

AGENDA BOARD



ASR Control 18-000410

**MEETING DATE:** 06/05/18  
**LEGAL ENTITY TAKING ACTION:** Board of Supervisors  
**BOARD OF SUPERVISORS DISTRICT(S):** 3  
**SUBMITTING AGENCY/DEPARTMENT:** County Executive Office (Approved)  
**DEPARTMENT CONTACT PERSON(S):** Scott Mayer (714) 834-3046  
 Brian Bauer (714) 834-5663

**SUBJECT:** Certify FEIR No. 621 and Development Plan for West Alton Parcel

<b>CEO CONCUR</b> Concur	<b>COUNTY COUNSEL REVIEW</b> Approved Resolution to Form	<b>CLERK OF THE BOARD</b> Discussion 3 Votes Board Majority
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**Budgeted:** N/A                                      **Current Year Cost:** N/A                                      **Annual Cost:** N/A  
**Staffing Impact:** No                                      **# of Positions:**                                      **Sole Source:** N/A  
**Current Fiscal Year Revenue:** N/A  
**Funding Source:** N/A                                      **County Audit in last 3 years:** No

**Prior Board Action:** 1/28/2014 #61, 3/4/2003 #22

**RECOMMENDED ACTION(S):**

1. Adopt attached Resolution to:
  - a. Certify Final Environmental Impact Report No. 621 for the West Alton Parcel Development Plan; and
  - b. Adopt Statement of Facts, Findings and Statement of Overriding Considerations for Final Environmental Impact Report No. 621; and
  - c. Adopt Mitigation Monitoring and Reporting Program for Final Environmental Impact Report No. 621; and
  - d. Approve the West Alton Parcel Development Plan as attached (Attachment C).
2. Authorize the Chief Real Estate Officer or designee to take any actions consistent with the West Alton Parcel Development Plan and give any approvals necessary to implement the Development Plan, as well as execute any documents necessary for the development of the West Alton Parcel consistent with the Development Plan.

**SUMMARY:**

Adoption of the Recommended Actions will allow the County to commence development activities for the County-owned or controlled West Alton Parcel at the former MCAS El Toro, pursuant to the West Alton Development Plan.

## **BACKGROUND INFORMATION:**

The County of Orange (County) is the project proponent and Lead Agency under the California Environmental Quality Act (CEQA) for the planning and development of certain County-owned or controlled property located on the former Marine Corp Air Station (MCAS) El Toro, near the northeast intersection of Alton Parkway and Irvine Boulevard, in the City of Irvine (City), referred to as the West Alton Parcel (WAP). The WAP, which is approximately 44.16 acres in total, is bisected by an 11.84-acre parcel that will be dedicated as part of a Wildlife Movement Corridor (and which is not proposed for development). The proposed West Alton Development Plan (Development Plan) provides an administrative framework for the development of up to 803 multi-family residential units on the balance of the WAP, divided into two Planning Areas - Planning Area 1, to the north, and Planning Area 2, to the south, which total a proposed project development area of 32.32 acres (Project).

In July 1993, the Department of Navy decided to close MCAS El Toro under the Base Realignment and Closure Act. On March 4, 2003, the County, the City, and the Irvine Redevelopment Agency entered into a three-party Property Tax Transfer and Pre-Annexation Agreement (Pre-Annexation Agreement) regarding the annexation and reuse of MCAS El Toro. As part of the Pre-Annexation Agreement, the City agreed to convey a number of parcels to the County, including the WAP. Section 2.2.4 of the Pre-Annexation Agreement states that the “County shall retain exclusive land use control over [its parcels within the Former MCAS EL Toro], and shall be entitled to place any development upon said parcels that County shall determine to be desirable for County’s needs, as though said property remained unincorporated, without the obligations for payment to Irvine of any permit fees or other mitigation/impact fees[.]” That section also states that the City is required to “zone County’s parcels and designate them in Irvine’s General Plan in accordance with County’s direction.” While the express terms of the Pre-Annexation Agreement provide a contractual basis for the County’s approval, permitting and development of the WAP in accordance with the proposed Development Plan, additional authority is found in the intergovernmental immunity provided for in Sections 53090-53091 of the California Government Code (Attachment D), under which counties and cities are exempt from applicable zoning regulations when one entity owns territory within the jurisdiction of another entity.

On January 28, 2014, your Board approved a Disposition and Development Agreement (DDA) with Lowe Enterprises Real Estate Group (Lowe) to assist the County with the entitlement and development of County-owned property at MCAS El Toro, including the WAP. The WAP is included within the Alton Parcels described in the DDA. However, the DDA excludes the Alton Parcels from the contemplated Master Ground Lease with Lowe. Accordingly, the DDA does not address how the WAP is to be controlled or disposed of after the approvals being requested. The process for the development of the WAP, which commenced in 2014, includes the preparation of Final Environmental Impact Report (FEIR) No. 621 and the Development Plan, and are part of Phase 1 under the DDA.

The Development Plan serves as the guiding document for the planned development of the WAP and contains detailed development standards and design guidelines that will be used to review and analyze future plans for implementing development at the Project site. The Development Plan identifies permitted land uses, development standards for streets, parking, building types, improvements and landscape, height and density limits, and establishes the overall framework for the development, occupancy, and use of the project site. The proposed residential and open space uses in the Development Plan are generally consistent with the existing and proposed uses of the properties in the vicinity of the Project site. The Development Plan also establishes

the processes by which the County will evaluate proposals for future development to ensure consistency with the Development Plan and the FEIR 621.

The certification of the FEIR and approval of the Development Plan is the culmination of a public process that started in December 2014 with the release of the Notice of Preparation (NOP). The NOP proposed a project which was more intense and impactful (970 total multi-family units) than the development proposed in the Conceptual Site Plan (CSP) set forth in the Development Plan and studied in the FEIR. As described in more detail below, the proposed Project would allow for the development of up to 803 multi-family residential units across two planning areas. Of the 803 units, 14 percent (or up to 112 units) are committed as affordable with one percent (or up to eight units) committed as transitional housing.

### **Environmental Review Pursuant to CEQA**

In accordance with CEQA, a NOP of a Draft EIR (DEIR) was filed with the State Clearinghouse (SCH) Office of Planning and Research (OPR) on December 19, 2014. OPR assigned SCH No. 2014121065 to the environmental documentation for the proposed project.

The NOP was distributed to public agencies, interested parties, and service providers. The 30-day public review period for the NOP commenced on December 19, 2014, and concluded on January 19, 2015. A public scoping meeting was held on January 9, 2015, to solicit input from interested parties on the content of the DEIR. In response to the comments received, the County provided additional opportunity for input on the scope of the EIR by extending the comment period from June 6, 2015, through July 3, 2015. The extension was noticed in the newspaper, and approximately 400 notices were sent to the adjacent cities and properties. In an effort to solicit as much public involvement as possible, an additional public scoping meeting was held on October 23, 2015, with a comment period that extended from October 9, 2015, through November 7, 2015.

### **Draft EIR No. 621 (State Clearinghouse No. 2014121065)**

As required under CEQA, the County prepared a DEIR to analyze the environmental impacts associated with the Project, along with four project alternatives. The DEIR was made available for a 45-day public review period beginning on December 9, 2016, and ending on February 9, 2017. This process allows for the preparation of an EIR to (i) promote informed decision making regarding the potentially significant impacts of the Development Plan; and (ii) serve as the basis for CEQA consideration of future actions that include more precise information about individual development projects implementing the Development Plan. The DEIR was distributed to State and local agencies, adjacent cities, and interested parties. A notice of availability of the DEIR was sent to property owners within a 300-foot radius of the project site.

The NOP (NOP Project) proposed the following land use:

<b>NOP PROJECT LAND USES</b>	
<b>Land Use</b>	<b>Maximum Development Intensity</b>
Residential	970 dwelling units

In response to NOP comments, the County chose to reduce the NOP Project unit count from the original 970 units to the current proposed Project unit count of 803 units.

The FEIR has incorporated an extensive mitigation program of mitigation measures and development requirements to reduce potentially significant impacts associated with the Project. For most CEQA areas, the Project has no impacts or those impacts are reduced to less than significance through the proposed mitigation

program. As disclosed in the FEIR, impacts in the areas of Air Quality; Land Use and Planning; Population and Housing; and Transportation/Traffic remain significant and unavoidable.

The significant impacts associated with Air Quality, Land Use (LU) and Planning, and Population and Housing derive from consistency with regional planning programs and the Project not yet having been accounted for in the projections used to update the programs. Specifically, the Project was not accounted for in the Orange County Projections, demographic projections which are utilized by the Southern California Association of Governments for inclusion in the Air Quality Management Plan and the Regional Transportation Plan/Sustainable Communities Strategies. Thus, the specific growth contemplated by the Project is not yet reflected in the assumptions made in these planning documents. This impact with respect to those planning documents can be reduced to less than significant by updating the growth assumptions to account for the Project. Mitigation Measure LU-1 has been incorporated to require the County to coordinate on the updating of the OCP data set to reflect the Project. However, as the County cannot mandate the updating of those growth projections, the FEIR identifies the impacts as significant and unavoidable.

Mitigation for the Project's significant and unavoidable Transportation/Traffic impacts is also proposed (MM TRAN-3). Again, as the facilities requiring improvement are outside of the County of Orange's jurisdiction and control, the County cannot ensure that the improvements would be constructed within the timeframe required to reduce the Project's impacts to a less than significant level.

All other potential adverse environmental impacts identified in the FEIR for the Project will be substantially avoided or mitigated through the adoption of the Mitigation Monitoring and Reporting Program for the Project.

As required by CEQA, the DEIR analyzed the environmental impacts of the proposed Project, a development of up to 803 multi-family residential units, as well as a reasonable range of development alternatives, as indicated below:

<b>Proposed Project</b>	<b>Multi-family Development.</b> Development of up to 803 multi-family units divided between Planning Area 1 and Planning Area 2, with 14 percent (or up to 112 units) committed as affordable and one percent (or up to eight units) committed as transitional housing.
<b>Alternative 1</b>	<b>No Project/No Development Alternative.</b> No new development; leasing of the site (through an encroachment permit) may continue.
<b>Alternative 2</b>	<b>Single-Family Homes Alternative.</b> Development of 121 units in Planning Area 1 and 77 units in Planning Area 2 for a total of 198 single-family residential units overall
<b>Alternative 3</b>	<b>Mixed-Use Alternative.</b> Development of 573 medium- to high-density, multi-family units in Planning Area 1 and 225,000 square feet of commercial uses in Planning Area 2
<b>Alternative 4</b>	<b>Age-Qualified/Multi-family Alternative.</b> Development of 35 senior villas, 345 independent living units, a 90-bed assisted living facility, and 1.6 acres of parks in Planning Area 1 and 230 apartments and 1.24 acres of parks in Planning Area 2.

In accordance with CEQA, the DEIR provided a comparison of the environmental effects and their merits and/or disadvantages of each Project alternative in relation to the proposed Project, as well as each Project alternative's ability to achieve the project objectives set forth in the DEIR.

Upon completion of the DEIR and after careful consideration of the Project alternatives, Alternative 2 was deemed the environmentally superior alternative (other than the No Project / No Development Alternative). However, although this alternative would meet most of the Project objectives, this Alternative would meet the least number of Project objectives (apart from the No-Project Alternative). The proposed Resolution Certifying the FEIR included with this report as Attachment B discloses that specific economic, legal, social, technological, or other considerations, make the Alternative 2 infeasible, an includes findings in support of the rejection of Alternative 2 on such grounds.

When compared to the alternatives, the proposed Project provides the best available and feasible means of meeting the Project's objectives and minimizing significant environmental impacts. Thus, the Project is being recommended for approval.

Detail on the environmental effects of the Project are set forth in the FEIR and the Findings of Fact (Attachments A and B). The Findings of Fact also includes a Statement of Overriding Considerations setting forth the economic, legal, social, technological, or other benefits of the Project that outweigh the potential environmental impacts.

### **Comments and Responses to Comments on Draft EIR No. 621**

A total of 16 comment letters/emails were received on the DEIR during the public review period. In accordance with the requirements of CEQA, full and complete, good faith and reasoned responses to those comments received during the public review period were prepared and are included in the FEIR No. 621. The most frequently raised issues concern traffic, greenhouse gas emissions, impacts to the Wildlife Movement Corridor which bisects the Project development areas, and the County's land use authority to approve and implement the Development Plan. Each of those issues, as well as the remainder of the comments are addressed at length in the responses to comments section of the FEIR.

### **Recommendation to Approve the Proposed Project in the FEIR and Development Plan**

As a result of the CEQA review process, which included the receipt, review and response to comments on the DEIR, and the stakeholder meetings, the proposed Project is recommended for Board approval. The Project provides the best available and feasible balance between maximizing the Project's objectives and minimizing environmental impacts. The proposed Project would achieve 12 out of 12 project objectives set forth in the DEIR.

As analyzed in the FEIR, the Project would have significant unavoidable impacts in the topical areas of air quality, land use and planning, population and housing, and transportation/traffic. However, as discussed in detail in the Findings proposed for adoption and presented in Exhibit A to Attachment B of the attached Resolution, the Project would offer specific economic, legal, social, technological or other benefits which, on balance, would outweigh the unavoidable environmental risks associated with the Project. Examples of those benefits include, but are not limited to: the creation of an additional 803 residential units in Orange County, which would improve the County's housing shortage and the job-housing imbalance in the vicinity of the Project area; the provision of, or the generation of in-lieu funding for, up to 112 affordable housing units for moderate, low and very low income households in Orange County and up to eight units dedicated as transitional units; the creation of approximately 15 new long-term jobs and 534 temporary construction jobs; the opportunity to transform an underutilized brownfield site into a vibrant infill development in close proximity to employment and recreation uses; and, the furtherance of the County's policy of using underutilized County assets to generate a new, revenue source to support the facilities and services the County provides to the residents of the County. As supported by the information in the FEIR and other portions of the record of proceedings, these economic, legal, social, technological and other Project benefits outweigh the significant, unavoidable environmental impacts associated with the Project and, accordingly, it

is recommended that the Board adopt the enclosed Findings of Fact and Statement of Overriding Considerations for the Project.

**CEQA COMPLIANCE:**

Proposed Final EIR No. 621, SCH No. 2014121065, has been prepared and circulated for public review (Attachment A). The DEIR was posted for public review and comment from December 9, 2016, to February 9, 2017. The Responses to Comments on the DEIR were made available to the public by mail/on-line on May 23, 2018. The Response to Comments consists of responses to the individual comments received, as well as Topical Responses, which provide a comprehensive review and response to the most common questions or comments received on the DEIR. The Responses to Comments are part of the Final EIR (Attachment A). As of the date this staff report was issued, no additional or new comments have been raised that have not been adequately addressed in the proposed Final EIR. In addition to certifying the proposed Final EIR, the resolution presented for consideration would adopt the Findings, Facts in Support of the Findings, a Statement of Overriding Considerations, and the Mitigation Monitoring and Reporting Program for the West Alton Parcel Development Plan, as well as approve the West Alton Parcel Development.

**FINANCIAL IMPACT:**

N/A

**STAFFING IMPACT:**

N/A

**ATTACHMENT(S):**

Attachment A – Final Environmental Impact Report No. 621

Attachment B – Resolution certifying Final Environmental Impact Report and Approving Development Plan with Exhibit A: Findings of Facts and Exhibit B: Mitigation Monitoring and Reporting Plan

Attachment C – West Alton Parcel Development Plan

Attachment D – Government Codes 53090-53091