

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA # *B-4

Urgent Routine

AGENDA DATE June 11, 2013

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval for the County to proceed as the Applicant and Lead Agency for California Environmental Quality Act (CEQA) Compliance for the Crows Landing Project; Approval to Issue a Request for Proposal for Land Use, Engineering, and Environmental Consultant Services; Approval of the use of Economic Development Bank Fund Balance for the Consultant Services not to exceed \$685,000, and Approval of the Establishment of an Ad Hoc Review Committee to Oversee this Phase of the Planning Process

STAFF RECOMMENDATIONS:

1. Approve the County to act as applicant and lead agency and move forward with California Environmental Quality Act (CEQA) compliance for the Crows Landing project.
2. Approve the preparation and publication of a Request for Proposal (RFP) for Land Use, Engineering, and Environmental Consultant Services for the Crows Landing project.
3. Approve the use of Economic Development Bank fund balance for the environmental analysis, not to exceed \$685,000.

(Continued on Page 2)

FISCAL IMPACT:

The total estimated cost for technical studies and CEQA compliance, including the RFP preparation and consultant selection, is approximately \$685,000. A transfer from the suspended Economic Development Bank budget to the Crows Landing budget will fund this request. Only the amount of the actual cost will be used, any remaining balance will be transferred back to the Economic Development Bank budget. The Economic Development Bank currently has an unencumbered fund balance of \$1.1 million.

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BOARD ACTION AS FOLLOWS:

No. 2013-268

On motion of Supervisor Monteith, Seconded by Supervisor Withrow
and approved by the following vote,

Ayes: Supervisors: O'Brien, Withrow, Monteith, De Martini and Chairman Chiesa

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

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STAFF RECOMMENDATIONS: (Continued)

4. Approve the establishment of an Ad Hoc Review Committee consisting of Supervisors Monteith and DeMartini and County staff, to meet quarterly to oversee this phase of the planning process.

5. Direct the Auditor Controller to make the necessary adjustments per the financial transaction sheet.

FISCAL IMPACT: (Continued)

The use of a portion of these funds for this project will allow the County to invest in its property so that it becomes viable for future development. Staff will develop a reimbursement strategy following CEQA, whereby future developers will be required to contribute funds toward those expended for land use, engineering, and environmental analysis and CEQA compliance.

The Crows Landing Air Facility budget provides funding for security, general liability, and master planning of the air facility. The Chief Executive Office currently manages an agricultural lease agreement of approximately 1,112 acres, which provides revenue to this budget. As of May 31, 2013 this budget had approximately \$850,000 of available funding.

DISCUSSION:

On February 1, 2013, the County issued a second Request for Proposal (RFP) for the development of the approximate 1,524-acre property formerly known as the Crows Landing Air Facility. No proposals were received. The lack of private-sector interest and ongoing economic uncertainty has provided staff with the opportunity to step back from this high-profile project and reassess the challenges and opportunities associated with site development.

Staff initiated its re-evaluation efforts by performing significant outreach to area content experts that included economists, developers, and real estate professionals. Many of the experts interviewed shared that the economic climate has not been supportive of development at the former Crows Landing Air Facility in its entirety, and they suggested that the County invest in the near-term entitlement process, including preliminary environmental review processes under California Environmental Quality Act (CEQA), as an incentive strategy. Doing so would alleviate some risk associated with site development. Moving forward with entitlement of the project, including CEQA

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compliance, will demonstrate to developers that the County is a good partner and has a real and shared commitment to site development.

The primary goal of the Crows Landing project area has been to create a locally based job center that will allow County residents and those living nearby to earn sustainable wages without commuting to the Bay Area or other distant job centers.

Next Step Alternative

In order to “bridge” the gap between developer-driven Specific Planning processes and generating interest in a development location that currently has no entitlement presence, staff is proposing the following strategy for the project site:

- 1) Use the Airport Land Use Compatibility Plan (ALUCP) as a foundation to identify feasible land uses throughout the site.** The County’s current ALUCP reflects operations at a military airfield, and its proposed policies are no longer applicable. The County has prepared a new ALUCP in conjunction with its proposed Airport Layout Plan that reflects the development of a single-runway General Aviation facility.¹ The ALUCP will provide the design and policy foundation for a myriad of land uses and development concepts that will be compatible with aviation, as well as guidance for the setbacks, densities, and intensities of such uses that would be similar to those required by a Specific Plan.

All property associated with the former Crows Landing Air Facility are within the Airport Influence Area (AIA) associated with the proposed ALUCP, and as such, projects proposed on the former military property will be subject to the policies presented in the plan. Using the ALUCP as a planning tool will facilitate the subsequent development of aviation-compatible uses and provide future developers with a sufficiently detailed foundation for subsequent planning and design.

- 2) Develop an Infrastructure and Facilities Master Plan.** The proposed Master Plan will identify the nature and extent of infrastructure and facilities necessary to serve the site, based on the land uses identified in the ALUCP. Items to be addressed in the Master Plan will include water supply, sewer, drainage, fire

¹ With limited exceptions, California law requires an airport land use compatibility plan for each public use and military airport in the state. The Stanislaus County Airport Land Use Commission operates in accordance with the requirements of California state law (Public Utilities Code Sections 21670 *et seq*).

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protection, etc. The Master Plan will help site development by assessing the need for, cost of, and connection to existing or new infrastructure and facilities.

The Infrastructure and Facilities Master Plan will explore possible partnerships with the City of Patterson for sanitary sewer treatment and disposal needs. The City of Patterson is currently developing a plan to upgrade and expand its existing wastewater treatment facility. The regionalization of this facility, coupled with its close proximity to the City of Modesto regional facility, offers a great opportunity for successful site development. The challenge of water supply will be addressed by the proposed Master Plan to complement existing flood plain challenges and drainage requirements. A dual water system (non-potable for irrigation and industrial purposes) with a sustainable water balance (making use of recharged waters to balance those groundwaters to be used) will support multiple land uses. Moreover, the potential to develop a conjunctive use with the City of Patterson may help to further County and west-side long-term goals.

3) Develop a Transportation Infrastructure Master Plan. A Transportation Infrastructure Master Plan will be developed to accommodate the proposed land uses while building upon existing infrastructure. Opportunities for transportation include available capacity on existing facilities and connectivity to both Interstate 5 and State Route 33. The proposed Transportation Infrastructure Master Plan will focus on the development of a well built, sustainable system that will attract and support users well into the future.

This three-part approach will provide a solid foundation for the development of a project description and subsequent CEQA review. Following CEQA compliance, the former Crows Landing Air Facility property would include “shovel ready” project components, such as infrastructure and airport development. All or portions of the site would be available for development following a “tiered” approach to CEQA compliance based on the nature of the projects proposed. Under this “bridge” concept, interested developers would be able to identify a phasing and financing strategy and refine design and development standards (building designs, landscaping, parking lot layouts, etc.) in accordance with the adopted ALUCP, Infrastructure and Facilities Master Plan, and Transportation Infrastructure Master Plan.

County Staff has identified a plan for implementation of the proposed bridge concept leading to CEQA certification and enhanced developer interest in the project site.

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County as Lead Agency

Before *any* development can occur on the former airfield, the County must move ahead to ready the site for entitlement through a general plan amendment, zone change, and CEQA review for a variety of land uses. Moreover, completion of the CEQA process would allow the County to obtain an airport operating permit from the Caltrans Division of Aeronautics and apply for the capital funding necessary for airport and infrastructure improvements.

The County will propose a project for CEQA review that includes sufficient detail to facilitate the preparation of a combined project-level Environmental Impact Report (EIR) for the proposed General Aviation (GA) airport and infrastructure and a program-level EIR for the remainder of the site.

The County's Chief Executive Office will work cooperatively with the Planning and Community Development Department serving as the project manager for CEQA compliance. The County will procure the services of a consultant firm (Contractor) and provide oversight for technical studies and CEQA compliance. The selected Contractor will be responsible for:

- Perform technical studies, including Infrastructure and Facilities Master Plan and Transportation Infrastructure Master Plan;
- Performing background studies to support the CEQA document including, but not limited to: agriculture, biological resources, cultural and historic resources, traffic and circulation analysis, hazardous waste/site characterization, infrastructure, and public facilities;
- Completing/refining the Project Description for use in the CEQA review;
- Preparing and circulating a Notice of Intent to Prepare an EIR and subsequent public scoping efforts in coordination with County staff;
- Preparing a Draft EIR document for circulation;
- Public outreach and facilitation of public meetings in cooperation with County Staff, and responding to comments received by the public;
- Preparing a Final EIR document and findings for certification; and
- Preparing all CEQA notices.

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As described previously, the resultant EIR would provide for a project-level CEQA analysis of the Airport Layout Plan/ALUCP policies. The EIR would rely upon the data presented in the Infrastructure and Facilities Master Plan and Transportation Infrastructure Master Plan to provide a programmatic CEQA analysis of subsequent land use types, densities, and intensities that would be applicable under a Planned Development (PD) General Plan and zoning designation. The EIR would identify the site-specific environmental opportunities, constraints, and mitigation measures that would apply to subsequent site development and provide potential developers with site-specific data to consider when proposing subsequent projects on the Crows Landing property.

A Contractor team that includes multiple firms in a prime/sub consultant relationship will perform the proposed technical studies and prepare the necessary CEQA documents and associated tasks. Based on the costs of studies performed to date, the total estimated cost for the Contractor services, including RFP preparation and Contractor selection, is estimated at approximately \$685,000.

An 18-month timeframe is anticipated to achieve CEQA compliance and re-designate the former air facility property for Planned Development. This timeframe includes:

- Approximately 4 months for RFP preparation, contractor selection and Notice to Proceed (June through September 2013).
- Approximately 5 months to perform a data gap analysis and specialized studies to support the EIR.
- Approximately 9 months to prepare and circulate a Draft and Final EIR, including consideration by the Planning Commission and Board of Supervisors. The Board of Supervisors will have ultimate consideration and approval (certification) of both the EIR and land use entitlements.

Stanislaus County's Department of Planning and Community Development will serve as the Lead Agency to manage the proposed project, and the EIR would be presented to the Board of Supervisors for consideration and approval (certification).

After careful review, staff believes that engaging the services of an outside contractor to provide oversight for technical studies and CEQA compliance will prove beneficial to the County by providing an accelerated timeframe for the recommendation compared to the timeframe required using staff time only. Other benefits associated with the consultant assistance include:

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- The use of a single resource for necessary technical expertise that may not be available from staff alone; and
- The opportunity to save time and money by incorporating existing data to a greater extent. (The longer the existing data ages, the less useful it will be; a protracted schedule will result in greater expense/duplicative effort.)

In addition to this supplemental technical expertise, the use of an outside contractor to facilitate CEQA compliance and a Planned Development designation would provide for a more attractive site development opportunity through:

- A path to entitlement that makes the site more attractive to the development community during this time of economic uncertainty;
- Greater transparency regarding site-specific development opportunities and constraints, and reduced risks of development-based conflicts later;
- Reduced risk of developer-based conflicts in terms of schedule, financing, and project components; and
- An expedited opportunity for the County to pursue grants for infrastructure development from State and Federal sources, thereby making the site more attractive to potential developers.

The County has made an investment in the former Crows Landing Air Facility property in its goal to create a regional job center; it has expended time and money on Airport and ALUCP planning projects, and it has been involved in numerous preliminary site studies. By moving forward now, the County will be able to recoup its investment sooner and take a more active role in future site development:

- By facilitating CEQA clearance, the County will encourage development pursuits by outside parties, thereby expediting the job creation that has been envisioned for the site for nearly a decade;
- By overseeing CEQA and land use re-designation efforts, the County will have a more active role and voice in subsequent development proposals.

Staff Recommendation

The former Crows Landing Air Facility has been available for development since 2004, and the County has been fortunate to receive ongoing agricultural revenue since its acquisition. However, the County accepted the conveyance for the sole purpose of job

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creation within its boundaries so that it could provide County residents with local employment opportunities. These efforts have been delayed as a result of ongoing economic challenges.

At this time, staff recommends the County move forward as both Project Applicant and Lead Agency for technical studies and environmental certification, thereby making the site more attractive to the development community. Unlike previous efforts, which placed control of development schedules and approvals in the hands of a private entity, this will allow County staff to maintain control over the project schedule, outreach, and approval processes. A Review Committee consisting of Supervisors Monteith and DeMartini and County staff will meet at least quarterly to oversee this phase of the development process.

By moving forward on its own terms, the County will be able to facilitate the entitlement process and help the development community create much needed jobs as envisioned for this project area.

POLICY ISSUES:

The development of the Crows Landing property supports the Board's priority of providing A Strong Local Economy through business park development and job creation objectives for the community.

STAFFING IMPACT:

Chief Executive Office, Planning, and General Services Agency staff will develop the RFP for a CEQA Consultant. County CEO will facilitate an internal working group of departments which will include Planning and Community Development, Public Works, Department of Environmental Resources, and County Counsel to oversee this development process.

CONTACT PERSON:

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