



AGENDA OF JUNE 12, 2024

REGULAR MEETING

**TO: Rich Desmond, Chair, and
Members of the Sacramento Local Agency Formation Commission**

FROM: José C. Henríquez, Executive Officer

AGENDA ITEM V-5: Receive Public Comment on the City of Sacramento Sphere of Influence Amendment and Reorganization of the Airport South Industrial Project (LAFCo Project #07-21) Environmental Impact Report

RECOMMENDATION

Staff recommends that your Commission open a hearing and receive public comments on the Draft Environmental Impact Report for the Airport South Industrial Project (ASI). The Public Review Period is from May 31, 2024 to July 17, 2024.

BACKGROUND

The City of Sacramento and the Sacramento Local Agency Formation Commission (LAFCo) are the co-lead agencies for the preparation of an Environmental Impact Report (EIR) for the proposed Airport South Industrial Project (proposed project). The proposed project would be located southeast of the intersection of Powerline Road and Interstate 5 (I-5) in Sacramento County. Specifically, it is located south of Metro Air Parkway (and the new Metro Air Parkway/I-5 interchange), southwest of the City of Sacramento's Northlake development (formerly known as Greenbriar), currently under construction and west of the existing Westlake adjacent to the current City of Sacramento boundary. The EIR will evaluate the following separate and discretionary actions:

1. The potential Sacramento County LAFCo's approval of a Sphere of Influence Amendment (SOIA, including a related Municipal Services Review) and Reorganization (annexation and related detachments) into the City of Sacramento; and;
2. The potential City of Sacramento's approval of a Pre-zone, General Plan Amendment (GPA), Tentative Master Parcel Map, Development Agreement (DA) and Planned Unit Development (PUD).

On July 30, 2021, your Commission executed a MOU with the City of Sacramento to establish the roles and responsibilities as CEQA co-lead agencies for preparation of the environmental review for the Airport South Industrial Project (ASI).

Basic Principles of the Memorandum of Understanding

- LAFCo is the lead agency for the Environmental Impact Report for the Sphere of Influence Amendments.
- The City of Sacramento is the lead agency for the Environmental Impact Report for the related land use entitlements, including pre-zoning, and reorganization.
- The City of Sacramento, and its contractor, will prepare the Draft EIR, pursuant to LAFCo requirements for a Sphere of Influence Amendment and reorganizations.
- LAFCo staff will have oversight review and direct the City EIR and MSR team during the preparation- of the Draft EIR for the Sphere of Influence Amendments prior to publication.
- It is the intent of the City of Sacramento to also use the EIR to consider the various related land use entitlements.
- The City of Sacramento will fund the cost of the Environmental Impact Report and will reimburse LAFCo for its oversight role.
- LAFCo, as permitted under CEQA Guidelines, will allow the City to select consultants and sub-consultants to prepare the EIR. However, the EIR shall be prepared under the direction and supervision of LAFCo and its EIR Consultant (Robert Klausner, Environmental Planning Partners).

DRAFT ENVIRONMENTAL IMPACT REPORT

A Notice of Availability was made available the last week of May to all interested parties, including agencies and members of the public Sacramento LAFCo and the City of Sacramento, as co-lead agencies, have prepared a full-scope, project level Draft EIR that addresses the following resource areas:

Transportation and Circulation

- Air Quality
- Noise
- Population and Housing
- Utilities
- Public Services
- Parks
- Aesthetics
- Land Use
- Geology and Soils
- Hydrology, Drainage, and Water Quality

- Agricultural Resources
- Biological Resources
- Cumulative Impacts
- Project Alternatives

Mitigation is included in the EIR to reduce many impacts to less-than-significant levels. Significant and unavoidable impacts have been identified in the following areas: air quality, transportation and circulation, agricultural resources, land use compatibility, farmland resources, cumulative loss of open space resources, visual resources, and consistency with the Sacramento International Airport Comprehensive Land Use Plan.

LAFCO ISSUES OF INTEREST

As a co-lead agency under CEQA, LAFCo must ensure that the environmental document prepared for the project adequately addresses LAFCo matters in addition to addressing City of Sacramento matters. As such, the following discussion briefly describes issues that are of primary importance to LAFCo and where detailed discussions of these issues can be found within this DEIR.

- Public Services, Utilities and Service Systems. (Section 4.11): Issues related to the project's impacts to local and regional water and wastewater treatment and conveyance, storm drainage, and electrical and natural gas facilities are discussed in this section.
- Public Services, Utilities and Service Systems. (Section 4.11): Issues related to the project's impacts to police, fire, emergency, solid waste, school, and library services within the City are discussed in this section.
- Public Services, Utilities and Service Systems. (Section 4.11): Issues related to the project's provision and preservation of park and open space areas including the project's impacts to existing City and County park and open space resources are discussed in this section.
- Hydrology and Water Quality (Section 4.8): Issues related to the project's impacts relating to water quality, hydrology of the Natomas Basin and levee protection.
- Agricultural Resources (Section 4.2): Issues related to the project's impacts to existing agricultural resources, Williamson Act contracts, and adjacent agricultural operations are discussed in this section.
- Alternatives Analysis (Chapter 7): Issues related to the SOI amendment to accommodate the projected development are evaluated in this section.

PROPOSED PROJECT

The proposed project would include the development of an industrial park within an approximately 353.5-acre portion of the project site, located immediately south of Bayou Way. The industrial park would allow for construction of up to 5,204,500 square feet (sf) of industrial uses on approximately 235.6 acres, as well as approximately 98,200 sf of retail/highway commercial uses, including approximately 73,400 sf of hotel/hospitality, on

approximately 13.4 acres. Parcels 6A through 6C and 7A through 7C are proposed retail/highway commercial uses generally situated south of the intersection of I-5 and Metro Air Parkway.

Parcels 1 through 4, all planned for industrial use, generally surround the proposed retail/highway commercial uses. Parcel 5, the remaining proposed industrial use, would be located in the northeast corner of the site. Each industrial building would include driveways and associated parking areas to accommodate vehicles and/or trailers, as well as stormwater retention/detention areas to capture stormwater runoff from the newly constructed impervious surfaces and to provide for existing stormwater storage. The project site also includes several nonparticipating parcels, comprised of approximately 83 acres, and would result in first tier entitlements for future industrial uses of approximately 1,404,800 sf. The parcels will receive General Plan and Pre-zoning designations as part of the Annexation process, which is discussed further below. Finally, the project site includes 37.9 acres of California Department of Transportation (Caltrans) I-5 fee title right-of-way (ROW), which would not be developed as part of the proposed project.

EXECUTIVE OFFICER COMMENTS

Your Commission and the City of Sacramento have adopted an MOU to act as co-lead agencies for the CEQA review process. The MOU contains a provision calling for a “public hearing during the DEIR public review and comment period to receive comments on and proposed revisions to the DEIR.

Public hearings are encouraged, but not required for the Draft EIR. Similar to the public review comment for the Greenbriar and Panhandle projects, LAFCo is holding a hearing to receive public testimony on Draft Environmental Impact Reports. This hearing tends to be thirty or more days after issuance of the DEIR. However, the timing of the hearing can be flexible. While the public can provide verbal comments on the DEIR at this hearing, the public is strongly encouraged to submit their comments in writing.

Affected agencies and the public will have the complete 45- day period to provide written comments to both LAFCo and the City of Sacramento on the project. Written comments regarding the Draft EIR should be received by the City of Sacramento **NO LATER THAN 5:00 P.M., on July 17, 2024**. Written comments should be submitted to:

Scott Johnson, Senior Planner
Community Development Department
300 Richards Boulevard, 3rd Floor
Sacramento, CA 95811
sjohnson@cityofsacramento.org

The Draft EIR is available for review at the Community Development office at 300 Richards Boulevard, Third Floor, during public counter hours. The document is also available through the City’s Community Development Department, environmental documents webpage at the following link:

<https://www.cityofsacramento.gov/community-development/planning/environmental/impact-reports>

