



COUNCIL COMMUNICATION

Date: June 9, 2009

TO: Mayor and Members of the City Council

FROM: Craig Whittom, Assistant City Manager / Community Development *CW*
Susan McCue, Economic Development Program Manager *SME*

SUBJECT: Consideration of Approval of the Solano 360 Visioning Report Pertaining to the Redevelopment of the Solano County Fairgrounds

BACKGROUND & DISCUSSION

On September 30, 2008 the Solano County Board of Supervisors approved an agreement with Brooks Street to develop a vision for the Solano County Fairgrounds. As part of the visioning process, the Solano 360 Committee was formed, comprised of two members of the Solano County Board of Supervisors and the Mayor's appointees to the City of Vallejo's fairgrounds ad hoc committee. The Solano 360 Committee met with Brooks Street and its team to discuss the Guiding Principles pertaining to the redevelopment of the Solano County Fairgrounds and concurrently City staff had discussions with County staff regarding the terms of the 2003 MOU. Because the 2003 MOU was set to expire in 2010 a new MOU was negotiated.

On March 10, 2009, the City Council adopted Resolution 09-040 N.C. adopting the revised Guiding Principles pertaining to the redevelopment of the Solano County Fairgrounds (Attachment C) and Resolution 09-041 N.C. approving and authorizing the City Manager or his designee to execute a new Memorandum of Understanding (MOU) between the City of Vallejo and the County of Solano (Attachment D).

The Guiding Principles are:

- Generate revenues for Solano County and the City of Vallejo, create jobs and ensure long-term economic sustainability.
- Establish a unique place with an unmistakable identity that serves as a destination for visitors as well as a pedestrian-friendly, community gathering place.
- Explore a mix of complementary land uses, including retail, commercial, hospitality, recreational, residential, family and youth oriented, educational and civic uses that seamlessly integrate with the "Fair of the Future".
- Explore increased physical connectivity and synergy with Six Flags Discovery Kingdom, downtown Vallejo, the waterfront and other existing commercial operations.
- Provide pedestrian bicycle, vehicular and transit facilities that foster access to, from and within the site.
- Incorporate sustainable and green principles in all aspects of the development.

Primary components of the MOU are:

- Term - The MOU is for five years from the date of its execution or upon execution of a mutually acceptable development agreement between the County and a developer; the 2003 MOU was terminated as a component of the new MOU.
- Reversionary Interest - The County has transferred back to the City the Reversionary Interest as described in the Quitclaim Deed dated July 9, 2003; City will participate with County in the negotiation of the Development Agreement (DA) with a private developer; upon execution of a mutually acceptable DA City shall quitclaim Reversionary Interest related to the Project to the County.
- Development of Project Vision – City and County are equal partners in the development of an unconstrained community vision which will form the basis for all major Project decisions. The Project Vision may include, but is not limited to office, retail, entertainment, mixed-use, residential, and other related uses that support operationally and financially the renovation of the Fairgrounds.
- Oversight Committees – The oversight committee referred to as the Solano 360 Committee, will be comprised of two members from the Board of Supervisors and the Mayor and two members of the Vallejo City Council (City's Fairgrounds Ad Hoc Committee) and will provide policy direction throughout the Project and will report back to their respective governing bodies. All meetings of the Solano 360 Committee will be held in accordance with the Brown Act. The City Council ratified the appointment of the City's members on this committee on March 10, 2009.
- Entitlement Process - The County will serve as the lead agency for the required review for the Project pursuant to the California Environmental Quality Act (CEQA); the City of Vallejo and the Vallejo Redevelopment Agency will be responsible agencies under CEQA. Private purposes areas will follow the expedited city planning/zoning process. Public purposes areas will be exempt from the City's planning/building process except that within 90 days of completion of County's CEQA process the County will present the project to the City of Vallejo's Planning Commission and/or City Council to seek a finding of consistency with the City of Vallejo's General Plan pursuant to Gov. Code section 65402.
- Financial Contribution and Future Revenue Participation – Prior to the execution of the Development Agreement, the County and City agree to explore the concept of reimbursement of any previously non-reimbursed direct costs and expenses incurred with respect to the planning, entitlement and development of the Project once the Project begins to generate revenue and prior to any distribution of proceeds. This concept includes reimbursing each party any non-reimbursed direct Project costs plus a return on those Project Costs in the amount of 12% per annum. Any revenue generated from the private purposes of the Project will be equitably distributed. Following the execution of the Development Agreement, the City and County will explore a cap on planning, permit processing and other City fees in exchange for an expedited process pertaining to non-fair elements of the Project. The County will pay City actual costs in an amount not to exceed

\$10,000 per month for planning, permit processing, legal, and other City review necessary for Project approval.

Public Process Regarding Vision

In addition to the meetings held by the Solano 360 Committee, Brooks Street held three public community workshops and met with various groups and organizations to receive input from the public and to respond to questions and concerns. Comments from the community workshops and meetings, from the surveys posted on the website, www.solano360.org, and from the Solano 360 Committee were incorporated into the Solano 360 Visioning Report which is being presented this evening. The Project Vision offers flexible, sustainable options for a diverse and future-oriented program of uses to be phased over time, including a public-oriented "Fair of the Future" that continues the 60-year tradition of the annual Solano County Fair and a wide range of private and public activities that address the changing needs and character of the region. The Solano 360 Visioning Report was presented to the County Board of Supervisors earlier today for their approval.

Next Steps

If the Solano 360 Visioning Report is approved by the City Council this evening, the City and County will address the requirements of the MOU which include identifying public agency agreements that may be required, such as an Owners Participation Agreement (OPA), and defining an entitlement path for the areas defined in the MOU as "public purposes" and "private purposes". The entitlement process will follow, which includes a full CEQA review, City of Vallejo General Plan Amendment, Development Agreement, and development of a Specific Plan including Design Guidelines. The community outreach will continue throughout the process.

FISCAL IMPACT

A financial feasibility analysis will be completed by the project team. ERA, an economic and market research firm, will prepare models based on the mix of uses called out in the Vision. These models will reflect estimated public and private costs and revenues to the City and County. The models will also suggest what types of financing could be used to help pay the costs such as assessment district and tax increment financing.

RECOMMENDATION

Consideration of adopting the resolution approving the Solano 360 Visioning Report.

ALTERNATIVES CONSIDERED

The alternative is to not adopt the Solano 360 Visioning Report.

ENVIRONMENTAL REVIEW

This action is statutorily exempt from CEQA as a feasibility or planning study when the City has not approved, adopted or funded any particular action. Pub.Res. Code 21102, 21150. An EIR will be required when the specific type of development for the Solano County Fairgrounds has been determined.

PROPOSED ACTION

Adopt the resolution approving the Solano 360 Visioning Report.

DOCUMENTS ATTACHED

Attachment A - Resolution Approving the Solano 360 Visioning Report

Attachment B - Solano 360 Visioning Report

Attachment C - Guiding Principles

Attachment D - Memorandum of Understanding between the City of Vallejo and the County of Solano

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