#### **RESOLUTION NO. 25-032**

# A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DIXON ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS ASSOCIATED WITH "THE CAMPUS PROJECT" ENVIRONMENTAL IMPACT REPORT (STATE CLEARINGHOUSE # 2023080739) PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (PLANNING APPLICATION - PA23-16)

WHEREAS, The Campus Project ("Project") proposes development of low, medium, and high density housing, employment opportunities through commercial uses and the Dixon Opportunity Center, parks and open space areas, a new groundwater well, and a stormwater retention basin, roadways and both on and off site improvements in the Northwest Quadrant Specific Plan area; and

WHEREAS, the City identified potential impacts of the Project that could have a direct or indirect reasonably foreseeable physical environmental effect at the time the Project is implemented; and

WHEREAS, implementation of the Project will further the City's goals of developing within the City's existing city boundaries, growing within the specified growth area of the Northeast Quadrant Specific Plan area, providing much needed infrastructure to the Northeast Specific Plan area, creating an economically diversified housing stock with various product types for its residents, and creating an employment center that will bring high quality jobs to the City; and

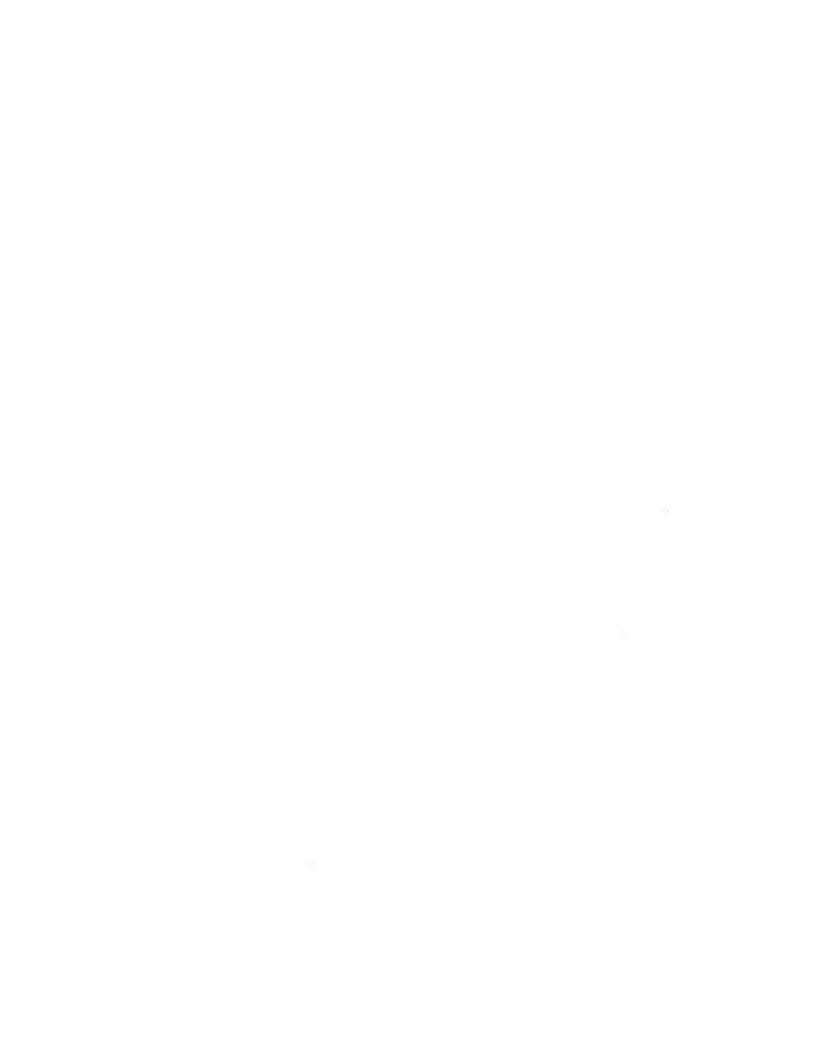
WHEREAS, implementation of the Project will result in amending the Northeast Quadrant Specific Plan, approving a Large-Lot Vesting Tentative Subdivision Map, approving a Small-Lot Tentative Subdivision Map, approving a Planned Development Rezoning and standards, approving Design Review for approval of Design Guidelines and site improvements, and adopting a Development Agreement; and

WHEREAS, the adoption and implementation of the Project is subject to review under the California Environmental Quality Act (CEQA); and

WHEREAS, pursuant to Public Resources Code section 21067 of the California Environmental Quality Act (Pub. Resources Code, § 21000 et seq.) ("CEQA"), Section 15367 of the State CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.), the City is the lead agency for the proposed Project; and

WHEREAS, pursuant to CEQA and the State CEQA Guidelines, the City determined that an Environmental Impact Report ("EIR") should be prepared to analyze all potential adverse environmental impacts of the proposed Project; and

WHEREAS, the City issued a Notice of Preparation ("NOP") for the Draft EIR on August 20, 2023, which was sent to each responsible agency, trustee agency, the Office of



Planning and Research ("OPR"), and interested parties, including members of the public who had requested such notice; and

WHEREAS, the City held a public scoping meeting on September 20, 2023 to further solicit comments on the scope of the Draft EIR; and

WHEREAS, on May 24, 2024, the City initiated a 45-day public review and comment period of the Draft EIR for the proposed Project and released the Draft EIR for public review and comment. Pursuant to State CEQA Guidelines section 15086, the City consulted with and requested comments from all responsible and trustee agencies, other regulatory agencies, and others during the 45-day public review and comment period; and

WHEREAS, the City received 11 comments (or letters) during the 45-day public review and comment period; and

WHEREAS, the Planning Commission held a publicly noticed meeting to receive comments on the adequacy of the Draft EIR on July 9, 2024, and oral testimony was received and noted, and

WHEREAS, the City has prepared a Final EIR, which includes the written comments received on the Draft EIR, the oral testimony from the Planning Commission public meeting, and the City's response to the comments. In addition, the Final EIR analyzed changes made to the Land Plan since the Draft EIR hearing to address public and staff comments by moving the location of the retention basin and the high-density areas. For the purposes of this Resolution, the "EIR" shall refer to the Draft EIR, as revised by the Final EIR, together with the other sections of the Final EIR; and

WHEREAS, on February 4, 2025, the Final EIR was published for public review and posted on the City's web site and notice of the availability of the Final EIR was published 19 days prior to the March 5, 2025, Planning Commission meeting; and

WHEREAS, the purpose of the changes to the Land Plan was to place the retention basin across from Campbell's, instead of housing, to address comments raised about concerns with residents across the street from their facility. The revision does not change overall intensity or scope of project, just location of the retention basin. This change was evaluated, and corresponding analysis is included in FEIR. The revision to the project and the changes to the DEIR as a result of comments, did not create new impacts or change level of significance of any impact, therefore recirculation of the DEIR is not required; and

WHEREAS, pursuant to California Code of Regulations, title 14 ("CEQA Guidelines") section 15090, the lead agency's decision-making bodies reviewed the Final EIR and by separate Resolution, certified that the Final EIR was prepared in compliance with CEQA; and

WHEREAS, pursuant to CEQA Guidelines section 15091, the City prepared certain findings of fact based upon the oral and written evidence presented to it as a whole and the entirety

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of the administrative record for the Project, and the Planning Commission recommended adoption of such findings of fact, by separate Resolution; and

WHEREAS, environmental impacts that are identified in the EIR as less than significant and do not require mitigation are described in a separate Resolution of the City Council related to the CEQA Environmental Findings; and

WHEREAS, environmental impacts that are identified in the EIR that are less than significant with incorporation of feasible mitigation measures are described in a separate Resolution of the City Council related to the Environmental Findings; and

WHEREAS, environmental impacts identified in the EIR as significant and unavoidable even with the implementation of feasible mitigation are described in a separate Resolution of the City Council related to the Environmental Findings; and

WHEREAS, the cumulative impacts of the Project, identified in the EIR and set forth herein, are described in a separate Resolution of the City Council related to the Environmental Findings; and

WHEREAS, the project will not result in any significant growth-inducing impacts as set forth in the EIR and further discussed in a separate Resolution of the City Council related to the Environmental Findings; and

WHEREAS, an analysis of alternatives to the proposed Project as set forth in the EIR is further discussed in a separate Resolution of the City Council related to the Environmental Findings; and

WHEREAS, pursuant to CEQA Guidelines sections 15091 and 15097, all the mitigation measures identified in the EIR to substantially lessen the potentially significant impacts of the proposed Project are set forth in the Mitigation Monitoring and Reporting Program (MMRP) included in a separate Resolution of the City Council related to the Adoption of Mitigation Measures; and

WHEREAS, on March 5, 2025, the Dixon Planning Commission, following notification in the prescribed manner, conducted a public hearing at which the Planning Commission considered the Project and the Final EIR, received public testimony and evidence, and received a staff report and presentation on the Project; and

**WHEREAS**, on March 5, 2025, the Dixon Planning Commission, by vote of 6-0 (*Commissioner Diaz absent*), adopted <u>Resolution No 2025-003</u> recommending the City Council certify The Campus EIR, making environmental findings and adopting Mitigation Monitoring and Reporting Program; and

WHEREAS, on March 5, 2025, the Dixon Planning Commission, by a 5-1 vote (Commissioner Davis dissenting and Commissioner Diaz absent), considered the remaining potentially significant impacts and adopted Resolution No 2025-004, recommending that the City Council adopt a Statement of Overriding Considerations; and 25-032

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WHEREAS, on March 5, 2025, the Dixon Planning Commission, by vote 4-2 (Commissioners Davis and Hernandez-Covello dissenting and Diaz absent) adopted Resolution No's 2025-005, -006, -007 and -008, recommending to the City Council approval of the planning applications, including the Development Agreement, Specific Plan Amendment, Planned Development Rezoning, Large Lot Vesting Tentative Map, and Small Lot Tentative Map and Design Review; and

WHEREAS, on March 18, 2025, the Dixon City Council held a duly noticed public hearing, to consider the merits of the project and the Final EIR, and Statement of Overriding Considerations and project entitlements and to hear testimony in favor of and in opposition to the project. The Community Development Department provided public notice identifying the applicant, describing the project and its location, and the date of the public hearing prior to the hearing. This notice was mailed to all property owners within 500 feet of the subject property and emailed to the project email list on Friday, March 7, 2025, and published in the Vacaville Register newspaper on March 8, 2025; and

WHEREAS, on March 18, 2025, the Dixon City Council conducted a public hearing at which the City Council considered the Project, including the consideration of the Statement of Overriding Considerations as well as other associated entitlements, received public testimony and evidence, and received a staff report and presentation on the Project; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

## NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF DIXON DOES HEREBY RESOLVE AS FOLLOWS:

**SECTION 1.** The above recitals are true and correct and incorporated herein by reference.

**SECTION 2.** The City Council hereby finds that it has been presented with Project information, which it has reviewed and considered. The City Council finds and approves the Project, and that decision reflects the independent judgment and analysis of the City.

<u>SECTION 3</u>. Prior to taking action on the project, the City Council has heard, been presented with, reviewed and considered all of the information and data in the administrative record, including the Draft EIR and Final EIR, and all oral and written evidence presented to it during all meetings and hearings relating to the Project and certified the EIR And made CEQA findings; and

SECTION 4. The Dixon City Council has used its independent judgement to balance, as applicable, the economic, legal, social, technological, or other benefits of this project against its significant unavoidable environmental risks when determining whether to approve the project.

SECTION 5. The Dixon City Council, using its independent judgment, finds that the benefits of this project outweigh the remaining significant, unavoidable impact, and therefore adopts a Statement of Overriding Considerations pursuant to State CEQA

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Guidelines section 15093, attached hereto as Exhibit A and incorporated herein by this reference.

**SECTION 6.** The location and custodian of the documents and any other material that constitute the record of proceedings on which this Resolution has been based are located at 600 East A Street, Dixon, CA 95620. The custodian for these records is the City of Dixon City Clerk.

# ADOPTED, AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF DIXON, STATE OF CALIFORNIA, ON THE 18<sup>TH</sup> DAY OF MARCH 2025.

AYES:

Ernest, Hendershot, Johnson, Bogue, Bird

NOES:

None

ABSENT:

None

ABSTAIN: None

STEVE BIRD, MAYOR

Attest:

KRISTIN M. JANISCH

CITY CLERK OF THE CITY OF DIXON

Exhibit A: Statement of Overriding Considerations

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The California Environmental Quality Act (CEQA) requires that in the event an agency chooses to approve a project that includes significant and unavoidable impacts which cannot be reduced to acceptable levels the agency must adopt a written Statement of Overriding Considerations which identifies why the local agency is willing to accept the significant unavoidable effect(s). Pursuant to Public Resources Code Section 21081 and Section 15093 of the CEQA Guidelines, the Dixon City Council adopts and makes the following Statement of Overriding Considerations regarding the remaining significant unavoidable impacts of The Campus (Project), and the anticipated economic, social and other benefits of the Project.

The purpose of the statement of overriding considerations is defined in CEQA Guidelines Section 15093 (a and b): (a) CEQA requires the decision-maker to balance, as applicable, the economic, legal, social, technological, or other benefits of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable." (b) When the lead agency approves a project which will result in the occurrence of significant effects which are identified in the Final EIR but are not avoided or substantially lessened, the agency shall state in writing the specific reasons to support its action based on the Final EIR and/or other information in the record. The Statement of Overriding Considerations shall be supported by substantial evidence in the record. The Statement of Overriding Considerations should be read in conjunction with the findings under Section 15091 (considered and adopted as a separate Resolution) and should be used in decision making to balance the benefits of the project against the unavoidable environmental risks. CEQA also requires that the Statement of Overriding Considerations be included in the record of project approval and mentioned in the Notice of Determination.

Pursuant to Guidelines section 15092, the Dixon City Council finds approval of the Project. It has eliminated or substantially lessened all significant and potentially significant effects of the Project on the environment where feasible, as shown in the CEQA findings and Mitigation Monitoring and Reporting Program adopted by separate Resolution.

The Dixon City Council further finds that it has balanced the economic, legal, social, technological, and other benefits of the Project against the remaining unavoidable environmental risks in determining whether to approve the Project and has determined that those benefits outweigh the unavoidable environmental risks and that those risks are acceptable. The Dixon City Council adopts the Statement of Overriding Considerations in accordance with Section 15093 of the State CEQA Guidelines in support of approval of the Project.

Any one of the reasons for approval cited below is sufficient to justify approval of the Project. The substantial evidence supporting the various benefits can be found in the forthcoming findings, which are incorporated by reference into this Section, and in the documents found in the Record of Proceedings, as defined in Public Resources Code section 21167.6, subdivision (e).

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Exhibit A - 1

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#### SIGNIFICANT AND UNAVOIDABLE EFFECTS

As identified in the DEIR, there are no feasible mitigations for the nine impacts, in three CEQA topical areas, as identified below:

Agricultural Impact 3.2-1: Implementation of the Project would convert prime farmland, unique farmland, or farmland of statewide importance (farmland), as shown on the maps prepared pursuant to the farmland mapping and monitoring program of the California resources agency, to non-agricultural use.

Description of Impact: Development of the proposed Project would convert 256.72 acres of Prime Farmland, 0.09 acres of Unique Farmland, and 0.51 acres of Grazing Land to non-agricultural uses. Implementation of the proposed Project would convert approximately 59 percent of the Prime Farmland, and approximately 45 percent of all Important Farmland, remaining in the NEQSP area to urban uses. Although the proposed Project is consistent with the Dixon General Plan's land use designation which anticipates the property developing to urban uses, development of the proposed Project would result in the conversion of 257.32 acres of Important Farmland to non-agricultural uses, directly converting Important Farmland to urban uses. The Northeast Quadrant Specific Plan EIR identified that conversion of Prime Farmland within the NEQSP area would be a significant and unavoidable impact.

The Project site is currently in active agricultural production while awaiting development for urban uses, consistent with General Plan Policy NE-1.5. As shown in Table 3.2-1, the Project site is almost exclusively identified as Prime Farmland due to the underlying soil type. As discussed in the City General Plan, there is no land within the city limits with an agricultural land use designation. The Project site is currently zoned for Professional & Admin Office (PAO-PUD), Neighborhood Commercial (CN-PUD), and Light Industrial (ML-PUD), and would be rezoned to Campus Mixed Use Planned Development (CAMU-PD) as part of the proposed Project. All of these zones anticipate development and the conversion of lands in current agricultural production to non-agricultural uses. Although the Project site was already designated for development in the General Plan and NEQSP, the proposed Project would nevertheless remove 257.32 acres of Important Farmland from production, which would be a potentially significant impact.

Mitigation Measure(s): Mitigation Measure 3.2-1 would require that the Project proponent shall provide conservation of agricultural land within the Dixon Planning Area or within a ten-mile radius of the City at a 1:1 ratio or pay the appropriate fee to participate in the City's master agricultural conversion program.

Significance of Impact after Mitigation: Significant and Unavoidable. Conversion of agricultural land to urban use is not directly mitigable, aside from preventing development altogether, as agricultural land is a finite and irreplaceable resource. The City's General Plan and the NEQSP reflect a policy determination to allow a certain amount of growth to occur in the city, which necessitates conversion of farmland to urban uses. Beyond disallowing the project, there are no feasible mitigation measures for agricultural land conversion that would also fulfill the objectives of and implement the Project as proposed. The impact would remain significant and unavoidable.

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<u>Agricultural Impact 3.2-3</u>. Implementation of the Project, in combination with other cumulative development, would convert prime farmland, unique farmland, or farmland of statewide importance (farmland) to nonagricultural use.

Description of Impact: A significant cumulative impact could occur if the proposed Project, in conjunction with other reasonably foreseeable projects in the area, results in indirect impacts that exert pressure on agricultural lands to convert to non-agricultural use. Such indirect impacts can include the division of large tracts of continuous agricultural land into smaller, less agriculturally viable tracts; the presence of incompatible uses adjacent to existing agricultural operations that could lead to the restriction of chemical use and/or complaints regarding noise, dust, and odors; increases in land values and taxes that exert pressure on agricultural landowners to convert to urban uses; and loss of agricultural support infrastructure, such as processing facilities. In addition, urban growth may increasingly compete with agriculture for the use of water resources, and may conflict with operational use of area roadways.

Dixon is surrounded on all sides by agricultural land. While there are some pockets of land within the City limits that are still being farmed, there are no agriculturally designated lands in the City; the City intends to grow within its existing City limits and limit development outside of the City limits. However, suburban sprawl, particularly in areas where there are adequate resources and open land, continues in Solano County and throughout the state. The conversion of agricultural land to urban uses is a potentially significant cumulative impact. The proposed Project is within the NEQSP and within the City limits. It is planned for urban development in the City's General Plan and NEQSP, although it is currently being farmed. The proposed Project would result in the conversion of 257.32 acres of Important Farmland to non-agricultural uses. Further, development of the proposed Project may encourage other areas within the NEQSP area to develop, further removing Important Farmland from production The proposed Project would have a considerable contribution to a cumulative loss of agricultural land, and the impact would be potentially significant.

<u>Mitigation Measure(s)</u>: Implementation of Mitigation Measure 3.2-1 would include feasible mitigation for this impact.

Significance of Impact after Mitigation: However, Significant and Unavoidable Conversion of agricultural land to urban use is not directly mitigable, aside from preventing development altogether, as agricultural land is a finite and irreplaceable resource. The City's General Plan and the NEQSP reflect a policy determination to allow a certain amount of growth to occur in the city, which necessitates conversion of farmland to urban uses. Beyond disallowing the project, there are no feasible mitigation measures for agricultural land conversion that would also fulfill the objectives of and implement the Project as proposed. The impact would remain significant and unavoidable.

<u>Air Quality Impacts 3.3-1</u>. Project operations would cause a violation of an air quality standard or contribute substantially to an existing or projected air quality violation.

<u>Description of Impact:</u> The proposed Project would be a direct and indirect source of air pollution, in that it would generate and attract vehicle trips in the region (mobile source

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Exhibit A-3

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emissions), require the use of grid energy (natural gas and electricity), and generate area source emissions. The mobile source emissions would be entirely from vehicles, while the area source emissions would be primarily from landscape fuel combustion, consumer products, and architectural coatings. CalEEMod was used to estimate operational emissions for the proposed Project, without any mitigation measures incorporated. Table 3.3-8 shows the operational emissions, which includes both mobile and area source emissions of criteria pollutants that would result from the proposed Project. Detailed CalEEMod emissions calculations are presented in Appendix B.

The YSAQMD has established an operational emissions threshold of significance for ozone precursors of 10 tons per year for ROG and NOX, and 80 pounds per day for PM10. The YSAQMD utilizes a screening process and separate model for CO impacts. Project generated emissions would be above the YSAQMD 10 tons per year threshold for ROG and the 80 pounds per day threshold for PM10. Therefore, the Project could result in a potentially significant impact.

However, the proposed Project would include the following Project sustainability components (written as provided by CalEEMod) that would reduce Project operational emissions compared to the unmitigated scenario as provided in Table 3.3-8.

- Install low-flow appliances (bathroom faucet, kitchen faucet, toilet, and shower) for all residences, consistent with the latest version of California's Title 24 Energy Efficiency Standards; and
- Install on-site renewable energy systems for single-family residential properties, consistent with the latest version of California's Title 24 Energy Efficiency Standards.

Because proposed Project operations would exceed YSAQMD's thresholds, the impact is potentially significant.

#### Mitigation Measure(s):

Mitigation Measure 3.3-1(a): Prior to the issuance of each building permit, the Project applicant shall ensure that the Project buildings are designed to exceed the Title 24 Building Envelope Energy Efficiency Standards by 1% or greater.

Mitigation Measure 3.3-1(b): During Project operation, operators of heavy-duty trucks that travel to and from the Project site are required to use trucks that have 2010 model year or newer engines that meet the CARB's 2010 engine emission standards of 0.01 g/bhp-hr for particulate matter (PM) and 0.20 g/bhp-hr of NOx emissions, or newer, cleaner trucks and equipment.

Significance of Impact after Mitigation: Significant and Unavoidable. As described under Mitigation Measure 3.3-1(a), the proposed Project is required to exceed Title 24 Building Envelope Energy Efficiency Standards by 1%. Furthermore, the proposed Project would also be required to implement Mitigation Measure 3.3-1(b), which would require the operators of heavy-duty trucks that travel to and from the Project site during Project operation to use trucks that have 2010 model year or newer engines that meet the CARB's 2010 engine emission standards of 0.01 g/bhp-hr for particulate matter (PM) and 0.20 g/bhp-hr of NOx emissions, or newer,

cleaner trucks and equipment. However, due to the difficulty in modeling the emissions (i.e., NOx emissions) reductions that would occur due to implementation of Mitigation Measure 3.3-1(b), the emissions reductions associated with Mitigation Measure 3.3-1(b) were not modeled. Had these emission reductions been incorporated into the modeling, the Project may not have exceeded the NOx emissions threshold as it is only currently shown to exceed it by a small margin.

Incorporation of these quantified Project sustainability components and mitigation measures (listed above) would only negligibly reduce Project emissions, as calculated using CalEEMod (v.2020.1.1.21). This is primarily due to the fact that the Project's criteria pollutant emissions primarily derive from mobile emissions. However, it is anticipated that mobile emissions would be reduced further than as shown in Table 3.3-9, based on implementation of Mitigation Measure 3.3-1(b), which was not incorporated into modeling.

Even with implementation of feasible mitigations, the Project operational emissions would exceed the YSAQMD threshold of significance for ROG. This is primarily due to the number of mobile vehicle trips generated by the proposed Project. Therefore, the proposed Project would be required to implement Mitigation Measure 3.3-1(a) and Mitigation Measure 3.3-1(b). No further operation-related mitigation is feasible.

Implementation of Mitigation Measure 3.3-1(a) and Mitigation Measure 3.3-1(b) would reduce proposed Project operation-related criteria pollutant emissions. However, even after these mitigation measures are applied, proposed Project PM10 emissions would be above the applicable YSAQMD thresholds. Therefore, there is a significant and unavoidable impact relative to this topic.

<u>Air Quality Impact 3.3-2</u>. Project construction would cause a violation of an air quality standard or contribute substantially to an existing or projected air quality violation.

<u>Description of Impact:</u> Construction activities associated with construction and implementation of the proposed Project would result in temporary short-term emissions associated with vehicle trips from construction workers, operation of construction equipment, and the dust generated during construction activities. These temporary and short-term emissions would generate additional ozone precursors (ROG and NOx) as well as PM10, which could exacerbate the County's existing non-attainment status for these criteria pollutants. It should be noted that construction vehicle emissions requirements in California have become stricter over time

CalEEMod was used to estimate construction emissions for the proposed Project. The YSAQMD has established a construction emissions threshold of significance for ozone precursors of 10 tons per year for ROG and NOX, and 80 pounds per day for PM10. The YSAQMD utilizes a screening process and separate model for CO impacts. As shown in the table above, construction emissions of ROG AIR QUALITY 3.3 Draft Environmental Impact Report – The Campus 3.3-26 would be at its maximum in year 2025, with approximately 4.85 tons of ROG, which is below the 10 tons per year threshold for ROG. Year 2025 would also be the peak year for construction emissions of NOx, with approximately 3.63 tons of NOx in that year, which is below the 10 tons per year threshold for NOx. PM10 construction emissions remain above the 80 pounds per day

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Exhibit A-5

threshold for PM10, with a maximum of approximately 160 pounds per day in 2025. This is a potentially significant impact.

<u>Mitigation Measure(s)</u>: Mitigation Measure 3.3-2 requires the Project applicant to implement the certain dust control measures during all construction activities and that these measures be incorporated as part of the building and grading plans.

Significance of Impact after Mitigation: Significant and Unavoidable. YSAQMD advises that projects exceeding project construction emissions thresholds should implement best management practices to reduce dust emissions and avoid localized health impacts that could be generated by dust. Approximately 99 percent of the PM10 emissions during the construction emissions years would be related to PM10 dust, with the remainder related to PM10 exhaust. The YSAQMD recommends the use of construction dust mitigation measures to reduce PM10 emissions during construction. The YSAQMD's Handbook for Assessing and Mitigating Air Quality Impacts (2007) provides a list of dust mitigation measures along with their effectiveness at reducing PM10 emissions.

CalEEMod allows the selection of mitigation measures that would reduce Project-related construction PM10 emissions. Certain parameters within CalEEMod were used to calculate reductions in PM10, consistent with Mitigation Measure 3.3-2:

Implementation of the CalEEMod dust mitigation listed above, which is consistent with the Mitigation Reduction Assumptions, would reduce Project-related construction PM10 emissions slightly. However, since Project-related construction PM10 emissions are overwhelmingly generated by on-road construction vehicles, implementation of Mitigation Measure 3.3-2 would have a minimal quantitative impact. No further construction-related mitigation is feasible.

Even with implementation of Mitigation Measure 3.3-2, which is consistent with the CalEEMod mitigation listed above, the proposed Project would exceed the YSAQMD's threshold for construction PM10 emissions, but only temporarily during construction. Therefore, overall, the proposed Project would have a significant and unavoidable impact as it relates to construction emissions.

#### Air Quality Impact 3.3-4. The Project would expose the public to toxic air contaminants.

<u>Description of Impact</u>: The screening approach outlined in the YSAQMD's Handbook for Assessing and Mitigating Air Quality Impacts (2007) was used to estimate whether or not the proposed Project would result in air quality impacts associated with land use conflicts and sensitive receptors. The screening approach uses the Project location relative to other uses to determine if there is the potential for localized air quality impacts. Localized air pollution impacts generally occur in one of two ways:

1. a (new) source of air pollutants is proposed to be located close to existing receptors. or 2. a (new) development project with receptors is proposed near an existing source of air pollutants.

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The amount of emissions, the proximity between the emissions source and the nearest receptor, the direction of prevailing winds, and local topography can all influence the severity of a localized impact. The most frequent impacts are those related to: Toxic Air Contaminants (TACs), Odors, and Construction Dust. TACS A toxic air contaminant (TAC) is defined as an air pollutant that may cause or contribute to an increase in mortality or in serious illness, or that may pose a hazard to human health. TACs are usually present in minute quantities in the ambient air. However, their high toxicity or health risk may pose a threat to public health even at very low concentrations. In general, for those TACs that may cause cancer, there is no concentration that does not present some risk. This contrasts with the criteria pollutants for which acceptable levels of exposure can be determined and for which the state and federal governments have set ambient air quality standards.

The California Air Resources Board (CARB) published the Air Quality and Land Use Handbook: A Community Health Perspective (2007) to provide information to local planners and decision-makers about land use compatibility issues associated with emissions from industrial, commercial and mobile sources of air pollution. The ARB Handbook indicates that mobile sources continue to be the largest overall contributors to the State's air pollution problems, representing the greatest air pollution health risk to most Californians. The most serious pollutants on a statewide basis include diesel exhaust particulate matter (diesel PM), benzene, and 1,3-butadiene, all of which are emitted by motor vehicles. These mobile source air toxics are largely associated with freeways and high traffic roads. Non-mobile source air toxics are largely associated with industrial and commercial uses. The analysis included the California Air Resources Board's minimum separation recommendations on siting sensitive land uses.

The proposed Project does not include any of the source categories. The proposed Project does not include the long-term operation of any other major onsite stationary sources of TACs. In addition, no major stationary sources of TACs have been identified in the immediate vicinity of the Project site. Sensitive receptors within the Project site are not located adjacent to a freeway or high traffic road that is considered a significant source of mobile source air toxics, given that all sensitive receptors (i.e. residential land uses) are located greater than 500 feet from I-80 (the residential land uses are located approximately 650 feet away from I-80, at their closest location).

Furthermore, in the case that any light industrial uses that could generate TACs are proposed to be developed within the Dixon Opportunity Center, at the time when such uses are known, the YSAQMD would require additional analysis of such TACs using air dispersion modeling software (such as AERMOD) and applicable air toxics health risk analysis. Ultimately, the proposed Project would comply with the YSAQMD requirements associated with TAC modeling, as required, at the time specific Project details are known.

Implementation of the proposed Project would not be anticipated to result in an increased exposure of sensitive receptors to localized concentrations of TACs that would exceed the relevant standards or thresholds. Therefore, this proposed Project would have a less than significant impact on sensitive receptors

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The proposed Project requires earthmoving during the Project's construction phase. The majority of earthmoving would be associated with clear and grub, rough grading, trench/backfill, final grading, and building construction activities. These construction activities would result in temporary dust generation (PM10). Without control, dust emissions can create nuisances or localized health impacts. CalEEMod was used to estimate construction PM10 emissions for the proposed Project. Construction emissions are discussed in more detail under Impact 3.3-2, Construction Impacts. However, because construction activities would result in a dust and particulate matter level that exceeds the YSAQMD's threshold, the impact would be potentially significant.

Mitigation Measure 3.3-4: Implement Mitigation Measure 3.3-2.

Significance Of Mitigation After Mitigation: Significant and Unavoidable Mitigation Measure 3.3-4 requires the implementation of construction dust mitigation measures to reduce PM10 emissions during construction. This mitigation measure is consistent with the recommendations of the YSAQMD in Handbook for Assessing and Mitigating Air Quality Impacts (2007) and the mitigation measures incorporates the best management practices that are required under this mitigation measure.

Implementation of the dust mitigation required under Mitigation Measure 3.3-4 would not be sufficient to reduce proposed Project particulate matter emissions during Project construction to be reduced to below the applicable YSAQMD criteria pollutant threshold. Therefore, the proposed Project would have a significant and unavoidable impact with regard to dust and/or particulate matter.

<u>Air Quality Impact 3.3-6</u>. Implementation of the Project, in combination with other cumulative development, would cause a violation of any air quality standard or contribute substantially to an existing or projected air quality violation.

<u>Description of Impact:</u> Under buildout conditions in Solano County, the SVAB would continue to experience increases in criteria pollutants and efforts to improve air quality throughout the basin would be hindered. Solano County has a State designation Attainment or Unclassified for all criteria pollutants except for ozone and PM10. Solano County has a national designation of either Unclassified or Attainment for all criteria pollutants except for ozone.

As discussed under Impact 3.3-1 and Impact 3.3-2, the YSAQMD has established its thresholds of significance by which the Project emissions are compared against to determine the level of significance. For operational emissions, the YSAQMD has established an operational emissions threshold of significance for ozone precursors of 10 tons per year for ROG and NOX, and 80 pounds per day for PM10. The YSAQMD utilizes a screening process and separate model for CO impacts. Project-generated operational emissions would be above the YSAQMD 10 tons per year threshold for ROG and the 80 pounds per day threshold for PM10, even under the mitigated scenario. Moreover, the YSAQMD has established a construction emissions threshold of significance for ozone precursors of 10 tons per year for ROG and NOX, and 80 pounds per day for PM10. The YSAQMD utilizes a screening process and separate model for CO impacts. Construction emissions of ROG would be at its maximum in year 2026. Fire approximately 4.85

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tons of ROG, which is below the 10 tons per year threshold for ROG. Year 2025 would also be the peak year for construction emissions of

NOx, with approximately 3.63 tons of NOx in that year, which is below the 10 tons per year threshold for NOx. PM10 construction emissions remain above the 80 pounds per day threshold for PM10, with a maximum of approximately 160 pounds per day in 2025. Because proposed Project construction and operational-related emission would exceed YSAQMD's thresholds, this cumulative impact is considered significant and unavoidable and cumulatively considerable.

Mitigation Measure(s): Mitigation Measure 3.3-6: Implement Mitigation Measure 3.3-2.

Significance Of Impact After Mitigation: Significant and Unavoidable Implementation of the CalEEMod dust mitigation listed in Mitigation Measure 3.3-2 would reduce Project related construction PM10 emissions slightly. However, since Project-related construction PM10 emissions are overwhelmingly generated by on-road construction vehicles, implementation of Mitigation Measure 3.3-6 would have a minimal quantitative impact. No further construction-related mitigation is feasible. Even with implementation of Mitigation Measure 3.3-6, which is consistent with the CalEEMod mitigation listed above, the proposed Project would exceed the YSAQMD's threshold for construction PM10 emissions. Therefore, overall, the cumulative construction emissions impact would be significant and unavoidable.

<u>Air Quality Impact 3.3-8</u>. Implementation of the Project, in combination with other cumulative development, would expose the public to toxic air contaminants.

<u>Description of Impact:</u> The screening approach outlined in the YSAQMD's Handbook for Assessing and Mitigating Air Quality Impacts (2007) was used to estimate whether or not the proposed Project would result in air quality impacts associated with land use conflicts and sensitive receptors. The screening approach uses the Project location relative to other uses to determine if there is the potential for localized air quality impacts. Localized air pollution impacts generally occur in one of two ways:

1. a (new) source of air pollutants is proposed to be located close to existing receptors. or 2. a (new) development project with receptors is proposed near an existing source of air pollutants.

The amount of emissions, the proximity between the emissions source and the nearest receptor, the direction of prevailing winds, and local topography can all influence the severity of a localized impact. The most frequent impacts are those related to: Toxic Air Contaminants (TACs), Odors, and Construction Dust. The proposed Project does not include any of the listed source categories.

The proposed Project does not include the long-term operation of any other major onsite stationary sources of TACs. In addition, no major stationary sources of TACs have been identified in the immediate vicinity of the Project site. Sensitive receptors within the Project site are not located adjacent to a freeway or high traffic road that is considered a significant source of mobile source air toxics given that all sensitive receptors (i.e. residential land uses) are located 25-032

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greater than 500 feet from I-80 (the residential land uses are located approximately 650 feet away from I-80, at their closest location).

Furthermore, in the case that any light industrial uses that could generate TACs are proposed to be developed within the Dixon Opportunity Center, at the time when such uses are known, the YSAQMD would require additional analysis of such TACs using air dispersion modeling software (such as AERMOD) and applicable air toxics health risk analysis. Ultimately, the proposed Project would comply with the YSAQMD requirements associated with TAC modeling, as required, at the time specific Project details are known. However, Project construction activities would result in temporary dust generation (PM10). Without control, dust emissions can create nuisances or localized health impacts. CalEEMod was used to estimate construction PM10 emissions for the proposed Project. Construction emissions are discussed in more detail under Impact 3.3-2, Construction Impacts. Detailed CalEEMod emissions calculations are presented in Appendix B. However, implementation of the dust mitigation required under Mitigation Measure 3.3-2 would not be sufficient to reduce proposed Project particulate matter emissions during Project construction to be reduced below the applicable YSAOMD criteria pollutant threshold. Therefore, the proposed Project would have a significant and unavoidable impact with regard to dust and/or particulate matter under cumulative conditions.

Mitigation Measure 3.3-8: Implement Mitigation Measure 3.3-2.

Significance of Impact After Mitigation: Implementation of the CalEEMod dust mitigation listed in Mitigation Measure 3.3-2 would reduce Project related construction PM10 emissions slightly. However, since Project-related construction PM10 emissions are overwhelmingly generated by on-road construction vehicles, implementation of Mitigation Measure 3.3-8 would have a minimal quantitative impact. No further construction-related mitigation is feasible. Even with implementation of Mitigation Measure 3.3-6, which is consistent with the CalEEMod mitigation listed above, the proposed Project would exceed the YSAQMD's threshold for construction PM10 emissions. Therefore, overall, the cumulative construction emissions impact would be significant and unavoidable.

<u>Transportation Impact 3.15-2</u>. Implementation of the Project would be inconsistent with CEQA Guidelines Section 15064.3, Subdivision (B) regarding Vehicle Miles Traveled (VMT).

Description of Impact: A travel demand model run was conducted using assumptions summarized in the previous sections to identify project VMT per capita and per job. Outputs were summarized and evaluated against the adopted thresholds of significance, or 85% of the baseline VMT per capita and VMT per job for the City of Dixon, or 18.6 VMT per capita and 14.2 VMT per job. As shown previously in Table 3.15-5, the home-based VMT per capita for the project is 22.1 VMT per Capita and 16.3 VMT per job, which exceeds the threshold of significance by 18.5% and the home-based work VMT per employee exceeds the threshold of significance by 14.7%. This exceedance of thresholds would result in a potentially significant impact.

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Mitigation Measure(s): Mitigation Measure 3.15-2:

The effectiveness of various VMT mitigation strategies as documented in the literature is summarized in the California Air Pollution Control Officers Association (CAPCOA) Handbook for Analyzing Greenhouse Gas Emission Reductions, Assessing Climate Change Vulnerabilities, and Advancing Health Equity (CAPCOA Handbook). 8 The DEIR summarizes the maximum potential effectiveness of various applicable strategies documented in the CAPCOA Handbook that were considered for potential incorporation into the Project.

The VMT mitigation target and associated calculations are described in detail in the VMT Assessment Memo, dated February 2, 2024. The mitigation strategies were reviewed for their feasibility in being incorporated into the project. However, strategies that could potentially provide the level of mitigation needed to support a finding of less than significant with mitigation would either change the fundamental nature of the project, be infeasible from a market perspective, or not provide the needed level of mitigation.

The VMT Assessment Memo discusses measures including increasing project density and integrating affordable housing, with a potential mitigation effectiveness of up to 30%. However, incorporating increased density or affordable housing is deemed infeasible due to potential changes to the project's fundamental nature. Similarly, parking policies, such as limiting residential parking supply and unbundling parking costs, could mitigate VMT by up to 15.7%. Nonetheless, reducing the parking supply by half would result in only a 7% reduction in residential VMT, and unbundling parking costs for multifamily units, which account for 22% of residential VMT, would have a maximum reduction effectiveness of about 3%, falling short of mitigation goals.

The memo also details strategies to mitigate employment-related VMT. The strategies that could be feasibly implemented have been included in Mitigation Measure 3.15-2, such as implementing a voluntary employee trip reduction program, identifying a carpool coordinator, providing incentives for employees who do not drive to work, providing bicycle storage, allowing for remote work where applicable, etc. These measures will reduce Project-generated VMT, but not below a level that the City determines to be significant. The current employment density of 42 jobs per acre is generally insufficient to demonstrate VMT reductions, and increasing density to the required levels would significantly alter the project's nature. Mandatory commute trip reduction programs, including components such as marketing, ridesharing, subsidized transit, bicycle facilities, and vanpools, could achieve a mitigation effectiveness of up to 26% if more than half (57%) of employees participate, but enforcing mandatory trip reduction is not feasible given the limitations of regional public transportation and the regional reliance on personal vehicles; although Project mitigation requires implementation of a voluntary program. An employer-sponsored vanpool alone could reduce employment-related VMT by 20%, requiring about 16% of employees to use it. Again, however, the likelihood that a significant enough percentage of employees would utilize these resources is low, given the regional reliance on personal vehicles, and impossible to predict with any certainty. Instead, Project mitigation will require the implementation of a voluntary carpool program, with an identified coordinator, and offer preferred parking for carpool vehicles, along with other measures to reduce VMT. However, parking pricing strategies, such as workplace parking pricing and employee parking

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cash-out, have documented effectiveness but are infeasible due to the ample unpriced parking in the area. Such a measure would limit the Project's potential to attract future employees and would result in a negative economic effect, unless this pricing structure was a part of a broader, City- or region-wide strategy, which is outside the scope of this Project. Although, Project mitigation will offer incentives as feasible for employees who commute to work in alternative modes of transportation, such as walking or cycling.

Significance of Impact After Mitigation: Significant and Unavoidable. The employment-related VMT of the project has been mitigated to the extent feasible through the implementation of several measures described above. However, for the home-based VMT associated with the project's residential uses, no feasible mitigation strategy has been identified that would sufficiently reduce impacts to below significant levels. Consequently, the overall VMT impact of the project would remain significant and unavoidable.

<u>Transportation Impact 3.15-5.</u> Implementation of the Project, in combination with other cumulative development, would be inconsistent with CEQA Guidelines Section 15064.3, Subdivision (B) regarding Vehicle Miles Traveled (VMT).

<u>Description of Impact:</u> The OPR's Technical Advisory indicates that VMT efficiency metrics, such as VMT per resident, may not be appropriate for CEQA cumulative analysis because they employ a denominator. Instead, the Technical Advisory recommends that an impact finding from an efficiency-based project-specific VMT analysis (i.e., Existing Plus Project conditions) would imply an identical impact finding for a cumulative VMT analysis. As previously stated, the proposed Project would result in a significant impact if the project were to generate home-based VMT per capita or VMT per job exceeding the threshold of 85 percent of the regional average. Because the proposed Project would generate in excess of the City thresholds for both criteria, the proposed Project exceeds the threshold of 85 percent, and a cumulatively considerable and a significant impact would occur.

Mitigation Measure(s): Mitigation Measure 3.15-5: Implement Mitigation Measure 3.15-2.

Significance of Impact After Mitigation: As noted previously, implementation of a broader TDM plan would reduce the amount of VMT associated with the proposed Project, but such a plan is infeasible and would not lessen VMT to a less-than-significant level. Even though feasible employee-related VMT-reducing measures are included as part of the Project, the impact would remain cumulatively considerable and significant and unavoidable.

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#### STATEMENT OF OVERRIDING CONSIDERATIONS

The Dixon City Council has considered the information contained in and related to the Final EIR (the Draft EIR, Comments and Responses to those documents, text changes and other revisions to the EIR, and all other public comments, responses to comments, accompanying technical memoranda and staff reports, and findings included in the public record for the Project). Pursuant to CEQA Guidelines Section 15092, the Dixon City Council finds that in approving The Campus Project (Project), it has eliminated or substantially lessened all significant and potentially significant effects of the Project on the environment where feasible as shown in the findings.

The Dixon City Council further finds that it has balanced the economic, social, technological and other benefits of the Project against the remaining unavoidable environmental risks in determining whether to approve the Project and determined and finds that those benefits outweigh the unavoidable risks and that those risks are acceptable. The City Council makes this determination to adopt a Statement of Overriding Considerations in accordance with CEQA Guidelines Section 15093 in support of approval of the Project. Specifically, in the City Council's judgment, the benefits of the Project as proposed outweigh the unmitigated adverse impacts and the proposed Project should be approved.

Land Use Benefits. The Project will develop a portion of the Northeast Quadrant Specific Plan (NEQSP) area, an area of the City, long anticipated to develop during buildout of the 2040 Dixon General Plan. The purpose of the NEQSP is to implement the goals, policies and objectives defined by the General Plan and to further develop the specific land use classifications and development guidelines for the plan area. The Project will adhere to all objective and subjective General Plan, Specific Plan, and other design standards and criteria to ensure it comports with previously approved and adopted planning determinations for the site.

For example, this involves defining land use categories for Regional Commercial, Industrial, and Campus Mixed Use development. It also involves defining the specific development requirements to: establish a scenic gateway to the community; provide for efficient vehicular and pedestrian circulation; facilitate transportation choices; establish an open space system for habitat management, drainage and agricultural buffer; and to ensure that all development in the plan area is integrated with the City's provision of infrastructure and service. Evidence supports the City's conclusion that the Project would not significantly impact adjacent or other agricultural lands or operations, in part because of adherence to General Plan policies and buffers between the Project and adjacent land uses, as well as required adherence to the standards, criteria, and measures adopted as part of the prior planning efforts to designate and zone the Project site for mixed use development.

The Project would provide an entry gateway to the City for vehicles exiting Interstate 80 and traveling south along Pedrick Road. The siting of a new major employment center, the Dixon Opportunity Center, at the northern end of the Project site will allow employees to quickly access the site from Interstate 80, creating a regional employment center that brings jobs to

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the city, and in close proximity of new residential uses provided by the Project.

Housing Benefits. The Project would add 1,041 housing units to the City's housing stock, which is a type of use identified by the State of California as in great need. "California has accumulated an unmet housing backlog of nearly 2,000,000 units and must provide for at least 180,000 new units annually to keep pace with growth through 2025." (Gov. Code, § 65589.5, subd. (a)(2)(D).) "California's overall homeownership rate is at its lowest level since the 1940s. The state ranks 49th out of the 50 states in homeownership rates as well as in the supply of housing per capita." (*Id.*, subd. (a)(2)(E).) This housing crisis "threatens the economic, environmental, and social quality of life in California." (*Id.*, subd. (a)(1)(A).) "The consequences of failing to effectively and aggressively confront this crisis are hurting millions of Californians, robbing future generations of the chance to call California home, stifling economic opportunities for workers and businesses, worsening poverty and homelessness, and undermining the state's environmental and climate objectives." (*Id.*, subd. (a)(2)(A).)

The housing would be at a variety of price points, providing single- and multi-family residential opportunities. Further, a variety of housing types would be introduced to the City. The addition of housing would greatly further the City's ability to achieve and exceed its Regional Housing Needs Allocation (RHNA) established by the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) and mandated by state law. The RHNA allocation for the City in the 6th Housing Element cycle (2023-2031) is 416 units and build out of this project is likely within the 8 year time period of the 6<sup>th</sup> RHNA cycle. Failure to approve the Project may result in a revocation by the Department of Housing and Community Development (HCD) of the City's compliance with the state's Housing Element Law. (Gov. Code, § 65585(i)(1)(A) - (C).) Without a compliant General Plan Housing Element, the City would be subject to Builder's Remedy (Gov. Code, § 65589.5) and be unable to deny any housing development projects and will no longer be eligible to receive housing funds. If HCD finds that the City's Housing Element does not substantially comply with the state's Housing Element Law, or if the City fails to act in accordance with its adopted Housing Element, HCD can and may refer Dixon to the Office of the Attorney General.

The addition of housing in the Northeast Quad would also provide convenient housing for future jobs on the Project site as well as existing and future industrial and commercial in the surrounding area. The additional housing would support employment in the region for major industrial, educational and biotechnology employers.

The introduction of housing on this site was anticipated by the adoption of General Plan 20240, adopted in 2021, which created the Campus Mixed Use land use designation and allowance for housing upto 30 units/acre. The introduction of housing on this site would place residents near necessary services, with Walmart, Grocery Outlet, Bank of Stockton and other various retail and service establishments within 0.3 - 0.8 mile of the new housing. This proximity, in conjunction with the walking and cycling facilities included within and outside the site as a part of the Project, would encourage the use of alternative modes of transportation, such as walking and cycling, to and from these jobs and services, and

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contribute toward a reduction in Project-related VMT and result in an enhanced neighborhood experience for future residents.

City staff, in consultation with legal counsel, have determined that the Housing Accountability Act (HAA) (Gov. Code, § 65589.5) applies to the Project. Consequently, the City is limited in its ability to disapprove the Project. A failure to approve the Project, or any reduction in Project housing density, would result in a violation of the HAA, as well as a likely violation of the Housing Crisis Act (aka, Senate Bill 330). This legislation, separately and combined, in effect prohibits the City's ability to deny or alter the Project in any manner that would reduce the housing being offered. These laws, amended over the years, were enacted in response to the state's housing crisis and act to curtail a local agency's otherwise robust police power regarding housing.

Lastly, it is the City's understanding, based on information provided by the applicant, that any reduction in Project housing (for example, as described in Alternative 3) would render the Project economically infeasible to develop. Thus, any action taken by the City that might result in a reduction in Project housing, in addition to violating state law, would, essentially, deprive the City of any housing included as part of the Project.

Economic Benefits. The economic benefits of the project are documented in the economic and fiscal analysis submitted by the applicant, and peer reviewed by the City's third party economic peer reviewer. The Project will provide construction jobs over the duration of the construction period, approximately 15 years. One-time economic impacts resulting from Project buildout (construction) would result in total employment of 3,874, total wages of \$326.1M, and total economic output of \$696.2M.

Dixon is situated in an area that draws from economic activity in both Solano and Yolo Counties. The combined 2-county area had a total of nearly 249,000 jobs in 2023, which represented a 10-year growth of 31,100 jobs with an average annual growth rate of 1.3 percent. The Project would add an estimated 1,417 direct new jobs to the city, and another 2,652 indirect and induced jobs. This total employment would generate a total of approximately \$703.3M at Project buildout.

Most notably, buildout of the Project site would result in construction of critical new backbone infrastructure to the eastern part of the NEQSP area. Backbone roadway, water, sewer, stormwater, electricity, and natural gas infrastructure would be extended to the NEQSP area as a result of the Project, eliminating a significant hurdle to developing the remainder of the employment-focused parcels within the NEQSP. The eastern half of the NEQSP has remained vacant and undeveloped since the adoption of the Specific Plan in 1995, primarily due to the significant costs associated with such extension of infrastructure and this Project would facilitate and install such infrastructure. This installation of the backbone infrastructure would facilitate the development of other vacant properties both within the NEQSP and other areas outside the plan area. It is estimated that additional employment in the remainder of the NEQSP facilitated by the infrastructure constructed by the Project will total 4,750.

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In addition, the Milk Farm parcel, which is outside of the NEQSP and not a part of this Project, would benefit from the NEQSP infrastructure, bringing the infrastructure that much closer to that site to facilitate and reduce costs for redevelopment of that site. The total investment in site and infrastructure development is approximately \$98,327,448.

Lastly, the project proposes a 23-acre retention basin on this site to accommodate storm water runoff not only from this site, but also surrounding sites, which has been a priority for the City and reduces the economic burden on the City to construct stormwater retention.

**Fiscal Impact.** Measure J was approved by voters on November 5, 2024, resulting in an additional sales tax of 1% with revenue dedicated to fund public services including police, fire, and emergency services, parks and recreation needs, and roadway maintenance. With the passage of Measure U, the annual City sales tax revenue generated by the Project would be \$607,400. The resulting net fiscal impact is a net annual General Fund surplus of approximately \$165,000. Allocating the Project's estimated annual City operating budget across 1,040 units results in a budget surplus of \$159 per unit.

As documented in the economic and fiscal analysis submitted by the applicant, and peer reviewed by the City's third party economic peer reviewer, the estimated revenues from property tax and Community Facilities District (CFD) No. 2024-1 are substantial. Property tax revenues are calculated based on the expected assessed value of the Project at full buildout and the applicable property tax rates, based on County Auditor-Controller reports. Property tax revenues contribute 38.3 percent of the total General Fund revenues at Project buildout. In addition, CFD 2024-1 revenues contribute 23.2 percent of the General Fund revenues, at full buildout, assuming the Project site is annexed into the CFD boundaries.

The development of infrastructure for the Project will facilitate further commercial and industrial development on this site as well as resulting tax revenue generation in surrounding NEQSP parcels. A high-level analysis of the potential net fiscal impact from commercial/industrial development on 257 acres in NEQSP that will benefit from the Project's infrastructure investment results in an estimated net fiscal benefit of \$477,000 annually following Measure J's voter approval.

Lastly, the City and the developer have negotiated a Development Agreement by which the city would vest the entitlements for a 20 year period, allowing surety in development and the capital investment necessary for installation of infrastructure.

As part of the Development Agreement, the Developer has:

- Agreed to aggregate all AB1600 (capital facility) impact fees as a single lump sum development agreement fee, which provides the City flexibility in the use of the funds to improve capital facilities; and
- Offered to pay the City an additional \$2,000,214.00, as a public benefit, above and beyond any other required City fees. A pro rata share of this amount would be with the aggregated impact fees and combined into a single development agreement fee,

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collected at the time of building permit issuance for each residential lot and deposited into the City's General Fund.

Social Benefits. The Project will promote a balanced mix of complementary uses including residential, recreational, employment, and retail uses. The variety of housing types will result in multi-family rental units and multiple price points for homes for sale, allowing both entrance into homeownership for some people and "move up" opportunities for others. The Project will also contribute toward alleviating the state's housing crisis, discussed above.

The project will provide a network of usable green spaces. This includes parks, open spaces, and walking trails designed to promote walkability and the use of alternative modes of transportation (discussed above), thereby enhancing the neighborhood experience of the current and future Dixon community, while providing opportunities for social interaction and civic activity. This will enhance and strengthen the civic and public realm.

Providing a significant employment center in the technology, research and development and industrial sectors in Dixon will allow residents to work closer to home, attract high quality jobs and employers to the City, and enhance the social fabric of the community.

Infrastructure Benefits: The infrastructure costs are documented in the economic and fiscal analysis submitted by the applicant, and peer reviewed by the City's third party economic peer reviewer, As noted above, the extension of utilities to the eastern edge of the Northeast Quadrant Specific Plan, has been a major impediment to the development of this site, as well as other sites in and around the NEQSP for decades. The Project is the first to demonstrate that extending infrastructure and utilities to this portion of the NEQSP is financially feasible. This feasibility is derived directly from the City's change in 2021 to its General Plan redesignating this site as Campus Mixed Use, allowing housing on the project site. As the infrastructure finance memo prepared for the Project by EPS demonstrates, only through allowing residential uses on the Property is the Project capable of extending the infrastructure necessary for the development of the project site and remainder of the NEQSP.

The Project will also construct a 23-acre stormwater retention basin, to address the drainage impacts from the project site, and other surrounding upstream properties. This benefits properties downstream by significantly reducing stormwater flows from pre-project conditions. As designed, the Project's retention basin will be available, subject to future CEQA analysis, to the City to expand the basin's capacity in the future and convert it to a larger sub-regional detention reducing the need for multiple additional detention basins in the NEQSP and surrounding area. is a significant benefit to the City as it would allow other development to minimize the amount of on site drainage basins build on each project site, and would allow existing drainage basins upstream to be removed and redeveloped.

Further, the Project will widen Pedrick Road to create two southbound lanes, a two-way-left-turn lane, and two northbound lanes, where currently only a two-land roadway exists. Under existing conditions, when making a left turn into the Campbells Processing facility, trucks must wait for oncoming traffic to safely clear before making a left turn, which stalls traffic heading southbound. The Project will alleviate this condition with a dedicated turn lane and

result in commensurate safety improvements. Safety for northbound right turn movements into the Campbells facility will also be improved by the northbound two-lane section by allowing right turn truck movements into the Campbells facility without blocking other northbound traffic.

For these above reasons, the statement of overriding consideration is hereby granted

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