

supporting reports and to conduct a public hearing in order to receive comments on the Draft EIR.

FINANCIAL IMPACT:

The Board approved the Solano360 Phase 2 (entitlement phase) project financing budget on February 9, 2010. The budget includes funding for the Specific Plan CEQA and the related and supporting studies and reports. The Solano360 project is funded by a loan from the Solano County General Fund and is accounted for and tracked separately. The Board of Supervisors established a requirement that the loan be repaid by future revenue streams from the ultimate redevelopment of the fairgrounds' site. The adopted budget for Phase 2 is \$3.1 million of which approximately \$1.68 million has been expended and approximately \$400,000 is encumbered.

DISCUSSION:

The Solano360 Vision Report prepared by Solano County, the City of Vallejo and the Solano County Fair Association in May 2009 initiated a process (Phase 1 of the Solano360 project) to establish and realize the long-term revitalization goals for the County-owned Solano Fairgrounds property in Vallejo. The Project Vision "offers flexible, sustainable options for a diverse and future-oriented program of uses to be developed over time." Based on these principles, a preliminary mix of land uses was proposed, including entertainment, mixed use commercial, hospitality, office, open space, exhibition hall, flex special event facilities, outdoor multi-purpose area, demonstration farm, transit, parking and other fair uses. The Solano360 Vision Report stated there was a need to assure flexibility and the ability to adapt to market conditions over project buildout. The Solano360 Vision Report also included an Implementation strategy that indicated that the property would likely be developed in phases and "within each phase, development will occur in orderly increments, based on market demand and staging of on-site infrastructure."

The Solano360 Phase 2 (Entitlement) project is a three-party coordinated effort between the County, City of Vallejo, and Solano County Fair Board which based on the Solano360 Vision includes the preparation a Specific Plan and master plan for the site and preparing an Environmental Impact Report (EIR) for the Solano360 project. The Draft Specific Plan, presented today, was prepared by SWA Group; the DEIR was prepared by Michael Brandman & Associates (MBA) and the Municipal Resource Group (MRG) is under contract to serve as the project manager, coordinating both efforts.

The Draft Specific Plan, Draft EIR, Draft Public Facilities Financing Plan and Draft Fiscal Impact Analysis were released for public review on November 9, 2012.

Draft Specific Plan

The Draft Specific Plan describes the proposed plan for phased development of the Fairgrounds site, based on the land plan that the Solano360 Committee confirmed as the basis for preparing the Draft Specific Plan. The Draft Specific Plan incorporates the Guiding Principles approved by the agencies and supports the goal of establishing Solano360 as a unique place that serves as destination for visitors and as a pedestrian-friendly community gathering place. The Plan serves as a flexible guide for land use and infrastructure improvements, public and private investments, and long-term phasing, based on Vision principles; ensures consistency with the City of Vallejo General Plan and provides the basis for environmental review and subsequent entitlements.

The Draft Specific Plan proposes phased development of:

- Revitalized Solano County Fairgrounds, including built and open space venues and parking on 35 acres.
- A 144,000 gross square foot Exposition Hall built in two phases.
- A creek park and water feature adjacent to the private uses and the Fairgrounds.
- Entertainment-Mixed Use retail/restaurant uses on 18.8 acres.
- A major attraction Entertainment Commercial use on 30 acres.
- Parking, transit facilities and public roads.
- Improved drainage channels.

Draft EIR

The California Environmental Quality Act (CEQA) requires lead agencies to identify, evaluate, disclose to the public, and mitigate to the extent feasible the environmental impacts of proposed land use activities. Such analysis is prepared in the form of an environmental impact report (EIR). The County serves as the lead agency for this project.

The DEIR consists of a project description, twelve topical sections (such as aesthetics, air quality, noise, transportation and other potentially impacted environmental conditions), and alternative projects analysis, cumulative impacts, proposed mitigations and technical appendices.

The Draft EIR proposes mitigations to address environmental impacts potentially created by the project. In addition, the Draft EIR found:

- The project is consistent with applicable provisions of the Vallejo Municipal Code and General Plan, as proposed to be amended.
- The project is compatible with surrounding uses.
- Nearby sensitive receptors would not be exposed to unhealthful levels of air pollution from the project.
- Adequate public services and utilities will exist to serve the project.
- The project would result in significant and unavoidable air quality impacts.
- The project would result in significant and unavoidable traffic impacts; however the project would contribute its proportional share of the cost of traffic improvements proposed for the area.

The Draft EIR concluded that all impacts can be mitigated to a level of less than significant, with the exception of air quality plan consistency, freeway traffic and cumulative freeway traffic, intersection operations and cumulative intersection operations. For these impacts, a statement of overriding considerations would be required.

The Draft Solano360 EIR identifies ways in which comments may be submitted regarding the environmental review throughout a public comment period. Members of the public may comment during the public hearing or submit comments in writing during the public comment period which closes on January 10, 2013.

After closure of the public review period, the County will respond to all environmental concerns raised in comments. Responses will be provided in the Final EIR which will be made available to comment authors at least 10 days prior to the Board of Supervisors hearing on the EIR, which is tentatively scheduled for February 26, 2013. The EIR will also be submitted to the City of

Vallejo for consideration as a designated Responsible Agency.

Draft Fiscal Impact Report

The Draft Fiscal Impact Report prepared by Goodwin Consulting Group describes the annual revenue, operating costs and public services costs that the County, City and Fair may expect as a result of the phased development of the project.

Draft Public Facilities Financing Plan

The Draft Public Facilities Financing Plan prepared by Goodwin Consulting Group proposes methods to finance the Fair improvements, infrastructure and mitigations related to the proposed project.

All four documents were released for public review on Friday, November 9, 2012 and posted on the link on the County's main website (www.solanocounty.com <http://www.solanocounty.com>) to the Solano360 project (Solano360: Building the Solano County Fair of the Future).

Next Steps

As stated above, staff is targeting February 26, 2013 as the date that the documents will be presented to the Board of Supervisors for approval and certification of the Final EIR. Staff will also be recommending the approval of a Development Agreement/Implementation MOU with the City of Vallejo that will set the parameters for how development will occur on the private areas of the Solano360 project, as well as a Revenue and Cost Sharing Agreement. City of Vallejo will be considering the Specific Plan through its formal development review process in March.

ALTERNATIVES:

The Board could choose not to receive this presentation on the Solano360 project nor conduct the public hearing to receive comments on the Draft EIR. However, this is not recommended since this would not be consistent with previous Board direction. Though CEQA does not require a public hearing, receiving public comment at this time facilitates the public participation in the preparation of the final EIR.

OTHER AGENCY INVOLVEMENT:

Staff from the City of Vallejo, the Solano County Fair, Resource Management and County Counsel has worked with the Project consultants to prepare the Specific Plan and Draft EIR and prepare the status presentation.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION

FINANCING:

The Board approved the Solano360 Phase 2 (entitlement phase) project financing budget on February 9, 2010. The budget includes funding for the specific plan, and CEQA with funding for the related and supporting studies and reports. The Solano360 project is funded by a loan from the General Fund and is accounted for and tracked separately. The Board established a requirement that the loan be repaid by future revenue streams stemming from the ultimate redevelopment of the fairgrounds' site. The Adopted Budget for Fiscal Year 12/13 is \$913,318 of which \$168,431 has been expended to date and \$392,327 is encumbered. The recommended consultant contract extension amendments are within the current unobligated budget.

DISCUSSION:

The Solano360 Vision Report prepared by Solano County, the City of Vallejo and the Solano County Fair Association in May 2009 (Solano360 Phase 1) initiated a process to establish and realize the long-term revitalization goals for the County-owned Solano Fairgrounds property in Vallejo. The Project Vision "offers flexible, sustainable options for a diverse and future-oriented program of uses to be developed over time. Based on these principles, a preliminary mix of land uses was proposed, including entertainment, mixed use commercial, hospitality, office, open space, exhibition hall, flex special event facilities, outdoor multi-purpose area, demonstration farm, transit, parking and other fair uses. The Solano360 Vision Report stated that there was a need to assure flexibility and the ability to adapt to market conditions over time. The Solano360 Vision Report also included an Implementation strategy that indicated that the property would likely be developed in phases and "within each phase, development will occur in orderly increments, based on market demand and staging of on-site infrastructure."

The Solano360 Phase 2 (Entitlement) project is a three-party coordinated effort between the County, City of Vallejo, and Solano County Fair Board which based on the Solano360 Vision includes developing a specific plan and master plan for the site as well as the preparation of an Environmental Impact Report (EIR) for the Solano360 project. The specific plan is being prepared by SWA, the EIR is being prepared by Michael Brandman & Associates (MBA) and Municipal Resources Group (MRG) is under contract to serve as the project manager, coordinating both efforts.

These three contracts were amended on June 26, 2012 to extend the term through December 31, 2012 due to the delay in the Project caused by the elimination of redevelopment agencies as of February 1, 2012. The Project was further delayed to coordinate efforts with the Solano Transportation Authority's Redwood Parkway-Fairgrounds Drive Improvement Project Environmental Impact Report comment period which closed on November 6, 2012. The Solano360 draft Specific Plan and EIR were distributed for public comment on November 9, 2012 and the comment period on these documents closes on January 10, 2013. The draft Specific Plan and Draft Specific Plan Environmental Impact Report are scheduled to be presented to the Board of Supervisors on February 26, 2013 and to the Vallejo City Council in late March.

Staff is recommending that the three contracts be extended to allow for the continuation of these consultants services through final approval of the Specific Plan and the EIR. Staff is also recommending that the County Administrator be delegated authority to amend the contract amounts within the current Project budget to address any changes to the Project that may be needed to address the loss of redevelopment financing.

ALTERNATIVES:

The Board could choose not to authorize contract extensions. However, this is not recommended since this is not consistent with previous Board direction. These consultants have the requisite expertise to complete the Project's Specific Plan and the entitlement process.

OTHER AGENCY INVOLVEMENT:

Staff from the City of Vallejo, the Solano County Fair Manager, and County Counsel were consulted on the need for contract extensions and concur with the recommendations.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION