



COUNTY OF PLACER
Community Development Resource Agency

John Marin, Agency Director

PLANNING

Michael J. Johnson
Planning Director

MEMORANDUM

TO: Honorable Board of Supervisors

FROM: Michael J. Johnson, Planning Director

DATE: June 26, 2007

SUBJECT: Placer Vineyards Specific Plan Public Workshop No. 2
Placer Vineyards Specific Plan (PSPA T20060679), Amendments to the Placer County General Plan, Amendments to the Dry Creek / West Placer Community Plan, Rezoning, Development Agreements, Final Environmental Impact Report (SCH#1999062020)

OBJECTIVE OF THE WORKSHOPS:

This is the second of two workshops on the Placer Vineyards Specific Plan (PVSP) project. The purpose of the workshops is to provide the Board with information about the Placer Vineyards development plan and answer questions. *No formal action will be taken at these workshops on the project applications.* An opportunity for public comment on the project will be provided at the end of each workshop.

BACKGROUND:

At its June 12, 2007 meeting, the Board of Supervisors held Workshop No. 1, the first of two workshops intended to provide the Board with information about the Placer Vineyards project. The first workshop provided a project overview, highlighting the project history; discussed the requested entitlements; and presented the proposed Specific Plan land uses and infrastructure needed to serve the project. In addition, the first workshop provided information about the project traffic-related issues. This second workshop will focus on the project's environmental impact report (except traffic); project financing and services plan, as well as the Development Agreement.

CALIFORNIA ENVIRONMENTAL QUALITY ACT COMPLIANCE:

Consistent with the California Environmental Quality Act, the County in September 2004 published the first Draft EIR for the Placer Vineyards Specific Plan and circulated the document for public review and comment. Following receipt of written comments on that Draft EIR, the project proponent (Placer Vineyards Property Owners Group) modified the project to address concerns raised in the comments and to consider a new SACOG-preferred "Blueprint Alternative." In April of 2006, a Revised Draft EIR was recirculated in its entirety to provide the public with a meaningful opportunity to comment on the additional data available as a result of modifications to the project. In August of 2006, a Partially Recirculated Revised Draft EIR was released for public comment on: a partially revised traffic analysis for the project and new information on special-status species not previously thought to occur in the project area. In addition, the County made the Draft Public Facilities Financing Plans available for review and shared information provided by the applicants on the estimated cost of cumulative off-site traffic mitigation measures. In April 2007, a Second Partially Recirculated Revised Draft EIR was circulated for public comment to respond to environmental issues that have arisen since the publication of the Placer Vineyards Specific Plan Final EIR in October, 2006. The new information included a discussion of an additional special status species, a presentation of a supplemental water supply analysis, and additional traffic analysis, and an analysis of the impact of the project on global climate change.

With this report, the County is releasing a Supplement to the Final EIR (provided under separate cover), which includes responses to comments received on the Second Partially Recirculated Revised Draft EIR. The Draft EIR, the Revised Draft EIR, the Partially Recirculated Revised Draft EIR, the Second Partially Recirculated Revised Draft EIR, the Final EIR and the Supplement to the Final EIR together constitute the Final EIR for the project. The Board of Supervisors is responsible for certifying the Placer Vineyards Final EIR and ultimately acting on the proposed project. As such, written findings will be prepared pursuant to State and local requirements for certifying the Final EIR for adoption by the Board when it considers the project. If the proposed project is approved, a Statement of Overriding Considerations must be adopted to explain how the project's benefits outweigh the unavoidable adverse environmental impacts of the proposed project.

Environmental Impact Analysis:

Provided below is a summary analysis of environmental topics address in the Final Environmental Impact Report, except for Transportation and Circulation issues which were addressed in Workshop No. 1.

Hydrology, Water Resources, Water Quality

The Placer Vineyards area contains three major watersheds: Dry Creek, Curry Creek and Steelhead Creek. The Steelhead Creek drainage shed is further divided into seven smaller drainage sheds. Generally, the Steelhead Creek drainage shed drains from east-to-west to Sutter County and terminates at Steelhead Creek.

The project proposes to collect runoff from the project area within storm drainage systems which would discharge into existing channels, newly expanded and enhanced channels and detention

retention facilities. Post-development run-off at the project boundaries would be restricted to the same level as pre-development run-off through the use of constructed detention/retention facilities.

Storm drainage improvements include modifying inadequate existing drainage channels (where required) to convey flows. In cases where existing channels contain valuable natural resources, such as trees, parallel drainage channels will be constructed to adequately convey flows while preserving natural features. In other cases, proposed drainage channel improvements will replace the existing conditions creating adequate flow capacity and restoring vegetative and lost biological values. The proposed drainage channels vary in width from 125 feet to more than 600 feet and, in addition to providing flood protection, serve as a component of the interconnected open space network for the larger Specific Plan area.

The existing project area includes Federal Emergency Management Agency (FEMA) delineated flood hazard areas along Dry Creek and at the west end at Steelhead Creek. The majority of the watersheds, creeks and tributaries within the project area have not been delineated by FEMA. In order to identify the floodplain limits within the Placer Vineyards project area, a Master Project Drainage Study was prepared. The Master Project Drainage Study used the Army Corps of Engineers HEC-RAS software to develop floodplain parameters. Floodplain limits and elevations within the project area were determined for the 10-year and 100-year events for the pre-project, post-project, and post-project mitigated conditions and are included in the Master Project Drainage Study. As discussed above, portions of the existing floodplain within the project area will be altered to construct storm drainage improvements for the project. The flooding limits would be confined within the proposed channels, generally providing three feet of 100-year freeboard to adjacent proposed structures. The project would be required to submit CLOMR and LOMR documents to FEMA for proposed Base Flood Elevation data where changes are proposed to any FEMA-designated 100-year floodplain. Essentially, the proposed floodway improvements will provide a higher level of flood protection than currently existing for the existing residents.

Open Space / Agricultural Lands

The Placer Vineyards project area contains approximately 5,230 gross acres, of which 4,251 acres are considered existing open space that may be converted under the Specific Plan project. (5,230-acres total area minus 979-acres in the SPA). The EIR analysis concluded that development of the Placer Vineyards project will result in the conversion of approximately 3,542 acres of open space (4,251 acres of existing open space minus 709 acres of open space to be provided in the Plan area) which are designated for urban development in the General Plan.

The Placer Vineyards project area contains approximately 4,225 acres (not including the SPA area) of agricultural land. The EIR analysis concluded that development of the Placer Vineyards project will result in the conversion of these agricultural lands.

The mitigation proposed requires that one acre of open space be preserved for each acre of open space impacted within the Specific Plan area. It is expected both open space and agricultural mitigation requirements may be satisfied simultaneously by the preservation of open space containing agricultural land. The applicants have developed a strategy to mitigate the loss of

open space, agricultural land and biological resources resulting from the development of the Specific Plan. The mitigation strategy is discussed in the “Wetland Resources, Special-Status Species and Oak and Riparian Woodlands” section below.

Wetland Resources, Special-Status Species and Oak and Riparian Woodlands

Vegetation in the Specific Plan area is dominated by a mixture of cultivated agricultural land and non-native annual grassland (some of which is grazed), with scattered vernal pools, other seasonal wetlands, stock ponds, drainage swales, and some riparian habitat (see table below). Existing watercourses support aquatic plant/ marsh vegetation and scattered stands of scrub riparian habitat.

Biological Resource Impacts		
	Total Resources (acres)	Impacted Resources (acres)
Wetlands	172.6	102.7
Riparian Habitat (Native)	42.0	14.3
Riparian Habitat (Non-Native)	0.6	0.6
Oak Woodland	44.3	3.4
Oak Savannah	23.1	21.6
Grassland	3,472.8	2,150.3
Agricultural Land	1,447.7	1,206.8
Roads and Other Surfaces	27.3	97.1
Total	5,230.4	3,596.8

Development of the Placer Vineyards project will result in the conversion of approximately 3,597 acres of natural habitat / agricultural lands which are designated for urban development in the General Plan. The remaining acreage will be incorporated into the proposed lands use plan as on-site open space and avoidance areas. To mitigate for identified impacts, the applicant proposes to mitigate through off-site / in-County land purchases or easements. Approximately 3,597 acres of land will be mitigated at a 1:1 replacement ratio of impact to open space. The intent is to provide a single, all-inclusive mitigation area that can simultaneously mitigate for all biological resources of concern, while also mitigating impacts on open space and agricultural lands. This mitigation strategy attempts to establish a feasible mitigation program to satisfy the myriad federal, state, and local statutes, regulations, and policies affecting open space, agricultural lands, and biological resources. In addition, the proposed mitigation is intended to be compatible with the proposed Placer County Conservation Plan (PCCP), should the PCCP subsequently be approved by the Board of Supervisors. The mitigation strategy will allow the Placer Vineyards project to move forward without the PCCP program in place, and also provides the opportunity for the Placer Vineyards project to take advantage of the PCCP program, if adopted in the future.

In addition, other mitigation for the impacts on ecological communities and/or special status species is proposed as follows:

- Swainson’s Hawk Foraging Impacts: Swainson’s hawk foraging habitat will be

mitigated according to California Department of Fish and Game Guidelines: one acre for each acre lost within one mile of a nest; 0.75 acres for each acre lost within one to five miles of a nest; and 0.5 acres for each acre lost within five to ten miles of a nest, unless otherwise addressed through the PCCP. Additionally, the applicant will be required to obtain a California Endangered Species Act take permit for any nest tree that may be removed as part of any proposed construction under the Specific Plan. Additional mitigation measures for the loss of active nest trees will include planting of suitable nest trees at a 15:1 ratio on suitable foraging habitat areas within west Placer County, which is consistent with the California Department of Fish and Game Guidelines.

- Vernal Pool Habitat Impacts: Impacts to vernal pool (fairy shrimp and tadpole shrimp) habitat will be mitigated through preservation or restoration of acreage based on each acre directly impacted. In this context, restoration is intended to include the construction of vernal pools at densities within the range of historical levels as identified on 1937 aerial photos, or other valid historical evidence, for the proposed preserve site to be restored.
- Wetland (Non-Vernal Pool) Impacts: Impacts to “Waters of the United States” (not including vernal pools) and other non-jurisdictional wetlands identified in the Placer County General Plan will be mitigated to provide “no net loss” through avoidance, minimization and/or compensatory mitigation techniques.
- Blue Oak Woodland and Heritage Oaks: The Placer Vineyards project is proposing to avoid approximately 44-acres of oak woodland habitat. The areas to be avoided are located adjacent to the Dry Creek corridor as well as two sites within the Plan area, one located along Dryer Lane and the other located at the southeast corner of the Plan area. In addition, many of the heritage oaks identified on-site will be avoided.
- Riparian Habitat: Four riparian sites within the project are proposed to be avoided. These sites include: a portion of Curry Creek south of Base Line Road along the eastern edge of the of the Plan area; two tributaries to Steelhead Creek, one immediately west of Palladay Road at the southern edge of the Plan area, the other south of Base Line Road in the center of the Plan area; and the Dry Creek corridor along the eastern edge of the Plan area. For the riparian habitat that the project will affect, mitigation measures proposed require replacement tree plantings, and similar off-site habitat conservation and restoration.

Placer Vineyards Project Mitigation Strategy

To address the need for replacement habitat, agriculture and open space areas, six potential off-site mitigation sites have been identified for the project. The applicant is proposing that Placer Vineyards property owners may either choose to acquire land located in the six mitigation areas, or propose comparable alternate mitigation sites. All off-site mitigation must be in accordance with the terms of the PCCP (if approved), or as permitted by the U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service, and California Department of Fish and Game.

The Placer Vineyards project mitigation strategy requires that a combination of one or more mitigation sites establish a core preserve area of approximately 1,000 acres which will be protected by permanent conservation easements before ground-disturbing activities begin within the Specific Plan area. The remaining mitigation requirements will be addressed on a project-by-project basis as the development of individual properties proceeds. One of the goals of the mitigation strategy is to locate additional preserve areas adjacent to the core preserve or other existing preserve sites to create a contiguous preserve area; however, this may not be feasible. Therefore, if additional preserve sites are proposed to be discontinuous to the core preserve or other existing preserve sites, such sites should meet a minimum size (200 acres) and location (within an area designated as Agricultural and Open Space in the General Plan) requirement. The minimum preserve area and location requirements are based on recommendations from the Report of the Science Advisors for the Placer County Natural Community Conservation Plan / Habitat Conservation Plan (January 2004).

In addition to the establishment of the preserves, an Open Space Mitigation and Management Plan will need to be approved by the County. Funding for the management and maintenance of the preserve area will be provided by future Plan area residents and businesses through a Community Facilities District or other funding mechanism established at the time the preserve is acquired.

Noise

The Placer Vineyards project is located in proximity to Watt Avenue, Base Line Road, Walerga Road, and other existing sources of existing or anticipated future transportation noise. On-site noise impacts to the project were identified both from these existing sources and the proposed larger project roads. Site-specific acoustical analyses will be conducted, and mitigation measures provided, at such time that each property is developed (i.e., site-specific tentative subdivision maps).

The proposed Plan would also increase traffic noise outside the Plan area, particularly in unincorporated Placer County and the City of Roseville. For the most part, these increases would not be great enough to be noticeable to residents and others sensitive to noise. However, there could be roadway segments where noise levels would increase substantially. Noise-reducing paving material (such as rubberized asphalt) will be used along Base Line Road along the full frontage of the SPA to further reduce traffic-related noise. No mitigation is available for offsite increases in traffic noise, so the impact is considered significant and unavoidable.

Cultural Resources

There are six known unique archaeological sites, one historic archaeological site and two existing historic buildings within the Specific Plan area. There are also known cultural resources in the off-site infrastructure area, including two unique archaeological sites, one historic cemetery, two historic sites and one historic district. The cultural resources study conducted by professional archaeologists and an architectural historian concluded that the Placer Vineyards area is marginal for the presence of prehistoric cultures and marginal with respect to historic development of western Placer County. The analysis did conclude that the Plan area as a whole did potentially include some cultural resources that could be eligible for the California Register

of Historical Resources or qualified as “unique archaeological resources” under state law. Mitigation measures have been added to address cultural resources impacts.

The County began the consultation process as required by Senate Bill 18 (SB 18) with the United Auburn Indian Community in April 2006 for all three Specific Plan proposals in western Placer County. As part of that consultation process, the County provided information to the Tribe about the potential cultural resources impacts associated with the Placer Vineyards project. In response, the Tribe provided comments on the project. Based on comments received, Policy 9.1 has been included in the Specific Plan which requires all properties to be inspected by a qualified archaeologist for Native American Cultural Places and provides mitigation measures to preserve the integrity or minimize the impact if any sites are discovered in the future.

Visual Quality and Aesthetics

The aesthetics impact assessment for the Placer Vineyards project focuses on the conversion of the Plan area from rural to urban and suburban development patterns, increases in night lighting and light and glare that could be generated by new development. The land adjacent to the Plan area on the west is within the South Sutter County Commercial/ Industrial Reserve. To the east is the Dry Creek community and scattered rural residential uses. To the south is the Sacramento County urbanized area; however, considerable open land remains, including Sacramento County’s Gibson Ranch Park and open space areas along the Dry Creek Corridor. Southeast of the Specific Plan area is the unincorporated community of Antelope, and west of Watt Avenue is the unincorporated community of Elverta.

The EIR identified mitigation measures to reduce the impacts to visual resources. The primary mitigation concept to reduce visual and aesthetics impacts is intended to provide guidelines and policies within the Specific Plan area that promote good urban and landscape design. In addition, the Specific Plan includes policies to require lighting standards to control light and glare and all projects within the Specific Plan area are required to a complete design/site review process. Although the urban environment that is ultimately built will be implanting actions previously taken by the Board, development will, nevertheless, degrade the existing visual character and quality of the Plan area. This was determined to be an unmitigatable impact of the project.

Air Quality

The project site is located in western Placer County, which lies within the Sacramento Valley Air Basin. Implementation of the proposed Specific Plan will affect air quality during both construction and operation phases. Exhaust and fugitive dust emissions will be generated in the Specific Plan area by construction activities such as excavation and grading, construction vehicle traffic, and wind blowing over exposed earth. Implementation of mitigation measures such as submitting a construction emission/dust control plan to the Placer County Air Pollution Control District (PCAPCD), and reducing NOx and ROG from construction vehicles will substantially reduce construction-related air quality impacts, but not to a level that is less than significant.

Build-out of the Specific Plan area would result in the generation of both mobile and stationary source air pollutants, increasing total air pollution emissions. Implementation of mitigation measures such as exceeding Title 24 requirements, the prohibition of wood-burning fireplaces,

promoting transportation alternatives and promoting passive solar building design will reduce the operational emissions of the project, but not to a level that is less than significant. In addition, the Specific Plan will have a negligible effect on CO concentrations in the project area and would not cause or substantially contribute to projected violations of the state/federal ambient air quality standards.

Sewer lift station operations within the Specific Plan area could cause odors and the potential for odor complaints. Wastewater treatment plant expansions may occur at both the Dry Creek Wastewater Treatment Plant and Sacramento Regional Wastewater Treatment Plant. These plant expansions could potentially cause odor and air quality concerns. Implementation of the mitigation measure to obtain an Authority to Construct/Operate permit and implementing an odor control program would assist in reducing this impact to a less-than-significant level.

Cumulative air quality impacts would result from Specific Plan development. The proposed Specific Plan would contribute to cumulative air emissions by allowing for substantially greater development in the Specific Plan area than currently exists. Implementation of the mitigation measures to participate in an off-site mitigation program co-coordinated by the PCAPCD would substantially lessen the project's incremental contribution to significant cumulative impacts, but not to a level that is less than cumulatively considerable.

Global Climate Change

A Global Climate Changes section was added to the Draft EIR in response to recent heightened interest in the subject of global warming and climate change, and specifically, the State legislature's passage and the Governor's signing of AB 32. The legislation is intended to control and reduce the emission of global warming gases in California. Although it did not amend CEQA or create any explicit mandate that CEQA documents address climate change issues, AB 32 requires both the reporting of greenhouse gas emissions and their reduction according to a schedule, including a reduction of carbon dioxide (CO₂) emissions to 1990 levels by 2020. Because the State of California views global warming as a serious environmental threat in California, the EIR addresses the issue and provides full environmental disclosure of the possible effects of the project on greenhouse gas emissions, and proposes mitigation measures that would assist in reducing the project's effects.

The Placer Vineyards project will contribute to the cumulative increase in atmospheric greenhouse gas (GHG) concentrations; however a great deal of uncertainty exists regarding what the net CO₂ emissions would actually be, and how current and future regulations might affect CO₂ emissions attributable to the project and cumulative CO₂ emissions from other sources in the state. Also, it cannot be determined how CO₂ emissions associated with the Placer Vineyards project might or might not influence actual physical effects of global climate change. For these reasons, it is uncertain whether the Placer Vineyards project would generate a substantial increase in GHG emissions relative to existing conditions, and whether emissions from the Placer Vineyards project would make a cumulatively considerable incremental contribution to the significant cumulative impact of global climate change.

Notwithstanding such uncertainty, the Placer Vineyards Specific Plan is a large project, which if evaluated at either a local or regional scale, would emit CO₂ and other GHGs at much higher

volumes than most other types of development. Therefore, a conservative approach was taken in the Second Partially Recirculated Revised Draft EIR and the Placer Vineyards project was found to potentially make a cumulatively considerable incremental contribution to the significant cumulative impact of global climate change.

The Placer Vineyards Specific Plan project incorporates guidelines, strategies and mitigation measures that minimize the human and spatial environmental footprint of the Specific Plan, including transportation and energy use-related impacts. Implementation of these measures will help reduce potential GHG emissions resulting from the development of the Project.

Also, considerable uncertainty remains with respect to the overall impact of global climate change on future water supply in California. It is unknown to what degree global climate change will impact future Placer County water supply and availability. However, based on consideration of the recent regional and local climate change studies described in the Second Partially Recirculated Revised Draft EIR and based on an assessment of the water supply for the Placer Vineyards project, it is reasonably expected that the impacts of global climate change on water supply would be less than significant. No mitigation is required.

Unmitigable Environmental Impacts

The Placer Vineyards Specific Plan and associated infrastructure would have impacts in the following areas that would be significant, even if feasible mitigation is available:

- Conversion of agricultural land, including Important Farmland, and open space to urban uses;
- Alteration of off-site land uses resulting from roadway widening(s);
- Impacts on the environment resulting from compliance with Standard 8 (Agricultural Water Supply) of Exhibit 1 of the Dry Creek West Placer Community Plan.
- Alteration of views of the Plan area;
- Reduction in long-term surface water supplies leading to a curtailment of project development;
- Loss of habitat for special-status species, including wetlands and foraging and nesting habitat for Swainson's hawk;
- Loss of oak trees;
- Loss of special-status species habitat resulting from off-site infrastructure construction. Potentially affected species include vernal pool crustaceans, Swainson's hawk (nesting), other nesting raptors (e.g., red-tailed hawk and great horned owl) Valley longhorn elderberry beetle, western pond turtle, burrowing owl, tri-colored blackbird, California black rail, California horned lizard, bat species, giant garter snake and loggerhead shrike;
- Destruction and/or alteration of historic and archaeological resources;
- Increased traffic on local and regional roads and at intersections in Placer County, Sacramento County, Sutter County and the City of Roseville;
- Degradation of air quality resulting from exhaust emissions and fugitive dust during construction as well as from mobile (vehicular) and stationary sources;
- Increased odor and air quality degradation due to pump station and WWTP operation;
- Increased off-site traffic noise;
- Imbalance in jobs/housing balance;

- Increased waste to be processed and disposed of at the Materials Recycling Facility and Western Regional Landfill;
- Increased demand for recycled water.

Cumulative Impacts

The Placer Vineyards Specific Plan would contribute to the following significant and unavoidable cumulative impacts:

- Loss of agricultural land and open space;
- Alteration of views in rural western Placer County;
- Increased light and glare;
- Degradation of surface water quality;
- Loss of habitat for special-status species;
- Loss or alteration of historic and prehistoric resources;
- Increased traffic congestion;
- Degradation of air quality;
- Increased traffic noise (off-site);
- Increased solid waste generation; and
- Increased emissions of greenhouse gasses that contribute to global climate change.

Project Alternatives

Consistent with State and local law, the Revised Draft EIR document considered a range of alternatives. The range of alternatives selected was guided primarily by the need both to reduce and eliminate project impacts, and to achieve project objectives. Alternatives are intended to assist decision-makers in the assessment of appropriate uses of the project site by analyzing the potential environmental impacts that would result from alternative designs or intensity of development of the project site. The alternatives evaluated for the proposed Placer Vineyards project are listed below:

- No Project Alternative, which provides that no additional development will occur on the project site.
- Reduced Density Alternative, which would reduce the amount of development by approximately 50 percent. This alternative would allow a maximum of 7,500 dwelling units.
- Rural Density Alternative, which consists of development of the Specific Plan area with approximately 500 new single family residential lots with a minimum parcel size of 10 acres. Because there are approximately 150 existing residences in the Specific Plan area, the total number of dwelling units would be 650.
- “Blueprint Alternative”, which would increase the number of residential dwelling units from 14,132 to 21,631 (a 53 percent increase).

Public Facilities Financing Plan

The Placer Vineyards Financing Plan includes the estimates necessary to construct the infrastructure and public facilities required for this project. The Financing Plan also describes the proposed financing strategy and mechanisms to fund these costs to serve the residential and commercial uses planned. Backbone infrastructure costs include major roadways, sewer, water

and recycled water, storm drainage, open space/detention, and dry utilities. Public facilities costs include schools, parks, library, government center, transit, corporation yard, fire, and sheriff facilities and equipment. School districts have been consulted over the project review period, and funding for schools is discussed in the Public Facilities Financing Plan.

At build-out, the estimated total cost to fund infrastructure and public facilities administration is \$835.8 million (in 2006 dollars):

- \$235.5 million for Core Backbone Improvement costs,
- \$70 million for the remaining Backbone Improvement costs, and
- \$509.6 million for the Public Facility improvements.
- 20.7 million for Drainage Shed Improvements

Additional administration, fee formation and regular fee program updates are anticipated to total \$12 million. The project will be required to fund and construct the "Core Backbone Infrastructure" at the initial development and this infrastructure must be completed prior to the issuance of the 1,501th building permit. Subsequent development within the Plan is required to build Remaining Backbone Infrastructure and secondary roadway improvements as described in the Development Agreements. Notable aspects of the Financing Plan relating to infrastructure and public facilities financing include:

- The applicant's proposed project is to be developed as a single phase project, which requires a significant amount of upfront funding (\$235.5 million dollars) and construction of the "Core Backbone Infrastructure".
- Opportunities for public financing for infrastructure and public facilities are limited, priority is established for public financing of services.

As part of the funding strategy, to cover costs, the property owner/developers will be obligated through the Development Agreement to participate in existing and new fee programs. The Placer Vineyards Specific Plan Fee will be paid at building permit to fund public facilities that will serve the Placer Vineyards area (such as government center, sheriff substation, trails, parks, corporation yard). The Southwest Placer Fee, also paid at building permit, will fund regional public facilities, (library and regional fire training facility) with Placer Vineyards paying its proportionate share. These fees are currently estimated as follows:

- Development Mitigation Fees - \$9,776 to \$11,347 per residential unit; \$80,000-\$128,000 per non-residential acre.
- Project Development Fees - \$10,438 to \$13,165 per residential unit; \$36,193 to 43,321 per non-residential acre.
- Placer Vineyards Specific Plan Fee - \$11, 379 to \$16,172 per residential unit; \$32,180 to \$35,180 dollars per non-residential acre.
- Southwest Placer Fee - \$1,247 – \$1,416 dollars per residential unit; \$643 to \$648 dollars per non-residential acre.

Note: The January 25, 2007 draft Placer Vineyards Finance Plan, the same as presented to the Planning Commission, is provided for this workshop. A final version will be provided at public hearing for consideration of project approval.

The developer will be required to construct infrastructure and public facilities consistent with the timing specified in the Development Agreement, and can receive reimbursement or credit for the fees as they are collected at building permit.

There are other fees unrelated to the County that will be paid by any new development within the Plan area. These fees, including a PCWA fee and schools fees, are payable prior to the issuance of a building permit.

Urban Services Plan

The Placer Vineyards Specific Plan Urban Services Plan (Urban Services Plan) describes the service levels, delivery, costs, and funding mechanisms for the following types of public services in the Plan area: County-wide services (e.g., probation, health services); fire protection; Sheriff protection; library services; transit services; local parks operations and maintenance; regional park facilities operations and maintenance; recreation services; open space maintenance; landscape corridors maintenance; and local roads maintenance.

The Urban Services Plan describes a financing strategy to fund an urban level of public services that will be provided to Placer Vineyard's future residents, businesses and employees commensurate with surrounding jurisdictions. These sources include existing revenues as well as newly created funding sources paid by future development in Placer Vineyards.

The estimated costs of providing the urban services to the Plan area are based on a fiscal impact report prepared by Hausrath Economics Group and service level ranges identified in the project Environmental Impact Report. Service level ranges were derived from a series of consultant studies and program planning estimates provided by County staff who will be responsible for ensuring delivery of urban services. Total annual services costs at build-out are \$62.5 million (in 2006 dollars). Net costs after considering off-setting revenues is \$28.3 million dollars and is proposed to be funded by special taxes and assessments on a per residential unit or non-residential per acre basis which include:

- \$2,410 dollars per unit annually for single family dwelling units,
- \$1,250 dollars per unit for multifamily,
- \$500 dollars per unit for affordable housing units, and
- \$3,780-\$4,530 dollars per non-residential acre.

A concern regarding the Services Plan is the relatively high annual special taxes and assessment projected for the project, primarily resulting from the extremely low property tax share the County receives from the project area and the overall costs associated with delivering urban service levels. Property tax is the most significant source of discretionary revenue in Placer County, accounting for 85 percent of discretionary General Fund dollars. County-wide services such as detention, District Attorney, Health and Human Services are dependent on revenue from this level of funding. The property tax share from Placer Vineyards is about 35 percent less than that which is currently received in the unincorporated area overall. This dynamic combined with lower projected sales tax opportunity within the plan area and the need for urban level services results in significant special taxes and assessments.

Funding for the net services costs is planned to be provided through Services Community Facilities District(s) (CFD), a County Service Area(s) (CSA), and a one time \$7,200/ residential unit fee known as the Urban Services Shortfall Fee. Service costs that are distributed to both residential and non-residential development include fire, sheriff, roads, landscape corridors, countywide services, and traffic. Trails, parks, recreation, open space, and library are distributed to residential alone in that they are considered the user population for those services. A per-unit and per-1,000 building square feet special tax/assessment is derived based on the proportional share of costs for each service category. The Urban Services Shortfall Fee will provide a contingency fund to pay for urban service costs in years when total costs exceed the amount of special taxes and assessments collected for developed property. This fee also provides funding to support a reasonable annual levy on affordable housing units for services.

The urban service cost estimates will be refined when Master Plans are completed and as part of the process of forming the CFD(s) and CSA(s).

Development Agreements

Counties are authorized to enter into Development Agreements by California Government Code Section 65864 et seq., as embodied into Section 17.58.210 of the Placer County Zoning Ordinance. A Development Agreement is a recorded document that sets forth a property owner's specific obligations relating to: infrastructure construction, financing, and timing; financial contributions for infrastructure maintenance and public services; and other obligations that may be imposed by the County as conditions of approval. In exchange, the Development Agreement provides the property owner with vested development rights, including protection against future changes in laws or regulations that might prevent the development from occurring.

The Development Agreements for the Placer Vineyards project will enable the property owners to proceed with the development of the Plan area with certainty as to their entitlements for a minimum of twenty (20) years, during which time the County will assured that it will have public facilities and services in place when needed to serve the new residents. Individual, but identical, Development Agreements will be executed by each of 21 (of the total of 27) property owners within the non-SPA Placer Vineyards Specific Plan area. The property of any property owner who does not execute a Development Agreement when the Specific Plan is approved will not be rezoned as part of this approval process. When each of these property owners seeks to develop his or her property, a rezoning will be required and a Development Agreement will be necessary.

A draft of the Development Agreement proposed to be executed by each of the property owners, is provided in Exhibit 1. The following is a summary of the major provisions.

1. **Project Fee and Cost** - The developer is required to pay all fees and costs for the following:
 - a. County's administration and implementation of the Placer Vineyards Specific Plan, Finance Plan and Urban Services Plan.

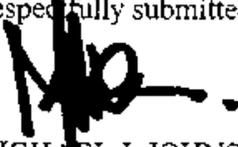
- b. Project mitigation fees, as well as any new mitigation fees pursuant to Government Code section 66000. Project mitigation fees typically include sewer, traffic, drainage, and parks fees. The developer will be entitled to fee credit to the extent it constructs a facility that is included within an existing fee program.
 - c. "Project Development Fees," which include agricultural water supply enhancement fees which will provide funding for additional recycled water storage and conveyance facilities to assist with the provisions of affordable agricultural water supply, Walerga Road Bridge fees, regional traffic fees ("Tier II Fees"), Highway 99/70 Riego Road Interchange Fee and a supplemental traffic fee. These fees are in addition to the project mitigation fees and provide additional public benefit.
 - d. "Project Implementation Fees," which consist of several different types of project-specific fees which both equalize the costs of County public facilities development cost under the Plan and establish a stable source of funding to assure that variations in the long-term costs of public services are adequately provided for over the term of the Agreement.
2. Affordable Housing - The developer agrees to develop ten percent of the total residential units on its property as affordable units, with two percent of the units for middle income households, four percent of the units for low income households, and four percent of the units for very low income households. The units may be provided either as purchase units or rentals and there is flexibility to allow transfer within the Specific Plan area. However as currently proposed each individual property owner will be responsible for providing their fair share of the affordable housing units within their respective property boundaries.
 3. Improvement Cost and Construction Timing - The developer will be required to provide and construct the entire infrastructure required for the project at its own cost. The infrastructure includes all roadways that are defined as roads, sewer, water, recycled water and applicable drainage improvements necessary to serve the project. The "Core Backbone Infrastructure" must be substantially complete prior to the issuance of the first building permit within the Plan area, and must be completed and accepted by the County before the issuance of the 1,501th residential building permit within the Plan area. The "Remaining Backbone Infrastructure" will be installed by the Developer in accordance with specified triggers as needed to serve areas of the project depending upon how development progresses.
 4. Public Facilities -- The developer will dedicate the land for, finance, construct and equip County facilities within the project necessary to serve the Plan area. These facilities include the government center, two fire stations, sheriff facilities, a library, and a corporation yard. The developer will also be required to dedicate land for and construct at its expense all parks within the project. The developer will make a monetary contribution towards transit facilities and a regional fire training facility, and will offer to dedicate a parcel to the Roseville Cemetery District.
 5. Specific Plan Utility and Service Master Plans - The developer will prepare a County Facilities Master Plan, Parks Master Plan, Transit Master Plan, and Landscape Master Plan, and update the Sewer and Drainage Master Plans.

6. Schools - The developer will be required to enter into school mitigation Agreements with the applicable school districts prior to the issuance of any residential building permits.
7. Services Funding – The developer will be required to establish one or more community facilities districts and/or county service areas to provide the annual funding needed to allow the County to provide required services to the Plan area at an urban level of service, including sheriff, fire protection, recreation programming, library , parks and road maintenance, landscaping and open space, including off-site open space and habitat mitigation lands, and transit. Special taxes, assessments and charges will be imposed in accordance with an update of the Urban Services Plan to be presented to the Board of Supervisors.
8. Developer Group Formation - The developers have agreed to form a Developer Group which will construct the infrastructure, manage aspects of the funding, and enforce, as between the developers, Development Agreement obligations of the individual developers. The Development Group will act as a single point of contact for the County.
9. Developer Entitlements: In exchange for the foregoing, the developer receives the right from the County to develop over a twenty (20) year term in accordance with the Specific Plan and Development Standards approved by the Board of Supervisors, and is protected from changes that might serve to restrict the development rights obtained, including new ordinances such as a “slow growth” initiative. The agreements may be extended for two additional five (5) year terms unless the County determines that an extension is not in the best interests of the County.
10. The foregoing is a brief summary of the main points in the Development Agreement. Other provisions, such as an annual review, including an annual review of the status of the water supply, will allow the County to monitor the progress of the project.

CONCLUSION: Workshop No. 2 is intended to provide information on the project’s environmental impact report; financing and services plan as well as the Development Agreement. Staff anticipates that this project will be before the Board in July for a formal public hearing and action on the project.

RECOMMENDED ACTION: This is the second of two workshops on the Placer Vineyards Specific Plan project. *No formal action is required at these workshops.* Staff recommends the Board of Supervisors allow an opportunity for public comment on the project.

Respectfully submitted,


 MICHAEL J. JOHNSON, AICP
 Planning Director

EXHIBITS

Exhibit 1, draft Development Agreement (dated June 12, 2007)

OTHER EXHIBITS (previously distributed)

Draft Placer Vineyards Specific Plan (December 2006)

Appendix A Land Use and Development Standards

Appendix D Mitigation Monitoring and Reporting Program

Draft Blueprint Placer Vineyards Specific Plan(December 2006)

Appendix A Land Use and Development Standards

Appendix D Mitigation Monitoring and Reporting Program

Supplement to Final Environmental Impact Report (June 2007)

Second Partially Recirculated Revised Draft EIR (March 2007)

Partially Recirculated Revised Draft EIR (July 2006)

Final EIR Volume I (October 2006)

Final EIR Volume II (October 2006)

Revised Draft EIR Executive Summary (March 2006)

Revised Draft EIR Volume I (March 2006)

Revised Draft EIR Volume II (March 2006)

Revised Draft EIR Volume III (March 2006)

Revised Draft EIR Appendices A-I (March 2006)

Revised Draft EIR Appendices J-V (March 2006)

Draft Report Placer Vineyards Specific Plan Public Facilities Financing Plan (July 2006, updated June 2007)

Draft Report Placer Vineyards Blueprint Specific Plan Public Facilities Financing Plan (June 2006)

Draft Report Placer Vineyards Urban Services Plan (June 2007)

cc:

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Christine Turner, Agricultural Commissioner
City of Roseville, Community Development
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