

STAFF REPORT

DATE: November 5, 2019

TO: City Council

FROM: Ashley Feeney, Assistant City Manager
Sherri Metzker, Principal Planner

SUBJECT: Aggie Research Campus Supplemental EIR Contract

Recommendation

Staff recommends that the City Council:

1. Approve the attached Resolution authorizing the City Manager to enter into a contract with Raney Planning & Management, Inc. to prepare the Supplemental EIR; and;
2. Approve the attached Budget Adjustment appropriating \$239,566.00 for the Aggie Research Campus Project Supplemental Environmental Impact Report (SEIR) and California Environmental Quality Act (CEQA) Addendum.

Council Goals

This action does not directly relate to a current City Council goal.

Fiscal Impact

The contract amount totals \$239,566.00. This includes \$189,571.00 for the estimated SEIR costs, plus a previous contract to prepare CEQA Addendum is \$49,995.00. All SEIR and CEQA -related costs will be covered by the applicant. . The total cost will cover the impact evaluation of the changed conditions on all sections of the 2017 EIR, including but not limited to traffic, air quality, greenhouse gases, health risk assessment, noise, and biology.

Background

On September 19, 2017, the City Council adopted Resolution 17-125, certifying the Final Environmental Impact Report (“EIR”) for the Mace Ranch Innovation Center project (“MRIC”). The planning applications related to the EIR were subsequently put on hold. On June 11, 2019, the City received a letter from the property owners of the MRIC project site (Buzz Oates, Reynolds & Brown, and Ramco Enterprises) requesting the City recommence with processing of their innovation center application, which has been renamed as the Aggie Research Campus (“ARC”). On September 30, 2019, the applicant submitted a project description and a number of other exhibits related to their application that are under review and are included as informational attachments to this staff report. On October 8, 2019, staff brought an ARC application update and a request to establish a City Council subcommittee for the project.

The October 8, 2019 staff report can be found at <http://documents.cityofdavis.org/Media/Default/Documents/PDF/CityCouncil/CouncilMeetings/Agendas/20191008/05E-ARC-Application.pdf>.

Additional project information and updates can be found on the City website at: <https://www.cityofdavis.org/city-hall/community-development-and-sustainability/development-projects/aggie-research-campus>.

Raney Planning & Management was the consultant that prepared the EIR for the MRIC project, which included a mixed-use alternative. The applicant team has chosen the mixed-use alternative as the version of the project to be brought before the decision-makers for their consideration. The mixed-use version of the project was evaluated in the certified EIR at a level equal to that of the proposed project. The proposed MRIC project consisted of a Planned Development (PD), which included 1,580,000-square feet (sf) of research/office/research and development uses, 884,000 sf of manufacturing/research uses, 40,000 sf of ancillary retail uses, and 150,000 sf of hotel/conference uses. Eventual development of the proposed MRIC project, totaling 229 acres, would have required annexation of the 212-acre MRIC site, which included the 25-acre City owned parcel, and the 16.48-acre Mace Triangle, into the City of Davis. The certified MRIC EIR also included an equal weight analysis of a Mixed-Use Alternative in Chapter 8. The Mixed-Use Alternative provided the same non-residential square footage and land uses as the proposed MRIC project, but included up to 850 residential units intended to support the innovation center's employee-generated demand for housing, residential and retail square footage of 324,162 square feet, not including the parking structure, results in a floor area ratio of 0.90.

The currently proposed version of the mixed-use alternative, known as Aggie Research Campus (ARC), is in substantial conformance with the Mixed-Use Alternative version evaluated in the 2017 certified EIR. Relatively minor differences consist of eliminating the City-owned 25-acre parcel from the proposed development area, although this property would still be included in the proposed annexation limits. The proposed 194-acre research campus would consist of 36.7-acres of research and development offices and retail uses, 65.2-acres of research and development manufacturing offices, as well as approximately 850 mixed-use units on 27.4-acres. The project would also include 10.9 acres dedicated to a park and greenway, as well as 22.6 acres of agricultural buffer along the perimeter of the site consisting of multi-use trails and greenways. Other minor differences consist of revisions to the on-site infrastructure and roadways to improve circulation within the project site. As was originally the case, the proposed mixed-use alternative would still include annexation of the "Mace Triangle" area, south of CR 32A, to avoid creation of a County island, upon annexation of the ARC. The Mace Triangle site consists of three parcels (APN 033-630-006, -11, -012) totaling 16.48-acres, located directly southwest of the ARC site and north of Interstate 80. The project applicant is currently seeking City approval of the following program-level entitlements for ARC:

- General Plan Amendment;
- Pre-Zoning (Preliminary P-D);
- Development Agreement; and
- Baseline Project Features (for Measure R vote).

Subsequently, and in order to allow physical site development, the project will require the following additional discretionary approvals:

- Final Planned Development;
- Site Plan & Architectural Review; and
- Tentative Maps.

Recommended EIR Contract

The project site is bordered by Mace Road on the west and Chiles Road on the south. Presently, the property is located within the jurisdiction of Yolo County. The property lies at the eastern entry point to the City for many vehicles, bicycles, and pedestrians and very near the Interstate 80 mainline. Mace Boulevard and Chiles Road are City arterial streets with many busy intersections in the vicinity. Potential traffic impacts will be one primary area of focus for the SEIR. Raney Planning and Management will be evaluating the impact of changed conditions on all sections of the 2017 EIR, including but not limited to air quality, greenhouse gases, health risk assessment, noise, and biology.

Since Raney Planning and Management prepared the original EIR in 2017, the City solicited and received an SEIR proposal from them. Community Development staff reviewed the proposal and recommends Raney Planning & Management as the best fit to prepare the Supplemental Environmental Impact Report for the proposed project. Raney is well qualified and has experience preparing EIRs in Davis. Additionally, they are already familiar with the project as the contract planning staff managing the original Mace Ranch Innovation Center EIR.

Raney will be responsible for conducting peer reviews of the reports, providing analysis of other CEQA-required topics, and packaging and processing the environmental documents through public hearing. Raney will also be subcontracting for technical studies on:

- Noise Study
- Transportation Study

Analysis

In situations when a lead agency has certified an EIR for a project, and subsequently the project is modified requiring additional environmental review, the lead agency has a few options for conducting such review. Depending on the nature of the project modifications, a lead agency may prepare an Addendum, a Supplement to the EIR, or a Subsequent EIR. According to Section 15164, a lead agency can prepare an Addendum to a previously certified EIR if some changes or additions to an EIR are necessary, but none of the conditions described in Section 15162 calling for preparation of a Subsequent EIR have occurred.

Given the relatively minor changes to the project, as evaluated in the Mixed-Use Alternative within the MRIC EIR it is anticipated that criterion of Section 15162 could be triggered. Based upon Fehr & Peers' preliminary analysis of the traffic count data included in the MRIC EIR and more recent counts conducted on key roadway segments serving the project, it is Fehr & Peers'

professional opinion that the proposed ARC project may result in new significant impacts, or substantial increase in the severity of significant impacts previously identified in the MRIC EIR. In such a case, an Addendum would not be the appropriate CEQA document to evaluate the environmental effects of the proposed project. The question then becomes whether a Subsequent EIR or a Supplement to the MRIC EIR should be prepared. Raney currently believes that a Supplement to the MRIC EIR would be the appropriate CEQA document given that the ARC project would likely necessitate minor changes to the overall analysis contained in the MRIC EIR.

Raney proposes to prepare a Supplement to the MRIC EIR that would provide an analysis of the anticipated environmental effects of the buildout of the ARC project. While the CEQA Guidelines are fairly general with respect to the scope of a Supplemental (or Subsequent) EIR once the lead agency has determined that said document is required, case law offers broad guidance. Generally, a Supplemental EIR is required to evaluate only the changes in the project, changes in circumstances, or new information that led to the preparation of the further EIR.

Analysis in the Supplemental EIR will include assessment of the individual and cumulative environmental effects of the project. Pursuant to CEQA Guidelines Section 15162, the focus will be on whether the ARC project and other MRIC project modifications would result in new significant impacts, or increase in the severity of significant impacts previously identified by the City in the MRIC EIR. Raney will also consider whether substantial changes have occurred with respect to the circumstances under which the project will be undertaken, including any changes to the environmental setting since certification of the MRIC EIR. The Draft Supplemental EIR, Final Supplemental EIR, and related work products will be prepared in accordance with the criteria, standards, and provisions of CEQA, Section 21000 et seq. of the Public Resources Code and the State CEQA Guidelines (California Code of Regulations Section 15000 et seq.), and the regulations, requirements, and procedures of the City of Davis.

Attachments

1. Resolution approving contract with Raney Planning & Management
 - a. Scope of Work, Preliminary Schedule, and Budget