

CITY OF DAVIS
ADVISORY COMMISSION STAFF REPORT

DATE: January 19, 2016

TO: Natural Resources Commission (January 25)
Open Space and Habitat Commission (February 1)
Finance and Budget Commission (February 8)
Bicycling, Transportation, and Street Safety Commission (February 11)
Recreation and Parks Commission (February 18)

FROM: Michael Webb, Assistant City Manager
Heidi Tschudin, Contract Project Manager

SUBJECT: **MACE RANCH INNOVATION CENTER (MRIC) Project**

RECOMMENDED ACTIONS

Staff recommends that each advisory commission undertake the following:

1. Receive a report from staff regarding the project and the Final Environmental Impact Report (FEIR) for the Mace Ranch Innovation Center (MRIC) project (10 minutes). (Note the Final EIR was released and posted online on January 14, 2016.)
2. Receive a presentation from the applicant on the MRIC (10 minutes).
3. Discuss the project proposal and merits within the relevant subject matter of each commission (40 minutes total). Within the relevant subject matter of each Commission, make advisory recommendations on the project in each of the following areas:
 - a) Focusing on those that fall within the purview of the Commission, is the project consistent with the City Council's Guiding Principles?
 - b) Does the Commission recommend the project as proposed (without housing), the Mixed Use Alternative with housing, or one of the other alternatives and why? At their December 15, 2015 meeting the City Council specifically asked the NRC, FBC, and BTSSC to address this topic.
 - c) What comments or recommendations does the Commission have regarding project design and proposed features? How does this differ based on the recommended alternative?

The Final EIR (including the Draft EIR) is available online at the City's website located at www.cityofdavis.org, at the Department of Community Development and Sustainability, and at the Davis Branch Library and UCD Library.

RECOMMENDED CONDUCT OF MEETINGS

In order to get through this item efficiently and ensure time for feedback from each member of each commission it will be critical for each member of each commission to read all materials and be thoroughly prepared. Staff recommends the following approach for the meeting. Following the presentations by staff and the applicant it is recommended that the chair allow for commissioner questions, and then ask each commission member to weigh in on the following questions:

- a) Do you feel the project is generally consistent with, or would generally achieve, City objectives and guiding principles relevant to the mission of the commission? Why or why not?
- b) Which project alternative do you support? Why or why not?
- c) What recommendations do you have related to project design and proposed features?

INTRODUCTION

At this time staff is seeking “high” level input and recommendations from the advisory commissions in advance of the Council’s initial consideration of the project in April. Each commission is asked to advise the Council from the perspective of their area of expertise, and should assume that the City Council wishes to undertake consideration of the project proposal (or alternative). Commissions should also assume that there will be later opportunities to delve into project issues in greater detail at future check in points.

In addition to considering EIR certification, key items to be considered by the City Council in April will include those likely to become part of the identified “baseline project features” including:

- Simplified site plan
- Basic land uses (general plan designations)
- Maximum project square footage
- Basic project design features
- Density/intensity
- Project phasing
- Major infrastructure components
- Major sustainability framework and commitments
- Basic structure and tenets for Master Owner Association (MOA)
- Fundamental development agreement items (beyond nexus based condition and mitigations)
- Basic features of the Mace Triangle component

After the Council makes an initial decision regarding approval of the project in April, additional project details will be developed prior to consideration by the votes in November. These are likely to include:

- Project Design Guidelines
- Project Sustainability Implementation Plan
- Framework for tax sharing agreement
- Framework for use of City property
- Mitigation land location (for loss of habitat and of agriculture)

- Choice of traffic mitigation option
- Development agreement

After a successful Measure R vote in November, final project details would be developed to guide project development. These are likely to include:

- Tax sharing agreement
- Tentative map
- Final Planned Development

Council Resolution No. 10-053 provides guidance on advisory commission review of development proposals. It calls for staff to refer development proposals to subject-matter commissions when a proposal is inconsistent with existing policy or has outstanding characteristics in a certain area, before proceeding to the Planning Commission or City Council. Rather than stating a position on a development proposal in its entirety, a commission should provide the pros and/or cons of a project relative to their specific area of expertise.

PROJECT SUMMARY

A site plan for the project is provided below. The project is comprised of two primary components:

1) MRIC -- The proposed Innovation Center component of the project includes up to 2,654,000 square feet of innovation center uses and dedication of 64.6 acres of green space (including parks and open space) on a 212-acre site. Building space will be allocated in the following general manner: up to 1,510,000 square feet for research/office/R&D uses; up to 884,000 square feet for manufacturing and research uses; up to 260,000 square feet (10 percent) for supportive commercial uses, including a hotel/conference center with 160,000-square feet and 150 rooms, and 100,000 square feet of supportive retail throughout the MRIC.

2) Mace Triangle -- The 16.6-acre Mace Triangle site was included within the overall project boundaries to ensure that an agricultural and unincorporated island is not created and to allow the continuation and expansion of existing uses. Development of up to 71,056 square feet of general commercial uses including up to 45,900 of research, office, and R&D, and up to 25,155 square feet of retail is assumed on the Mace Triangle properties.

FINAL EIR AND OTHER ANALYSES

Final EIR

The Final EIR was released January 14, 2016. It includes the Draft EIR (August 2015), comment letters submitted on the Draft EIR, responses to comments, and errata and clarifications to the Draft EIR. It can be viewed online at the following web address:

<http://cityofdavis.org/city-hall/community-development-and-sustainability/development-projects/mace-ranch-innovation-center/notice-of-availability-of-final-environmental-imp-3550>



The FEIR contains individual responses to all comments and includes eight master responses that provide more detailed responses on the following topics:

- (1) Union Pacific Railroad (UPRR) and County Road (CR) 32A Closure
- (2) Bicycle Connection Along CR 32A
- (3) Mixed-Use Alternative
- (4) Guarantees of Developer Performance
- (5) Project Phasing
- (6) Project Ownership
- (7) Western Burrowing Owl
- (8) Swainson's hawk.

Economic and Fiscal

Several fiscal and economic reports have been released for this project:

- Economic Evaluation of Innovation Park Proposals, BAE, July 9, 2015
- Davis Innovation Centers Fiscal and Economic Impact Assumptions, EPS, July 8, 2015
- Economic and Fiscal Impact Analysis of Proposed Innovation Centers in Davis, September 8, 2015
- Economic and Fiscal Impact Analysis of the Proposed Mace Ranch Innovation Center Project, Executive Summary, October 2015

These are available online at the following web address:

<http://cityofdavis.org/city-hall/community-development-and-sustainability/development-projects/mace-ranch-innovation-center/project-documents>

Sustainability Framework

The MRIC Sustainability Framework was released December 17, 2015. It is available at the same link provided above. At the January 25 NRC meeting the applicant will present an overview of their proposed Sustainability Framework and describe their anticipated next steps in developing sustainability commitments associated with that Framework.

CITY COUNCIL GUIDING PRINCIPLES

In December 2014 the City Council adopted Guiding Principles for use in evaluating the innovation center proposals (see Attachment 1, Guiding Principles). The advisory commissions reviewed the draft principles prior to their adoption by the City Council. The Guiding Principles were slightly modified in the Draft EIR section on “City Objectives for Innovation Centers” (DEIR page 3-8) in order to include earlier studies reflecting the intent of the City.

MIXED USE AND OTHER ALTERNATIVES

The Mixed Use Alternative includes the same non-residential square footage and land uses as described above for the proposed project, plus 850 high density residential units intended to supply the projects employee-generated demand for housing.

Six other project alternatives are analyzed in the EIR. These include:

- 1) No Project (No Build)
- 2) Reduced Site Size
- 3) Reduced Project
- 4) Off-Site (Davis Innovation Center site)
- 5) Off-Site (Covell Property site)
- 6) Infill

Table 2-1 from the Draft EIR provides a summary of these alternatives and is included as an attachment to the staff report (see Attachment 2, Summary of Alternatives).

OVERVIEW OF ADVISORY COMMISSIONS

Natural Resources Commission (NRC)

This Commission has been assigned the following subject matter responsibility:

- Water quality and supply
- Wastewater treatment
- Water conservation
- Air quality
- Solid waste and recycling
- Renewable energy

- Energy conservation
- Global warming
- Toxics and hazardous substances
- Natural resources

The Guiding Principle most relevant to the mission of this Commission is Principle #2: Sustainability.

Open Space and Habitat Commission (OSHC)

This Commission has been assigned the following subject matter responsibility:

- Open space
- Habitat
- Natural areas
- Wildlife
- Agricultural land conservation
- Land acquisition
- Regional parks
- Trail systems
- Environmental education and interpretation
- Project site design related to open space and habitat
- Project O/M related to open space and habitat

The Guiding Principle most relevant to the mission of this Commission is the Open Space portion of Principle #2: Sustainability.

Finance and Budget Commission (FBC)

This Commission has been assigned the following subject matter responsibility:

- City finances and budget
- Economic issues

The Guiding Principle most relevant to the mission of this Commission is Principle #7: Fiscal Consideration and Net Community Benefit

Bicycling, Transportation, and Street Safety Commission (BTSSC)

This Commission has been assigned the following subject matter responsibility:

- Transportation
- Transit
- Bicycle and pedestrian circulation
- Vehicular circulation
- Street design
- Traffic operations and enforcement
- Traffic safety
- Parking
- Transportation infrastructure

The Guiding Principle most relevant to the mission of this Commission is Principle #3: Transportation

Recreation and Park Commission (RPC)

This Commission has been assigned the following subject matter responsibility:

- Public recreation and park planning
- Public art as related to design or theme of a park

The Guiding Principles most relevant to the mission of this Commission are:

- Bullets 4 and 9 under Principle #4: Work Environment
- Bullet 6 under Principle #5: Uses

NEXT STEPS

The following dates are scheduled for project review by the advisory commissions:

- 1/25 Natural Resources Commission
- 2/1 Open Space and Habitat Commission
- 2/8 Finance and Budget Commission
- 2/11 Bicycling, Transportation and Street Safety Commission
- 2/18 Recreation and Parks Commission

In addition other tentatively scheduled meetings include:

- 2/10 Planning Commission workshop on site plan and project design
- 2/16 Council status report and continuation of applicant's request for feedback on the Mixed Use Alternative
- 3/9 Planning Commission Hearing #1 to consider recommending approval of the project
- 3/2 Planning Commission Hearing #2 to make a recommendation to Council regarding approval of the project
- 4/5 City Council Hearing #1 to consider approval of the project
- 4/26 City Council Hearing #2 to take action to approve the project and request a Measure R vote

If the project is approved by the City Council, the Council has until July 7, 2016 to request the Measure R vote and the County has until July 26, 2016 to set the November election. The election would take place November 8.

ATTACHMENTS

- Attachment 1, Guiding Principles
- Attachment 2, Summary of Alternatives