

STAFF REPORT

DATE: June 6, 2023

TO: City Council

FROM: Dianna Jensen, Director of Public Works - Engineering & Transportation/
City Engineer
Ryan D. Chapman, Assistant Director of Public Works Engineering &
Transportation/Traffic Engineer

SUBJECT: Receive an update on the Yolo 80 Managed Lanes Project and consider three letters of intent for possible funding support from Caltrans related to the Yolo 80 Managed Lanes Project

Recommendations

1. Receive an update on the Yolo 80 Managed Lanes Project from Autumn Bernstein, Executive Director of the Yolo Transportation District (YTD) and Brian Abbanat, Acting Director of Planning for YTD.
2. Approve the attached resolution authorizing the City Manager to sign three letters of intent with the Caltrans related to possible funding support from the Yolo 80 Managed Lanes Project for the following:
 - Fund the expansion of transit service in the City of Davis
 - Provide funding support for the multimodal elements of the Nishi Project
 - Provide funding support for infrastructure improvements identified in the Downtown Davis Plan

YTD is a "Responsible Agency" under CEQA as a public agency with some discretionary authority over a project or a portion of it, but which has not been designated the Lead Agency. (State CEQA Guidelines Section 15381.)

The Draft EIR for the Yolo 80 Managed Lanes Project is currently scheduled for public review later this summer. Sending these letters does not preclude the City from commenting in the draft environmental document once it is released, nor is it a statement of endorsement of the project itself. Furthermore, the letters at this stage are intended to signal interest in working with Caltrans on funding support. Further refinement and formal agreements would need to be crafted after Caltrans project approval.

Fiscal Impact

There are no immediate fiscal impacts as a result of signing these letters of intent. If the Yolo 80 Managed Lanes Project is constructed, then signing these letters would provide the City the ability to participate in the funding program and could help the City fund expanded transit service and assist the Nishi developer with transportation improvements.

If the City decides not to partner with Caltrans on the Yolo 80 Managed Lanes Project then the expansion of transit service would not occur. Additionally, without this contribution from the Yolo 80 Managed Lanes Project the Nishi project would need to secure funding from another undetermined source in order to move forward.

The Nishi Development Agreement and Baseline Project Features Backbone Infrastructure section specifically cites that the developer and the City would collaborate on securing outside funding through grants or another means to help fund certain improvements including the grade separated crossing over the UPRR tracks.

Council Goal(s)

This project supports the City Council's Goal to Fund, Maintain and Improve Infrastructure. Specifically, through objective 2 task 1: "Support state and regional efforts to remedy severe I-80 traffic congestion through the City of Davis and the Causeway through improvements to the freeway and mass transit options such as an express busway."

Commission Input

The BTSSC reviewed this policy at their May 11, 2023 meeting and made three motions seeking additional information about the proposed projects to be funded.

- For transit expansion the BTSSC motions "Could this money be used for other purposes aside from micro transit that would be a better use?"
- For both Nishi and the Downtown Davis Plans the BTSSC motions "This letter lacks specificity regarding the number of dollars and the uses of those dollars."

Background and Analysis

Caltrans is currently working on an environmental document for the Yolo 80 Managed Lanes Project and is looking for potential projects that could be part of its mitigation strategy. This project would add managed lanes for high occupancy vehicles (HOV) and or toll lanes to I-80 and a portion of US 50. This would be from Kidwell Road near the eastern Solano County boundary (near Dixon), through Yolo County, and to West El Camino Avenue on I-80 and Interstate 5 (I-5) on US-50 in Sacramento County. Attachment 1 shows a map with the project limits.

As part of the preparation for the EIR Caltrans has been identifying other projects along the corridor that could help reduce vehicle miles travelled (VMT) in the region that they could help support financially through this project to help reduce the overall project VMT. At this time Caltrans is looking for letters of intent from the City for projects that have been identified as reducing VMT. These letters are necessary for the projects to be included in the Draft EIR as potential Yolo 80 Managed Lane Project mitigations. If any of the identified projects move forward and are included in the final EIR, detailed scopes including contributions to the local projects would be prepared.

Caltrans has identified three projects in Davis where additional funding from the Yolo 80 Managed Lanes Project would help advance projects or goals that are currently unfunded, while also meeting the needs of Caltrans for their mitigation planning.

- The expansion of Microtransit and Unitrans Bus service. This project would create a new microtransit service in the City of Davis; microtransit is a service

that does not run on fixed routes like traditional buses but can change routes based on passenger pick up and drop off needs. As well as reduce the headways (time between buses on a route) and expand service with new routes in town. This proposal is consistent with the recently adopted CAAP, specifically action TR.6. Expand public transit.

- The Nishi project is a housing project that was approved by the voters in June of 2018 and is currently looking at options to complete the required over-crossing of the Union Pacific Railroad tracks. This crossing will serve as the primary access for the project. One of the constraints that the project is facing are the high cost of constructing this connection. These costs threaten to make the project economically unviable for the developer unless outside funding support can be secured.
- Implementation of the Downtown Davis Plan was approved by the City Council in December of 2022 and envisions up to 1,000 new residential units and up to 600,000 square feet of new commercial space for buildout under the plan for the 20-year planning period. While no specific project has been identified yet, the Downtown Plan will allow modifications to existing infrastructure such as the addition of traffic signals or upgrading utility lines. By extension, these funds could help facilitate the construction of housing, and increase the affordability of housing accordingly.

Caltrans is also discussing participating on projects with other agencies in the region and staff is not involved with and does not have any details on these projects but they will also be included in the draft EIR once it is released for review and comment.

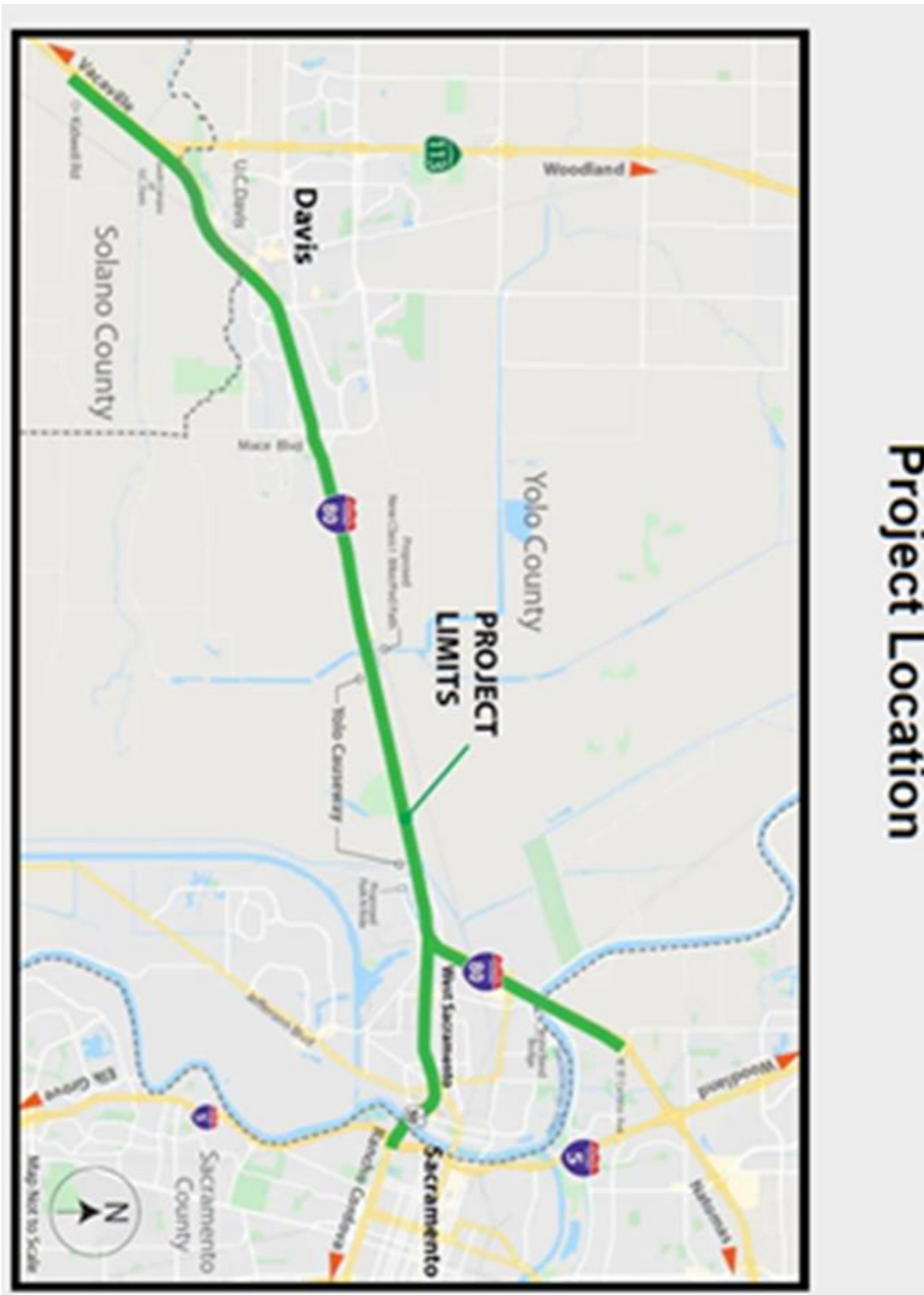
At this time Caltrans is looking for general letters from the City indicating our willingness to engage in funding for these projects. These letters are not binding but indicate enough support from the City that allows for these commitments to be considered as possible mitigation in the Yolo 80 Managed Lanes Project. If the projects are included as mitigation in the final EIR then cooperative agreements would be prepared outlining the specific project scopes, dollar amounts, roles, and responsibilities for both agencies.

The Draft EIR for the Yolo 80 Managed Lanes Project is currently scheduled to be release by Caltrans for public review later this summer. Sending these letters does not preclude the City from commenting on the draft environmental document once it is released. The full extent of potential VMT/GHG impact and proposed mitigation by Caltrans will be known when the Draft EIR is released for public review and comment. The letters of intent do not presuppose that the proposed VMT/GHG mitigation is sufficient, nor do the letters necessarily signal direct support for the project. However, to the extent that Caltrans is proposing to provide funding to certain projects along the I-80 corridor as a means of mitigation, staff believes that it is prudent to signal to Caltrans at this time that Davis projects should be a recipient of said funds. Timing is critical as Caltrans is working to finalize their proposed mitigation measures for release in the Draft EIR.

Attachments

1. Project Map
2. Resolution
3. Letter of Intent Transit Service Expansion
4. Letter of intent Nishi Housing Project
5. Letter of Intent Downtown Davis Plan

Attachment 1: Project Map



Project Location

RESOLUTION NO. 23-XXX, SERIES 2023

RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN THREE LETTERS OF INTENT SUPPORTING A PARTNERSHIP WITH CALTRANS AND THE YOLO 80 MANAGED LANES PROJECT

WHEREAS, Caltrans is proposing to construct improvements consisting of managed lanes, pedestrian/bicycle facilities, and Intelligent Transportation System (ITS) elements along Interstate 80 (I-80) and United States Route 50 (US-50) from Kidwell Road near the eastern Solano County boundary (near Dixon), through Yolo County, and to West El Camino Avenue on I-80 and Interstate 5 (I-5) on US-50 in Sacramento County; and

WHEREAS, Caltrans is currently working on an environmental impact report for the Yolo 80 Managed Lanes Project and is looking for potential projects that could be part of its mitigation strategy; and

WHEREAS, the City of Davis wishes to partner with Caltrans on being included in the potential mitigation strategy for local projects as part of the Yolo 80 Managed Lanes Project; and

WHEREAS, this partnership would allow the City to potentially access project mitigation funds to expand transit in Davis, support the active transportation elements of the Nishi housing project, and support the 1000 new residential units identified in the Downtown Davis Plan; and

WHEREAS, this expansion of transit is a component of the City's Climate Action and Adaptability Plan (CAAP); and

WHEREAS, in 2018, the Nishi development was approved by the voters and included commitments that the City and developer work collaboratively to identify outside funding sources for backbone infrastructure, including the grade separated connection; and

WHEREAS, in 2022, the Downtown Davis Plan was approved by the City Council; and

WHEREAS, expansion of micro transit and Unitrans, the Nishi development, and the Downtown Davis Plan have the potential to reduce vehicle miles travelled (VMT) in the City of Davis and the region; and

WHEREAS, this partnership does not prohibit the City from providing comments on the Yolo 80 Managed Lanes Project's environmental document when it is released.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Davis hereby authorize the City Manager to sign three letters of intent supporting a partnership with the Caltrans Yolo 80 Managed Lanes Project for the following:

- Fund the expansion of transit service in the City of Davis

- Provide funding support for the multimodal elements of the Nishi Project
- Provide funding support for the Downtown Davis Plan

PASSED AND ADOPTED by the City Council of the City of Davis on this 6th day of June, 2023 by the following vote:

AYES:

NOES:

Will Arnold
Mayor

ATTEST:

Zoe S. Mirabile, CMC
City Clerk



June 2, 2023



Greg Wong
Deputy District Director, Program & Project Asset Management
Caltrans, District 3
703 B Street
Marysville, CA 95901

Subject: Letter of Intent Transit Service Expansion

Dear Mr. Wong,

The City of Davis (City) is interested in partnering with Caltrans District 3's Yolo 80 Managed Lanes Project (Project) to help deliver bus service expansion for the Microtransit and Unitrans routes in the City of Davis. The City acknowledges the expansion of Microtransit and Unitrans services would not occur, but for a financial contribution from the Project. This partnership would be for the Project to provide a financial contribution, in an amount yet to be determined, to aid in the transit-expanding program with the ultimate goal to reduce Vehicle Miles Traveled (VMT). Through the partnership, the Project will reduce VMT as mitigation for the VMT-inducing Yolo 80 Managed Lanes project. Mitigation to reduce transportation impacts related to VMT is necessary under the California Environmental Quality Act (CEQA).

As the specific financial contribution amount is yet to be determined, this Letter of Intent is to provide the City's concurrence and initial consent to partner with the Project and accept funds aimed towards expanding Microtransit and Unitrans, thereby allowing the Project an opportunity to mitigate induced VMT. A Cooperative Agreement (Co-op) with descriptive terms and conditions, funding amounts from the Project's secured and committed funds, and timelines, would be expected to legally bind the partnership. The City understands that this Letter of Intent is not legally binding, but rather is an initial step in partnering for the Project to meet its Draft Environmental Document goals. The City further understands that an executed Co-op would need to occur prior to the Project's Final Environmental Document is approved, contingent upon the Project securing a sufficient amount of funding to commit towards mitigation. In the event a sufficient amount of funding is not secured prior to completion of the Project's Final Environmental Document, the City understands that an executed Memorandum of Understanding will suffice for the completion of the Final Environmental Document, with an executed Co-op required prior to beginning construction.

530-757-5602 | @CityofDavis @  
23 Russell Boulevard, Davis, CA 95616

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The City welcomes the opportunity to partner with Caltrans and the Project to enhance Microtransit and Unitrans services and reduce VMT along the Yolo 80 corridor.

Sincerely,

MICHAEL WEBB

City Manager

City of Davis

c: Ryan Chapman, Assistant Director of Public Works, City of Davis
Sutha Suthahar, Office Chief of Project Management, Caltrans District 3
Gurtej Bhattal, Project Manager, Caltrans District 3
Robert Wall, Senior Environmental Scientist, Caltrans District 3
Autumn Bernstein, Executive Director, Yolo Transportation District
Brian Abbanat, Senior Planner, Yolo Transportation District



June 2, 2023

Greg Wong
Deputy District Director, Program & Project Asset Management
Caltrans, District 3
703 B Street
Marysville, CA 95901

Subject: Letter of Intent Nishi Housing Project

Dear Mr. Wong,

The City of Davis (City) is interested in partnering with Caltrans District 3's Yolo 80 Managed Lanes Project (Project) to facilitate the construction of the Nishi property development for student housing in the City of Davis. The City acknowledges the Nishi development would likely not occur, but for a financial contribution from the Project. This partnership would be for the Project to provide a financial contribution, in an amount yet to be determined, to aid in the development of the Nishi property, with the ultimate goal to reduce Vehicle Miles Traveled (VMT). Through the partnership, the Project will reduce VMT as mitigation for the VMT-inducing Yolo 80 Managed Lanes project. Mitigation to reduce transportation impacts related to VMT is necessary under the California Environmental Quality Act (CEQA).

As the specific financial contribution amount is yet to be determined, this Letter of Intent is to provide the City's concurrence and initial consent to partner with the Project and accept funds aimed towards developing the Nishi property, thereby allowing the Project an opportunity to mitigate induced VMT. A Cooperative Agreement (Co-op) with descriptive terms and conditions, funding amounts from the Project's secured and committed funds, and timelines, would be expected to legally bind the partnership. The City understands that this Letter of Intent is not legally binding, but rather is an initial step in partnering for the Project to meet its Draft Environmental Document goals. The City further understands that an executed Co-op would need to occur prior to the Project's Final Environmental Document is approved, contingent upon the Project securing a sufficient amount of funding to commit towards mitigation. In the event a sufficient amount of funding is not secured prior to completion of the Project's Final Environmental Document, the City understands that an executed Memorandum of Understanding will suffice for the completion of the Final Environmental Document, with an executed Co-op required prior to beginning construction.

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23 Russell Boulevard, Davis, CA 95616

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The City welcomes the opportunity to partner with Caltrans and the Project to develop the Nishi student housing property and reduce VMT along the Yolo 80 corridor.

Sincerely,

MICHAEL WEBB

City Manager
City of Davis

- c: Ryan Chapman, Assistant Director of Public Works, City of Davis
- Sutha Suthahar, Office Chief of Project Management, Caltrans District 3
- Gurtej Bhattal, Project Manager, Caltrans District 3
- Robert Wall, Senior Environmental Scientist, Caltrans District 3
- Autumn Bernstein, Executive Director, Yolo Transportation District
- Brian Abbanat, Senior Planner, Yolo Transportation District



June 2, 2023



Greg Wong
Deputy District Director, Program & Project Asset Management
Caltrans, District 3
703 B Street
Marysville, CA 95901

Subject: Letter of Intent Downtown Davis Plan

Dear Mr. Wong,

The City of Davis (City) is interested in partnering with Caltrans District 3's Yolo 80 Managed Lanes Project (Project) to facilitate the construction of 1000 housing units in Downtown Davis as part of the Downtown Davis Specific Plan. The City acknowledges the greater depth of affordability of housing units in Downtown Davis would not occur, but for a financial contribution from the Project. This partnership would be for the Project to provide a financial contribution, in an amount yet to be determined, to aid in the development of the Downtown Davis units, with the ultimate goal to reduce Vehicle Miles Traveled (VMT). Through the partnership, the Project will reduce VMT as mitigation for the VMT-inducing Yolo 80 Managed Lanes project. Mitigation to reduce transportation impacts related to VMT is necessary under the California Environmental Quality Act (CEQA).

As the specific financial contribution amount is yet to be determined, this Letter of Intent is to provide the City's concurrence and initial consent to partner with the Project and accept funds aimed towards developing Downtown Davis units, especially the affordability of those units, thereby allowing the Project an opportunity to mitigate induced VMT. A Cooperative Agreement (Co-op) with descriptive terms and conditions, funding amounts from the Project's secured and committed funds, and timelines, would be expected to legally bind the partnership. The City understands that this Letter of Intent is not legally binding, but rather is an initial step in partnering for the Project to meet its Draft Environmental Document goals. The City further understands that an executed Co-op would need to occur prior to the Project's Final Environmental Document is approved, contingent upon the Project securing a sufficient amount of funding to commit towards mitigation. In the event a sufficient amount of funding is not secured prior to completion of the Project's Final Environmental Document, the City understands that an executed Memorandum of Understanding will suffice for the completion of the Final Environmental Document, with an executed Co-op required prior to beginning construction.

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The City welcomes the opportunity to partner with Caltrans and the Project to develop 1000 housing units in Downtown Davis and reduce VMT along the Yolo 80 corridor.

Sincerely,

MICHAEL WEBB

City Manager
City of Davis

- c: Ryan Chapman, Assistant Director of Public Works, City of Davis
- Sutha Suthahar, Office Chief of Project Management, Caltrans District 3
- Gurtej Bhattal, Project Manager, Caltrans District 3
- Robert Wall, Senior Environmental Scientist, Caltrans District 3
- Autumn Bernstein, Executive Director, Yolo Transportation District
- Brian Abbanat, Senior Planner, Yolo Transportation District