which it does through provision of in-kind support of existing staff.

The grant also covers travel costs, office supplies, reproduction, postage and express delivery and computer equipment for the three staff.

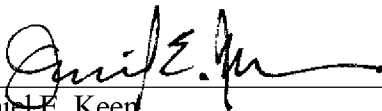
The grant amendment covers cost for additional scope for consultant support for plan implementation references and specialized technical support.

**Public Contact**

Posting of Council Agenda

**Recommendation for Action**

Staff is recommending that the LRA accept a Phase III grant from the Department of Defense Office of Economic Adjustment (OEA) in the amount of \$706,976 to support the Project Management Office (PMO) and consultants for the Concord Naval Weapons Station (CNWS) Reuse Project and to authorize the City Manager/Executive Director to execute the grant documents.



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