

Letter 40

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November 12, 2015

MRIC Project Planner
City of Davis
Dept. of Community Development and Sustainability
23 Russell Boulevard, Suite 2
Davis, CA 95616

Re: Draft Environmental Impact Report for the Mace Ranch Innovation Center
Project (P15-54, SCH # 2014112012)

Dear Ms. Tschudin:

As you are aware, Taylor & Wiley represents The Buzz Oates Group of Companies, Ramco Enterprises and Reynolds & Brown (collectively the Mace Ranch Innovation Center (MRIC) owners group), the applicants for the above-referenced project ("Project"). We have reviewed the Draft Environmental Impact Report (DEIR) prepared for the Project. Based on that review, we offer the following comments:

40-1

Chapter 3. Project Description

Page 3-6, Section 3.4 Project Background: This section identifies Ramco Enterprises, Inc., the Buzz Oates Group of Companies, and Barbara Bruner as having responded to the City's RFEI with a proposal for the MRIC Project. In addition to this background statement, we recommend that the Project Description include a separate list of the MRIC owners with contact information for each. Furthermore, please note that R&B Delta, LLC, represented by Dana G. Parry, is the successor in interest to Barbara Bruner and the Bruner Family Estate. R&B Delta is a co-applicant with Ramco and Oates on MRIC.

40-2

Chapter 4.2. Agriculture and Forestry Resources

Page 4.2-27, Mitigation Measure for Impact 4.2-1: This mitigation measure addresses the loss of agricultural lands and requires preservation of suitable agricultural

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land at a ratio of 2:1. In addition to on-site lands, the measure identifies the need to mitigate for the loss of acreages associated with 400-feet of the adjacent Mace 391 if a “no aerial spray” easement is not obtained. For the reasons put forth in our request to remove the obligation to acquire a “no aerial spray” easement (see comments below on MM 4.2-4), the fifth sentence of MM 4.2-1 should be revised as follows: *“The amount of agricultural acreage set aside shall account for farmland lost due to the conversion of the project site, as well as any off-site improvements, including but not necessarily limited to the off-site sewer pipe, and 400 feet along the north and east property line unless a “no aerial spray” easement is purchased.”*

Page 4.2-33, Impact 4.2-4: The determination of a “significant and unavoidable” Project impact regarding the Project’s potential to convert neighboring farmland to a non-agricultural use is premised on the incorrect classification of a bicycle/pedestrian trail as an “environmentally sensitive area.” The MRIC owners group request that this improper definition of bicycle/pedestrian trail be cured and that the determination of impact for MRIC with respect to Impact 4.2-4 be revised to “less-than-significant.”

40-4

Pursuant to newly adopted County “Conditions Covering the Use of Restricted Materials”, the aerial application of pesticides should not occur within 500 feet of specifically identified “environmentally sensitive areas.” However, as the DEIR notes, bicycle/pedestrian trails are not identified in Condition #1 of the County document as “environmentally sensitive areas.” Despite this fact, the DEIR classifies the bicycle/pedestrian trail located within the interior 50-feet of MRIC’s agricultural buffer as an “environmentally sensitive area.” After characterizing the bicycle/pedestrian trail as an “environmentally sensitive area,” the analysis then concludes that the introduction of such a use could “...indirectly result in what might be considered “induced” conversion of off-site agricultural land by disrupting the ability to farm a portion of the adjacent property.” (DEIR, p.4.2-35.) As a result, mitigation is proposed that requires the purchase of a 400-foot wide “no aerial spray” easement from the Mace 391 property owner. Even with implementation of this mitigation, the analysis concludes that the Project impact is significant and unavoidable.

The stated rationale for classifying the proposed trail as an “environmentally sensitive area” is that it “introduces people in this portion of the project site, who utilize this area for recreational purposes.” (DEIR, pp. 4.2-34 thru 35.) This rationale is insufficient; an area is not considered “environmentally sensitive” simply because “people” will be present. Nor is it the industry norm to identify sporadically utilized recreational trails as sensitive receptors. Instead, environmentally sensitive areas are usually areas where (1) there are larger congregations of people, (2) particularly sensitive

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groups such as children, the elderly or the sick are located, and (3) where there is the potential for prolonged exposure. A bicycle/pedestrian trail around the periphery of an innovation and technology center will not typically be utilized by sensitive groups nor result in large congregations of people staying in areas of potential exposure for extended periods of time. Rather, it is anticipated that predominantly adults, most of whom are commuting, will swiftly move through the trail system at sporadic intervals.

In addition to the trail use not typically being considered environmentally sensitive, there is no scientific basis for the determination that a bicycle pedestrian trail which results in low volume recreational use will result in the creation of an “environmentally sensitive area.” A determination that a project will result in a significant environmental impact necessitating the imposition of mitigation cannot be premised on a hunch; the conclusions in an EIR must be supported by substantial evidence predicated on facts (CEQA Guidelines, sections 15064 and 15384.) There are no scientifically substantiated facts supporting the classification of a recreational trail as an “environmentally sensitive area.”

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Furthermore, the determination that a bicycle/pedestrian trail located within the proposed 50-foot portion of the Project’s agricultural buffer introduces an “environmentally sensitive area” that could result in induced conversion of off-site farmland because it interferes with the neighboring agricultural operation is in direct conflict with the City’s own code requirements. (Davis Municipal Code, Chapter 40A.) The Davis Code, section 40A.01.050, identifies a 150-foot agricultural buffer area as an appropriate setback to “minimize future potential conflicts between agricultural and nonagricultural land uses and to protect the public health...” (Davis Code, section 40A01.050.a.) This same code section encourages public access within the 50-foot portion furthest from the neighboring farm to preserve public views of farmland and foster the connection between residents and the agricultural surroundings. The Code section specifically lists “bike paths” as appropriate uses within the 50-foot portion. (Davis Code, section 40A.01.050(d).) Codes aside, the conclusion that trails located in close proximity to agriculture could result in the induced conversion of agricultural lands is also refuted by numerous examples of bicycle/pedestrian trails located throughout the City of Davis and Yolo County that are immediately adjacent to productive agricultural operations. Building upon this, there is recent precedent within the City of Davis of a project utilizing the 150-foot agricultural buffer with bicycle/pedestrian trails located within the 50-foot internal portion; this precedent reaffirms the City’s commitment to its Code standards and supports the request to change this impact determination to be less-than-significant and remove the mitigation requirement.

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Finally, the pesticide application practices on Mace 391 coupled with MRIC's site design will minimize undue hazards and risks associated with the agricultural application of pesticides. "According to the current Mace 391 property farmer, ground rigs are routinely used for applying pesticides on the property unless circumstances dictate the use of aerial application. The farmer considers aerial application as a last resort that may be utilized after heavy rain events..." (DEIR, p. 4.2-6.) Therefore, based upon current practices, aerial application of pesticides will only occur, if at all, when the weather is such that pedestrian utilization of the bicycle/pedestrian trail is greatly diminished. Additionally, the Project is designed with numerous alternative bicycle/pedestrian paths that may be utilized by commuters and recreationalists during times of aerial spraying, thereby allowing for complete avoidance of any potential hazard if cycling to and through the Project site. To further ensure that the Project does not interfere with neighboring agricultural uses, the site is designed with parking lots adjacent to the agricultural buffer to further separate occupied structures from the agricultural activities occurring on Mace 391. The Project also strategically locates the research/manufacturing uses along its north and eastern edges. These uses are not classified as sensitive receptors and are compatible with neighboring agricultural operations. Finally, the Mixed-Use Alternative site design was consciously crafted to locate the only true "environmentally sensitive area," residential structures, more than 500-feet from the Mace 391 to ensure that there would be no conflict with neighboring agricultural practices and no induced conversion of agricultural lands resulting from the Project or its Mixed-Use Alternative. (DEIR, pp.8-38 thru 39.)

For the aforementioned reasons, the determination of significance for impact 4.2-4 should be changed to "less than significant" and all mitigation for MRIC stricken.

Chapter 4.4. Biological Resources

40-6

Pg. 4.4-39 ("Federal Endangered Species Act"): Fourth sentence of the second paragraph should be revised as follows: "'Harm' includes not only the direct taking of a species itself, but the destruction or adverse modification of the species' habitat resulting in ~~the potential injury~~ actual injury or death of the species." "Potential injury" to a species is not sufficient to establish "take" under the ESA. (See Arizona Cattle Growers Ass'n, et al. v. U.S. Fish & Wildlife Service, et al. 273 F.3d 1229 (9th Cir. 2001).)

40-7

Pg. 4.4-40, second full paragraph: Revise second sentence as follows: "If take of a listed species is necessary to complete an otherwise lawful activity, ~~which triggers this~~ would trigger the need for consultation under Section 7 of FESA...."

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40-8

Pg. 4.4-40, last paragraph: Revise first sentence as follows: “...by non-federal entities (for example, project applicants, state and local agencies), for projects which are not ‘authorized, funded or carried out by’ federal agencies.”

40-9

Pg. 4.4-42 (“California Endangered Species Act”): We recommend removing third paragraph of that section. The information in that paragraph is repeated in the following section.

40-10

Pg. 4.4-51, Mitigation Measure for Impact 4.4-1: This measure requires that the applicant submit its pre-construction botanical survey(s) to the City Dept. of Community Development and Sustainability “for review.” We recommend including a one week timeframe for City review of this botanical survey so as not to result in unnecessary project delay.

40-11

Pg. 4.4-56 and -57, Mitigation Measure for Impact 4.4-3 (GGS): Like Impact 4.4-1, the applicant is required to submit its pre-construction surveys to the City for review. Recommend adding a mandatory timeframe for City review and response. In addition, the EIR contains a list of specific measures that must be implemented if the species is found during the pre-construction survey. (See first paragraph, pg. 4.4-57.) The agencies (USFWS and CDFW) usually tailor mitigation to the specific case before them. MRIC should not be required to implement mitigation that the agencies do not deem necessary. We recommend changing the first full sentence on pg. 4.4-57 to read: “If GGS are encountered during preconstruction surveys,until ~~the following~~ appropriate avoidance measures approved by USFWS and CDFW are implemented. These measures may include, but are not limited to, the following: ...”

40-12

Pg. 4.4-64, Mitigation Measure for Impact 4.4-5 (Swainson’s hawk): Like Impact 4.4-1, the applicant is required to submit its pre-construction surveys to the City for review. We recommend adding a mandatory timeframe for City review and response.

Also, the second paragraph notes that the implementation of mitigation measures pertaining to hawk foraging habitat would reduce impacts. However, the City goes on to note that “because the 229-acre project site is currently outside of the existing City limits, and the loss of foraging habitat associated with urbanization of the site has not heretofore been anticipated in any City environmental documents, the permanent loss of Swainson’s hawk foraging habitat ...would remain significant and unavoidable.” The purchase of suitable easements over foraging land is routinely found to be sufficient mitigation for loss of foraging habitat. Therefore, regardless of whether the loss of foraging habitat has previously been anticipated and analyzed by the City, we believe that the conclusion should be “less than significant” after implementation of the identified mitigation.

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Chapter 4.5 Cultural Resources

40-13

Page 4.5-18 and 20, Mitigation Measure 4.5-1 and 4.5-2(a): The Far Western Anthropological Research Group's *Archaeological Survey Report* identified an area in the northwestern portion of the Project site and along the northerly off-site sewer alignment as having a heightened sensitivity for buried archaeological deposits due to the fact that a natural waterway once flowed through this area. (DEIR, p.4.5-10.) Based upon this finding, the DEIR requires in Mitigation Measures 4.5-1 and 4.5-2(a) implementation of a preemptive cultural/archaeological study to investigate potential subservice resources. This approach is overly burdensome given the lack of evidence that any historic or archaeological resource is present at these locations. We recommend modifying this mitigation to mirror Mitigation Measure 4.5-2(c) and the majority of cultural resource mitigations which require studies and investigation only if and when a resource is found.

Chapter 4.10 Land Use and Urban Decay

40-14

Page 4.10-42, Mitigation Measure 4.10-2: We recommend augmenting the mitigation measure as follows to add clarity in implementation: "*Prior to building permit issuance for ancillary retail space, the applicant shall demonstrate to the City's satisfaction that there is sufficient unmet demand from a combination of retail demand from MRIC employees and businesses and/or retail demand from elsewhere within the Davis marketplace to support the retail space for which the building permit is requested. This demonstration to the City may be premised upon the number of employees (and/or residents) on-site, the commercial (and/or residential) square footage developed, or other factors relevant to the generation of on-site demand.* The objective of this requirement is to ensure that retail space developed within the MRIC will not re-allocate demand from existing Davis retailers, but will instead help the City to increase its net retail capture rate and provide new retail offerings that will satisfy currently unmet demand." The language in parenthesis is intended to be inserted if the mitigation is applied to the Mixed-Use Alternative.

Chapter 4.14. Transportation and Circulation

40-15

General Comment. The applicant group formally requested that a third east/west access road, located in the northern quadrant of the Project site, be analyzed as part of the traffic study to mitigate for potential traffic impacts associated with the proximity of the two access points proposed on Mace Blvd. (See letter, dated December 15, 2014, submitted December 18, 2014, requesting analysis of a third access point; attached hereto.) It is our understanding that the traffic consultant, Fehr & Peers, analyzed the addition of this roadway and determined that the Project's proposed circulation and access onto Mace Blvd. will function appropriately as designed and does not result in

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significant impacts requiring the inclusion of this additional access point as mitigation. For this reason, the analysis pertaining to the proposed third point of connection onto Mace Blvd. is not discussed in the DEIR.

However, in discussions with City staff as well as its own traffic engineers, the MRIC owners group has determined that it is preferable to modify the MRIC circulation framework to include this additional point of Project access. (See attached figure for approximate location.) It is not anticipated that the third access point onto Mace Blvd. results in any new or different potentially significant environmental impacts. This belief is supported by the analysis done on the Mixed-Use Alternative which does include a northerly third access point onto Mace Blvd. (DEIR, Chp. 8, Figure 8-1.) We request that the Final EIR provide analysis and conclusions regarding this revision to the Project site's circulation.

40-16

Page 4.14-23, Mitigation Measure 4.14-1: As indicated in the analysis, the impact at Monarch Lane/Covell Boulevard does not occur at Phase 1. Therefore, the third sentence of MM 4.14-1 should be revised as follows: "*Funding for the signal will be deposited at the time of the first final map prior to issuance of a building permit for any building in Phase 2.*"

40-17

Page 4.14-26, Mitigation Measure 4.14-2(b): The mitigation measure requires that the applicant "*Add a third southbound lane from the westbound ramps intersection to the eastbound loop on-ramp, with two lanes feeding the on-ramp*". The applicant has reviewed the dimensions and geometry of the Mace Boulevard overpass and has determined that the third southbound lane may be added by restriping the existing right-of-way. An exhibit indicative of the proposed lane configuration is attached. The applicant requests confirmation from the City that the additional capacity identified in MM 4.14-2(b), bullet one, may be met through restriping of the exiting Mace Blvd. overpass of I-80.

40-18

Page 4.14-27, Mitigation Measure 4.14-2(c): Revise first sentence of the third paragraph as follows: "~~Widening the Mace Boulevard overpass of I-80, m~~Modifying the westbound off-ramp, and widening the southbound on-ramp at the I-80/Mace Boulevard interchange would require approval by Caltrans." The addition of a third southbound lane does not require the physical widening of the Mace Blvd. overpass of I-80.

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Chapter 8. Mixed Use Alternative

General Comment: It is intended that each of the comments included in this letter on various sections of Chapter 4 of the DEIR also apply, where applicable, to the counterpart sections in Chapter 8. Mixed Use Alternative.

40-20

Thank you for the opportunity to provide our comments on the DEIR. Please let us know if you have any questions or require further clarification regarding our comments.

Sincerely,



Matthew S. Keasling

Enclosures

cc: Dan Ramos, Ramco Enterprises
Dana Parry, Reynolds & Brown
Troy Estacio, Buzz Oates Group of Companies
John Taylor, Taylor & Wiley

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December 15, 2014

City of Davis
Community Development and Sustainability Department
23 Russell Boulevard, Suite 2
Davis, CA 95616
Attn: Heidi Tschudin

Re: Traffic Analysis for the Mace Ranch Innovation Center Project (#14-54)

Dear Ms. Tschudin:

To appropriately size the internal circulation at the Mace Ranch Innovation Center (MRIC), the Applicant has conducted a preliminary traffic analysis. This preliminary analysis indicates that there is a potential traffic impact associated with the proximity of the Project's two proposed points of access to Mace Boulevard. To address this potential impact, we request that your traffic consultant for the MRIC environmental impact report consider including as mitigation an additional intersection and point of access, approximately located at the existing intersection of Mace Boulevard and County Road 30B.

Very truly yours,


Matthew S. Keasling

Cc: Mike Webb, Planning Director
Nick Pappani, Raney Planning & Management

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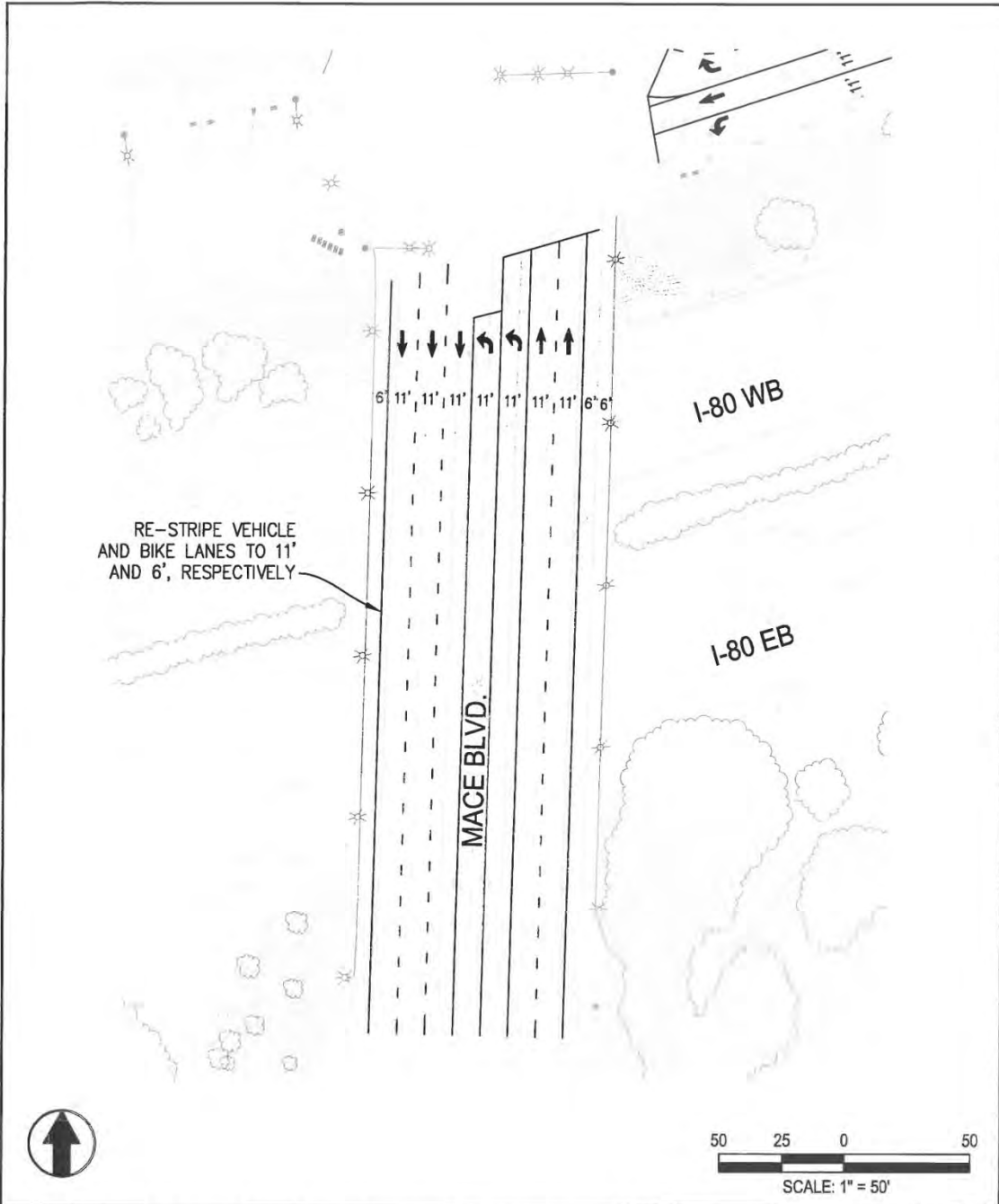
MACE RANCH INNOVATION CENTER
 Davis, California
 The Buzz Dates Group of Companies
 Ramco Enterprises Inc.
 Barbara Bruner

MASTER PLAN
 FIGURE 12
 October 21, 2014

PINTO + PARTNERS
 1639 Tenth Street
 Berkeley, California 94710
 415.871.4636
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DESIGNED <u>SG</u> DRAWN <u>LE</u> CHECKED <u>SG</u> DATE: <u>11/11/15</u> JOB No: <u>1239.10</u>	CITY OF DAVIS CALIFORNIA	<p align="center">MACE RANCH INNOVATION CENTER MACE BOULEVARD OVERCROSSING RE-STRIPING ALTERNATIVE</p>	<p align="center"> Project Planning · Civil Engineering · Landscape Architecture Sacramento Office · Davis Office 2120 20th Street, Suite 1700 · 2840 Spotted Shovel, Suite 200 Sacramento, CA 95818 · Davis, CA 95618 (916) 455-2028 · (530) 756-2028 </p>	SCALE 1" = 50' SHEET 1 OF 1
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LETTER 40: MATTHEW S. KEASLING, TAYLOR & WILEY ATTORNEYS

Response to Comment 40-1

Thank you for submitting comments on the MRIC Draft EIR.

Response to Comment 40-2

Thank you for this information. Please see Master Response #6, Project Ownership.

Response to Comment 40-3

Consistent with the discussion provided in Response to Comment 15-4, page 4.2-28, Mitigation Measure 4.2-1(a), is hereby revised as follows:

4.2-1(a) Prior to initiation of grading activities for each phase of development of the MRIC, the project applicant for the MRIC Site shall set aside in perpetuity, at a minimum ratio of 2:1 of active agricultural acreage, an amount equal to the current phase. The applicant may choose to set aside in perpetuity an amount equal to the remainder of the project site instead of at each phase. The agricultural land shall be elsewhere in unincorporated Yolo County, through the purchase of development rights and execution of an irreversible conservation or agricultural easement, consistent with Section 40A.03.025 of the Davis Municipal Code. The location and amount of active agricultural acreage for the proposed project is subject to the review and approval by the City Council. The amount of agricultural acreage set aside shall account for farmland lost due to the conversion of the project site, as well as any off-site improvements, including but not necessarily limited to the off-site sewer pipe, and 400 feet along the north and east property line unless a “no aerial spray” easement is purchased. The amount of agricultural acreage that needs to be set aside for off-site improvements shall be verified for each phase of the MRIC during improvement plan review. Pursuant to Davis Code Section 40A.03.040, the agricultural mitigation land shall be comparable in soil quality with the agricultural land being changed to nonagricultural use. The easement land must conform with the policies and requirements of LAFCO including a LESA score no more than 10 percent below that of the project site. The easement instrument used to satisfy this measure shall conform to the conservation easement template of the Yolo Habitat Conservancy.

Response to Comment 40-4

Please see Response to Comment 15-4.

Response to Comment 40-5

Comment noted. Please see Response to Comment 15-4.

Response to Comment 40-6

Comment noted. For clarification purposes, page 4.4-39 of Section 4.4, Biological Resources, is hereby revised as follows:

Section 9 of FESA as amended, prohibits the take of any fish or wildlife species listed under FESA as endangered. Under Federal regulation, take of fish or wildlife species listed as threatened is prohibited unless otherwise specifically authorized by regulation. "Take," as defined by FESA, means "to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct." "Harm" includes not only the direct taking of a species itself, but the destruction or modification of the species' habitat resulting in the ~~potential injury~~actual injury or death of the species. As such, "harm" is further defined to mean "an act which actually kills or injures wildlife; such an act may include significant habitat modification or degradation where wildlife is actually killed or injured by significantly impairing essential behavioral patterns, including breeding, feeding or sheltering" (50 CFR 17.3). A December 2001 decision by the 9th Circuit Court of Appeals (*Arizona Cattle Growers' Association, Jeff Menges, vs. the U.S. Fish and Wildlife Service and Bureau of Land Management, and the Southwest Center for Biological Diversity*) ruled that the USFWS must show that a threatened or endangered species is present on a project site and would be taken by the project activities. According to the ruling, the USFWS cannot require mitigation based on the probability that the species could use the site; rather the USFWS must show that the species is actually present.

Response to Comment 40-7

Comment noted. For clarification purposes, page 4.4-40 of Section 4.4, Biological Resources, is hereby revised as follows:

Section 9 applies not only to federal agencies but to any local or State agency, and to any individual as well. If take of a listed species is necessary to complete an otherwise lawful activity, ~~which triggers~~this would trigger the need for consultation under Section 7 of FESA (for Federal agencies and projects with a federal "nexus" (that is, an authorized, funded or carried out by a federal agency)), or requires preparation of a Habitat Conservation Plan (HCP) pursuant to Section 10 of FESA (for state and local agencies, or individuals, and projects without a federal "nexus").

Response to Comment 40-8

Comment noted. For clarification purposes, pages 4.4-40 and 4.4-41 of Section 4.4, Biological Resources, are hereby revised as follows:

In the 1982 amendments to FESA, Congress established a provision in Section 10 that allows for the "incidental take" of endangered and threatened species of wildlife by non-federal entities (for example, project applicants, state and local agencies), for projects which are not 'authorized, funded or carried out by' federal agencies. "Incidental take" is defined by FESA as take that is "incidental to, and not the purpose of, the carrying out of an otherwise lawful activity." Under Section 10 of FESA, the applicant for an "incidental

take permit" is required to submit a "conservation plan" to USFWS or NMFS that specifies, among other things, the impacts that are likely to result from the taking, and the measures the permit applicant would undertake to minimize and mitigate such impacts, and the funding that would be available to implement those steps. Conservation plans under FESA have come to be known as "habitat conservation plans" or "HCPs" for short. The terms incidental take permit, Section 10 permit, and Section 10(a)(1)(B) permit are used interchangeably by USFWS. Section 10(a)(2)(B) of FESA provides statutory criteria that must be satisfied before an incidental take permit can be issued.

Response to Comment 40-9

Comment noted. Page 4.4-42 of Section 4.4, Biological Resources, is hereby revised as follows:

California Endangered Species Act

The State of California enacted the CESA in 1984. The CESA is similar to the FESA but pertains to State-listed endangered and threatened species. CESA requires state agencies to consult with the CDFW when preparing CEQA documents to ensure that the state lead agency actions do not jeopardize the existence of listed species. CESA directs agencies to consult with CDFW on projects or actions that could affect listed species, directs CDFW to determine whether jeopardy would occur, and allows CDFW to identify "reasonable and prudent alternatives" to the project consistent with conserving the species. Agencies can approve a project that affects a listed species if they determine that "overriding considerations" exist; however, the agencies are prohibited from approving projects that would result in the extinction of a listed species.

The CESA prohibits the taking of State-listed endangered or threatened plant and wildlife species. CDFW exercises authority over mitigation projects involving state-listed species, including those resulting from CEQA mitigation requirements. CDFW may authorize taking if an approved habitat management plan or management agreement that avoids or compensates for possible jeopardy is implemented. CDFW requires preparation of mitigation plans in accordance with published guidelines.

~~The CDFW exercises jurisdiction over wetland and riparian resources associated with rivers, streams, and lakes under California Fish and Wildlife Code Sections 1600 to 1607. The CDFW has the authority to regulate work that will substantially divert, obstruct, or change the natural flow of a river, stream, or lake; substantially change the bed, channel, or bank of a river, stream, or lake; or use material from a streambed.~~

In addition, CDFW enforces the Fish and Wildlife Code of California, which provides protection for "fully protected birds" (§3511), "fully protected mammals" (§4700), "fully protected reptiles and amphibians" (§5050), and "fully protected fish" (§5515). The California Code of Federal Regulations (Title 14) prohibits the take of Protected amphibians (Chapter 5, §41), Protected reptiles (Chapter 5, §42) and Protected furbearers (Chapter 5, §460). The California Endangered Species Act, which prohibits 'take' of state-listed Endangered or Threatened species, is also enforced by CDFW.

Response to Comment 40-10

The City shares the applicant's interest in speedy processing of the application and timely implementation of conditions of approval. Commitments to particular timeframes for particular post-approval tasks would more appropriately be made outside of the EIR. If the City commits to specific turnaround times, the commitments would be better documented in the development agreement or other post-approval agreement.

Response to Comment 40-11

Regarding the request to have the City commit to specific turn-around times, please see Response to Comment 40-10.

Regarding the requested rewording of the mitigation measure, staff agrees that the requested clarification is appropriate. Mitigation Measure 4.4-3(a) on pages 4.4-56 through 4.4-58 of Section 4.4, Biological Resources, is hereby revised as follows:

4.4-3(a) To ensure avoidance and minimization of impacts to GGS, the project applicant for the MRIC shall implement the following measures:

Mace Drainage Channel – Preconstruction Surveys

- Within 15 days prior to conducting any work in the Mace Drainage Channel or existing on-site detention basin, the project applicant shall retain a qualified biologist to conduct a preconstruction survey to verify that no water is present in the channel within the project limits. The preconstruction survey shall be submitted to the City of Davis Department of Community Development and Sustainability for review.*
- The qualified biologist shall document whether aquatic habitat is present in the Mace Drainage Channel downstream of the MRIC site. If aquatic habitat is not present in the Channel between the MRIC site and CR 105 (a distance of 0.5 miles), then aquatic habitat connectivity is not present in the Mace Drainage Channel and further preconstruction surveys or construction monitoring is not required.*
- If water is present within the on- and off-site project limits, the Mace Drainage Channel shall be dewatered for a minimum of two weeks prior to construction activities in the Channel.*
- If the first preconstruction survey reveals that aquatic habitat is present in the Channel between the project site and CR 105, a second preconstruction survey shall be conducted within 24 hours prior to construction. The second preconstruction survey shall be submitted to the City of Davis Department of Community Development and Sustainability for review. The second preconstruction survey shall cover the portion of the Mace Drainage Channel located on the MRIC site, and areas within 200 feet of the channel. If, based on the preconstruction*

surveys, it is determined that potentially occupied GGS aquatic habitat occurs within 200 feet of the MRIC site, MM 4.4-3(b) shall be implemented.

If GGS are encountered during preconstruction surveys, the City, USFWS and CDFW shall be notified and construction shall not commence until the following appropriate avoidance measures approved by USFWS, and CDFW and the City are implemented. The measures may include, but are not limited to, the following:

- Unless authorized by USFWS, site disturbance or construction activity within 200 feet of suitable aquatic habitat for the GGS shall not commence before May 1, with initial ground disturbance expected to correspond with the snake's active season. Initial ground disturbance should be completed by October 1.
- To the extent possible, site disturbance or construction activity shall be avoided within 200 feet from the banks of GGS aquatic habitat for any phase of development. Movement of heavy equipment in these areas shall be confined to existing roadways, where feasible, to minimize habitat disturbance.
- Construction personnel shall receive USFWS-approved worker environmental awareness training to instruct workers to recognize giant garter snake and their habitats.
- Within 24 hours before site disturbance or construction activity, the project area shall be surveyed for GGS. The survey shall be repeated if a lapse in construction activity of two weeks or greater has occurred. If a GGS is encountered during construction, activities shall cease until appropriate corrective measures have been completed or it is determined by the qualified biologist and City staff, in coordination with USFWS and CDFW, that the GGS will not be harmed. Any sightings or incidental take shall be reported to USFWS and CDFW immediately.
- Any aquatic habitat for the snake that is dewatered shall remain dry for at least 15 consecutive days after April 15 and before excavating or filling of the dewatered habitat. If complete dewatering is not possible, potential snake prey (e.g., fish and tadpoles) shall be removed so that snakes and other wildlife are not attracted to the construction area.
- GGS habitat to be avoided within or adjacent to construction areas shall be fenced and designated as environmentally sensitive areas. These areas shall be avoided by all construction personnel throughout construction for any phase of development.

Off-Site Volume Storage Pond (if approved)

- *During the inactive season (October 2 to April 30), no work shall be conducted in areas within 200 feet of potential aquatic habitat for GGS, unless authorized by USFWS.*
- *Temporary stockpiling of soil shall not occur within 200 feet of potential aquatic habitat for GGS.*
- *During the active season (May 1 to October 1), the construction monitoring provision of MM 4.4-3(b) shall be implemented and a biological monitor shall be present during work within 200 feet of aquatic habitat for GGS.*

The above change is for clarification purposes only and would not change the technical analysis prepared for the project. Accordingly, this revision does not alter the conclusions of the Draft EIR.

Response to Comment 40-12

Please see Master Response #8, Swainson's Hawk. City staff has researched the issue of residual level of significance for Swainson's hawk impacts, assuming implementation of mitigation in the form of 1:1 permanent protection of habitat and nest avoidance, and made the following determinations:

- 1) As documented in their publication entitled "Staff Report Regarding Mitigation for Impacts to Swainson's Hawks (*Buteo swainsoni*) in the Central Valley of California (California Department of Fish & Wildlife, 1994)", the state Department of Fish and Wildlife has determined that compliance with these measures reduces a project's impacts to "less than significant" levels (no page numbers).
- 2) The mitigation is consistent with the requirements of the Agreement Regarding Mitigation For Impacts to Swainson's Hawk Foraging Habitat in Yolo County executed in 2002 between the state Department of Fish and Wildlife, the Yolo County Habitat Joint Powers Agency, the City of Davis, and other member agencies.
- 3) The Nishi EIR concluded that the same mitigation requirement mitigated project impacts to less than significant.
- 4) The Cannery EIR concluded that the same mitigation requirements mitigated project impacts to less than significant.

As a result of the above considerations, page 4.4-64 of Section 4.4, Biological Resources, of the Draft EIR is revised as follows:

Mitigation Measure(s)

~~With implementation of Mitigation Measure 4.4 5(a) below, the project's potential impacts to nesting Swainson's hawk would be reduced to a less than significant level. Implementation of Mitigation Measures 4.4 5(b) and (c) below would reduce impacts to Swainson's hawk foraging habitat through the preservation of compensatory Swainson's hawk foraging habitat. However, because the 229 acre project site is currently outside of the existing City limits, and the loss of foraging habitat associated with urbanization of~~

~~the project site has not heretofore been anticipated in any City environmental documents, the permanent loss of Swainson's hawk foraging habitat as a result of development on the project site would remain significant and unavoidable. Impacts to Swainson's hawk foraging habitat would be reduced to a less-than-significant level through Mitigation Measures 4.4-5(b) and (c) due to their consistency with State and local programs and policies for mitigating Swainson's hawk foraging habitat impacts. In addition, under the CEQA Guidelines, impacts to a threatened species such as the Swainson's hawk are considered to be significant if a project substantially reduces the number or restricts the range of the species. Implementation of Measure 4.4-5(a) will avoid direct impacts to nesting Swainson's hawk and thus eliminate any potential for the project to substantially reduce the number of the species. The Mace Ranch Innovation Center project will not reduce the range of the Swainson's hawk, substantially or otherwise. The hawk's breeding range extends from northern Mexico into Canada. The loss of the project site, as Swainson's hawk habitat, within such a substantial part of western North America does not represent any kind of adverse effect on the range of the species. This conclusion is reinforced by the fact that, with mitigation, the project provides permanent protection, enhancement, and management of Swainson's hawk foraging habitat mitigation within Yolo County.~~

This does not change the conclusion reached in Impact 5-5 of the Cumulative Impacts chapter that the project's incremental contribution of Swainson's hawk foraging habitat conversion, when viewed in combination with other project's effects to Swainson's hawk foraging habitat, is significant and unavoidable despite the implementation of feasible mitigation.

Response to Comment 40-13

The staff believes the Mitigation Measures in Section 4.5 are appropriate. The mitigation measures were recommended by the cultural resources experts from Far Western Anthropological Research Group, Inc. and the measures are noted in the *Archaeological Survey Report* performed for the proposed project. The City, by including Mitigation Measures 4.5-1 and 4.5-2(a), is relying upon the expertise of its consultant.

Response to Comment 40-14

The requested additional text provides a useful clarification. For clarification purposes, Mitigation Measure 4.10-2 on page 4.10-42 of Section 4.10, Land Use and Urban Decay, is hereby revised as follows:

4.10-2(a) Prior to building permit issuance for ancillary retail space, the applicant shall demonstrate to the City's satisfaction that there is sufficient unmet demand from a combination of retail demand from MRIC employees and businesses and/or retail demand from elsewhere within the Davis marketplace to support the retail space for which the building permit is requested. The demonstration to the City may be premised upon the number of employees (and/or residents) on-site, the commercial (and/or residential) square footage developed, or other factors relevant to the generation of on-site demand. The objective of this requirement is to ensure that retail space developed within the MRIC will not re-allocate

demand from existing Davis retailers, but will instead help the City to increase its net retail capture rate and provide new retail offerings that will satisfy currently unmet demand.

Response to Comment 40-15

The commenter/applicant is requesting consideration of a third access point on Mace Boulevard, north of the two proposed access points, and located approximately along the existing County Road 104 alignment. City Public Works staff agree this may be a desirable addition to the project. This access was considered by Fehr and Peers as a potential mitigation measure for the MRIC project. County Road 104 is located approximately 850 feet north of the proposed northernmost MRIC project access. Providing a third access point along Mace Boulevard at this location was determined to have no significant impact on traffic conditions. This is due to the fact that the two proposed project access points along Mace Boulevard would operate at acceptable Level of Service with the designated mitigation measures and that the proposed third project access point is located a sufficient distance (i.e., 850 feet) from the nearest intersection such that queues occurring at the third access point would not affect adjacent intersections. The addition of a third access point would result in a reallocation of traffic from the two proposed project access points along Mace Boulevard, particularly for traffic destined to and from the west along Mace Boulevard/East Covell Boulevard. This access may either be restricted to right-in/right-out only, or accommodate full access. If providing for full access, a traffic signal and intersection design modifications, including turn pockets, will be required at this location. These requirements will be addressed in the conditions of approval prepared for the project.

Response to Comment 40-16

The requested modification to Mitigation Measure 4.14-1 on p. 4.14-22 of the Draft EIR, is correct. As a result, Mitigation Measure 4.14-1 on p. 4.14-22 of the Draft EIR is hereby revised as follows:

Mitigation Measure(s)

MRIC and Mace Triangle

- 4.14-1 *As directed by the City, based on either a focused development phase traffic study as described in Mitigation Measure 4.14-2, or the monitoring carried out by the Master Owners' Association (MOA) as part of the Project Travel Demand Management Program described in Mitigation Measure 4.14-6, the project applicant shall fund, and the City shall supervise, the design and construction of a traffic signal at the intersection of Monarch Lane/Covell Boulevard. The signal design, timing plans, and coordination plan for adjacent Covell Boulevard signals shall be reviewed and approved by the Davis Public Works Department prior to issuance of a building permit for the traffic signal. Funding for the signal will be deposited ~~at the time of the first final map~~ prior to the issuance of a building permit for any building in Phase 2. Responsibility for implementation of this mitigation measure shall be assigned to the MRIC and Mace Triangle on a fair share basis. Based on*

analysis already performed, this improvement is not triggered by phase one MRIC development; however, all MRIC development shall have a fair share funding obligation.

Response to Comment 40-17

This comment and the related exhibit provided by the commenter are noted, and will be considered during deliberations on the project. The mitigation measure referenced in the comment does not preclude implementation via restriping. Because the facility is a state asset, this outcome would be contingent on approval by Caltrans. Design of any improvements on the overcrossing will require a design process involving Caltrans, and requiring Caltrans approval. Staff believes the measure is appropriate as written.

Response to Comment 40-18

Staff believes the mitigation measure is appropriate as written.

Response to Comment 40-19

Comment noted. In response to the comment, the following changes are made to Chapter 8, Mixed-Use Alternative, of the Draft EIR.

Pages 8-35, Mitigation Measure 8-5(a), is hereby revised as follows:

MRIC Mixed-Use

- 8-5(a) *Prior to initiation of grading activities for each phase of development at the Mixed-Use site, the project applicant for the Mixed-Use site shall set aside in perpetuity, at a minimum ratio of 2:1 of active agricultural acreage, an amount equal to the current phase. The applicant may choose to set aside in perpetuity an amount equal to the remainder of the project site instead of at each phase. The agricultural land shall be elsewhere in unincorporated Yolo County, through the purchase of development rights and execution of an irreversible conservation or agricultural easement, consistent with Section 40A.03.025 of the Davis Municipal Code. The location and amount of active agricultural acreage for the proposed project is subject to the review and approval by the City Council. The amount of agricultural acreage set aside shall account for farmland lost due to the conversion of the project site, as well as any off-site improvements, including but not necessarily limited to the off-site sewer pipe, and 400 feet along the north and east property line unless a “no aerial spray” easement is purchased. The amount of agricultural acreage that needs to be set aside for off-site improvements shall be verified for each phase of the MRIC project during improvement plan review. Pursuant to Davis Code Section 40A.03.040, the agricultural mitigation land shall be comparable in soil quality with the agricultural land whose use is being changed to nonagricultural use. The easement land must conform with the policies and requirements of LAFCO*

including a LESA score no more than 10 percent below that of the project site. The easement instrument used to satisfy this measure shall conform to the conservation easement template of the Yolo Habitat Conservancy.

Pages 8-50 and 8-51, Mitigation Measure 8-17(a), are hereby revised as follows:

8-17(a) *To ensure avoidance and minimization of impacts to GGS, the project applicant for the Mixed-Use Site shall implement the following measures:*

Mace Drainage Channel – Preconstruction Surveys

- *Within 15 days prior to conducting any work in the Mace Drainage Channel or existing on-site detention basin, the project applicant shall retain a qualified biologist to conduct a preconstruction survey to verify that no water is present in the channel within the project limits. The preconstruction survey shall be submitted to the City of Davis Community Development and Sustainability Department for review.*
- *The qualified biologist shall document whether aquatic habitat is present in the Mace Drainage Channel downstream of the Mixed-Use Site. If aquatic habitat is not present in the Channel between the Mixed-Use Site and CR 105 (a distance of 0.5 miles), then aquatic habitat connectivity is not present in the Mace Drainage Channel and further preconstruction surveys or construction monitoring is not required.*
- *If water is present within the on- and off-site project limits, the Mace Drainage Channel shall be dewatered for a minimum of two weeks prior to construction activities in the Channel.*
- *If the first preconstruction survey reveals that aquatic habitat is present in the Channel between the project site and CR 105, a second preconstruction survey shall be conducted within 24 hours prior to construction. The second preconstruction survey shall be submitted to the City of Davis Community Development and Sustainability Department for review. The second preconstruction survey shall cover the portion of the Mace Drainage Channel located on the Mixed-Use Site, and areas within 200 feet of the channel. If, based on the preconstruction surveys, it is determined that potentially occupied GGS aquatic habitat occurs within 200 feet of the MRIC Site, MM 8-17(b) shall be implemented.*

If GGS are encountered during preconstruction surveys, the City, USFWS and CDFW shall be notified and construction shall not commence until ~~the following~~ appropriate avoidance measures approved by USFWS, and CDFW and the City are implemented. The measures may include, but are not limited to, the following:

- *Unless authorized by USFWS, site disturbance or construction activity within 200 feet of suitable aquatic habitat for the GGS shall not commence before May 1, with initial ground disturbance expected to correspond with the snake's active season. Initial ground disturbance should be completed by October 1.*
- *To the extent possible, site disturbance or construction activity shall be avoided within 200 feet from the banks of GGS aquatic habitat for any phase of development. Movement of heavy equipment in these areas shall be confined to existing roadways, where feasible, to minimize habitat disturbance.*
- *Construction personnel shall receive USFWS-approved worker environmental awareness training to instruct workers to recognize giant garter snake and their habitats.*
- *Within 24 hours before site disturbance or construction activity, the project area shall be surveyed for GGS. The survey shall be repeated if a lapse in construction activity of two weeks or greater has occurred. If a GGS is encountered during construction, activities shall cease until appropriate corrective measures have been completed or it is determined by the qualified biologist and City staff, in coordination with USFWS and CDFW, that the GGS will not be harmed. Any sightings or incidental take shall be reported to USFWS and CDFW immediately.*
- *Any aquatic habitat for the snake that is dewatered shall remain dry for at least 15 consecutive days after April 15 and before excavating or filling of the dewatered habitat. If complete dewatering is not possible, potential snake prey (e.g., fish and tadpoles) shall be removed so that snakes and other wildlife are not attracted to the construction area.*
- *GGS habitat to be avoided within or adjacent to construction areas shall be fenced and designated as environmentally sensitive areas. These areas shall be avoided by all construction personnel throughout construction for any phase of development.*

Off-Site Volume Storage Pond (if approved)

- *During the inactive season (October 2 to April 30), no work shall be conducted in areas within 200 feet of potential aquatic habitat for GGS, unless authorized by USFWS.*
- *Temporary stockpiling of soil shall not occur within 200 feet of potential aquatic habitat for GGS.*
- *During the active season (May 1 to October 1), the construction monitoring provision of MM 8-17(b) shall be implemented and a*

biological monitor shall be present during work within 200 feet of aquatic habitat for GGS.

Pages 8-55 and 8-56 are hereby revised as follows:

~~Impacts related to Swainson's hawk were determined to be significant and unavoidable for the proposed project. The Mixed-Use Alternative would consist of development over the same site and acreage as the proposed project. Consequently, the Mixed-Use Alternative would have the same potential to cause direct effects on the species during tree removal or if construction occurs during the nesting season and active Swainson's hawk nests are present. In addition, because the same amount of suitable foraging habitat for Swainson's hawk would be present on the site under the Mixed-Use Alternative, the loss of foraging habitat would be the same as the proposed project. With implementation of Mitigation Measures 8-19(a), the project's potential impacts to nesting Swainson's hawk would be reduced to a less than significant level. Implementation of Mitigation Measure 8-19(b) would reduce impacts to Swainson's hawk foraging habitat through the preservation of compensatory Swainson's hawk foraging habitat. However, because the Mixed Use site is currently outside of the existing City limits, and the loss of foraging habitat associated with urbanization of the project site has not heretofore been anticipated in any City environmental documents, the permanent loss of Swainson's hawk foraging habitat as a result of innovation center development on the Mixed Use site would remain **significant and unavoidable**. Impacts to Swainson's hawk foraging habitat would be reduced to a less-than-significant level through Mitigation Measure 8-19(b) due to its consistency with State and local programs and policies for mitigating Swainson's hawk foraging habitat impacts. In addition, under the CEQA Guidelines, impacts to a threatened species such as the Swainson's hawk are considered to be significant if a project substantially reduces the number or restricts the range of the species. Implementation of Measure 8-19(a) will avoid direct impacts to nesting Swainson's hawk and thus eliminate any potential for the project to substantially reduce the number of the species. The Mixed-Use Alternative will not reduce the range of the Swainson's hawk, substantially or otherwise. The hawk's breeding range extends from northern Mexico into Canada. The loss of the project site, as Swainson's hawk habitat, within such a substantial part of western North America does not represent any kind of adverse effect on the range of the species. This conclusion is reinforced by the fact that, with mitigation, the project provides permanent protection, enhancement, and management of Swainson's hawk foraging habitat mitigation within Yolo County.~~

Page 8-108, Mitigation Measures 8-54, is hereby revised as follows:

8-54 *In conjunction with submittal of any final planned development for the MRIC that includes ancillary retail uses, an analysis shall be submitted to the City of Davis Department of Community Development and Sustainability, which shall demonstrate that the proposed ancillary retail development will not exceed the anticipated demand increase from new employees. The demonstration to the City may be premised upon the number of employees (and/or residents) on-site, the commercial (and/or residential) square footage developed, or other factors relevant to the generation of on-site demand. If the analysis cannot demonstrate that the proposed amount of ancillary retail space will not outpace employee-*

generated demand, then the ancillary retail uses shall be removed from the final planned development, or scaled back to be commensurate with the projected employee-generated demand.

Page 8-139, Mitigation Measures 8-70(a), is hereby revised as follows:

- 8-70(a) *As directed by the City, based on either a focused development phase traffic study or the monitoring carried out by the Master Owner's Association as part of the Project Travel Demand Management Program described in Mitigation Measure 8-75, the project applicant shall fund and the City shall supervise the design and construction of a traffic signal at the intersection of Mace Boulevard/Project Access (northernmost)/County Road 104/County Road 30B. The signal design, timing plans, and coordination plan shall be reviewed and approved by the Davis Public Works Department prior to issuance of a building permit for the traffic signal. Funding for the signal will be deposited ~~at the time of the first final map~~ prior to the issuance of a building permit for any building in Phase 2. Responsibility for implementation of this mitigation measure shall be assigned to the MRIC and Mace Triangle on a fair share basis. Based on analysis already performed, this improvement is not triggered by phase one MRIC development; however, all MRIC development shall have a fair share funding obligation.*

Response to Comment 40-20

Thank you.

Letter 41

November 12, 2015

**MRIC Project Planner
City of Davis Department of Community Development and Sustainability
23 Russell Boulevard, Suite 2'
Davis, CA 95616
Email: maceranchinctr@cityofdavis.org**

Re: Comments on Draft EIR for Mace Ranch Innovation Center

Dear Mr. Johnson,

I am the co-founder of the Davis Renters' Alliance (DaRA), a new group working on behalf of renters in Davis. I am also a doctoral student at U.C. Davis whose research is tied to development projects. While these experiences inform my arguments, I am writing as a concerned citizen who happens to live within a quarter mile of the proposed Mace Ranch Innovation Center (MRIC). I support developing employment opportunities in Davis at Mace Ranch overall, and I am happy innovative jobs will come to Davis. However, the Population and Housing analysis provided in the Mace Ranch Innovation Center (MRIC) EIR is problematic and may significantly under-estimate the number of workers who will actually have to drive into Davis to work at MRIC. These problems also raise the possibility of bias in the traffic impact analysis chapter. Furthermore, the report makes no mention of how introducing this new higher income workforce into Davis' already impacted housing market will push low income renters and students out of the city. This in turn will further increase the number of automobiles traveling into the city, negatively impacting air quality and increasing greenhouse gas emissions. As an asthmatic living near both interstate 80 and MRIC, I find this troubling. Including affordable housing on site or nearby will better assist in mitigating this displacement and its subsequent impact on carbon emissions from vehicle miles traveled (VMT).

The following sections outline detailed concerns with the EIR as currently drafted and provides suggestions for actions that can be taken to address this problem.

Population and Housing Section

The jobs-housing balance data listed in Table 4.12-7 skews the reality of housing in Davis, beyond the fact that it does not count U.C. Davis jobs as being in Davis. The typical measure of jobs to housing does not apply in a community like Davis for multiple reasons. The following list documents problems with how the impact to job-housing balance suggested by Table 4.12-7 warrants re-assessment:

- The jobs-housing balance data provided by BAE is significantly different than other comprehensive analysis conducted by U.C. Davis researchers on jobs-housing balance

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which utilizes the Longitudinal Household Employer Dynamics (LEHD) dataset.¹ This work puts the jobs housing balance at **1.16** in Davis, compared to BAE's **.44**.

- BAE's .44 jobs-housing balance fails to include U.C. Davis workforce in the official numbers. Practically speaking, this significantly biases all the estimations that follow.
- More significantly, U.C. Davis researchers peg the balance of *low-wage jobs to housing affordable to low wage workers* at **3.26**.² If *only 5%* of jobs created at MRIC are low wage, then this imbalance will rise to **3.5**. This is significant because these are workers who will simply not have the luxury to choose to live in Davis—they will be priced out and will inevitably have to commute into the city.

- Second, this analysis does not consider the impact of students in calculating the jobs-housing balance. Non-working student households compete for access to housing, and are essential to Davis' economy. Subtracting their utilization of the housing stock out of the housing stock overall presents a more accurate picture of the jobs-housing balance new workers at MRIC may face in Davis. Utilizing the Public Use Micro Sample (PUMS) data for Yolo County from 2009-2013, I provide a rough estimate of this impact through these steps:

1. There are 27,000 students at UC Davis, of whom 75% roughly live off campus.³ According to our analysis of Census Public Use Micro Sample (PUMS) data for Yolo County, roughly 31% of students in the area work.
2. Assuming work rates are the same for on versus off campus students, then there are roughly 13,365 students who do not work and live off campus. For the sake of this exercise, we assume that students off campus are far *more* likely to work, at a 50/50 rate, meaning this number drops to 10,125.
3. Adjusting for 8% of undergrads living outside of Davis, this number drops to 9,315.⁴
4. Distributing these units into households at a rate of 2.3 per household based off PUMS,⁵ there are roughly 4,050 households occupying units in Davis for school who are not counted in the numerator of the jobs-housing balance. However, they still compete with households with workers for access to housing in Davis, which leads to step five:
5. Subtracting the units these students occupy from the ROI estimates changes Davis' jobs-housing balance estimate from **1.16** to **1.39**.

As such, the EIS does not paint an accurate account of the actual housing situation new workers at MRIC will face. This sets up the EIR/EIS to produce over-estimate the number of MRIC workers who may be able to live in Davis. As such, the subsequent Transportation and

¹ <http://interact.regionalchange.ucdavis.edu/roi/data.html>. Download the data and search for Davis under the tab "JHFIT-Places"

² This information can also be found by downloading the raw data for the Regional Opportunity Index on the same table as the general jobs-housing balance information.

³ <http://colleges.usnews.rankingsandreviews.com/best-colleges/uc-davis-1313/student-life>

⁴ As reported in the Results of the 2013-14 Campus Travel Survey
http://www.its.ucdavis.edu/research/publications/publication-detail/?pub_id=2347

⁵ The average student-only household was roughly this size

41-3

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Circulation analysis section may under-estimate the potential VMT increase brought about by the preferred scenario that fails to include housing.

41-4

The final model estimating the percentage of workers who will live outside of Davis is also problematic due to its own underlying assumptions. The model which predicts roughly 800 new workers will locate outside of Davis (and thus commute in, increasing emissions) is potentially an under-estimate of the true effect for several additional reasons not already mentioned:

- The model assumes a vacancy rate of 3.5%. In reality, the Davis vacancy rate is 1.3% for unit leases in 2014 and was just 1.9% in 2013.⁶ BAE has found that only bed leases in the community were at 1.3% in 2014 and at 3.5% only in 2013. Yet, it is hard to imagine members of a professional workforce opting to lease beds in co-housing situations with undergraduate students, so it is strange to see the EIR/EIS use the 3.5% number
- The model notes that the Cannery is included in estimates of new housing that can be built to accommodate the expanded workforce. However, some of Cannery units have already been sold. Thus, the numbers used to justify this table further exaggerate supply and availability of housing in Davis.

41-5

Conclusion: Housing As Mitigation

The City of Davis' Climate Action and Mitigation Plan specifically mentions shortening the distances between housing and jobs as a means of reduce emissions (p.11).⁷ Building Mace Ranch without providing for any housing within the city is in direct contrast with this plan. Moreover, the Davis Housing Element notes that it is a policy of the city to "Strive to maintain an adequate supply of rental housing to meet the needs of all renters."⁸ I believe that for the Mace Ranch Innovation Center to be in line with the Climate Action and Mitigation Plan and the Housing Element, it is essential that the site include housing, preferably affordable housing for the low wage workers who will be employed on site. If this is not feasible, then an equivalent amount of off-site housing should be constructed on many of the "green light" sites identified by the 2008 General Plan Steering Committee. Why? The Mace Ranch EIR actually assumes these will be built when calculating the number of MRIC workers who will commute into Davis. Should their development not then be conducted concurrently with MRIC to ensure we can get close to the very optimistic assumption of only 800 additional automobiles driving into Davis daily as a result of this project?

41-6

Conclusion

In no way am I opposed to having new neighbors at Mace Ranch. In fact, the opposite is true. In the spirit of promoting sustainable communities, I hope you reconsider going forward without proper provision of housing for the new workforce, particularly low-wage workers who

⁶ http://housing.ucdavis.edu/_pdf/vacancy_report/2014-vacancy-report.pdf

⁷ http://www.cooldavis.org/wp-content/uploads/2010_Davis_Climate_Action_Adaptation_Plan.pdf

⁸ http://www.hcd.ca.gov/housing-policy-development/housing-resource-center/plan/he/housing-element-documents/davis_5th_draft110413.pdf First page of section six

**Letter 41
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**41-6
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already face a low-wage jobs to affordable unit imbalance of 3.26. I hope the advantages afforded by the EIR/EIS process will inspire the City and applicants to create the best possible projects. I believe that the issues raised above must be addressed and adequate mitigation measures identified in the Draft Environmental Impact Report. Thank you for providing the opportunity to comment, and please do not hesitate to contact me if I can provide further clarification.

Sincerely,

Matthew Palm

Matt Palm
Resident, East Davis
Co-Founder, Davis Renters' Alliance
mpalm@ucdavis.edu | 858-472-5439

LETTER 41: MATTHEW PALM, INDIVIDUAL

Response to Comment 41-1

Thank you for submitting comments on the MRIC Draft EIR. The traffic analysis in the Draft EIR does not underestimate the number of workers, who will drive into Davis to work at the MRIC. In fact, the traffic analysis is very conservative in this respect. As noted in Response to Comment 21-2, for the Existing Plus Project scenario the traffic analysis assumed that all 5,882 MRIC employees would live outside Davis. As noted on p. 4.14-18 of the Draft EIR, this assumption, in large part, is based upon recent housing data, which indicates extremely low vacancy rates in the City of Davis, thereby supporting the assumption that if the proposed project were built under today's conditions, little housing would be available in Davis to support MRIC employees. This means that the Draft EIR assumes that all employees would drive to the site. The assessment of traffic impacts is therefore conservative, particularly as it relates to impacts along Mace Boulevard in the project vicinity, the I-80/Mace Boulevard interchange, and I-80 to the east.

Response to Comment 41-2

Table 4.12-7 shows the "City of Davis Jobs/Housing Balance." As such, including employment on the UC Davis campus, which is not located within the City of Davis as the comment suggests, would not be appropriate. However, to provide context, footnotes 1 and 2 of Table 4.12-7 acknowledge the employment at UC Davis and indicate that with consideration of the UC Davis employment, the jobs/housing balance within the larger Davis community would be relatively close to the jobs/housing balance estimates for the Sacramento Region as a whole, as summarized in Table 4.12-6. The comment suggests the Longitudinal Household Employer Dynamics (LEHD) data set as an alternative source of information for the jobs/housing balance calculations included in the Draft EIR. The aforementioned data source is not comparable to the data from the Sacramento Area Council of Governments (SACOG) that is used for Tables 4.12-6 and 4.12-7; thus, modification of Table 4.12-7 to use the LEHD data would not be appropriate.

The comment suggests that by not including UC Davis employment, the data and calculations in Table 4.12-7 bias estimations that follow in the Draft EIR. However, Table 4.12-8, which reports on the commute patterns of Davis area workers, utilizes a different set of data from the U.S. Census to calculate the commute patterns of "Davis Area" workers, which includes people who work on the UC Davis campus.

The comment expresses concern that lower-paid workers will not be able to afford to live in Davis and, thus, will have to commute into the City. However, attempting to predict a precise number of MRIC employees who would seek more affordable housing outside of Davis would be speculative. Rather, the Draft EIR considers the fact that at present, approximately 45 percent of existing Davis area employees commute to work from residences located outside of the City of Davis. The Draft EIR considers this fact a reasonable indicator of the potential commute patterns of future Davis, including those who would be attracted to jobs at the MRIC. Undoubtedly, a significant number of workers who live in other communities may commute to the MRIC site due to several factors, such as affordability, and would easily account for five

percent of the MRIC employment base that could earn lower wages and seek more affordable housing outside of the Davis area, as suggested by the comment.

Response to Comment 41-3

This comment suggests that the Draft EIR be modified to incorporate assumptions about future growth in the number of housing units in Davis that would be occupied by students. In particular, step #4 outlined in the comment concludes that the number of student households occupying housing units in Davis are not included in the calculation of jobs/housing balance. This is correct; however, this comment seeks to change the definition of jobs/housing balance, which is the ratio of jobs to dwelling units for a given area or community. Additionally, the analysis in Chapter 4.12 of the Draft EIR did not factor in the availability of new student (and faculty and staff) housing that could become available through the continuing implementation of the UC Davis Long Range Development Plan (LRDP). UC Davis currently houses a total of 8,500, or 28%, of all students on campus. The previously approved plans for the West Village campus neighborhood, which currently houses about 2,000 people, include housing for another 1,000 students and 500 faculty/staff homes that have yet to be constructed. The University recognizes that the housing supply within the City of Davis is very constrained, and although it is not known how much housing will be included in the LRDP update that the University is currently undertaking, all indications are that the update will include some additional housing development. As an example, the remaining undeveloped housing referenced above in the West Village campus neighborhood would house about 13 percent of the growth in students and 20 percent of the growth in faculty/staff that is tentatively planned between 2015 and the 2027 horizon year of the pending UC Davis LRDP.

Draft EIR analysis summarized in 4.12-13 assumes that as much as 67 percent of the workforce housing demand from the MRIC would be re-directed to locations outside of the City of Davis. This would represent a substantially higher proportion of MRIC employees commuting in from outside of Davis, as compared to the current commute pattern, by which about 45 percent of existing Davis employees live outside of the city. The latter figure reflects the fact that existing Davis workforce households currently must compete with students for what is already a very constrained supply of housing within the City of Davis. This means that as currently written, the Draft EIR analysis in Chapter 4.12 is using a relatively conservative assumption, from the standpoint of not over-stating the number of MRIC employees who might live within the City. In reality, there are a number of factors that might cause the actual number of MRIC employees who live within the City to be closer to the existing 45% figure than the conservative 67% figure that is used in the Draft EIR. This includes the fact that MRIC employees are envisioned to be relatively highly educated and well-paid, which would position them to compete on a strong footing with students for purchase or rent of available housing units. Further, unlike students, for whom it is not uncommon to change residential location multiple times during their affiliation with the university, local employees are not as much of a transient population, and would again be more likely to be able to take advantage of housing units that become available within the community.

Nevertheless, even if the measure of jobs/housing balance were redefined to include students, the conclusion with regard to Impact 4.12-1, where jobs/housing balance is analyzed, that the project would result in significant and unavoidable impacts, would not change.

The comment further suggests that the use of the findings from Chapter 4.12 of the Draft EIR for subsequent Transportation and Circulation analysis may under-estimate the potential VMT increase brought about by the preferred scenario that fails to include housing. In fact, from a transportation impacts standpoint, the Draft EIR analysis uses very conservative assumptions about the portion of MRIC employee households that would be able to live in Davis, versus the portion that would need to commute to their jobs from locations outside of Davis.

The assumptions used for the traffic scenarios analyzed in Chapter 4.14 of the Draft EIR utilized a range of assumptions about the proportion of MRIC employees that would have to commute into Davis to work at MRIC, due to a limited local supply of housing. In the Existing Plus Project scenario, which may be most relevant to this comment, the traffic analysis very conservatively assumed that due to the constrained housing supply, 100 percent of the MRIC employees would need to commute into Davis for work, from homes outside the area. In the CEQA Cumulative scenario, which assumed that the MRIC would develop along with the Davis Innovation Center, and the Nishi Property, MRIC employees were assumed to occupy a pro-rata share of the 1,238 new housing units estimated in Table 4.12-12 as being available for new innovation center employees. Based on MRIC's employment estimate of 5,882, the transportation analysis only allocated MRIC employees about 35 percent of the 1,238 new homes in the CEQA Cumulative scenario, or about 435 units, which were assumed to be available to innovation center workers. The Davis Innovation Center application, which envisioned as many as 10,842 employees that would occupy the remaining new units assumed to be available to innovation center workers, has been deemed withdrawn. To the extent that the CEQA Cumulative scenario does not explicitly incorporate assumptions about the number of new Davis housing units that might be occupied by students in the future, because the Davis Innovation Center is not moving forward, this scenario can in all likelihood more than accommodate the assumed number of MRIC employees in local housing plus any new student households that might occupy a portion of the new local housing units.

Response to Comment 41-4

The following is in response to the first bullet of the comment. The 3.5 percent vacancy factor assumption indicates how much of the available housing supply is actually able to accommodate local households. The higher the vacancy rate, the lower the number of housing units that are assumed to be available to actually accommodate households. At present, local apartment vacancy rates that are referenced in the comment are exceptionally low. If the Draft EIR used a vacancy assumption that was lower than 3.5 percent, the analysis would assume that more housing units are actually available to accommodate households, as compared to using the 3.5 percent vacancy assumption. By assuming a somewhat more moderate 3.5 percent housing vacancy rate, the Draft EIR is conservative (i.e., will tend to estimate a greater rather than lesser number of housing units needed) in estimating the number of housing units that would be necessary to house a given workforce size.

The following is in response to the second bullet of the comment. As indicated in footnote 5 in Table 4.12-12, the Draft EIR calculations of housing supply and demand considered potential job growth and housing supply for the 2015 to 2035 time period. Because the first housing units in The Cannery project did not become available for occupancy until the second half of 2015, the Draft EIR considered The Cannery units as contributing to the overall supply of housing that would be available to help accommodate housing growth during the 2015 to 2035 time period.

Response to Comment 41-5

Please see Master Response #3, Mixed-Use Alternative, and Master Response #4, Guarantees of Developer Performance.

Response to Comment 41-6

Thank you.



Letter 42

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SHA Board of
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Paul Ainger **42-1**
Rural Community
Assistance Corporation

Joan Burke
Sacramento Loaves &
Fishes

Ken Cross
Sacramento Habitat for
Humanity

Valerie Feldman
At-large **42-2**
John Foley
Sacramento Self Help
Housing

Rachel Iskow
Mutual Housing CA

Meea Kang
Domus Development

Stanley Keasling
Rural Community
Assistance Corporation

Karen C. Naungayan
Housing California

November 12, 2015

MRIC Project Planner
City of Davis Department of Community Development and Sustainability
23 Russell Boulevard, Suite 2'
Davis, CA 95616
Email: maceranchinctr@cityofdavis.org

Re: Comments on Draft EIR for Mace Ranch Innovation Center

Dear MRIC Project Planner

The Sacramento Housing Alliance (SHA) support the growth of employment opportunities in Davis. However, the Population and Housing analysis provided in the Mace Ranch Innovation Center (MRIC) EIR is problematic and significantly underestimates the number of workers who will actually have to drive into Davis to work at MRIC. These problems also put the traffic impact analysis chapter's results into question. Furthermore, the report makes no mention of how introducing this new higher income workforce into Davis' already impacted housing market will push low income renters and students out of the city. This in turn will further increase the number of automobiles traveling into the city, negatively impacting air quality and increasing greenhouse gas emissions. Including affordable housing on site or nearby and funding by MRIC will better assist in mitigating this displacement and its subsequent impact on carbon emissions from vehicle miles traveled (VMT).

The following sections outline our concerns with the EIR as currently drafted and provides suggestions for actions that can be taken to address this problems.

Population and Housing Section

The jobs-housing balance data listed in Table 4.12-7 significantly skews the reality of housing in Davis, beyond the fact that it does not count U.C. Davis jobs as being in Davis. The typical measure of jobs to housing ratio does not apply in a community like Davis for multiple reasons. The following list documents problems with how the impact to job-housing balance suggested by

Table 4.12-7 raises several concerns:

42-2
Cont'd

- The jobs-housing balance data provided by BAE is significantly different than more comprehensive analysis conducted by U.C. Davis researchers on jobs-housing balance which utilize the Longitudinal Household Employer Dynamics (LEHD) dataset.¹ This work puts the jobs housing balance at **1.16** in Davis, compared to BAE's **.44**.
- BAE's .44 jobs-housing balance fails to include U.C. Davis workforce in the official numbers. Practically speaking, this is very inappropriate.
- More significantly, U.C. Davis researchers peg the balance of low-wage jobs to housing affordable to low wage workers at **3.26**.² If only 5% of jobs created at MRIC are low wage, then this imbalance will rise to **3.5**. This is significant because these are workers will simply not have the luxury to choose to live in Davis—they will be priced out and will inevitably have to commute into the city.

42-3

- Second, this analysis does not consider the impact of students in calculating the jobs-housing balance. Non-working student households compete for access to housing, and are essential to Davis' economy. Subtracting their usage out of the number of households available for workers presents a more accurate picture of the jobs-housing balance workers may face. We estimate this impact through these steps:
 1. There are 27,000 students at UC Davis, of whom 75% roughly live off campus.³ According to our analysis of Census Public Use Micro Sample (PUMS) data for Yolo County, roughly 31% of students in the area work.
 2. Assuming work rates are the same for on versus off campus students, there are 13,365 students who do not work and live off campus. For the sake of this exercise, we assume that students off campus are far more likely to work, at a 50/50 rate, meaning this number drops to 10,125.
 3. Adjusting for 8% of undergrads living outside of Davis, this number drops to 9,315.⁴
 4. Distributing these units into households at a rate of 2.3 per household based off PUMS data suggesting this average occupancy rate for student households, there are roughly **4,050 households** occupying units in Davis for school who are not counted in jobs-housing balance.
 5. Subtracting the units these students occupy from the ROI estimates changes Davis' jobs-housing balance estimate from **1.16** to **1.39**.

As such, the EIS does not paint an accurate account of the actual housing situation new workers at MRIC will face. This sets up the project to develop, from the perspective of VMT reductions, overly optimistic assumptions about the

¹ <http://interact.regionalchange.ucdavis.edu/roi/data.html>. Download the data and search for Davis under the tab "JHFIT-Places"

² This information can also be found by downloading the raw data for the Regional Opportunity Index on the same table as the general jobs-housing balance information.

³ <http://colleges.usnews.rankingsandreviews.com/best-colleges/uc-davis-1313/student-life>

⁴ As reported in the Results of the 2013-14 Campus Travel Survey
http://www.its.ucdavis.edu/research/publications/publication-detail/?pub_id=2347

42-3
Cont'd

distribution of these new workers in or out of Davis. As such, the subsequent Transportation and Circulation analysis section may meaningfully under-estimate the potential VMT increase brought about by the preferred scenario that fails to include housing.

The final model estimating the percentage of workers who will live outside of Davis is also problematic due to its own underlying assumptions. The model which predicts only 800 new workers will locate outside of Davis (and thus commute in, increasing emissions) is potentially an under-estimate of the true effect for several reasons:

42-4

- The model assumes a vacancy rate of 3.5%. In reality, the Davis vacancy rate is .3% for apartments and was just 1.9% for apartments in 2014.⁵ BAE has found that only bed leases in the community are at 3.5%, yet it is hard to imagine members of a professional workforce opting to lease beds in co-housing situations with undergraduate students. Including that number is inappropriate.
- The model notes that the Cannery is included in estimates of new housing that can be built to accommodate the expanded workforce. However, some of Cannery units have already been sold. They should not be assumed to be available to meet the needs of this workforce or SACOG's anticipated workforce for future years.

Conclusion: Housing As Mitigation

42-5

The City of Davis' Climate Action and Mitigation Plan specifically mentions shortening the distances between housing and jobs as a means of reduce emissions (p.11).⁶ Building Mace Ranch without providing for any housing within the city is in direct contrast with this plan. Moreover, the Davis Housing Element notes that it is a police of the city's to "Strive to maintain an adequate supply of rental housing to meet the needs of all renters."⁷ We believe that for the Mace Ranch Innovation Center to be in line with the Climate Action and Mitigation Plan, it is essential that the site either include affordable housing for the low wage workers on site. If this is not feasible, then the site should be charged to enable workforce housing to be constructed on many of the "green light" sites identified by the 2008 General Plan Steering Committee, as the Mace Ranch EIR actually assumes these will be built when calculating the number of MRIC workers who will commute into Davis.

⁵ http://housing.ucdavis.edu/_pdf/vacancy_report/2014-vacancy-report.pdf

⁶ http://www.cooldavis.org/wp-content/uploads/2010_Davis_Climate_Action_Adaptation_Plan.pdf

⁷ http://www.hcd.ca.gov/housing-policy-development/housing-resource-center/plan/he/housing-element-documents/davis_5th_draft110413.pdf First page of section six

Letter 42
4 Cont'd

42-6

Conclusion

We want to see this development become a part of our sustainable community and the above comments are provided in that spirit. We hope the advantages afforded by the EIS process will inspire the City and applicants to create the best possible projects. We believe that the issues raised above must be addressed and adequate mitigation measures identified in the Draft Environmental Impact Report. Thank you for providing the opportunity to comment, and please do not hesitate to contact us if we can provide further clarification.

Sincerely,



Darryl Rutherford
Executive Director

LETTER 42: DARRYL RUTHERFORD, SACRAMENTO HOUSING ALLIANCE

Response to Comment 42-1

Thank you for submitting comments on the MRIC Draft EIR. Please see Response to Comment 41-1.

Response to Comment 42-2

Please see Response to Comment 41-2.

Response to Comment 42-3

Please see Response to Comment 41-3.

Response to Comment 42-4

Please see Response to Comment 41-4.

Response to Comment 42-5

Please see Master Response #3, Mixed-Use Alternative, and Master Response #4, Guarantees of Developer Performance.

Response to Comment 42-6

Thank you.

Letter 43

From: "Eileen M. Samitz" <emsamitz@dcn.davis.ca.us>
Date: November 12, 2015 at 4:59:36 PM PST
To: Mike Webb <MWebb@cityofdavis.org>, Katherine Hess <KHess@cityofdavis.org>
Subject: Mace Innovation park DEIR comments

Nov. 12, 2015

To: City of Davis

DEIR comments on Mace Innovation Park

43-1

The DEIR mixed use alternative assumes (1) on-site employee occupancy rates and (2) internal trip generation rates that are speculative with inadequate technical justification. These speculative assumptions support the absurd conclusion that the mixed use alternative, with the same number of commercial square feet plus the addition of up to 850 dwelling units, would “generate fewer peak hour trips than the proposed project (139,000 daily Vehicle miles traveled (VMT) vs. 196,000 daily VMT), due to the greater internalization of trips with the addition of residential uses to the project in this alternative.”

By overestimating, without credible technical justification, (1) on-site employee occupancy rates and (2) internal trip generation rates, the DEIR concludes that the mixed use alternative will result in a counter-intuitive decrease in VMT of 29%.

This conclusion is flawed, and has a cascading effect on the adequacy of the analyses of other environmental impacts such as air pollution, greenhouse gasses, noise, and traffic.

As a consequence of the serious flaws in the analyses of the environmental impacts of the mixed use alternative, the City Council should either (1) remove this alternative from the Mace Ranch Innovation Center EIR, or (2) repeat these analyses using assumptions with adequate technical justification and then recirculate the DEIR to the public.

43-2

I also want it on the record that the entire reason that an innovation park at the Mace site was even being considered was to provide only an innovation park to generate more revenue for the City of Davis, NOT to introduce a housing component of any kind within it. This is particularly important since initially, a major criticism of this site was that it was big enough in acreage for the amount of innovation park space needed for Davis. It is incredibly hypocritical that now there is the introduction of a significant amount of the space being proposed in the mixed-use alternative for housing. Any version of a mixed-use project with a residential component should not be expected to pass a Measure J/R vote because citizens, including me, will pro-actively oppose it.

Eileen M. Samitz, former City of Davis Planning Commissioner, 2001 General Plan Update Growth Management and Neighborhood Preservation Committee, and 2008 General Plan Update Housing Element Steering Committee.

LETTER 43: EILEEN M. SAMITZ, INDIVIDUAL

Response to Comment 43-1

Thank you for submitting comments on the MRIC Draft EIR. Your concerns about the project are noted for the record. Regarding assumed employee occupancy of dwelling units and internalization in the Mixed-Use Alternative, please see Master Response #3, Mixed-Use Alternative, and Response to Comment 45-16.

Response to Comment 43-2

The commenter's opposition to the Mixed-Use Alternative and the inclusion of housing in the project is noted for the record and will be considered by the decision-makers in their deliberations on the project. Thank you.

Letter 44



Stewart Savage, Executive Director
Davis Downtown
PO Box 72497
Davis, CA 95617

November 12, 2015

Mike Webb
City of Davis
25 Russell Blvd.
Davis, CA 95616

Re: Mace Ranch Innovation Center Draft Environmental Impact Report

Mr. Webb,

Davis Downtown recognizes and embraces efforts to attract new businesses that will bring good jobs and cultivate an innovative technology base here. We hope to contribute useful analysis and comment as long-term goals are pursued.

44-1

After reviewing the Draft EIR and related documents, we feel that some of the assumptions are not well-supported and that the phasing of the development leaves the Innovation Park elements too far into the future. There are already hotel/conference facilities and commercial/retail projects slated to be built in the near-future. The City should allow those projects to be completed and assess their impact on the community before approving additional/competing proposals.

Project Phasing/Timeline

44-2

Our first area of concern is related to the project phasing and the project buildout timeline of the Project Description. According to the project phasing information beginning on page 3-43 along with the anticipated building use zone information contained in figure 3-9, nearly 100% of the ancillary/supportive retail (retail, restaurants, services) can be front-loaded and developed during phase 1 and phase 2 of the project with only a nominal amount of the desired manufacturing/R&D/office space of the project being developed during the leading portion of the project. In conjunction with a 17-year timeline, according to information on page 3-18 of the Project Descript, desired manufacturing/R&D/office space can be delayed almost indefinitely.

We also noted that in Appendix H - Urban Decay Analysis of the Draft EIR, under Hotel Market Impacts, Page 5, it is stated, "...that in 2027, when the Project's hotel is assumed to be added to supply..." This leads us to believe that Phase 2 of the project

**Letter 44
Cont'd**

**44-2
Cont'd**

could extend out for close to twelve (12) years. From there, logic leads us to believe that the much needed resources in Phase 3 and Phase 4 would not be built for over a decade.

The developers have made the hotel/conference center and the major retail components the focus of Phase 1 & 2. This meets no under-served needs in the City. If the goal is truly to establish facilities for innovators and entrepreneurs, then these facilities should be the first priority. As that component of the project begins to fill, the placement and type of ancillary retail can be determined to better serve the new tenants.

Davis Downtown recommends that the project timeline and project phasing be reviewed and modified to better reflect the needs of our community in retaining existing businesses and/or attracting new businesses. Highly desired manufacturing/R&D/office space, and the driving force for this project, should be built prior to or in parallel to the supportive retail component, and on a schedule that meets the manufacturing/R&D/office space demands.

Supportive Retail

We would also like to see greater detail as to how ancillary/supportive retail is incorporated throughout the project. There are discrepancies among the charts and tables within the Project Description of the Draft EIR causing us to question the accuracy of other figures within the document. Table 3-2 shows 100,000 sq.ft. of ancillary retail and Figure 3-7 shows 40,000 sq.ft. of ancillary retail.

44-3

Davis Downtown would like to see a balanced approach to the maximum allowable square footage for ancillary/supportive retail within the MRIC. In the Permitted and Conditional Uses section beginning on page 3-20, paragraph (f) provides for retail users "at or less than 25,000 sq.ft." This is equivalent in size to the TJ Maxx located in the 2nd Street Crossing Center. We don't feel it would be beneficial to the project if the allowable square footage for the ancillary/supportive retail were to be allocated to four "big-box" stores.

Additionally, the reports list 100,000 sq.ft. of retail, plus the 25,000 as part of the associated triangle site. On the video introduction to the project, one planner refers to coffee houses and cafés scattered throughout the project. Also, in the executive summary, reference is made to altering sites originally designated for office/industrial into retail projects. All of this makes the amount of total retail unclear and unsettling.

44-4

Aggregate Development

Davis Downtown also has concerns about aggregate development on parcels near and adjacent to the proposed Mace Ranch Innovation Center. The Mace Triangle property, the Alhambra property, the Fermi Place property all can be developed

**Letter 44
Cont'd**

**44-4
Cont'd**

with land use components that, when aggregated with the high density retail component of the MRIC project, can have a significant impact on the shopping and dining behaviors of our community and could ultimately compromise the viability of businesses in our downtown.

We ask that a holistic approach to development of the MRIC and the adjacent properties be used. With additional retail development in the area a high possibility, we need to carefully consider the MRIC project, how it fits into our community, and how to support our downtown with a thoughtful approach to peripheral development.

City Support Obligations

44-5

When comparing the MRIC proposal to the Nishi proposal there is a curious difference in the City's estimated ongoing support obligations. The City services required to support this project are estimated to be about \$180,000 annually, whereas the estimate for the Nishi project is \$140,000. The MRIC is about 6 times the size of the Nishi. We'd like to see a more detailed calculation of the estimated cost. We don't want to see the MRIC become a net drain of the City's and County's resources.

Summary

44-6

It appears that the existing plans for the MRIC project are out of touch with the needs of our community. The MRIC project plan fails to meet the near-term objectives of creating a space for innovation/business retention and fails to adequately consider the effects of peripheral retail development upon our downtown.

We ask that the City cast a critical eye over the MRIC Draft EIR to ensure that any proposed development meets our community needs for manufacturing/R&D/office space while properly considering the health and well-being of our downtown and our member businesses.

Warm regards,



Stewart Savage
Executive Director, Davis Downtown
stewart@davisdowntown.com

LETTER 44: STEWART SAVAGE, DAVIS DOWNTOWN

Response to Comment 44-1

Thank you for submitting comments on the MRIC Draft EIR. The comment expresses general concerns with the Draft EIR which are dealt with in more specificity below.

Response to Comment 44-2

The comment expresses concern that nearly 100 percent of the ancillary retail/services could be developed in Phases 1 and 2 of the MRIC project, with only a nominal amount of the desired manufacturing/R&D/office space of the project being developed during the leading portion of the project. This is not accurate; and the commenter's concern is addressed in Section 4.10, Land Use and Urban Decay, of the Draft EIR. Specifically, Mitigation Measure 4.10-2 states,

Prior to building permit issuance for ancillary retail space, the applicant shall demonstrate to the City's satisfaction that there is sufficient unmet demand from a combination of retail demand from MRIC employees and businesses and/or retail demand from elsewhere within the Davis marketplace to support the retail space for which the building permit is requested. The objective of this requirement is to ensure that retail space developed within the MRIC will not re-allocate demand from existing Davis retailers, but will instead help the City to increase its net retail capture rate and provide new retail offerings that will satisfy currently unmet demand.

The comment expresses similar concern regarding the proposed hotel/conference center component of the MRIC project. In response to the comment, a subcomponent of mitigation measure 4.10-2 is added to page 4.10-41 of the Draft EIR, as follows [note: see Response to Comment 40-14 for additional revisions to Mitigation Measure 4.10-2]:

4.10-2(a) *Prior to building permit issuance for ancillary retail space, the applicant shall demonstrate to the City's satisfaction that there is sufficient unmet demand from a combination of retail demand from MRIC employees and businesses and/or retail demand from elsewhere within the Davis marketplace to support the retail space for which the building permit is requested. The demonstration to the City may be premised upon the number of employees (and/or residents) on-site, the commercial (and/or residential) square footage developed, or other factors relevant to the generation of on-site demand. The objective of this requirement is to ensure that retail space developed within the MRIC will not re-allocate demand from existing Davis retailers, but will instead help the City to increase its net retail capture rate and provide new retail offerings that will satisfy currently unmet demand.*

4.10-2(b) *Prior to building permit issuance for the proposed hotel, the applicant shall demonstrate to the City's satisfaction that there is sufficient unmet demand from a combination of hotel demand from MRIC employees and businesses and/or hotel demand from elsewhere within the Davis marketplace to support the hotel space for which the building permit is requested. The objective of this requirement is to ensure that the hotel*

developed within the MRIC will not re-allocate demand from existing Davis hotels, but will instead help the City to provide new hotel offerings that will satisfy currently unmet demand.

Response to Comment 44-3

Table 3-2 is correct. The project is anticipated to include up to 100,000 square feet of ancillary retail. Figure 3-7 has been revised for clarification purposes, as shown in the following page.

Response to Comment 44-4

The comment expresses concern about the potential for the cumulative effects of ancillary retail at the MRIC project, plus other nearby properties that would permit retail development, which could alter the local retail shopping patterns that could ultimately compromise the viability of businesses in Downtown Davis. To address these concerns, the Draft EIR contains Mitigation Measure 4.10-2, which would require that, “Prior to building permit issuance for ancillary retail space, the applicant shall demonstrate to the City’s satisfaction that there is sufficient unmet demand from a combination of retail demand from MRIC employees and businesses and/or retail demand from elsewhere within the Davis marketplace to support the retail space for which the building permit is requested. The objective of this requirement is to ensure that retail space developed within the MRIC will not re-allocate demand from existing Davis retailers, but will instead help the City to increase its net retail capture rate and provide new retail offerings that will satisfy currently unmet demand.”

Response to Comment 44-5

The commenter notes that the City services required to support the Mace Ranch Innovation Center (MRIC) are estimated at \$180,000 annually compared to \$140,000 for Nishi, and requests a more detailed calculation of the cost. It appears that the commenter is referring to Table C-2, which estimates the annual net general fund expenditures for community services at \$170,000 for MRIC and \$141,000 for Nishi. The cost estimates are assessed on a per person served basis, as shown in Table C-1, based on the expenditures in the FY 2015-2016 Adopted Budget. The commenter points out that the MRIC is six times the size of Nishi. Due to the predicted land uses of the Nishi project, specifically the addition of housing, the cost estimates for the Nishi project are disproportionately high when compared to the size of the projects. As shown in Table A-4, while the MRIC project has a much larger employee base, the Nishi resident population results in a persons served figure that is similar for both projects (2,736 for MRIC versus 2,269 for Nishi), resulting in the two projects having similar costs for many City services.

Response to Comment 44-6

The commenter’s concerns about the project are noted for the record and will be considered by the decision-makers during their deliberations on the project. Thank you.

Figure 5
 [Revised Figure 3-7 of the Draft EIR]
Anticipated Buildout Layout by Use Type

