

# **COMMUNITY DEVELOPMENT AGENCY**

# **DEVELOPMENT SERVICES DIVISION**

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Agenda of: August 28, 2014

TO: Planning Commission

FROM: Mel Pabalinas

DATE: August 12, 2014

## RE: A14-0001/Z14-0001/SP86-0002-R/PD94-0004-R-2/El Dorado Hills Apartments; Response to Key Items of Concern From the June 26, 2014 Planning Commission Hearing

The Planning Commission heard the proposed El Dorado Hills Apartments project on June 26, 2014. Several issues of concern were raised by both the Planning Commission and public during the hearing. The project applicant requested to have this item continued in order to provide additional information to respond to issues raised and information requested.

# STAFF RESPONSE TO KEY ISSUES

Key issues identified at the June 26, 2014 hearing are summarized below, as are summary responses to those issues. In addition to these responses, Exhibits A and B provide a summary comparison of the project to the approved land uses for the site.

# 1) Density and Mixed Use (Commercial on First Floor)

Concerns about density consist of the perception that the project's density (55 dwelling units per acre) is too dense for this site as well as for the entire county. Comments also asked whether commercial uses should be added to the first floor. These concerns also include whether the Subsequent Initial Study/Mitigated Negative Declaration (MND) adequately addressed the impacts of this density.

# Staff Response

It is acknowledged that the approval of the project would result in the highest density residential project in the unincorporated area of the county to date. However, the project would be located within the Town Center East Commercial Center that is one of the few areas in the county designated for dense commercial uses in an urban setting. Residents of the apartment complex would have convenient access to surrounding retail shops, restaurants, and services in the area.

The apartment complex would add to the variety of residential types in the area that would cater to the needs of the community residents who differ in age, household size, and lifestyle. The proposed project would also be supported by and would be consistent with various General Plan policies associated with high-intensity self-sustaining compact urban or suburban-type development that includes mixed-use development, and would be appropriate within the Community Region of the county where it can utilize existing public infrastructure and services necessary to serve the development while potentially minimizing construction costs (see Exhibit C of the June 26, 2014 Staff Report).

The project applicant has submitted information indicating that the project's proposed density is necessary to provide the maximum desired stimulus for a soft commercial rental market and to cover costs associated with the parking structure. The applicant also indicates that this density would provide a "boost" for commercial/retail uses in the Town Center, while presenting environmental impacts that are fully mitigable. The provision of a first floor of commercial uses would reduce and dilute this boost (see Exhibit H).

## 2) Aesthetics

Concerns included how the project's height and massing fit (e.g., "tunneling" effect along Town Center Boulevard) with the surrounding development in the Town Center East Commercial Center as well as views from adjoining land areas. Several requests for visual simulations were made.

## Staff Response

The project applicant has provided visual simulations of the project, which are provided in Exhibit E. As shown in these simulations, the project would be a noticeable new building in the Town Center East Commercial Center. However, its height would not visually dominate the existing viewshed of the project area, as the existing Regal Cinemas building would continue to be the tallest building in Town Center East. The project's articulated massing, architectural design, and color theme would complement the existing urban and commercial development character of the Town Center and would not result in a physical feature that dominates views of the area or appear out of character. The project's setbacks and height along Town Center Boulevard would create a similar "main street" character to what currently exists along the western portion of Town Center Boulevard and would not generate a "tunneling" effect. Based on the analysis in the MND and these visual simulations, no significant visual impacts are expected.

# 3) Traffic

Traffic concerns include whether the traffic analysis adequately evaluates the project's peak hour and peak trip generation as well as the accuracy of the conclusions in the Transportation Impact Analysis (TIA) for the project area roadways/intersections and US Highway 50. Concerns were expressed on whether the project would generate substantial traffic within the Town Center East Commercial Center to the point that congestion levels result in customers not visiting the Town Center. Concerns were also raised regarding the accuracy of the timing of traffic counts on US Highway 50 with California State University, Sacramento and Folsom Lake College in session.

#### Staff Response

Detailed responses to all comments received on the MND, which incorporated the results of the TIA, are provided in Exhibit D. The TIA, which was prepared by the traffic consulting firm Fehr & Peers, demonstrates the proposed project would not result in any significant increases in traffic that would exceed county level of service (LOS) standards on county roadway facilities within and around the Town Center and US Highway 50. The TIA used existing and cumulative background traffic volumes for the a.m. peak hours of 7:00 a.m. to 9:00 a.m. (traffic counts in the area identify the a.m. peak hour occurs between 7:15 a.m. to 8:15 a.m.) and p.m. peak hours of 4:00 p.m. to 6:00 p.m. (traffic counts in the area identify the p.m. peak hour occurs between 5:00 p.m. to 6:00 p.m.). The TIA then applied peak a.m. and p.m. hour trip generation based on the Institute of Transportation Engineer's trip generation rates for multifamily uses to determine the traffic impact.

The TIA provided information that identified changes in traffic conditions in the Town Center during peak hours in year 2035 for development of the site under its approved land uses as well as with the project. Based on the traffic analysis estimation of project generation in comparison to cumulative "no project traffic" volumes using Town Center roadways, traffic generated by the project would constitute 8 percent of the a.m. peak hour traffic volume and 5 percent of the p.m. peak hour traffic volume within the Town Center under year 2035 conditions. If the site were to develop under its approved land uses, traffic generated would constitute 7 percent of the a.m. peak hour traffic volume and 8 percent of the p.m. traffic volume within the Town Center under year 2035 conditions.

Exhibit C shows a comparison of traffic count data used for US Highway 50 in the traffic analysis to traffic volume data collected in 2013 from September to October that includes California State University, Sacramento and Folsom Lake College being in session. Exhibit C also includes a chart showing variations in traffic volumes along Latrobe Road and White Rock Road during a typical day, as well as a chart summarizing the difference in trip generation between the project and approved land uses for the site. This information shows that the traffic counts utilized for US Highway 50 are similar to traffic conditions when both colleges are in session and identifies that the peak hour traffic conditions for White Rock Road and Latrobe Road match daily traffic flow conditions.

## 4) Water Supply

Water supply concerns consist of whether there is adequate water supply currently given drought conditions as well as for future year conditions for this project.

### Staff Response

Detailed responses to all comments received on water supply are provided in Exhibit D. EID is currently at a Stage 2 Water Supply Warning and is seeking to reduce water demands by 30 percent in order to maintain supply if the drought continues into 2015. (Between July 30 and August 5, EID was able to reduce water demands by 23 percent and by 12 percent for this year.) EID is not prohibiting water connections for new development under Stage 2. EID's 2013 water resources and service reliability report estimates that its system has a firm yield of about 63,500 acre-feet (AF). The available unallocated water supply as of that time was about 3,609 AF within the El Dorado Hills supply area and 1,045 AF within the Western/Eastern supply area. This translates to being able to ultimately serve the equivalent of about 4,687 equivalent dwelling units (EDUs) in El Dorado Hills and 1,935 new dwelling units in the Western/Eastern area with existing supplies. The 4,687 EDUs is the number reported by EID in the facility improvement letter it provided to the applicant in April 2014, which was the basis of the water analysis in the MND. EID estimated the proposed project would require 191.50 EDUs, which represents approximately 4 percent of the unallocated water supply currently available, and is not considered substantial. While current drought conditions and water cut-backs are acknowledged as part of EID reserving water should the drought continue into next year, there is adequate water supply available to meet the needs of this project currently and into the future. By the year 2035, there would be approximately 42,995 acre-feet annually of surplus available water supply during a normal year, 7,225 acre-feet annually during a single dry year, and 12,404 acre-feet annually of surplus available water supply during Year 3 of a drought after meeting existing and anticipated development as well as EID securing planned new water sources. In subsequent dry years, more surplus water is available compared to the first dry year because the demand would drop as elements of EID's Drought Preparedness Plan are implemented.

The MND estimated water demands for the project at 106 AF annually based on conversion of equivalent dwelling units estimated for the project (191.5 EDUs) to an annual water demand. However, this may be an overestimation of water demand, as project water demands were also estimated at 75 acre-feet annually based on the EID Water, Sewer and Recycled Water Design and Construction Standards Report. There is adequate water supply to meet project water demands under either estimate.

#### 5) Wastewater Capacity

Concerns regarding wastewater capacity are associated with the conveyance of project wastewater to the El Dorado Hills Wastewater Treatment Plant given capacity issues with the El Dorado Hills Boulevard (EDHB) trunk sewer line.

#### Staff Response

Detailed responses to all comments received on wastewater service are provided in Exhibit D. This issue was identified in the MND and is a pre-existing condition that is not triggered by this project. These sections of the EDHB trunk sewer line have been identified for potential upsizing in EID's current Wastewater Facilities Master Plan. EID is conducting a flow monitoring and

capacity analysis of the EDHB trunk sewer, which is an identified project in EID's 2014 Capital Improvement Plan (CIP). As a result of this analysis, recommended capacity improvements and the timing of implementation will be included in EID's 5-year CIP, subject to EID Board of Directors approval. As a result of this condition, mitigation measure MM UT-1 requires that the project pay its fair share of the cost of this planned improvement and that final confirmation of adequate capacity in the EDHB trunk line to accommodate the project shall be provided to the County prior to certificate of occupancy.

## 6) Economic Effects

Requests were made for information regarding the potential economic impacts of the project on the County in comparison with approved land uses for the site.

#### Staff Response

The project applicant provided a Revenue Impact Analysis for the project prepared by Economic & Planning Systems (EPS) (Exhibit F). A summary comparison of project revenues versus approved land uses for the site (hotel with a minimum of 100 rooms and 33,000 square feet of commercial/retail uses) is provided in Exhibit A, while Exhibit F includes EPS's complete analysis. The EPS analysis indicated that the project would have short-term (first 10 years) revenue benefits over approved land uses for the site. However, at buildout, approved land uses would generate more revenue than the project.

## 7) Adequacy of Mitigated Negative Declaration Versus Need for an Environmental Impact Report (EIR)

Concerns were expressed that the MND was not adequate to address the environmental effects associated with the project and its density and that an EIR was required.

## Staff Response

Detailed responses to all comments received regarding the adequacy of the environmental analysis are provided in Exhibit D. The conclusions of the MND that all project impacts are less than significant or are reduced to less than significant with the application of mitigation measures are supported by technical studies, field review, and other substantial evidence consistent with the requirements of CEQA. No significant impacts on the physical environment are expected from the project or its proposed density that would trigger the need to prepare an EIR. No commenters have provided technical analysis to counter the conclusions of the MND and its technical studies.

#### 8) Approval of Project Setting Precedence

Concerns were expressed that approval of this project and its MND would set precedence for the future approval of high-density projects.

#### Staff Response

As noted in the June 26, 2014 Planning Commission Staff Report, the proposed General Plan amendment is limited to this specific site and would not establish precedence or entitlements for additional multi-family residential projects in the county. In addition, the project would not exceed the total residential unit allocation under the El Dorado Hills Specific Plan.

#### 9) Comparison of the Project to the Approved Land Uses

Several comments were received requesting a comparison of the project to the Town Center East Commercial Center approved land uses.

#### Staff Response

Exhibits A and B provide a development and environmental effect comparison of the project and the approved land uses for the site. The approved land uses are based on the "Declaration of Use Restrictions and Agreement to Grant Easements for El Dorado Hills Town Center East, Parcels 1-4," which identifies a 100-room hotel and 33,000 square feet of commercial/retail uses (see Exhibit G). These approved land uses could submit for site review and building permits and would not require any discretionary approval by the County.

Exhibit A	El Dorado Hills Apartment Project Compared to Approved Land Uses
Exhibit B	Comparison of Key Environmental Effects - El Dorado
	Hills Apartment Project to Approved Land Uses
Exhibit C	Traffic Volume/Count Data and Trip Generation
	Comparison
Exhibit D	Responses to Written Public Comments on the Mitigated
	Negative Declaration and Project
Exhibit E	Errata to the Subsequent Initial Study/Mitigated Negative
	Declaration
Exhibit F	Revenue Impact Analysis; July 29, 2014
Exhibit G	Declaration of Use Restrictions and Agreement to Grant
	Easements for El Dorado Hills Town Center East, Parcels
	1-4
Exhibit H	Applicant's Letter to Staff (referenced Attachments in the letter are similar to the referenced Exhibits in Staff Memo); August 1, 2014

#### **Attachments to Staff Memo**