

County of Solano 675 Texas Street Fairfield, CA 94533

October 29, 2024

Dear Mr. Emlen,

Thank you for your letter dated October 25, 2024 (attached as Exhibit B). We appreciate you detailing the extensive requirements for building. We are also grateful for the numerous meetings you and your staff have had with Gabriel Metcalf, our Head of Planning, to discuss our application, and share your feedback.

We are excited to be working with Solano County to build new industries, new homes, and new energy infrastructure. As expressed in our October 23, 2024 letter (Exhibit A), we believe that Solano County and California can no longer afford to be in a state of "business as usual". The California planning process is extensive, but it can be done quickly – if all stakeholders care about actually building, not just planning. Companies can't create jobs in plans – they need factories. Families can't live in plans – they need homes. Plans don't generate electricity – solar farms do.

We stand ready to do our part, by submitting an application for this specific project, and also by participating in the General Plan update process.

As we continue to engage with the employers who want to come to East Solano, both those <u>we already announced</u> and others we continue to recruit, we owe them clarity on when their businesses could move in<sup>1</sup>. <u>We want to tell these employers that East Solano is open for business.</u>

On September 10th, Gabriel Metcalf proposed to you a process and timeline which would allow the county to bring the full proposal, with an Environmental Impact Report, and a Development Agreement, back to the voters in November 2026. Can you please confirm that we will follow that timeline?

If not, could you please give us a specific timeline of the shortest process the county can run, assuming the people of Solano County approve the project, starting from the date that we provide you with an application with the statutorily required information, and ending with breaking ground?

Sincerely,

Jan Sramek

In Stone

Michael Fortney

<sup>&</sup>lt;sup>1</sup> Chris Powers, Founder & CEO of <u>Hadrian</u>, a defense manufacturer, in May 2023: *"If the East Solano Plan was shovel ready today, we would already be looking at acquiring space for a new factory there."* 



# Exhibit A

Letter from California Forever to Solano County, dated October 23, 2024

(attached below)



County of Solano 675 Texas Street Fairfield, CA 94533

Attn: Board of Supervisors

Bill Emlen, County Administrator

James Bezek, Director of Resource Management

October 23, 2024

### Re: July 2024 agreement to work together, and moving East Solano Plan forward

Dear Board of Supervisors, Mr. Emlen, Mr. Bezek,

Thank you for taking the time to meet with us over the past three months to discuss the best way to process the East Solano Plan, whether on a separate track or as part of a larger general plan amendment.

Solano County and California are dealing with several urgent challenges: creating jobs here rather than sending them to Texas, producing affordable clean energy, and building new homes. If we want to ensure that future generations have the same opportunities as those who grew up during the optimistic decades when California still built things, we must solve these issues **now**. As outlined in our October 21st letter, the East Solano Plan can address these challenges and help Solano County close its structural \$50 million deficit.

But to do that, we all need to work together to show that Solano County can build—and not decades in the future, but right now. Every year we delay, we increase the county's budget deficit and drive jobs, tax revenue, friends and family to other states.

When we <u>reached the agreement</u> to pause the ballot measure and go through the county's standard planning process, we were encouraged to see Chair Mashburn agree with this sentiment: "I want to acknowledge that many Solano residents are excited about ... a California that builds again ... [California Forever] is also right that we cannot solve our jobs, housing, and energy challenges if every project takes a decade or more to break ground."

In his statement, Chair Mashburn asked us to use the Environmental Impact Report to prove how we'll strengthen Travis AFB, provide water, solve transportation challenges, and pay for it all.

We recognize that last year, we made mistakes when introducing the project. But since reaching the agreement to work together this July, we have collaborated with you in good faith, and we have honored our commitments.



Unfortunately, the county's actions have not shown the same motivation and good faith.

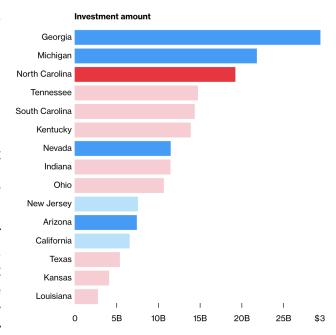
First, in early September, Gabriel Metcalf, our Head of Planning, submitted a proposed timeline to county staff, outlining how we could collaborate to complete the entitlements in time to put the plan on the November 2026 ballot. We began planning, environmental, engineering, and community outreach work in 2023. By starting early and significantly accelerating efforts since July 2024, our extended team of dozens of designers, planners, and engineers is on track to shortly complete all the technical studies required for the Environmental Impact Report. We are doing our part of the work, and honoring our commitments. Yet to date, we have not received any specific feedback on this timeline, other than that it is "ambitious."

Second, on August 8, 2024, in its first action after July's agreement, the county's Airport Land Use Commission rushed through an amendment to the Airport Land Use Compatibility Plan. The amendment was done in secret, without any due process or evidence that it was necessary, and despite a statement by Travis AFB, whose representative directly told the Airport Land Use Commission: "Bottom line, Travis AFB effectively executes our mission within the current airspace configuration and does not require any alterations to this [East Solano] plan.".

We had hoped that was an isolated incident. Unfortunately, yesterday's adoption of the Agricultural Mitigation Ordinance followed the same path: no transparency, due process, or public input.

These actions make it hard to believe that the planning process is being carried out in good faith. These types of decisions are precisely why California has been losing jobs, forfeiting tax revenue, and failing to build both energy infrastructure and new homes.

Further, this attitude towards economic development costs California taxpayers tens of billions of dollars. So far, under President Biden, \$206 billion of investments in clean technology manufacturing have been announced<sup>1</sup>. Conservatively, based on our share of the overall US population, California taxpayers funded, through their federal taxes, about 12% of that amount, roughly \$25 billion. Yet we have only received about \$7 billion of those funds. Our refusal to permit projects has subsidized other states by \$18 billion.

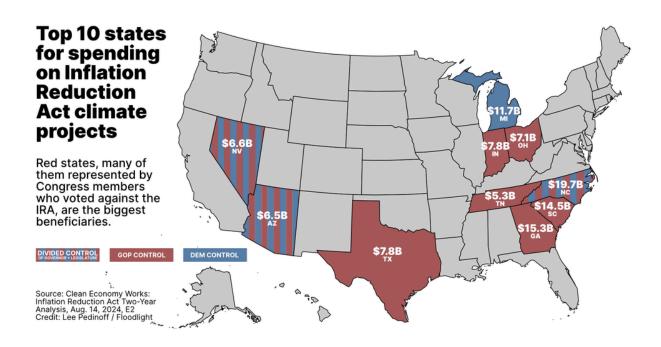


https://www.bloomberg.com/graphics/2024-opinion-biden-ira-sends-green-energy-investment-republican-districts/



Similarly, despite being home to important semiconductor players like Intel, Micron, Applied Materials, and Lam Research, California has received a tiny fraction of the \$52 billion CHIPS Act funding. Meanwhile, Arizona, Ohio, and New York are receiving tens of billions of federal subsidies to build semiconductor factories.

Finally, Texas has surpassed California in solar and wind energy generation, capturing tens of billions in federal subsidies<sup>2</sup>, and most Inflation Reduction Act climate projects are going into southern states<sup>3</sup>.



The facts speak for themselves: California is losing good-paying jobs to other states, our housing crisis is rapidly deteriorating, and we are behind our goals on the cost and availability of clean energy.

We see these problems mirrored in Solano County. On May 16th, we <u>announced 12 fast-growing employers</u> eager to come to Solano County if the East Solano Plan was approved. This represents the greatest interest in job creation in the county for decades. Based on our review of public information, in the 14 months since the East Solano Plan was introduced in August 2023, these are not merely the main employers who wanted to come – <u>they are the only ones</u>.

<sup>&</sup>lt;sup>2</sup> https://www.theatlantic.com/podcasts/archive/2024/07/texas-solar-wind-renewable-energy-climate-change/679281/

https://thecurrentga.org/2024/08/20/gop-gets-85-of-the-benefit-of-climate-law-some-still-hate-it/

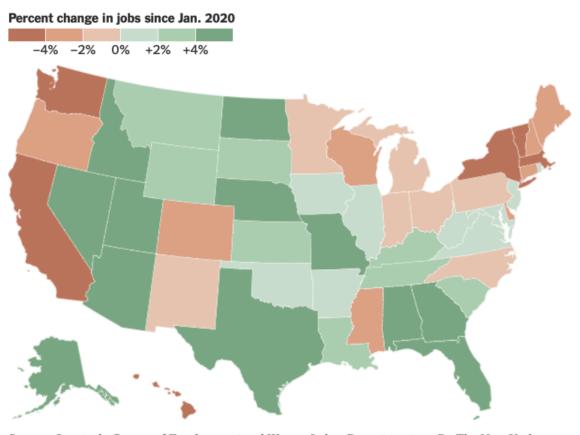


To reiterate: to our knowledge, except for the employers we recruited, Solano County has not benefited from any jobs created during the largest American manufacturing renaissance in half a century.

We successfully convinced companies to establish operations in East Solano, and all we asked the county in return was to let us build. We are puzzled by the county's obvious lack of motivation to move with the urgency required to actually bring any of these employers to Solano County.

# Where manufacturing jobs have shifted since the pandemic

Between January 2020 and March 2024, the West Coast and Northeast have lost factory employment while many states in the Southeast have gained.



Source: Quarterly Census of Employment and Wages, Labor Department By The New York Times



It has not always been like that.

The Golden Gate Bridge started construction in 1933 and opened in 1937.

To celebrate its opening, in 1935, we decided to host the Golden Gate International Exposition on a 400-acre man-made island in the middle of the Bay. Treasure Island was completed in 1937.

In September 1966, Boeing purchased 780 acres to build a production plant for its new jet. The first production workers arrived in January 1967, and in September 1968, the first jumbo jet, 747-100, rolled out of the factory.



There are six years between 2023 and 2028. If we can build a bridge spanning the Golden Gate, a 400-acre island in the middle of the Bay, and a brand new jet that revolutionizes aviation, all in under four years, then surely we can plan a new community in less than six.

We are open to working with any partners who recognize the urgency of our call to action, that our county and state are not in a "business as usual" scenario, and that by the standards of the people who built the America we live in today, it should be entirely reasonable to get local approvals done by 2026, and shovels in the ground in 2028.

If you believe the best way to process this project is via a separate application, we are happy to work with you that way. If you believe the best way is to amend the General Plan, and we can



get that done by 2026, we are also happy to pursue that route. That would leave two years for final permitting before breaking ground in 2028.

Let's act with the urgency our situation demands and show California and America that Solano County is a place of opportunity, a place that reignites our spirit of innovation and optimism, a place that can build. We look forward to working with everyone who wants to ensure that our best days are ahead and that every generation is better off than their parents.

Jan Sramek Founder & CEO

Jan Sronch

Michael Fortney Head of Partnerships



# Exhibit B

Letter from Solano County to California Forever dated October 25, 2024

(attached below)

#### COUNTY ADMINISTRATOR'S OFFICE

**BILL EMLEN**County Administrator
wfemlen@solanocounty.com

**IAN M. GOLDBERG**Assistant County Administrator imgoldberg@solanocounty.com

**DEBBIE VAUGHN**Assistant County Administrator dlvaughn@solanocounty.com

Octobor 25, 2024



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www.solanocounty.com

October 25, 2024

Jan Sramek California Forever 5030 Business Center Drive Suite 209 Fairfield CA 94534

Re: East Solano Formal Application, Submittal Information and Pre-Submittal Comments

Dear Mr. Sramek:

This correspondence is in response to several recent in-person meetings with you and your team where we discussed various alternatives and issues pertaining to resubmittal of an updated version of the East Solano Plan utilizing established County land use review processes. As you are aware, pivoting from an initiative submittal to a traditional land use entitlement request will necessitate significant changes in terms of information required and level of detail provided. In addition, given the magnitude of land use change requested, a robust consideration of alternatives will be an intrinsic component of the review process. Addressed below are the steps and components necessary to initiate the land use process and a review of issues that will need to be addressed.

**Pre-Application Review**: This is an optional step but one that is recommended as we have previously discussed. Pre-application review allows feedback from County staff to your team prior to formal submittal and can help organize and inform what is finally submitted. This phase also would be an opportune time to submit any studies that have been prepared by your team to date for consideration in preparation of an Environmental Impact Report (EIR) for the new community proposal which we all have agreed will be required. It is also an opportunity to further define the project description which is critical to initiating an EIR. Given the complexity of your proposal, there would be value in utilizing this process. Further information on the pre-application process is attached. A reinitiated reimbursement agreement will be required to refresh the pre-application review.

Formal Application Submittal: Should your plans roughly mirror what was submitted for the Initiative, your entitlement request would include a General Plan Amendment and a Specific Plan. The expectation going forward is the Specific Plan would contain significantly more detailed information than what was provided and referred to as a specific plan in the Initiative. The County's list of expected components and details necessary to be considered an adequate application, along with the State Specific Plan Guidelines are attached as are required materials to submit a General Plan Amendment request.

Also attached is the County Fee Schedule for processing a General Plan Amendment and Specific Plan. Please note all fees listed are deposits and will be billed at established hourly rates based on hours expended by County staff and necessary consultants. If the size and complexity of the proposal ultimately exceed deposits and billings during the course of application processing, the added costs based on staff hours will be invoiced on a monthly basis via a new reimbursement agreement established for formal application submittal.

**Development Agreement (DA)**: Your team has expressed interest in negotiating a development agreement with the County. You have the option of filing an application for a DA concurrent with the General Plan Amendment and Specific Plan applications or at a later date based on status of processing the related applications. The DA can trail the EIR process and often findings and mitigation measures identified in an EIR can inform key terms incorporated in the DA. Optimally, the DA will be coordinated with the other entitlement requests so that all can be acted upon concurrently and key DA terms are known. The fee for processing a DA is also included in the attached fee schedule and would be included in the new, formal application reimbursement agreement.

**Environmental Impact Report:** Pursuant to the County's CEQA Guidelines, the EIR would be prepared by a consultant selected by the County with all expenses for preparation of the EIR and associated administrative costs paid by CA Forever. The County will manage all work conducted by the EIR consultant. Given the scope, scale and significant change from the County's General Plan policies and land use map that was proposed in your Initiative, we anticipate several equal weight alternatives will be required for analysis in the EIR. We would consult with your team in identifying and defining the alternatives. The ultimate decisions on which alternatives should be considered in the EIR will be made by the County.

**Funding of Staff Resources**: The County's Resource Management Department will be responsible for processing your applications. Current staffing levels are not sufficient to handle an entitlement request of the magnitude you are pursuing. We anticipate that this will entail a multi-year effort. Initially, we will be requesting that you provide funding to the County to have a planner/project manager position to take on the role of the County's lead in managing the application process. This position would report to and be under the direction of the County's Resource Management Director.

The County may also need to hire one or more additional technical positions such as a civil engineer dedicated to your entitlement requests. The County would request additional funds at the time if it is determined needed for such a position or positions.

Formal Application Process: A General Plan Amendment, Rezoning/Specific Plan and Development Agreement and associated draft EIR can be processed concurrently with public hearings required before the Airport Land Use Commission, Park and Recreation Commission, Planning Commission and the Board of Supervisors. Should the Board, in its sole discretion, approve the applications, they would place the application package before the voters pursuant to provisions of Measure T. Alternatively, if the Board were to take action to deny the applications, you would still have the option to pursue another initiative which could entail either the proposal considered by the Board or an alternative proposal prepared by California Forever.

County's General Plan Update: As we noted in our conversations with your team, the County is planning on launching an update to the County's General Plan in 2025. The scope of the update is being developed and will ultimately be determined by the Board of Supervisors. During meetings with your team, we discussed how the General Plan Amendment you intend to submit will be juxtaposed with the County's overall General Plan Update. The message we received from your team was a preference to proceed with a separate amendment process for your proposed amendment as opposed to being directly integrated into the County's General Plan Update. Such an approach is feasible, and the information included in this correspondence and attachments provide direction on how to proceed with a separate amendment. There will be intersecting analysis involved at various points in the process as both the General Plan Update and your amendment proposal will be known to the public and will have to be considered in the required General Plan CEQA alternative analysis. Such an analysis will be complex but will be necessary to allow for informed decisions on future land use in the County.

**Other Considerations**: The scale and scope of what was proposed in the Initiative has the potential to significantly change the character of Solano County. Assuming you plan to submit a General Plan Amendment similar to what was in the Initiative accompanied by a complete Specific Plan, the following comments are offered as you prepare your application package.

- The proposed urban footprint for the new community shall carefully consider impacts on Travis AFB including the Low Altitude Maneuvering Zone under the Travis Land Use Compatibility Plan.
- The General Plan Amendment should include no more land area proposed for urbanization than can be fully supported and justified by a detailed infrastructure analysis and plan including water supply, circulation, wastewater, stormwater, etc.
- Specific details shall be provided for how the entirely new infrastructure required for the community is proposed to be funded including how much will be funded by the investors and how much is requested to be funded through public financing. If significant use of public financing is being proposed, an objective analysis of cost burdens on future residents including housing costs shall be provided and shall also include an assessment of financial risks to the County. It would be difficult for staff to recommend that the County support any public funding of infrastructure in initial phases of the project given the remote location and complete lack of urban infrastructure in the vicinity.
- If a Specific Plan is proposed, it shall contain clear provisions that future entitlement requests in the new community will be subject to County discretionary review processes including each phase master plan (Policy Plan Overlay, Planned Development or equivalent). The current Board of Supervisors, future boards and the public should not be precluded from having a say on how the new community develops and evolves over time by establishing ministerial review provisions in the proposed Specific Plan that are overly expansive and unrealistic as was proposed in the Initiative. There are simply too many variables, including a multi-decade buildout timeline and size of community to establish such constraints on future Boards and the community.

- Any submittal shall address impacts on adjacent or landlocked parcels surrounded by the new community to ensure existing uses and businesses are not harmed or forced to cease operations.
- Provide a detailed plan on how water, sewer, stormwater, and transportation infrastructure will be initiated and implemented. Government Code § 65451 requires the Specific Plan to include a detailed infrastructure implementation plan that aligns with development and capacity to serve that development.
  - A thorough water supply analysis, including drought resilience strategies, which demonstrate the physical and legal availability of long-term water supplies for the entirety of the proposed community was substantially missing from the Initiative. This includes an analysis of impacts on local groundwater supply. This information will be expected in the formal submittal.
- Provide plans for how loss of agricultural lands will be mitigated. Exact mitigation ratios to be determined by County ordinance and detailed site analysis of area you propose to urbanize.
- Provide a detailed plan for how the public will be engaged, including compliance with the County's Good Neighbor Policy.

Since the County never had a formal opportunity to comment on the prior Initiative, I offer the following comments for your consideration:

- The Initiative lacked specific timelines establishing when various development phases will occur, including housing, infrastructure, and public services. California Government Code § 65451 requires standards and criteria by which development will proceed, which here would entail a phased development plan to align the delivery of services and infrastructure with the community's growth. A detailed phasing plan will be required.
- The Specific Plan in the Initiative lacked discussion of affordable housing policies and how they will be implemented in the new community consistent with the County's Housing Element and State Law, including to meet the regional housing needs assessment (RHNA) for low, very low and moderate income housing. It is expected that such information at sufficient detail will be provided in a Specific Plan submittal.
- The Initiative lacked a clear phasing plan for schools, parks, County health and social services, public safety and other public services tied to specific population thresholds. The Specific Plan must outline the provision and timing of public services like education, parks, and public safety in a meaningful way.
- The Initiative did not include adequate standards for protecting or managing open spaces and conservation areas. The Specific Plan must include open space planning for the preservation of natural resources, outdoor recreation, and public health and safety.

- The Initiative lacked detailed air quality analysis and specific measures to reduce greenhouse gas (GHG) emissions. This information will be required for the submittal.
- There was no specific measurement system for tracking job creation, industry attraction, or economic development in the Initiative. The Specific Plan must include a measurable economic development strategy to ensure job creation and economic stability as well as anticipated absorption rates.

Once you have had a chance to review the submittal requirements and pre-submittal suggestions and comments based on the prior Initiative, County staff would be happy to sit down with you and elaborate on process expectations and timelines. We hope the information is helpful and look forward to meeting with your team when you are ready.

Sincerely,

Bill Emlen

County Administrator

Attachments:

Specific Plan Requirements General Plan Amendment Specific Plan Development Agreement

EIR Application materials and fees

Cc: Solano County Board of Supervisors
Bernadette S. Curry, Solano County Counsel
James Bezek, Solano County Director of Resource Management
Gabriel Metcalf, California Forever, Head of Planning
Mike Fortney, California Forever, Head of Partnerships