

STATEMENT OF OVERRIDING CONSIDERATIONS

As set forth in the findings above, the Placer County Board of Supervisors' approval of the Village at Squaw Valley Specific Plan will result in significant adverse environmental effects that cannot be avoided even with the adoption of all feasible mitigation measures and there are no feasible project alternatives which would mitigate or substantially lessen the impacts. Despite the occurrence of these effects, however, the Board chooses to approve the project because, in its view, the economic, social, and other benefits that the project will produce will render the significant effects acceptable.

In making this Statement of Overriding Considerations in support of the findings of fact and the project, the Board of Supervisors has considered the information contained in the Final EIR for the project as well as the public testimony and record in proceedings in which the project was considered. The Board has balanced the project's benefits against the unavoidable adverse impacts identified in the Final EIR. The Board hereby determines that the project's benefits outweigh the significant unmitigated adverse impacts.

A. SIGNIFICANT AND UNAVOIDABLE IMPACTS

As discussed in the findings above, the project will result in the following significant and unavoidable impacts, even with implementation of all feasible mitigation:

Cultural Resources

- Impact 7-1: Demolition of historically significant buildings

Visual Resources

- Impact 8-1: Adverse effect on a scenic vista (construction and operations as experienced by long-term residents)
- Impact 8-2: Substantially degrade the existing visual character or quality of the site and its surroundings (construction)
- Impact 8-3: Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a scenic highway (construction)
- Impact 8-5: Create a new source of substantial light or glare that would adversely affect day or nighttime views in the area (operations)

Transportation and Circulation

- Impact 9-2: Impacts to Placer County intersections
- Impact 9-4: Impacts caused by vehicular queuing at Caltrans intersections
- Impact 9-5: Impacts to Caltrans highways

Noise

- Impact 11-1: Construction noise impacts

Greenhouse Gases and Climate Change

- Impact 16-2: Operational greenhouse gas emissions

Cumulative Impacts

- Impact 18-12: Cumulative effect on historical resources
- Impact 18-14: Substantial adverse cumulative effect on a scenic vista
- Impact 18-15: Substantial contribution to the cumulative degradation of the existing visual character or quality of the site and its surroundings
- Impact 18-16: Substantial cumulative contribution to damage to scenic resources, including but not limited to trees, rock outcroppings, and historic buildings within a scenic highway
- Impact 18-18: Contribute to cumulative light and glare or skyglow effects in the region
- Impact 18-21: Cumulative impacts to Caltrans intersections
- Impact 18-22: Cumulative impacts caused by vehicular queuing at Caltrans intersections
- Impact 18-23: Cumulative impacts to Caltrans highways
- Impact 18-31: Cumulative short-term construction-generated noise
- Impact 18-43: Cumulative greenhouse gas emissions

B. OVERRIDING CONSIDERATIONS

In the Board's judgment, the proposed project and its benefits outweigh its unavoidable significant effects. The following statement identifies the reasons why, in the Board's judgment, the benefits of the project as approved outweigh its unavoidable significant effects. The Board finds that each of the enumerated benefits is individually meritorious, and taken together provide substantial public benefits that are sufficient to justify approval of the project.

1. Economic Benefits and Job Creation

The project, as designed, would provide a stable and significant source of tax revenue for the County, including transient occupancy tax, sales tax, and property tax. As estimated by EPS, the project is expected to produce an annual net fiscal surplus of approximately \$6.5 million to the County. Looking only at the general fund, the project is estimated to generate an annual net fiscal surplus of approximately \$4.3 million at buildout. (EPS, p. 12.) Project construction is anticipated to generate nearly \$1.5 billion in increased industry output, \$494 million of which would be in the form of labor income supporting a total of 10,200 job years. (*Ibid.*) At buildout, the project is anticipated to generate \$84 million in industry output through the operations of the project's commercial uses. This level of industry sales is estimated to generate approximately \$30 million in labor income and 900 full and part time jobs annually. Project visitation is anticipated to generate an additional industry output impact of roughly \$41 million, \$16 million in labor income, and 500 full and part time jobs.

2. Social and Recreational Benefits

Development under the proposed project would be focused primarily on previously disturbed/developed areas around the existing Village, and would integrate with and support existing mountain ski operations. Building designs would draw from traditional mountain architecture with rustic treatments, ample use of wood and stone, visible timbers and rafters, and broad sheltering roofs. Natural resources in Olympic Valley would be protected and enhanced, including habitat restoration within Squaw Creek to enhance the creek's natural hydrologic

functions. The mixed-use development would include hotel, resort residential, commercial, and recreation uses. A wide range of destination resort services and amenities would be provided for guests and residents to create a resort experience on par with peer world class North American ski destinations.

In comparison with other North American mountain resorts, Squaw Valley has substantially fewer units per skiable acre, which would be partially remedied by the project. The project includes a Mountain Adventure Camp, which would diversify activity and clientele at Squaw Valley year-round. The Mountain Adventure Camp is intended to be a marquee attraction at Squaw Valley, providing a new set of activity options for guests before and after skiing/boardings, and filling a void of activities for young children or those who opt out of the skiing/boardings, helping to implement the destination resort concept. The Mountain Adventure Camp would also provide winter visitors with increased options for entertainment and sports, spa and training facilities in keeping with a destination resort, and activities for family members beyond alpine sports.

The project would enhance and expand existing hiking and biking trails to accommodate a wider demographic of visitors and would include improved hiking trails in forested lands west and south of the plan area.

The project would also provide the following specific recreation and social benefits:

1. Public Recreation

The project, which consists primarily of resort residential lodging units, fractional ownership residences and may include some pure hotels, would construct public recreation improvements consisting of Class 1 trails, an interpretive park along restored portions of Squaw Creek, new trailhead staging areas with flush restrooms, public parking and trail kiosks, and on-mountain enhancements to existing public and private trails that would be dedicated for public use. The total value of these improvements is calculated at approximately \$3.6 million. In addition to these improvements, each project unit will pay \$3,176 in park and recreation dedication fees, or \$2.7 million for all units, upon approval of building permits for individual units. This fee will enable the County to develop potential new and expanded park and recreation facilities in the Olympic Valley and North Tahoe Region, and to the extent that fees are collected for hotel rooms, a non-residential unit type that does not result in residential demand for new public recreation facilities, these additional funds will result in a substantial public benefit in the form of expanded public recreation facilities in the Olympic Valley and North Tahoe Region.

2. Employee Housing

The project will construct employee housing for as many as 300 new and replacement employee units on the East Parcel and will be required to construct new and replacement employee housing for no fewer than 250 employees on the East Parcel. Through all phases of development the developer shall provide housing for 386 total employees, equivalent to 50 percent of the project generated new employee demand of 287 full time employees plus replacement housing for 99 employee beds displaced by the project, or 386 total employee beds. Employee units not

constructed on the East parcel will be provided in accordance with General Plan Policy 2.C-2 and may include; 1) construction of units at another location with the Specific Plan; 2) construction of units in an off-site location; 3) Dedication of land for needed units; and / or 4) Payment of an in-lieu fee. In addition to physical construction of employee units and fulfillment of the remainder of the employee housing demand in accordance with General Plan policy, the Developer will also submit two payments of \$250,000 each, for a total payment of \$500,000, for regional housing initiatives as determined by the County for the Tahoe Sierra Region.

Construction of new and replacement employee housing units in Olympic Valley, which would otherwise not be affordable to many seasonal employees whose work is critical to fulfilling seasonal employment demand, is a benefit to Olympic Valley and the region through increased affordable housing options and decreased transportation impacts and air quality impacts because a substantial number of project generated employees will live and work in Olympic Valley and will not be forced to commute from other areas. In addition, Developer payments to the County for regional housing initiatives will further promote affordable housing opportunities in Eastern Placer County, which are critical to the economic health of the region.

3. Regional Housing Contribution

The project would pay the County two payments of \$250,000 each for a total payment of \$500,000 to support regional housing initiatives for the Tahoe Sierra region. This is considered a public benefit above and beyond condition of approval requirements and requirements contained in the mitigation monitoring and reporting program and will result in a substantial public benefit.

Environmental Benefits

A portion of Squaw Creek within the plan area was straightened and placed within a trapezoidal channel to provide efficient drainage at the time of the 1960s Winter Olympics. The VSVSP designates this portion of Squaw Creek, as well as the remainder of the creek corridor in the plan area, as Village Conservation Preserve. The project would provide for restoration of the creek and a 150- to 200-foot-wide conservation corridor would be established for the length of the creek through the plan area where a restoration program would be implemented. The planned increase in width in both Squaw Creek would allow for floodplain habitat restoration, sediment deposition, and active sediment management and removal. The creek widening would also increase the capacity of the creek to carry floodwaters during high water events. The overall restoration plan would increase the extent and quality of wetlands in the plan area relative to existing conditions and would restore natural stream hydrologic processes of sediment transport and deposition. In addition to restoration of the Trapezoidal Channel, an historic stream channel known as the Olympic Channel would be restored with wetlands and riparian habitat. The Olympic Channel, which was historically located along the eastern boundary of the main village near the golf course, was placed into an underground culvert around the same time as establishment of the Trapezoidal Channel. Removing the culvert to restore the Olympic Channel to a surface feature with wetlands and natural sediment control functions will slow surface runoff and snowmelt, which may have the co-benefit of improving aquifer recharge within the Olympic Channel area. In addition, the recreated wetlands would greatly reduce the amount of fine sediments entering Squaw Creek from the volcanic mountains directly to the south of the project thereby improving water quality for this EPA listed impaired waterway. The impaired waterway

status is directly tied to the amount of fine suspended sediments entrained in the stream water, and reduction of these fine sediments would improve the potential for future removal of Squaw Creek from the EPA's impaired waterway list.

The project would also help preserve undisturbed lands in Olympic Valley by focusing resort-related development in proximity to the existing Village and mountain activities and in areas that have been disturbed in the past (e.g., existing surface parking lots). Within the 93-acre project area, approximately 48 acres would consist of building footprints, roads, and other development, and approximately 45 acres would be landscaped areas or natural space.

The project provides a number of transportation benefits, including moving employee parking to the East Parcel, with a perpetual shuttle for employees, and providing a shipping and receiving facility at the East Parcel reducing the number of delivery trucks travelling to the Main Village area. Adequate parking is provided for both day skiers and resort guests, and transit facilities and operations will be enhanced. (See VSVSP, Chapter 5.)

In addition to restoration of Squaw Creek, the project will provide the County two payments of \$400,000 each, for a total payment of \$800,000, for regional initiatives benefiting environmental enhancement or restoration, open space acquisition, public trails or public safety improvement within the Olympic Valley region. These regional interest contributions are considered a significant regional benefit to the Olympic Valley region and to the County.

The project will also provide the following environmental benefits which will, in turn, address regional matters:

5. Regional Transportation

Improvement of regional transportation options to residents, employees and visitors to the greater Truckee/Lake Tahoe region is a high priority initiative for Placer County and its regional transportation partners. Within 90 days of project approval the Developer will pay the County a lump sum payment of \$97,500 and no later than June 30th of each subsequent year thereafter will submit payment in the amount of \$97,500 as a regional contribution to Transit operations. The Developer will also provide the County with a onetime contribution in the amount of \$85,000 to support increased capital expenses related to regional transit initiatives. In addition to these funds, the Developer will make an annual contribution of no less than \$75,000 toward employee TART fares beginning in the 2016 Winter Ski Season. These funding amounts are in addition to those employee TART fares already paid by Squaw Valley Ski Resort and those CSA/CFD funds that will be collected annually through supplemental property tax assessments to offset the project generated impacts to expand transit services in the greater Truckee/Lake Tahoe Region and will result in a significant regional benefit because these additional funds will further expand transit services in the region. In addition, these additional funds will help to achieve numerous complimentary transportation planning goals including increasing transit service and ridership, reducing highway congestion and reliance on the private automobile, improving air quality and providing increased regional transportation options for residents and guests to the region.

6. Regional Initiative Fund

The project will commit to fund \$800,000 for projects within the Olympic Valley area that will improve the environment and/or public safety. These funds will enable Placer County to fund improvements to qualifying environmental enhancement projects, public safety improvements and open space / trail initiatives benefitting Olympic Valley and nearby communities. These additional funding contributions would result in a substantial public benefit.

7. West Valley Fire Station

The project proposes to dedicate land within the project boundary to the Squaw Valley Public Service District, at no cost to the District, for development of a west valley fire station. This would occur no later than recordation of the map that creates the 300th bedroom or 20 percent of the combined lodging and commercial development, whichever occurs first. In addition, prior to recordation of the map that creates the 750th lodging bedroom or attains 50 percent of the total project development, the developer would design, permit, construct, fund and convey to the District a fire station constructed on the fire station parcel. The fire station would be approximately 7,200 square feet or larger in size and would include a public reception area, office space for a minimum of four fire personnel plus accessory office space for Sheriff use or another agency use, sleeping quarters for four including kitchen and lounge area, and a minimum of two double-deep equipment bays. When constructed, the station would operate on a 24-hour per day basis. This facility, which would be 100 percent funded by the project but would also serve non-project properties and populations, would result in substantial improvement to fire and EMS capabilities of the District. Project commitment to dedicate land for the west valley fire station and to permit, construct, staff and equip this facility would result in a substantial public benefit.

8. Policy

Squaw Valley has long been identified by Placer County as an important recreation resource where “maximum use should be made of its potential consistent with good conservation and development practices.” (SVGPLUO, p. 3.) The project helps implement the SVGPLUO and County General Plan’s vision for Squaw Valley by guiding the growth and development of the Village area as a recreation-based, all season mountain resort. The development pattern has been compactly organized to fit largely into the existing developed areas, while simultaneously preserving important scenic vistas, providing convenient access to the mountain, and creating a mixed-use environment. (VSVSP, p. 3-2.)

C. CONCLUSION

The Board has balanced these benefits and considerations against the potentially significant unavoidable environmental effects of the project and has concluded that the impacts are outweighed by these benefits, among others. After balancing environmental costs against project benefits, the Board has concluded that the benefits the County will derive from the project, as compared to existing and planned future conditions, outweigh the risks. The Board believes the

project benefits outlined above override the significant and unavoidable environmental costs associated with the project.

In sum, the Board adopts the mitigation measures in the final MMRP for the project and finds that any residual or remaining effects on the environment resulting from the project, identified as significant and unavoidable in the Findings of Fact, are acceptable due to the benefits set forth in this Statement of Overriding Considerations.

Attachment A: Summary of Impacts and Mitigation Measures
Attachment B: Responses to Post-FEIR Release Comments