

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 22-23, 2011

Reference No.: 2.2c.(8)
Action

From: BIMLA G. RHINEHART
Executive Director

Subject: **APPROVAL OF PROJECT FOR FUTURE CONSIDERATION OF FUNDING
FINAL ENVIRONMENTAL IMPACT REPORT FOR THE RANCH PLAN PROJECT
(RESOLUTION E-11-42)**

ISSUE:

Should the Commission, as a Responsible Agency, accept the Final Environmental Impact Report (FEIR), Findings of Fact and Statement of Overriding Considerations for the Ranch Plan Project in Orange County and approve the Antonio Parkway Landscaping Project (Antonio Parkway Project) for future consideration of funding?

RECOMMENDATION:

Staff recommends that the Commission accept the FEIR, Findings of Fact and Statement of Overriding Considerations for the Ranch Plan Project and approve the Antonio Parkway Project for future consideration of funding.

BACKGROUND:

The County of Orange is the CEQA lead agency for the Ranch Plan Project. The Ranch Plan Project includes a privately initiated Zone Change to allow up to 14,000 dwelling units, as well as retail, office, and recreational uses, within a development area of approximately 7,683 acres; retain 15,121 acres for open space; amend the Land Use, Transportation, Resources, and Recreation Elements of the County of Orange General Plan; and construct infrastructure to support these uses including road improvements, utility improvements, and schools. The development will occur over a period of 20 to 25 years.

The Antonio Parkway Project programmed by the Commission in the STIP program is an element of the Ranch Plan Project and, therefore, the scope of this project was included in the FEIR. The FEIR was approved and certified by the Board of Supervisors of Orange County on November 8, 2004.

The overall Ranch Plan Project for which the FEIR covers will result in significant unavoidable impacts to land use, agricultural resources, water resources, air quality, noise, aesthetics and visual resources, mineral resources, traffic and circulation, and fire protection services. Specifically, the overall project would result in increased air quality emissions during construction; development of

urban uses on lands designated as Important Farmland; potential increase in the amount or pathogens and pathogen indicators within storm water runoff; increased noise exposure on Camino Capistrano north of Junipero Serra when it is not feasible to construct an effective sound wall; alteration of existing visual characteristics and topography due to grading activities; potential for glare caused by new sources of nighttime lighting; inability to extract resources at the Oglebay-Norton Industrial Sands beyond 2013; fire protection and coverage to the eastern portion of Planning Area 7 and the estates in Planning Area 9 may not meet adopted performance objectives; and project related impacts to traffic in study area intersections and freeway ramps. Mitigation measures and/or alternatives to the proposed Ranch Plan Project that would substantially reduce or avoid these significant unavoidable impacts are infeasible.

The County adopted the FEIR, Findings of Fact and a Statement of Overriding Considerations for the Ranch Plan Project on November 8, 2004. The County found that there were several benefits that outweigh the unavoidable adverse environmental effects of the Ranch Plan Project. These benefits include, but are not limited to, fulfilling the County's goal of providing new housing opportunities in southern Orange County; improving the local and regional transportation system; facilitating the growth of the local economy; and expanding the County regional trail system. The County established a Mitigation Monitoring Program to ensure that the mitigation measures specified for the Ranch Plan Project are implemented.

On May 17, 2011 the County provided written confirmation that the preferred alternative set forth in the final environmental document is consistent with the Antonio Parkway Landscaping Project programmed by the Commission in the STIP program. The County also provided written confirmation of its commitment to all of the mitigation measures stipulated in the FEIR and Mitigation Monitoring Program.

The Antonio Parkway Landscaping Project is estimated to cost \$2,238,000 and will be completed in two phases. The project is funded with State (\$1,000,000) funds and Local (\$1,238,000) funds. Construction is estimated to begin in fiscal year 2011-2012

Attachment

- Resolution E-11-42
- Findings of Fact & Statement of Overriding Considerations
- Project Location

CALIFORNIA TRANSPORTATION COMMISSION

Resolution for Future Consideration of Funding 12 – Orange County Resolution E-11-42

- 1.1 **WHEREAS**, the County of Orange (County) has completed a Final Environmental Impact Report pursuant to the California Environmental Quality Act (CEQA) and the CEQA Guidelines for the following project:
 - Ranch Plan Project: Antonio Parkway Landscaping Project
- 1.2 **WHEREAS**, the County has certified that the Final Environmental Impact Report has been completed pursuant to CEQA and the State CEQA Guidelines for its implementation; and
- 1.3 **WHEREAS**, the project will include a privately initiated zone change to allow up to 14,000 dwelling units, as well as retail, office, and recreational uses, within a development area of approximately 7,683 acres; retain 15,121 acres for open space; amend the Land Use, Transportation, Resources, and Recreation Elements of the County of Orange General Plan.; and construct infrastructure to support these uses including road improvements, utility improvements, schools; and
- 1.4 **WHEREAS**, the California Transportation Commission, as a Responsible Agency, has considered the information contained in the Final Environmental Impact Report; and
- 1.5 **WHEREAS**, Findings of Fact made pursuant to CEQA guidelines indicate that specific unavoidable significant impacts related to land use, agricultural resources, water resources, air quality, noise, aesthetics and visual resources, mineral resources, transportation/circulation and fire protections services make it infeasible to avoid or fully mitigate to a less than significant level the effects associated with the project; and
- 1.6 **WHEREAS**, the County adopted a Statement of Overriding Considerations for the project; and
- 1.7 **WHEREAS**, the County adopted a Mitigation Monitoring Program for the project; and
- 1.8 **WHEREAS**, the above significant effects are acceptable when balanced against the facts as set forth in the Statement of Overriding Considerations.
- 2.1 **NOW, THEREFORE, BE IT RESOLVED** that the California Transportation Commission does hereby accept the Final Environmental Impact Report, Findings of Fact and Statement of Overriding Considerations and approve the above referenced project to allow for future consideration of funding.

STATEMENT OF OVERRIDING CONSIDERATIONS FOR THE RANCH PLAN

I. INTRODUCTION

The County of Orange (“County”) is the Lead Agency under the California Environmental Quality Act (“CEQA”)¹ for preparation, review and certification of The Ranch Plan Program Environmental Impact Report No. 589 (“Program EIR”), State Clearinghouse Number 2003021141. As the Lead Agency, the County is responsible for determining the potential environmental impacts of the project (“Project”) and which of those impacts are significant and unavoidable. CEQA then requires the Lead Agency to balance the benefits of a proposed project against its significant, unavoidable adverse environmental impacts in determining whether or not to approve the project.

CEQA Section 21081 provides that no public agency shall approve or carry out a project for which an environmental impact report has been certified which identifies one or more significant effects on the environment that would occur if the project were approved or carried out unless the agency makes specific findings with respect to those significant environmental effects. Where a public agency finds that economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or alternatives identified in the environmental impact report, and thereby leave significant unavoidable effects, the public agency must also find that “specific overriding economic, legal, social, technological, or other benefits of the project outweigh the significant effects on the environment.”

In making this determination, the Lead Agency is guided by CEQA Guidelines Section 15093, which provides as follows:

- (a) CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered “acceptable.”
- (b) When the lead agency approves a project which will result in the occurrence of significant effects which are identified in the final EIR but are not avoided or substantially lessened, the agency shall state in writing the specific reasons to support its action based on the final EIR and/or other information in the record. The statement of overriding considerations shall be supported by substantial evidence in the record.

¹ The California Environmental Quality Act is codified at Public Resources Code Sections 21000 *et seq.*

- (c) If an agency makes a statement of overriding considerations, the statement should be included in the record of the project approval and should be mentioned in the notice of determination. This statement does not substitute for, and shall be in addition to, findings required pursuant to [CEQA] Section 15091.

Consistent with these provisions of CEQA and the CEQA Guidelines, the Board of Supervisors of the County of Orange, acting as Lead Agency and having reviewed the Final Program EIR for the Project and the public record, adopts this Statement of Overriding Considerations which describes how the benefits of the Project outweigh its significant, unavoidable adverse environmental impacts.

II. SIGNIFICANT UNAVOIDABLE ADVERSE ENVIRONMENTAL IMPACTS

Although most potential environmental impacts identified in the Final Program EIR for the Project have been substantially avoided or mitigated through the identification and adoption of Project Design Features, Standard Conditions and Requirements and Mitigation Measures (all as more particularly described in the *Statement of Findings and Facts* [“*Findings*”] heretofore prepared and approved for the Project), some Project-related impacts remain for which complete mitigation is not feasible. As addressed in Sections VI and VIII of the *Findings*, these impacts would be considered significant and unavoidable if the Project were approved and implemented.

III. OVERRIDING CONSIDERATIONS

The County has identified the following overriding considerations in making the determination to approve the Project, despite the significant, unavoidable adverse environmental impacts analyzed in the Final Program EIR. To wit, the Board of Supervisors, after balancing the specific economic, legal, social, technological and other benefits of the Project, has determined that the unavoidable, adverse environmental impacts addressed in the Final Program EIR may be considered acceptable due to the following specific considerations which outweigh the unavoidable, adverse environmental impacts of the Project.

A. Provision of Needed Housing

As identified in the Housing Element of the Orange County General Plan (“Housing Element”), the growth rate for new housing in Orange County has lagged behind the growth rates for population and employment for several years. This sustained rate imbalance has resulted in a shortage of housing opportunities in Orange County, the effects of which are manifest through higher housing costs, the elimination and displacement of existing affordable housing units, increased commute times for Orange County workers and residents, and an increase in the average number of persons occupying existing residential units.

The 14,000 dwelling units proposed for the Project will provide greater – and much needed – housing opportunities for individuals living and working in Orange County. The contemplated mix of dwelling types (*i.e.*, 7,020 single-family attached and detached units, 6,000 senior housing units [including both single-family and apartment units] and 980 multi-family units) is responsive to projected demographic housing needs for the South Orange County area and represents an appropriate balance of housing opportunities across various income and demand sectors. In short, implementation of the Project will assist the County in achieving its goal of providing an adequate supply of housing for current and future residents.

B. Local and Regional Transportation Improvements and Contributions

Development of the Project, in combination with other cumulative traffic, will result in a substantial increase in traffic volume within the identified traffic study area. In the absence of affirmative mitigation, said traffic volume increase would produce significant impacts upon the existing transportation network serving the Project area and other portions of the traffic study area. The Project provides for the mitigation of said impacts by obligating the Project applicant to participate, on a Fair Share basis, in the financing of certain on-site and off-site transportation system improvements. Furthermore, in order to facilitate and promote the County's timely completion and achievement of these necessary improvements, the Project provides for the following additional resource assistance to the County:

- Acceleration of the Project applicant's Fair Share payment obligations for the transportation improvements identified in the Project Conditions of Approval.
- Dedication of certain land located within the Antonio Parkway and Avenida La Pata right-of-ways to facilitate the future construction of identified transportation facilities within said area.
- Provision of financial contributions that substantially exceed the minimum Fair Share obligations specified in the Conditions of Approval.
- Construction of certain transportation improvements that the Project applicant is not otherwise required to construct.

The Project applicant's Fair Share obligation for Project-related traffic mitigation is \$93,500,000. However, the Project provides for an additional contribution of \$34,275,000 toward the facilitation and implementation of identified local and regional transportation improvements. *In toto*, the Project will provide \$127,775,000 in direct, accelerated funding that will be used to address circulation issues affecting the southern Orange County area. The identified improvements are wide-ranging, and completion of same in cooperation with other affected jurisdictions (*i.e.*, San Juan Capistrano, Mission Viejo, San Clemente and Laguna Niguel) will generate significant transportation and circulation benefits for the residents of both the unincorporated area of South Orange County and the other jurisdictions. All transportation funding provided by the Project

will be paid into the South County Roadway Improvement Program (“SCRIP”), which has been designed to implement the identified transportation improvements in a coordinated and timely manner, anticipating and monitoring growth with the goal of having improvements in place to serve the Project and other local and regional development as it occurs.

C. Local Employment

At buildout, the Project is anticipated to generate approximately 16,500 new jobs within the immediate bounds of the Project area. The creation of new jobs within unincorporated Orange County is consistent with the Employment Development Policy of the Land Use Element of the Orange County General Plan. The purpose of the Employment Development Policy is “to accelerate development of employment uses in unincorporated Orange County.” Land Use Element at III-29. Accordingly, implementation of the Project vis-à-vis the creation of new jobs in South Orange County will facilitate the County’s promotion of (and compliance with) the Employment Development Policy.

D. Regional Trail Improvements

The Project provides for the dedication of regional riding and hiking trail easements within all areas demarcated for future subdivision in order to facilitate the County’s implementation of the 348-mile regional trail network described and identified in the County General Plan. However, full implementation of the regional trail network (as said network traverses the Project area) and accomplishment of the County’s trail system goals will require the establishment of supplemental easements and trail linkages that are located outside of the future subdivision areas. In furtherance of the public interest in (i) achieving completion of the County’s regional trail network, (ii) providing connectivity between existing and proposed community trails and (iii) enhancing connectivity between regional recreational facilities, the Project provides for the following additional benefits:

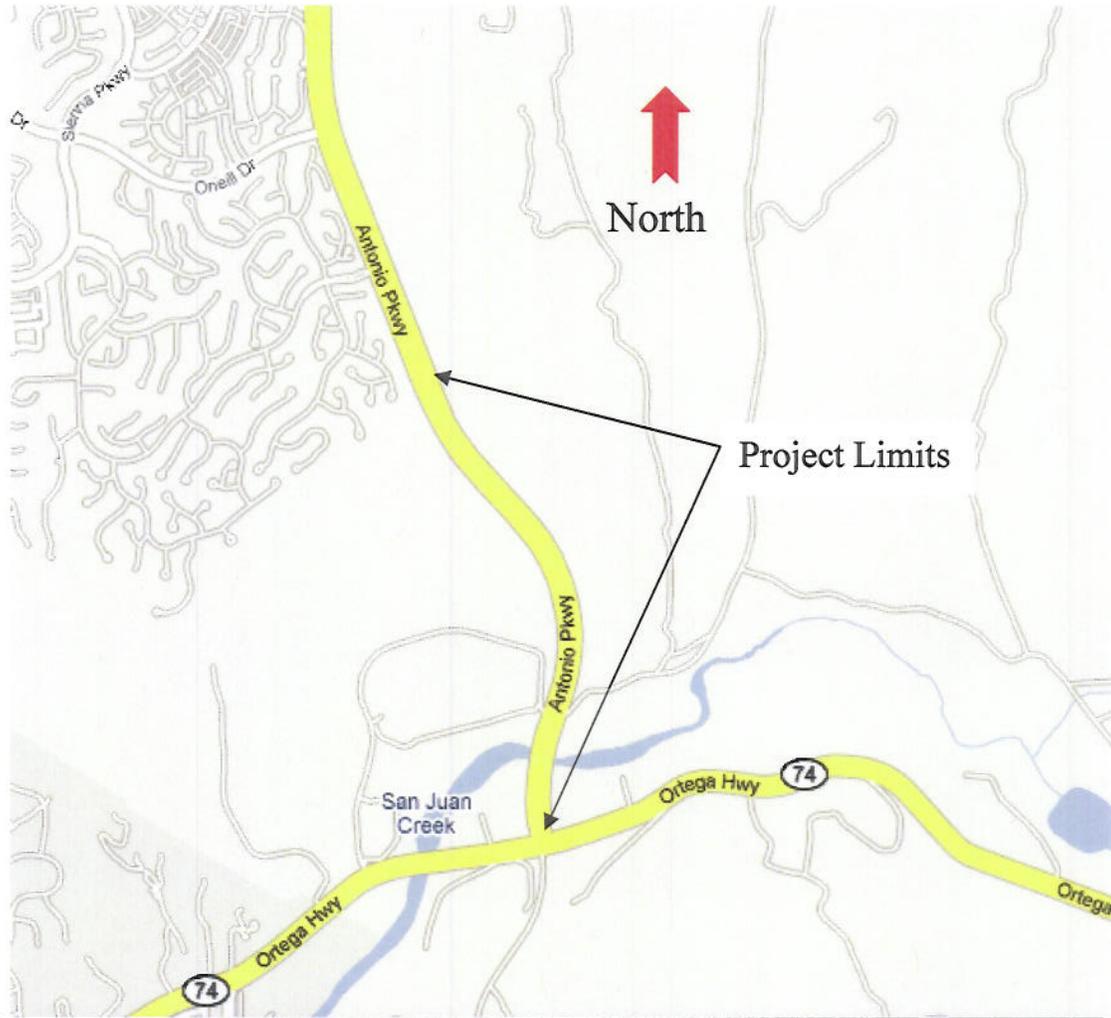
- Dedication of an easement for regional riding and hiking trail purposes that connects the existing Wagon Wheel Trail (extending from General Thomas F. Riley Wilderness Park) with the Ridge Top Trail (located within Caspers Wilderness Park). Section III of Exhibit D to the Development Agreement specifies the Project applicant’s obligations with respect to the easement dedication.
- Design and implementation of a community trail connection between the existing Ladera Ranch Community Trail and the proposed San Juan Creek Regional Riding and Hiking Trail. Section III of Exhibit D to the Development Agreement specifies the Project applicant’s obligations with respect to the identified trail improvements.
- Design and implementation of a community trail connection between Coto de Caza and the proposed Wagon Wheel Community Connector Trail (*see first*

arrow point, above) and the proposed San Juan Creek Class I Bikeway. Section III of Exhibit D to the Development Agreement specifies the Project applicant's obligations with respect to the identified trail improvements.

D. Conclusion

In light of the foregoing, and in recognition of additional information contained within the Final Program EIR and other portions of the Project record, the Orange County Board of Supervisors concludes that implementation of the Project will result in the development of a beneficial mixed-use project that will (i) facilitate the County's goal of providing new housing opportunities in southern Orange County, (ii) improve the local and regional transportation system, (iii) facilitate the growth of the local economy and (iv) expand the County regional trail system. The Board of Supervisors further concludes that these benefits outweigh the significant, unavoidable environmental impacts associated with development of the Project and, accordingly, adopts this Statement of Overriding Considerations.

Exhibit A



OC Public Works

LOCATION MAP

Planned Communities Public Works

**Antonio Parkway Widening
From South Boundary of Ladera
Ranch To Ortega Highway**