



Legislation Text

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**Report to Carson Reclamation Authority**

Tuesday, December 04, 2018

Consent

**SUBJECT:**

**RECEIVE AND FILE CAL COMPACT LANDFILL PROGRESS REPORT**

**I. SUMMARY**

After three and a half years of Carson Reclamation Authority ownership, this is a progress summary of the Cal Compact Landfill project. It includes some project landfill history; description of the environmental remedy, including the groundwater extraction system, the landfill liner, and the landfill gas collection system; a description of some of the various earlier development attempts; the Carson Marketplace development, the AIG EPP, the Tetra Tech contract; a full description of the insurance and risk management programs; the termination of the Tetra Tech contract and the AIG EPP and the establishment of the DTSC Enterprise Fund; the CALReUSE grant; the development of the phased development plan; the negotiations with Macerich, Simon, and other developers on the site; and, the current work under contract on the site.

**II. RECOMMENDATION**

1. RECEIVE AND FILE CAL COMPACT LANDFILL PROGRESS REPORT

**III. ALTERNATIVES**

Take another action the Board deems appropriate.

**IV. BACKGROUND**

The CRA took title to the Site on May 18, 2015, as part of a transaction with Cardinal Cavalry, LLC, a partnership formed for the purpose of developing an NFL stadium on the site for the San Diego Chargers and the Oakland Raiders. Prior to the CRA's acquisition, the parcel was under private ownership with a developer seeking to implement the Boulevards at South Bay project, a mixed use project featuring retail, residential, and entertainment uses on the Site.

The CRA itself was created in February, 2015 in order to facilitate this transaction and to

mitigate the City's potential environmental liability as the owner of a landfill.

Since 1968, when the former landfill closed, the Site has been studied and analyzed for its ability to be remediated and developed into productive land uses, as it represents some of the best-located real estate in Southern California.

Today, the CRA has negotiated a Conveyancing Agreement with CAM-Carson, LLC, a partnership between the Macerich Company of Santa Monica and Simon Property Group of Indianapolis, to develop a high-end fashion outlet mall on Cell 2 of the Site. Macerich and Simon are among the largest retail developers in the country. At full completion, the outlet mall would feature over 500,000 square feet of retail gross leasable area on a 41 acre site that faces the 405 Freeway.

As of the date of this Report, the CRA is also under an Exclusive Agreement to Negotiate with Grapevine Development, LLC for the development of Cell 1 with hospitality and regional sports/entertainment uses. Grapevine's agreement also allows them to propose a site plan for Cells 3, 4 and 5 within the initial period. If deemed feasible and desirable by the CRA, a new ENA would be drafted for those cells. If not, CAM-Carson has a Right of First Negotiation on whichever cells are available.

Nearly all of the design work is complete on the vertical improvements on Cell 2, and the environmental design, which lags because it responds to the vertical improvements, is nearly complete. The initial pre-construction activity is underway, with the relocation of soil stockpiles and the implementation of the indicator (test) pile driving program to collect data on some of the actual sub-surface conditions on Cell 2. Heavy work will commence in January. Nearly all the initial field work is performed by contractors hired by RES, the CRA's Horizontal Master Developer, on behalf of the CRA. A large portion of the cost of the work is to be reimbursed by CAM-Carson.

This report provides a brief summary of the history of the Site and a chronology and summary of the activities of the CRA since its formation in 2015, a status report on where the redevelopment project is today, and a discussion on what the next steps are in the project.

## **V. FISCAL IMPACT**

None.

## **VI. EXHIBITS**

1. CAL COMPACT LANDFILL PROGRESS REPORT (pgs. 3-65)

1.

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