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Solano County Board of Supervisors
Bill Emlen, Solano County Administrator
675 Texas Street, Suite 6500
Fairfield, CA 94533-6342

July 11, 2024

Dear Chairman Mashburn, Board Members and Mr. Emlen,

Thank you for the opportunity to respond to the Board of Supervisors request of July 1, 2024, regarding anticipated impacts to the seven cities in the county associated with the California Forever ballot initiative. The City of Vallejo does have concerns about the impacts Vallejo may face due to the proposed legislation.

As the Board has correctly noted, potential fiscal and other impacts of the proposal are not limited to impacts within the unincorporated area of the county. The City of Vallejo is deeply concerned about potential impacts within the City of Vallejo. Unfortunately, we have very little detailed specifics about this monumental potential development, nonetheless, the City has initially identified several fairly obvious areas of impact to the City that need to be studied in detail.

Water Related Impacts

As you may be aware, the Vallejo Water Department supplies drinking water to all commercial and residential development in Vallejo. In addition, the City of Vallejo has been the sole purveyor of drinking Water to Travis Air Force Base for over 70 years. The City controls several water rights through which Vallejo serves its current customers which will also be used to service future residential and non-residential development. In addition, both as a water purveyor and as a member of the Solano County Water Agency, water resources planning, and implementation are of vital importance to the health, safety and welfare of our residents, workers, and businesses.

It is extremely unclear how California Forever proposes to serve the contemplated massive development with what will undoubtedly be a large quantity of water and how such water is proposed to reach the designated Project area. We have just suffered through a multi- year drought resulting at times in the curtailment of water availability to much of the County. Adding the contemplated additional development has the potential to exacerbate this situation dramatically. Further, assuming that existing water right holders in Solano County are either unwilling or unable to provide water either directly or through water exchange agreements to

California Forever, what is the plan to address the non-availability of this precious water resource? Water supply is used by Vallejo's own economic development. Water resources planning anticipates Vallejo growth over the next two decades based on existing projections. Impacts associated with California Forever would result in changes to these projections. If water agencies, including Vallejo, were asked to sell, trade, treat, or deliver water to the Project, additional supply and infrastructure impacts would exist. Existing infrastructure would be overtaxed and would likely need to be upgraded, replaced, or enhanced and existing supplies could be insufficient. Any and all such plans would need to be looked at in light of existing and future planned development in Vallejo itself as well as in the rest of Solano County.

In addition, California Forever has purchased parcels adjacent to Vallejo Water infrastructure critical to the Water Department's provision of drinking water to the Travis Air Force Base. The proximity of potential new development to this critical infrastructure raises issues relating to safety and security, as well as the potential to damage existing infrastructure. The fiscal impact on water is currently unknown and could negatively impact the City. Without more details we are unsure of the dynamics of the impacts.

Economic Development and Fiscal Impacts

As you are aware, the City of Vallejo is the most diverse City in Solano County and the most diverse overall among medium sized Cities in the Nation. Vallejo contains several disadvantaged communities within its corporate limits and the City already struggles to provide needed services and desired development to these communities. The California Forever proposal has the very real possibility of exacerbating this situation, thereby having a disproportionate impact on our minority and disadvantaged communities. Creating a new community with resources designed specifically to attract upscale development will likely draw needed development away from Vallejo and other Solano County cities. Such competition for development could have disastrous consequences in our poorest communities.

Not only will the competition for development have a direct effect by making it less likely that needed commercial opportunities will reach our disadvantaged communities, but the fiscal impact associated with such loss of commercial opportunities will create additional challenges to the City meeting the needs of the community. Vallejo would potentially lose property tax revenues and sales tax revenues from retail leakage while gaining increased costs associated with rising infrastructure costs, further deferred maintenance (and the increased costs associated therewith), and increased material costs.

The City of Vallejo's Waterfront, Downtown and former military base on Mare Island are all slated for revitalization. The proposed project could negatively impact these efforts by drawing private development investment interest away from these important projects, resulting in major impacts to the City of Vallejo's long term economic development and future revenues.

The proposed project will compete with Vallejo as its envisioned 400,000 residents and 15,000 jobs has the potential to cannibalize jobs that would otherwise be captured in Vallejo, (on Mare

Island, the Waterfront, and Downtown in particular). This fiscal impact could be detrimental to the City's ongoing economic revenues far into the future.

Housing Impacts

The proposed project may weaken the housing market in Vallejo by creating substantial supply in the same region. The preliminary land use element of the Mare Island Specific Plan envisions more than 15,000 jobs and over 10,000 housing units that may be negatively impacted by the California Forever proposal, due to the influx of thousands of housing units in close proximity to Vallejo. In addition, with more than 400,000 new residents envisioned by California Forever, it is unclear how the influx of those new housing units and residents will impact the Jobs/housing balance of the other communities in Solano County. The success of the City's Waterfront and Downtown Specific Plan development will also potentially be affected as these projects all have a similar buildout timeframe as California Forever.

Building at the rate contemplated, will likely increase construction costs by affecting the availability of material supplies, delay in the delivery of materials, as well as the availability and costs of construction labor in the area similar to the circumstances felt after the 2017 wildfire rebuilding efforts. This circumstance has the real possibility of creating additional and perhaps un- addressable costs that will both drive up the cost of housing and create new challenges to the provision of affordable housing in the region. The impacts this may create on the ability of the cities in Solano County to meet their RHNA numbers should be studied.

Public Safety and Staffing Impacts

It is well known that the City of Vallejo is in an ongoing staffing crisis. The City is currently experiencing an overall 30% vacancy rate in City staffing positions. Further and perhaps more critically, Vallejo has declared a public safety staffing emergency relating to staffing within the Police Department. Adding a new community of ultimately 400,000 new residents as well as recreational and commercial development will require the hiring of a substantial number of public safety employees (Police and Fire) which may have a significant impact on the ability of other jurisdictions in Solano to recruit and retain public safety personnel. Even the first phase of the proposal could trigger these impacts. The potential short and long term impacts are beyond critical for Vallejo.

As with all other public entities in the state, Vallejo relies upon the ability to recruit and retain staff to be able to deliver services to our residents, businesses and visitors. Any negative impact to our already challenged staffing could have significant negative effects on the health, safety and welfare of our community.

School Impacts

The Vallejo Unified City School District is currently struggling with enrollment and funding. The California Forever Proposal could exacerbate these issues further by drawing additional

enrollment from Vallejo. Losing further enrollment will continue to affect our jobs and Economic Development revenues into the future.

Energy and Transportation Impacts

Energy and Transportation are also areas that should be included in any analysis of the California Forever proposal. A development of this magnitude in the timeframe under consideration will undoubtedly have an impact on energy supplies and delivery within the region.

Transportation impacts (infrastructure and traffic) are also an area of concern. Interstate 80 (and portions of 780 and 680) are some of the most heavily traveled and impacted interstate segments in the region. Adding the traffic from the California Forever proposal cannot help but exacerbate this situation. Impacts to the ferry system, bus, potential rail and regional highway (Hwy 37, 29) infrastructure will need to be addressed due to the increase in commute traffic triggered by such a large new residential population which will need to commute to employment centers. As a ferry hub, and connection point between the segments of the state highway system, Vallejo's local transportation infrastructure has the potential to be negatively affected.

These comments represent the City of Vallejo's initial comments based upon our limited understanding of the California Forever Proposal. We appreciate the opportunity provided by the County to comment on potential issues that should be included in the County's Election Code 9111(a) report.

Sincerely,



Robert H. McConnell, Mayor of the City of Vallejo City Council

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