

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 02-21

- WHEREAS, Charter Section B3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of the City and County of San Francisco; and
- WHEREAS, By Lease No. L-12540, executed February 3, 1998, the Port and West Coast Recycling Co. ("WCR") entered into a lease for certain real property located at Pier 96, as more particularly described in that Lease, for purposes of establishing a recyclable materials handling and maritime cargo source transshipment facility; and
- WHEREAS, Lease No. L-12540 was amended by the First Amendment to Lease, dated June 30, 1998, Second Amendment to and Restatement of Lease, dated December 17, 1998 and Third Amendment to Lease, dated July 9, 2001;
- WHEREAS, WCR, a wholly owned subsidiary company of Norcal Waste Systems, Inc., transferred all of its interest in Lease No. 12540 to Sanitary Fill Company ("SFC"), also a wholly owned subsidiary company of Norcal Waste Systems, Inc. on May 30, 2002; and
- WHEREAS, WCR also transferred its interest in Lease No. L-12550 to SFC, a lease for 3,713 square feet of Office space a the Pier 96 Administration Building; and
- WHEREAS, SFC has agreed to certain minimum through puts of containerized cargo generated at the Pier 96 recycling facility through the Port of San Francisco's container terminals; and
- WHEREAS, SFC has proposed an amendment to its existing lease (L-12540) with the Port of San Francisco ("Port") for premises located at Pier 96 to increase the volume of recyclable and residual materials process at the Pier 96 Facility to a maximum of 2,100 tons per day; and
- WHEREAS, SFC has requested early termination of Lease No. L-12550 for 3,713 square feet of administrative office space; and
- WHEREAS, Under the terms of the existing Lease No. L-12540, SFC is authorized to receive and process sorted and non-sorted recyclable material collected throughout San Francisco and to load shipping containers and trucks with recovered recyclable material; and

- WHEREAS, Prior to the Port Commission's approval of Lease No 12540 to WCR in 1998, the Environmental Review Officer of the San Francisco Planning Department ("City Planning"), as lead agency, conducted an environmental review of WCR's proposed recycling operation at Pier 96 as required by the California Environmental Quality Act ("CEQA"), Public Res. Code, Sections 21000, *et seq.*; and
- WHEREAS, On July 21, 1998, City Planning determined that WCR's recycling operation was exempt from further environmental review under a General Rule Exclusion pursuant to Public Res. Code Section 21085 and Sections 15061(b)(3) and 15301 of Title 14 of the Calif. Code of Regulations ("CEQA Guidelines"); and
- WHEREAS, By Resolution 99-20, the Port Commission approved a 20-year extension of the term of the original lease, with no change in the permitted uses, based on the July 21, 1998 General Rule Exclusion and Categorical Exemption; and
- WHEREAS, Lease No. L-12540, as so extended, restricted the permitted uses consistent with the project analyzed in the July 21, 1998 General Rule Exclusion, which was incorporated by reference in the Lease; and
- WHEREAS, SFC proposes to amend the permitted uses under Lease No. L-12540 to allow SFC to accept and process additional recyclable materials at Pier 96 that will contain residual waste volume that is greater than ten percent of total volumes processed, thus requiring a Solid Waste Facilities Permit from the City Health Department, and could result in more than 350 truck trips per day (hereafter the "Project"), thus requiring further environmental review;
- WHEREAS, On February 16, 2002, City Planning, as lead agency, circulated for public review and comment a Preliminary Negative Declaration, pursuant to the California Environmental Quality Act (CEQA), to analyze the incremental environmental effects of the Project; and
- WHEREAS, On April 18, 2002, City Planning issued a final Negative Declaration for the Project; and
- WHEREAS, The Negative Declaration was tiered from the Southern Waterfront Final Supplemental Environmental Impact Report, Case No. 1999.377E ("SEIR"), which was approved and certified by the City's Planning Commission on February 15, 2001, and which supplements the Waterfront Land Use Plan Final Environmental Impact Report, Case No. 94.155E ("FEIR") that was certified by the Planning Commission on January 9, 1997; and

- WHEREAS, The project analyzed in the SEIR was a proposal for six lease uses and a Port infrastructure project on property under the jurisdiction of the Port known as the Southern Waterfront, generally located from Pier 70 south to India Basin and east of Illinois Street; and
- WHEREAS, The SEIR also analyzed the cumulative impacts of the six lease uses and the Port infrastructure project together with potential future growth in cargo shipping at Piers 80 and 94-96, including potential increases in WCR's recycling operations, the expansion of the Port's dredge material handling program, and future development of Piers 90-94 and Pier 70; and
- WHEREAS, The SEIR concluded that significant cumulative concentrations of PM-10 and diesel particulates and significant cumulative traffic congestion at four intersections could not be mitigated to a level of insignificance; and
- WHEREAS, The Negative Declaration finds that the incremental impacts of the Project will not be significant and that the Project does not contribute to cumulative traffic impacts; and
- WHEREAS, The Negative Declaration finds that the Project's increase in mobile source emissions will result in a less than significant impact on air quality, and relies on the analysis in the SEIR concerning cumulative impacts, which concludes that the activities analyzed in the SEIR, including this Project, in combination with other development along the waterfront, will have a significant cumulative impact on PM-10 and diesel particulate emissions; and;
- WHEREAS, The Port has prepared findings as required by CEQA regarding alternatives, mitigation measures and significant environmental impacts analyzed in the SEIR, overriding considerations for approving the Project and a proposed mitigation monitoring program which material was made available to the public and this Port Commission for the Port Commission's review, consideration and actions; now, therefore, be it
- RESOLVED, that the Port Commission has reviewed and considered the information contained in the Negative Declaration and SEIR and associated attachments, records and references; and be it further
- RESOLVED, that the Port Commission adopts and incorporates by reference the California Environmental Quality Act findings for the Project as set forth in the Negative Declaration; and be it further
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RESOLVED, that the Port Commission has reviewed and considered Planning Commission Motion No. 16093 certifying the SEIR and finding the SEIR adequate, accurate and objective, and reflecting the independent judgement of the Planning Commission; and be it further

RESOLVED that the Port Commission has reviewed and considered the Negative Declaration and SEIR and hereby adopts the findings attached hereto as Attachment A and incorporates the same herein by this reference, including Mitigation Measures Required as Conditions of the amendment to Lease No. L-12540 with the Sanitary Fill Company, the project alternatives, and potential significant environmental effects of the Project, as approved, and a statement of overriding considerations supporting the decision to approve the Fourth Amendment to and Restatement of Lease No. L-12540 with Sanitary Fill Company; and be it further

RESOLVED, that the San Francisco Port Commission, hereby authorizes the Executive Director to execute the Fourth Amendment to and Restatement of Lease No. L-12540 in substantially the form on file with the Secretary of the Port Commission for this Agenda item, upon the terms and conditions as set forth in this Resolution, including Attachment A, and the Memorandum of Agenda Item 6A for the June 25, 2002 Port Commission meeting, incorporating any necessary revisions that are approved by the City Attorney as consistent with this authorization.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 25, 2002.



Secretary