



MEMORANDUM
COMMUNITY DEVELOPMENT RESOURCE AGENCY
PLANNING SERVICES DIVISION
County of Placer

TO: Board of Supervisors DATE: October 11, 2016

FROM: Paul Thompson
Interim Agency Director

BY: Stacy Wydra
Senior Planner

SUBJECT: Martis Valley West Parcel Specific Plan: Specific Plan, Development Standards, and Design Guidelines. Martis Valley Community Plan Amendments. Rezones. Large-Lot Vesting Tentative Subdivision Map. Development Agreement (PGPA 20130080/PLN15-00465). Final Environmental Impact Report (State Clearinghouse #2014032087)

****Continued from September 13, 2016 Board of Supervisors Meeting. The Board closed the public hearing to further public testimony on September 13, 2016.****

ACTIONS REQUESTED:

1. Conduct a Public Hearing to consider final action on the Board of Supervisor's September 13, 2016 tentative approval of the Martis Valley West Parcel Specific Plan project, as follows:
 - a. Adoption of a resolution to certify the Martis Valley West Parcel Specific Plan Final Environmental Impact Report (SCH# 2014032087) and Errata prepared pursuant to the California Environmental Quality Act, adopt Findings and Fact and Statement of Overriding Considerations and adopt the Mitigation Monitoring Reporting Program;
 - b. Adoption of a resolution to approve the Martis Valley West Parcel Specific Plan;
 - c. Adoption of an ordinance to approve the Martis Valley West Parcel Specific Plan Development Standards;
 - d. Adoption of a resolution to approve the Martis Valley West Parcel Specific Plan Design Guidelines;
 - e. Adoption of a resolution to approve the amendment to the Martis Valley Community Plan Land Use Diagram to incorporate Martis Valley West Parcel Specific Plan land use designation;
 - f. Adoption of a resolution to amend the Martis Valley Community Plan to add Goal 6.J. and associated policies 6.J.1 and 6.J.2 related to emergency preparedness;
 - g. Adoption of an ordinance to approve the tentative immediate rezone of 662 ± acres of the "West Parcel" from TPZ to SPL-MVWPSP;
 - h. Adoption of an ordinance to approve the rezone of all remaining acreage in the "West Parcel" from OS to SPL-MVWPSP and rezone of 670± acres of the "East Parcel" from RS and C-1 to TPZ;
 - i. Adoption of an ordinance to approve the Development Agreement relative to the Martis Valley West Parcel Specific Plan;
 - j. Approval of the Large-Lot Vesting Tentative Subdivision Map.

BACKGROUND

On September 13, 2016, the Board of Supervisors conducted a public hearing to consider the Martis Valley West Parcel Specific Plan (MVWPSP) project proposal to transfer 760 residential units and 6.6 acres of commercial of the zoning's allowable density of 1,360 residential units and 6.6 acres of commercial on the East Parcel to the West Parcel, retire the remaining density of 600 residential units and preserve the entire 6,376 acre East Parcel as open space in perpetuity either through (1) the sale of the East Parcel to a land trust or similar organization, or (2) recordation of a conservation easement restricting use of the East Parcel.

During the applicant's presentation to the Board of Supervisors, they announced that they modified their workforce housing proposal and propose to build the workforce housing on-site, equivalent to 47 Full-Time Employee Equivalent (FTEE) and pay the additional five (5) units required through an in-lieu fee. The

Board tentatively approved of this modification and directed staff to revise the development agreement to comport with this proposal and to identify the timing of the construction of the affordable housing units and the payment of the in-lieu fee. The conclusion of this modification is further described in the *Workforce Housing* section of this staff report.

After hearing Staff's presentation and also the presentation from the applicant, the Board of Supervisors listened to oral testimony from sixty (60) members of the public in addition to receiving letters and statements. In summary, the members of the public had concerns regarding the following summarized topics:

- Evacuation concerns, public safety
- Traffic, including concerns regarding potential gridlock as it relates to a fire/evacuation situation, vehicles miles traveled (VMTs), construction traffic, TRPA thresholds, location of the project's entrance and whether it would exacerbate potential safety issues
- Water quality relative to protecting Lake Tahoe
- Support for the conservation of the East Parcel
- Support for the project relative to transit improvements regionally
- Potential cumulative impacts relative to all the foreseeable proposed projects within the region
- Contention that there are no significant off-sets to take credit of the East Parcel Conservation, perceived price to be paid for the land too high to allow Conservancy to purchase
- Workforce Housing, both support for and concerns
- Support for economic vitality and creations of job the project would generate
- Potential visual impacts, Potential ridgeline visual impacts
- Contention that the environmental review / document is inadequate
- Concerns with number of significant unavoidable impacts identified in FEIR
- TPZ withdrawal concerns
- Biological Resources concerns and contention there is not adequate mitigation incorporated

The Chair of the Board of Supervisors closed the public hearing to further public testimony on September 13, 2016 and the Board took action to tentatively certify the Martis Valley West Parcel Specific Plan Environmental Impact Report and approve the Martis Valley West Parcel Specific Plan and its associated entitlements voting 4 to 1. The Board took tentative action to approve the Martis Valley Community Plan amendments to add Goal 6.J. and associated policies 6.J.1 and 6.J.2 related to emergency preparedness voting 5 to 0. The MVWPSP was continued from the September 13, 2016 hearing to October 11, 2016 for final action by the Board on all items listed at the beginning of this report, including adoption of the required Resolutions and Ordinances, identified and attached herein.

DISCUSSION

Workforce / Employee Housing:

As discussed in the Background section of this Memorandum, the applicants elected to modify the Workforce / Employee Housing proposal and presented their modification during the Board hearing on September 13, 2016. The applicants propose to construct the equivalent of 47 FTEE's on site, whereas originally the Development Agreement provided two options: 1) construct unit on site, or 2) pay the County a fee of \$2,450,000.00. Based upon discussions with County staff and the applicant, the DA was modified to reflect the following proposal:

The Project is expected to generate between 66.58 and 122.68 new full-time equivalent (FTE) employees. Consistent with Placer County General Plan Housing Policy C-2, the Developer must provide housing for half of the total FTE (between 33.29 and 61.34 employees). Developer shall meet this obligation as follows.

- Developer shall construct employee housing units equivalent to 47 FTE employees.
- The sites of the employee housing units shall be identified upon the submittal of a tentative small-lot subdivision map/condominium plan as outlined in the table below.

Application for subdivision map / condominium plan	Number of FTE employees to be accommodated on map
First small lot tentative subdivision map or condominium plan	12
Small lot tentative subdivision map or condominium plan creating the 246 th lot or unit	12
Small lot tentative subdivision map or condominium plan creating the 492 nd lot or unit or prior to issuance of a certificate of occupancy for commercial uses, whichever occurs first	23

- The employee housing units will be provided in a combination of studio, one, two, three, or four bedroom units. The (Full time equivalent employee) FTEE per unit constructed is calculated as follows:

Studio Unit = 1 FTEE
 1-bedroom Unit = 2 FTEE
 2-bedroom Unit = 3 FTEE
 3-bedroom Unit = 4 FTEE
 4-bedroom Unit = 5 FTEE

- A Housing Plan, identifying the mix of units to satisfy the required obligation, shall be submitted with each Small Lot Tentative Map or condominium plan that are designated for affordable / workforce employee housing, to be reviewed and approved by the County.
- Employee housing units shall be provided for household incomes within 60-140 of Area Median Income (AMI).
- The remaining five (5) units were considered through the payment of an in-lieu fee in the amount of \$585,000 to fully satisfy the remainder of its obligation for employee housing units in the following increments:
 - \$292,500 shall be due and payable to the County in one lump sum prior to recordation of Small Lot Final Map/condominium plan that creates the 246th lot/unit.
 - \$292,500 shall be due and payable to the County in one lump sum prior recordation of the Small Lot Final Map/condominium plan that creates the 400th lot/unit.

No changes were considered to the required Regional Employee Housing Contribution of \$125,000. And the modified proposal continues to be consistent with the requirements of the Housing Element Policy C-2 (Employee Housing). Placer County requires that projects in the Sierra Nevada and Lake Tahoe areas to mitigate potential impacts to employee housing by housing 50 percent of the full-time equivalent (FTE) employees needed to serve the project, per Housing Element Policy C-2 (Employee Housing). In that Employee housing shall be provided for in one of the following ways:

- o Construction of on-site employee housing;
- o Construction of off-site employee housing;
- o Dedication of land for needed units; and/or,
- o Payment of an in-lieu fee.

As discussed above, the applicant will now construct the majority of units, pay an in lieu fee for the balance in addition to a regional housing contribution. Both on-site construction and payment of in lieu fees were analyzed in the FEIR.

WATER SUPPLY ASSESSMENT

Under California Senate Bill 610 (SB610), water assessments must be furnished to local governments for inclusion in environmental documentation for certain projects subject to the California Environmental Quality Act (CEQA). Placer County is responsible for completing a Water Supply Assessment (WSA) for the MVWPSP to determine whether sufficient water supplies are available to meet the needs of the MVWPSP in addition to existing and planned future needs.

The Northstar Community Service District (NCSD) anticipates a request for annexation into its service area for the MVWPSP. NCSD does not meet the criteria of a Public Water Supplier as defined in SB610, and therefore is not charged with preparation of the WSA. However, because of the likelihood that the NCSD will provide service to the MVWPSP, Placer County requested that NCSD contract to have the WSA completed. Stantec Consulting Services (Stantec) was contracted by NCSD to prepare this WSA in accordance with SB610. Approval of a WSA is required if a project is to be approved. It was included in the actions at the September 13, 2016 Board hearing because at that point in time staff was bringing forward the Planning Commission's recommendation for denial of all but the policy amendments to the MVCP. Based on the Board's tentative action, staff now brings forward the WSA for approval within the resolution for certification of the FEIR and accompanying documents. It should be noted that approval of the WSA does not require a public hearing prior to approval action. Consideration of its approval is included within the resolution for certification of the EIR prepared for the MVWPSP.

The WSA was completed in March of 2015 and included in the DEIR. Therefore it was subject to public review and comment during the DEIR public comment period. The WSA is discussed in Chapter 15 *Hydrology and Water Quality* of the Draft Environmental Impact Report (DEIR) and Chapter 5 *Public Utilities and Service* of the Martis Valley West Parcel Specific Plan. Water supply for the proposed project would be provided by groundwater located within the Martis Valley, either from existing and planned wells operated by the NCSD or by wells within the project site. Well tests confirmed that there is an adequate water supply on-site to meet the needs of the MVWPSP. However, the project is anticipated to be annexed into NCSD, which would then manage the MVWP water supply and distribution. The NCSD prepared Water Supply Assessment (WSA) demonstrates that NCSD has adequate water resources to serve the MVWPSP using the existing and planned wells located in Martis Valley and staff supports the adoption of the WSA together with the certification of the EIR.

FISCAL IMPACT

As described in the September 13, 2016 Board of Supervisor's memorandum, the fiscal impact analysis concluded that at full build out, the proposed development was deemed fiscally positive and in conformance with General Plan Policy 4.B.3. The proposed modifications to the project outlined in this memorandum do not alter the outcome of the fiscal impact analysis and it can be determined that the project, as modified, will continue to be fiscally positive.

CONCLUSION/RECOMMENDATION

At its September 13, 2016 meeting, the majority of the Board of Supervisors took "tentative" action to approve the Martis Valley West Parcel Specific Plan project, considered the draft ordinances and resolutions presented to them and directed staff to prepare findings and final the ordinances and resolutions consistent with the Board's tentative action and continued the public hearing to October 13, 2016 for final action by the Board. As described throughout this Memorandum, the Board's tentative approval was based, in part, on that there was sufficient evidence in the record to support the Findings of Fact and Statement of Overriding Considerations for the MVWPSP project. Specifically, the Board concluded the significant and unavoidable impacts were outweighed by the stated benefits of the proposed project. Those on the Board in support of the project further concluded that the conservation component of the East Parcel and the open space element is a public benefit that outweighs the significant unavoidable impacts generated by the project, the added traffic generated by the project is a small percentage to the existing holding capacity, and the modified employee housing proposal with the construction of on-site employee housing

further supports their action to approve the project and support the Findings of Fact and Statement of Overriding Considerations.

As tentatively approved by the Board of Supervisor's on September 13, 2016, the Board is being requested to take final action on the following items on the MVWPSP project:

- 1) Adopt a resolution to certify the Martis Valley West Parcel Specific Plan Final Environmental Impact Report (SCH# 2014032087) and Errata prepared pursuant to the California Environmental Quality Act, and adopt the Findings of Fact and Statement of Overriding Considerations, approve the Water Supply Assessment and adopt the Mitigation Monitoring Reporting Program supported by and incorporating by reference in its entirety supported by the Findings of Fact and the following statements:
 - a. The 2016 Martis Valley West Parcel Final Environmental Impact Report and Errata 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 Environmental Impact Report.
 - b. The custodian of records for the Martis Valley West Parcel Specific Plan Project is the Placer County Planning Director, 3091 County Center Drive, Suite 140, Auburn, CA 95603. (Exhibit 1)
- 2) Adopt a resolution to approve the Martis Valley West Parcel Specific Plan (MVWPSP) supported by the findings in said resolution. (Exhibit 2)
- 3) Adopt an ordinance approve the MVWPSP Development Standards supported by the findings set forth in the ordinance. (Exhibit 3)
- 4) Adopt a resolution to approve the MVWPSP Design Guidelines supported by the findings set forth in the resolution. (Exhibit 4)
- 5) Adopt a resolution to amend the Martis Valley Community Plan (MVCP) Land Use Diagram to incorporate the MVWPSP land use designation supported by the findings set forth in the resolution. (Exhibit 5)
- 6) Adopt a resolution to amend the Martis Valley Community Plan to add Goal 6.J. and associated policies 6.J.1 and 6.J.2 related to emergency preparedness supported by findings set forth in the resolution. (Exhibit 6)
- 7) Adopt an ordinance for the tentative immediate rezone of 662± acres of the "West Parcel" of the MVWPSP from TPZ (Timber Production Zone) to SPL-MVWPSP (Specific Plan – Martis Valley West Parcel Specific Plan) supported by findings set forth in the Ordinance. (Exhibit 7)
- 8) Adopt an ordinance to rezone all remaining acreage in the "West Parcel" from OS (Open Space) to SPL-MVWPSP (Specific Plan – Martis Valley West Parcel Specific Plan); and (rezone 670± acres of the "East Parcel" of the MVWPSP from RS (Single-Family Residential) and C-1 (Neighborhood Commercial) to TPZ (Timberland Production Zone) supported by the findings set forth in the ordinance. (Exhibit 8)
- 9) Adopt an ordinance approving the "Development Agreement by and between the County of Placer, MVWP Development LLC and Sierra Pacific Industries, Inc. relative to the Martis Valley West Parcel Specific Plan" supported by the following findings set forth in the ordinance. (Exhibit 9)
- 10) Approve the MVWPSP Large-Lot Vesting Tentative Subdivision Map supported by the following findings:
 - a. The proposed Large-Lot Vesting Tentative Map, together with the provisions of its design for the purposes of sale, lease, and/or finance, is consistent with the Placer County General Plan, the

Martis Valley Community Plan, the proposed Martis Valley West Parcel Specific Plan, and with applicable provisions of County Code.

- b. The site of the proposed Large-Lot Vesting Tentative Map is physically suitable for the type and proposed density of development.
- c. The proposed Martis Valley West Parcel Specific Plan, with the recommended conditions, is compatible with the neighborhood and adequate provisions have been made for necessary public services and mitigation of potential environmental impacts.
- d. The design of the proposed Large-Lot Vesting Tentative Map is not likely to cause substantial environmental damage or public health problems.
- e. The proposed Large-Lot Vesting Tentative Map is in compliance with Senate Bill 1242, as it relates to projects located in State Responsibility Areas (SRA), as follows:
 1. The design, location, and associated improvements of each proposed lot resulting from approval of the proposed Large-Lot Vesting Tentative Map as a whole are consistent with regulations adopted by the State of California pursuant to PRC 4290 & 4291 (clearance requirements).
 2. Structural fire protection and suppression services will be available to the proposed lots.
 3. To the extent practicable, ingress and egress onto the proposed lots meet the regulations for road standards for fire equipment access adopted per PRC 4290 and any local ordinance.
 4. Approval of the proposed Large-Lot Vesting Tentative Map as a whole is consistent with regulations adopted by the State of California pursuant to PRC 4290 & 4291 (clearance requirements).

ATTACHMENTS

- Exhibit 1: Resolution to certify the MVWPSP Final EIR
- Exhibit 2: Resolution to approve the MVWP Specific Plan
- Exhibit 3: Ordinance to approve the MVWPSP Development Standards
- Exhibit 4: Resolution to approve the MVWPSP Design Guidelines
- Exhibit 5: Resolution to amend the Martis Valley Community Plan Land Use Diagram
- Exhibit 6: Resolution to amend the Martis Valley Community Plan to add Goal 6.J related to emergency preparedness
- Exhibit 7: Ordinance for immediate rezone of 662± acres of the “West Parcel”
- Exhibit 8: Ordinance to rezone remaining “West Parcel” acreage and 670± acres of the “East Parcel”
- Exhibit 9: Ordinance approving the Development Agreement

OTHER ATTACHMENTS PROVIDED UNDER SEPARATE COVER (*available at the Clerk of the Boards Office at 175 Fulweiler Avenue, Auburn*):

1. Public Correspondence