

Natural Resources Commission Minutes
March 28, 2016

Present: Mark Braly, Kristin Burford , Matt Holland, John Johnston,
Anya McCann (Alt), Michelle Millet, Alan Pryor

Absent: Steven Westhoff
Staff: Mitch Sears, Sustainability Manager

Council Liaison: Rochelle Swanson

1. **Approval of Agenda** - Approved unanimously
2. **Approval of Minutes**- January 25, 2016 minutes approved unanimously with minor corrections.
3. **Commission and Staff Announcements** – Commission Chair Holland announced that he will be stepping down as chair and that election of a new chair would take place at the next meeting. Commissioner Millet indicated an interest in serving as chair.
4. **Council Liaison Comments** – None.
5. **Public Communications** – Alan Hirsch noted the availability of documents related to significant projects are not available in a timely way. The City should look at this issue.
6. **Consent Calendar** – None.
7. **Mace Ranch Innovation Center - Project Review.** Heidi Tschudin, City contract project manager for the MRCI project reviewed previous presentations to the Commission and outlined the project review process and the process used to gather input from City Commissions. The project proponents presented on background and specific project design/elements related to the draft sustainability framework submitted to the City in late January. Member of the public, Alan Hirsch, provided written comments included as Attachment 3. Following discussion, individual Commissioners provided input on the following three questions posed by the City Council:
 - Question #1 -- What recommendations do you have related to project design and proposed features?
 - Question #2 (NRC only) – What recommendations do you have related to the proposed framework for sustainability and key commitments/aspects of sustainability relevant to this project?
 - Question #3 -- 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?

Commissioner responses, grouped by category are included in these minutes by reference and as Attachment 1. Commissioner Westhoff, unable to attend the meeting, submitted written comments that were read into the record and are included as Attachment 2. A written GHG mitigation proposal, submitted by Commissioner Johnston and read into the record was accepted by the full Commission and is included as Attachment 3.

Following individual Commissioner comments and discussion, on a motion by Pryor, Seconded by Braly, the Commission recommended forwarding the following to the City Council:

The Commission finds that the project, as currently proposed, does not meet the City's sustainability standards with respect to GHG emissions and moves the City further from its Climate Action and Adaptation Plan goals.

Passed unanimously (7-0; Westhoff absent).

8. **Environmental Recognition Awards - 2016.** Staff reviewed the nominations for the 2016 ERA's. The Commission adopted the nominations unanimously.
9. **Water Conservation Program -** Staff provided an update on water production.
10. **Subcommittee Updates** – Energy – The subcommittee is working on a reach code ordinance proposal with the City; Hazardous Materials – Reports of possible violations of non-spray zones in parks; Solid Waste – Subcommittee requesting follow up on styrofoam food container ban.
11. **Long Range Calendar/Future Agenda Items.** 2016 long-range calendar review scheduled for next meeting.
12. **Adjourn:** 10:55 p.m.

NRC Minutes 3/28/16 – Attachment 1

NRC Comments – 3/28/16

Mace Ranch Innovation Center (MRIC)

NRC comments were recorded by individual Commissioners and are grouped by general topic. On Commissioner concurrence at the 3/28/16 meeting, comments are intended to be general summaries for use by the City Council during the decision making process for the proposed project. The comments are organized by questions posed by the City Council for consideration by City Commissions. Supplemental information is included following the comment table.

- Question 1 – What recommendations do Commissioners have related to project design and proposed features?
- Question 2 - What recommendations do Commissioners have related to the proposed framework for sustainability and key commitments/aspects of sustainability relevant to this project?
- Question 3 - Do Commissioners 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?

Note: Comments not listed in order of priority

Table 1 – NRC Comments on proposed MRIC project (3/28/16)

Topic	Comment	Notes
QUESTION 1 – Project design		
1. Wildlife corridor	Redesign is good.	
2. Transport Management Plan	Need stronger connection to regional transit (bus/train) to reduce VMT	
3. Cal Green	Current standard for City is equivalent to LEED Silver, why isn't the project going above the City's minimum standard?	
4. Purple Pipe	Good.	Multiple commissioners registered this comment
5. Electric Vehicle Charging	EV ready is good but should be expanded to the full site.	
6. Non-potable water	Plan for outdoor use is good but should use inside building too.	
7. On site PV/Renewable energy	PV onsite to serve 50% of project load is good but should push to a higher %; maximize onsite solar; create flexible approach allowing multiple approaches	Multiple commissioners registered this comment

Topic	Comment	Notes
	to producing onsite renewable energy; does 50% target only apply to both offices and manufacturing? Require 100% renewable energy for any onsite energy needs.	
8. Open Space	Seems like a reasonable amount of OS	
9. Grid design	Good	
10. Storm Water	Use storm water to replenish ground water with infiltration throughout the site	
11. Transit	Coordinate transit with UCD	
12. CCE	Work with CCE to become an energy producer	
13. Low Carbon District	Whole project should be low carbon district; need more detail – what makes it unique?	Multiple commissioners registered this comment
14. Parking	Parking should be reduced/minimized/priced; jobs to parking ratio is about 1:1, too high.	Multiple commissioners registered this comment
15. Modular design	Good that project is modular – reclaim parking if not needed in the future – flexibility is good.	Multiple commissioners registered this comment
16. Density	Densification is speculation because tenants will build their own buildings to their individual needs; need specific, enforceable standards for densification – need more specifics.	
QUESTION 2 – Proposed Sustainability Framework		
17. Air Quality	Connect project sustainability plan to the air quality section in the EIR	
18. GHG	<ul style="list-style-type: none"> No commitment to GHG reduction goals. Reference to EIR section 4.7.2.a – project does not close the loop with actions if project does not meet GHG goals based on 5 year monitoring requirements. OK with on-site or off-site GHG mitigation to provide maximum flexibility. Clarify EIR section 4.7.2.a responses to comments regarding GHG mitigation and if the correct baseline (1990) is being used – need additional information. GHG is the fundamental question with transportation being 60% of the issue. Benefits to the City are not worth it if the project does not achieve net zero carbon. 	<p>Multiple commissioners registered these comments.</p> <p>See supplemental information sheet submitted by Commissioner Johnston and accepted by the NRC; included as attachment 1 to these notes.</p>
19. Buildings –	All buildings should be net zero energy at time of	Multiple commissioners

Topic	Comment	Notes
Energy	construction.	registered this comment.
20. Pollinator habitat	Need to incorporate pollinator habitat into site design.	
21. Standard v. above standards	List should be provided of what the project is legally required to do v. what is proposed above that standard to make it easier for Commission/City Council/public to understand what makes the project unique.	Multiple commissioners registered this comment.
22. Transit & bike	Lack of public transit to significantly change how people will come to the site (by auto). Should make as bike accessible as possible and design to keep employees on site to reduce car trips during work day (e.g. bike share).	
23. Transportation Demand Management (TDM)	Increase TDM reduction requirement from 10% to 15%	
24. MMRP	?	
25. GHG mitigation funding – property tax	Project developers should mitigate for GHG emissions directly rather than set up a property tax structure that shifts responsibility to the eventual property owner(s) through a Mello-rosos type funding approach. There should be a more explicit local GHG mitigation program set up by this project (e.g. local GHG mitigation bank).	
QUESTION 3 – Consistency with City Development Principles		
26. Principle 2; Objective 4 Ag/OS Conservation	Yes, the project does meet this objective.	
27. Principle 2; Objective 2: GHG	No, the project does not meet this objective: <ul style="list-style-type: none"> • Not strong enough commitment to certain, verifiable GHG % reductions. • Not consistent with the City’s CAAP goals. • Need to see additional detail on GHG baseline, reduction requirements and mitigation strategy that will lead to measureable GHG reductions. • Given location and lack of housing, not possible to meet City’s sustainability objectives. • Not able to make determination without more information on GHG. Most likely not consistent with City sustainability 	Multiple commissioners registered these comments.

March 28, 2016
Natural Resources Commission Minutes

Topic	Comment	Notes
	<ul style="list-style-type: none"><li data-bbox="446 241 1071 346">• Need more information and to build in more certainty and enforceable commitments related to GHG emission reductions.	

Attachment 2 - Steve Westhoff's Notes – Mace Ranch Innovation Center

Question #1 -- 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?

I assume Principle #2 (“Sustainability”) is our commission’s focus. Documents and discussions regarding the sustainability features of the proposed Mace Ranch Innovation Center (MRIC) project indicate the developer is devoting attention to this principle. I am just not sure the details are there yet to ensure that the many ideas that have been floated are locked in and achieved. Minimizing and offsetting the greenhouse gas emissions throughout the life of the project (“bolster the goals of the Climate Adaptation & Action Plan”) and pursuing water conservation and recycling (bringing recycled water to East Davis has been mentioned several times) are two key areas to nail down.

I will note that with regard to Principle #4, given the direction of City Council, the “live” aspect of “work, live, play” goal will be limited. I hope the developer and the City will focus on strategies to encourage MRIC employees to still live locally and to use less polluting forms of transportation when commuting.

Question #2 -- Which project alternative do you support? Why or why not?

o 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.

Commissioner Pryor has weighed in, with other community members, via a recent column in the Davis Enterprise: <http://www.davisenterprise.com/forum/opinion-columns/an-infill-future-fordavis/>.

The authors oppose the proposed MRIC project and suggest that the city pursue its innovation center goals through infill development.

EIR dismisses an infill alternative because it doesn’t meet the stated project objectives – not enough space (target appears to be 200 acres), loss of benefits of a centralized “innovation center,” difficulties of acquiring/rezoning/annexing available sites compared to eagerness of MRIC site owners, etc. But the EIR only considered infill parcels “available for development”: vacant parcels that are “appropriately zoned for office and industrial building types, are available on the market, and do not currently have development plans.”

Setting aside currently “available” parcels, Studio 30 identified the 5th Street Hub as an option that could create 4,000 jobs on just 33 acres, while also having much higher potential for achieving carbon neutrality. I think Commissioner Pryor and his co-authors reference the 5th Street Hub as an ideal alternative. Additionally, it does seem that a number of our business parks, such as those in South Davis, are under-utilized at present, raising questions as to whether there is actually a need for more. But the City’s “dispersed innovation center” strategy, as recommended by the Studio 30 study, includes a “closer-in” hub like Nishi and a larger “edge” site like MRIC to capture larger businesses and achieve centralized “innovation center” goals with fewer hurdles over the next 20+ years.

The “as proposed” alternative is clearly *not* the least environmentally impactful. The “no project,” infill, mixed-use, reduced size alternatives would have less impact. But I recognize that the City is weighing many goals other than limiting environmental impacts when pursuing a large, peripheral innovation center. The Commission may not be able to come to a consensus in support of MRIC “as proposed,” but City Council appears to be focusing on that option for the November ballot. Without “supporting” this “as proposed” alternative, perhaps the Commission can think of ways to mitigate its

potential impacts and improve its sustainability.

Question #3 -- What recommendations do you have related to *project design and proposed features*? How does this differ based on the recommended alternative?

☐ I question need for an additional hotel/conference center in light of developments closer to core of city and university. It appears that the City will need to be satisfied that there is indeed such a need before any related building permit would be issued.

☐ Proposed sustainability features addressed under Question #4.

Question #4 (NRC only) – What recommendations do you have related to *the proposed framework for sustainability and key commitments/aspects of sustainability* relevant to this project?

☐ Presentation at last NRC meeting seemed to focus on benefits of mixed-use alternative. Given that City Council has signaled that is off the table, unclear whether some of the proposals for innovative features like facilitating development of recycled water (not just on-site but also with connection to wastewater treatment plant, extension of purple pipes to East Davis) are still possible.

☐ More details on bicycle path and “riparian corridor”

o Pictures and description were a bit unclear on how the stormwater was to pass through the site and to the east. Are the developers committed to essentially creating a watercourse and walkway/bikeway out to the Yolo Bypass?

☐ Concern that the Framework, still highly conceptual, will not translate into true commitments.

o Strongly suggest stringent GHG standards. If project (construction + stationary sources + mobile sources) cannot achieve very low GHG emissions through onsite activities, project should be required to provide off-site offsets/mitigation

☐ We had recommended more stringent GHG and energy goals for Nishi, but I am not sure how that recommendation was received by the City and the developer, and whether it will be part of enforceable documents for the Nishi project.

☐ Tenant/Business Sustainability:

o How do we ensure the “green technology and sustainable agricultural research” promoted in MRIC materials actually would materialize?

☐ The activities of the tenants, as well as the use of their products across the world, may not be reasonably foreseeable for the purposes of a project EIR. But I do think that the sustainability of the innovations that may come out of a Davis “innovation center” matters.

☐ As I noted before, Schilling Robotics has been used as the key named example of a business that needs a development like MRIC to stay in Davis. According to a Sacramento Business Journal article (<http://www.bizjournals.com/sacramento/news/2015/05/21/low-oil-pricesdrive-schilling-robotics-to-lay-off.html>), Schilling Robotics manufactures submersible robotics “used in exploration, construction and maintenance work on offshore oil platforms and drilling rigs.” Without intending to demonize it – my family and I certainly depend on fossil fuels in our daily lives – I am not sure I would intuitively call Schilling Robotics a “sustainable business.” It is squarely focused in technology that furthers the exploitation of fossil fuels, and it in fact laid off 59 nationwide employees, “nearly a quarter of its staff,” in 2015 due to the fallen prices of crude oil.

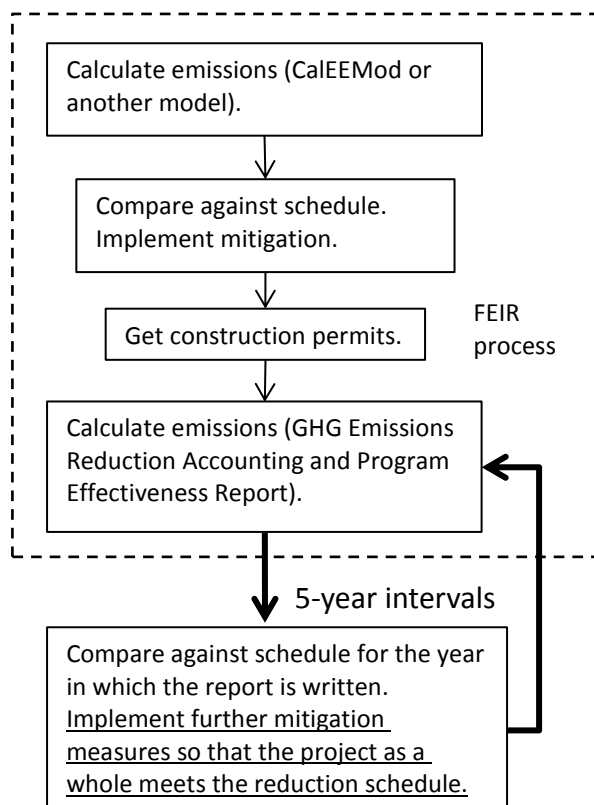
Attachment 3

Supplemental comments submitted at 3/28/16 NRC meeting by Commissioner Johnston and accepted by full Commission.

Comment on reducing GHG emissions over time

At various places in the sustainability and EIR documents, commitments are made to specific activities in the short term, but not in the long term, because of concerns that conditions might change in unpredictable ways. This suggests that after initial construction permits are granted, nothing further will happen to move the project toward the city's carbon neutrality goal.

Instead of the current process of the applicant proposing a variety of specific actions and the NRC and others trying to decide whether or not they are adequate, an alternative approach would be to focus on results rather than actions by expanding the process in the EIR to "close the loop" on GHG emissions. The existing EIR (Mitigation Measure 4.7-2a) requires that at the time they are permitted, different parts of the project must meet a schedule of GHG reductions based on the D-CAAP (shown in the EIR). Then, at 5-year intervals, the project is monitored (Mitigation Measure 4.7-2b) and GHG Emissions Reduction Accounting and Program Effectiveness Reports are written. What happens next is not clear. While the D-CAAP calls for declining emissions (or increasing reductions) over time, it appears that emissions from individual parts of the project would stay static at the levels applicable at the time of the *initial* construction permits. Newer parts of the project would have to meet lower emissions standards, but older parts would be static at older (and higher) emissions rates.



A proposed alternative is to expand the EIR process in this way (see figure): At 5-year intervals when the required GHG emissions reports are written, the results should be compared with the emission reduction schedule in the FEIR *for that year*. If the project (*as a whole*) is not meeting the emissions reduction shown on the schedule, it should implement *additional* mitigation measures to meet the schedule. In other words, implement a plan for continuous improvement. The choice of specific actions can be negotiated between the project owners and the city (as per the EIR) to be reflective of the conditions at the time. Presumably they would come from the list in the EIR, namely: (1st priority) building specific actions, (2nd priority) other onsite actions, (3rd priority) community-based (within Davis) actions, and (4th priority) pay GHG reduction fees (carbon offsets) into a qualified existing local program, if one is in place.

Five years later the project would re-assess its emissions (as required in the FEIR) and implement

March 28, 2016
Natural Resources Commission Minutes

whatever additional improvements are needed to meet the next scheduled level of emissions reduction, and so on, until 2050.

The advantages of this adaptive management approach are: (1) a focus of GHG results that allow the project (as a whole) to conform to the D-CAAP, and (2) flexibility for the owners to choose future mitigation measures that are appropriate and cost-effective in the context of future conditions such as improvements in building energy efficiency, onsite energy production opportunities, the car/transit mix, or electric vehicle use.