

**COUNTY OF SACRAMENTO
CALIFORNIA**

Control No.: 2004-0035
Type: DGB

TO: BOARD OF SUPERVISORS – COUNTY PLANNING COMMISSION
FROM: COMMUNITY PLANNING AND DEVELOPMENT DEPARTMENT
SUBJECT: EASTON AND GLENBOROUGH DEVELOPMENT AGREEMENT
CONTACT: *Tricia Stevens, Principal Planner, 874-2926, stevenst@saccounty.net*

PROJECT DESCRIPTION

ASSESSOR'S PARCEL NOS.: 072-0231-042, 043, 079, 091, 092, 099, 106, 128, 132,
and a portion of 117

LOCATION: The 1,391.3-acre Easton Project is located in eastern Sacramento County, east of the City of Rancho Cordova and south of the City of Folsom. It is generally located on the south side of U.S. 50 and Folsom Boulevard, west of Prairie City Road, east of the City of Rancho Cordova, and north of White Rock Road, in the Cordova community. (Supervisor District 5: Don Nottoli)

APPLICANT/ OWNER:

Easton Development Company, LLC
Aerojet-General Corporation
Attn: Michael LaFortune
One Easton Place
PO Box 1209
Folsom, CA 95763

ENGINEER:

MacKay & Soms
Attn: Steve Smith, P.E.
1552 Eureka Road, Suite 100
Roseville, CA 95661

REQUEST: A **Development Agreement** for the Easton Project (Easton Place and Glenborough at Easton). This Agreement supplements the prior entitlements adopted by the Board of Supervisors on January 29, 2009.

ENVIRONMENTAL DOCUMENT: **ADDENDUM TO THE FINAL EIR**

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Overview:

The proposed project consists of a Development Agreement for the Easton Project (Easton Place and Glenborough at Easton) which is located in the Cordova Community area. The Development Agreement implements the Easton Place/Glenborough Land Use Plans as adopted by the Board of Supervisors on January 29, 2009. The Development Agreement outlines provisions relating to project vesting, phasing, and financial participation between Easton Development Company, LLC (EDC) and the County of Sacramento.

Summary of Significant Issues:

The most significant components of the Development Agreement relate to vesting of entitlements and financial participation. The vesting provisions allow for a 20 and 30 year vesting of development rights. The financial participation provisions include use of future sales tax revenues to help fund needed regional infrastructure improvements. Staff believes that these provisions provide for the long-term viability of an extraordinary project.

CPAC Recommendation:

The Cordova Community Planning Advisory Council (CPAC) approved the land use plan as part of the previous entitlements. The CPAC will meet on October 20, 2011 to consider the Development Agreement. The Chair of the CPAC indicated that they have no opposition to the Planning Commission hearing on October 3, 2011 as any comments from the CPAC can be forwarded to the Board of Supervisors.

Recommendations:

Staff is recommending **APPROVAL** of the proposed Development Agreement.

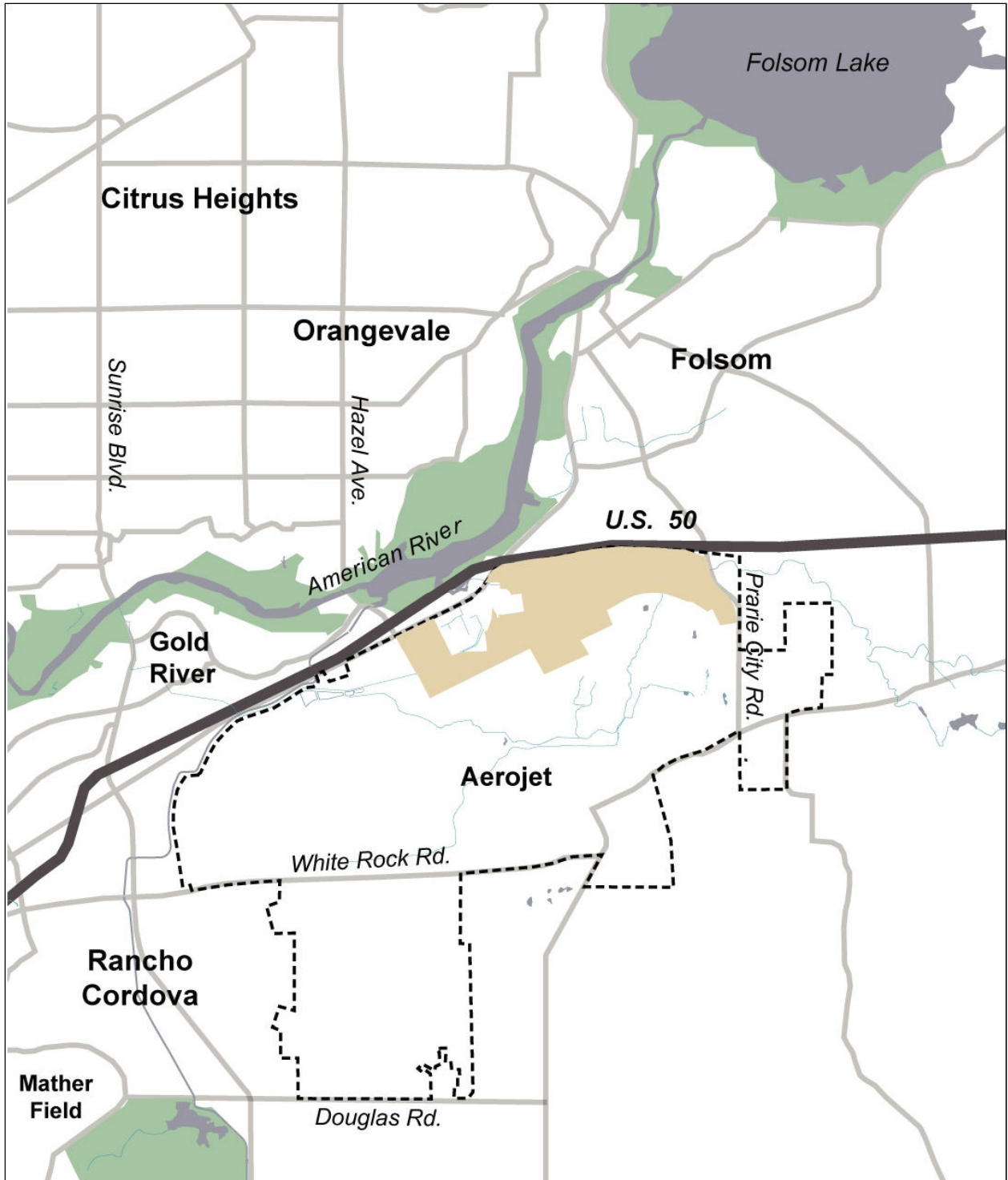
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I. LOCATION MAP



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II. PROJECT ANALYSIS

- A. History/Background: The Easton Project (Easton Place and Glenborough at Easton) was approved by the Board of Supervisors on January 29, 2009. This project creates a unique and exciting opportunity for a major development as it is ideally situated adjacent to Highway 50, the Hazel Avenue Light Rail station, and Aerojet's existing employment center. The project will restore lands left unusable by historic mining and aerospace testing to a variety of urban uses, including mixed use transit oriented development, residential, executive housing commercial, office and open spaces uses. Together, the Easton Place and Glenborough communities include 4,883 dwelling units, approximately 4 million square feet of office and commercial uses, and a 270 acre open space area long Alder Creek. Easton Place is a 183 acre transit-oriented village with 1,644 dwelling units and Glenborough at Easton contains 3,239 dwelling units.

The project entitlements included a General Plan Amendment, a Community Planning Amendment, a Zoning Ordinance amendment to incorporate the Easton Place and Glenborough Master Plans into the Aerojet Special Planning Area, 10 tentative subdivision maps, and a variety of other entitlements. The project included zoning conditions that incorporated mitigation measures from the Final Environmental Impact Report (FEIR), as well as other conditions relating to trigger mechanisms, affordable housing, park and open space improvements, and design standards. The Development Agreement was bifurcated from the earlier entitlements in order to further negotiate vesting and financial participation provisions.

- B. Project Description: A Development Agreement (DA) is a contract between the County and the landowner for the parties' mutual benefit. The landowner is vested with the right to develop the project under the assurance that approvals granted by the County will not change during the period of development. The County is assured that infrastructure; schools, parks, open space, other public facilities and amenities will be constructed as development occurs and the quality will be consistent with the approval documents. Without a DA, future landowner's commitment to the long-term vision and quality could change.

Following is brief summary of the key components of the Development Agreement:

- **Vesting Rights**: The term of the Development Agreement is 20 years for residential; 30 years for commercial and mixed use; and the potential for two 5-year extensions upon mutual agreement. All tentative maps are valid for the term of the agreement.
- **Economic Participation**: The Economic Participation provides for the sharing of future Sales Tax in a limited fashion to support qualified public regional public improvements.
- **Project Impact Fees**: The DA provides that the current set of project impact fees will be vested, providing for normal changes to those fees into the future.

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- Streamlining of Design Review: The DA provides a more detailed description of the design review process, incorporating coordination with the Easton Architectural Review Committee.
- Quality guarantees: The DA provides that the integrity and quality of neighborhood and community design and development will be implemented, and that 40 percent of the total project area is committed to parks, trail systems and open space.

The Development Agreement is a mutually beneficial agreement. Following is a summary of the benefits to both the County and the Landowner. It should be noted that the main benefits to the County have been articulated in the zoning conditions in the Special Planning Area Ordinance. The Development Agreement is primarily geared toward the landowner benefits.

- C. County Benefits: The project provides significant regional and local benefits to the County. For example, Easton Place will be the most significant transit oriented development along the Highway 50 corridor and will include a central plaza and urban park, regional library and office, retail and high-density residential uses. Easton Place will be a regional attractor that will be easily accessible to visitors and residents by the Light Rail system.

The DA provides the County with the protection that the land will be developed as planned with the vision and quality consistent with the Board of Supervisors approval documents. Below is a list of some of the regional and local public benefits the project and the DA provides:

1. **Landowner Investment in New Regional Open Space & Amenities:** Glenborough at Easton offers the County a regional attraction in the form of a 270-acre regional open space preserve and parkway along the riparian Alder Creek Corridor that will connect the American River Parkway on the west to the Folsom Sphere of Influence area on the east and also provide a critical link to a trail system that will eventually connect the American River Parkway to the Deer Creek Hills Preserve. The Alder Creek Parkway will include a 25-acre Community Resource Area offering a Nature Center and Community Center that will be enjoyed by both local and regional residents. An extensive, interconnected street grid and multi-use trail system will promote pedestrian and bicycle use and will connect land uses, parks, and open space throughout the community and the region. The project also provides long-term (perpetual) funding for Operations and Maintenance for the Open Space & CRA. No additional County funding is needed for Operations and Maintenance.
2. **Landowner Investments in New Public Infrastructure:** The project includes facilities such as a newly configured Hazel Avenue Interchange, parallel capacity for Highway 50 along Easton Valley Parkway, and Regional Transit improvements. The project includes payment of Developer Impact Fees that support on-site and off-site improvements as well as County-wide projects.

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Included are transit fees that will go towards RT's "Double Tracking" of the Gold Line.

EDC is also a founding participant and strong supporter in the Highway 50 Corridor Mobility Partnership. Fees will go toward Regional Transportation and Transit Projects, such as:

- Hazel Avenue Interchange
- Widening of White Rock Road
- Auxiliary Lanes on US 50
- Passing Tracks on RT Gold Line

The project also includes significantly more landscape corridors (i.e. 39-foot corridor versus the standard 15-foot corridor) and an extra wide roadway median along Easton Valley Parkway as compared to standard Master Planned Communities in the region.

3. **Landowner Investment in Regional Library and Other Civic Amenities:** Easton Place has planned and zoned a parcel for a new Regional Library. Typical Master Plan Communities only pay a fee towards Library construction that is typically outside its project boundaries. The project also provides additional designated sites with opportunities for potential civic amenities in addition to the Library. Allowed uses include government offices and a post office.
 4. **Landowner Investment in New Residential and Commercial Development:** The project will provide over 3.5 million square feet of Commercial and Office Space – generating new jobs and new sales tax revenues. Easton Place is designed to serve as a regional retail and employment center. The project offers a wide variety of residential home choices from affordable housing to executive housing, and provides a new transit oriented development. The multi-family housing contributes significantly to the County's Adequate Sites Inventory to meet the County's Regional Housing Needs Allocation (RHNA) obligations.
 5. **Landowner Investment Active Park Systems:** The project will construct and dedicate 20 active parks on 60 acres. The project provides long-term (perpetual) funding for operations and maintenance.
 6. **Landowner Investment in New Public Schools:** The project will have 3 new Elementary Schools and 1 new Middle School constructed within its boundaries and will contribute to the construction of High School Facilities within the School District.
- D. **Landowner Benefits:** The DA provides the Landowner with the protection that the land will be developed as planned with the vision and quality consistent with the Board of Supervisors approval documents; and protects against future landowners

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from deviating from the original approval documents. Following is a more detailed summary of the benefits to the landowner.

1. **Vested Rights:** The landowner is vested with the right to develop the project under the assurance that approvals granted by the County will not change during the period of development. The DA provides for vesting of residential portions for 20 years and commercial portions for 30 years. All tentative maps are valid for the term of the agreement. The project will be subject to the County's Improvement Standards in place at project approval. Parties agree to meet every 10 years to review the Improvement Standards and adjust, if necessary. The project will always be required to follow any current Uniform Codes pertaining to Building Codes and Health and Safety requirements in effect at the time of construction.
2. **Economic Participation Agreement:** The Economic Participation Agreement helps offset the actual cost of qualified project improvements that provide regional benefit to the County and surrounding communities. This Agreement provides for a maximum \$10 Million contribution over the life of the agreement from sales taxes generated from Easton Place. The term of the Agreement is for 10 years from the first year that the annual sales tax exceeds \$250,000. Fifty percent (50%) of the sales tax over \$250,000 would be directed to the qualified regional infrastructure projects that are listed in the Agreement. This participation would not be combined with any other Fee Program Reimbursements. There is no obligation of the County unless and until the project generates sufficient sales tax revenues.
3. **Agreement on Applicable Project Impact Fees:** The Agreement establishes the universe of Development Impact Fee Programs applicable to the project as all Program Fees that are currently in place. The project will pay any increases or adjustments to the identified Fee Program. Parties agree to meet every 10 years to review the fees and fee programs and adjust, if necessary. The project will be subject to all taxes and assessments to be applied on a County-wide basis resulting from a vote of the public.
4. **Streamlines Subsequent Design Review:** The Easton Architecture Review Committee ("EARC") will streamline the County's Design Review by establishing a hierarchy of the review process. The County will have a seat on the committee. Process will help reduce County staff time for design review. The DA provides a level of assurance that future Design Reviews will be compliant with the project's Land Use Master Plan and Design Guidelines that were a part of the approval documents

III. STAFF RECOMMENDATIONS

One of the most important issues from the County's perspective is that with approval of the Easton DA and subsequent beginning of construction, the County sets the stage for a significant project to actually begin construction. The Easton project demonstrates that the

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county is a leader in moving forward with a quality major master planned community. The original project approval, along with this Development Agreement, places the County in the advantageous position of moving forward this high quality master planned community focused on transit-oriented development in a town center, along with a mix of housing choices, including executive housing, open space lands, and employment opportunities.

The Easton project pioneered a new concept in the public-private land use entitlement process. The partnership between Sacramento County and EDC became known as the "Easton Model". This planning partnership help shape the approval of this high quality Master Plan. At the final entitlement hearing before the Board of Supervisors, there were no dissenting comments made by a member of the public or stakeholder involved in the process.

Easton Project was approved on January 29, 2009. The last component of the Easton Project is adoption of the Development Agreement which is before the Planning Commission and Board of Supervisors. The Development Agreement provides guarantees to the County and incentives for EDC to move forward with a very important project for Sacramento County.

For these reasons, staff recommends **APPROVAL** of this proposal.

A. Recommended Actions:

1. Environmental Documentation: Determine that the environmental analysis is adequate and complete and that the **ADDENDUM TO THE FINAL EIR** is appropriate.
2. Development Agreement: **APPROVE** the requested entitlement for the Development Agreement as requested, subject to the findings listed in Section III.B and the conditions listed in Section III.C of this report.

B. Recommended Findings: The staff recommendations are based upon the following considerations:

1. The request is consistent with the County General Plan.
2. The request is consistent with the Cordova Community Plan Map and Text, as amended by the Easton and Glenborough Community Plan Amendments.
3. The proposed development will conform to applicable Zoning Code regulations.
4. Identified environmental effects and suggested mitigation measures have been taken into consideration in the recommended actions and conditions of approval.
5. Staff has identified no effects from the proposal which would result in a significant detrimental impact on adjoining or neighboring properties if the conditions, as recommended by staff, are adopted.
6. The Development Agreement provides significant regional and local benefit to Sacramento County. The County is assured that infrastructure, schools, parks,

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open space, other public facilities and amenities will be constructed as development occurs and the quality will be consistent with the approved documents.

C. Recommended Conditions: Any approval of the Development Agreement shall be subject to the following conditions:

1. The Development Agreement shall be in accordance with Attachment A.

IV. ATTACHMENTS

A. Draft Development Agreement with Attachments

B. Addendum to the Final EIR

C. CPAC Referral (forthcoming)

This staff report was prepared on September 23, 2011.