



COUNTY OF PLACER
Community Development/Resource Agency

Michael J. Johnson, AICP
Agency Director

**PLANNING
SERVICES DIVISION**

E.J. Ivaldi, Deputy Director

MEMORANDUM

TO: Honorable Board of Supervisors

FROM: Michael J. Johnson, AICP
Agency Director

By: Lisa Carnahan, Associate Planner
Michele Kingsbury, Senior Planner

DATE: March 24, 2015

SUBJECT: **Riolo Vineyard Specific Plan: Amendments to Specific Plan, Land Use and Development Standards, and Development Agreement; Rezone**

ACTIONS REQUESTED

Reopen the Public Hearing that opened on February 24, 2015 in order to consider the Amended and Restated Development Agreement and the updated Public Facilities Financing Plan, and consider the following actions:

1. Adopt a Resolution approving an Addendum to the certified Riolo Vineyard Specific Plan Final Environmental Impact Report and amendments to the Mitigation Monitoring and Reporting Program;
2. Adopt a Resolution approving amendments to the Riolo Vineyard Specific Plan with changes noted on the errata sheet;
3. Adopt an Ordinance approving a Rezone of 322.8 acres of the 525 total acres of the Riolo Vineyard Specific Plan;
4. Adopt an Ordinance approving amendments to the Riolo Vineyard Specific Plan Development Standards;
5. Adopt a Resolution approving amendments to the Riolo Vineyard Specific Plan Design Guidelines; and
6. Adopt an Ordinance approving the Amended and Restated Development Agreement for the Riolo Vineyard Specific Plan.

BACKGROUND

On February 24, 2015, staff provided an overview of the proposed Specific Plan and associated amendments, and conducted a public hearing regarding the proposed plan amendments. A copy of the February 24, 2015 staff memorandum is included as Attachment A and incorporated herein by reference. The purpose of today's requested action is to discuss the remaining aspects of the proposed amendments including an overview of proposed changes to the Development Agreement and associated fiscal and finance plans.

PROJECT DESCRIPTION

As discussed at the February 24, 2015 public hearing and in the staff report, the Applicant proposes the following Specific Plan amendments to update the previously approved RVSP. These changes will result

in an updated Specific Plan document, as well as revised Development Standards and Design Guidelines. The proposed revisions to the Specific Plan include:

1. Elimination of Alley-Loaded Medium Density Homes

The previously approved Specific Plan allocated 157 units to Medium Density Residential (MDR). To create housing more consistent with the Dry Creek/West Placer Community Plan, the proposed RVSP Amendment would remove the alley-loaded Medium Density homes, resulting in a decrease in the number of MDR units to 102.

2. Replacement of High Density Residential Land Use with a Commercial Land Use Designation

The previously approved Specific Plan allocated 60 units to High Density Residential (HDR) to meet the Project's requirement for the provision of affordable housing. As noted above, in 2012 the Board of Supervisors took action to allow this affordable housing requirement to be provided at an off-site location (at the Acres of Hope facility in the Bowman area).

The proposed modification to the High Density Residential designation would allow the 3.2 acres previously reserved for HDR to become designated as a Commercial land use. As a result of deed restriction required by the previously-modified Mitigation Measure 5-3a, the use of this parcel will be restricted to affordable housing until such time as the funding obligation has been fully satisfied. The applicant also proposes to limit commercial development to a maximum of 3,750 square feet on this parcel to assure that the traffic generated by the development of this parcel does not exceed the traffic volumes analyzed in the original environmental document. If the developer proposes to construct additional commercial square footage on this parcel, additional environmental analysis may be required.

3. Addition of Low Density Residential Uses

The previously approved Specific Plan allocated 378 units to Low Density Residential (LDR). This proposed amendment to the Specific Plan would add 63 LDR units, resulting in a total of 441 LDR units. The addition of LDR units is consistent with the Dry Creek/West Placer Community Plan, which envisions low density single-family residential development over most of the Plan area. Although there would be an additional number of LDR units, the overall maximum number of 933 units would remain unchanged.

4. Creation of a Density Reserve

The Specific Plan allows for a total of 933 residential units to be constructed in the Specific Plan; however, with the elimination of the alley-loaded Medium Density Homes and the Plan revisions, not all residential units allocated to the Applicant are utilized on the land plan. A Density Reserve of the 47 unused lots would be created, which lots may be transferred to other property owners within the Specific Plan area. Since the replacement of commercial/retail on the High Density Residential parcel is in addition to the Density Reserve of 47 dwelling units, any future application of these 47 units being allocated to other Specific Plan parcels would result in additional environmental review for potential traffic impacts.

5. Removal of Ag-10 Residential Land Use/Introduction of Agriculture and Estate Residential Land Use within HBT-owned Portions of the Specific Plan

The previously approved Specific Plan allocated six residential units to Agriculture-10 for a total of 61.3 acres. This proposed amendment to the Specific Plan would transfer those 61.3 acres to Agriculture and replace those Agriculture-10 residential units with 11 Estate Residential units. The Agriculture-10 land use would remain for future potential use by other land owners within the Specific Plan.

6. Roadway Changes

The previously approved Specific Plan included a northerly arterial road running from east-to-west parallel to PFE Road between Watt Avenue and Walerga Road. This proposed amendment to the Specific Plan would eliminate the arterial road, which would also eliminate the access connection to Watt Avenue. A number of large oak trees immediately north of the Roseville Cemetery that were previously authorized for removal would no longer need to be removed to accommodate the new road.

7. Relocation of Parks and Recreation Areas

The previously approved Specific Plan included parks and recreation areas located within the LDR areas. This proposed amendment to the Specific Plan would relocate these parks and recreation areas to the perimeter of the LDR areas, which would create better connections to the trail systems and provide views of open space.

8. Proposed Modification to the Development Agreement

As discussed above, a Development Agreement was executed in 2009. The applicant proposes to modify the Development Agreement to reflect the above amendments to the RVSP. A more detailed description of the proposed changes to the Development Agreement is noted below.

FEBRUARY 24, 2015 PUBLIC HEARING

At the February 24, 2015 Placer County Board of Supervisors hearing, staff provided a synopsis of the proposed Specific Plan amendment, and the proposed changes to the Design Guidelines and Development Standards. The Board conducted a public hearing and received public testimony on the Addendum to the Riolo Vineyards Specific Plan Final Environmental Impact Report and the proposed amendments to the Riolo Vineyard Specific Plan, Design Guidelines, and Development Standards.

Brigit Barnes, on behalf of Maryanne Frisvold and her family, provided the only public testimony. Ms. Barnes submitted written correspondence and discussed certain aspects of her client's concerns. A copy of the correspondence submitted to the Board is included as Attachment B. Ms. Barnes related that her client's main concerns surrounded access and roadway concerns on PFE Road, as well as "shared" roadways conceptually shown on the northern and eastern boundaries of the Frisvold property. Supervisor Duran stated that further discussions between her client and the Applicant could provide a better venue to understand and resolve the issues and concerns. The Board subsequently closed the public hearing and continued the item to the March 24, 2015 Board hearing date to allow for the completion of the amendments to the Development Agreement and the associated Finance Plans (including the Public Facilities Finance Plan and Urban Services Plan).

Subsequent to the hearing, County staff met with Ms. Barnes on March 2, 2015 to review her client's concerns and address issues regarding landscaping and access along PFE Road. The Applicant has proposed moving the conceptual roadway between the Applicant's and Frisvold properties entirely onto the Applicant's property and revised alignment of the access along PFE Road to address the remaining concerns identified by Ms. Barnes. Attachment C depicts a revised Figure 4.1 – Vehicular Circulation, that if approved, will be incorporated into the final Specific Plan amendment documents memorializing discussions between the Applicant and the Frisvold's that the roadway is proposed to be located entirely on the Applicant's property. As the Applicant proceeds to the tentative map stage with the project, further definition of sound walls and ingress / egress is more appropriate. The Frisvold's will have opportunities at the tentative map stage as well to comment on the circulation, design and other features of the proposed tentative map.

FINANCING PLAN

The purpose of the Financing Plan is to describe the financing strategy for backbone infrastructure, public facilities, and other capital facilities needed to serve the new development. The Finance Plan identifies potential funding sources to pay for backbone infrastructure, and includes discussion regarding future fee programs or financing districts to pay for parks and capital facilities.

On December 10, 2013, the Board provided policy direction to staff on specific aspects of the proposed amendments to the Placer Vineyards Specific Plan (PVSP). The PVSP is located adjacent to the Applicant's project west of Watt Avenue. At the December 10, 2013 hearing, the Board directed staff in several areas to reconcile proposed financial documents consistent with their direction and proceed with amendments and / or modifications to the PVSP Development Agreement and Specific Plan and other appropriate documents. The areas of key policy direction were as follows:

- *The County is amendable to proceeding with a change of the assumption that the Placer Vineyards Specific Plan may develop as an urban area within the county and not as an incorporated city.*
- *The County is amendable to a shift from fully developer-delivered capital facilities to the more common model whereby the County collects fees and then plans, designs and constructs the capital facilities.*
- *The County is amendable to the creation of a separate Parks and Recreation District to administer appropriate fee programs and the construction and operation of the parks and recreation facilities and programs within the Specific Plan area.*
- *The County is amendable to having a third-party administrator to manage the collection and distribution of capital fees for the construction of the developer's required backbone infrastructure improvements. The County would provide oversight to the third-party administrator.*
- *The County is amendable to a reduction of active parks facilities from 6.2 acres per 1,000 residents to the County's General Plan standard of 5.0 acres per 1,000 residents.*
- *The County is amendable to the concept of joint-use major parks amenities, including an aquatic center, baseball diamonds and gymnasiums, and sharing the use of these facilities with the School District. Such use would be subject to further negotiations to assure that the time of use, delivery costs and schedules were agreeable to the County.*
- *The County is amendable to the concept of extended-term financing as a tool to phase construction and potentially provide financing for future rehabilitation or facilities and other infrastructure.*

Due to the above direction and adjacency of the developments, staff supported applying similar policy direction to the Riolo Vineyard Specific Plan Amendment. Where applicable, provisions and changes in the financing and construction obligations for public facilities are mirrored in the Riolo Vineyard Specific Plan Amendment and updated Public Facility Finance Plan. The following highlights key provisions of the Riolo Vineyard Financing Plan that have been updated from its original acceptance in 2009:

PUBLIC FACILITIES

In the original 2009 Public Facilities Financing Plan, public facility costs totaled approximately \$6.5 million for regional servicing public buildings including a fire station, sheriff services center, transit facilities, and corresponding equipment, as well as public parks and recreation facilities. Pursuant to direction provided by your Board on December 10, 2013 for the PVSP and subsequent approval on January 6, 2015 of the specific plan, staff and the RVSP applicant incorporated facility reductions and corresponding cost sharing measures and financing mechanisms to maintain consistency between the two adjacent specific plan areas. Changes were also incorporated into the Finance Plan in the Errata to reflect last minute technical corrections. Both specific plans propose sharing in the costs of several facilities that will ultimately serve both developments. (Note: some figures have been rounded in this report. Please refer to Attachment L for the complete Finance Plan.)

RVSP includes the potential for 933 residential units, with 886 currently developable residential dwelling units and approximately 10.5 acres of commercial development. As a result of this difference, the

RVSP contains 47 density reserve residential units. Because it is unclear if these density reserve units would be built, the density reserve units are not included in the Financing Plan to ensure an accurate allocation of costs between the other residential land uses. The two rural residential units are also excluded from the analysis as well for similar reasons, for a total of 884 residential dwelling units used in the Financing Plan analysis.

PARKS

The proposed amendment to the Specific Plan would increase the acreage of parks by 0.6 acres and open space by 4.4 acres within the Specific Plan area (10.7 total acres and 128.3 acres respectively), thereby providing more areas for residents to recreate within the Specific Plan without having to leave the Plan area. The Finance Plan notes the approximate cost of park facilities at \$4.3 million. The Developer will be required to construct the neighborhood parks as "turn key" facilities commensurate with the phasing of each residential tract within the Specific Plan and as further detailed in the Development Agreement. RVSP will contribute toward regional recreation facilities planned for the PVSP area such as a gymnasium that could be constructed with one of the middle schools to be located within PVSP, the aquatic center to be located in conjunction with the PVSP high school, and multipurpose center and the regional parks corporation yard totaling \$947,131. As further detailed below, RVSP will set up a fee program with fees collected at building permit issuance as each dwelling unit equivalent constructs to support several public facilities, including the regional park facility component. The County will be responsible for construction of said regional facilities as sufficient fee revenue is collected. Sites have been identified in the adjacent PVSP area for the proposed regional facilities.

The Development Agreement also requires the establishment of a Security Plan Funding Program ("Funding Program") to secure funding for construction of future parks within Riolo Vineyard since phasing triggers allow construction of residential units in Phase A (previously "Parcel J"), prior to completion of those parks necessary to maintain the County's recreation service levels. Funds derived from the Funding Program will be held by Placer County. At such time as a park is complete, as evidenced by a Final Acceptance of those Park Improvements issued by Placer County, the Developer may request reimbursement for development costs associated with the completed park. Reimbursement shall be made on a per-acre basis for the completed park land and shall not exceed the per acre cost of construction as calculated and described in the approved Financing Plan. Reimbursement shall not exceed the amount of funding held in the Funding Program account.

SHERIFF

The size of the Sheriff's facility for Western Placer County was reduced to approximately 15,000 square feet with the approval of the PVSP amendment in January 2015. PVSP's portion of the Sheriff's facility cost was 94 percent (or \$9.3 million) with RVSP estimated to pick up the remaining 6 percent (or \$700,000) of the costs. Fees to cover the costs of the permanent Sheriff's facility would be collected at building permit issuance via a combination of the payment of the Countywide Capital Facility Fee and a Supplemental Facilities Fee discussed below. It will be the County's responsibility to manage the fee collections and cash flow and construct facilities as service needs arise and funds are available to construct.

FIRE

The east fire station located within the PVSP area is expected to ultimately serve both the Riolo Vineyard Specific Plan Area and the easterly portion of PVSP. Commensurate with direction received at the December 10, 2013 Board hearing on PVSP proposed amendments, the size of the East station was reduced to 10,000 square feet. PVSP will contribute \$5.7 million (or approximately 86 percent) of the costs for the East station with Riolo Vineyard participating in sharing the cost for the remainder.

The Applicant has agreed to participate in the Placer County Fire Capital Facility Fee program to ensure Placer County has the greatest flexibility in managing timing associated with the delivery of Fire Service infrastructure and equipment. PVSP has also agreed to participate in the Fire Capital Facility Fee program. Staff will return to your Board with a subsequent item requesting inclusion of RVSP in the County Fire Capital Facility Fee Program to ensure the collection of fees to support the facility costs.

TRANSIT

As approved in the PVSP amendment, the transit facility is a regional facility with costs shared amongst several developments. The facility will be located within the PVSP specific plan area. The total cost of the facility has not changed with these proposed specific plan amendments, however, the proportion of costs has. The estimated cost of the transit facility and equipment is \$7.7 million, with PVSP's share of the cost at 88 percent (or \$6.8 million). The remaining 12 percent of the costs (or \$900,000) will come from other projects. RVSP's share of the remaining costs is approximately \$600,000. Staff will work with other proposed developments to identify how the remaining 4 percent of the of the transit facility costs will be allocated or divided. If alternative funds cannot be identified to fully fund the required facilities, the County may consider reducing the size of the facility commensurate with estimated fee collections. Fees to cover the costs of the permanent facility would be collected at building permit issuance via a Supplemental Facilities Fee discussed below.

LIBRARY

With the approval of the PVSP amendment, the library facility was reduced to approximately 15,000 square feet and is projected to serve the PVSP, Riolo Vineyard, Placer Ranch, and Regional University developments. A site has been identified within the PVSP Specific Plan area for the facility. The current estimated cost of the library facility is \$10.2 million. PVSP is projected to share in 60 percent of the costs (or \$6.3 million). Riolo Vineyard's share of the costs is approximately \$500,000. Staff will work with the other projects to memorialize their fair share of costs for the library facility. Instead of providing a turn-key facility and consistent with the financing mechanisms approved with the PVSP development, the Applicant will pay the Countywide Capital Facility Fee at building permit issuance. A portion of that fee supports the building of library facilities. If alternative funds cannot be identified and collected with the proposed developments noted above to fully fund the projected facility size, the County may consider as an option reducing the size of the facility commensurate with estimated fee collections.

PUBLIC FEE BURDEN ANALYSIS:

Included within the Finance Plan is an infrastructure and fee cost burden analysis. The percentage of infrastructure burden costs as a percentage of a home's sales price ranged from approximately 14 to 18 percent for commercial projects. Typically infrastructure burden costs as percentage of sales prices should be between 15 to 20 percent to be considered financially feasible per the recommendations from the developer's consultant, EPS. The percentages noted in the Applicant's analysis fall within these typical industry standard ranges.

Residential per unit fees range from approximately \$40,000 to \$44,000 depending upon the product type and density. Commercial fees amount to approximately \$127,000 per acre. In addition, the Applicant proposes the creation of the RVSP fee program that is comprised of two components. Fees for the RVSP range from \$32,000 to \$35,000 per unit and commercial acreage fees are estimated at \$261,000.

CAPITAL FACILITY AND INFRASTRUCTURE FINANCING STRATEGY

Several different financing sources will be used to fund the Infrastructure and Public facilities and to mitigate impacts on surrounding developments. The developer would be responsible for construction

parcs and trails that serve the development. The developer will also pay the Countywide Capital Facility Fee that is in effect pursuant to Placer County Code, Article 15.30 for its fair-share of Countywide facilities to serve the Plan Area. The Capital Facilities Fee will be due at building permit issuance and will go toward funding RVSP's fair share of the government center, Sheriff facilities, library, transit, corporation yard facilities needed to serve the development and consistent with the type of facilities covered by the existing fee program. The burden for construction of the public facilities would shift to the County and the size and timing of facilities ultimately constructed will be dependent upon the amount of fees collected over time. There may be instances where service demand and fee collection to meet the need to construct necessary facilities do not coincide. The Applicant has also agreed to participate in the County Fire Capital Facility Fee Program to cover the cost of construction and equipping of the PVSP East Fire Station to serve the RVSP development. In addition, the Applicant proposes to revise the RVSP Fee as originally contemplated in the original RVSP Development Agreement. The Applicant may also utilize special assessments or Community Facility Districts to fund facilities as long as such funding is consistent with the County's Land – Secured Debt-Financing policies and / or County Bond Screening Committee rules and procedures.

With the original 2009 approval of the Riolo Vineyard Specific Plan, an RVSP Fee was to be established by the County. The fee program was comprised of the costs for infrastructure and equipment to support and facilitate the development of the Property, and the costs of the public facilities and improvements, Sheriff and fire protection facilities, transit, parks and recreation facilities, County offices, and fee program formation, administration and fee updates.

The RVSP Fee is still proposed but will consist of two components to fund the RVSP proportionate share of costs for required Public Facilities and Infrastructure: 1) The Public Infrastructure Facilities Fee which contains the costs for Backbone Infrastructure and equipment that is necessary not only to support and facilitate the development of the Property, but is also required and sized to serve the remainder of the Specific Plan and the Placer Vineyards Specific Plan; and 2) The RVSP Supplemental County Facilities Fee which is comprised of the costs, including the supplemental sheriff costs and transit facilities and supplemental contribution to regional recreation facilities such as a gymnasium, aquatic center and multipurpose center above what is anticipated to be collected through the Countywide Capital Facility Fee Program to support such facilities.

The Finance Plan provided for an analysis of a hypothetical homebuyer to determine whether the proposed financing mechanisms fell within County land secured debt financing policies. After accounting for placeholders for CSA or CFDs that support Countywide service costs and normal ad valorem property taxes due by each homebuyer, sufficient property tax assessment costs coverage remained to support a proposed special infrastructure tax for the developer to support backbone infrastructure construction costs. Such tax coupled with other assessments account for a typical property tax assessment of 1.67 percent of the homes assessed value. This assessment as a percentage of home value falls within the typical range of property tax assessments and is within land secured debt policy guidelines. As the development proceeds, the developer will begin formation of necessary CSAs or CFDs to support Countywide service costs and will begin formation of infrastructure CFDs. Formation of service CSAs or CFDs are subject to your subsequent board approval. Formation of infrastructure CFDs is subject to a recommendation by the County's Bond Screening Committee and ultimately the approval of your Board.

Parcel J is not anticipated to be included within an infrastructure CFD at this time. The Developer proposes to pay for directly the cost of the backbone infrastructure improvements for Parcel J due to the proposed timing of the development.

FISCAL PLAN

Countywide Service Costs

The 2009 fiscal plan for Riolo Vineyard arrived at cost estimates for providing urban services to the plan area ranging from \$1,920 per single family unit and \$1,540 per multifamily unit. The fiscal analysis was updated with this proposed specific plan amendment. The fiscal analysis utilized similar assumptions and corresponding service levels as approved by your Board in the recent Placer Vineyards Specific Plan Amendment resulting in an average cost per single family unit of approximately \$857. The reduction in costs per unit was arrived at due to changing fiscal assumptions to account for Countywide service costs in line with the assumptions used with Placer Vineyards and through discussions with the Applicant and various departments to reduce costs, but still provide for an implementable project. Sales tax revenue was calculated using similar assumptions for neighborhood and regional capture as we implemented with PVSP. The Riolo Vineyard project is not proposing any regional commercial development, so there is no regional sales tax capture account for from a supply side basis.

Similar to assumptions used to allocate costs in the Finance Plan, it is recognized in the fiscal plan that RVSP includes the potential for 933 residential units, with 886 currently developable residential dwelling units and approximately 10.5 acres of commercial development. As a result, of this difference, the RVSP contains 47 density reserve residential units. Because it is unclear if these density reserve units would be built, the density reserve units are not included in the probable unit mix scenario of the fiscal plan. The two rural residential units are also excluded from the analysis as well for similar reasons, for a total of 884 residential dwelling units used in the fiscal analysis. A sensitivity analysis was conducted and as further described below to determine the annual average cost per residential unit if all units were built out to ensure the assumptions were conservative, but reasonable in nature.

Sheriff

Through discussions with the Sheriff's Department, it was agreed that a lower sworn officer ratio per 1,000 persons could be supported while still maintaining an appropriate level of service to serve the Plan Area. The General Plan requirement calls for a sworn officer ratio of 1.0 sworn officer per 1,000 populations. The recommended change in the service ratio to 1.20 sworn officers per 1,000 residents, still exceeds the General Plan requirement and is consistent with the sworn officer level noted in the City of Roseville's General Plan in terms of police protection service levels. It is estimated that annual budget for Sheriff services will be \$675,000 million after accounting for revenue adjustments. The budget includes costs for 2.6 sworn officers and 0.42 non-sworn staff. The staffing levels per 1,000 residents are consistent with what was previously approved for the Placer Vineyards Specific Plan Amendment.

Fire

The East fire station to be located in the Placer Vineyards Specific Plan is designated to serve the Riolo Vineyard development. County staff worked with the Applicant to align operational costs with what had been recently approved with Placer Vineyards and apportion a percentage of the remaining costs to cover administrative and operational costs to Riolo Vineyard. The total annual estimated budget for operations of the East Station is \$2.75 million. Riolo Vineyard's share of those costs is estimated at \$410,000. Staff anticipates covering the remaining operational gap from the Regional University project and other potential developments in the Dry Creek area.

Transit

Riolo Vineyard transit service costs were projected based upon similar assumptions used with the Placer Vineyards Specific Plan amendment. Net costs were estimated at \$40.54 per dwelling unit or \$35,837. If anticipated revenues do not materialize as projected, service levels will be adjusted commensurate with revenues received.

Roads

The Public Works Department estimated road maintenance costs at \$34,000 per mile and landscape median costs at \$11,500 per mile. Landscape median costs assume contract labor performs the median landscape maintenance within road rights of way. Gross costs to maintain 7.6 miles of roads and 1.3 acres of landscape medians are estimated at \$272,000 at full build out. After accounting for projected revenues to offset costs, a total road and median landscape maintenance budget is projected at \$208,000.

Library

A site for regional library facility is planned within the Placer Vineyards Specific Plan Area. The Library Director worked with the Placer Vineyards Owners Group and staff to adjust the operational budget for the proposed 15,000 square foot library to account for the reduction in the facility size. The library is planned to serve as a regional facility. A projected operational budget of \$1.2 million was derived and it was determined that Riolo Vineyard's share was approximately \$48,675. The remaining revenues to operate the library and fill the operational funding gap are projected to come from Regional University and Placer Ranch. Regional University has submitted a Specific Plan Amendment application and staff will work with the development group to memorialize its obligations to fund a portion of the library's operational costs. Placer Ranch has submitted an application with the City of Roseville. The City of Roseville operates its own library system. If Placer Ranch were ultimately developed within City limits, there are several options to explore to serve the County's proposed library which include working with the City to provide funds to the County for the proposed library to serve as a joint use library serving the needs of the aforementioned projects or reducing the facility size commensurate with a revised service population base.

Parks

County park staff worked with the Applicant to develop a proposed operational budget to operate the project's 10.7 acres of park amenities. It is important to note that costs were calculated assuming contract labor would mainly be used to perform maintenance duties. An annual estimated budget at full build out is projected to be \$272,849. Only 28.8 acres of the open space area may be maintained by the County. The other acreage that comprises the open space area is labeled as Ag/ open space and is not proposed to be maintained by the County. Either a Home Owners Association or mechanism would be used by the developer to maintain the remaining open space area. Costs for the regional recreational contribution were calculated at approximately \$47.50 per unit. Based upon either a residential unit built out of 884 units, the regional recreation contribution was determined at \$41,990 annually. At full build out or 933 residential units, the regional recreation contribution was determined to be \$44,318.

Sensitivity Analysis

As mentioned above, RVSP includes the potential for 933 residential units, with 886 currently developable residential dwelling units and approximately 10.5 acres of commercial development. As a result, of this difference, the RVSP contains 47 density reserve residential units. Because it is unclear if these density reserve units would be built, the density reserve units are not included probable mix of the fiscal plan to ensure an accurate allocation of costs between the other residential land uses. The two rural residential units are also excluded from the analysis as well for similar reasons, for a total of 884 residential dwelling units used in the fiscal plan analysis.

A community facility district (CFD) would be required to be formed to fund the fiscal deficit so that the County remains fiscally neutral. Formation of a services CFD is subject to the purview of the County's Bond Screening Committee Rules and Procedures and ultimately your Board. In addition, a sensitivity analysis was run to assess the impact on Countywide and urban costs if all units including the density reserve and two rural residential units developed. It was determined that the average cost per unit to

fund the fiscal deficit would be less than the proposed \$857 approximate average per unit, ensuring that the analysis conducted was conservative in nature and provided for a small fiscal buffer if all units were built out. Parcel J will most likely be the first phase of development to quickly follow that would be required to set up the services CFD.

There are several non-participating land owners who are not subject to the provisions of the proposed Amended and Restated Development Agreement. At the time these land owners wish to develop, staff will require the non-participating land owner to enter into a Development Agreement with terms substantially similar to the terms noted within this Applicant's proposed Development Agreement.

AMENDED AND RESTATED DEVELOPMENT AGREEMENT

The Developer desires to amend the Original Development Agreement to reflect the change in ownership and modifications to the circulation and land plan, including the elimination of the High Density designation and the prior Affordable Housing requirement, resulting in the elimination of the Affordable Housing and Services Shortfall Fees. Furthermore, the amendment reflects a change in the assumptions related to the level of services that the County will be expected to provide to the Property. Additionally, the amended and restated Development Agreement reflects revised timing agreements regarding improvements by the developer. Key sections of the proposed Amended and Restated Development Agreement include:

1. The Ownership change has been reflected changing the owners name from Bryte Gardens Associates to HBT of Riolo Vineyards, LLC.
2. Pursuant to the recommendation of the Planning Commission, the clock has been restarted on the commencement of the Development Agreement term to begin on the effective date of the Amended Development Agreement versus the original date of the Development Agreement, thereby extending the Term of the Development Agreement. (**See Section 1.3.1**)
3. Several Fees have been eliminated which include: (**See Section 2.5**)
 - a. The Walegra Road Bridge construction fee obligation which is now fully funded through the City/County fee program.
 - b. The Riolo Vineyard Specific Plan Improvement Fee has been eliminated since improvements are now funded through the Dry Creek CIP program.
 - c. Elimination of the Parks and Recreation Facility fee as the Developer is either constructing parks on site or paying the RVSP Fee which includes a component for regional recreational facilities.
4. Additional language has been added to include a new Development Mitigation Fee to provide for an additional requirement to adhere to terms noted in the First Amendment to Reimbursement Agreement for Construction of Sewer Facilities and Reclaimed Water Line dated November 5, 2013. (**See Section 2.5.2**).
5. New language has been added to the New Development Mitigation Fee section to provide for Riolo Vineyard to participate in the County Fire Capital Facility Fee Program (**See Section 2.5.3**)
6. Additional language has been added to allow for fee credits if a new fee program is established and the fee program includes improvements to the Highway 99/70 and Riego Road Interchange in Sutter County (**See section 2.5.4.1**).
7. The RVSP Fee has been revised to include two components: (1) a backbone infrastructure fee to support the development and (2) a Supplemental County facility fee for supplemental costs for the Sheriff and Transit facility and the share in costs for regional recreation facilities. (**See Section 2.5.5.1**). The SW Placer Fee has been eliminated as the developer will pay the Countywide Capital Facility Fee to fund its share of County facility costs.

8. Changes to the Affordable Housing obligations have been reflected to coincide with prior Board approved revisions allowing for an off-site alternative for the provision of affordable housing. (**See Section 2.6**). The Services Shortfall Fee has been eliminated due to the revisions of the affordable housing obligation. (See Section 2.5.5.5 of the Original Development Agreement]
9. Revised language reflecting Developer's receipt of its 404 permit from the Army Corp of Engineers. (**See Section 2.7**)
10. Change in timing for the completion and approval of the design for the PFE/Watt Intersection [**See Section 3.2.1.1**).
11. Change in the timing for the completion of construction of the PFE / Watt Intersection. [**See Section 3.2.1.2**]
12. Change in timing for the completion of the design PFE/Walegra Road Intersection. [**See Section 3.2.2.1**]
13. Change in timing for the construction of the PFE/Walegra Road Intersection. [**See Section 3.2.2.2**]
14. Changes in the Offers of Dedication for Open Space section to clarify conditions for acceptance and funding of on-going operations and maintenance costs for the Open Space. [**See Section 3.3.2**]
15. Changes in the park and trail sections to reflect changes in the overall project phasing. [**See Section 3.10**]
16. Introduction of new term "Park Agency" to reflect Developer desire to be consistent with the direction of Placer Vineyards Specific Plan which will establish its own Park District. The Developer shall work cooperatively with the County to consider and support the formation of a park district at the sole cost and expense of the Developer, and subject to Developer obtaining all necessary approvals for formation of the Park District with all terms and conditions acceptable to the County. (**See Section 3.10.2.2**)
17. Inclusion of new requirements to upsize certain sewer lines to insure the sewer system is fully operational in peak and minimal flow conditions after the Riolo Vineyard's Lift Station is constructed. [**See Section 3.11**]

The Developer entered into the original Development Agreement on September 28, 2009. Proposed revisions to the Development Agreement as outlined above necessitate several revisions to the Development Agreement to reflect the proposed changes and modifications to the original Specific Plan. The Amended and Restated Development Agreement also reflects changes to the Affordable Housing obligation section to coincide with previously approved Board action that allowed for an offsite affordable housing alternative at Acres of Hope located in the Bowman area. On December 11, 2012, the County modified the project's Mitigation and Monitoring Reporting Program the site, previously identified for affordable housing has been restricted to be used only for affordable housing until such time as developer satisfies its financial obligations for the offsite mitigation. The Developer has submitted information and demonstrated that they are in full compliance with it's agreed upon financial obligation to Acres of Hope. There are other technical changes included within the proposed Amended and Restated Development, but the aforementioned sections highlight the key revisions.

CEQA COMPLIANCE

The proposed revisions to the Specific Plan include changes to land use designations and circulation patterns, the relocation of park and recreation areas, and revisions in the funding mechanisms for capital facilities. The proposed revisions would not alter any of the conclusions of the certified EIR regarding the significance of environmental impacts nor alter the RVSP boundaries, or the amount of development, including off-site infrastructure. The RVSP applicant and subsequent developers would still be required to implement all required mitigation for impacts.

Although the proposed revisions to the project would not create any new impacts or make impacts identified in the EIR more severe, the following mitigation measures were revised to reflect updated information:

- Mitigation Measures 6-1a and 6-1b were updated to reflect the fact that both a Corps Section 404 Permit and Regional Water Quality Control Board 401 Permit have been issued for the project.

Consistent with the requirements of CEQA Guidelines Section 15162 (Subsequent EIRs), an environmental checklist was prepared to determine if any circumstances changed or new information of substantial importance would trigger the need for a subsequent EIR. As provided for in Section 15164 (Addendum to an EIR), an Addendum to the previously certified EIR was prepared because:

- No substantial changes are proposed in the project which will require major revisions of the previous EIR;
- No substantial changes would occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR; and
- There is no new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete.

An Addendum is appropriate where a previously certified EIR has been prepared and some changes or revisions to the project are proposed, or the circumstances surrounding the project have changed, but none of the changes or revisions would result in significant new or substantially more severe environmental impacts, consistent with CEQA Section 21166 and State CEQA Guidelines Sections 15162, 15163, 15164, and 15168. Staff has concluded that an Addendum is appropriate for the proposed RVSP amendments.

RECOMMENDATION

Staff recommends that the Board of Supervisors accept the recommendations of the Planning Commission and approve the amendments to the Riolo Vineyard Specific Plan by taking the following actions:

1. Adopt a Resolution approving an Addendum to the certified Riolo Vineyard Specific Plan Final Environmental Impact Report and amendments to the Mitigation Monitoring and Reporting Program based on the following findings:
 - A. The proposed project will not result in substantial changes that would lead to the identification of new or previously unidentified significant environmental effects that would require major revisions of the previously certified Final Environmental Impact Report for the Riolo Vineyard Specific Plan.
 - B. No new information of substantial importance which was not known, and could not have been known with the exercise of reasonable diligence at the time the Final Environmental Impact Report for the Riolo Vineyard Specific Plan was certified, has been discovered which would require major revisions of the previously certified Environmental Impact Report.
 - C. There is no substantial evidence in the record as a whole that the project as revised may have a significant effect on the environment. With the incorporation of all previously approved

mitigation measures and minor amendments thereto, the project will not result in any new or additional significant adverse impacts.

- D. The Addendum to the previously certified Final Environmental Impact Report for the Riolo Vineyard Specific Plan has been prepared as required by law and in accordance with all requirements of CEQA and the CEQA Guidelines and the document as adopted reflects the independent judgment and analysis of Placer County, which has exercised overall control and direction of the preparation of the Addendum.
 - E. The custodian of records for the project is the Placer County Planning Director, 3091 County Center Drive, Suite 140, Auburn CA, 95603.
2. Adopt a Resolution approving amendments to the Riolo Vineyard Specific Plan and Errata based on the following findings:
 - A. The Riolo Vineyard Specific Plan amendment is consistent with the Placer County General Plan and Dry Creek/West Placer Community Plan.
 - B. The Riolo Vineyard Specific Plan amendment is consistent with the Riolo Vineyard Specific Plan approved in 2009.
 - C. The Riolo Vineyard Specific Plan amendment is consistent with the Placer County Airport Land Use Compatibility Plan, as required by California Government Code Section 65302.3.
 3. Adopt an Ordinance for a rezone of 322.8 of the total 525 acres to SPL-RVSP based on the following finding:
 - A. The proposed zoning change to SPL-RVSP is consistent with applicable policies and requirements of the Dry Creek/West Placer Community Plan, is consistent with uses in the immediate area, and is consistent with the proposed zoning to implement both the original Riolo Vineyard Specific Plan and the amendment to the Specific Plan.
 4. Adopt an Ordinance approving amendments to the Riolo Vineyard Specific Plan Development Standards based on the following finding:
 - A. The proposed amendments to the Riolo Vineyard Specific Plan Development Standards are consistent with both the original Riolo Vineyard Specific Plan and the amendment to the Specific Plan.
 5. Adopt a Resolution approving amendments to the Riolo Vineyard Specific Plan Design Guidelines based on the following finding:
 - A. The proposed amendments to the Riolo Vineyard Specific Plan Design Guidelines are consistent with both the original Riolo Vineyard Specific Plan and the amendment to the Specific Plan.
 6. Adopt an Ordinance approving the Amended and Restated Development Agreement for the Riolo Vineyard Specific Plan based on the following findings:
 - A. The Amended and Restated Development Agreement relative to the Riolo Vineyard Specific Plan is consistent with the objectives, policies, general land uses and programs specified in the Placer County General Plan and the Riolo Vineyard Specific Plan, as approved in 2009 and as herein amended;

- B. The proposed Amended and Restated Development Agreement relative to the Riolo Vineyard Specific Plan is compatible with the uses authorized in and the regulations prescribed for the Riolo Vineyard Specific Plan, as approved in 2009 and as herein amended;
- C. The proposed Amended and Restated Development Agreement Relative to the Riolo Vineyard Specific Plan is in conformity with public convenience, general welfare and good land use practice;
- D. The proposed Amended and Restated Development Agreement Relative to the Riolo Vineyard Specific Plan will not be detrimental to the health, safety and general welfare of persons residing in the County; and
- E. The proposed Amended and Restated Development Agreement Relative to the Riolo Vineyard Specific Plan will not adversely affect the orderly development of property or the preservation of property valued in the Riolo Vineyard Specific Plan area.

In association with the foregoing, the Board is being asked to consider the Finance Plan prepared for this project.

Attached to this report for the Board's information/consideration are:

ATTACHMENTS

- Attachment A: February 24, 2015 Board Memorandum
- Attachment B: Correspondence
- Attachment C: Amended Figure 4.1 – Vehicular Circulation
- Attachment D: Proposed Development Agreement
- Attachment E: Resolution adopting an Addendum to the Certified Final Environmental Impact Report and Amending the Mitigation, Monitoring and Report Program
 - Exhibit A: Addendum to Certified Final Environmental Impact Report
 - Exhibit B: Amendment to the Riolo Vineyard Specific Plan Mitigation Monitoring and Reporting
- Attachment F: Environmental Checklist
- Attachment G: Resolution adopting amendments to the Riolo Vineyard Specific Plan
 - Exhibit A: Riolo Vineyard Specific Plan, revised October 2014 *(Delivered under separate cover, available online at www.placer.ca.gov, and on file with the Clerk of the Board's office)*
 - Exhibit B: Errata to the Riolo Vineyard Specific Plan
- Attachment H: Ordinance adopting a Rezone of 322.8 acres of the 525 total acres of the Riolo Vineyard Specific Plan
 - Exhibit A: Rezone Map

- Attachment I: Ordinance adopting amendments to the Riolo Vineyard Specific Plan Development Standards
Exhibit A: Development Standards for the Riolo Vineyard Specific Plan, revised October 2014. *(Delivered under separate cover, available online at www.placer.ca.gov, and on file with the Clerk of the Board's office)*
- Attachment J: Resolution adopting amendments to the Riolo Vineyard Specific Plan Design Guidelines
Exhibit A: Design Guidelines for the Riolo Vineyard Specific Plan, revised October 2014. *(Delivered under separate cover, available online at www.placer.ca.gov, and on file with the Clerk of the Board's office)*
- Attachment K: Ordinance adopting the Amended and Restated Development Agreement
Exhibit A: Amended and Restated Development Agreement *(Delivered under separate cover, available online at www.placer.ca.gov, and on file with the Clerk of the Board's office)*
- Attachment L: Finance Plan and Errata *(Delivered under separate cover, available online at www.placer.ca.gov, and on file with the Clerk of the Board's office)*

cc: Michael Johnson - Agency Director
Karin Schwab - County Counsel
Rebecca Taber - Engineering and Surveying Division
Laura Rath - Environmental Health Services
Andy Darrow – Flood Control District
Andy Fisher – Parks
Mike DiMaggio - CalFire
Jeff Pemstein – Owner
Dave Cook – Applicant