

Overview and Summary of Initiative and 9111 Report July 18, 2024

The California Forever/ East Solano Initiative was submitted in final form by its sponsors on February 14, 2024. The Initiative includes sweeping changes to the County's General Plan and Zoning designation on approximately 17,500 acres by changing primarily agriculture land uses to a new community with various urban land use designations, with a potential population of 400,000, and up to 90 million square feet of non-residential development. In accordance with the County's Orderly Growth Ordinance, most recently affirmed by the voters on November 4, 2008, re-designation of land in the General Plan from agricultural use to urban uses requires a vote of the people of Solano County. The proponents of the Initiative collected sufficient signatures to place the measure on the ballot as certified by the Registrar of Voters on June 11, 2024. On June 25, 2024, the Board of Supervisors received a presentation from the Registrar on the Certification of Sufficient Signatures and, in accordance with sections 9111 and 9118 of the California Elections Code, ordered a report on various impacts of the proposed Initiative prior to taking further action. Under the Elections Code, the impact report must be presented to the Board of Supervisors within 30 days of the Certification of Sufficient Signatures and before the Board acts to either adopt the ordinance without alteration or submit the ordinance to the voters.

The report should in no way be construed as the equivalent to or a replacement for an Environmental Impact Report (EIR). For background, under the California Environmental Quality Act (CEQA) an EIR must be prepared whenever there is substantial evidence a project will have a significant effect on the environment. In other words, when a project will result in a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project, including but not limited to effects on rare or endangered plants, animals, and habitats such as wetlands; effects on local residents from noise, air pollution and wildfire risk; effects to farmlands, aesthetics, and objects of historical significance; and the provision of utilities and public services such as police and fire protection. The overarching purpose of an EIR is to provide the public and the decision makers with detailed information about a project's natural and human environmental effects, ways to minimize the project's significant environmental effects, and reasonable alternatives or ways to avoid those significant effects created by the project.

By contrast, California Initiative law does not require preparation of an EIR in conjunction with consideration of an initiative even if such initiative includes significant land use changes and potential for significant environmental impacts. The proponents of the East Solano Plan had the option to prepare an EIR prior to submittal of the Initiative but chose not to do so. The Initiative does contain language requiring preparation of an EIR if the Initiative is approved by the voters. However, the value of preparing an EIR in this sequence, i.e., after Initiative approval, is greatly diminished as the fundamental and consequential land use decision to change approximately 17,500 acres from agricultural to urban land use would have already been made without benefit of important information that may be contained in an EIR, including consideration of alternatives that may reduce impacts.

How Was Initiative Analyzed?

The Initiative would permit development of a large portion of eastern Solano County that is currently and primarily in agricultural use and natural habitats. The Initiative provides basic information on projected land uses including development potential at build out. Below is the buildout potential of the proposed new community.

Residential:	40,000 to 160,000 residential units
Nonresidential:	25 to 90 million square feet
Rio Vista Parkland:	Approximately 712 acres
Travis Security Zone:	14,900 acres
Travis Compatible Infrastructure Zone:	Approximately 4,200 acres

Because the Initiative does not provide a detailed phasing plan or site-specific information that would inform how development would be sequenced, the analysis in this report is largely based on a buildout to 400,000 residents. There is a provision under the Voter Guarantee Section of the Initiative that would limit residential growth to a maximum of 50,000 residents should the jobs guarantee not be met. Accordingly, this report considers the 50,000 population cap as an initial buildout scenario and a population of 400,000 as the full buildout scenario. Greater emphasis is placed on the maximum buildout scenario as it can be presumed that the jobs guarantee would be met at some point and further development would occur.

The report is based strictly on an analysis of what is contained in the Initiative. The Initiative is the only document before the voters of Solano County and the only formal project plan presented to the County by the project proponents prior to the Board of Supervisors requesting the Elections Code 9111 Report. Subsequent releases of information from project proponents on features and amenities, such as a sports field and a swimming lagoon or a minor league baseball stadium, are not included in the analysis as they are not contained in the Initiative. Accordingly, voters must be aware that these features may or may not be provided in the new community.

Proposed Initiative in Context of Solano County and Region

In the several decades that the County's Orderly Growth Ordinance has been in place, there has not been a proposal presented to the voters to change an area designated for agricultural land uses to urban use. The area in question has been historically utilized for ranching and dryland farming and significant ecological habitat exists within the plan area. The County's General Plan did not designate this area for urban use based on historical ranching and dryland farming in the area, the presence of sensitive environmental habitat, the lack of urban infrastructure in the vicinity, and its remote location from the 1-80 corridor.

It is very difficult to evaluate the impacts of the proposed Initiative on a countywide level without a more comprehensive consideration and evaluation of impacts both on County land policies and overall growth plans of the seven existing cities and the County. Typically, a change in land use of the scale proposed would be considered as part of a larger General Plan update. Such

processes typically take several years and include the project proponent, the public and the County actively discussing the value, intent and need for such development, usually with the benefit of an extensive EIR, fiscal impact analysis and a range of potential alternatives. That is not the case with this Initiative. Instead, the plan was daylighted for the public over a period of several months with only limited consideration of broader discussions of countywide ramifications. Significant and long-standing County land use policies are proposed to be amended to accommodate the new community but fail to consider broader ramifications beyond the new community proposal.

An important component to understanding the Initiative is consideration of the size and scope of the proposal. The land area proposed for the new community is similar in size to the existing City of Vacaville yet the full buildout population set forth in the Initiative is significantly larger than any one of the cities in Solano County and just below the current total population of the Solano County. From a historical perspective, it is the largest single entitlement request in the history of Solano County and one of the largest in the State of California. Below is a comparison to other large development approvals in Solano County over the past few decades.

	<u>Acres</u>	<u>Residential Units</u>
Proposed East Solano Community	17,500	40,000 to 160,000
Fairfield Train Station SP	3,000	6,800
Lagoon Valley Vacaville	868	1,025
South Town Vacaville	280	1,357
Rancho Solano	2,285	1,200

Further comparisons to several recent large community proposals in California.

	<u>Acres</u>	<u>Residential Units</u>
Mountain House, San Joaquin County	4,786	16,000
Rancho Mission Viejo, Orange County	23,000	14,000
Ontario Ranch, San Bernardino County	8,000	47,000
Laguna West, Sacramento County	1,033	3,300

The scale and size of the proposed East Solano plan would be significantly larger than any of the communities listed above. The communities listed are either built out or are in the process of being developed. All went through extensive public processes and preparation of comprehensive environmental impact reports that often took years to complete. This Initiative was filed with the County only a few months after the public became aware of intentions of the proponents and several years of speculation on Flannery Associates LLC (the entity used to purchase land). The fact that the Initiative will be presented to the voters without benefit of an EIR, or objectively prepared planning and engineering studies expected for a new community proposal of this magnitude, is a significant issue that warrants further public consideration as the Initiative is discussed and debated during the months leading up to the November vote.

Brief History on Flannery Associates, LLC/California Forever in Solano County

County staff first observed a large number of property acquisitions by Flannery Associates, LLC in 2018. In December 2018, County staff reached out to the legal firm representing Flannery Associates, LLC offering to meet and provide an overview of County plans, policies, and zoning standards applicable to the properties being acquired at that time, with emphasis on the County's "Agricultural" General Plan land use designation on the areas being acquired, and expressing an interest in hearing the initial and long-term plans. In March of 2019, the County received correspondence back from their attorney that Flannery Associates intended on "continuing the existing uses of the properties by entering into long-term leases with local farmers" and "in the longer term, they may explore options to increase the yield by partnering with farming tenants who would experiment with new types of crops or orchards" and "in that case, we [Flannery Associates, LLC] will definitely reach out to you and your staff with any questions regarding the county's policies that would be applicable to such uses." In June 2023, Flannery's legal counsel requested "an overview of what permits would be required from the county"... "including drilling of any required irrigation wells" as "Flannery is in discussions with olive growers regarding leases under which they would plant olive orchards on a substantial portion of Flannery's holdings" including acreage around Travis Air Force Base. No subsequent communications were received by the County regarding Flannery Associates' intentions until the New York Times broke the story naming the investors behind Flannery Associates followed by a public media campaign presenting the California Forever new community concept and their intentions for the properties acquired.

Future Land Use Approvals

If the Initiative is approved by the voters, 17,500 acres of land currently designated primarily for agriculture would change to land designated for urban development. The Initiative land use map delineates general locations for various land uses anticipated in the new community. The western portions of the property are primarily designated for Travis Compatibility Infrastructure and Industry / Technology while eastern areas are largely designated neighborhood mixed use with two areas designated for commercial mixed use. There are concept drawings depicting how the development may appear, although such drawings lack site-specific context and do not fully reflect the allowable scope of design or uses. A rectilinear street grid appears to encompass the

entire neighborhood mixed use area. It is not clear if the grid adequately addresses natural conditions or constraints that exist on the property as no grading information has been provided.

The general nature of the planning documents associated with the Initiative are high level with many details yet to be determined. If the Initiative were to be approved, a more detailed planning and engineering effort will be necessary. The Initiative contains language that an EIR will be prepared, and a Development Agreement (DA) will be negotiated with the County. Both documents would provide more site-specific information than is currently available and would provide a framework for how the development will evolve in future phases. What is less clear is how the proposed plan could change if significant issues are identified in the EIR and DA that warrant substantive changes to plans contained in the Initiative. The Initiative does not specifically address obligations of the proponents to make changes to the plan if, for example, a significant environmental impact is identified. As a result, the Initiative places the voters in a difficult position because they will not have available the type of important site specific environmental information typically available prior to determining whether or not to support an Initiative that has multi-decade ramifications for the residents of Solano County.

Of further concern and exacerbating the above issue is language in the Initiative limiting the County and the public in the terms of review of future projects in the proposed community. Under zoning standards in the Initiative, most land uses will be established as "allowed uses" and would not require the type of public review commonly required in other cities and the County. For example, a large commercial center, apartment complex or large-scale entertainment venue could be proposed and approved as "ministerial" with no public hearing or environmental review required. No use permits are required under the proposed zoning regulations for the new community. The normal backstops to deal with potential conflicting land uses that exist in the County zoning regulations are not provided in the zoning regulations contained in the Initiative. The lack of such provisions could prove problematic for future Boards that may be confronted by challenging land use conflicts without sufficient tools to proactively address the situation.

Effectively limiting the County and public from having a say in future proposals would be unprecedented at this scale. The ramifications are exacerbated by the limited plan details in the Initiative and failure to have sufficient regulatory provisions to address the many variables that evolve over time in development of a new community. Without opportunity for reviewing future developments in the new community other than at a superficial level, the County and the public would be greatly limited in their ability to ensure the design principles and community concepts are implemented. It is helpful for the public to understand the magnitude of what is being proposed and the risks that the new community could evolve in a manner different than what is promised in the Initiative with limitations in the Initiative itself constraining both the County and the public's ability to evaluate and have a say in what is being proposed. The provision that limits further public and County review is a substantial concern.

Therefore, the 9111 report was prepared to meet the requirements of Elections Code section 9111 to inform the Board of Supervisors prior to deciding whether to adopt the Initiative without alteration in the form of a County ordinance or submit the Initiative to the voters by

placing it on the ballot at the November 5, 2024 election.

Key considerations based on the 9111 Report and further review of the Initiative are summarized below:

Critical Considerations for Board and Solano County Voters

As voters consider the proposed Initiative to rezone 17,500 acres of land in East Solano County for the development of a new community, it is essential to weigh the potential benefits against the significant challenges and uncertainties that accompany such an ambitious plan. Here are the critical considerations for voters:

1. Financial Feasibility and Fiscal Impacts

- **Projected Deficits:** The Initiative is expected to generate substantial annual fiscal deficits for both Solano County and the Montezuma Fire Protection District. Voters should consider whether the proposed formation of a Community Facilities District (CFD) will be sufficient to mitigate these deficits, and if not, how the County and Fire District plan to manage these financial challenges.
- **Lack of Detailed Funding Plans:** The Initiative lacks a clear and detailed financial strategy to support the extensive infrastructure and service upgrades required. This raises concerns about the long-term fiscal sustainability of the project.

2. Consistency with the General Plan

- **Substantial Changes Required:** The Initiative proposes major amendments to the Solano County General Plan which could create significant inconsistencies with current goals, policies, and land use designations. A comprehensive update to the General Plan will be necessary to address these inconsistencies.
- **Impact on Existing Policies:** Voters should consider how these changes align with the County's long-term planning objectives, including the preservation of agricultural land and the promotion of city-centered growth.

3. Environmental and Land Use Impacts

- **Loss of Agricultural Land:** The Initiative would convert approximately 17,500 acres of agricultural land to urban uses, significantly impacting the local agricultural economy and the county's rural character.
- **Insufficient Environmental Analysis:** There is a lack of detailed studies or data on the environmental impacts of this large-scale land use change. Voters should be aware of the potential effects on local ecosystems, biodiversity, and environmental quality. Although State law does not require an Environmental Impact Report (EIR) prior to this Initiative going to a citizen vote, an EIR is the type of detailed analysis needed for Solano County citizens to make a fully informed decision on whether to approve the Initiative. An EIR would objectively inform Solano County citizens of the full impacts that may result from the Initiative. The Initiative proponents chose to defer the EIR until after the election.

4. Infrastructure and Traffic Concerns

- **Increased Traffic and Congestion:** The proposed development is expected to result in a substantial increase in vehicle miles traveled (VMT), leading to severe congestion on both freeways and local roads. The Initiative does not provide detailed plans for the necessary roadway and bridge improvements to address this issue; however, at a minimum, it is anticipated that connecting State highway sections be improved to four or more lanes, the Rio Vista Bridge be replaced, local and other minor State highway bridges be expanded to four lanes, and connecting and impacted local roadways and intersections be improved to four lanes when necessary.
- **Infrastructure Funding Gaps:** Voters should consider the implications of the significant investment required for transportation, schools, parks, public safety, and water systems. The Initiative's promises of infrastructure upgrades lack specifics, raising doubts about their feasibility.

5. Socioeconomic and Community Impacts

- **Job Creation Promises:** While the Initiative may create 94,000 jobs at buildout, there is little information on the types of jobs, the sectors they will belong to, and the strategies for ensuring they benefit the local population.
- **Redistribution of Economic Activity:** The potential shift of economic activity from existing urban centers to the new development area could impact established business districts. Voters should consider how this might affect the vitality of each of the existing seven cities.
- **Lack of Performance Standards:** The Initiative's commitments to energy efficiency, sustainability, and community benefits are not supported by measurable performance standards or detailed implementation plans.

6. Legal and Administrative Concerns

- **Unenforceable Voter Guarantees:** The initiative includes ten Voter Guarantees that promise various community benefits. However, these guarantees are technically unenforceable within the framework of a General Plan or Specific Plan. Rights to develop the new community and obligations for voter guarantees would not vest until a Development Agreement is executed between the project applicant and the County.
- **Inadequate Specific Plan:** The Zoning and Specific Plan regulations contained in the Initiative are limited in scope and depth in the context of buildout of a new community with a potential population of up to 400,000. They do not account for the many variables in the community building process and do not provide adequate tools for addressing typical land use conflicts that can occur as a community evolves and develops over time.
- **Lack of Public Review:** The Initiative contains language that significantly minimizes the County's and public's ability to review and provide input on future projects within the plan area. This creates uncertainty about what accountability mechanisms can be utilized to monitor how buildout occurs and whether or not future projects meet the goals and "guarantees" conceptually described in the Initiative.

7. Water

- **Water Demand and Supply Uncertainty:** The Initiative does not provide detailed studies or data on projected water demand, nor does it identify specific water rights available to serve that demand that the County can evaluate. The Initiative also does not identify the critical infrastructure necessary to serve the community's total demand.
- **Groundwater Impacts:** In light of the uncertainty around the legal and physical availability of surface water to serve the new community, voters should consider that the new community will rely heavily on groundwater. Increased groundwater pumping to serve the new community may have a detrimental effect on other water users in the area **and may require an update to the Solano Subbasin Groundwater Sustainability Plan.**

8. Other Considerations

- **Travis Air Force Base:** Dramatic land use changes proposed in the Initiative could have significant impacts to the mission and operational capabilities executed at Travis AFB. One of the important geographic elements to the base is the adjacency and access to large expanses of open space that allows for diverse flight training approaches and operations. The new community plan would significantly change this dynamic. Beyond encroachment, there is also a high probability base access and security could be directly impacted by development with the new community. The effects of traffic build up on Highway 12 and other roadways serving the base could impede prompt and efficient movement for equipment and personnel on and off the installation.

Conclusion

Board/voters need to have the opportunity to critically evaluate the proposed initiative's potential benefits alongside its substantial challenges and uncertainties. The lack of detailed information and clear planning on financial feasibility, environmental impacts, infrastructure requirements, and socioeconomic effects raises significant concerns. Thorough consideration and transparency are crucial to determine whether or not the Initiative aligns with sustainable and balanced growth objectives and truly benefits the residents of Solano County.