

**AGENDA ITEM
PLANNING COMMISSION MEETING: APRIL 10, 2008
PUBLIC HEARING**

DATE : April 2, 2008
TO : Planning Commission
FROM : Charlie Knox, Community Development Director
SUBJECT : **BENICIA BUSINESS PARK VESTING TENTATIVE MAP,
MASTER PLAN AND REZONING**

RECOMMENDATION:

Adopt a resolution that (1) comprises a report to the City Council regarding the proposed Vesting Tentative Map, (2) makes a recommendation to the City Council regarding the proposed rezoning and Environmental Impact Report (EIR) Addendum, and (3) may include findings and conditions for Council to consider in the event Council chooses to approve the project.

EXECUTIVE SUMMARY:

On February 19, 2008 the City Council certified the EIR for the Benicia Business Park project; however, Council also determined that the project as proposed could not be approved due to inconsistency with the City's General Plan. A revised Vesting Tentative Map, Master Plan and Rezoning application was submitted March 20, 2008. The Subdivision Map Act (Section 66452.1) requires the Planning Commission to make a report regarding the proposed Vesting Tentative Map to the City Council within 50 days of EIR certification. State law also requires a Planning Commission recommendation on a rezoning proposal.

BUDGET INFORMATION:

Processing of this application has no impact on the City budget. The project is required to contribute its fair share for City services, including funding and installing all on-site infrastructure and necessary off-site utility connections, paying development and traffic impact fees, and providing sites and funding for fire, police and public works facilities.

Ensuring that revenues exceed costs of City services during the commercial first phase of the project (estimated to take seven years) requires gradual establishment of police and fire operations at the site. At full commercial (Phase 1) occupancy, the project will require five police officers, two patrol cars, 12 fire fighters, a fire engine, a brush truck, and administrative support. The developer is required during Phase 1 to provide land and

construction funding for a fire sub-station and police office. The financial analysis evaluated in the EIR states that the developer will also pay for 50 percent of fire station operations.

If police and fire staffing is established incrementally, the project is expected to produce net revenue during Phase 1 (\$200,000 or more in some years), except for the year when full staffing is reached, when no significant gain or loss to the City is projected. Once full commercial occupancy is established, the project is anticipated to produce annual revenues \$500,000 or more in excess of City service costs. Police and fire services are not expected to increase with later industrial development at the site.

ENVIRONMENTAL REVIEW:

The City Council certified the project EIR on February 19, 2008. Resolution No. 08-13 certifying the EIR directs that:

the Hillside/Upland Preservation alternative be evaluated in an Initial Study that conforms to the law; analyzes, in particular, the following issues: Leadership Energy and Environmental Design (LEED), AB 32, I-780 traffic, sustainability and urban decay; and considers appropriate mitigations for the environmental impacts.

Counsel for the applicant submitted a March 26, 2008 proposed Addendum to the EIR for the project (attached to this staff report) that states:

Where an EIR has been prepared and certified for a project, and a further discretionary approval is required for the project, the “initial study” consists of determining whether a subsequent or supplemental EIR should be required.

The proposed addendum asserts that the threshold for a subsequent or supplemental EIR has not been reached, as revisions to the project have only reduced potential impacts. The addendum describes the revised project as including the environmentally superior features of the Hillside/Upland and Waterway Preservation EIR alternatives, and highlights the elimination of significant impact on I-780 traffic and the addition of LEED guidelines.

The revised application also addresses sustainability with landscaping plans that require bio-swales and bio-retention areas in parking lots and along roadways. Additional mitigation measures to address Council direction regarding sustainability and AB 32 initiatives to reduce greenhouse gas emissions could include:

- A location on-site for a transit facility;
- Transit service for site employees;
- Shower and bike storage facilities; and
- Public trails in open space.

Measures such as these would reduce emissions associated with the project by decreasing vehicle-miles traveled and offering alternatives to the automobile. The proposed EIR Addendum does not address the potential for urban decay that was analyzed in the EIR. The development potential for the commercial area has not been modified from the prior proposal.

Prior to acceptance by the City, the conclusory statements of the proposed EIR Addendum will need to be supported with data analysis. Alternatively, if it can be determined that revisions to the project involve new significant environmental impacts or substantially increase the severity of any impact identified in the EIR, a supplemental EIR could be required per California Environmental Quality Act (CEQA) Guidelines Section 15162.

The attached draft resolution contains all of the mitigation measures included in the EIR (which also will appear in the Mitigation Monitoring and Reporting Program to be considered by the City Council), except the requirement to widen I-780 (measure TRANS-22), as the reduction in traffic associated with the revised project will not create the need for additional lane capacity. The wetland protection plan called for in measure BIO-2b will not need to be implemented fully, as the revised project will avoid most impacts to wetlands other than infrastructure crossings.

SUMMARY:

The proposed project is located in northeastern Benicia. The project site consists of 527.8 acres of undeveloped land bounded on the south and east by East 2nd Street. The western boundary is an irregular property line that generally parallels the alignments of West Channel Road and Industrial Way. The northern property line is also irregular and is bounded in part by the City of Benicia Water Treatment Plant and Lake Herman Road.

The project as revised per the March 20, 2008 submittal includes:

- Rezoning of the site to apply the Master Plan Overlay designation and adjust the General Commercial and Limited Industrial zoning district boundaries;
- Subdivision of the site into 80 lots ranging from 1.5 to 5.4 acres;
- Development of approximately 150 acres of limited industrial and 35 acres of commercial land uses, with approximately 2.35 million square feet of industrial building space and 857,000 square feet of commercial uses – projected to result in the direct creation of 4,535 jobs;
- Open space totaling 312 acres, including buffers to preserve drainages, topographic features and the rural character of Lake Herman Road;
- Utilities and infrastructure, including 30 acres of roads; and
- Two 1,000,000-gallon tanks to supply water for the project.

The project has been conceived in various forms since the early 1980s. In 1981 an EIR was prepared for a mixed-use development proposal that included the project site. At that time, the site was part of unincorporated Solano County, and annexation to the City

of Benicia was evaluated in the EIR. In 1983, the City Council approved a General Plan amendment, pre-zoning, and annexation of the site and certified the EIR. The Local Agency Formation Commission approved the annexation in 1985. In 1988, a site plan was developed for an industrial park with 115 lots on 319 acres of the property. The sponsor withdrew the application prior to environmental review.

An EIR was prepared for a subsequent industrial park proposal in 2001. After the Draft EIR was circulated for public review, the applicant made changes to the project. In 2004, Discovery Builders assumed the role of applicant and submitted the current project application, with EIR certification in February 2008. The project analyzed in the EIR included approximately 60 percent of the land area for development and 40 percent for open space.

The revised project reverses the prior open space/development ratio, with approximately 60 percent open space. The application seeks City Council approval of a Vesting Tentative Map, Master Plan, and Rezoning to subdivide the site. The applicant has characterized the project revision as a combination of the Waterway Preservation and Hillside/Upland Preservation EIR alternatives. The project is proposed to be built in five phases, with the first comprising the 35-acre (14-lot) commercial area. If the project is approved, conditions will be necessary to ensure that necessary infrastructure is installed prior to construction of buildings in each phase.

Differences from the project analyzed in the EIR include:

- Distribution of development into separated areas of the site.
- Reduction of industrial development from 4.44 million to 2.35 million sq. ft.
- Increased preservation of slopes and hilltops.
- Inclusion of 100-to-200-foot buffers along drainages, swales and other wetlands.
- Reduction of grading from roughly 9 million to 4 million cubic yards.
- Reconfiguring of the commercial area to be consistent with the General Plan and preserve a waterway.
- Separated bike/pedestrian paths along through roads.
- Bio-swales in parking lots and along roads.
- LEED design guidelines.

General Plan and Zoning Ordinance Consistency

The revised submittal appears to eliminate the General Plan inconsistencies of the prior version of the project, with the exception of a potential conflict between the directive of General Plan Policy 2.2.1 to protect and maintain hillsides and the grading plans for Phases 1 and 2, which call for reducing one foreground hilltop in each phase by about 50 feet in height. With adjustment to the Zoning Map boundary between the commercial and industrial areas of the project, the revised proposal would appear to be consistent with the zoning ordinance. The attached draft resolution includes findings regarding General Plan and zoning consistency that the Commission may wish to suggest in the event Council chooses to approve the application.

Design Guidelines

The proposed master plan includes guidelines for commercial and industrial uses intended to ensure quality development and promote sustainable practices. The guidelines encourage LEED strategies for green building, as well as low-impact development through bio-swale drainages and bio-retention basins, reduced paving, and use of recycled products for parking lot materials. Prescribed design elements include wall articulation, multi-planed pitched roofs, window rhythm, variety of massing, and landscaping. City review is required for design of all buildings on-site: staff-level for industrial and commission-level for commercial structures.

Public Facilities Sites

The revised project includes two lots (45 and 46) totaling 4.5 acres set aside for a Fire Department sub-station to satisfy the requirement of EIR mitigation measure PUB-1a (though the site needs to be developed in Phase 1, not Phase 2). The applicant also has proposed a 7.4-acre site for a City corporation yard at the southeast corner of Industrial Way and A Boulevard to satisfy the requirement of EIR mitigation measure PUB-1b (though the yard will have to be reconfigured to avoid disturbance to a water line). The Police Department office identified in EIR mitigation measure PUB-1a will need to be provided on the commercial portion of the property in Phase 1. Conditions in the attached draft resolution address these modifications.

CONCLUSION:

Following EIR certification, the City received revisions to the Vesting Tentative Map, Master Plan, and Rezoning submittal for the Benicia Business Park project. The Planning Commission is required to report to the City Council regarding the proposal. The attached draft resolution includes findings and conditions the Commission may suggest in the event Council chooses to approve the application. The Planning Commission may also make a more definitive recommendation regarding approval or denial of the proposed project. Findings necessary per CEQA Guidelines Section 15091 to support action on the project will be provided to the City Council once the Planning Commission has made its recommendation.

The Subdivision Map Act (Section 66452.2) requires the City Council to set the meeting date at which the tentative map will be considered within 30 days of the Planning Commission report and to approve, conditionally approve, or disapprove the tentative map within 30 days. Therefore, the City Council may consider the application at its May 6, May 20, and/or June 3, 2008 regular meetings and must act on the application by June 3, 2008, unless the applicant and Council agree to extend the time limit.

Attachments:

- Revisions to project by applicant
- EIR Addendum proposed by applicant
- Draft Resolution

REVISIONS TO PROJECT BY APPLICANT

1. Applicant's Revised Project Description
Revised March 20, 2008
2. Maps and Plans (Color)
Revised March 20, 2008
3. Vesting Tentative Map
Revised March 20, 2008
4. Landscape Plans
Revised March 20, 2008
5. Industrial Design Guidelines
Revised March 20, 2008
6. Commercial Design Guidelines
Revised March 20, 2008
7. Abrams Traffic Letter
Dated March 26, 2008

EIR ADDENDUM PROPOSED BY APPLICANT

DRAFT RESOLUTION