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REPORT TO LAW & LEGISLATION COMMITTEE City of Sacramento

915 I Street, Sacramento, CA 95814-2671

CONSENT
December 6, 2005

Honorable Members of the
Law and Legislation Committee

Subject: Approval to Pursue Legislation for Environmental Streamlining for the
Sacramento Intermodal Transportation Facility

Location/Council District:
Vicinity of 5th and H Streets, District 1

Recommendation:

This report recommends that the Law and Legislation Committee approve pursuing state legislation to streamline the environmental review process for the Sacramento Intermodal Transportation Facility (SITF).

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Presenters: Carol Shearly, Planning Director, 808-5893
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Department: Planning and General Services

Organization No: 4812

Summary:

Streamlining measures of the environmental review of the SITF are proposed to advance the project. These measures would not affect the quality and integrity of the review process, but they would reduce redundancy, result in savings in time and cost and position the project for implementation. Staff proposes to seek State legislation specific to the environmental review of the SITF. This legislation would allow project phases previously reviewed in a programmatic environmental impact report (EIR) prepared in accordance with the California Environmental Quality Act (CEQA), and in a project-level environmental study prepared in accordance with the National Environmental Quality Act (NEPA), to be exempt from an additional CEQA project-level review.

This report recommends that the Law and Legislation Committee approve pursuing state legislation to streamline the environmental review process. The SITF is one of

the City's top legislative priorities as approved by the Mayor and City Council. While it's difficult to estimate the exact benefits of streamlining the process, potential savings in time could be as much as 24 months and in cost could range between \$200,000-\$500,000.

Committee/Commission Action: None.

Background Information:

The Project

The SITF is envisioned as a regional transportation center situated adjacent to the relocated Union Pacific rail tracks in downtown Sacramento. It will be a transit hub serving many types of transportation with high levels of service and connectivity – Amtrak trains, Capitol Corridor trains, light rail transit, local buses, intercity buses, bicyclists, shuttles, pedestrians, automobiles and future high-speed rail, regional rail service and trolleys. Incorporating the Historic Depot and new facilities, it will also be a landmark destination with plazas, public spaces, retail and office development as well as a gateway to and from the region.

In late 2004, City Council approved a concept design for the SITF. Subsequent steps include environmental review, design, and construction. The City will develop this public project in phases in conjunction with, or parallel to, the private Railyards development project.

The SITF enjoys wide support throughout the community. Many groups and individuals have urged the City of Sacramento to look for ways to proceed directly with the implementation of the transportation center. This desire, coupled with state and federal objectives to streamline the environmental processes, has lead to this proposal to streamline the process for the SITF.

The Environmental Review Process

CEQA allows the preparation of a program EIR for a series of actions that are characterized as one large project and related geographically or as logical parts in a chain of contemplated actions. Therefore, the City proposes preparation of a programmatic EIR to address the SITF and Railyards projects in order to avoid duplicative reconsideration of basic policy considerations, allow a more exhaustive consideration of the effects and alternatives than would be practical in individual EIRs, and ensure consideration of cumulative impacts that might be slighted in a case-by-case analysis. A program EIR is proposed because of the adjacency and close timing of the two projects, the need for similar studies, and as a means to address efficiently common site conditions. It will also examine the impacts of the proposed revisions to the current plans for the area, including a change in the location of the SITF from North 7th and North B Streets (per the 1994 Railyards Specific Plan) to near 5th and H Streets.

It is anticipated that the issues of land use, traffic and circulation, cultural and historical resources, public services, biological resources, hazards and hazardous materials, agricultural resources, geology and soils, land use and planning, mineral resources, noise, and recreation can be addressed at a programmatic level for the SITF and Railyards projects.

Once the program EIR is certified, CEQA requires a project-level environmental review of subsequent projects on the site to analyze the environmental effects of the later activities that were not examined in the program EIR or need an additional, project-level review of the effects addressed in the program EIR.

The City will use federal funds for a portion of the construction of the SITF facilities. The use of federal funds triggers the need for an environmental review in accordance with NEPA. Therefore, the SITF could result in the preparation of both a project-level CEQA environmental document, an Environmental Impact Report (EIR)) and a project-level NEPA environmental document.

The NEPA legislation preceded the CEQA legislation. CEQA, which is known as a 'little NEPA', is modeled on the federal legislation. The required environmental review and the public review process are very similar, with NEPA requiring additional levels of review, such as an examination of the potential economic and social impacts of a project. NEPA also requires public review of the final environmental document, a step not required by CEQA.

Rather than provide redundant environmental review of the SITF by the preparation of both CEQA and NEPA documents, the City proposes to use the NEPA process for the project-level environmental review. Section 15260 of CEQA lists the Statutory Exemptions from CEQA that are granted by the State legislature. If the streamlining process is approved by the City and the exemption of the SITF from a project-level CEQA review is passed by the legislature, the exemption would appear as legislation in this section of CEQA.

Environmental Streamlining

Advantages:

The proposed streamlining of the environmental process would advance the SITF without a loss of quality, integrity in, or public review of, the environmental review process. Advantages include:

- **Reducing redundant review** – Federal and State agencies are allowed to streamline environmental processes to the extent possible. Minimizing duplication, preventing multiple documents, and bureaucratic red tape are encouraged.
- **Environmental process retains quality and integrity** – In both CEQA and NEPA project-specific studies, the procedural steps, items analyzed,

determination of impacts, mitigation requirements, and public reviews are very similar. Therefore, the depth and breadth of the environmental analysis could be maintained with a single assessment. The process would not be compromised or weakened. In the case of the minor differences, the City could work with the federal agency to adopt the more rigorous measures and its specific thresholds of significance and standard mitigation measures. The City could also incorporate other items that support streamlining, such as including measures to reduce environmental impacts into the project description.

- **Advantage in gaining federal support** - The streamlined process would allow the SITF project to be approved in a more timely manner and would reduce exposure of the environmental review process to legal challenges. Most importantly, the process would allow the SITF to get in line for federal funding quicker, a criterion that is increasingly valued when competing for funds.
- **Savings in time and cost** - If redundant project-level analyses are not needed, there would be timesavings for preparers and reviewers in preparing, reviewing, and processing the work. Similarly, cost savings are anticipated by needing less coordination, labor, report production, distribution, and supplies. A shorter time to project construction would help ensure that the additional costs due to the escalation of construction materials and labor could be reduced. Specific savings are difficult to estimate due to many variables.

Concerns:

Any proposed changes or improvements to an established process can raise questions. In this case, there may be concerns that there will be less disclosure about the project, the public's opportunity to comment will be affected, or a precedent is set for other projects in the City, or the change may only be marginally beneficial.

Because NEPA is not used in the Sacramento area as much as CEQA, the public is less familiar with the process; and therefore, using it for the project-specific assessment may generate resistance.

However, through a public outreach program, the City can help overcome these concerns. An open, public process, as required by NEPA for the environmental review of the proposed SITF, can also help allay public concerns.

Implementing Streamlining

If the Law & Legislation Committee approves staff recommendation, staff would work with a local legislator to introduce State legislation in the 2006 session. It is noteworthy that several other California jurisdictions have followed this model for their projects, including Pac Bell Park, Mission Bay, and Jack London Square.

This proposal has been widely distributed for public comment. It was sent to the SITF's community and technical stakeholder groups, environmental and community

organizations and other individuals and agencies. It was presented to Save Our Rail Depot (SORD) in spring 2005 and to the Alkali Flat/Mansion Flat Neighborhood Association on November 10, 2005. On December 7, 2005, the City will make a presentation to the ECOS General Board. There has been no significant opposition to this concept received prior to this report preparation.

Conclusion

The proposed streamlining measures would eliminate redundancy and enable the SITF to obtain clearances in a more timely manner without compromising the environmental process.

The SITF is one of the City's top legislative priorities as approved by the Mayor and City Council. While it's difficult to estimate the exact benefits of streamlining the process, potential savings in time could be as much as 24 months and in cost could range between \$200,000-\$500,000.

Financial Considerations:

Potential savings in time could be as much as 24 months and in costs could range between \$200,000-\$500,000.

Environmental Considerations:

See discussion above.

Policy Considerations:

The SITF is one of the City's top legislative priorities as approved by the Mayor and City Council.

Emerging Small Business Development (ESBD):

None.

Respectfully Submitted by:



Carol Shearly, Director of Planning

Recommendation Approved:



Ken Nishimoto, Assistant City Manager