DTSC Setting the Stage for Project Highlighted in China Trip

Governor Brown made headlines recently when he announced during his trade trip to China that a Chinese and American business partnership would develop a $1.5 billion residential and commercial project in Oakland that could create 10,000 jobs over the next eight to 15 years.

What wasn’t announced was the role the California Department of Toxic Substances Control (DTSC) is playing in the development. The department, which oversees the cleanup of toxic sites, is presiding over the preparation of the 64-acre former marine industrial area for redevelopment.

As proposed, Signature Development Group and Zarsion Holdings Group of Beijing are joining forces to develop Brooklyn Basin — an ambitious neighborhood of 3,100 housing units, 200,000 square feet of retail and commercial space, 30 acres of parks and trails, and a marina with up to 200 boat slips.

The project is important not only because it creates jobs and tax revenue, but also prevents contamination from entering the sensitive San Francisco Bay ecosystem, said Karen Toth, DTSC’s Supervising Hazardous Substances Engineer.

“This project is significant for the area because it is transformative,” said Mike Ghielmetti, president of Signature Development Group. “It will take a post-industrial site and transform it into a lively new neighborhood, and in the process reunite it with the City of Oakland.”

A lumber yard, ship repair and maintenance facilities, machine shops, and canneries were among the businesses that once operated on the bay front property that stretches from the Embarcadero on the
Brooklyn Basin continued

north to the Oakland Estuary on the south. It is adjacent to Jack London Square District.

Some of the businesses are gone, but their legacy – metals, petroleum, methane and even DDT – remain. The Port of Oakland, which owns the property, selected Oakland Harbor Partners (Signature Development Group is the managing member) to develop the site in 2001. DTSC became involved in 2005 under a voluntary agreement with Oakland Harbor Partners.

The deal with Zarsion Holdings gives the long-planned project a boost.

But the property can’t be developed until it is safe, and that’s where DTSC comes in. The department is overseeing a cleanup plan approved in 2010. The plan calls for:

- Excavating 48,000 cubic yards of contaminated soil from various hot spots;
- Covering the site with two feet of clean soil, roads and buildings to prevent direct contact;
- Installing vapor control systems on buildings to prevent intrusion of contaminated soil gas;
- Long-term groundwater monitoring;
- Land-use restrictions.

The redevelopment and cleanup are expected to take 10 to 15 years, and will occur in phases, with the first construction occurring in 2015, according to this story in the San Jose Mercury News. Mitigation of the effects of climate change and sea level rise will be designed into both the development and cleanup.

“That’s a normal part of doing business in the Bay Area now,” Toth said.