

SECTION 4

PROJECT DESCRIPTION

4.1 PROJECT LOCATION

The Hamilton Field Redevelopment Project Area is located in the southeastern portion of the City of Novato, in eastern Marin County, California, approximately 20 miles north of San Francisco (refer to Exhibits 4-1 and 4-2). DODHF Novato consists of approximately 300+ acres on two sites located in two primary areas (refer to Exhibit 4-3). The area west of U.S. Highway 101 known as “Rafael Village” (107.2 acres) is located generally north of and along Ignacio Boulevard. The larger portion of the property, known as the “Mainside” (201.07 acres), is located east of U.S. Highway 101 and south of Ignacio Boulevard. The Redevelopment Project Area includes the DODHF Novato properties described above, as well as the 421-acre New Hamilton Partnership (NHP) Master Plan Area, located north of and adjacent to the DODHF Mainside, east of U.S. Highway 101, and west of the Runway Parcel of the Army Air Field (refer to Exhibit 4-2).

4.2 ENVIRONMENTAL SETTING

The Rafael Village Planning Area is surrounded primarily by the Marin Country Club and Golf Course, and commercial and residential uses. Residential neighborhoods and complexes, including Sunset Hills, Hillside Estates, Hillside Park, Marin Glen, Mackey Terrace Apartments, Country Club Estates, Fairway Apartments, and Domingo Canyon, all comprise surrounding land uses in the area. Two commercial centers surround the area, including Ignacio Center and Pacheco Plaza. A fire station is also located east of the Planning Area, along Ignacio Boulevard, immediately west of U.S. Highway 101.

The Mainside is bordered to the north and east by The New Hamilton Partnership (NHP) Master Plan Area. The NHP Master Plan Area comprises approximately 421 acres of base reuse property planned for mixed use development, including 901 single-family homes and approximately 800,000 square feet of commercial space. In addition, the southeastern boundary of the subject property abuts the 700-acre Runway Parcel of the Army Air Field, owned by the U.S. Army and proposed for November 1999 disposal and reuse as open space and wetland enhancement area. The Golden Gate Bridge, Highway and Transportation District (GGBHTD) owns the railroad tracks and 105 feet of right-of-way which traverses the Mainside in a north-south direction generally parallel to the easternmost boundary of the Navy Property. Surrounding land uses outside the DODHF include the Marin Valley Country Club Mobile Home Park and St. Vincent’s School for Boys to the south, commercial uses to the southwest, Hamilton School to the west, and additional residential uses, including Lanham Village, Silveira Ranch, Marinwood and Pacheco Valley to the southwest and west.

Exhibit 4-1
Regional Map

Exhibit 4-2
Local Vicinity Map

Exhibit 4-3
Land Use Map

The NHP Master Plan Area, which is included in the Redevelopment Project Area in order to implement the reuse and redevelopment of the DODHF Property, is bordered to the south and west by the DODHF Novato Mainside, to the east by the Runway Parcel of the Army Air Field and to the north by residential uses and open space areas, including the Los Robles Mobile Home Park and the Pacheco Pond wildlife refuge area. The Ignacio industrial area, which contains approximately 125 acres of land in three industrial parks (i.e., Hamilton Industrial Park, Bel Marin Commercial Park, and Ignacio Industrial Park), is also located north of the NHP Master Plan Area.

4.3 BACKGROUND AND HISTORY

Hamilton Army Air Field has been closed and under debate for approximately twenty-five years. Many studies have been prepared, including numerous environmental impact documents, master plans and environmental assessments. Historically, up to 40,000 officers comprised the population at Hamilton. Residential accommodation on the overall base remained in use through the mid 1970s. The physical conditions and use of the Navy Property at the time the base closure decision became final consisted of the operation of the family housing assets and personnel support facilities of the former Hamilton Air Force Base (AFB), known as DODHF Novato. A total of 2,448 dwelling units across the entire base met housing demands at its ultimate capacity.

4.4 PROJECT OVERVIEW

The Hamilton Army Airfield Navy Parcels (DODHF Novato) were declared to be excess property under the Defense Base Closure and Realignment Act of 1993. The Navy Public Works Center, the previous owner of DODHF Novato, has sought to dispose of the property in accordance with the Base Reuse Alignment and Closure Act, the McKinney Act and its successor, the Pryor Amendment and the 1994 Base Closure Community Assistance Act.

The Hamilton Army Airfield Reuse Plan was approved in October 1995 (revised November 1996) by the Hamilton Reuse Planning Authority (HRPA) and the City of Novato, which serves as the designated Local Reuse Authority for the planning and implementation of the Reuse Plan. The HRPA was established as part of an agreement between the City of Novato and the County of Marin as a means for the county and the citizens of the region to review and recommend to the City Council positions on issues related to the reuse of the base. Under the terms of the agreement and pursuant to California Planning and Zoning Law, Chapter 1, Article 6, Section 65050, the City of Novato is the responsible contracting and legal authority, acting on behalf of the HRPA, for all legal and financial actions relating to the conveyance and disposition of the base, including the selection of the Master Developer.

The City/County agreement also provided for the creation of a Multi-Agency Board (MAB) comprised of two members of the Novato City Council, one member selected by the Novato City Council, two members of the County Board of Supervisors, and one individual selected by the Board. The role of the MAB is to review County and City staff and citizen-advisory work relative to base reuse issues and make recommendations to the City Council.

The Reuse Plan was prepared under Federal mandates for base closure and does not confer land use entitlements to the property. Rather, the Reuse Plan is a policy document which provides a blueprint of the community's goals for the residential and non-residential lands within the planning area. The Reuse Plan has been incorporated into the Novato General Plan and conforms with the zoning designations on the Property. The Reuse Plan was incorporated into the Hamilton Field Redevelopment Plan as adopted by Ordinance No. 1394 on July 14, 1998 and amended by Ordinance No. 1401 on November 24, 1998. The Reuse Plan contains the basic components of a Master Plan, as outlined in the Novato Municipal Code. In the Redevelopment Project Area, the Reuse Plan acts as a Master Plan. As such, and unless waived by the Novato City Council, the Reuse Plan has been considered, for the purposes of CEQA documentation, a Master Plan for the reuse and redevelopment of Hamilton. The implementing agreements with the Master Developer selected for the redevelopment and reuse of the DODHF Property will incorporate the Reuse Plan as the Master Plan for the Project.

The Reuse Plan represents a compromise agreement between many divergent interests in the community, including homeless support service providers, affordable housing advocates, the residents of adjacent neighborhoods, the County of Marin, environmental organizations, and the City of Novato. The portions of the former Hamilton Air Force Base to be conveyed to the Master Developer include Rafael Village, Capehart/Hillside Housing, San Pablo Avenue site (2.4 acres)¹ and a 2.2 acre portion of the Exchange Triangle. The Reuse Plan's concept for the Property to be conveyed to the Master Developer is a community consisting of:

- ' A maximum of 400 new single-family detached homes;
- ' A maximum of 100 new multi-family senior housing units;
- ' 648 rehabilitated affordable ownership and rental housing units;
- ' New/rehabilitated neighborhood serving commercial uses; and
- ' New/rehabilitated community facilities.

The development of the Project Area shall be integrated with the development of up to 60 transitional housing

¹This site is part of Planning Area 5 of the New Hamilton Partnership Master Plan and shall contain a maximum of 5 detached homes at a density not to exceed 5 dwelling units per acre. An EIR has been prepared for the site with preparation of a Precise Development Plan immediately upon the close of escrow.

units within the Capehart/Hillside Planning Area. Therefore, a total of 708 housing units (i.e., 60 transitional housing units and 648 rehabilitated affordable housing units) will be implemented in the Capehart/Hillside Planning Area.

As previously noted, the Redevelopment Plan for the Hamilton Field Redevelopment Project was adopted in July 1998 by Ordinance No. 1394, and amended in November 1998 by Ordinance No. 1401. The Redevelopment Plan provides the Redevelopment Agency of the City of Novato ("Agency") with powers, duties and obligations to implement and further the program generally formulated in the Reuse Plan. The Redevelopment Plan provides a mechanism by which the Agency can utilize a range of projects and programs and work with residents, businesses and property owners, to alleviate the blighted conditions which exist in the Project Area.

The overall reuse planning of the military base has reached a stage in the planning process where an Offer to Purchase the DODHF Property has been submitted by the NPFA and was accepted by the U.S. Navy and approved by Congressional Staff; the Navy property is currently in escrow.

The City of Novato, the Redevelopment Agency and the Authority have jointly engaged in a Master Developer selection process. The Authority will enter into a Purchase Agreement (PA) with the selected Master Developer to finance the acquisition of the Navy Property and its transfer to the Master Developer. The City will enter into a Development Agreement (DA) with the Master Developer to provide for the subsequent planning, entitlement and ultimate disposition of the property for reuse in accordance with the adopted Reuse Plan (revised November 1996), the Redevelopment Plan, and all entitlements approved by the City for the property thereto. The Agency proposes to enter into an Owner Participation Agreement (OPA) with the selected Master Developer, setting forth the terms and extent of Agency assistance to the Project subject to the Master Developer's compliance with the terms of the DA. City Council selection of the Master Developer is anticipated to be complete by October 1999. Upon selection of a Master Developer, the final terms and conditions of the PA, DA and OPA will be determined as approved by the NPFA, City, and Agency. Under the terms of the PA, the selected developer will be required to purchase the Navy Property as early as November 1999.

4.5 RELATED PROCESSES AND DOCUMENTATION

NHP Master Plan

A Master Plan for the NHP properties was prepared October 15, 1993 and revised May 1994 (refer to Exhibit 4-4). The NHP Master Plan was approved by the Novato City Council in May 1994. The NHP Master Plan involved the demolition of existing on-site abandoned structures and the provision of residential,

Draft Environmental Impact Report

retail/commercial center, flex/office space, rehabilitated offices, campus offices, open space, wetlands, and open space/park land uses, and associated improvements. Subsequently, NHP proposed a

Exhibit 4-4

NHP Master Plan Area

land use change to the approved Master Plan that would alter the land use designation of Parcel 2 from Office (as approved) to single-family detached (nine units/acre) and proposed the addition the seven acres adjacent to the Master Plan Area, which required a General Plan Amendment. The additional seven acres proposed for inclusion in the Master Plan Area included the approximate three-acre Navy Parcel located at the southwest corner of San Pablo Avenue and Hangar Avenue, which would be designated for single family detached housing units (nine units/acre), and the four-acre Army Parcel located south of the Coast Guard Site and east of Parcel A, which would be combined with the 1.2-acre Parcel A and designated for office uses (100,000 square feet). These amendments to the NHP Master Plan were approved by the Novato City Council on January 15, 1998.

Although the NHP Master Plan Area is included in the Redevelopment Plan Area boundaries for the purpose of facilitating the reuse and redevelopment of the DODHF properties, the NHP Master Plan is not part of the Agency's proposed CEQA Project. All NHP Master Plan environmental impacts have been analyzed in prior CEQA documents for the Mater Plan. A brief summary of CEQA compliance documents for the NHP Master Plan is provided below:

- ' *Hamilton Field Project Final Subsequent EIR* (March 1993) - This Subsequent EIR was prepared for a Master Plan proposal submitted by the New Hamilton Partnership with the Martin Group as Project Manager, in October of 1992. Two schemes for the design and construction of a mixed use commercial and residential development linked with open space and vehicular/pedestrian corridors were evaluated in the EIR.

- ' *Addendum to the Final Subsequent EIR, Hamilton Field Project* (May 1993) - This EIR Addendum was prepared at the request of the Novato Planning Commission, and included three parts. The first part contained responses to written comments on the Final SEIR submitted at the Public Hearing of April 12, 1993. The second part, described and evaluated the environmental impacts of a third reduced density alternative presented by the Planning Commission. The final part contained a series of infrastructure drawings and survey of existing on-site trees.

- ' *Addendum No. 1 to the Final Subsequent EIR, Hamilton Field Project* (December 28, 1994) - This EIR Addendum was prepared to address three land use changes to the NHP Master Plan Project. The first change involved relocating 100,000 square feet of office uses from the intersection of Palm Drive and Hangar Road to a location adjacent to the Coast Guard Hangar on the Army A-4 Parcel, which was added to the Master Plan. The second change involved redesignating the land use at Palm Drive and Hangar Road from office to single family detached. The third change involved adding the 2.4-acre San Pablo Avenue Site and designating it for single family detached housing.

The NHP Master Plan Area properties were transferred from the Army to the New Hamilton Partnership in a series of conveyances commencing in June 1995 and expected to be completed in April 1999. Phase I of the Master Plan Project, which generally includes the area south of Main Gate Road, commenced in July 1995 and is currently under construction. Buildout of Phase I is anticipated to be completed in the year 2000. Phase II of the Master Plan Project, which generally includes the area north of the Main Gate Road, commenced in August 1997. Full buildout of the NHP Master Plan Area is anticipated to occur in the year 2001.

Hamilton Wetland Restoration Plan EIR/EIS

As described in the *Hamilton Wetland Restoration Plan EIR/EIS*, (August 4, 1998), the Hamilton Wetland Restoration Plan was proposed by the California State Coastal Conservancy, San Francisco Bay Conservation and Development Commission and the U.S. Army Corps of Engineers to restore tidal marsh habitat and reestablish important ecological functions at a 900-acre site located within the San Francisco Bay Estuary and including the Hamilton Army Airfield Parcel. The objectives of this Project include ensuring no net loss of wetland habitat functions presently provided at the Hamilton Army Airfield Parcel. The U.S. Army anticipates transfer of the Airfield Parcel to the Coastal Conservancy by the year 2000. A condition of this transfer is remediation of contamination at the site. As a result, the Airfield Parcel is undergoing investigation and remediation of contaminated areas. All sites known to be contaminated will be remediated by the U.S. Army to levels that meet federal, state and local regulations and protect human health and the environment, and shall be certified to be clean by proper authorities before they area transferred, sold or reused. Since the Army Airfield Parcel is not subject to the conveyance of the Navy-owned property on DODHF Novato, these effects are not evaluated in this Draft EIR.

Remediation of Navy-Owned Properties

Prior to property disposal, DODHF Novato must undergo contaminated site cleanup. Remediation of contaminated sites at DODHF Novato is the responsibility of the Navy, and site characterization and remediation is ongoing. Remediation of all sites will be complete before transfer of the property from the Navy.

Facilities at DODHF Novato may be leased on an interim basis prior to Navy disposal. Interim use of facilities by a non-Navy entity prior to property transfer can be accomplished through the execution of leases, licenses or permits. Interim uses cannot preclude any further Navy options or irrevocably commit resources, per the Military Leasing Act of 1956 (10 USC 2667). Prior to any leasing or permitting, the Navy must complete a Finding of Suitability to Lease (FOSL), documenting that the facility is safe and suitable to use. Appropriate NEPA and related documentation would be completed prior to potential Navy approval of interim

leases or parcel transfers.

Finding of Suitability to Transfer (FOST) documents will be completed for all parcels within the 300+ acre Reuse Plan/Redevelopment Plan Area prior to their transfer from the Navy. The purpose of these FOSTs is to document environmental findings regarding the proposed transfer by deed of property at DODHF Novato and to determine whether the proposed transfer of such property is consistent with the protection of human health and the environment. FOSTs for the DODHF parcels proposed for transfer will occur in a total of five phases. FOST Phases I through IV addressed all DODHF parcels with the exception of a portion of the Commissary Triangle Planning Area, which will be documented in FOST Phase V (anticipated to be completed by July 1999). The FOSTs establish that the subject properties have been adequately assessed and evaluated for (a) the presence of hazardous substances and petroleum products and contamination on the properties, and (b) the adequate use of restrictions and notifications to ensure that the use is consistent with protection of human health and the environment. The status of the environmental clean-up processes is described in detail in Section 5.4, Hazardous Materials.

4.6 PROJECT CHARACTERISTICS

The Federal Government desires to complete the transfer of the Navy Property to the NPFA by November of 1999 based on completion and approval/adoption of the following actions:

- ' Completion of an Environmental Impact Statement (EIS) and a Disposal Record of Decision. Status: Completed June 1998.
- ' Completion and approval of a Reuse Plan. Status: Completed and adopted October 1995, Revised November 1996.
- ' Issuance of a Finding of Suitability to Transfer (FOST). Status: In Progress.
- ' Completion and acceptance of an Offer to Purchase. Status: Completed October 1998.
- ' Completion of a Purchase Agreement between the NPFA and the Master Developer. Status: Conceptual Draft Completed.
- ' Selection of a Master Developer. Status: In Progress.
- ' Completion of a Development Agreement between the City of Novato and the Selected Master Developer. Status: Conceptual Draft Completed.
- ' Completion of an Owner Participation Agreement between the Agency and the Master Developer. Status: Conceptual Draft Completed.
- ' Completion of a Redevelopment Plan. Status: Completed and adopted by Ordinance No. 1394, July 1998 and amended on November 24, 1998 by Ordinance No. 1401. The Reuse Plan was incorporated in the Hamilton Field Redevelopment Plan.
- ' Completion of a Program EIR addressing implementation of the Reuse Plan pursuant to the

Redevelopment Plan and the implementing actions in furtherance of the Reuse Plan and Redevelopment Plan. Status: In Progress.

A description of the components of these actions, including the conveyance of DODHF Novato properties, implementation of the Reuse Plan, Redevelopment Plan and implementing actions is provided below.

Conveyance of DODHF Novato Properties

The NPFA, in conjunction with the Agency and the City of Novato, has successfully concluded an agreement with the Secretary of the Navy, Department of Defense (the "Navy"), and entered into an Offer to Purchase with the Navy for the acquisition by the NPFA of approximately 300+ acres of the former Hamilton Air Force Base which is generally referred to as the Department of Defense Housing Facility (DODHF Novato) and related improvements (the "Navy Property"). The Navy has secured congressional approval of this transaction; the Navy Property is currently in escrow. The decision of the Federal Government to close the Navy property became final in 1993. The 300+ acre DODHF Property includes the Rafael Village area, Capehart/Hillside Housing areas, a portion of the Exchange Triangle and the San Pablo Avenue site. It excludes areas to be retained in Federal ownership, such as the Spanish Housing area (to be transferred to the U.S. Coast Guard), the U.S. Army-owned air field, and Hospital Hill, as well as the NHP Master Plan Area and those areas to be conveyed through either a Public Benefit Discount Conveyance or Economic Development Conveyance. The conveyance relates to Navy-owned property only. The NHP Master Plan Area properties were transferred from the Army to the New Hamilton Partnership in a series of conveyances commencing in June 1995 and expected to be completed in April 1999 (see Exhibit 4-5).

Several of the Planning Areas contemplated in the Reuse Plan (i.e., the Commissary Triangle, Town Center, Bowling Alley, Officer's Club, and Ballfields) will be transferred as Public Benefit Discount Conveyances. Under the proposed Public Benefit Discount Conveyances, the Navy will sponsor these properties for uses that would benefit the public and will convey these properties to the City of Novato or other qualified entities at less than fair market value. These areas are not included in the approximate 300+ acres of DODHF Novato to be conveyed to the Master Developer. However, the Planning Areas proposed for Public Benefit Discount Conveyances are included in the Reuse Plan and Redevelopment Plan, and are therefore evaluated in this EIR.

Areas proposed to be conveyed via Public Benefit Discount are illustrated on Exhibit 4-5. The conveyance of these Planning Areas is subject to the completion of parcel-specific Finding of Suitability to Transfer (FOST) documents (refer to Section 4.5). The conveyance of parcels within the Planning Areas identified in Exhibit 4-5 is anticipated to be completed by mid Year 2000.

Exhibit 4-5
DODHF Novato Real Estate Disposal Summary

Reuse Plan

The Reuse Plan (adopted October 1995, revised November 1996) can be characterized as promoting adaptive reuse of existing buildings and retention of existing land use patterns. Following the transfer of the approximate 300+ acres of DODHF Novato from the Navy to the NPFA, the Reuse Plan contemplates adaptive reuse of housing (including a temporary housing facility for homeless people, transitional housing, affordable and market rate housing) and related uses similar to the housing uses that existed on the property at the time of the base closure decision, with only minor changes in uses of some of the buildings and parcels. The 503 existing housing units in Rafael Village would be demolished and replaced with 500 new housing units. Fifteen percent of these units would be deed restricted at moderate income levels, under the terms of the Offer to Purchase between the Navy and the NPFA. For the balance of the Navy Property, buildings would be rehabilitated and brought into conformance with local codes. Approximately 648 vacated Capehart/Hillside housing units would be rehabilitated and would be rented and sold to very low, low, and moderate income households. An additional 60 units located within the Capehart/Hillside area would be rehabilitated and leased by the City to transitional housing providers. The location of these units have been previously determined and are identified on Exhibit 4-5. The Reuse Plan also provides for the development of a limited amount of neighborhood-serving commercial uses (approximately 20,000 square feet). Basic infrastructure serving the Navy Property would be upgraded. Open Space and other amenities would be added. Approximately 157 acres of the Navy portions of the former Base would be retained in Federal ownership.

The NPFA will require the Master Developer to post the deposit and security for the acquisition price payable to the City of Novato for the DODHF Property and to undertake, at the cost of the Master Developer, interim property maintenance, planning, precise development plans, tentative maps, design review applications, any environmental review for approvals not specifically addressed in this Program EIR, and other entitlements for the DODHF property consistent with (to the extent feasible) the Reuse Plan for the Property. To facilitate selection and securement of a Master Developer, the Agency initiated preparation of this Draft EIR to address the CEQA compliance requirements associated with implementation of the Reuse Plan and the Redevelopment Plan including execution and implementation of a PA, DA and OPA.

The Reuse Plan identifies 10 Planning Areas (see Exhibit 4-6) and a runway area at the former Hamilton Air Force Base. Only the community reuse of the eight Navy-owned Planning Areas (Rafael Village, Capehart/Hillside Housing, the Commissary Triangle, the Exchange Triangle, Town Center, Bowling Alley, Officer's Club and Ballfields) will be evaluated in this Draft EIR as these are the Planning Areas currently proposed to be transferred from the government for reuse in accordance with the adopted Reuse Plan. The Commissary Triangle, Town Center, Bowling Alley, Officer's Club, Ballfields and a 25.8-acre portion of the Exchange Triangle are proposed to be conveyed via Public Benefit Discount Conveyances.

Exhibit 4-6
Planning Areas Map

The areas proposed for transfer as Public Benefit Discount Conveyances are not included in the approximate 300+ acres of DODHF Novato to be conveyed to the Master Developer. It should be noted that the reuse of the NHP Master Plan Area was previously evaluated in the *Hamilton Field Project Final Subsequent EIR*, dated March 1993, and an *Addendum to the Final Subsequent EIR*, dated December 28, 1994. Additionally, the San Pablo Avenue Site, a currently undeveloped site included within the NHP Master Plan Area and designated for single-family detached homes at a density not to exceed 5 dwelling units per acre, was previously analyzed in an EIR addendum completed for the NHP properties (*Addendum No. 1, Final Subsequent Environmental Impact Report, Hamilton Field Project*, December 28, 1994). This Draft EIR describes the environmental effects associated with the inclusion of the NHP Master Plan Area, including the San Pablo Avenue Site, into the Redevelopment Plan Area, but does not address the physical impacts associated with the community reuse of the NHP Master Plan Properties because the NHP Master Plan is not part of the Agency's proposed CEQA Project and it has been determined that these effects have been adequately addressed in previous EIRs.

The environmental effects of the restoration of wetlands areas and the creation of open space on the 644-acre U.S. Army-owned airfield parcel located east of the Reuse Plan Area were addressed in the *Hamilton Wetland Restoration Plan EIR/EIS*, prepared by Jones & Stokes Associates, Inc. for the California State Coastal Conservancy and U.S. Army Corps of Engineers, August 4, 1998. Since the Army Airfield Parcel will be retained by the Federal Government and is not a part of the reuse project which is the subject of this Draft EIR, these effects are not evaluated in this Draft EIR. The environmental effects associated with the Hamilton Wetland Restoration Plan, in combination with impacts associated with the Project (i.e, the Reuse Plan, Redevelopment Plan, PA, DA and OPA), are described under Cumulative Impacts, Section 6.

The 10 Planning Areas included in the Reuse Plan have been previously analyzed in the EIS and are described below.

Planning Area 1: Rafael Village

Rafael Village consists of approximately 107.2 acres located west of U.S. Highway 101 and along Ignacio Boulevard (see Exhibit 4-7). This property currently consists of 503 vacated residential units, as well as nonlinear streets and mature landscaping. The development generally consists of single-family units in the western portion and duplexes and triplexes in the eastern portion of the Planning Area. The Planning Area is a part of the DODHF Property to be conveyed from the Navy to the NPFA under the Offer to Purchase and will be subsequently conveyed from the NPFA to the Master Developer through the PA. The Reuse Plan calls for the demolition of the 503 existing units and for the property to be redeveloped with up to 400 single-family homes and 100 multi-family units, as well as open space and parkland. Fifteen percent (15%) of the proposed units shall be deed restricted as moderate income housing. The Rafael Village land use

Exhibit 4-7
Rafael Village Planning Area Map

plan identified in the Reuse Plan includes 275 low density single-family homes at a maximum of 5 dwelling units per acre, 125 medium density single-family homes at a maximum of 10 dwelling units per acre, and 100 multi-family senior units at a maximum of 20 dwelling units per acre. Under the Reuse Plan, seven acres of parkland would be provided in areas not yet designated, and seven acres of open space would be provided along Ignacio Boulevard and San Jose Creek. The Reuse Plan also provides for replacement and upgrading of infrastructure (i.e., roads, water, sewer and utilities) in Rafael Village to a level acceptable to the utility and service providers. While it is believed that the infrastructure must be upgraded prior to redeveloping Rafael Village, the infrastructure improvements may be phased by the Master Developer over time to coincide with the area's construction schedule and in accordance with specified performance standards to be outlined in the Final DA.

Planning Area 2: Capehart/Hillside Housing

Capehart/Hillside Housing consists of approximately 201.07 acres located east of U.S. Highway 101, in the Mainside portion of DODHF Novato (see Exhibit 4-8). The Capehart/Hillside Housing area contains a total of 708 vacated residential units, including duplexes and townhomes. The "Hillside Housing" subarea of Capehart/Hillside Housing consists of 25 buildings with six units per building, or a total of 150 units of the 708 total units in the planning area. The 150 units within the Hillside Housing area were constructed in 1985, as compared to the balance of the Capehart/Hillside units which were built in the 1960's. Capehart/Hillside is characterized by a nonlinear street and residential layout, mature oak trees, rock outcroppings and steep hillside areas. In accordance with the Reuse Plan and under the terms of the Offer to Purchase between the Navy and the NPFA, all of the units within Capehart/Hillside Housing to be rehabilitated shall carry covenants that restrict the incomes of residents and the prices (rents) of the units. The refurbished units would be deed restricted to be occupied by very low to moderate income households in accordance with established income targets (refer to Table 4-1). This portion of the Planning Area will be conveyed from the NPFA to the Master Developer through the PA. The Master Developer will be responsible for coordinating the rehabilitation/renovation of all 708 units within the Capehart/Hillside Housing area. However, title to sixty (60) of the Capehart/Hillside units would be transferred from the Navy to the NPFA as a Public Benefit Discount Conveyance. As such, upon close of escrow, the City/NPFA will retain title to these 60 units for the purpose of providing transitional housing. Therefore, these units are not proposed to be conveyed to the Master Developer. Although the Master Developer will be responsible for coordinating the renovation of these units with the remaining 648 Capehart/Hillside units, financing their renovation will not be the responsibility of the Master Developer. Once rehabilitation/renovation of these units is complete, the units will be leased by the City/NPFA to transitional housing providers. Transitional housing is defined as conventional affordable rental housing with support services that help formerly homeless people, and those at immediate risk of losing their housing, become self-sufficient. The Reuse Plan provides for 6 acres of parkland and 107 acres of open space in Capehart/Hillside.

Exhibit 4-8
Mainside Planning Areas Map

Table 4-1			
Reuse Land Use and Income Plan: Capehart and Hillside Housing			
	Percentage Targets	Rental Units	Ownership Units
Very Low Income (50% of median)	24% of all units	81 3-bed townhome units and 72 2-bed apartments	
Low Income (50% to 80% of median)	49% of all units	72 3-bed townhome units and 72 2-bed apartments	40 2-bed duplexes and 136 3-bed duplex/townhomes
Moderate Income (up to 120% of median)	27% of all units		107 3-bed duplex/townhomes and 68 4-bed duplexes
Park Space		6 acres	
Source: Hamilton Local Reuse Authority, <u>Hamilton Army Airfield Reuse Plan</u> , Adopted October 1995, Revised November 1996.			

The Reuse Plan also provides for replacement and upgrading of infrastructure (i.e., roads, water, sewer and utilities) in Capehart/Hillside Housing to a level acceptable to the utility and service providers. An additional 650 parking spaces would be required to meet City parking code standards.

Planning Area 3: Spanish Housing

Spanish Housing consists of 282 existing homes. Title to these homes would be transferred from the Navy to the Coast Guard, and will be retained as housing for their personnel. This Planning Area is not included in the portion of DODHF Novato conveyed to the NPFA and will not be conveyed to the Master Developer

Planning Area 4: Commissary Triangle

The Commissary Triangle is an approximate 13-acre site that currently consists of nine warehouse-style buildings, including the Commissary (Building 804) and adjacent parking lots. The majority of the Commissary Triangle will be disposed by the Navy to the City of Novato through a Public Benefit Discount Conveyance. This Planning Area will not be conveyed to the Master Developer. The Reuse Plan would reserve the area for community facility and civic uses. Specific uses allowed include the Hamilton Service Center, an 80-bed temporary homeless shelter on 3.9 acres.

Planning Area 5: Exchange Triangle

The Exchange Triangle is a 28-acre area that currently consists of a variety of buildings and extensive parking lots. The Exchange Triangle consists of two sites: a primary site located north and east of the nonmilitary Lanham Village housing development and a secondary site located directly south of Lanham Village at the corner of Main Gate Road and Nave Drive. The two sites in the Exchange Triangle Planning Area contain 14 nonresidential structures, including the exchange building with retail stores, a former credit union, youth centers, a childcare center/tot lot, a former gas station, maintenance buildings, and administration buildings. The Reuse Plan designates 25.8 acres of the site for Community Facility and Civic uses - Special Uses Permitted. This portion of the site will be transferred by the Navy to the Novato Unified School District through a Public Benefit Discount Conveyance; it will not be conveyed to the Master Developer. Specific uses allowed in this portion of the Planning Area include a transit center, library, charter school, homeless shelter, child care facility, and up to 210 units of senior housing. This portion of the Planning Area was included as part of the Reuse Plan and has been previously analyzed in the EIS.

An approximate 2.2-acre site located in the primary Exchange Triangle site north and east of Lanham Village and which previously contained a gas station would be developed by the selected Master Developer as neighborhood-serving commercial uses. This portion of the Planning Area is included in the approximate 300+acres of DODHF Novato which will be subject to the PA and conveyed to the Master Developer.

Planning Area 6: Town Center

The Town Center consists of eight (8) acres located at the terminus of Palm Drive. The Area includes the security/arts building, movie theater, chapel, former infirmary, noncommissioned officers' (NCO) club and former officers' mess. The Area is characterized by mature landscaping and Spanish Eclectic architecture. The Town Center will be disposed by the Navy to the City of Novato through a Public Benefit Discount Conveyance. This Planning Area will not be conveyed to the Master Developer. The Reuse Plan would provide for four acres of the Planning Area to be used as a neighborhood commercial area that could accommodate a theater, offices, cafes, specialty shops, personal service shops, or artist workspaces. Two acres would be used for community facilities, such as the existing chapel, and two acres would serve as a central plaza. This Planning Area was included as part of the Reuse Plan and has been previously analyzed in the EIS.

Planning Area 7: Hospital Hill

Hospital Hill is administered by the U.S. Army. Although addressed in the Reuse Plan, this Planning Area is not included in the portion of DODHF Novato to be conveyed to the NPFA and will not be conveyed to the Master Developer.

Planning Area 8: Bowling Alley

The Bowling Alley Planning Area consists of two buildings on three acres with a parking lot on San Pablo Avenue. The buildings include the bowling alley with gymnasium (constructed in 1945 and renovated in 1982) and the racquetball courts (constructed in 1994). The Bowling Alley Planning Area will be disposed by the Navy to the City of Novato through a Public Benefit Discount Conveyance. This Planning Area will not be conveyed to the Master Developer. The Reuse Plan would provide for the use of the three-acre site for recreation enterprises, such as the existing bowling alley and gymnasium facility. This Planning Area was included as part of the Reuse Plan and has been previously analyzed in the EIS.

Planning Area 9: Officers' Club

The Officers' Club is a five-acre landscaped hillside area that contains the vacant bachelor officers' quarters (BOQ) (constructed in 1934) and a community center (constructed in 1930). The Officers' Club Planning Area will be disposed by the Navy to the City of Novato through a Public Benefit Discount Conveyance. This Planning Area will not be conveyed to the Master Developer. The Reuse Plan would designate three acres for community facilities and civic uses. Specific uses would include a cultural center, community center, library, and/or similar resident-supporting uses. Two acres would be designated as visitor-serving commercial uses. This Planning Area was included as part of the Reuse Plan and has been previously analyzed in the EIS.

Planning Area 10: Ballfields

The Ballfields Planning Area is a 31-acre open space area with partially developed recreational facilities and parking lots. The Planning Area includes four baseball fields, a swimming pool and a poolhouse. The Ballfields Planning Area will be disposed by the Navy to the City of Novato through a Public Benefit Discount Conveyance. This Planning Area will not be conveyed to the Master Developer. The Reuse Plan would designate the entire site as a park and would retain the swimming pool complex for recreational uses. This Planning Area was included as part of the Reuse Plan and has been previously analyzed in the EIS.

Redevelopment Plan

The Agency recently prepared and the City Council adopted a Redevelopment Plan (adopted July 1998, amended November 1998) for the Hamilton Field Redevelopment Project that sets forth the mechanisms by which the Agency can “alleviate the blighted conditions which exist in the Project Area.” The Redevelopment Plan has been amended to include the NHP Master Plan Area within the Redevelopment Project Area boundaries. The San Pablo Avenue Site, a currently undeveloped 2.4-acre site included within the NHP Master Plan Area and designated for single-family detached homes at a density not to exceed 5 dwelling units per acre was retained as Navy property and will be conveyed to the Master Developer as part of the DODHF Property. The San Pablo Avenue Site was previously analyzed in an EIR addendum completed for the NHP properties (*Addendum No. 1, Final Subsequent Environmental Impact Report, Hamilton Field Project*, December 28, 1994). Therefore, although the San Pablo Avenue Site will be conveyed to the Master Developer, the City has determined based on the level of prior CEQA analysis that no further environmental analysis is required with respect to this site. The Redevelopment Project Area is shown in Exhibit 1-1 and consists of all Planning Areas included in the Reuse Plan with the exception of the U.S. Army Airfield parcel and the USCG - owned Spanish Housing and Hospital Hill Planning Areas. As such, the Redevelopment Plan presents a process and a basic framework within which specific plans will be presented, specific projects will be established and specific solutions will be proposed in accordance with the Hamilton Army Airfield Reuse Plan, the NHP Master Plan, the City’s General Plan and other applicable codes and ordinances. The Agency proposes to eliminate and prevent the spread of blight and deterioration in the Project Area through several redevelopment actions, including the following:

- ‘ The acquisition of certain real property;
- ‘ The demolition or removal of certain buildings and improvements;
- ‘ The provision for participation by owners of property in the Project Area and the extension of preferences to business occupants and other tenants desiring to remain or relocate within the Redevelopment Project Area;
- ‘ The management of any property acquired by and under the ownership and control of the Agency;
- ‘ The provision of relocation assistance to displaced Project occupants;
- ‘ The installation, construction or reconstruction of streets, utilities and other public improvements;
- ‘ The disposition of property for uses in accordance with the Redevelopment Plan;
- ‘ The redevelopment of land by private enterprise or public agencies for uses in accordance with the Redevelopment Plan;
- ‘ The rehabilitation of structures and improvements by present owners, their successors and the Agency;
- ‘ Assisting in the construction, improvement and preservation of affordable housing opportunities throughout the community; and
- ‘ The assembly of adequate sites for the development and construction of commercial facilities, and

the resulting increase in employment opportunities.

At this stage in the process, selection of a Master Developer, entry into a DA and an OPA, and the transfers of property pursuant thereto are necessary to provide financing for the acquisition of the property from the Navy and to set forth the process for the future development of the property in accordance with the adopted Reuse Plan and Redevelopment Plan, including planning, environmental compliance and the ultimate disposition and rehabilitation/development of the property.

Purchase Agreement

The NPFA has entered into an Offer to Purchase with the Federal Government for the disposition of the Navy Property to the NPFA for subsequent disposition by sale or lease to others. The Offer to Purchase provides for the concurrent conveyance of the property from the NPFA to a Master Developer upon conveyance of the property from the Navy to the NPFA. The NPFA will enter into a Purchase and Sale Agreement (“PA”) with the Master Developer for the DODHF Property. Under the terms of the PA, the property will be conveyed by the NPFA “as is” to the Master Developer, subject to the covenants and restrictions specified in the deed to the NPFA from the Navy. Under these covenants and restrictions, the sale and conveyance of the property is subject to the environmental baseline survey (EBS) and the Findings of Suitability for Transfer (FOSTs) for the Property (refer to Section 5.4, Hazardous Materials, for a discussion of the EBS and FOSTs for the Property), the Seller (Navy) being responsible for any lead based paint soils remediation at the Capehart/Hillside areas, and the Purchaser (ultimately, the Master Developer, who will hold the NPFA, City and Agency harmless from the cost of asbestos remediation and any other hazardous materials existing or subsequently occurring on the site) being responsible for any asbestos remediation in the improvements. Under the PA, the Reuse Plan will constitute the binding program for moderate, low and very low income housing on portions of the subject property. Therefore, the affordable housing goals specified in the Reuse Plan will be incorporated into the PA. Upon selection of a Master Developer, the final terms and conditions of the PA will be determined and approved by the NPFA.

Development Agreement

The City proposes to enter into a Development Agreement (DA) with the selected Master Developer to finance the acquisition of the Navy Property and its transfer to the Master Developer and provide for the subsequent planning, entitlement and ultimate disposition by sale and lease of the property for reuse in accordance with the adopted Reuse Plan (Revised November 1996) and all entitlements approved by the City for the property thereto. The DA will generally provide that the City will not exercise subsequent discretionary approvals over the development of the site in a manner inconsistent with the terms of the DA. The DA will contain Project-specific requirements to achieve the goals of the Reuse Plan consistent with the selected Master Developer’s accepted proposal. Covenants and restrictions to assure deed-restricted affordable housing will be included. The DA will also set forth the mechanisms to protect the City from

general fund losses or negative fiscal impacts caused by development of the site. The DA will incorporate the Reuse Plan as the Master Plan for the Project. Subsequent discretionary approvals will include, but not be limited to, a precise development plan, parcel and subdivision map, special permits, and design review.

The DA will address issues of phasing and a projected time schedule for obtaining development approvals and commencement and completion of development. Upon selection of a Master Developer, the final terms and conditions of the DA will be determined and approved by the City of Novato.

Owner Participation Agreement

The Agency proposes to enter into an Owner Participation Agreement (OPA) with the selected Master Developer, setting forth the terms and extent of Agency assistance to the Project subject to the Master Developer's compliance with the terms of the DA. Agency assistance will be limited to net tax increments available to the Agency under the Redevelopment Plan. Agency assistance shall be applied first to the achievement of the affordable housing goals of the Reuse Plan, and second, to the provision of infrastructure and public facilities serving the Project. Upon selection of a Master Developer, the final terms and conditions of the OPA will be determined and approved by the Agency and will be subject to final approval by the City of Novato.

4.7 CONSTRUCTION PHASING

The proposed CEQA Project (i.e., implementation of the Reuse Plan pursuant to the Redevelopment Plan, and per the terms and conditions outlined in the PA, DA and the OPA) is anticipated to occur in one or more phases and is dependent on and limited by the financing mechanisms for Project development, infrastructure, rehabilitation costs and public services, agreed to by the City of Novato and Agency and the Master Developer ultimately selected by the City of Novato. It is anticipated that implementation of the Reuse Plan could begin as early as November 1999, with probable demolition of the housing units within Rafael Village occurring first, followed by development of replacement units within Rafael Village. Redevelopment of Rafael Village would be followed by the rehabilitation of Capehart/Hillside Housing units.

Ultimately, implementation of the Reuse Plan may be phased by the Master Developer as long as the Master Developer can successfully redevelop and manage the operation and redevelopment by others of the Navy Property in a cost-effective and timely manner without adverse economic impacts on the City. The DA will outline the performance standards by which the success of redevelopment activities undertaken by the Master Developer will be measured. Full build-out of the Reuse Plan is anticipated in the year 2004.

4.8 REDEVELOPMENT PLAN PROJECT OBJECTIVES

The adopted Redevelopment Plan provides a mechanism by which the Agency can utilize a range of projects and programs and work with residents, businesses and property owners to alleviate the blighted conditions which exist in the Redevelopment Project Area. The following goals and objectives have been identified for the Redevelopment Project Area to attain the purposes of the Community Redevelopment Law (CRL):

- ' Establish, by effective use of the redevelopment process, a planning and implementation framework that will ensure proper, long-term redevelopment and reuse of the former Hamilton Army Airfield.
- ' Eliminate and prevent the spread of blight and deterioration, and the conservation and rehabilitation of the Redevelopment Project Area in accordance with the Reuse Plan, the City's General Plan, and other local codes and ordinances.
- ' Re-plan, redesign, and develop underdeveloped or poorly developed areas that are underutilized, improperly utilized, or that cannot be utilized as is for non-military uses.
- ' Promote private sector investment within the Redevelopment Project Area.
- ' Provide, through the development of residential and commercial uses, economic growth, and for the increased sales taxes, business license fees, and other fees, taxes and revenues for the City of Novato.
- ' Eliminate or mitigate certain environmental deficiencies such as insufficient streets, sewer, storm water drainage, and other similar public improvements, facilities and utility deficiencies that adversely affect the Redevelopment Project Area.
- ' Create local job opportunities and enhance the existing employment base.
- ' Provide, by rehabilitation or new construction, housing opportunities for individuals and/or families of very-low, low- or moderate-incomes.

4.9 AGREEMENTS, PERMITS AND APPROVALS REQUIRED

- ' The City of Novato, Redevelopment Agency and the Novato Public Finance Authority will jointly cooperate in the selection of the Master Developer. The City of Novato is also responsible for approval of the Development Agreement between the City and the Master Developer, approval of the Owner Participation Agreement between the Redevelopment Agency and the Master Developer

and development approvals such as demolition permits, master tentative maps, precise development plans, grading plans, building permits, etc.

- ' Department of the Navy: Close of Escrow for Purchase and Sale of Navy Property.
- ' Novato Public Finance Authority (NPFA): Approval of the Purchase and Sale Agreement between the NPFA and the Master Developer.
- ' Redevelopment Agency of the City of Novato: Approval of the Owner Participation Agreement, subject to the final approval by the Novato City Council.

In addition, a number of future approvals may be required for the actual reuse of the property. This Draft EIR will be the base document by which the need for subsequent environmental review for approvals not addressed specifically in this Draft EIR will be measured.

4.10 AREAS OF CONTROVERSY

Pursuant to State CEQA Guidelines § 15123, this Draft EIR acknowledges the areas of controversy and issues to be resolved which are known to the Agency or were raised during the scoping process. Many of the issues raised during the NOP review period related to clarifications regarding the relationship between the actions being considered under the disposition of Navy-owned properties and the characterization and analysis of environmental issues that were previously analyzed in the NEPA documentation for the New Hamilton Partnership (NHP) Master Plan Area. Five (5) comment letters from organizations and agencies were received in response to the NOP. NOP comment letters received and a summary of the comments raised during the public scoping process are included in Appendix A.

Areas of Controversy Raised During Scoping

As noted above, many of the issues that were raised during the NOP review period focused on environmental issues and/or processes specific to the NHP Master Plan development area rather than on the disposition and reuse/redevelopment of the Navy-owned properties being analyzed in this Draft EIR. Responses to all of the NOP comments received (written and verbal) are included in Appendix A. One potential area of controversy (selection of the baseline analysis) was raised during the public hearing on the EIR scoping. However, following a discussion of the importance of the baseline physical conditions to the assumptions addressed in the 1996 Novato General Plan, and the consistency and continuity which would be established between the EIR and Disposal and Reuse Final EIS, no further issues were raised. Refer also to Section 2, Project Approach, for a discussion regarding selection of the baseline analysis.