



**City of Pittsburgh Trust Lands Use Report**  
Covering the Period July 1, 2017 – June 30, 2022

Submitted July 7, 2022

## Table of Contents

Section 1. General Description of Trust Lands Uses	1
Section 2. Leaseholders and Permits Granted in the Trust Lands	2
A. Industrial Uses	2
B. Public and Commercial Uses	6
C. Private Docks	9
Attachments	10
1. Lease No. PRC 444.1, NRG California North	
2. Lease No. PRC 415.1, NRG Delta	
3. Lease No. PRC 2757.1, Tesoro Refining and Marketing Co.	
4. Lease No. COP 0001, Marine Express	
5. Lease No. PRC 7872, Isle Capital Corporation	
6. Lease No. PRC 7643.1 USS-POSCO Industries	
7. Lease No. 18. Dow Chemical Company / Corteva Agriscience, LLC	
8. Commercial Tidelands Lease by and between the City of Pittsburg and Global Resources Trading, LLC	

## **Section 1. General Description of Trust Lands Uses**

The City of Pittsburg is trustee for approximately 185.4 acres of Trust Lands that run along the City's northern residential, industrial, commercial, and park-zoned shoreline. Much of this acreage is submerged and houses infrastructure vital to upland industrial purposes. In 2017, industrial users from east to west along the Pittsburg's Trust Lands included DOW Chemical, USS-POSCO, Isle Capital, LLC, Marine Express, Tesoro, and NRG. Specific activities for each of these Trust Lands users and any successors since 2017 can be seen below in Section 2. The sites themselves along with their associated access to the Sacramento Deep Water Channel and rail lines represent a focus corridor within the Contra Costa County Northern Waterfront Economic Development Initiative (Northern Waterfront Initiative). The Northern Waterfront Initiative aims to elevate East Contra Costa County by attracting advanced manufacturing sub-sectors to create 18,000 new jobs by 2035 in advanced transportation fuels, bio-tech/bio-medical, diverse manufacturing, food processing, and clean tech clusters.

Since 2017, several of users have vacated the upland parcels discontinuing industrial use in the associated Trust Lands. This has created opportunity for the community and City of Pittsburg to bring new recreation, tourism, economic development, and sustainability to Pittsburg's waterfront. Remaining Trust Lands acreage is populated by two waterfront parks, an East Bay Regional Park District regional preserve, public boat launch ramps and their associated parking lots, the Pittsburg Municipal Marina, and a vacant 1-acre non-submerged Marine Commercial-zoned parcel.

## **Section 2. Leaseholders and Permits Granted in the Trust Lands**

### **A. Industrial Uses**

- i. APN 085-010-012: Leases No. PRC 444.1 and 415.1 - NRG California North and NRG Delta

Since 2015, NRG California North and NRG Delta leased approximately 60 submerged Granted Trust Land acres from the City of Pittsburg on which an industrial wharf formerly used for piping oil from ships to support the upland NRG Pittsburg Power Plant (Plant) is located. The Plant generated 1,029 megawatts of electricity until its closure in December, 2016. The Plant accounted for just over 16% of the entire company's conventional electrical generation portfolio which also includes renewables and other sustainable energy sources. NRG customers range from large to small businesses, as well as residential users in the Bay Area. Post-closure, the Plant has been unused though industrial structures remain. In April 2021, after the sale of the associated upland property, the City formally terminated these leases and inherited the industrial wharf upon receipt of a negotiated termination fee. Removal of the upland industrial structures has been proposed by the new upland property owner and future use

## City of Pittsburg Trust Lands Use Report

July 1, 2017 – June 30, 2022

of the wharf is under consideration by the City through a feasibility study and community engagement process expected to complete in 2023.

Total Invoiced Since 2017:	\$6,138,151
Total Payments Received Since 2017:	\$6,138,151

For Restrictions Placed on NRG CA North / NRG during the period which leases No. PRC 444.1 and 415.1 were active, please reference Leases No. PRC 444.1 and 415.1. Some highlights include:

1. Trust Lands Lease Agreement Stated: "The Property is subject to that certain tidelands trust plan adopted by the City on January 20, 2009 in accordance with Public Resources Code Sections 6361 through 6369.3 (as may be amended from time to time, the "Trust Plan")."
2. Trust Lands Lease Agreement Stated: "Changes and Alterations. During the Term of this Agreement, the Tenant shall not make any change, alteration or addition to the Property (collectively, the "Improvements") that would materially alter the function or appearance of the Property without the prior written consent of the City, which consent shall be at the City's sole discretion. All alterations and additions shall be made at the Tenant's sole cost and expense and shall comply with all of the following:
  - (a) The Improvements may not materially impair the value or structural integrity of the Property.
  - (b) No Improvements may be undertaken until the Tenant has obtained all required permits and authorizations of any federal, state or local government or departments or subdivisions of any of them, having jurisdiction including, but not limited to, approval from the State Lands Commission (collectively, the "Entitlements"). The Parties agree that this Agreement will have no bearing on the City's consideration of the Tenant's application(s) for the Entitlements, and that the City reserves its full discretion to the extent allowed by Applicable Laws with regard to the application(s) for the Entitlements, including the right to deny the application(s), if allowed by Applicable Laws.
  - (c) The Improvements must be made in a good and workmanlike manner and in accordance with all applicable permits and all Applicable Laws. Prior to approval of any construction, change, alteration or repair, the Tenant shall deliver to the City no less than One Hundred Eighty (180) days written notice of the proposed work, a general description of the proposed work and sufficient information to allow the City sufficient time to review such request and to amend the Trust Plan if the City deems such amendment necessary prior to approval of such Improvements by the State Lands Commission."

**City of Pittsburg Trust Lands Use Report**

July 1, 2017 – June 30, 2022

ii. APN 073-010-011: Lease No. PRC 2757.1 - Tesoro Refining and Marketing Co.

Since 2017, the upland property abutting approximately 2.5 acres of Submerged Granted Trust Lands was vacant, though historically used for storage, production, and movement of petroleum coke. Within the Submerged Trust Lands was a dilapidated abandoned 60,000 square foot pier. Upon the sale of the associated upland property to the Making Waves Foundation (the Foundation), the pier was removed (with full permits). This removal project was completed in October 2019 and Lease No. PRC 7643.1 was terminated on February 20, 2020.

In addition to the former Tesoro property, the Foundation also purchased adjacent waterfront property to the west was formerly used in the operations of asbestos production and storage and has no record of a Trust Lands Lease associated (shown on the attached map as Johns Manville,). The Making Waves Foundation planned to build publicly available ball fields and sports courts on its newly obtained waterfront parcels to compliment the construction of a K-12<sup>th</sup> grade charter school on neighboring upland property. The Foundation however was unsuccessful at obtaining a charter from the state and shortly after listed the properties for sale. It is the City's understanding that they are still for sale.

Total Invoiced Since 2017:	\$34,326
Total Payments Received Since 2017:	\$34,326

For Restrictions Placed on Tesoro Refining & Marketing Co. during the period in which Lease No. PRC 7643.1 was active, please reference Leases No. PRC 7643.1.

iii. APN 073-020-012: Lease No. COP 0001 - Marine Express

Marine Express is a deep draft vessel support company that operates a fleet of tug and work boats to support interstate and foreign commerce shipping throughout California. Marine Express entered into Tidelands Lease No. COP 0001 with the City in 2009 for approximately 0.5 acres of submerged Granted Trust Lands. The Trust Lands adjacent to Marine Express are proposed to be used to support Marine Express including the construction and use of a dock, however approvals for its upland use have not been granted by permitting agencies and the dock is yet to be constructed. On November 2, 2020 Lease No. COP 0001 was terminated as Marine Express operations do not require water access at this time.

Total Invoiced Since 2017:	\$4,950
Total Payments Received Since 2017:	\$4,950

For Restrictions Placed on Marine Express during the time that Lease No. COP 0001 was active, please reference Lease No. COP 0001. Some highlights include:

## City of Pittsburg Trust Lands Use Report

July 1, 2017 – June 30, 2022

1. Tidelands Lease Agreement States: "The Property is subject to that certain tidelands Trust Plan adopted by the City on January 20, 2009 in accordance with Public Resources Code Sections 6361 through 6369.3 (as may be amended from time to time, the "**Trust Plan**") and whatever littoral rights Tenant has or may have under Applicable Laws, if any."

iv. APN 073-020-022: Lease No. PRC 7872 - Isle Capital Corporation

Since 1997, Isle Capital Corporation has leased approximately 6 acres of sovereign Trust Lands within the City of Pittsburg. It has subleased the area and the 30,000 square foot pier and two 100 foot docks within it to Koch Carbon, LLC for operation of a terminal that sources, supplies, handles, and transports bulk commodities like petroleum coke, sulfur, coal, iron ore, cement, salt, stone, metallurgical coke, pulp, recovered paper, and lumber products. Koch companies, including and exemplified by its operations in Pittsburg, strive for world-class performance and efficient operations, earning recognition for superior performance in environmental protection, health and safety.

Total Invoiced Since 2017:	\$647,113
Total Payments Received Since 2017:	\$647,113

For Restrictions Placed on Isle Capital and its Sublessees, please reference Lease No. PRC 7872.

v. APNs 073-020-007, 073-020-014, and 073-210-008: Lease No. PRC 7643.1 - USS-POSCO Industries

Since 2006, USS-POSCO Industries has leased approximately 14 acres of submerged Trust Lands within the City of Pittsburg. Its operations on the adjacent upland property have included production of cold-rolled sheets, galvanized sheets, tin plate, and tin-free steel from hot bands provided by U.S. Steel (USS) and Pohang Iron & Steel Co., Ltd. (POSCO) (until 2020). Within the leased Trust Lands is a 3,500 square foot dock and 1,000 foot concrete pier that support the upland use. In 2022, USS-POSCO Industries announced the impending sale of its upland property (property still in contract) and planned closure by approximately mid-2024. The City is assisting in the assignment of Lease No. PRC 7643.1 from USS-POSCO to the new owner, and a temporary sublease back to USS-POSCO for continued use through this time period. In addition to USS-POSCO's operations, the impending property owner plans to lease the existing dock and pier for transport of goods.

Total Invoiced Since 2017:	\$1,512,926
Total Payments Received Since 2017:	\$1,512,926

## City of Pittsburg Trust Lands Use Report

July 1, 2017 – June 30, 2022

For Restrictions Placed on USS-POSCO Industries, please reference Lease No. PRC 7643.1.

vi. APN 073-020-015: San Francisco Bay Aggregates

Within the reporting period, San Francisco Bay Aggregates LLC purchased upland waterfront property in Pittsburg. While SF Bay Aggregates has not leased or used granted Trust Lands in Pittsburg, the business plans to expand its laboratory-scale carbon sequestering aggregate manufacturing operations to market-scale requiring the use of the bordering Trust Lands for product shipping. In 2019, SF Bay Aggregates embarked on a pilot program for its technology with subsequent expansion based on pilot findings.

Total Invoiced Since 2017:	\$0
Total Payments Received Since 2017:	\$0

At this time, SF Bay Aggregates is not authorized to enter or utilize the Granted Trust Lands in Pittsburg associated with its upland property in Pittsburg.

vii. Remainder of shoreline east of APN 073-210-008 and west of Pittsburg City border: Lease No. 18 - Dow Chemical Company / Corteva Agriscience LLC

Since 2014 the Dow Chemical Company (Dow) has leased approximately 50 acres of Granted Trust Lands from the City of Pittsburg. About half of this acreage is considered “industrial” and the other half “undeveloped.” Since 2017 Dow operations have included research and development and the manufacturing of products for agricultural operations, pest control services, paper manufacturers, carpet mills, and biocides. On the Industrial portion of Dow’s leased Trust Lands, an industrial wharf used for receipt of salt shipments to support Dow operations is located on the Trust Lands abutting Dow’s upland property. The Undeveloped Area of Dow’s leased Trust Lands is in its natural state. In February, 2022 Dow assigned its Tidelands Lease for use of this wharf with the City of Pittsburg to Corteva Agriscience, LLC (Corteva), an associated legal entity.

Total Invoiced Since 2017:	\$2,294,344
Total Payments Received Since 2017:	\$2,294,344

For Restrictions Placed on Dow / Corteva Use, please reference Lease No. 18. Some highlights include:

1. Tidelands Lease Agreement States: “The Property boundaries are subject to potential modification as a result of the State Lands Commission determination of the actual Trust Land boundaries as granted to the City under Senate Bill 551, and subsequently leased to Tenant.”

## City of Pittsburg Trust Lands Use Report

July 1, 2017 – June 30, 2022

2. Tidelands Lease Agreement States: “The Property is subject to that certain tidelands Trust Plan adopted by the City on January 20, 2009 in accordance with Public Resources Code Sections 6361 through 6369.3 (as may be amended from time to time, the "**Trust Plan**"). The Property is also subject to California State Senate Bill No. 551, Approved by the Governor on October 2, 2011.”

### B. Public and Commercial Uses

No considerations are made or received for the following public uses except for the Berm (detailed below).

The City has placed the following restrictions on all of the public Trust Lands in Pittsburg listed below (additional restrictions for the Berm are detailed below):

1. On June 6, 2022 Resolution No. 22-14104 all Granted Trust Lands within Pittsburg Exempt Surplus Lands. This supports the Public Trust Doctrine and SB 551 Granting Statutes of 2011 in exempting these lands from residential uses.
  2. Per the City of Pittsburg’s Zoning Code and General Plan, uses at Riverview Park, Central Harbor Park, Browns Island are restricted to Open Space and Park uses.
  3. Per the City of Pittsburg’s Zoning Code and General Plan, uses at the Pittsburg Municipal Marina & Launch Ramps and the Berm are restricted to Waterfront Commercial uses including: opportunities for commercial development that enhances the city’s waterfront, that serves as an attraction for residents and visitors, and that incorporates services that are related to the waterfront. Guest-serving and pedestrian-oriented uses, including retail, restaurant, recreational and hotel facilities, are encouraged throughout the Waterfront Commercial district. Offices, research and development, and marine service establishments such as boat repair and storage are also allowed, subject to limitations that ensure that such uses do not detract from the pedestrian space within the district.
- i. APN 085-010-013: Riverview Park

This four-acre park is located at the northern end of River View Park Drive. The portion within the Trust Lands features a 150-foot fishing pier, jetty, and two non-motorized launch ramps. In 2015, the City of Pittsburg completed construction of the Riverview Park Non-Motorized Watercraft Launch Ramps. The ramps offer access to the San Joaquin Delta for recreational activities such as advanced kiteboarding. The City unveiled the ramps in June 2015 with a kiteboarding competition that attracted over 30 athletes that showcased their big air, freestyle, and slalom skills for the public. The competition continued with success annually

## City of Pittsburg Trust Lands Use Report

July 1, 2017 – June 30, 2022

until the onset of the COVID-19 pandemic. The remainder of the park houses a playground, public restrooms with showers, and several picnic and barbecue areas with breathtaking views of the San Joaquin Delta that make it the perfect launch location for Pittsburg's annual 4<sup>th</sup> of July fireworks show.

The COVID-19 pandemic has impacted this park immensely as its secluded location at the edge of town attracts the unhoused and unsavory activity. This park has been a high priority area for police patrol and deployment of homeless services.

ii. Central Harbor Park (No APN)

This one-and-a-half acre park lies within the Trust Lands and provides public access to the waterfront and features a gazebo, benches and seating walls, public restrooms, open lawn area, and a spectacular view of the San Joaquin Delta. It is frequented by fishermen and recreators due to its waterside paths, and is the site of the City's annual community fishing derby. The Park is the subject of a Sacramento-San Joaquin Delta Conservancy Proposition 68 Planning Grant with which the City is currently planning extensive upgrades to the paths of travel, access, restrooms, shade structures, security features, and other amenities.

iii. Pittsburg Municipal Marina & Launch Ramps (No APN)

The Pittsburg Municipal Marina is located just north of Marina Boulevard and East 3rd Street. It is owned and operated by the City of Pittsburg. The Marina is located on both Trust Lands and adjacent non-trust lands. The Marina features 274 covered and 301 uncovered boat slips, three 24-hour motorized public launch ramps, one ADA-accessible non-motorized vessel launch ramp, kayak and stand-up paddle board rentals, public restrooms, boater restrooms, and four fuel pumps.

iv. The Berm (No APN)

The Berm is a 1.7 acre upland site directly east of Pittsburg's public boat launch ramps. Of the 1.7 acres, 1 acre lies within Pittsburg's granted Trust Lands. The non-Trust Lands site currently houses two City-owned portable buildings leased to Global Resources Trading, Inc (GRT) for operations of a bait shop, fish market and café. GRT has proposed to create a tourist destination on the 1-acre adjacent Trust Lands parcel with a 3-story building containing two restaurants, 7 luxury suites, and a 10,000 square foot banquet/meeting hall. A Tidelands Lease was approved by Pittsburg City Council on June 6, 2022 in association with this potential development.

Total Invoiced Since 2017:	\$19,335.16
Total Payments Received Since 2017:	\$19,335.16

## City of Pittsburg Trust Lands Use Report

July 1, 2017 – June 30, 2022

For Restrictions Placed on Global Resources Trading, please reference Lease the Tidelands Lease by and Between the City of Pittsburg and Global Resources Trading, LLC. Some highlights include:

1. Tidelands Lease states, “Tenant accepts the within Lease with full knowledge that the Property must be maintained and operated in compliance with the restrictions set forth in Senate Bill 551 and the City of Pittsburg TLUP, including but not limited to the maintenance of public access to the shoreline on the property, and the prohibition on residential use.”
2. Tidelands Lease states, “Tenant accepts the within Lease with full knowledge that development of the Property and operation of the Business on the Property are subject to receipt of all permits required by the City and environmental review as required by CEQA. Nothing in this Lease shall be construed as constituting approval for development of the Property or operation of the Business on the Property.”

v. APN 074-010-001: Browns Island

Browns Island is a regional preserve of the East Bay Regional Park District (EBRPD). The 595-acre island is separated from Winter Island to the east by Middle Slough, and bounded by New York Slough on the south and Suisun Bay on the west and northwest. The island is home to six rare and endangered plant species, and a variety of aquatic birds.

vi. Lease No. 18 - Corteva Wetlands Preserve (No APN)

The Corteva Wetlands Preserve extends from the Corteva Plant, east to the Antioch Marina. The acre of the Preserve that lies within the Trust Lands is comprised of extensive tideland marsh areas and wetlands. The preserve is home to three endangered species and two threatened species – the Salt Marsh Harvest Mouse; Mason’s Lileopsis; Suisun Aster; Black Shouldered Kite; and Northern Harrier. Over 130 species of birds have been sighted at the Preserve, which is located along the ‘Pacific Flyway’ migration route. For several years, the City of Pittsburg and the Pittsburg Unified School District have partnered with DOW/Corteva to provide programs that educate students about the importance of clean water and marine habitats.

### C. Private Docks

Where Bay Harbor Park Residential Subdivision borders the Trust Lands (southeastern portion of APN 085-290-001), there are six private docks attached to residential homes. When Pittsburg was granted sovereign Trust Lands within its City limits, these six private docks already provided access to Trust Lands from this neighborhood. The City has confirmed that these docks received a varied collection

## City of Pittsburg Trust Lands Use Report

July 1, 2017 – June 30, 2022

of construction permits but found no records of approval from the CA State Lands Division nor City. These docks are therefore used privately and the City has explored with the CA State Lands Division methods for bringing these docks into compliance with the City's granting statutes and Public Trust Doctrine. It seems this is not a situation unique to Pittsburg. The City has communicated the prohibition of additional private structures in the granted Trust Lands with the Bay Harbor Park Homeowner's Association and has notified permitting staff of the restriction.

No considerations have been made or received for the private docks.

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