

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

DEPT: Chief Executive Office

BOARD AGENDA# B-8

Urgent _____ Routine X

AGENDA DATE September 26, 2006

CEO Concurs with Recommendation YES phx NO _____
(Information Attached)

4/5 Vote Required YES _____ NO X

SUBJECT:

Approve a Conceptual Development Reuse Scenario for the Crows Landing Air Facility, Authorize a Request for Proposals (RFP) for a Master Developer Selection, and Authorize staff to Suspend a Current Planning and Environmental Contract with ESA Pending the Master Developer RFP Process.

STAFF
RECOMMEN-
DATIONS:

1. Approve a Conceptual Development Reuse Scenario for the Crows Landing Air Facility;
2. Authorize a Request for Proposals (RFP) for Master Developer selection;
3. Authorize staff to suspend a current planning and environmental work contract with ESA pending the Master Developer RFP process.

FISCAL
IMPACT:

Funds to support the on-going planning and development process at the Crows Landing project area have been established in a Crows Landing Development budget unit. The property will generate approximately \$780,000 through a three-year agricultural lease of 1112 acres with Hollister based grower – Pride of San Juan. This agricultural lease expires in December 2008. - continued -

BOARD ACTION AS FOLLOWS:

No. 2006-776

On motion of Supervisor DeMartini, Seconded by Supervisor O'Brien

and approved by the following vote,

Ayes: Supervisors: O'Brien, Grover, DeMartini, and Vice-Chairman Mayfield

Noes: Supervisors: None

Excused or Absent: Supervisors: Chairman Simon

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

1010-08

ATTEST:

Elizabeth A. King
ELIZABETH A. KING, Assistant Clerk

File No.

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FISCAL IMPACT CONTINUED:

The initial general plan amendment, master planning process, airport layout plan and subsequent environmental impact analysis has been awarded to ESA Airports. The total contract amount is \$499,740 and is encumbered in the Crows Landing budget unit. As this process unfolds and should the private sector development community be encouraged to respond to a Board directed reuse strategy – the scope of the current environmental review process may be modified to some extent. It would be staff's recommendation that if this should ultimately be the case, that a private sector master planning partner would be required to assist with any additional study preparation costs

DISCUSSION:

Crows Landing Development: Background and Progress to Date

On October 12, 2004, the Stanislaus County Board of Supervisors accepted the conveyance of a portion of the former Crows Landing Naval Air Facility from the United States of America to the County pursuant to Public Law 106-82. The public law provided the County with 1,352 acres of the 1,528-acre former air facility, and allowed for the transfer of the remaining 176 acres upon completion of environmental activities and site cleanup. The County had pursued the transfer of the property since its closure by the National Aeronautics and Space Administration (NASA) in 1996 and had convened a Steering Committee (November 2000) to identify potential reuse opportunities for the site upon transfer.

Stanislaus County has pursued and studied the reuse of the Crows Landing Facility since its decommissioning by NASA in the late 1990s, and in April 2001 the Board of Supervisors adopted a reuse plan prepared by the Stanislaus County Crows Landing Steering Committee. Under the Reuse Plan, the facility could be permitted as a General Aviation Airport for general aviation and to help offset the job-housing imbalance that has historically persisted in Stanislaus County. The re-use plan also encouraged agricultural lease until a development strategy was established.

The former military facility presents a tremendous opportunity to Stanislaus County and the Central Valley as a whole. Its location near I-5, existing infrastructure (including runways), and regional connection to both Sacramento and the San Francisco Bay Area present economic development opportunities that would support the County in its vision to "Create a regional job center that provides good-paying job opportunities for Stanislaus County residents and for the region" (Stanislaus County Board of Supervisors, 2005).

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Potential Job Creation

Several factors indicate the need to increase employment opportunities in Stanislaus County, and this need has spurred the County to look at other opportunities for development at the Crows Landing site.

The 2005 unemployment rate in the county (8.3%) is significantly higher than the state unemployment rate (5.4%), and the County maintains a lower jobs-to-housing ratio (1.02) compared to the jobs-to-housing ratio for the state (1.16). The thousands of County residents who commute to jobs in the Bay Area every day typify one of the chief causes of this lower jobs-to-housing ratio. One of the County's chief priorities is to create employment for the local workforce through local economic growth and the attraction of new industries to the community.

The Crows Landing site provides an excellent opportunity for the development of a diversified business base for the County, because it provides for one of the largest assemblies of available land in Northern California retained by a single owner and includes large parcels.

Recent Progress

The Crows Landing development team continues to be inclusive to all aspects of the development process. Formal and informal presentations have been made in various westside communities (Crows Landing Community Services District in March – Patterson Public Forum July 10 – quarterly Crows Landing Steering Committee meetings – April/August 2006) as well as with a regularly updated project website (www.crowsbizpark.biz). In addition, site clean up efforts continue to be aggressively pursued by the U.S. Navy (under their sub-contract with Tetra Tech Inc.). There are several small parcels that are nearing transfer status – 24-month range. These smaller parcels will further strengthen contiguous land reuse options for site development.

In addition to clean up progress, County staff continues to work with the City of Patterson on potential long-term water and wastewater infrastructure issues. Both the County and the City of Patterson realize the potential economies of scale that regional solutions may provide to both constituencies. These conversations will be on going.

Development and Reuse Strategies Identified

Since the development of the 2001 Reuse Plan, the County Staff and steering committee identified potential site uses and guiding principles for the development of a Master Development Plan for the former Crows Landing Air Facility. To further the development of a Master Development Plan, the County and its consultants developed three land use

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concepts to reflect the goals and objectives outlined by the Crows Landing Steering Committee using the following guiding principles developed by the steering committee:

- Protect air facility from incompatible land uses;
- Set aside land for runway expansion;
- Look toward multi-modal transportation and distribution options;
- Integrate ground distribution;
- Capitalize on proximity to Interstate 5;
- Maintain sensitivity to surrounding communities;
- Improve infrastructure and services for the community of Crows Landing; and
- Develop attractive entrance/presence that creates a positive statement for the area.

County staff along with the consultants conducted a combination public meeting and open house to present the three land use concepts to the public. The public meeting and open house was held on July 10, at Creekside Middle School in Patterson with about 50 people in attendance. Staff then presented a report to the Crows Landing Steering Committee on the results of the public meeting/open house and the three land use concepts on August 16.

In development of the three concepts staff asked the question "What if?" then attempted to answer the question with the types of uses that could be developed on site, the acreage yield of developable land, the mix of uses which could be developed, the maintenance of two runways capable of landing large capacity air freighters.

Concept 1 is the existing runway configuration and would need an additional 335 acres for a full build out. The concept would yield about 464 acres of Business Park and industrial land including 70 acres for a rail facility.

Concept 2 is the North-South parallel runway configuration; an additional 79 acres are needed for full build out. This concept would result in about 477 of business park and industrial land in larger sized and easier to develop parcels. However, there would be no room for any type of rail facility.

Concept 3 is the East-West parallel runway configuration, under this scenario an additional 452 acres would be needed for full build out. This configuration would result in 818 acres of Business Park and industrial land in larger sized parcels and provides the best configuration to bring in a rail facility. This concept results in 354 more acres of usable land than Concept 1 and 341 more acres than Concept 2. It also has the highest need for additional land, but the trade off of more usable and contiguous industrial land is a worthy end result. Concept 3 has the ability to accommodate the widest range of uses, capitalizes on inter modal transportation with the ability for truck, rail and air transportation to be accommodated.

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Engaging Private Development Partners: The Master Planner Approach

The Board has envisioned a long-term development partner to assist in the finance, design, build, and operation of an Industrial Business Park located at the Crows Landing development site.

The issuance of a Request for Proposal (RFP) at this juncture would begin the first phase of a formal process to select a Master Developer for the property. By seeking private sector – development interest now – the process will help facilitate the realization of the Conceptual Master Plan using the identified reuse strategies. By publicizing an RFP at this time the Board can assess (up front) those responding firms for both experience and financial strength. Should the Board decide on this approach, the RFP process should include the following steps:

- Issuance of RFP
- Pre-Proposal Meeting
- Review and selection of top responders – based upon the guiding principles identified by the Crows Landing Steering Committee – representative review team to include planning team, City of Patterson, City of Newman, community of Crows Landing and Crows Landing Steering Committee members.
- Interviews/Presentations by top responders
- Staff Analysis and Recommendation to Board of Supervisors
- Board of Supervisors selection of top responder(s) and invitation to participate in Phase II process
- Phase II Request for Proposals
- Interviews and Presentations (see inclusive review team participants above)
- Staff Analysis and Recommendation to Board of Supervisors
- Board of Supervisors selection of Master Developer

Public Partnerships and the Governor's Infrastructure Bond Initiative 2006

The site's location near I-5 and existing railroad infrastructure at highway 33 also pose development opportunities, as regional agencies and business seek ways for new and improved transport between the Central Valley and the Bay Area.

A unique funding opportunity is available for such pursuits through the State of California's pending \$19.9 billion infrastructure bond program. Several regional entities, such as Stanislaus County, the Stanislaus Council of Governments (StanCOG), the Alameda County Congestion Management Agency, the San Joaquin Regional Rail Commission, and the Ports of Oakland and Stockton, have explored the possibility of creating a joint powers authority (JPA) to procure funding for goods movement between the Port of Oakland and the Central Valley.

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These entities could use funds for the development of a Northern California Logistical Improvement Program, which would provide for more efficient goods movement and seek to relieve traffic congestion and improve air quality standards in the Altamont Corridor through the development of transportation improvements and additional rail (passenger and freight) facilities.

Crows Landing has been identified as a potential inland port option for proposed short haul rail and transfer facilities between the Central Valley and the Port of Oakland. During early agency discussions regarding bond application, projects have been identified which include intermodal development in the Central Valley. The first step in developing the necessary relationships which could lead to a multi-agency infrastructure bond application may include either a memorandum of understanding (MOU) or a joint letter of intent signed by each of the applicant agencies (mentioned above).

As this potential partnership develops, staff will return to the Board with recommendation to consider and support this public partnership approach by participating in a mutual agreement process. Should the citizenry approve the joint Infrastructure Bond measure in November a more formal Joint Powers Authority may be considered as these entities prepare a formal joint application for infrastructure bond appropriation.

POLICY ISSUES:

The Board should determine whether approval of a development reuse strategy for the Crows Landing Development area, and seeking partnership input from a private Master Developer are consistent with the stated Board priorities of facilitating a strong local economy and developing an improved infrastructure for Stanislaus County.

STAFFING ISSUES:

The Chief Executive Office will continue to oversee the development project with direct participation from Planning and Community Development, Redevelopment, County Counsel, Environmental Resources, and the Department of Public Works. In addition, the Crows Landing Steering Committee will be kept informed of all development progress.