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RESOLUTION 20xx-xxx

RESOLUTION APPROVING INSTALLATION OF A RENEWABLE MICROGRID IN ACCORDANCE WITH MITIGATION MEASURE – GREENHOUSE GAS NO. 6 OF THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE TENTH AVENUE MARINE TERMINAL REDEVELOPMENT PLAN AND DEMOLITION AND INITIAL RAIL COMPONENT PROJECT, CONTINGENT ON GRANT FUNDING

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the Legislature in 1962 pursuant to Harbors and Navigation Code Appendix I (Port Act); and

WHEREAS, Section 30.5(e) of the Port Act states any property acquired by the District shall become an asset of the public trust and be subject to Section 87; and

WHEREAS, Section 87(a)(1) of the Port Act specifically provides that the tide and submerged lands of the District may be used for the construction, reconstruction, repair, maintenance and operation of wharves, docks, piers and all other works, buildings, facilities, utilities and structures necessary or convenient for the promotion and accommodation of commerce and navigation; and

WHEREAS, the District adopted the Tenth Avenue Marine Terminal Redevelopment Plan and Demolition and Initial Rail Component Project (TAMT Redevelopment Plan) located at 850 Water Street in San Diego, California, 92101, along San Diego Bay, south of downtown San Diego, east of the San Diego Convention Center and Hilton Bayfront Hotel, and west adjacent to the San Diego community of Barrio Logan; and

WHEREAS, the TAMT Redevelopment Plan consists of (a) a plan for landside only redevelopment of the existing Tenth Avenue Marine Terminal (TAMT), which would replace the existing 2008 Maritime Business Plan to provide greater flexibility to meet current and future market conditions at the project site by undertaking a variety of infrastructure improvements over the long term to accommodate an increase in the TAMT's capability and capacity for handling dry bulk, liquid bulk, refrigerated container, and multi-purpose general cargo, and (b) implementation of the Demolition and Initial Rail Component as the first phase of the plan, which would demolish obsolete transit sheds to create an open lay-down area to link cargo from vessels to a multi-modal regional transportation

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system, renovate and upgrade the aging rail infrastructure, install subsurface conduit and other electrical improvements, upgrade the project site's existing storm water system, and install a new building with an electrical gear room, additional restroom facilities, a technology support room and outdoor storage space, and a 3,600 square foot modular office with restroom facilities near the central gate facility; and

WHEREAS, on December 13, 2016, pursuant to the California Environmental Quality Act ("CEQA"), Public Resources Code Section 21000, et seq., and its implementing regulations, 14 California Code of Regulations Section 15000, et seq. ("CEQA Guidelines"), the District adopted Resolution 2016-199, which certified Final Environmental Impact Report (SCH #2015-031045/UPD #EIR-2015-39) (Final EIR) and adopted Findings of Fact, a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program (MMRP) for the Sustainable Capacity Alternative of the TAMT Redevelopment Plan; and

WHEREAS, on December 13, 2016, the District also adopted Resolution 2016-200, which approved the Sustainable Capacity Scenario and the "Tenth Avenue Redevelopment Plan" prepared by Vickerman & Associates, LLC and as amended by staff; and

WHEREAS, on December 13, 2016, the District also adopted Resolution 2016-201, which authorized issuance of non-appealable Coastal Development Permit No. 2016-09 for the TAMT Redevelopment Plan, that included demolition of transit sheds 1 and 2, completion of initial rail improvements, and the completion of other site improvements; and

WHEREAS, the Final EIR and the MMRP for the TAMT Redevelopment Plan includes Mitigation Measure – Greenhouse Gas # 6 (MM-GHG-6) which requires the implementation of renewable energy projects or the purchase of greenhouse gas (GHG) offsets from a California Air Resources Board approved registry or a locally approved equivalent program for future operations associated with the TAMT Redevelopment Plan, that will achieve an annual reduction in GHG emissions of 18,206 MTCO₂e by 2035; and

WHEREAS, the District proposes to satisfy a portion of the requirements of MM-GHG-6 by installing a renewable microgrid on the TAMT that includes the installation and subsequent use of solar panels on the roof of Warehouse B or Warehouse C, an energy storage system, energy efficiency improvements, and electrical infrastructure upgrades (Renewable Microgrid), which at this time is expected to result in a reduction of 361 MTCO₂e annually and to fulfill a portion of the TAMT's Redevelopment Plan's Final EIR requirement for the 2035 buildout year; and

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WHEREAS, the Renewable Microgrid will implement a portion of the mitigation for development authorized by Coastal Development Permit No. 2016-09 for the TAMT Redevelopment Plan and is eligible to be excluded from the requirements for a Coastal Development Permit pursuant to section 8.a. (1), (2), (4), and (12), and section 8.b. (1) and/or 8.c. (2) of the District's Coastal Development Permit Regulations because it involves the operation, repair, maintenance and minor alteration to the roof at Warehouse B involving negligible expansion of its existing use, including (1) interior and exterior alterations to provide electrical conveyances, (2) installation of a PV utility system that will provide electrical power on-site (4) rehabilitation of a deteriorated structure to meet standards of public health and to comply with the District's TAMT Redevelopment Plan's Final EIR requirements, and (12) interior and exterior remodeling of an existing marine-oriented industrial structure, and the retrofit of the roof of Warehouse B involves replacing an existing structure where the new structure will be located on essentially the same site, and will be the substantially the same size with substantially the same purpose and capacity, and the electrical infrastructure upgrades and installation of a renewable energy and battery storage system will result in a limited number of small, new facilities and equipment that would provide electricity onsite involving negligible change of the existing use of the property, including utility extensions that would be of reasonable length; and

WHEREAS, the Board of Port Commissioners (Board) finds that said application and attachments contain correct and accurate statements of fact; and

WHEREAS, the Board finds that the Renewable Microgrid conforms to the certified PMP; and

WHEREAS, the Board considered the foregoing categorical exclusions at the April 10, 2018 Board meeting; and

WHEREAS, pursuant to CEQA and its implementing regulations, the District has determined the Final EIR has continuing informational value with respect to the implementation of MM-GHG-6 and the installation of the Renewable Microgrid; and

WHEREAS, pursuant to CEQA Guidelines Section 15168(c), the District examined the Renewable Microgrid in light of the Final EIR to determine whether an additional environmental document must be prepared and found that pursuant to CEQA Guidelines Section 15162, no new effects could occur and no new mitigation measures would be required, and the Renewable Microgrid is within the scope of the project covered by the Final EIR and no new environmental document is required; and

WHEREAS, pursuant to CEQA Guidelines Section 15164, the District has adopted a Second Addendum to the Final EIR because only minor changes or

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additions are necessary for the Final EIR to apply to the Renewable Microgrid, and none of the conditions described in CEQA Guidelines Section 15162 calling for preparation of a subsequent EIR, or in CEQA Guidelines Section 15163 calling for preparation of a supplemental EIR, have occurred.

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners (Board) of the San Diego Unified Port District, as follows:

1. The Board finds the facts recited above are true and further finds that this Board has jurisdiction to consider, approve and adopt the subject of this Resolution.

2. The Renewable Microgrid, in general, consists of the installation and subsequent use of solar panels on the roof of Warehouse B or Warehouse C on the TAMT, an energy storage system, energy efficiency improvements, and electrical infrastructure upgrades (Renewable Microgrid), which at this time is expected to result in a reduction of 361 MTCO₂e annually and to fulfill a portion of the TAMT's Redevelopment Plan's Final EIR requirement for the 2035 buildout year.

3. The Renewable Microgrid is located within Planning District 4, Tenth Avenue Marine Terminal, which is delineated on Precise Plan Map Figure 13 of the certified PMP, and the PMP land use designation within the District jurisdiction is Marine Terminal Industrial and Marine Related Industrial. The Renewable Microgrid is consistent with and conforms to the certified PMP because it proposes to implement a portion of an adopted mitigation measure for the TAMT Redevelopment Plan consistent with the existing certified land use designation.

4. In accordance with the District's CDP Regulations, the Renewable Microgrid implements a portion of Mitigation Measure GHG-6 for development authorized by Coastal Development Permit No. 2016-09 and is excluded from the requirements of a CDP pursuant to section 8.a. (1), (2), (4), and (12), and section 8.b. (1) and/or 8.c. (2) of the District's Coastal Development Permit Regulations because it involves the operation, repair, maintenance and minor alteration to the roof at Warehouse B or Warehouse C involving negligible expansion of its existing use, including (1) interior and exterior alterations to provide electrical conveyances, (2) installation of a PV utility system that will provide electrical power on-site (4) rehabilitation of a deteriorated structure to meet standards of public health and to comply with the District's TAMT Redevelopment Plan's Final EIR requirements, and (12) interior and exterior remodeling of an existing marine-oriented industrial structure, and the retrofit of the roof of Warehouse B or Warehouse C involves replacing an existing structure where the new structure will be located on essentially the same site, and will be substantially the same size with substantially the same purpose and capacity, and the electrical infrastructure upgrades and installation of a renewable energy and battery

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storage system will result in a limited number of small, new facilities and equipment that would provide electricity onsite involving negligible change of the existing use of the property, including utility extensions that would be of reasonable length. The Renewable Microgrid is fully consistent with Chapters 3 and 8 of the Coastal Act, including without limitation the Coastal Act public access and recreation policies referenced therein.

5. The Board also hereby finds that the proposed action or project complies with Section 87 of the Port Act. Section 87 of the Port Act expressly allows for the construction, reconstruction, repair, maintenance, and operation of public buildings, public assembly and meeting places, convention centers, parks, playgrounds, bathhouses and bathing facilities, recreation and fishing piers, public recreation facilities, including, but not limited to, public golf courses, and for all works, buildings, facilities, utilities, structures, and appliances incidental, necessary, or convenient for the promotion and accommodation of any of those uses. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Accordingly, the Board also finds the proposed action or project is consistent with the Public Trust doctrine.

6. Based on the entire record available to the Board and the findings set forth in this Resolution, the Executive Director or her designated representative is hereby authorized and directed to issue a Categorical Determination for the Renewable Microgrid pursuant to section 8.a. (1), (2), (4), and (12), and section 8.b. (1) and/or 8.c. (2) of the District's Coastal Development Permit Regulations.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 10th day of April, 2018, by the following vote: