

CHAPTER 1

Introduction

The project applicants propose entitlement, construction and operation of: (a) the proposed Sacramento Railyards Specific Plan Update (RSPU), an approximately 244-acre mixed-use urban development comprised of an integrated mix of residential, non-residential, and public uses, along with infrastructure and utility systems that would serve and support the uses developed pursuant to the RSPU; (b) a new regional medical center built and operated by Kaiser Permanente (KP Medical Center); (c) a sports and entertainment stadium that could accommodate a Major League Soccer team (MLS Stadium); and (d) a stormwater outfall on the Sacramento River (Stormwater Outfall). These activities are referred to collectively as the proposed projects.

This Subsequent Environmental Impact Report (SEIR) has been prepared pursuant to the California Environmental Quality Act (Public Resources Code sections 21000 *et seq.*), CEQA Guidelines (Title 14, section 15000 *et seq.* of the California Code of Regulations) (CEQA Guidelines) and the Sacramento Local Environmental Regulations (Resolution 91-892) adopted by the City of Sacramento in order to disclose the potential environmental consequences of implementing the proposed projects. The City of Sacramento, Community Development Department, Environmental Planning Services Division, as lead agency responsible for administering the environmental review for projects in City of Sacramento, has determined that under CEQA, an environmental impact report (EIR) is required for the proposed projects. In its preliminary review of the applications for the proposed projects, the City determined that an SEIR, pursuant to CEQA Guidelines section 15162, is the appropriate environmental document.

Pursuant to CEQA, this SEIR addresses the changes to the adopted 2007 Railyards Specific Plan (2007 RSP) proposed under the RSPU and evaluates whether those changes would result in new or substantially more severe significant impacts. The 2007 RSP and 2007 Railyards Specific Plan EIR (2007 RSP EIR) may be viewed on the City's website at <http://www.cityofsacramento.org/Community-Development/Planning/Environmental/Impact-Reports>. As required under CEQA, the SEIR evaluates and describes potentially significant environmental impacts, identifies mitigation measures to avoid or reduce the significance of potential impacts, and evaluates the comparative effects of potentially feasible alternatives to the proposed projects.

1.1 Background

The Railyards Specific Plan Area (RSP Area) was originally low-lying, swampy land located at the confluence of the American and Sacramento Rivers and was part of a larger area occupied by

Native American people. The alignment of the American River, and the location of its confluence with the Sacramento River, was moved to the north in 1862. Subsequently, the RSP Area was developed as the western terminus of, and produced much of the rail equipment for, the Transcontinental Railroad in the early 1860s. The Central Pacific and Southern Pacific railroads used the RSP Area for railroad uses for almost 150 years, with the last railroad workers leaving the maintenance and locomotive works in 1995. During its peak, the RSP Area housed the largest railroad facility of its kind west of the Mississippi River. The RSP Area's use as a production and maintenance facility for the railroads continued for most of its modern history. In the late 1990s, after the closure of the locomotive maintenance works at the site, Union Pacific Railroad (UPRR) purchased the Southern Pacific Railroad and acquired the property comprising the RSP Area. Currently, most of the RSP Area is owned by Downtown Railyard Venture, LLC (DRV), while approximately 32 acres are owned by the City and a small portion of the site along the Sacramento River is owned by the State of California.

Today, the RSP Area continues to be used for passenger rail service through the existing historic Depot building constructed in 1926 and used as the primary depot for passenger rail service in the Sacramento Valley. The RSP Area includes the UPRR main lines that are used by freight and passenger trains, the passenger Depot for Amtrak and Capitol Corridor trains, and certain other rail lines. The Central Shops, located to the north of the historic Depot, were previously used as the location of rail equipment production and maintenance, and have been mostly vacant for some years. The California State Railroad Museum leases two of these buildings to repair and maintain its historic train stock. Sims Metal Management operates on approximately five acres immediately north of the RSP Area. The RSP Area has been undergoing environmental remediation for many years, and remediation activities are ongoing on certain portions of the RSP Area today. Portions of the RSP Area are served by major utilities, including water, sewer, storm drainage, solid waste, natural gas and electrical service; however, most of the site currently lacks these utilities.

The Sacramento City Council first certified an EIR for the Railyards Specific Plan in December 1993. At that time the City Council approved amendments to the City's General Plan and Central City Community Plan that provided for land uses that would redevelop the RSP Area as a northerly extension of downtown. The City Council certified a Supplemental EIR for the existing Railyards Specific Plan in late 1994, and approved the 1994 Railyards Specific Plan in December 1994. Development in the Specific Plan that has occurred to date includes the restoration and re-use of the Railway Express Agency (REA) Building, construction of the Federal Courthouse, the extension of 7th Street to North B Street and the extension of light rail.

In December 2006, the majority of the RSP Area was sold by UPRR to a private developer (Thomas Enterprises), and a parcel around the historic Depot was sold to the City. Based on plans of the new owner, in 2007 the City certified the 2007 RSP EIR and approved the 2007 RSP. In the intervening years certain elements of the 2007 RSP have been implemented including

realignment of the UPRR tracks, construction of extensions of 5th and 6th streets, as well as construction of Railyards Boulevard from 7th Street to the Bercut Drive alignment.

While remediation activities have continued in the RSP Area, as a result of economic conditions during the Great Recession, the privately-owned majority of the RSP Area again changed hands, finally being purchased by DRV in September 2015. DRV, as the project applicant, has proposed the RSPU that is the subject of this SEIR.

1.2 Purpose and Use of this SEIR

CEQA requires the preparation of an EIR when a proposed project could result in significant, adverse effects on the physical environment. This SEIR has been prepared by the City of Sacramento, Community Development Department, 300 Richards Boulevard, Third Floor, Sacramento, CA 95811. It is an informational document for use by governmental agencies and the public to assist in the planning and decision-making process by disclosing the physical environmental effects of the project and identifying possible ways of reducing or avoiding its potentially significant impacts.

CEQA requires that before a decision can be made to approve a project that would pose potential adverse physical effects, an EIR must be prepared that fully describes the environmental effects of the project. The EIR is a public information document that identifies and evaluates potential environmental impacts of a project, recommends mitigation measures to lessen or eliminate significant adverse impacts, and examines feasible alternatives to the project. The information contained in the EIR must be reviewed and considered by the City and by any responsible agencies (as defined in CEQA) prior to a decision to approve, disapprove, or modify the proposed projects.

1.3 CEQA Environmental Review

The CEQA Guidelines define the role and standards of adequacy of an EIR as follows:

- **Informational Document.** An EIR is an informational document that will inform public agency decision-makers and the public of the significant environmental effect(s) of a project, identify possible ways to minimize the significant effects, and describe reasonable alternatives to the project. The public agency shall consider the information in the EIR along with other information that may be presented to the agency (section 15121[a]).
- **Standards for Adequacy of an EIR.** An EIR should be prepared with a sufficient degree of analysis to provide decision-makers with information that enables them to make an informed decision that takes account of environmental consequences. An evaluation of the environmental effects of a proposed project need not be exhaustive, but the sufficiency of an EIR is to be reviewed in light of what is reasonably feasible. Disagreement among experts does not make an EIR inadequate, but the EIR should summarize the main points of

disagreement among the experts. The courts have looked not for perfection but for adequacy, completeness, and a good faith effort at full disclosure (section 15151).

CEQA Guidelines section 15382 defines a significant effect on the environment as “a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project...” Therefore, in identifying the significant impacts of the project, this SEIR describes the potential for the project to result in substantial physical effects within the area affected by the project and identifies mitigation measures that would avoid, reduce, or otherwise alleviate those effects. See Chapter 4, Section 4.0, Introduction to the Analysis, for further description of the approach to analyzing environmental impacts and identifying mitigation measures presented in this SEIR.

CEQA Guidelines section 15160 provides for variations in EIRs so that environmental documentation can be tailored to different situations and intended uses. This EIR is a Subsequent EIR (SEIR) to the 2007 RSP EIR pursuant to CEQA Guidelines section 15162, which states that an SEIR is required if the lead agency determines that the proposed project could result in any of the following conditions:

- Substantial changes are proposed in the project that will require major revisions of the previous EIR,
- Substantial changes have occurred with respect to the circumstances under which the project is undertaken, or
- New information of substantial importance, which was not known and could not have been known at the time of certification of the previous EIR, shows that the project could have one or more significant effects not discussed in the previous EIR, significant effects previously examined will be substantially more severe than shown in the previous EIR, mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects, or mitigation measures or alternatives that are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects.

The City of Sacramento has determined that one or more of these conditions have been met for the proposed project, and that an SEIR is therefore warranted. For instance, the proposed projects represent substantial changes to the project that was considered in the 2007 RSP EIR. In addition, there have been substantial changes in the circumstances under which the proposed projects would be undertaken compared to the circumstances described in the 2007 RSP EIR, including adoption of the City’s 2035 General Plan.

This SEIR has characteristics of both a Program EIR, as described in CEQA Guidelines section 15168, and a Project EIR, as described in CEQA Guidelines section 15161, because it examines the environmental impacts of the overall RSPU, as well as specific development proposals including the KP Medical Center, MLS Stadium, and Stormwater Outfall.

The California Court of Appeal has recently addressed the question of how to properly identify the “type” of EIR that should be prepared for a project. In noting that there are many different names for EIRs, the court stated that “courts strive to avoid attaching too much significance to titles in ascertaining whether a legally adequate EIR has been prepared for a particular project” (*Citizens for a Sustainable Treasure Island v. City and County of San Francisco* (2014) 227 Cal. App. 4th 1036). In *Treasure Island*, the Court restated its findings in *California Oak Foundation v. Regents of University of California* (2010) 188 Cal.App.4th 227, 271) that the “fact that this EIR is labeled a ‘project’ rather than a ‘program’ EIR matters little for purposes of its sufficiency as an informative document. ‘The level of specificity of an EIR is determined by the nature of the project and the “rule of reason” [citation], rather than any semantic label accorded to the EIR.’”

The level of detail of the analyses of the proposed projects considered in this SEIR varies in response to the level of detail of the description of each of the projects, which is, in turn, largely determined by the City’s application submittal requirements for the specific entitlement or approval being sought (see Chapter 2, Project Description, page 2-71 for a full description of City approvals sought by the proposed projects).

For example, by its nature, the level of detail of the description of the proposed RSPU is least specific because, as a specific plan, the proposed RSPU establishes the regulatory and policy framework for future development in the RSP Area, and does not identify and/or describe specific projects. This level of detail is commensurate with the requested approvals that include the RSPU, updated Railyards Special Planning District (SPD), updated Railyards Design Guidelines, new development agreement, updated Mitigation Monitoring Plan (MMP), and new vesting tentative subdivision map.

In addition to the approvals and entitlements granted through the approval of the RSPU, the KP Medical Center is seeking approval of a conditional use permit and master level entitlement for operation of a helistop, and long term vested rights coverage through a development agreement. The description of the proposed KP Medical Center has more specific details than the RSPU, and includes a conceptual site plan, building envelopes, and land uses and intensities, including such features as a Central Utility Plant and a helistop. However, acknowledging the conceptual nature of the project plans and lack of precise design detail, consistent with the basic entitlements sought and intent to request Site Plan and Design Review at a future date, the analysis is in greater detail as it relates to land use intensities and related activities, and less detailed as it pertains to the physical and design characteristics of the future buildings.

At the greatest level of detail, the descriptions of the proposed MLS Stadium and Stormwater Outfall projects are sufficient to support requests for City Site Plan and Design Review permits, and the analyses of those projects correspond to the greater level of detail regarding physical site plans, building design, and the like.

Thus, because the requested approvals and corresponding levels of detail of the descriptions of the proposed RSPU, KP Medical Center, MLS Stadium, and Stormwater Outfall projects vary in level of detail, the level of detail of the analyses of these projects varies in the SEIR.

1.4 Environmental Review

1.4.1 Preliminary Project Evaluation

Having determined an SEIR would be required to evaluate changes in the environment that would result from construction and operation of the proposed projects, the City elected not to prepare an Initial Study Checklist, as permitted by section 15060(d) of the CEQA Guidelines.

1.4.2 SEIR Scoping

On June 26, 2015, the City issued a Notice of Preparation (NOP) of the SEIR to governmental agencies and organizations and persons interested in the project (the NOP is included in Appendix A). The NOP review period ended on July 30, 2015. The City sent the NOP to agencies with statutory responsibilities in connection with the proposed projects with the request for those agencies' input on the scope and content of the environmental information that should be addressed in the SEIR. The City Community Development Department's Environmental Services Division held a Scoping Meeting on July 15, 2015 to take comments regarding the scope of the SEIR in response to the NOP.

The City of Sacramento received twelve (12) written comment letters regarding the NOP (see Appendix B of this Draft SEIR). Although specific comments were mentioned in the NOP comment letters, the comments generally tended toward larger themes such as:

- The planned mix of uses in the RSPU, and the related effects on trip making and travel modes;
- Effects on roads and bridges in West Sacramento, including the proposed Streetcar system;
- Effects on the regional highways and interchanges;
- Circulation planning and modes of travel for attendees at events at the MLS Stadium;
- Adequacy of bicycle access to and from the RSP Area, as well as bicycle access and parking for the proposed KP Medical Center and MLS Stadium projects;
- Construction and operational emissions of criteria pollutants, as well as greenhouse gas emissions;
- The provisions in the proposed RSPU for preservation of the historic Central Shops;
- Light, glare, and noise potentially emanating from the proposed MLS Stadium;

- Energy efficiency and effects on the local electricity system; and
- The status of remediation activities in the RSP Area, and potential effects of the proposed RSPU on those activities.

The scope of this SEIR includes environmental issues that have the potential to be significant impacts, as determined through preparation of the NOP, responses to the NOP, scoping meeting, and discussions among the public, consulting staff, other agencies, and the City of Sacramento. This process identified potentially significant impacts associated with the construction and/or operation of the proposed projects in the following issue areas:

- Aesthetics, Light and Glare;
- Air Quality;
- Biological Resources;
- Cultural Resources;
- Energy Demand and Conservation;
- Geology Seismicity, and Soils;
- Global Climate Change;
- Hazards and Hazardous Materials;
- Hydrology and Water Quality;
- Land Use;
- Noise and Vibration;
- Public Services (Police, Fire, Schools, Parks, and Libraries);
- Transportation and Circulation; and
- Utilities and Service Systems (Water Supply, Wastewater, Storm Drainage, and Solid Waste).

This SEIR evaluates the direct, indirect, and cumulative impacts that could result from construction and operation of the proposed projects in these issue areas in accordance with CEQA.

In a change since the certification of the 2007 RSP EIR, the California Supreme Court recently found that “agencies subject to CEQA generally are not required to analyze the impact of existing environmental conditions on a project’s future users or residents.” In *California Building Industry Association v. Bay Area Air Quality Management District* (2015) 62 Cal. 4th 369, the Supreme Court explained that an agency is only required to analyze the potential impact of such hazards on future residents if the project would exacerbate those existing environmental hazards or conditions. CEQA analysis is therefore typically concerned with a project’s impact on the environment, rather than with the environment’s impact on a project and its users or residents.

Thus, with respect to such issues as geologic and seismic hazards, exposure to existing levels of air pollution and noise, exposure to existing hazardous materials, and the like, the City is not required to consider the effects of bringing a new population into an area where such hazards exist, because the project itself would not increase or otherwise affect the geologic conditions that create those risks. Nonetheless, in order to provide a complete picture of how the effects of the proposed RSPU compare to the effects that were disclosed in the 2007 RSP EIR, the impacts of the environment on the future population and buildings that were addressed in the 2007 RSP EIR are addressed in the relevant sections of this Draft SEIR.

1.4.3 Public Review

The Draft SEIR is available for public review and comment beginning June 10, 2016 and concluding at 5:00 p.m. on July 27, 2016 as set forth in the Notice of Availability prepared and circulated by the City of Sacramento. During the review and comment period written comments (including email) regarding the Draft SEIR may be submitted to the City at the address below.

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The Draft SEIR, Notice of Availability and other supporting documents, such as technical prepared by the City as part of the SEIR process, are available for public review at the offices of the Community Development Department at 300 Richards Boulevard, Third Floor, Sacramento, California 95811, and on the City's web site at <http://www.cityofsacramento.org/Community-Development/Planning/Environmental/Impact-Reports>.

1.4.4 Final SEIR and SEIR Certification

Following the public review and comment period for the Draft SEIR, the City will prepare responses that address all substantive written and oral comments on the Draft SEIR's environmental analyses received within the specified review period. The responses and any other revisions to the Draft SEIR initiated by City staff will be prepared as a Final SEIR document. The Draft SEIR and its Appendices, together with the Final SEIR, will constitute the SEIR for the proposed projects.

1.4.5 Mitigation Monitoring Plan

Throughout this SEIR, mitigation measures have been clearly identified and presented in language that will facilitate establishment of an MMP. As required under CEQA, a MMP will be

prepared and presented to the City Council at the time of certification of the Final SEIR for the proposed projects and will identify the specific timing and roles and responsibilities for implementation of adopted mitigation measures.

1.5 Subsequent Project Approvals

This SEIR discloses the environmental effects of construction and operation of the proposed projects pursuant to the requirements of the State CEQA Guidelines, as described in Chapter 2, Project Description. As described in Chapter 2, the proposed projects includes approval of the RSPU, the updated Railyards Design Guidelines, the updated SPD, one or more development agreements, a new vesting tentative map, and other project approvals pursuant to City codes, and other local, state, and federal regulations.

Subsequent development activities within the RSP Area must be consistent with the requirements of these approvals, as well as the adopted MMP, as applicable. Subsequent actions related to the proposed RSPU will include Site Plan and Design Review for specific development and infrastructure project consistent with the RSPU, SPD and Railyards Design Guidelines. For the KP Medical Center, subsequent actions would include Site Plan and Design Review for one or more phases of development, and then later ministerial actions, including grading and/or building permits. Subsequent actions for the proposed MLS Stadium and Stormwater Outfall projects would include ministerial actions, such as the issuance of grading and/or building permits.

Use of this SEIR to cover later project activities is addressed in Public Resources Code (PRC) section 21166 and State CEQA Guidelines section 15162(a). Under those sections, if the proposed future activities are consistent with the proposed projects as analyzed in this SEIR, and would not create new significant or substantially more severe significant impacts that were not examined in this SEIR, the later activities are considered to be within the scope of the SEIR and no further review under CEQA is required. More specifically, CEQA Guidelines section 15162(a) states:

When an EIR has been certified or a negative declaration adopted for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

- (1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
- (2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

- (3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration was adopted, shows any of the following:
 - (A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
 - (B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;
 - (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
 - (D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

CEQA Guidelines section 15182 provides that any residential projects undertaken in the furtherance of a specific plan that have previously been considered in an EIR, and that conform to the provisions of the specific plan, are exempt from preparation of a later EIR, Mitigated Negative Declaration, or Negative Declaration, unless one of the conditions identified in Guidelines section 15162(a), described above, is present.

Thus, to the extent appropriate and consistent with the requirements of CEQA and the CEQA Guidelines, the City would rely on this SEIR in conjunction with its consideration of subsequent projects undertaken pursuant to the RSPU.

1.6 Document Organization

This Draft SEIR document is organized as follows:

Executive Summary – This section summarizes the proposed projects and the conclusions of the Draft SEIR. A summary table is included and organized to allow the reader to easily identify potentially significant effects, proposed mitigation measures, and any residual environmental impacts after implementation of mitigation measures. A summary of the project alternatives and the environmentally superior alternative is also provided. The Executive Summary also identifies areas of controversy regarding the proposed projects that are known to the City at the time of circulation of this Draft SEIR.

Chapter 1, Introduction – This chapter describes the purpose and organization of the Draft SEIR.

Chapter 2, Project Description – This chapter describes the proposed projects. The description includes, with text and graphics, the location and boundaries of the proposed projects, statements of objectives from the project applicants, a description of the proposed projects’ components and characteristics, and a list of project approvals and entitlements that would be required to implement the proposed projects.

Chapter 3, Land Use, Population and Housing – This chapter provides an overview of the land use and planning issues that could arise in connection with development of the proposed projects. In addition, it describes population and housing conditions and trends in the City of Sacramento, and the population, employment, and housing characteristics of the proposed projects.

Chapter 4, Environmental Setting, Impacts, and Mitigation Measures – For each environmental issue evaluated in the Draft SEIR, this chapter discusses the environmental and regulatory setting, the methodology used, the detailed analysis of potential impacts (including direct, indirect, and cumulative impacts), and, if necessary, a discussion of potentially feasible mitigation measures.

Chapter 5, Other CEQA Required Considerations – This chapter discusses several issues required to be included in the Draft SEIR, including effects found not to be significant, significant and unavoidable impacts, significant irreversible environmental changes, cumulative impacts, the potential for the project to cause urban decay, and the potential for the proposed projects to induce urban growth and development.

Chapter 6, Alternatives – This chapter describes potentially feasible alternatives to the proposed projects that could avoid or substantially reduce one or more significant impacts while attaining most of the basic objectives of the project, and evaluates the comparative environmental effects of the alternatives.

Chapter 7, List of Preparers and Persons Consulted – This chapter identifies the agency staff and consultants who prepared the Draft SEIR, and agencies or individuals consulted during preparation of the Draft SEIR.

Chapter 8, Acronyms and Abbreviations – This chapter lists the acronyms used in this Draft SEIR in alphabetical order.

Chapter 9, References – This chapter lists all citations used throughout the Draft SEIR.

Appendices – The appendices include environmental scoping information and technical reports and data used in the preparation of the Draft SEIR. These documents are included on CD at the back of the Draft SEIR.