

## STAFF REPORT

**DATE:** November 19, 2024

**TO:** City Council

**FROM:** Sherri Metzker, Community Development Director  
Dara Dungworth, Principal Planner

**SUBJECT:** Village Farms Davis Project Update – Information Item  
CEQA Document and Entitlements Status Report

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### **Recommendation**

Receive an informational status update report from Staff on the Environmental Impact Report and the project application, including introducing the proposed equal weight alternative project. No formal action is being taken on the proposed project or on the CEQA document at this time.

### **Fiscal Impact**

This report is provided for informational purposes only, and therefore there has no direct fiscal impact. This update is to provide the Council and the public with the status of the preparation of the CEQA document and the processing of the Village Farms project application.

### **Council Goals**

This item relates to Council Goals

1. Achieving greater fiscal resilience
3. Shoring up the housing continuum
5. Maintaining high quality infrastructure and services

### **Project Background**

The applicant submitted the Village Farms Davis project application in April of 2023. The application consists of a sphere of influence (SOI) amendment, annexation into the City boundaries, pre-general plan land use designation, pre-zoning, and a development agreement. See **Figure 1** for the original proposed project's Land Use Plan. In spring of 2023, the City Council directed staff to begin review and processing the application with the intent of allowing City Council the opportunity to review and, if approved by Council, place the project proposal before the voters in 2025, pursuant to Measure J/R/D.

In October 2023, the City Council awarded the contract for the preparation of an Environmental Impact Report (EIR) for the Village Farms Davis proposal to Raney Planning & Management, Inc. (Raney) as required to comply with the California Environmental Quality Act (CEQA). The Council also directed staff to have the Notice of Preparation (NOP) drafted and to return to the Council for further direction before commencing the NOP public review period.

Later in October 2023, the Council directed staff to release the NOP and commence the EIR scoping comment period. The comment period was extended beyond the required 30 days and concluded in early December. The October 24, 2023 staff report can be found [here](#).

In keeping with past City practice, a Scoping Meeting was held in November 2023. The meeting was held in an open house format and allowed approximately twenty-two individuals to review the proposed project exhibits and/or submit written comments. Additional agency and public comments were received via US Mail and electronic mail. In December 2023, the Council reviewed the proposed draft project alternative concepts. The December 12, 2023 staff report can be found [here](#).

### **Purpose of This Report**

Based on the proposed project that was initially submitted to the City for processing and with the subsequent review and analysis, corresponding revisions to the initial proposal have unfolded in this particular sequence. As previously noted in the NOP release and alternatives discussion staff reports, five initial concepts for project alternatives were introduced, including a lower number of units-same project size, an agricultural resource preservation, a biological resource preservation, a higher number of dwelling units/same footprint alternative, and a “no project” alternative as required under CEQA. As the work on the Draft Environmental Impact Report (DEIR) is nearing completion, this project update is being provided to Council to communicate the impact of the CEQA process and Staff’s analysis on the design and programming of the originally proposed project.

Through the analyses provided by various technical reports, other investigation performed by the applicant, and direction from Staff, the original project has been revised. In addition, the Biological Resource Assessment prepared for the project identified the habitat resource area as an alkali playa (a type of jurisdictional wetland). With that information, the applicant determined that the previously conceptualized biological resource avoidance alternative would be the project that they wished to bring forward and seek approval of. Therefore, the applicant requested that Staff direct Raney to prepare the EIR with an equal weight alternative (EWA) for the Biological Resource Preservation Alternative (BRPA). An Equal Weight Alternative is a modified project design that substantially lessens or eliminates the significant environmental effects of a project, while still achieving most or all of the project objectives, and has been analyzed at the same level of scrutiny as the proposed project. Other alternatives, including the No Project alternative, receive a “qualitative” or comparative assessment rather than a full analysis. The differences between the three versions of the project are described in more detail in the following sections.

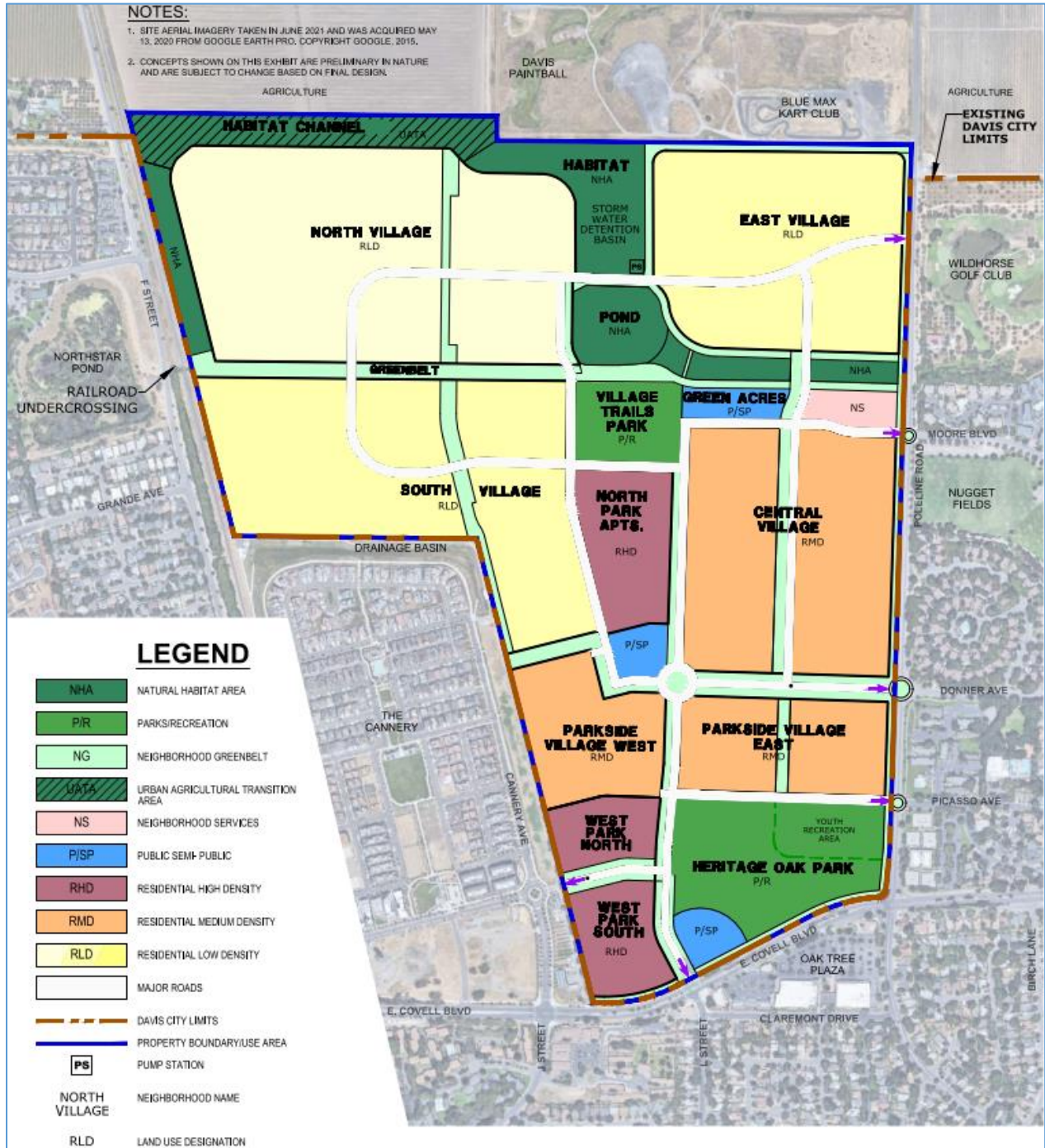
### Originally Proposed Project

In general, the originally proposed project consisted of a mixed-use development community, including a total of 1,800 dwelling units, comprised of both affordable and market-rate single- and multi-family residences, across various residential neighborhoods. In addition, the proposed project included neighborhood services; public, semi-public, and educational uses; associated on-site roadway improvements; utility improvements; parks, open space, and greenbelts; and off-site improvements. See **Table 1** for the land uses and acreage originally proposed for the project and **Figure 1** for the Land Use Plan for the original proposal.

**Table 1 – Proposed Land Uses – Original Proposed Project**

Proposed Land Use Designation	Land Use Type	Units	Acres
Residential Low Density	Market-Rate Single-Family Units and Duplexes	680	157.4
Residential Medium Density	Starter Single-Family Units	310	40.0
	Townhomes and Cottages	160	16.1
	Condominiums and Stacked Flats	150	15.1
	Affordable Multi-Family Units	60	5.9
Residential Medium High Density	Market-Rate Apartments	200	11.6
Residential High Density	Affordable Multi-Family Units	240	7.9
	Residential Total Units   Total Acreage	1,800	254.0
Neighborhood Mixed-Use	Neighborhood Services	N/A	2.8
Public/Semi Public	Emergency Services Community Center	N/A	2.5
	Pre-K Early Learning Center	N/A	2.4
	Educational Farm	N/A	2.8
Park	Heritage Oak Park (community park)	N/A	20.3
	Village Trails Park (neighborhood park)	N/A	7.5
Natural Habitat Area	Natural Habitat Area	N/A	25.8
Urban Agricultural Transition Area (UATA)	UATA	N/A	11.3
Neighborhood Greenbelt	Greenbelts	N/A	39.7
N/A	Roads	N/A	21.3
	Non-Residential Total Acreage		136.4
	Grand Total		390.5

Figure 1 – Land Use Plan – Original Proposed Project (April 2023)



## Revised Proposed Project

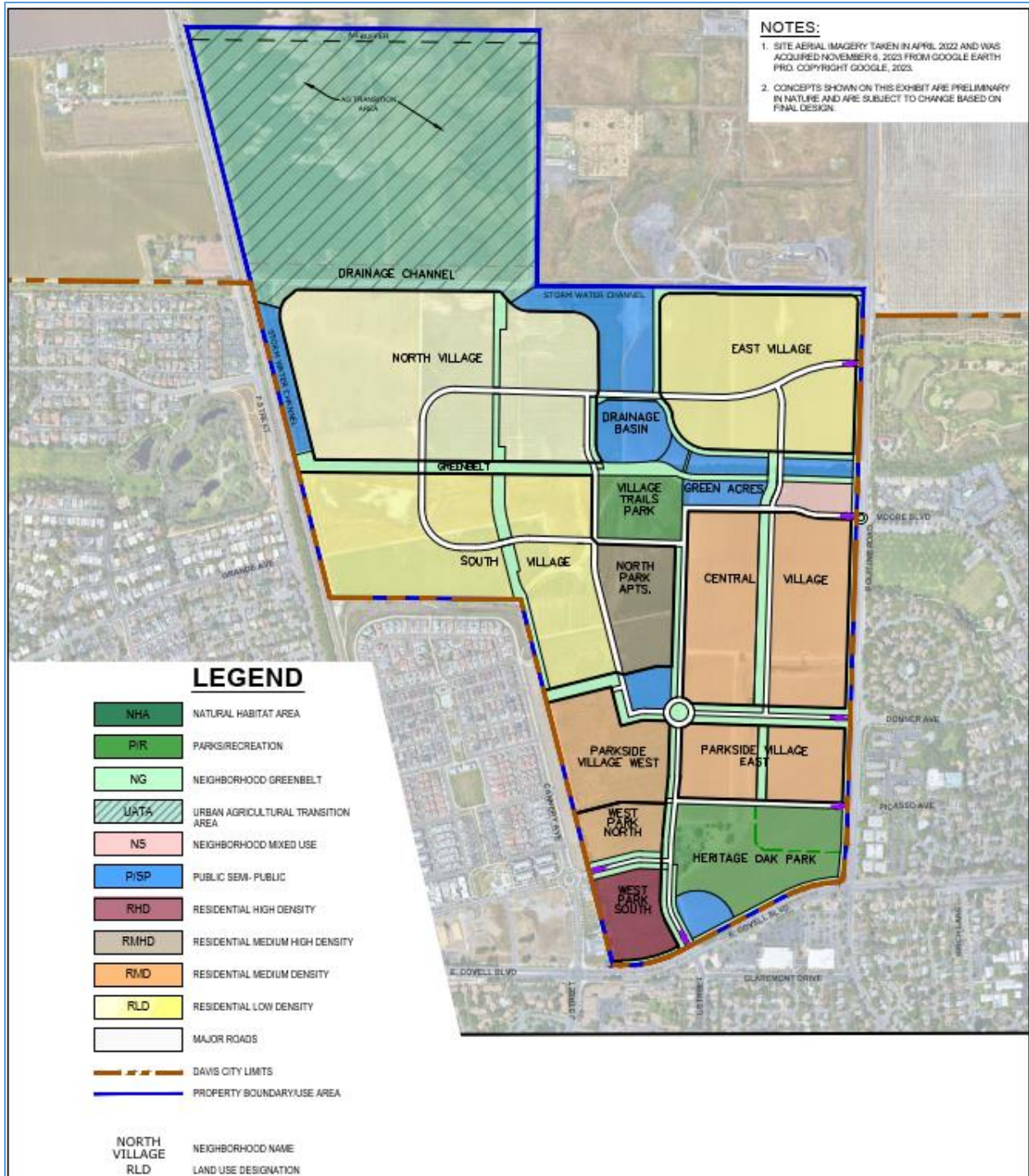
In general, the revised proposed project is very similar to the original project and consists of a mixed-use development community, including a total of 1,800 dwelling units, comprised of both affordable and market-rate single- and multi-family residences, across various residential neighborhoods. In addition, the revised project includes neighborhood services; public, semi-public, and educational uses; associated on-site roadway improvements; utility improvements; parks, open space, and greenbelts; and off-site improvements. The most significant change to the revised project is the enlargement of the Urban Agricultural Transition Area where the groundwater recharge facility was originally proposed. See **Table 2** for the land uses and acreage proposed for the revised project and **Figure 2** for the Land Use Plan for the revised proposed project.

**Table 2 – Proposed Land Uses – Revised Proposed Project**

Proposed Land Use Designation	Land Use Type	Units	Acres
Residential Low Density	Market-Rate Single-Family Units and Duplexes	680	157.4
Residential Medium Density	Starter Single-Family Units	310	40.0
	Townhomes and Cottages	160	16.1
	Condominiums and Stacked Flats	150	15.1
	Affordable Multi-Family Units	60	5.9
Residential Medium High Density	Market-Rate Apartments	200	11.6
Residential High Density	Affordable Multi-Family Units	240	7.9
	Residential Total Units   Total Acreage	1,800	254.0
Neighborhood Mixed-Use	Neighborhood Services	N/A	2.8
Public/Semi Public	Fire Station	N/A	2.5
	Pre-K Early Learning Center	N/A	2.4
	Educational Farm	N/A	2.8
Park	Heritage Oak Park (community park)	N/A	20.3
	Village Trails Park (neighborhood park)	N/A	7.5
Natural Habitat Area	Natural Habitat Area	N/A	25.8
Urban Agricultural Transition Area (UATA)	UATA	N/A	118.4
Neighborhood Greenbelt	Greenbelts	N/A	39.7
N/A	Roads	N/A	21.3
	Non-Residential Total Acreage		243.5
	Grand Total		497.5



**Figure 2 – Land Use Plan – Revised Proposed Project (April - October 2024)**



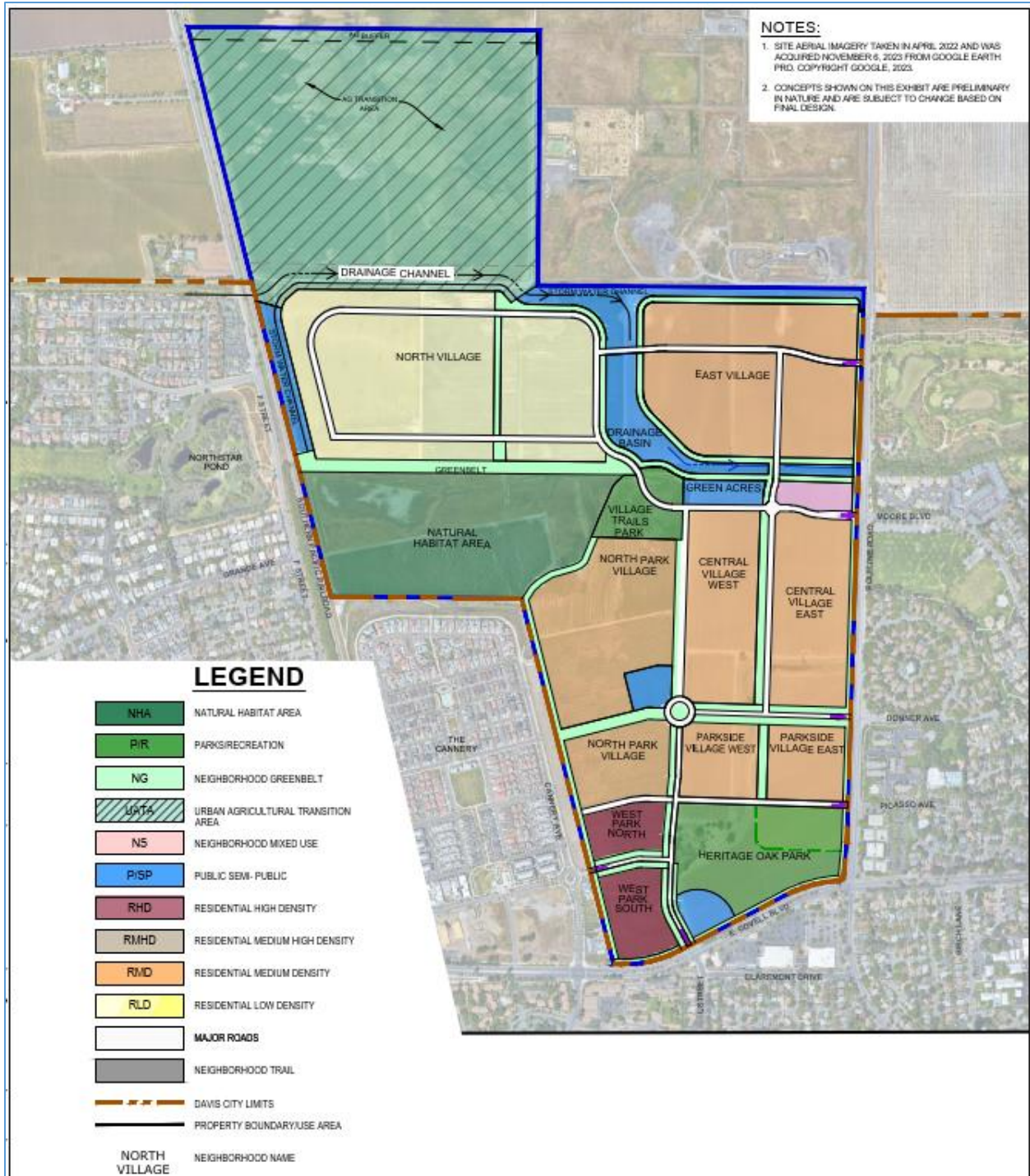
**Equal Weight Alternative – Biological Resources Preservation Alternative**

Along with other preliminary alternative concepts mentioned above, an earlier conceptual version of the Biological Resource Preservation Alternative (BRPA) was presented to Council in December 2023 (link to staff report provided above). That alternative anticipated retaining the original number of units proposed (1,800), and initially showed development within the project that preserved an area that extended slightly beyond the identified potential resource area that is now delineated as an alkali playa area. The current, more refined BRPA has removed approximately 47.1 total acres from the proposed development and preserves the designated biological resource area while retaining the 1,800 dwelling units as originally proposed. The BRPA increases the acreage of the Natural Habitat Area from 25.8 acres as originally proposed to 47.1 acres. See **Table 3** for the BRPA project’s proposed land uses and see **Figure 3** for the BRPA’s proposed Land Use Plan.

**Table 3 – Proposed Land Uses – BRPA/Equal Weight Alternative**

Proposed Land Use Designation	Land Use Type	Units	Acres
Residential Low Density	Market-Rate Single-Family Units and Duplexes	310	61.4
Residential Medium Density	Market-Rate Single-Family Units and Duplexes	1,130	135.9
Residential High Density	Market Rate and Affordable Multi-Family Units	360	12.2
	Residential Total Units   Total Acreage	1,800	209.5
Neighborhood Mixed-Use	Neighborhood Services	N/A	2.9
Public/Semi Public	Fire Station	N/A	2.5
	City Storm Water Conveyance	N/A	21.4
	Pre-K Early Learning Center	N/A	2.4
	Educational Farm	N/A	2.8
Park	Heritage Oak Park (community park)	N/A	20.3
	Village Trails Park (neighborhood park)	N/A	6.8
Natural Habitat Area	Natural Habitat Area	N/A	47.1
Urban Agricultural Transition Area (UATA)	UATA (including borrow site)	N/A	118.4
Neighborhood Greenbelt	Greenbelts	N/A	40.8
N/A	Roads	N/A	22.7
	Non-Residential Total Acreage		288.1
	Grand Total		497.5

**Figure 3 – Land Use Plan for the BRPA/Equal Weight Alternative (April - November 2024). Applicant Preferred Project**





### **Path from Original Project to BRPA**

After release of the NOP in November 2023 for the originally proposed project, through continued investigation and analysis, modifications were identified to improve the originally proposed project. City Staff's review and analysis with respect to the Emergency Services Community Center (ESCC), determined that the City did not have need of an additional community event venue, as originally suggested, and the public programming of the ESCC was not compatible with the use of the facility for public safety operations. Additionally, the City determined that a fully operational training facility would not be compatible in close proximity to residential neighborhoods. A Fire Station, to provide only public safety operations remains as part of the proposed project.

The original application included a proposed groundwater recharge basin to the north of the project. The intention was to provide a local and regional resource to protect and supplement local water storage. The proposed groundwater recharge use was well received; however, it was determined after multiple meetings with Yolo County, UC Davis experts and City staff that this particular location did not have the ideal soil make up to support its intended benefits. The revised project and the BRPA have replaced groundwater recharge with a proposed Urban Agricultural Transition Area that will provide public access to this open space for current and future generations.

The original project included potential grade separated pedestrian/bicycle crossings to connect the Davis Bike Loop over F Street and the UPRR railroad tracks and over Pole Line Road, if they were determined to be feasible. The proposed project and project alternatives continue to provide an opportunity to explore grade separated crossings. Collaborative discussions with appropriate stakeholders will continue to identify the best path forward to achieve the long-standing community goal of continuing the Davis Bike Loop from Wildhorse to Northstar. The feasibility of the crossings will ultimately depend on UPRR, geographical constraints, the financial feasibility of what can reasonably and realistically be borne by the project, and consideration of impacts to the surrounding area.

Finally, upon review and analysis of the Biological Resources Assessment in Spring 2024, the applicant requested that the BRPA should be evaluated in the EIR alongside the revised proposed project as an equal weight alternative to receive the same level of analysis and review. Staff and legal counsel determined that analyzing an equal weight alternative would be the appropriate mechanism under CEQA to allow for full consideration and development of mitigation measures to allow for City Council action on the BRPA. The EIR will provide analysis of both projects' environmental impacts and provide mitigation for those impacts. The applicant has indicated that the BRPA is now the project proposal that will be brought forward for further review and consideration by the City, rather than the revised project. **Table 4** provides a summary table of the features that changed between the projects as well as the acreage and the residential density of the projects for comparison.

**Table 4 – Project Feature Comparison of the Original Proposed Project, Revised Proposed Project, and Equal Weight Alternative Project**

<b>Project Features</b>	<b>Original</b>	<b>Revised</b>	<b>EW Alternative</b>
Affordable Housing per City of Davis Ordinance	16.6% (300 units)	16.6% (300 units)	20% (360 units)
Downpayment Assistance Homes	310	310	90
Market Rate Affordable-by-Design/Missing Middle	680	680	1040
Market Rate Multi-Family	200	200	0
Market Rate Single-Family Custom	680	680	310
Total Housing Units	1,800	1,800	1,800
Urban Agricultural Transition Area (UATA)(acres)	11.3	118.4	118.4
Groundwater recharge area	<b>X</b>		
Preserved Habitat (delineated 47.1 acre alkali playa area)			<b>X</b>
Village Trails Park (acres)	7.5	7.5	6.8
Greenbelts (acres)	39.7	39.7	40.8
Overall Gross Density (dwelling units per acre)	7.09	7.09	8.59
Gross Residential Acreage	254	254	209.5
Gross Project Acreage	390.5	497.5	497.5

To offset the shift of 47 acres of developed land to habitat preservation, while retaining the same 1,800-unit count, the BRPA Equal Weight alternative results in densification of the remaining residential areas. This includes a net increase of 360 missing middle units, an increase to 20% affordable units (a net increase of 60 affordable units), and an adjustment to right size the Down Payment Assistance Homes unit count to achieve a higher level of affordability impact with a meaningful down payment assistance dollar amount for each of the 90 units, while still balancing the overall project financial feasibility in light of the above noted adjustments.

**Environmental Impact Report Status**

As of the publication of this staff report, the Administrative Draft EIR (ADEIR) was due to the City for Staff’s internal review of the full document on November 19<sup>th</sup>. Staff will provide an update on the status of the ADEIR at the Council meeting.

Following Staff’s review of the ADEIR, comments will be provided to Raney for revisions to the Draft EIR (DEIR). The DEIR is expected to be released for the required 45-day public review period in early 2025 and a Planning Commission public meeting will be held during the public review period to accept public comments. Public comments will be reviewed and responded to with the Final EIR (FEIR) anticipated to be available to the public in early Spring 2025. Other Commissions, Planning Commission, and City Council meetings will be scheduled once the DEIR public review period has closed.

Other Commissions will be provided the opportunity at a publicly noticed meeting to comment on the DEIR. The Commissions will be expected to review areas of the DEIR that are within the Commission's purview.

### **Project Application Status**

In October, final details of both the Proposed Project (revised from the Original Project) and the Equal Weight Alternative were resolved, allowing the drafting of the EIR to proceed with final project descriptions for each. The applicant has worked to update the Proposed Project, revising the Original Project to reflect revisions as discussed above (also see **Table 4**).

As of the publication of this staff report, the applicant has provided updated materials for the Proposed Project as well as new materials for the EWA. These materials will be uploaded onto the project's webpage on or about November 19th.

Other elements of the project's application, including the Fiscal Analysis, the Development Agreement, the Affordable Housing Plan, and the Sustainability Plan are underway and will be completed prior to the project being scheduled to be reviewed by the Commissions.

### **Additional Project Information**

As noted above, the project webpage will be updated with the revised application materials and can be found at this link:

<https://www.cityofdavis.org/city-hall/community-development/development-projects/village-farms-davis>

### **Next Steps**

The following is a list of key next steps and corresponding dates:

- Applicant community outreach in each City Council District – January, 2025
- Draft EIR release for community and Commission comments – early 2025
- Preparation of Final EIR (including response to comments) – by May, 2025
- Commissions review and recommendations to City Council – February-May, 2025
- Planning Commission public hearing and recommendations to City Council – late May/early June, 2025
- City Council public hearing – June 17, 2025
- Ballot Measure – November, 2025