

**CAPITAL PROGRAMS AND CLIMATE FINANCING AUTHORITY (CPCFA)
CALIFORNIA RECYCLE UNDERUTILIZED SITES REMEDIATION PROGRAM**

Meeting Date: April 21, 2026

**Request to Extend Infill Grant Agreement under the California Recycle
Underutilized Sites (CALReUSE) Remediation Program**

Prepared by: *Thaddaeus Brown*

Applicant:	MacArthur Transit Community Partners, LLC
Project Name:	MacArthur Transit Village
Project Location:	Oakland (Alameda County)
Type of Funding:	Grant
Amount Awarded:	\$2,981,000
Amount Disbursed:	\$2,981,000
Resolution No.	26-003-002
Prior Actions:	Approved 11/19/08 Amended 8/16/16 Amended 12/13/16 Amended 11/17/20 Amended 6/20/2023 Amended 6/18/2024

Summary

MacArthur Transit Community Partners, LLC, (“Grantee”) requests an amendment to the Infill Grant Agreement to extend the term until July 31, 2031, to comply with additional soil gas vapor monitoring required by the San Francisco Bay Regional Water Quality Control Board (“Water Board”).

Project Background

On November 19, 2008, the Board approved a grant in the amount of \$2,981,000 for the remediation of a brownfield site and the development of 312 for-sale and rental units of

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which 94 were to be affordable. The brownfield site previously contained an automotive repair garage, two gas stations, and on-site dry-cleaning operations. The MacArthur Transit Village Project is located in North Oakland and part of a larger 8.2-acre infill development project area planned for redevelopment.

At the August 16, 2016, meeting, the CPCFA Board approved the following modifications to the Infill Grant Agreement: a change to the number of housing units from 312 units (94 affordable) to 377 units (89 affordable), an extension to the term of the Infill Grant Agreement until December 31, 2020, and consent to the transfer of Parcels A and C1 to Hines Interests, LP, and Parcel B to Boston Properties, LP, for the development of market rate housing.

The Grantee completed the first phase of housing in March 2016, with the completion of the Mural Apartments, a 90 unit (89 affordable) mixed-use transit-oriented development project located adjacent to the MacArthur BART Station. The remaining market rate housing units were completed in 2019.

Remedial work under the CALReUSE grant has been completed. However, the oversight agency for the project, the Water Board, required the developer of Parcel C1 to monitor soil gas vapors for a specified period before providing a “no further action” letter. The vapor monitoring was originally scheduled to be completed in the second quarter of 2020.

In November of 2020, CPCFA approved an extension to June 30, 2023, to comply with additional soil gas vapor monitoring.

In June of 2023, CPCFA approved an extension of the term of the Infill Grant Agreement from June 30, 2023, until July 31, 2024, also to comply with additional soil gas vapor monitoring required by the Water Board.

On June 18, 2024, CPCFA approved an extension of the term of the Infill Grant Agreement from July 31, 2024, to July 31, 2026, to comply with the continual soil gas vapor monitoring required by the Water Board.

Current Status and Request

The housing development and remediation work for the MacArthur Transit Village project was completed in 2019 except for ongoing soil vapor monitoring at parcel C1, which was projected to last through late 2024.

The Grantee's environmental consultant has been coordinating soil vapor monitoring at the site with the Water Board as the oversight agency. Based on results from the last round of soil vapor testing conducted in April 2024, the Water Board presented two paths for soil vapor monitoring low-threat site closure to the consultant on October 1, 2024. The first option was to place a deed restriction on the site to cease annual soil vapor testing, destroy the soil vapor monitoring equipment, and provide an Operations & Maintenance Plan to the Water Board. The second option was to continue routine annual soil vapor monitoring indefinitely.

During the 4th quarter of 2025, the environmental consultant proceeded with the first option to place a deed restriction on the site, but the Water Board changed their recommendation on December 22, 2025 and specified that at least one additional round of soil vapor testing would be needed in July through September 2026 period to confirm that contaminants of potential concern (COPCs) at the site are showing stable to decreasing concentration trends. If the next round of testing results show stable to decreasing concentration trends, the Water Board will likely issue a No Further Action letter. If not, the Water Board will continue to require ongoing soil vapor testing until stable to decreasing concentration trends are observed.

Assuming the testing results in 2026 show stable to decreasing trends, the consultant will prepare and submit a report to the Water Board with a recommendation to approve a low threat site closure. The Water Board typically takes 30 – 60 days to approve and accept the report. Additional tasks that will be required prior to site closure are anticipated to include notifying nearby property owners and occupants of the proposed case closure (Water Board prepares notification and distributes, followed by a 60-day comment period), preparation of an Operations and Maintenance (O&M) Plan (which will need to be reviewed and approved by the Water Board), destruction of the one soil

vapor well and four soil vapor probes onsite, and preparation of a Well Destruction Completion Report.

A 5-year extension would allow for completion of the above-described work, if the Water Board review and approval of the various reports and documents is completed in a timely manner.

Staff Analysis

Extending the term of the Infill Grant Agreement through July 31, 2031, allows the Grantee to comply with additional soil gas vapor monitoring required by the Water Board and any additional requirements to close out the grant. Therefore, approval of the requested extension is appropriate as it is in the public interest and furthers the purposes of the program under section 8102.8(b) of the Authority's regulations.

Board Action

CPCFA staff recommends approval of Resolution No. 26-03-002 to extend the current grant expiration to July 31, 2031, for the MacArthur Transit Village project.

**A RESOLUTION OF THE CAPITAL PROGRAMS AND CLIMATE FINANCING
AUTHORITY APPROVING THE REQUEST TO AMEND THE GRANT DOCUMENTS
UNDER THE CALIFORNIA RECYCLE UNDERUTILIZED SITES REMEDIATION
PROGRAM**

April 21, 2026

WHEREAS, the Capital Programs and Climate Financing Authority (the “Authority”), a public instrumentality of the State of California, is authorized by the Authority’s Regulations (Article 9 (commencing with Section 8090) of Title 4 of the California Code of Regulations)”to implement and make specific the statutory provisions of the California Recycle Underutilized Sites (CALReUSE) Remediation Program; and

WHEREAS, Section 53545.14 of the Health and Safety Code authorizes the CALReUSE Remediation Program to administer grant and loan funding for the purpose of brownfield cleanup that promotes infill residential and mixed-use development, consistent with regional and local land use plans; and

WHEREAS, on November 19, 2008, the Authority approved a grant for MacArthur Transit Community Properties, LLC, (“Grantee”) in the amount of \$2,981,000, as reflected in that resolution; and

WHEREAS, the Grantee has the authority and responsibility to complete the Brownfield Infill Project and Infill Development Project as described in the Infill Grant Agreement dated December 1, 2010 (“Agreement”); and

WHEREAS, the remediation has required additional soil gas vapor monitoring by the San Francisco Bay Regional Water Quality Control Board (“Water Board”) until December 2022; and

WHEREAS, the Grantee cannot complete the Brownfield Remediation Final Report as required by Section 5.3 of the Infill Grant Agreement until the monitoring is complete and the Water Board issues a no further action letter; and

WHEREAS, the Authority amended the Infill Grant Agreement on November 17, 2020, to extend the term of the Infill Grant Agreement to June 30, 2023; and

WHEREAS, the Authority approved to extend the term of the Infill Grant Agreement from June 30, 2023 to July 31, 2024, and

WHEREAS, the Authority approved to extend the term of the Infill Grant Agreement from June 31, 2024 to July 31, 2026, and

WHEREAS, the Grantee requested an extension to the term of the Infill Grant Agreement from July 31, 2026 to July 31, 2031, and

WHEREAS, the Authority finds that extending the term of the Infill Grant Agreement until July 31, 2031, is in the public interest and advances the purposes of CALReUSE Remediation Program;

NOW, THEREFORE, BE IT RESOLVED by the Capital Programs and Climate Financing Authority, as follows:

Section 1. The term of the Infill Grant Agreement dated December 1, 2010, is extended to July 31, 2031.

Section 2. Except as specifically amended in this and prior Authority resolutions, all provisions and conditions of the Infill Grant Agreement dated December 1, 2010, shall remain unchanged and in full force and effect.