

TO: Olin Woods, Chair, and Members of the
Local Agency Formation Commission

FROM: Elisa Carvalho, Senior Management Analyst

DATE: May 12, 2008

RE: Addendum to the Executive Officer's Report to approve the Orciuoli Reorganization to the Esparto Community Services District and the Madison-Esparto Regional County Service Area (LAFCO Proceeding No. 905) and to accept the Orciuoli Property Residential Development Environmental Impact Report (EIR) as the appropriate environmental review (Item #5C)

RECOMMENDATION

Make the following additional findings for the Orciuoli Reorganization to the Esparto Community Services District and the Madison-Esparto Regional County Service Area (LAFCO Proceeding No. 905) (Item #5C) and the Orciuoli Property EIR in reference to the California Environmental Quality Act:

1. Mitigation Measures

The Orciuoli Final Environmental Impact Report (FEIR) provides mitigation measures concerning impacts on land use and planning, transportation and circulation, agricultural resources, biological resources, cultural resources, hazardous materials, hydrology, water quality, drainage, noise, air quality, population, employment, housing, public services, utilities, geology, soils, seismicity, recreation, and aesthetics.

The mitigation measures are within the responsibility and jurisdiction of the County of Yolo. The Yolo Solano Air Quality Management District (YSAQMD) and the Esparto Community Services District (CSD) also share some responsibility. The YSAQMD will participate in the

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enforcement of fugitive dust mitigation (measure 4.9.1b). The Esparto CSD will participate in the mitigation of the increase in wastewater and increased water supply and fire flow demand (measures 4.11.5 and 4.11.9, respectively). The County has satisfactorily addressed mitigation measures in the FEIR and mitigation measures approved to reduce most of these impacts to less than significant levels; those that have not been reduced to a less than significant level are addressed below.

2. Statement of Overriding Considerations

The Yolo County LAFCO approval of the Orciuoli Project 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 Commission 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 Commission has considered the information contained in the FEIR for the project as well as the public testimony and record in proceedings in which the project was considered. The Commission has balanced the project's benefits against the unavoidable adverse impacts identified in the FEIR. The Commission hereby determines that the project's benefits outweigh the significant unmitigated adverse impacts.

A. Significant And Unavoidable Impacts

As discussed herein, the Orciuoli Subdivision project will result in the following potentially significant and unavoidable impacts, even with the implementation of all feasible mitigation:

Impact 4.2.5. The project would contribute to significant cumulative increases in traffic at local intersections in the project area in 2025. The project's incremental contribution to the significant cumulative condition would be "cumulatively considerable."

Impact 4.2.6. The project would contribute to cumulative increases in traffic on regional roadways in the project vicinity.

Impact 4.3.1. The project would convert prime farmland as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use.

Impact 4.3.5. The project, when combined with other planned projects or projects under construction in the area, would contribute to the conversion of prime farmland as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use.

Impact 4.9.1. Construction activities would generate short-term emissions of criteria air pollutants, including suspended and inhalable particulate matter and equipment exhaust emissions.

Impact 4.9.3. The project would contribute to cumulative air quality impacts in the region.

Impact 4.10.1. The project would create new housing units and jobs, which could create adverse secondary environmental impacts.

B. Specific Findings

Project Changes to Avoid or Reduce Impacts -- Changes or alterations have been made in the project, which mitigate to the most feasible degree the significant environmental effects of the project, as identified in the Final EIR. These take several forms: 1) the project has undergone changes and alterations in design between the original project application submittal and the final proposed project as analyzed in the FEIR; 2) the project is modified by the final adopted mitigation measures identified in the County's Mitigation Monitoring Plan; 3) and the project is modified by the terms of the Development Agreement between the County and the Developer that must be executed in order to effectuate approval of the project.

The changes and alterations in design between the originally proposed Tentative Subdivision Map and the final approved Tentative Subdivision Map include but are not limited to:

- A larger community park area of at least 3.0 acres, instead of 1.8 acres;
- Removal of the proposed residential development originally located west of the Winters Canal;
- Addition of a landscaped pedestrian/bicycle path along the east side of the Winters Canal, connecting the existing path to County Road 19H;
- More connections to the existing street grid pattern, to provide greater circulation alternatives;
- Addition of two neighborhood parks;
- Inclusion of 36 lots dedicated for sale to farm workers;
- Overall increase in residential density from 4.7 units per net acre to 6.2 units per net acre;
- Provision of a round-about on Cowell Drive;
- Greater emphasis on street grid pattern within the project; and
- Dedication of the 5.0 acre area west of the Winters Canal to Yolo County.

Final Disposition of Mitigation Measures -- All feasible mitigation measures have been incorporated into the project as a part of the County's Mitigation Monitoring Plan, as conditions of approval for the County's Tentative Subdivision Map, and as a requirement of the Development Agreement between the County and the Developer.

Components of the Development Agreement -- A Development Agreement (DA) has been negotiated as a part of this project. The key “public benefit” features of the DA are summarized below (numbered for convenience only):

1) 3.0-acre Community Park -- A minimum 3.0-acre park shall be located in the southeast corner of the subject site, exclusive of the proposed storm water detention basin. There shall be no back-on lots, and a local street shall be developed along its length. Park improvements are to include, at a minimum, design, grading, clearing, drainage, turf, trees, landscaping, irrigation, drinking fountain, trash receptacles, walkways, playground, one shade structure (gazebo), four picnic tables, basketball court, restroom, four benches, four BBQ grills, and a minimum of 0.5 acres (maximum of one acre) designated for future potential community swimming pool. The site shall be graded, landscaped, and irrigated to integrate with the existing path immediately east and the detention basin/path immediately south of the park. The park will be a separate parcel owned, operated, and maintained by the County Service Area. Construction of the park must commence within six months of the approval of the first building permit issued for a house within the Project Area. Construction shall be completed within 12 months after it commences.

2) Neighborhood Parks -- Two small parks (each approximately 4,000 square feet) shall be located near the center of the Project Area. Each smaller park shall be landscaped with turf and trees and shall be irrigated. Steel tube fencing, similar in appearance to wrought iron, shall be installed along the full length of the street frontage, to prevent direct access to the street and round-about by children. Each small park shall be provided with a tot lot or playground, water fountain, trash receptacles, and four benches. The park will be a separate parcel owned, operated, and maintained by the County Service Area. Construction of the park must commence and be completed as a part of the phase in which it is located.

3.) School Access -- A continuous paved path, with a minimum width of 8 feet, shall be constructed from the existing path parallel to Duncan Drive, north along the east side of the Winters Canal to the western boundary of the Project Area closest to the eastern end of County Road 19H. The path shall be located within a minimum 25-foot wide landscaped and irrigated area extending the full length of the western boundary of the project site. The purpose of the paved path is to provide a safe bicycle/pedestrian route from Esparto to the proposed high school site located west of County Road 85B. The landscaped area associated with the path shall include trash receptacles, four BBQ grills, and four picnic tables. Infrastructure for the Esparto Community Services District, including a water storage tank, may be located within the landscaped area, subject to approval by the Director.

4) Monument Sign -- Within six months of the issuance of the first building permit for residential construction, a community monument sign shall be installed on the south side of Highway 16 at the western end of the Project Area. The sign shall be similar in style and materials to other similar signs located between Madison and Rumsey.

5) Energy Efficiency and Solar Energy -- All homes shall achieve an efficiency rating that exceeds Title 24 requirements, through features including but not limited to: energy star appliances, low-e windows, and water efficient fixtures. In addition, the southern orientation of roof surfaces of all dwellings shall have electrical conduit stubs installed, two spaces for photovoltaic circuits on the electrical panel, and relocation of roof vents where feasible to accommodate solar energy equipment. The acquisition and installation of photovoltaic solar energy systems capable of producing a minimum of 1.2kW (peak-rated DC watts), shall be offered or arranged for all homeowners at the homeowner's cost.

6) Visitability -- The following features shall be installed in all homes at no additional cost to the buyer: (a) "Zero-step" threshold garage entrance (1/2" max); (b) Rocker light switches throughout; (c) Grab bar backing in the first floor bathroom; (d) Single action front door hardware and/or lever action hardware at its interior; (e) Single-handle type faucets shall be provided for both the kitchen and bathroom on the first floor; (f) Light switches, receptacles, and environmental and alarm controls shall be placed at an accessible height throughout the first floor; and (g) at least one doorbell shall be provided for the primary entrance, located between forty-two inches (42") and forty-eight inches (48") from the finished floor/grade.

7) Downtown Economic Development -- A gas station and an approximately 20,000 square-foot retail/office building shall be constructed on the property owned by Developer at the northwest corner of Yolo Avenue and County Road 21A (APN: 049-160-11). Construction is contingent upon County issuance of any permits or other entitlements that may be required for the gas station and retail/office building, however, nothing obligates the County to issue such permits or other entitlements.

8) Property West of Canal -- The approximately 5.0 acre portion of the project site located west of the Winters Canal shall be offered for dedication to the County. Phase I environmental site assessments and, if necessary, Phase II environmental site assessments, including any associated studies and soil or groundwater testing shall be provided prior to the offer for dedication. Any environmental contamination that may be present shall be remediated to the extent remediation is required by agencies with jurisdiction over such matters in accordance with existing law.

9) Agricultural Worker Housing – Up to 36 homes shall be provided for the exclusive purchase by bona fide agricultural workers who work in Yolo County. Eighteen (10%) of the homes shall be sold at prices affordable to moderate-income families, as provided in the Yolo County Affordable Housing Ordinance. The other eighteen homes may be sold at market rate prices.

10) Traffic Mitigation – Requirements for traffic mitigation may be satisfied by the payment to the County of a total of \$450,000 for the improvement of the intersection of County Road 86A and State Route 16, as well as the construction of the Alpha Street bridge over Lamb Valley Slough. The first payment of \$225,000 shall be paid to the

County prior to the recording of the first phase of the Final Map, with the remainder to be paid prior to the recording of the second phase of the Final Map.

11) Agricultural Mitigation – An agricultural easement of at least 38.4 acres shall be deeded to a land trust to offset the loss of farm land associated with development of the project. The 38.4 acres shall have agricultural capabilities comparable to the project site, based on soil type and water availability.

Project Benefits Outweigh Unavoidable Impacts -- The remaining unavoidable and irreversible impacts of the project are acceptable in light of the economic, legal, social, technological, and other considerations set forth herein because the benefits of the project outweigh any significant and unavoidable or irreversible adverse environmental impact of the project.

Balance of Competing Goals -- The Commission finds that it is imperative to balance competing goals in approving the project. Seven significant environmental impacts have not been fully mitigated because of the need to meet competing concerns, and/or the need to recognize economic, legal, social, technological, and other issues as factors in decision-making. Accordingly, the Commission has chosen to accept significant adverse environmental impacts because to eliminate them would unduly compromise important economic, legal, social, technological, and other goals. The Commission finds and determines, based on the FEIR, and other supporting information in the record, that the project will provide for a positive balance of the competing goals and that the benefits to be obtained by the project outweigh the adverse environmental impacts of the project.

C. Overriding Considerations

In the Commission's judgment, the proposed project and its benefits outweigh its unavoidable significant effects. The following statement identifies the reasons why, in the Commission's judgment, the benefits of the project as approved outweigh its unavoidable significant effects. Any one of these reasons is sufficient to justify approval of the project. Thus, even if a court were to conclude that not every reason is supported by substantial evidence, the Commission would stand by its determination that each individual reason is sufficient. The substantial evidence supporting the various benefits can be found in the preceding findings (section B), which are incorporated by reference into this section.

General and Social Benefits -- The record contains substantial evidence showing the project's general and social benefits. Those benefits include, in no particular order:

- The project provides an opportunity to achieve a variety of important goals that will benefit the town.
- Installation of a monument sign welcoming east-bound visitors on State Route 16 to Esparto, similar to other signs along the Capay Valley corridor.
- Dedication of 5.0 acres to the County for future public use.

- Completion of the northwest portion of the town, squaring off development to the south and east.
- Improved use of agricultural land which is currently limited in terms of productivity by existing residential neighborhoods to the south and east, as well as State Route 16 to the north.
- Completion of important sewer and water infrastructure improvements, including a portion of the looped water line and construction of a new water storage tank.
- Dedication of the Winters Canal alignment to the County in fee title

Circulation Benefits -- The record contains substantial evidence showing the project's benefits to circulation. Those benefits include, in no particular order:

- The project will result in the extension of Cowell Drive, which will connect State Route 16 with Grafton Street to create an alternate north-south route through Esparto that will connect with a future bridge crossing over Lamb Valley Slough.
- Cowell Drive will include a round-about and pedestrian crossing enhancements to provide "traffic calming."
- The project will contribute \$450,000 in mitigation towards the early construction of a new bridge over Lamb Valley Slough at the Alpha Street alignment and the development of a full signalized intersection at State Route 16 and County Road 86A.
- The project will pay fees of more than \$100,000 towards the construction of a bridge over Lamb Valley Slough at the Cowell Drive alignment.

Design/Land Use Planning Benefits -- The record contains substantial evidence showing the project's design and land use planning benefits. Those benefits include, in no particular order:

- The design requirements of the project incorporate neo-traditional community design and smart-growth principles.
- All development within the subdivision will be subject to design control and planned development standards.
- The project would result in a well designed, pedestrian oriented, addition to the town of Esparto.
- All new residences will include handicapped accessibility features to improve visitability.
- New residences will achieve energy conservation standards greater than required under Title 24.
- All new homes will have solar panel conduit installed to facilitate the use of alternative energy.

Economic/Fiscal Benefits -- The record contains substantial evidence showing the project's economic and fiscal benefits. Those benefits include, in no particular order:

- The project will provide new business opportunities, by redeveloping an existing vacant commercial site to include a mix of commercial and office uses.

- The infrastructure needed for the project is proposed to be constructed using private financing provided by the applicant, that will improve the existing sewer and water capacity of the Esparto Community Services District. No public financing is proposed.
- The homes constructed will generate a positive revenue flow for the County.
- The project will result in more than \$500,000 in new school fees.
- The project will result in more than \$200,000 in new fire district fees.

Housing Benefits -- The record contains substantial evidence showing the project's benefits to the supply and mix of housing. Those benefits include, in no particular order:

- The project will provide a range of housing for a variety of family types and income levels.
- The project must provide 20 percent deed-restricted affordable housing.
- The project will set aside 20 percent of the homes for purchase by farm workers.
- Additional entry level work force housing that can meet a portion of the demand generated by the Cache Creek Casino.

Recreation Benefits -- The record contains substantial evidence showing the project's recreation-related benefits. Those benefits include, in no particular order:

- The project will result in a minimum three-acre community public park for Esparto, that will connect to existing open space and pedestrian/bicycle trails. The park shall include a gazebo, picnic tables, basketball court, restroom, benches, and barbeque grills.
- The community park will include up to one-acre that may be used for a future public pool for the town of Esparto.
- The project includes two neighborhood parks of 4,000 square feet each.
- The existing pedestrian/bicycle trail will be extended to connect with County Road 19H, providing a potential link to a future high school site and/or future trails that may connect with the town of Capay.
- The extended bike trail will be located within a landscaped area that parallels the Winters Canal and will include benches, tables, and barbeques.

In making these findings, the Commission ratifies, adopts and incorporates the analysis and explanation in the record into these findings, and ratifies, adopts and incorporates in these findings the determinations and conclusions of the Final EIR relating to environmental impacts and mitigation measures, except to the extent any such determinations and conclusions are specifically and expressly modified by these findings.

A full explanation of these environmental findings and conclusions can be found in the Final EIR and associated record, and these findings hereby incorporate by reference the discussion and analysis in the Final EIR and record supporting the Commission's determinations regarding the impacts of the Project and mitigation measures designed to address those impacts.

D. Conclusion

The FEIR is a program-level document prepared pursuant to the CEQA Guidelines. The Commission has independently determined that the FEIR fully and adequately addresses the impacts and mitigations of the proposed project. The number of project alternatives identified and considered in the FEIR meets the test of "reasonable" analysis and provides the Commission with important information from which to make an informed decision. Additionally, public hearings were held before the Planning Commission and the Board of Supervisors. Substantial evidence in the record from those meetings and other sources demonstrates various benefits and considerations including economic, legal, social, technological, and other benefits which the County would achieve from the implementation of the project.

The Commission has balanced these project benefits and considerations against the unavoidable and irreversible environmental risks identified in the FEIR and have concluded that those impacts are outweighed by the project benefits. Upon balancing the environmental risk and countervailing project benefits, the Commission has concluded that the benefits that the County will derive from the implementation of the project outweigh those environmental risks. The Commission hereby determines that the above-described project benefits override the significant and unavoidable environmental impacts of the project.

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

BACKGROUND

The County of Yolo as lead agency, prepared an Environmental Impact Report for the Orcioli Project. The EIR consists of the October 2005 Draft EIR ("DEIR") and the May 2006 Response to Comments document. The EIR identifies several significant and unavoidable adverse environmental impacts.

Prior to approving a project for which an EIR has been certified, that identifies one or more significant environmental impacts, LAFCO must make one or more of the following findings, accompanied by a brief explanation of the rationale, pursuant to Section 15091 of the CEQA Guidelines, for each identified significant impact:

- a) Changes or alterations have been required in, or incorporated into, such project which avoid or substantially lessen the significant environmental effect as identified in the final environmental impact report.
- b) Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency, or can and should be adopted by such other agency.

- c) Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the environmental impact report.

Section 15092 of the CEQA Guidelines states that after consideration of an EIR, and in conjunction with the Section 15091 findings identified above, the Commission shall not decide to approve or carry out the project unless where feasible, the significant effects are substantially reduced or eliminated or the remaining and unavoidable significant effects on the environment are acceptable due to overriding concerns. Section 15093 requires Commission to document and substantiate any such determination in a "statement of overriding considerations" as a part of the record.