

REMY, THOMAS, MOOSE and MANLEY, LLP

MICHAEL H. REMY
1944 - 2003

TINA A. THOMAS
JAMES G. MOOSE
WHITMAN F. MANLEY
ANDREA K. LEISY
TIFFANY K. WRIGHT

BRIAN J. PLANT
OF COUNSEL

ATTORNEYS AT LAW

455 CAPITOL MALL, SUITE 210
SACRAMENTO, CALIFORNIA 95814

Telephone: (916) 443-2745
Facsimile: (916) 443-9017
E-mail: info@rtmmlaw.com
jmoose@rtmmlaw.com
<http://www.rtmmlaw.com>

JENNIFER S. HOLMAN
ASHLEY T. CROCKER
SABRINA V. TELLER
MICHELE A. FONG
AMY R. FIGUERA
HOWARD F. WILKINS III
MEGAN M. QUINN
AMANDA R. BERLIN
JASON W. HOEDER

Sent by Federal Express

October 27, 2006

Board of Supervisors
Placer County
175 Fulweiler Avenue
Auburn, CA 95603

Re: Issues Relating to the Placer Vineyards Specific Plan

Dear Supervisors:

Our firm represents the applicants for the Placer Vineyards Specific Plan ("the Project"), which, as you know, has been the subject of recent Planning Commission workshops and should be before your Board for formal consideration in early December. In this letter and its attached exhibit, we offer analysis and substantial evidence in support of approval of either the "Base Plan" version of the Project or the "Blueprint Alternative" and in opposition to approval of three of the Project alternatives: the No Project Alternative, the Rural Density Alternative, and the Reduced Density Alternative.¹ As you will see, we offer below specific reasons why we believe that County decision-makers can reject each of these three alternatives as "infeasible" within the meaning of the California Environmental Quality Act (Pub. Resources Code, § 21000 et seq.) ("CEQA"). We base our suggestions in part on the opinions of experts in marketing and

¹/ The No Project Alternative provides that no additional development would occur on the Project site. The Reduced Density Alternative would reduce the amount of development by approximately 50 percent, allowing a maximum of only 7,500 dwelling units. The Rural Density Alternative would consist of development of the Specific Plan area with approximately 500 new single family residential lots with a minimum parcel size of 10 acres. Including the approximately 150 existing residences in the Specific Plan area, there would be approximately 650 dwelling units under the Rural Density Alternative. (Revised Draft Environmental Impact Report ["RDEIR"], p. 6-11.)

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Placer County
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economics. We hope that you will find our reasoning, and the evidence supporting it, to be persuasive as you consider approving either the Base Plan or the Blueprint Alternative.

Since the RDEIR analyzes both the so-called Base Plan and the Blueprint Alternative at a project-level, the Board has the option of approving either the Base Plan or the Blueprint Alternative without the need for further formal CEQA documentation. This letter does not address whether the Blueprint Alternative is infeasible, as we believe that the Board, if it so chooses, could reject that alternative on purely environmental grounds, thus obviating the need to address "feasibility." Paradoxically perhaps, the Board could also embrace the Blueprint Alternative on purely environmental grounds, and could reject all other alternatives, including the Base Plan, for failing to achieve the same long-term environmental benefits. The explanation for this paradox is as follows. The RDEIR identifies numerous instances in which the environmental impacts of the Blueprint Alternative, measured against existing on-site conditions, are more severe than those of the Base Plan. At the same time, however, the RDEIR identifies numerous instances in which the environmental impacts of the Blueprint, measured against likely future regional conditions, would be less severe than those of the Base Plan. We believe that CEQA allows the Board, acting in its legislative capacity, to focus on either environmental perspective in making its decision on the final form and content of the Placer Vineyards Specific Plan.

ANALYSIS

A letter written by economists Tim Youmans and Eric Nickell of Economic and Planning Systems ("EPS"), one of Northern California's leading firms in the business of assessing the economic and fiscal ramifications of development proposals, is submitted herewith as Exhibit 1. Mr. Youmans and Mr. Nickell explain how reducing the allowable dwelling units and commercial development as proposed under the Reduced Density Alternative would adversely affect the infrastructure and public facilities financing of the Project and raise the cost of housing prices within the development. We respectfully submit that Mr. Youmans and Mr. Nickell's conclusions provide the Board with an ample basis for rejecting the Reduced Density Alternative as impractical, undesirable, and unmarketable -- and thus infeasible. Through this evidence, we hope to persuade County decision-makers that, when the problems associated with the Reduced Density Alternative are balanced against the social and economic benefits of the Base Plan or the Blueprint Alternative, it will be clear that the Reduced Density Alternative is an inferior plan, which should be rejected.

Relevant Legal Principles

Before laying out in detail the expert evidence mentioned above, we will first lay out a few legal principles, so that the Board of Supervisors can consider the evidence in its proper context. These principles will demonstrate that the County's decision-makers enjoy considerable discretion in determining whether a particular alternative set forth in an EIR is "infeasible" and thus may be rejected without violating the CEQA.²

The CEQA Guidelines define "feasible" as "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors" (Cal. Code Regs., tit 14, div 6, ch 3 ("CEQA Guidelines"), § 15365; see also Pub. Resources Code, § 21061.1.) The ultimate determination of whether an alternative is feasible or infeasible must be made by an agency's decision-making body. Such a task cannot be delegated to staff. (CEQA Guidelines, § 15025, subd (b)(2).) Thus, the Board of Supervisors is not bound by County staff's opinion on these issues. Any decision to reject an alternative, however, must be supported by substantial evidence. (CEQA Guidelines, § 15091, subd (b); Pub Resources Code, § 21081.5.)

Agency decision-makers are free to reject an alternative that they consider undesirable from a policy standpoint, provided that any such decision reflects "a reasonable balancing of the relevant economic, environmental, social, and technological factors" (*City of Del Mar v. City of San Diego* (1982) 133 Cal App 3d 401, 417 (*City of Del Mar*)). As the California Supreme Court has emphasized, "[t]he wisdom of approving any development project, a delicate task which requires a balancing of interests, is necessarily left to the sound discretion of the local officials and their constituents who are responsible for such decisions. The law as we interpret and apply it simply requires that those decisions be informed, and therefore balanced." (*Citizens of Goleta Valley v Board of Supervisors* (1990) 52 Cal 3d 553, 576 (*Goleta II*))

^{2/} CEQA contains a general statutory command that public agencies should not approve project that would cause *significant* environmental effects when there are *feasible* mitigation measures or *feasible* alternatives that can substantially lessen such effects (Pub. Resources Code, § 21002.) This mandate is effectuated, in part, through the requirement that, after certifying a final EIR, lead agency decision-makers must adopt *findings* describing the disposition of each significant effect identified in the EIR. One possible finding is that proposed mitigation measures or alternatives, despite their environmental advantages compared with "the project," are *infeasible* (Pub Resources Code, § 21081, subd (a).)

Evidence indicating that a proposed alternative would generate less tax revenue than a project as proposed is also a legitimate ground for rejecting the alternative as infeasible. (*Foundation for San Francisco's Architectural Heritage v. City and County of San Francisco* (1980) 106 Cal.App.3d 893, 913 (*Foundation*) (noting that CEQA "specifically provides for the weighing of economic, social and 'other' conditions"); see also Pub. Resources Code § 21002.1, subd (c)) In *Foundation*, which involved a challenge to a proposed retail project requiring the demolition of an existing historical structure, the respondent lead agency's decision-makers properly rejected project alternatives that called for the rehabilitation of the existing structure. The lead agency's analysis showed that the alternatives would have generated between 15 and 20 percent less sales tax revenue for San Francisco than would have been created by the project as proposed. This information, combined with other data regarding the economic costs of the alternatives, constituted "substantial evidence" supporting the Board of Supervisors' finding that the alternatives were infeasible. (*Id.* at pp. 913-914.)

As the *Foundation* decision makes clear, the broad definition of feasibility under CEQA does not limit the thought process of agency decision-makers to the question of whether a proposed alternative is infeasible due to purely financial considerations. Rather, the definition impliedly recognizes the inevitable need to allow elected officials to legislate or to otherwise consider the policy ramifications of their actions, while requiring them generally to strive to find means to avoid or reduce significant environmental damage where reasonably possible.

It is true that, where an agency is required to determine whether an environmentally superior alternative to a specific private development project is economically infeasible, the agency must rely on specific information, and cannot simply assert that the alternative will cost the applicant money or reduce its profit margin (*Citizens of Goleta Valley v. Board of Supervisors* (1988) 197 Cal.App.3d 1167, 1180-1181 (*Goleta I*)). Here, however, the County's determinations need not be judged against this very narrow concept of economic feasibility. Rather, as indicated above, CEQA case law recognizes a broader concept of feasibility that allows agencies to consider factors beyond the pure quantitative economics of a private project. This is particularly true where the project at issue is a land use plan covering a large area, and occurring within a regional context in which continued population growth is foreseeable.

In the *City of Del Mar* case, the petitioner municipality (Del Mar), in attempting to force the approval of an alternative development project less dense than what its sister city (San Diego) had proposed and approved, asserted that the respondent lead agency "ha[d] misconstrued the scope of CEQA's infeasibility requirement" by equating "feasibility" with "desirability." The Court of Appeal disagreed. Emphasizing that San

Diego had attempted to accommodate various economic and social factors in reaching its land use decision, the court reasoned as follows:

“feasibility” under CEQA encompasses “desirability” to the extent that desirability is based on a *reasonable balancing* of the relevant economic, environmental, social, and technological factors

(133 Cal.App.3d at p 417 (emphasis added).)

Under *City of Del Mar*, a court reviewing a lead agency’s ultimate assessment as to whether an alternative is “infeasible” – a determination made in findings, not in the EIR – looks only to see whether the agency has *reasonably balanced* competing environmental, economic, social, and technological considerations, and has supported its decision with substantial evidence

Importantly, a decision-making body’s findings on the feasibility of the alternatives may be supported by *any* “substantial evidence in the record.” (Pub Resources Code, § 21081.5; CEQA Guidelines, § 15091, subd. (b); see also *Sequoiah Hills Homeowners Association v City of Oakland* (1993) 23 Cal.App.4th 704, 715 (in assessing the feasibility of alternatives in findings, “the agency may receive such information in whatever form it desires”); CEQA Guidelines, § 15131, subd (c).) Thus, the courts have consistently upheld agency decisions to rely on substantial information submitted by project applicants in rejecting project alternatives set forth in EIRs. (See, e.g., *San Franciscans Upholding the Downtown Plan v. City and County of San Francisco* (2002) 102 Cal.App.4th 656, 690-693; *Association of Irrigated Residents v. County of Madera* (2003) 107 Cal App.4th 1383, 1400-1401; and *Sierra Club v County of Napa* (2004) 121 Cal App 4th 1490, 1507-1508.)

In short, the kind of substantial evidence discussed below provides legitimate grounds upon which Placer County, through its decision-makers, may conclude that the No Projective Alternative, the Reduced Density Alternative, and the Rural Density Alternative are infeasible. We will now address that evidence in detail for each alternative

A No Project Alternative

Because, as explained on pages 6-11 to 6-12 of the RDEIR, a No Project Alternative that assumed future development consistent with Exhibit 1 to the *Dry Creek/West Placer Community Plan* would result in impacts substantially the same as those of the project itself, there would be little practical value in evaluating such an

alternative. Thus, the County has chosen to equate the "No Project Alternative" for the Project with a "No Development" or "No Build" alternative.

The applicants contend that the No Project Alternative is infeasible because, among other reasons, it is inconsistent with both the "Urban" designation on the property in the General Plan (see RDEIR, vol. I, p. 3-1) and the land use vision embodied in "Exhibit 1" to the *Dry Creek/West Placer Community Plan*. Concurrently with adoption of the *Placer County General Plan* in 1994, the Board of Supervisors adopted Resolution No. 94-238, which amended the *Dry Creek/West Placer Community Plan* to include the West Placer Specific Plan area. This amendment, included as Exhibit 1 of Resolution No. 94-238 (and included as Appendix D of the RDEIR), includes standards for development in the Specific Plan area.

Exhibit 1 states that the West Placer Specific Plan (now the Placer Vineyards Specific Plan area) was identified in the 1990 *Dry Creek/West Placer Community Plan* as an area to be examined as part of the then-pending Countywide General Plan Update, which was ultimately completed in 1994. At the end of that update, the Board "envisioned" the area as "a mixed use community including residential, retail, commercial, and business/professional uses, as well as public facilities such as parks, schools, and open space." More specifically, "[a] maximum of 14,132 dwelling units" was identified for the area, along with specified acreages for other types of land uses. By adopting Exhibit 1 and imposing an "Urban" general plan land use designation on the Placer Vineyards area, the Board of Supervisors, in 1994, made a policy decision that the area should be developed at urban densities. The only precondition to development approvals was the adoption of a specific plan. Now that the landowners have invested millions of dollars completing the specific plan process in reliance on the Board's 1994 policy decision, it is too late to revisit that basic decision. "[A]n EIR is not ordinarily an occasion for the reconsideration or overhaul of fundamental land use policy." (*Goleta II*, *supra*, 52 Cal 3d at p. 573.)

In short, the No Project Alternative is impractical and unrealistic in the long-term absent radical General Plan and Community Plan amendments, in the sense that the permanent preservation of status quo conditions is not consistent with either the General Plan or Community Plan as currently written. For these reasons, the applicants urge County decision-makers to conclude that the No Project Alternative is infeasible.

B Rural Density Alternative

Similarly, the Project applicants assert that the Rural Density Alternative is infeasible in light of the County's commitment, in Exhibit 1 of the *Dry Creek/West*

Placer Community Plan, to carry out the General Plan objective of developing the Project area. As noted above, the Rural Density Alternative consists of development of the Specific Plan area entirely with single family residential lots with a minimum parcel size of 10 acres, for a total of approximately 500 new dwelling units. Since approximately 150 rural residential dwelling units already exist within the Specific Plan area, the total number of dwelling units would be approximately 650.

The Rural Density Alternative is plainly inconsistent with Exhibit 1 of the *Dry Creek/West Placer Community Plan*, which provides for up to two mixed pedestrian-oriented villages or towns and a larger town center in the Specific Plan area. The Rural Density Alternative does not provide for a Town Center, villages, or any form of commercial, office, or industrial development. Reduced residential densities reduce the potential for effective transit service, as well as bicycle and pedestrian movement, and they continue to emphasize automobile use.

With the exception of the existing rural residential development on the site, the project site is currently designated for Agriculture (80-acre minimum parcel size), with small areas designated for Commercial, Industrial, and Greenbelt and Open Space. Ten-acre parcels could not, for the most part, be created without an amendment to the *Placer County General Plan*.

Not only is this type of low-density development not consistent with the County's stated vision for the Specific Plan area, but the Project applicants contend that the Rural Density Alternative is infeasible because it is an inefficient use of land. Such low-density development provides significantly less housing and no jobs, while still causing a number of significant environmental impacts. (See RDEIR, pp. 6-30 to 6-38.) For these reasons, the applicants believe this type of low-density residential development is undesirable, both from a marketability standpoint and from an environmental perspective. To the extent that the Base Plan, with densities far beyond those of the Rural Density Alternative, creates some of the long-term growth management benefits associated with the Blueprint Alternative, the Rural Density Alternative could also be rejected on purely environmental grounds.

Finally, we believe it is clear that the Rural Density alternative would not satisfy three of the four stated Specific Plan objectives:

- To promote compact mixed-use development that strives to provide a balance of uses, diverse housing and transportation choices and contributes to a jobs to housing balance within the region;

- To establish a pedestrian friendly community and access to a regional system of trails that link neighborhoods together; and
- To develop a series of neighborhood areas with their own unique site identity with urban centers and community serving facilities (schools, parks and public amenities).

As summarized here, and as fully explained in the EIR, we believe there is substantial evidence for County decision-makers to reject the Rural Density Alternative as infeasible

C. Reduced Density Alternative

The Project applicants believe that the Reduced Density Alternative is infeasible for the reasons discussed in the Technical Memorandum (submitted herewith as Exhibit 1) prepared by Tim Youmans and Eric Nickell of EPS. Mr. Youmans and Mr. Nickell analyzed the consequences and ramifications of the Reduced Density Alternative from the standpoint of infrastructure and public facilities financing, and conclude that the adoption of the Reduced Density Alternative would have four notable adverse effects.

The first would be a lack of any substantial improvement in the current jobs-housing imbalance within the portion of the sub-region located near the major job center of Placer County, which is the City of Roseville ("City"). As explained in the EPS Technical Memorandum, the Reduced Density Alternative offers the least change to the City's current jobs-to-housing ratio. Currently, the City has 1.6 jobs for every housing unit. This alternative, combined with the City's current jobs and housing counts, would drop the ratio in the area including the City and Placer Vineyards to 1.43 jobs per housing unit -- a very modest improvement. This figure suggests that the Reduced Density Alternative would represent a lost opportunity for building more homes and apartments near the regional job center, and that many people working in Roseville would have to drive long distances to get there, with adverse implications for regional transportation infrastructure. The Base Plan would reach a considerably better result: a 1.32 ratio within the City and Placer Vineyards. (The Blueprint Alternative would achieve a 1.18 ratio.)

A second criticism of the Reduced Density Alternative is that it would not provide for efficient use of the land in providing housing and employment sites, compared to the Base Plan and the Blueprint Alternative. While the Base Plan would accommodate 6.6 persons per acre and the Blueprint Alternative would accommodate 9.4 persons per acre, the Reduced Density Alternative limits its density to only 3.4 persons per acre. The EPS Technical Memorandum concludes that the Reduced Density Alternative, in light of its inefficient land use, would be expected to worsen the following performance measures at

buildout: (1) contiguous habitat and ecological function; (2) transportation choices; (3) business activity in employment and retail centers; (4) share of land area devoted to roads; and (5) general level of community activity in public places

Third, the EPS Technical Memorandum concludes that the Reduced Density Alternative provides far less support for the town center, compared to the Base Plan and the Blueprint Alternative. This alternative would have a resident population of 18,000 in the Plan area and a job base of 4,700 – nearly 50 percent less than the Base Plan's density. The EPS memorandum concludes that, in order to bring an equal number of visitors to the town center as the Base Plan, the Reduced Density Alternative would need to draw from a much wider area in southwest Placer County. Attracting an additional 20,000 visitors (either workers or residents from other plan areas) into the heart of the Placer Vineyards community in the Reduced Density Alternative could prove very difficult from a market perspective and would alter pedestrian usage patterns in the project, emphasizing parking for visitors with less accessibility from neighborhoods contiguous to the town center.

Finally, as explained in the EPS Technical Memorandum, expanded transit service for the Specific Plan area at the levels recommended by Placer County is less feasible under the Reduced Density Alternative than under the Base Plan and the Blueprint Alternative. (See Exhibit 1, Table 6.) As shown in Table 6, the decrease in farebox-recovery ratio, or the percentage of total operating costs supported by passenger fares, would be pronounced, with commuter service falling from 89 percent farebox recovery (Blueprint Alternative) to 32 percent (Reduced Density Alternative). For interregional plus typical suburban local service, farebox-recovery ratios would fall from 27 percent under the Blueprint Alternative to a mere 10 percent under the Reduced Density Alternative. The Base Plan's farebox-recovery ratios are between the ranges specified above. Notably, lower farebox-recovery ratios in the Reduced Density Alternative might constrain the transit agency in securing State and federal funding for expanded service.

For the reasons discussed above, and as fully explained in the EPS Technical Memorandum, the applicants contend there is substantial evidence to support the decision by County decision-makers to reject the Reduced Density Alternative as infeasible.

D. Blueprint Alternative

As noted earlier, the Project applicants believe that, based on its long-term environmental benefits, the Board could choose to adopt the Blueprint Alternative. Under the Blueprint Alternative, densities for residential, commercial, and public/quasi-

public land uses are more similar to the Sacramento Area Council of Governments (SACOG) recommended development principles than those found in the Base Plan.

As explained on pages 6-38 through 6-147 and 6-171 through 6-172 of the Revised Draft EIR, the Blueprint Alternative would increase project-related impacts in Visual Quality and Aesthetics; Hydrology, Water Resources, and Water Quality; Archaeological/ Paleontological Resources; Transportation and Circulation; Air Quality; Noise; and Public Services/Infrastructure. Although viewing impacts in a CEQA-related context leads to the conclusion that the Blueprint Alternative is the least desirable alternative from an environmental perspective, this alternative could have superior long-term regional environmental benefits. Those, however, will likely only occur to their fullest possible extent if a similar regional approach to growth is pursued by all surrounding jurisdictions. Even in the absence of similar planning commitments by other jurisdictions, however, approval by Placer County of the Blueprint Alternative could, by reducing per capita consumption of various resources, as well as by reducing per capita air pollution and vehicle miles traveled, have the effect of reducing the extent to which population growth and development, with their attendant environmental impacts, would occur elsewhere in the region. (RDEIR, pp. 6-171 to 6-172.)

Conclusion

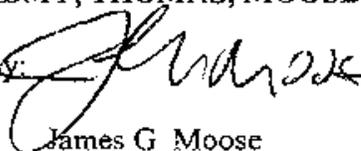
For the foregoing reasons, the Board of Supervisors can, and we believe should, reject the No Project Alternative, the Rural Density Alternative and the Reduced Density Alternative as infeasible. We believe the Board of Supervisors could approve either the Base Plan or the Blueprint Alternative without the need for further environmental review under CEQA.

We welcome the opportunity to discuss these important issues in greater detail during the upcoming administrative process.

Very truly yours,

REMY, THOMAS, MOOSE & MANLEY, LLP

By:



James G. Moose

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October 27, 2006
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cc: Tom Miller
Michael Johnson
Scott Finley
Kent MacDiarmid
Tim Taton

EXHIBIT 1



Economic & Planning Systems

Public Utilities
Real Estate Economics
Regional Economics
Land Use Policy

TECHNICAL MEMORANDUM

To: Jim Moose and Megan Quinn, *Remy, Thomas, Moose & Manley, LLP*

From: Tim Youmans, Eric Nickell, *et al*

Subject: Technical Evaluation of the Placer Vineyards Specific Plan Reduced Density Alternative; EPS #114079

Date: September 6, 2006

The Placer Vineyards Specific Plan (Plan) proposes development of 5,232 acres in Southwest Placer County into a community containing 14,132 housing units, 3.5 million square feet of office and retail space, and more than 1,200 acres of public uses.

Economic & Planning Systems, Inc. (EPS) has been retained by the Plan's landowners to evaluate one of the project alternatives currently under review by Placer County (County) as part of its lead agency responsibilities under the California Environmental Quality Act (CEQA). The Revised Draft Environmental Impact Report (RDEIR) labels this alternative as the Reduced Density Alternative because it proposes an approximately 50-percent decrease in overall density of jobs and housing compared to the Proposed Project.

The analysis set forth below is intended to assist the County's Board of Supervisors in its task of determining whether the Reduced Density Alternative is infeasible.

PLANNING CONTEXT AND OBJECTIVE OF ANALYSIS

In approving its 1994 General Plan, the County Board of Supervisors expressed its intent to ultimately approve urban levels of development on the Placer Vineyards project site. This intention was embodied in an amendment to the Dry Creek/West Placer Community Plan effectuated by Exhibit 1 to Resolution No. 94-238, adopted on August 16, 1994.

Exhibit 1 identified the ultimate vision of the portion of the Community Plan "generally west of Watt Ave. and south of Baseline Road." Among other things, Exhibit 1 provides that the project area shall include, among others, the following components:

SACRAMENTO

2150 River Plaza Drive, Suite 400
Sacramento, CA 95877
www.epsys.com

Phone: 916-647-8011
Fax: 916-647-2076



BERKELEY

Phone: 916-511-8190
Fax: 916-511-4268

DENVER

Phone: 303-625-5353
Fax: 303-625-5047

SUBREGIONAL JOBS-HOUSING BALANCE

A jobs-and-housing balance reduces a region's heavy dependence on a transportation system that must be capable of moving thousands of workers long distances between home and work each day. In a typical community in California, the average number of workers per household is between 1.0 and 1.5. Statewide, the ratio is 1.3 jobs per housing unit¹. The prevalence of single-parent households or retiree households are two of many possible community characteristics that may decrease this ratio in different parts of the State.

In some communities, the jobs-to-housing ratio may climb towards 2.0 or may fall below 0.5, and for these cases, movement of a greater number of workers into or out of the region is necessary. This analysis evaluates the Reduced Density Alternative for how effectively it improves the jobs-housing balance of the major job center of the County, which is the City of Roseville (City). The City has 1.6 jobs for every housing unit. As a result, expensive regional transportation infrastructure must be in place to move workers into the City to employment sites such as offices, retail centers, and light industrial parks.

Results

Table 3 presents the jobs-to-housing ratio for the City in 2005 and for the City combined with the jobs and housing planned by three land use alternatives for the Plan. In each land use alternative, more housing units than jobs are added to Southwest Placer County, and the combined jobs-to-housing ratio falls. When comparing the different alternatives, the Blueprint Plan Alternative in combination with the City offers the lowest jobs-to-housing ratio of 1.2.

The Reduced Density Alternative offers the least change to the City's current jobs-to-housing ratio. This alternative, combined with the City's current jobs and housing counts, has 1.4 jobs per housing unit. These differences suggest that more workers will be needed from outside Roseville and the project area in the Reduced Density Alternative with adverse implications for regional transportation infrastructure.

Table 4 gives distance calculations between many housing sites in the region that provide workers for employers in the City and future employers in the project area.

Because some of the City's workforce lives in other surrounding cities and unincorporated parts of Sacramento and Placer Counties, land use planning for the next

¹ California Department of Finance and California Economic Development Department, February 2006.

5 to 15 years of growth in Southwest Placer County should attempt to locate more workers nearer the City's job sites. The total commute mileage then would drop, and less travel demand would be placed on Interstate 80 or other highly congested regional and interregional roadways.

EFFICIENCY OF LAND USE

In the next 5 to 15 years in Southwest Placer County, the County's planning decisions on density—in terms of housing units or jobs per acre—will be a strong determinant of this area's supportable level of public amenities. Density also influences the scale and types of environmental impacts accompanying population growth. Although some variation in amenities and environmental impacts would be expected from any two projects built at the same density, lower density communities are in general less desirable than high-density communities for the following reasons:

- Development spread over a larger area disrupts multiple habitat areas and leaves less room for habitat preservation;
- Lower densities create more dependence on automobile transportation, in turn increasing pollution and communities centered on cars and not people;
- Lower density communities lack the concentrations of activity needed to attract jobs, infrastructure, commercial services, public spaces, transit services, retail, and civic uses;
- Communities that are more spread out require more water and paved acreage, in turn creating more indirect source water pollution from pavement runoff; and
- Lower density communities do not promote community gathering because of the greater distance between neighbors, businesses, and recreation areas.

Results

Table 2 compares the generation of population and jobs for each land use in the three land use alternatives. The differences in density are significant. While the Proposed Project would accommodate 6.6 persons per acre and the Blueprint Plan Alternative would accommodate 9.4 persons per acre, the Reduced Density Alternative limits its density to 3.4 persons per acre, almost half of the Proposed Project's level and almost one-third the density of the Blueprint Plan Alternative.

While a full evaluation of each of the planning criteria listed above is beyond the scope of this memorandum, the qualitative performance of the Reduced Density Alternative is expected to be inferior to the other two alternatives, given the role played by density in achieving public amenities or minimizing environmental impacts. A reduction in

planned density would be expected to worsen the following performance measures at buildout:

- Contiguous habitat and ecological function, including achievement of habitat preservation consistent with the Placer Legacy program and any multi-species habitat conservation plan that might be approved pursuant to the program;
- Transportation choices;
- Business activity in employment and retail centers;
- Share of land area devoted to roads; and
- General level of community activity in public places

For the Reduced Density Alternative, additional land outside of the Plan area, most of it in agriculture or open space uses, would be required to house and provide employment for the same number of residents and workers accommodated in the other alternatives

PLAN SUPPORT FOR TOWN CENTER ENTERTAINMENT USES

According to a recent issue of *Urban Land*, new suburban town centers seek to integrate a full range of everyday uses and activities in a pedestrian-friendly environment. Many experts believe that residential communities anchored with a town center can outperform similar communities built with traditional shopping and employment centers because people desire homes from which they may walk to stores, restaurants, entertainment, and work. From the employer point of view, the town center has the potential to turn the location of the workplace into an amenity that workers particularly value. Providing access to retail, housing, entertainment, hotels, and public facilities such as libraries, the town center essentially bundles a wide variety of activities into an attractive, exciting place²

More importantly, town centers require adequate market support in terms of the residents, employees, and visitors who will shop in the retail establishments and frequent the public spaces and use public services, such as transit and libraries. Especially when more regional entertainment uses are placed in the town center, such as cineplexes, community theaters, art galleries, dance clubs, live music, or restaurants with patio dining areas, the town center must draw customers from wider areas and must benefit from a workforce that stays in the town center after office hours to meet friends or family, perhaps for dinner or a show.

² "Raising the Bar," Charles Lockwood, *Urban Land*, February 2003, as viewed in February 2006 in the member's only area of www.uli.org

uses located above ground-floor shops³ To assemble the full range of these activities, each project alternative should provide the necessary market support Table 2 estimates resident and employment population in the Plan area for each project alternative. The Blueprint Plan Alternative and the Proposed Project support the town center best, given resident populations of 49,000 and 35,000 people, respectively, and job bases of 8,200 and 7,500, respectively

The Reduced Density Alternative provides far less support for the entertainment uses of the town center because this alternative has a resident population of 18,000 in the Plan area and a job base of 4,700 The overall population density of the Reduced Density Alternative is nearly 50 percent of the Proposed Project's density

To bring the number of visitors to the town center that the Proposed Project brings, the entertainment district would need to draw from a much wider area in Southwest Placer County Attracting an additional 20,000 visitors (either workers or residents from other plan areas) into the heart of the Placer Vineyards Community in the Reduced Density Alternative could prove very difficult from a market perspective and would alter pedestrian usage patterns in the project, emphasizing parking for the visitor with less accessibility from neighborhoods contiguous to the town center

FEASIBILITY OF TRANSIT SERVICES

Transit systems require an array of funding mechanisms, most of them federal and State grant programs, to support new capital and operating expenditures The disbursements of many of these funds, especially those that can be used to support operations, are based on population/service level allocation formulas Growth in these funds fluctuates with local and national economic conditions although changes in population and service levels also play a role. However, federal and State agencies allocate transit funding to areas with significant amounts of new development, in part based on a critical review of the amount and reliability of local funding sources.

One of the primary local funding sources used to fund operating expenses of a transit system is the revenue generated from passenger fares, including the sale of transit passes, single-fare purchases, and other transit-pass programs targeting student or senior populations The percentage of total operating costs supported by passenger fares is known as the farebox-recovery ratio Most transit agencies establish a minimum farebox recovery-ratio goal Transit routes, either individually or in combination, that do not meet this goal may be either changed or eliminated

³ Placer Vineyards Specific Plan Environmental Impact Report, Quad-Knopf, March 2006, pp. 4.1-15 to 4.1-16

**Table 1
Placer Vineyard Specific Plan EIR Alternatives Analysis
EIR Alternatives Residential and Nonresidential Land Use**

Land Use		EIR Alternatives					
		Proposed Project		Blueprint		Reduced Density	
		Acres	Units	Acres	Units	Acres	Units
Residential							
Special Planning Area	[1]	979	411	979	411	979	213
Age Restricted	[2]	0	0	255	1,331	0	0
Rural Residential	[3]	0	0	0	0	647	647
Low-Density	[4]	983	3,426	352	1,759	1,002	3,507
Medium-Density [4]	[5]	1,195	6,254	1,280	9,814	300	1,614
High-Density		207	3,097	320	5,742	48	690
Subtotal - Residential		3,364	13,188	3,186	19,057	2,974	6,671
Nonresidential							
Commercial Mixed-Use Residential	[6]						
CMU Residential		35	636	79	1,732	34	605
CMU Retail	[7]	8		17		7	
CMU Office	[7]	8		17		7	
Subtotal CMU		51	636	113	1,732	48	605
Business Park							
Business Park Retail		9		9		5	
Business Park Office		81		81		44	
Subtotal Business Park		90	0	90	0	49	0
Town Center							
Town Center Retail		34		28		19	
Town Center Office		9		6		5	
Subtotal Town Center		43	0	32	0	24	0
Commercial Retail		34		34		20	
Power Center Retail		60		60		40	
Office		33		31		20	
Subtotal Nonresidential		309	636	360	1,732	201	605
Public and Other							
Public		49		53		53	
Religious		91	308	114	842	64	224
Elementary Schools		72		80		30	
Middle Schools		45		60		20	
High Schools		50		80		40	
Parks		210		261		217	
Open Space		709		714		1,310	
Major Roads		332		325		321	
Subtotal Public and Other		1,558	308	1,667	842	2,055	224
Total All Land Uses [8]		5,232	14,132	6,232	21,631	5,232	7,500
Nonresidential Subtotal		309	636	360	1,732	201	605
CMU Residential		35	636	79	1,732	34	605
Nonresidential Less CMU Residential		274	0	281	0	167	0

yes comm

Sources: Placer Vineyards Public Facilities Financing Plan, Placer Vineyards Specific Plan Administrative Draft, EDAW Half Density Summary, EPS

- [1] In the Special Planning Area there are 150 existing units and potential for an additional 261 units
- [2] Parcel 1A on the ownership land use map in the Specific Plan is reserved as residential community for active adults (55+ and older). Housing is proposed to be low-density of approximately 3.5 units per acre
- [3] Low-density units 2-6 units per acre
- [4] Medium-density units 4-8 units per acre
- [5] High-density units 7-21 units per acre
- [6] Of the total Commercial Mixed Use acreage, 70% is residential and 30% is commercial
- [7] Commercial uses are 50% retail and 50% office according to the Specific Plan.
- [8] Totals may not equal the sums of land uses because of rounding

**Table 2
Placer Vineyard Specific Plan EIR Alternatives Analysis
Density of Project and Project Alternatives**

Land Use	Assumptions	Placer Vineyards EIR Alternatives		
		Proposed Project	Blueprint	Reduced Density
Residential Units				
Special Planning Area		411	411	213
Age Restricted		0	1,331	0
Rural Residential		0	0	647
Low-Density		3,426	1,759	3,507
Medium-Density		6,254	9,814	1,614
High-Density		3,097	5,742	690
CMU Residential		636	1,732	605
Religious		308	842	224
Subtotal - Units		14,132	21,631	7,500
Population				
	<i>persons/unit</i>			
Special Planning Area	2.5	1,110	1,028	533
Age Restricted	1.8	1,625	2,378	1,089
Rural Residential	2.5	0	0	1,305
Low-Density	2.5	7,733	4,398	8,128
Medium-Density	2.5	16,918	26,665	4,035
High-Density	2.0	5,688	11,484	1,380
CMU Residential	2.0	1,688	3,464	1,210
Subtotal - Population		34,762	49,417	17,680
Jobs				
	<i>sq ft /employee</i>			
Commercial Mixed-Use				
CMU Retail	500	297	662	282
CMU Office	333	446	993	424
Subtotal CMU		743	1,655	706
Business Park				
Business Park Retail	500	195	197	107
Business Park Office	400	1,170	1,183	640
Subtotal Business Park		1,365	1,380	747
Town Center				
Town Center Retail	500	1,333	1,004	753
Town Center Office	333	500	377	283
Subtotal Town Center		1,833	1,381	1,036
Commercial Retail	500	741	741	436
Power Center Retail	500	1,307	1,307	871
Office	400	1,062	996	653
Schools	<i>1/17 students</i>	471	704	267
Subtotal - Jobs		7,622	8,164	4,716
Total Project Acres		5,232	5,232	5,232
Population Density	<i>persons/acre</i>	6.6	9.4	3.4
Job Density	<i>jobs/acre</i>	1.4	1.6	0.9

^{"density"}

Sources: Placer Vineyards Public Facilities Financing Plan, Placer Vineyards Specific Plan Administrative Draft, EDAW Half Density Summary, EPS

Table 3
Placer Vineyard Specific Plan EIR Alternatives Analysis
Jobs to Housing Ratio for City of Roseville and Project Area

	Jobs	Housing	Ratio
City of Roseville	66,250	42,244	1.57
Placer Vineyards EIR Alternatives [1]			
Proposed Project	7,522	13,824	0.54
Blueprint	8,164	20,789	0.39
Reduced Density	4,716	7,276	0.65
City of Roseville with Placer Vineyards EIR Alternatives at Buildout			
Proposed Project	73,772	56,068	1.32
Blueprint	74,414	63,033	1.18
Reduced Density	70,966	49,520	1.43

"h_rose"

Sources: SACOG March 2001 Projections by RAD, SACOG 2004 Projections.
 Placer Vineyards Specific Plan Revised Draft EIR, EPS

[1] Includes CMU Residential units

**Table 4
Placer Vineyard Specific Plan EIR Alternatives Analysis
Roseville Commute Distances**

Area	Distance to Pleasant Grove/SR 65 Intersection, Roseville [1]	Distance to Douglas Boulevard Corridor, Roseville [2]
Rocklin	3.6	4.3
Loomis	7.1	7.5
Antelope	8.0	7.4
Lincoln	8.1	12.2
Project Area [3]	11.3	11.4
North Natomas	19.4	18.4
West Sacramento	24.2	21.6
Sacramento	25.3	22.0

distance

[1] The intersection of Pleasant Grove and State Road 65 is used as a mid-point because of the large amount of office space in that area of the city

[2] The address of 2260 Douglas Blvd. is used because of the large amount of office uses in that area of the city

[3] The address of 7470 Country Acres Ln, Elverta, CA was used as a proxy for the centroid of the project's commuting population

Table 5
 Placer Vineyard Specific Plan EIR Alternatives Analysis
 West Placer Transit Study Operating Costs, Fare Revenue and Ridership

West Placer Study Area	Annual Operating Cost [1]	Passenger Trips [1]	Passenger Trips per Resident [2]	Average Fare [1]	Annual Average Fare Revenue [1]	Farebox Recovery Ratio	Annual Subsidy
Inter-Regional + Typical Suburban Local + Commuter Scenario							
Interregional Service	\$1,320,000						
Typical Suburban Local Service	\$1,235,000						
Subtotal, Inter-regional + Local	\$2,555,000	724,000	5.17	\$0.67	\$485,080	19.0%	\$2,069,920
Commuter Service	\$158,000	33,000	0.24	\$3.00	\$99,000	62.7%	\$59,000
ADA Service [3]	\$427,000	20,400	0.15	\$0.90	\$18,360	4.3%	\$408,640
Total	\$3,140,000	777,400	5.55	\$0.77	\$682,440	19.2%	\$2,537,560

west_placer_benefit

Source: West Placer Transit Study (LSC) and EPS.

[1] From West Placer Transit Study - Table 37.

[2] West Placer Transit Study Passenger Trips (Table 37) divided by Total Study Area Population (Table 8).

[3] ADA annual operating costs of \$427,000 is adjusted from the \$577,000 shown in the West Placer Transit Study, according to an August 2006 memorandum from LSC to Goodwin Consulting Group.

**Table 6
Placer Vineyard Specific Plan EIR Alternatives Analysis
Placer Vineyards Estimated Annual Farebox Revenues**

Placer Vineyards Specific Plan	EIR Alternatives		
	Formula/ Assumptions	Proposed Project	Reduced Density
Population	See Table 2	34,762	17,880
Passenger Trips	Population * Annual Transit Trips per resident - See Table 5		
Interregional + Local Service	5.17 annual transit trips per resident	179,699	91,395
Commuter Service	0.24 annual transit trips per resident	8,191	4,169
ADA Service	0.15 annual transit trips per resident	5,063	2,575
Total Passenger Trips		192,953	98,136
Annual Fare Revenue	Annual Trips per Resident * Average Fare Revenue - See Table 5		
Interregional + Local Service	\$0.67 average fare revenue	\$120,398	\$61,235
Commuter Service	\$3.00 average fare revenue	\$24,572	\$12,497
ADA Service	\$0.90 average fare revenue	\$4,557	\$2,318
Total Fare Revenue		\$149,527	\$76,050
Estimated Operating Cost	(1)		
Interregional + Local Service	\$634,157		
Commuter Service	\$39,216		
ADA Service	\$105,982		
Total Estimated Operating Cost	\$779,355		
Fare Recovery Ratio	Annual Fare Revenue/Estimated Operating Cost		
Interregional + Local Service		19.0%	9.7%
Commuter Service		62.7%	31.9%
ADA Service		4.3%	2.2%
Total Fare Recovery Ratio		19.2%	9.8%

pv_fare_recovery

Source: West Placer Transit Study (LSC) and EPS.

(1) Transit Study estimated annual operating costs from West Placer Transit Study for the "Inter-Regional + Typical Suburban Local + Commuter" scenario multiplied by Placer Vineyards population as a percentage of Study Area residents.



**Economic
Planning Systems**

*Public Finance
Real Estate Economics
Regional Economics
Land Use Policy*

TIM R. YOUMANS

Background Tim Youmans is a founding partner and Managing Principal of Economic & Planning Systems, Inc., (EPS). Mr. Youmans is an urban land economist with more than 23 years' experience in real estate market research, development feasibility, and public finance. He has developed a reputation as a strong strategist in overcoming difficult issues and effectively presenting information to decision makers. He has extensive experience in public/private negotiations.

Expertise School Facility Financing—Mr. Youmans directs the development of school facilities financing plans for school districts located throughout northern California. He has significant experience in developing facility master plans for school districts, negotiating development impact fees, and implementing Mello-Roos CFDs.

Fiscal and Economic Impact Analysis—Mr. Youmans has broad experience with economic and fiscal evaluation of development projects and land use plans. Often conducted during the course of environmental review and project approval, these evaluations involve modeling of the regional economic impacts of new development, impacts upon public agency operating costs and revenues, and ability to mitigate impacts and finance needed infrastructure.

Public Finance—Mr. Youmans has completed comprehensive financing plans for numerous major master plan and specific plan projects, often continuing work on their implementation. He has established and assisted with the implementation of numerous development impact fee programs throughout the Sacramento region. He is also one of the leading special tax consultants in creating and administering Mello-Roos CFDs. Mr. Youmans is familiar with the uniquely local problems facing public agencies and developers in financing infrastructure improvements without overburdening the proposed projects.

Real Estate Market and Feasibility Analysis—Mr. Youmans has conducted real estate market and financial feasibility analyses for private and public real estate development projects, redevelopment projects, and military base-reuse strategies. His expertise includes forecasting the demand for residential, retail/commercial, hotel, office, and industrial uses and analyzing project returns, residual land values and other financial parameters under a range of project and financing assumptions.

SACRAMENTO
1750 Crocker-Hale Oaks Drive, Suite 290 phone: 916 619-8900
Sacramento, CA 95829-5647 fax: 916 619-2170
www.epsys.com



BERKELEY phone: 510 841-9190
fax: 510-841-5208
DENVER phone: 303 625-3507
fax: 303 624-9019

Business Improvement Districts— Mr. Youmans has applied his knowledge and experience with property-based assessment districts, real estate economics, and downtown revitalization to Business Improvement Districts (BIDs) in major cities in the western United States. He reviews and refines assessment formulas, baseline budgets, and property data to arrive at equitable assessment methodologies.

Land Use and Transportation Planning— Mr. Youmans combines transportation-planning experience with real estate development feasibility skills to provide a strong capability in the evaluation of land use and transportation issues. Financing plans include analysis of funding needs, recommendations for funding sources, and creation of funding implementation programs.

- Engagements** Mr. Youmans is a frequent educator on subjects related to public finance and serves on the Advisory Committee for the UC Davis Extension Public Finance Program. He has developed several UC Davis extension courses as well as participated in many seminars. He is currently teaching a one-day seminar on Public/Private Negotiations.
- Employment**
- 1983–present Founding partner and Managing Principal, EPS
 - 1979–1983 Project Manager, Angus McDonald and Associates
 - 1977–1979 Planner, Golden Gate Bridge Hwy & Transportation Dist
 - 1972–1976 Computer Programmer, Control Data and Warner/Electra/Atlantic Records
 - 1970–1971 Air Defense Artillery Officer, United States Army
- Education**
- Master of Science, Management (Urban Land Economics Emphasis), University of California, Los Angeles, 1973
 - Bachelor of Arts, with honors, Economics, University of California, Santa Barbara, 1969
- Affiliations**
- Urban Land Institute (ULI), Full Member
 - Urban Land Institute District Council, Vice Chairman and Treasurer
 - Lambda Alpha International *Honorary Land Economics Society*, President of Sacramento Chapter (2004–2005)
 - Sacramento Area Commerce and Trade Organization (SACTO)
 - Building Institute of America (BIA), Member
 - Coalition for Adequate School Housing (CASH), Member



**Economic
Planning Systems**

*Public Finance
Real Estate Economics
Regional Economics
Land Use Policy*

ERIC J. NICKELL

Background Eric Nickell, a Vice President at Economic & Planning Systems, Inc (EPS), is a public finance consultant with academic training in economics and public policy. His practice seeks to resolve matters of public services and infrastructure funding, assist cities and counties in planning for growth, and measure site specific regulatory impacts and real estate feasibility for landowners, planners, and elected officials

Expertise Public Finance— Mr. Nickell has prepared fiscal impact studies to help jurisdictions understand the budgetary impacts of new development, and how planned projects may impact the level of services provided to existing city and county residents. Besides fiscal impact studies, Mr. Nickell has assisted several California cities and counties in preparing and updating nexus studies for significant impact fee programs. These programs fund the infrastructure needed to serve new development in the fastest growing regions of the state.

Regulatory Impacts on Project Feasibility— Federal agencies with endangered species and wetlands regulatory responsibilities increasingly require analyses of project costs and measures of development feasibility for a set of project alternatives demonstrating reduced environmental impacts. Mr. Nickell has prepared studies comparing the project alternatives by using pro forma and development cost estimates to supplement regulatory permitting requirements for small and large proposed projects in the Sacramento Valley.

Employment Vice President, Economic & Planning Systems, Inc
Senior Associate, Economic & Planning Systems, Inc
Management Analyst, VIETIA/Public Management Consulting
Government Relations Manager, Arizona Medical Board
Government Relations Analyst, California Optometric Association
Research Assistant, Resources for the Future
Research Assistant, Los Alamos National Laboratory

Education Master of Public Affairs, concentration in Economics and Public Policy, Woodrow Wilson School of Public Affairs, Princeton University, 1995
Bachelor of Arts, Chemistry, Colorado College, 1991

SACRAMENTO

1752 Creekside Oaks Drive, Suite 200
Sacramento, CA 95833-1611
www.epss.com

phone 916-449-8010
fax 916-449-2070



BERKELEY

phone 510-843-9180
fax 510-843-9208

DENVER

phone 303-624-1557
fax 303-624-9019

