

1. *Executive Summary*

This document is a Supplemental Environmental Impact Report (SEIR) for the Opportunities Study Area (OSA) Shea/Baker Ranch master-planned community. This Draft SEIR (DSEIR) was developed in accordance with Public Resources Code sections 21000 et seq. (“CEQA”) and Title 14, of the California Code of Regulations, sections 15000 et seq. (“State CEQA Guidelines”).

1.1 **INTRODUCTION**

Shea/Baker Ranch Associates, LLC (SBRA) seeks City approval of an Area Plan (AP 2-11-1732) and Tentative Tract Map 16466 for a residential and mixed-use development consisting of 2,379 residential units and 25,000 square feet of commercial uses (herein referred to as the “SBRA Project”) within the City of Lake Forest, Orange County, California. The site was partially graded in conjunction with an entitled business park development, but is otherwise undeveloped except for a number of small structures related to a nursery that occupies the northwestern portion of the overall property.

The City of Lake Forest, as Lead Agency for the SBRA Project, is responsible for preparing environmental documentation in accordance with CEQA, to determine if approval of the discretionary actions requested and subsequent development could have a significant impact on the environment.

1.2 **PROJECT BACKGROUND**

The SBRA Project Site is a 386.8-acre proposed master-planned community located in the northwestern portion of the City of Lake Forest. The SBRA Project is bounded by Borrego Canyon Wash on the northwest, Bake Parkway and existing business park development on the south, the State Route 241 (241 Toll Road) to the northeast, and an Irvine Ranch Water District reservoir site on the east. While the overall acreage is 386.8, it should be noted that only 372.7 acres would be developed, as the remainder is being constructed as Alton Parkway by the City of Lake Forest. Access to the SBRA Project site is currently provided by Bake Parkway from the south and the current terminus of Rancho Parkway from the east.

The SBRA project site was formerly under the jurisdiction of the County of Orange. In April 1988, the County approved an Area Plan and Development Agreement (DA) and certified an EIR for a 691-acre site commonly referred to as the “Baker Ranch”. The Shea/Baker Ranch property is a part of the Baker Ranch. The County-approved Area Plan provided for the development of commercial and industrial uses on the Shea/Baker Ranch property. Because of the property’s proximity to the then-operating Marine Corps Air Station (MCAS) El Toro, land uses on the property were limited to non-residential uses.

In 1991, the City of Lake Forest incorporated and the Shea/Baker Ranch property came under the jurisdiction of the City. In January 2000, the City approved a revised version of the Baker Ranch Area Plan that amended the plan for the 386.8-acre Shea/Baker Ranch property, and re-authorized the DA by substituting the City for the County. Portions of the County’s “Baker Ranch” Area Plan have been developed for commercial/industrial uses. The 386.8 acres that comprise the Shea/Baker Ranch Project Area Plan were previously included in the County’s “Baker Ranch” Area Plan but will now be the subject of a new, separate Shea/Baker Ranch Area Plan. The Shea/Baker Ranch Area Plan incorporates Area 1 (which now also includes former Planning Area 2) and Planning Area 7 of the Baker Ranch Area Plan.



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In 1999, MCAS El Toro closed and efforts to construct a new County airport came to a close. Consequently, a number of undeveloped properties located in close proximity to the former MCAS El Toro were no longer limited to non-residential uses. The City established an 800-acre study area that comprised these properties and undertook a land use study to analyze proposed and anticipated land use changes within the study area. This study area was referred to as the Opportunities Study Area (OSA) and encompassed seven properties, including the Shea/Baker Ranch property.

In 2006, a Program Environmental Impact Report (PEIR) was prepared to analyze the anticipated land use changes within the 800-acre study area. This PEIR identified that the OSA project would have significant impacts to the environment in the areas of Aesthetics, Agriculture, Air Quality, Water Quality, and Population and Housing. Portions of the PEIR were recirculated in 2008 to analyze a new alternative and to add an analysis of Global Climate Change. The City certified the OSA PEIR in June 2008, in connection with the amendment of its General Plan for the OSA.

The Shea/Baker Ranch was Site 1 of seven sites analyzed in the OSA PEIR. Site 1 was 387 acres. As a result of the OSA process, the City contemplated changing the General Plan designation for the Shea/Baker Ranch property from Business Park to a combination of Open Space, Residential and Mixed Use. (See OSA PEIR, Table 2-3, p. 2-9.) Similarly, as part of the OSA project, the City anticipated rezoning the Shea/Baker Ranch property from Urban Activity – Baker Ranch Planned Community to Amend Baker Ranch Planned Community. (See OSA PEIR, Table 2-6, p.2-15.) Under the Amended Baker Ranch Planned Community designation, the maximum residential density was 2,815 units and the maximum commercial density was 320,000 square feet. (*Ibid.*) The environmental impacts of this change in land use designation were fully evaluated and, to the extent feasible, mitigated in the OSA PEIR.

The OSA project was conditioned to require each participating landowner to enter into a DA with the City within ninety days of project approval in order to vest the land uses and number of units approved by the General Plan Amendment and the Zone Change described above. (See OSA PEIR, p. 2-15.) If a participating landowner failed to enter into a DA within the required time frame, the General Plan Amendment and the Zone Change for that landowner's property would become null and void. For a variety of reasons, Shea/Baker Ranch was unable to satisfy the DA condition within the appointed period of time. Thus, the General Plan Amendment and the Zone Change for Site 1 became null and void.

Shea/Baker Ranch Associates, LLC and the City eventually negotiated a DA for Site 1. Before the DA could be approved, however, Shea/Baker Ranch had to process another General Plan Amendment and Zone Change for the project site. An updated Development Agreement (DA) was also prepared at this time. That General Plan Amendment and Zone Change were similar to the land use changes that were contemplated for Site 1 in the OSA PEIR (i.e., changing the project site from Business Park to Open Space, Residential, and Mixed-Use designations). However, the densities were slightly lower than originally contemplated. An Addendum to the OSA PEIR was prepared and approved in August 2010 in connection with Shea/Baker's General Plan Amendment (GPA), Zone Change, and DA.

At present, Shea/Baker Ranch is prepared to proceed with development of its property. Thus, Shea/Baker Ranch, LLC has submitted Area Plan (AP 2-11-1732 and Tentative Tract Map 16466) to describe the project level implementation measures for the Shea/Baker Ranch property.

1.3 PROJECT SUMMARY

The SBRA Project is a residential and mixed-use development consisting of 2,379 residential units and 25,000 square feet of commercial uses. The SBRA Project is envisioned to include a wide range of housing types, including mixed-uses among a community-wide open space and recreational system. The proposed Area Plan for the Shea/Baker Ranch community provides for the following land uses:

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- Up to 1,638 for-sale homes, on approximately 308 acres, ranging from low density (2–7 units per net acre) to medium density (up to 25 units per net acre)
- A broad variety of home styles, including single-family detached, motor courts, cluster homes, green courts, flats, townhomes, and condominiums
- A maximum of approximately 50 acres designated for mixed-use development where a maximum of 25,000 square feet of commercial development would be developed together with up to 741 multifamily residential units ranging from low-medium to high densities

In addition to residential units and commercial space, the SBRA Project features over 100 acres of open spaces and parks. Of those, almost 31 acres would be usable open spaces, including 12 acres of neighborhood parks, trails, and paseos. Non-park open spaces provided in the SBRA Project include approximately 56 acres of slopes, paseos, a detention basin, and other areas, and approximately 15 acres within parkways and medians. Existing areas of the Borrego Canyon Wash preserved as open space would measure approximately 15 acres.

Implementation of the SBRA Project requires approval of an Area Plan and Tentative Tract Map. A comprehensive description of the SBRA Project is located in Section 3 of this SEIR.

1.4 ENVIRONMENTAL PROCEDURES

State CEQA Guidelines, section 15168(c) requires lead agencies to consider subsequent activities in a program in the light of the program EIR to determine whether an additional environmental document must be prepared. If a later activity would have effects that were not examined in the program EIR, a new initial study would need to be prepared leading to either an EIR or a negative declaration. (*Id.* at 15168(c)(1).)



Public Resources Code, section 21166 provides guidance with respect to when a subsequent or supplement to a prior certified EIR is required for a later project. The presumption is that:

When an environmental impact report has been prepared for a project pursuant to this division, no subsequent or supplemental environmental impact report shall be required by the lead agency or by any responsible agency, unless one or more of the following events occurs:

(a) Substantial changes are proposed in the project which will require major revisions of the environmental impact report.

(b) Substantial changes occur with respect to the circumstances under which the project is being undertaken which will require major revisions in the environmental impact report.

(c) New information, which was not known and could not have been known at the time the environmental impact report was certified as complete, becomes available and shows that the project will have one or more significant effects not discussed in the previous environmental impact report.

State CEQA Guidelines, section 15162 further provides as follows:

When an EIR has been certified for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

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- (1) Substantial changes are proposed in the project which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
- (2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- (3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following:
 - (A) The project will have one or more significant effects not discussed in the previous EIR;
 - (B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;
 - (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative;
 - (D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

The City undertook analysis of the proposed SBRA project and evaluated it against the standards set forth in CEQA, section 21166 and CEQA Guidelines, section 15162, using an Appendix G (Initial Study) checklist adapted for this purpose, herein known as a Modified Initial Study. That analysis is set forth in the Modified Initial Study attached hereto as Attachment Appendix A. Pursuant to State CEQA Guidelines, section 15162(a)(3), the City determined that that further environmental review would be necessary because new information of substantial importance which was not known and could not have been known with the exercise of reasonable diligence at the time of the OSA PEIR was certified as complete shows that the SBRA Project will have one or more significant effects – in the areas of air quality and Global Climate Change - not discussed in the OSA PEIR.

Specifically, as required by the OSA PEIR, the City conducted site-specific air quality and greenhouse gas (GHG) emissions (as it relates to Global Climate Change) analyses for the SBRA Project. Those site specific studies showed that the SBRA Project would have significant air quality and GHG emissions impacts. Since the certification of the OSA PEIR and Addendum for the Shea/Baker Ranch General Plan Amendment /Zoning Change and DA, new information in the form of new air pollutant emission thresholds, project-specific information regarding construction, the California Air Resources Board (CARB) adopted the Climate Change Scoping Plan on December 11, 2008 which recommended a methodology for analyzing GHG emissions, and the South Coast Air Quality Management District (SCAQMD) proposed draft tiered interim GHG significance thresholds. Moreover, because site-specific development details were not available at the time the OSA PEIR was prepared, the OSA PEIR did not analyze the SBRA project with current level of detail that is now known. This new information identifies significant effects in the areas of Air Quality and GHG Emissions/Global Climate Change that were not discussed in the previously certified OSA PEIR. Thus, the

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City determined that a subsequent EIR is required pursuant to CEQA, section 21166 and CEQA Guidelines, section 15162(a)(3).

With regard to all other environmental factors, the Modified Initial Study confirms that the proposed SBRA project's impacts were fully disclosed, evaluated, and mitigated (to the extent feasible) in the OSA PEIR. The Modified Initial Study explains why none of the criteria set forth in Public Resources Code, section 21166 and State CEQA Guidelines, section 15162 are triggered for those environmental impact resource areas.

Because only minor additions to the OSA PEIR would be necessary to fully document the new project impacts, the City has prepared a Supplemental EIR (State CEQA Guidelines, section 15163(b), as opposed to a Subsequent EIR. This DSEIR provides only that information which is necessary to make the OSA PEIR adequate for the SBRA Project as reflected in the Area Plan and Tentative Tract Map and the Area Plan.

This DSEIR has been prepared pursuant to the requirements of CEQA, the State CEQA Guidelines, and the City of Lake Forest's Local CEQA implementation guidelines. The City of Lake Forest as the lead agency, has reviewed and revised as necessary all submitted drafts, technical studies, and reports to reflect its own independent judgment, including reliance on applicable City technical personnel and review of all technical subconsultant reports.

Data for this DSEIR was obtained from on-site field observations, discussions with affected agencies, analysis of adopted plans and policies, review of available studies, reports, data and similar literature, and a specialized environmental assessment addressing impacts to air quality and greenhouse gas emissions.

1.4.1 EIR Format

This DSEIR follows the format of the OSA PEIR but is limited to a discussion of the information identified in the Modified Initial Study, which is needed to make the OSA PEIR adequate for the proposed SBRA Project, as revised. The format is described as follows:

Section 1. Executive Summary: Summarizes the background and description of the SBRA Project, the format of this DSEIR, project alternatives, any critical issues remaining to be resolved, and the potential environmental impacts and mitigation measures identified for the SBRA Project.

Section 2. Introduction: Describes the purpose of this DSEIR, background on the SBRA Project, the Notice of Preparation, the use of incorporation by reference, and Final SEIR certification.

Section 3. Project Description: A detailed description of the SBRA Project, the objectives of the proposed project, the project area and location, approvals anticipated to be included as part of the SBRA Project, the necessary environmental clearances for the SBRA Project, and the intended uses of this DSEIR.

Section 4. Environmental Setting: A description of the physical environmental conditions in the vicinity of the project as they existed at the time the Notice of Preparation was published, from both a local and regional perspective, for air quality and greenhouse gas emissions. The environmental setting provides baseline physical conditions from which the lead agency determines the significance of environmental impacts resulting from the SBRA Project.

Section 5. Environmental Analysis: Provides, for each environmental parameter analyzed, a description of the thresholds used to determine if a significant impact would occur; the methodology to identify and evaluate the potential impacts of the SBRA Project; the existing environmental setting; the potential adverse and beneficial effects of the Project; the level of impact significance before mitigation; the mitigation



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measures for the Project; the level of significance of the adverse impacts of the Project after mitigation is incorporated and the potential cumulative impacts associated with the Project and other existing, approved, and proposed development in the area.

Section 6. Significant Unavoidable Adverse Impacts: Describes the significant unavoidable adverse impacts of the SBRA project.

Section 7. Alternatives to the Proposed Project: Describes the impacts of the alternatives to the SBRA Project, including the Reduced Grading Alternate Land Use Alternative and the Reduced Intensity/Reduced Grading Alternate Land Use Alternative.

Section 8. Impacts Not Triggering Further Environmental Review: Briefly describes the resource areas and significance thresholds for which the Modified Initial Study confirmed that none of the circumstances in Public Resources Code, section 21166 and State CEQA Guidelines, section 15162 were triggered; these resource areas and significance thresholds were not discussed in detail in this DSEIR.

Section 9. Significant Irreversible Changes Due to the Proposed Project: Describes the significant irreversible environmental changes associated with the SBRA Project.

Section 10. Growth-Inducing Impacts of the Project: Describes the ways in which the SBRA Project would cause increases in employment or population that could result in new physical or environmental impacts.

Section 11. Organizations and Persons Consulted: Lists the people and organizations that were contacted during the preparation of this SEIR for the SBRA project.

Section 12. Qualifications of Persons Preparing EIR: Lists the people who prepared this DSEIR for the SBRA Project.

Section 13. Bibliography: A bibliography of the technical reports and other documentation used in the preparation of this SEIR for the SBRA Project.

Appendices: The appendices for this document (presented in PDF format on a CD attached to the front cover) contain the following supporting documents:

- Appendix A: Notice of Preparation (NOP) and Modified Initial Study
- Appendix B: NOP Comments
- Appendix C: Air Quality Analysis Technical Studies

1.5 SUMMARY OF PROJECT ALTERNATIVES

CEQA states that an EIR must address “a range of reasonable alternatives to the project, or to the location of the project, which could feasibly attain the basic objectives of the project, but would avoid or substantially lessen any of the significant effects of the project and evaluate the comparative merits of the alternatives.” (14 Cal. Code of Reg. 15126.6(a))

As noted in Section 8.0, the SBRA Project’s impacts relating to Aesthetics, Agriculture and Forestry Resources, Biological Resources, Cultural Resources, Geology and Soils, Hazards, Hydrology and Water Quality, Land Use and Planning, Mineral Resources, Noise, Population and Housing, Public Services, Recreation, Traffic, and Utilities and Service Systems were determined to be fully disclosed, evaluated, and

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mitigated (to the extent feasible) in the OSA PEIR. Thus, the SBRA Project would not trigger any of the circumstances under Public Resources Code, section 21166 and State CEQA Guidelines, section 15162 for these resource areas. Consequently, no further EIR is required to evaluate these impacts.

Notwithstanding the foregoing, there were two resource areas (Air Quality and Greenhouse Gas Emissions) for which new information of substantial importance demonstrated that the SBRA Project would have one or more significant effects not discussed in the OSA PEIR. (State CEQA Guidelines, section 15162(a)(3)(A).) The significant unavoidable Air Quality and Greenhouse Gas Emissions impacts are described in Section 6.0. The significant unavoidable adverse air quality and greenhouse gas emissions (GHG) impacts of the SBRA Project are the following:

- Short-Term Air Quality: Construction activities would generate short-term emissions in exceedance of SCAQMD's regional threshold criteria for VOC and NO_x and cumulatively contribute to the SoCAB's nonattainment designations. While mitigation measures would result in reduced emissions during construction these reductions would not be sufficient to reduce all emissions to a less than significant level.
- Short-Term Air Quality: During construction of Phases 2 and 3, when some of the residences of Phase 1 could be occupied, there is a potential for significant PM₁₀ and PM_{2.5} LST impacts. While mitigation measures would result in reduced emissions during construction, these reductions would not be sufficient to reduce all emissions to a less than significant level.
- Air Quality: Long-term operation of the SBRA Project would generate air pollutant emissions that would continue to exceed the SCAQMD's regional significance thresholds for VOC, NO_x, PM₁₀, and CO and cumulatively contribute to the SoCAB's nonattainment designations. While mitigation measures would result in reduced emissions during construction and operation, these reductions would not be sufficient to reduce all emissions to a less than significant level.
- Greenhouse Gas Emissions: The SBRA Project's GHG emissions were considered significant even with mitigation. As a result, the SBRA Project's GHG emissions and contribution to global climate change impacts are considered cumulatively considerable and therefore significant for GHG emissions.



As described in Section 7 of this DSEIR, the following alternatives were rejected as infeasible in the OSA PEIR:

- General Amendment and Zone Change for All-Commercial Development
- General Plan Amendment and Zone Change for All-Residential Development
- General Plan Amendment and Zone Change for All-Industrial/Business Park Development
- General Plan Amendment and Zone Change for Industrial-Residential Alternative
- Reduced Density Alternative
- Public Facilities Overlay on Sites 4 and 8

Seven projects were identified and analyzed in detail in the OSA PEIR and are listed below. The alternatives considered in the OSA PEIR do not affect the analysis of the SBRA Project.

- No Project/Reasonably Foreseeable General Plan Development
- Development on Sites 1 through 6 and Public Facilities Overlay on Site 1

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- Development on Sites 1 through 6 and Public Facilities Overlay on Sites 1, 3, and 4 (Split Park Site)
- Development on Sites 1 through 6 and Public Facilities Overlay on Sites 4 and 9
- Landowner Concept Plan
- Proposed Project plus Facilities/Land Use Overlay on Site 7
- Hybrid Alternative – Development on Sites 1 through 6 with No Development on Site 7 and Public Facilities Overlay on Site 9

As described in Section 7, four new alternatives were considered but rejected during the project scoping/planning process for this DSEIR:

- Alternative Development Areas Alternative
- No Development/Existing Use Alternative
- No Development/General Plan Alternative
- Reduced Density to Eliminate Significant and Unavoidable Impacts Alternative

While the OSA EIR acknowledged that short-term construction and long-term operational air emissions and GHG emissions as it relates to global climate change were found to be significant, it did not specifically quantify emission on a project specific level for the SBRA Project. This DSEIR quantified the emissions and found them to remain significant unavoidable adverse impacts related to air quality and GHG emissions. As a result, new alternatives, which have the potential to avoid or substantially lessen the significant impacts, have been developed for the SBRA Project were analyzed as described in Section 7.3

- Reduced Grading Alternate Land Use Plan Alternative
- Reduced Intensity/Reduced Grading Alternate Land Use Alternative

The following presents a summary of each of the alternatives analyzed in the DSEIR. These alternatives were developed to avoid or substantially lessen the significant impacts of the SBRA Project. Please refer to Section 7 of this DSEIR for a complete discussion of how the alternatives were selected and the relative impacts associated with each alternative.

1.5.1 Reduced Grading Alternate Land Use Plan Alternative

This alternative assumes that all development would occur south of Alton Parkway, with no development occurring north of Alton Parkway. Project development would be limited to areas within Grading Phase 1, shown in Figure 3-5, *Phase 1 Grading Plan*. All 2,379 units, 25,000 square feet of neighborhood serving commercial, roadways, infrastructure, and recreational facilities would be built on approximately 148.5 acres of the 386.8-acre site. As a result, the SBRA Project's development footprint would be reduced by approximately 38 percent under this alternative. Grading Phase 1 would result in 1 million cubic yards (cy) of cut and 2 million cy of fill (including 1 million cy of import from other portions of the 386.8-acre project site). Overall, this alternative would reduce grading by approximately 2 million cy of cut and fill.

Compared to the proposed SBRA Project, *Reduced Grading Alternate Land Use Plan Alternative* would reduce, but not eliminate, short-term construction emissions. It would not reduce or eliminate significant and unavoidable impacts related to localized significance thresholds for onsite emissions associated with construction activities. Implementation of the *Reduced Grading Alternate Land Use Plan Alternative* results in

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the same number of residential units and would therefore not eliminate or reduce the SBRA Project's significant and unavoidable long-term operational air quality impacts. Finally, under this alternative, even with mitigation incorporated, short-term emissions would be reduced, but would still exceed the daily thresholds of VOCs and NO_x. GHG emission thresholds are based on the service population¹ and GHG impacts would remain significant and unavoidable.

The *Reduced Grading Alternate Land Use Plan Alternative* would meet some, but not all of the project objectives. Shifting all of the development south of Alton Parkway onto approximately 148.5 acres would reduce the development footprint by approximately 38 percent. This would result in an average density of 10 du/ac for the 745 single-family units and an average 23 du/ac for the remaining townhome/apartment units. Although these increased densities are consistent with Lake Forest General Plan land use designations, the reduced footprint would make it nearly impossible to develop any units within the low (2-7 units per acre) land use designation. This alternative would provide an abundance of medium density housing options, but would limit low density development and would not provide as many housing options compared to the proposed 386.8-acre SBRA Project. Therefore, the objective of developing in accordance with the provisions of the DA, to ensure the orderly and economically viable buildout of the project site would not be accomplished as well as with the SBRA Project. The applicant has a vested right to develop a minimum of 1,957 residential units, a maximum of 2,815 residential units, and 320,000 square feet of non-residential space pursuant to recorded DA.

One of the main project objectives is to protect natural resources in the project area, in particular by improvements to the slopes, vegetation, habitat, and water-carrying capacity of the Borrego Canyon Wash that will be installed as part of Phase 2 Grading Plan. As shown on Figure 3-6, *Phase 2 Grading Plan*, the improvements to the Borrego Canyon Wash include grading activities that would involve the movement of earth from the south side of Alton Parkway to the north side. With this alternative, the Phase 2 Grading Plan would not be implemented and the Borrego Canyon Wash would not be improved. In addition, the 5.05-acre Borrego Linear Park and the 8.37-acre Central Linear Park would not be developed. The SBRA Project provides non-park open space of approximately 55.76 acres contained within slopes, paseos, the detention basin, and other open spaces, and approximately 15 acres within parkways and medians. In addition, improvements to Borrego Canyon Wash include 14.93 acres of non-park open space. Given the site's reduced footprint, non-park open space could be significantly reduced under this alternative. Therefore, although this alternative would provide the same number of residential units, adequate recreational facilities, usable open space and trail linkages, and achieve completion of Alton Parkway to its ultimate condition, it would not satisfy all of the provisions of the DA and all of the project's objectives.

This alternative would achieve some, but not all of the objectives established for the project. This alternative is impractical because one of the project's objectives of providing improvements to the eroding Borrego Canyon Wash would not be met as the Borrego Canyon Wash improvements are planned to occur as part of the Phase 2 Grading Plan. Therefore, this alternative is not feasible.

1.5.2 Reduced Intensity/Reduced Grading Alternate Land Use Plan Alternative

This alternative also assumes that all development would occur south of Alton Parkway, with no development occurring north of Alton Parkway. Project development would be limited to areas within Grading Phase 1, shown in Figure 3-5, *Phase 1 Grading Plan*.

¹ Service population is population plus employment as defined by SCAQMD.



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A total of 1,957 units and 25,000 square feet of commercial are proposed for this alternative. The applicant has a vested right to develop a minimum of 1,957 residential units, a maximum of 2,815 residential units, and 320,000 square feet of non-residential space pursuant to recorded DA. The 1,957 residential units, 25,000 square feet of neighborhood serving commercial, roadways, infrastructure, and recreational facilities would be built on approximately 148.5 acres within Development Phases 1A, 1B, and Phase 2, as shown on Figure 3-7, *Overall Project Phasing*. As a result, the project's development footprint would be reduced by approximately 38 percent under this alternative.

As with the Reduced Grading Alternative, limiting the development footprint to Grading Phase 1 would result in 1 million cy of cut and 2 million cy of fill (including 1 million cy of import from other portions of the 386.8 acre project site). Overall, this alternative would reduce grading by approximately 2 million cy of cut and fill. This alternative would result in an average density of 10 du/ac for the 745 single-family units and an average 18 du/ac for the remaining townhome/apartment units.

Compared to the proposed project, *Reduced Intensity/Reduced Grading Alternate Land Use Plan Alternative* would reduce, but not eliminate, short-term construction emissions. It would not reduce or eliminate significant and unavoidable impacts related to localized significance thresholds for onsite emissions associated with construction activities. Implementation of this alternative would reduce the number of residential units by 18 percent. It would reduce, but not eliminate the proposed project's significant and unavoidable long-term operational air quality impacts. Even with mitigation incorporated, short-term emissions would be reduced, but would still exceed the daily thresholds of VOCs and NO_x. The *Reduced Intensity/Reduced Grading Alternate Land Use Plan Alternative* would serve a reduced service population compared to the SBRA Project by 18 percent. Although reduced, GHG impacts would remain significant and unavoidable.

The *Reduced Intensity/Reduced Grading Alternate Land Use Plan Alternative* would meet some, but not all of the project objectives. Shifting all of the development south of Alton Parkway onto approximately 148.5 acres would reduce the development footprint by approximately 38 percent. This results in an average density 10 du/ac for the 745 single-family units and an average 18 du/ac for the remaining townhome/apartment units. Although these increased densities are consistent with Lake Forest General Plan land use designations, the reduced footprint would make it nearly impossible to develop any units within the low (2-7 units per acre) land use designation. This alternative would provide an abundance of low-medium and medium density housing options, but would limit low density development and would not provide as many housing options compared to the proposed 386.8-acre SBRA Project. Therefore, the objective of developing in accordance with the provisions of the DA, to ensure the orderly and economically viable buildout of the project site would not be accomplished as well as with the SBRA Project.

One of the main project objectives is to protect natural resources in the project area, in particular by improvements to the slopes, vegetation, habitat, and water-carrying capacity of the Borrego Canyon Wash that will be installed as part of Phase 2 Grading Plan. As shown on Figure 3-6, *Phase 2 Grading Plan*, the improvements to the Borrego Canyon Wash include grading activities that would involve the movement of earth from the south side of Alton Parkway to the north side. With this alternative, the Phase 2 Grading Plan would not be implemented and the Borrego Canyon Wash would not be improved. In addition, the 5.05-acre Borrego Linear Park and the 8.37-acre Central Linear Park would not be developed. The SBRA Project provides non-park open space of approximately 55.76 acres contained within slopes, paseos, the detention basin, and other open spaces, and approximately 15 acres within parkways and medians. In addition, improvements to Borrego Canyon Wash include 14.93 acres of non-park open space. Given the site's reduced footprint, non-park open space could be significantly reduced under this alternative. Therefore, although this alternative would provide the same number of residential units, adequate recreational facilities, usable open space and trail linkages, and achieve completion of Alton Parkway to its ultimate condition, it

would not all of the provisions of the DA and all of the project's objectives. This alternative is impractical because the one of the project's objectives of providing improvements to the eroding Borrego Canyon Wash would not be met as the Borrego Canyon Wash improvements are planned to occur as part of the Phase 2 Grading Plan. Therefore, this alternative is not feasible.

1.6 ISSUES TO BE RESOLVED

Section 15123(b)(3) of the CEQA Guidelines requires that an EIR contain issues to be resolved including the choice among alternatives and whether or how to mitigate significant impacts. With regard to the SBRA Project, the major issues to be resolved include decisions by the lead agency as to the following:

1. Whether the benefits of the project override those environmental impacts which cannot be feasibly avoided or mitigated to a level of insignificance.
2. Whether the identified mitigation measures should be adopted or modified.
3. Whether there are other mitigation measures that should be applied to the project besides the Mitigation Measures identified in the OSA PEIR, Addendum, and this DSEIR.
4. Whether there are any alternatives to the project that would substantially lessen any of the significant impacts of the proposed project and achieve most of the basic project objectives.

1.7 AREAS OF CONTROVERSY

In accordance with Section 15123(b)(2) of the CEQA Guidelines, the DSEIR must identify areas of controversy known to the lead agency, including issues raised by agencies and the public. However, there are no areas of known controversy concerning the SBRA project. This DSEIR has taken into consideration the comments received from the various agencies and jurisdictions in response to the NOP. Written comments received during the NOP period, which extended from January 13 to February 13, 2012, are contained in Appendix B. A summary of the NOP comments is provided in Section 2.2, *Notice of Preparation and Initial Study*, of this DSEIR.

Prior to preparation of the DSEIR, a public scoping meeting was held on February 1, 2012, at the Lake Forest City Hall. The scoping meeting was held to determine the concerns of responsible and trustee agencies, stakeholders, and the community regarding the SBRA Project. No issues were raised during the scoping meeting.

1.8 SUMMARY OF ENVIRONMENTAL IMPACTS, MITIGATION MEASURES, AND LEVELS OF SIGNIFICANCE AFTER MITIGATION

Table 1-1 summarizes the conclusions of the environmental analysis contained in this DSEIR. Impacts are identified as significant or less than significant. For all significant impacts, mitigation measures are identified. The level of significance after imposition of the mitigation measures is also presented.



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**Table 1-1
Summary of Environmental Impacts, Mitigation Measures and Levels of Significance After Mitigation**

Environmental Impact	Level of Significance Before Mitigation	Mitigation Measures / Project Design Features	Level of Significance After Mitigation
5.1 AIR QUALITY			
<p>5.1-1: Construction activities associated with the proposed project would generate short-term emissions in exceedance of SCAQMD's threshold criteria.</p>	<p>Potentially significant.</p>	<p>Mitigation Measures from the OSA PEIR The following mitigation measures have been carried through from the OSA PEIR and have been renumbered for the purposes of this SEIR.</p> <p>AQ MM-1 (OSA PEIR Mitigation Measure MM 3.3-1) The developer shall require by contract specifications that all diesel-powered equipment used would be retrofitted with after-treatment products (e.g., engine catalyts) to the extent that it is readily available in the South Coast Air Basin. Contract specifications language shall be reviewed by the City prior to issuance of a grading permit.</p> <p>AQ MM-2 (OSA PEIR Mitigation Measure MM 3.3-2) The developer shall require by contract specifications that all heavy-duty diesel-powered equipment operating and refueling at a project site within the Project Area would use low-NO_x diesel fuel to the extent that it is readily available and cost effective (up to 125 percent of the cost of California ARB diesel) in the South Coast Air Basin (this does not apply to diesel-powered trucks traveling to and from the project sites within the Project Area). Contract specification language shall be reviewed by the City prior to issuance of a grading permit. (Mitigation Measure MM 3.3-2 is deleted because low-NO_x diesel fuel is no longer manufactured and is not available for purchase.)</p> <p>AQ MM-3 (OSA PEIR Mitigation Measure MM 3.3-3) The developer shall require by contract specifications that alternative fuel construction equipment (i.e., compressed natural gas, liquid petroleum gas, and unleaded gasoline) and low-emission diesel construction equipment would be utilized to the extent that the equipment is readily available and cost effective in the South Coast Air Basin. Contract specification language shall be reviewed by the City prior to issuance of a grading permit.</p> <p>AQ MM-4 (OSA PEIR Mitigation Measure MM 3.3-4) The developer shall require by contract specifications that construction equipment engines will be maintained in good condition and in proper tune per manufacturer's specification for the</p>	<p>Significant and unavoidable.</p>

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<i>Environmental Impact</i>	<i>Level of Significance Before Mitigation</i>	<i>Mitigation Measures / Project Design Features</i>	<i>Level of Significance After Mitigation</i>
		<p>duration of construction. Contract specification language shall be reviewed by the City prior to issuance of a grading permit.</p> <p>AQ MM-5 (OSA PEIR Mitigation Measure MM 3.3-5) The developer shall require by contract specifications that construction-related equipment, including heavy-duty equipment, motor vehicles, and portable equipment, shall be turned off when not in use for more than five minutes. Contract specification language shall be reviewed by the City prior to issuance of a grading permit.</p> <p>AQ MM-6 (OSA PEIR Mitigation Measure MM 3.3-6) The developer shall require by contract specifications that construction operations rely on the electricity infrastructure surrounding the construction site rather than electrical generators powered by internal combustion engines to the extent feasible. Contract specification language shall be reviewed by the City prior to issuance of a grading permit.</p> <p>AQ MM-7 (OSA PEIR Mitigation Measure MM 3.3-7)The developer shall implement dust control measures consistent with SCAQMD Rule 403— Fugitive Dust during the construction phases of new project development. Contract specification language shall be reviewed for inclusion of this language by the City prior to issuance of a grading permit. The following actions are currently recommended to implement Rule 403 and have been quantified by the SCAQMD as being able to reduce dust generation between 30 and 85 percent depending on the source of the dust generation:</p> <ul style="list-style-type: none"> • Apply water and/or approved nontoxic chemical soil stabilizers according to manufacturer’s specification to all inactive construction areas (previously graded areas that have been inactive for 10 or more days) • Replace ground cover in disturbed areas as quickly as possible • Enclose, cover, water twice three times daily, or apply approved chemical soil binders to exposed piles with 5 percent or greater silt content • Water trucks will be utilized on the site and shall be available to be used throughout the day during site grading to keep the soil damp enough to prevent 	

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		dust being raised by the operations. Water active grading sites at least twice daily <ul style="list-style-type: none"> • Suspend all excavating and grading operations when wind speeds (as instantaneous gusts) exceed 25 miles per hour over a 30-minute period • All trucks hauling dirt, sand, soil, or other loose materials are to be covered or should maintain at least two feet of freeboard (i.e., minimum vertical distance between top of the load and the top of the trailer), in accordance with Section 23114 of the California Vehicle Code • Sweep streets at the end of the day • Install wheel washers where vehicles enter and exit unpaved roads onto paved roads, or wash off trucks and any equipment leaving the site each trip on a gravel surface to prevent dirt and dust from impacting the surrounding areas. • Apply water three times daily or chemical soil stabilizers according to manufacturers' specifications to all unpaved parking or staging areas or unpaved road surfaces • Post and enforce traffic speed limits of 15 miles per hour or less on all unpaved roads 	
5.1-2: The proposed project would continue to expose sensitive receptors to substantial pollutant concentrations during construction of Phases 2 and 3.	Potentially significant.	Mitigation Measures from the OSA PEIR See Mitigation Measures AQ MM-1 through AQ MM-7, above.	Significant and unavoidable.
5.1-3: Long-term operation of the project would generate air pollutant emissions that would continue to exceed the SCAQMD's regional significance thresholds for VOC, NO _x , PM ₁₀ , and CO and cumulatively contribute to the South Coast Air Basin's nonattainment designations.	Potentially significant.	Project Design Features (PDFs) AQ PDF-1 The applicant shall use "Green Building Materials," such as those materials that are rapidly renewable or resource efficient, and recycled and manufactured in an environmentally friendly way, for at least 10 percent of the project, as defined on the CalRecycle website, to the satisfaction of the Director of Development Services. AQ PDF-2 The applicant shall incorporate the following design features into the project. These design features shall be identified on building plans: <ul style="list-style-type: none"> • Low emission water heater, or solar water heaters shall be installed. • Exterior windows shall include window treatments for efficient energy conservation. 	Significant and unavoidable.

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		<ul style="list-style-type: none"> • Water efficient fixtures and builder-provided appliances shall be water-efficient (low-flow, dual flush toilets) and shall reduce indoor water consumption by 20 percent from the Building Standard Code from baseline water consumption. • A home-owner’s manual shall be provided for each residence that describes operation and maintenance of equipment, appliances, drainage, space conditioning, irrigation, and water reuse systems installed. <p>AQ PDF-3 Buildings shall be constructed to achieve the voluntary Tier 1 California Green Building Code (CALGreen) standards. In accordance with the current Tier 1 standards, project buildings shall exceed the 2008 Building and Energy Standards by 15 percent. Building envelope improvements to achieve this standard may include:</p> <ul style="list-style-type: none"> • Increased insulation, such that heat transfer and thermal bridging is minimized. • Limit air leakage through the structure or within the heating and cooling distribution system to minimize energy consumption. • Energy-Star rated windows, space heating and cooling equipment, appliances, or other applicable electric equipment. • Install efficient lighting and offer lighting control systems as an option. • Use daylight as an integral part of the lighting system in buildings. • Install energy-efficient HVAC systems, appliances, equipment, and control systems. <p>AQ PDF-4 The applicant shall provide a comprehensive water conservation strategy in compliance with the City of Lake Forest Water Efficient Landscape Ordinance No. 207. Landscape plans shall include the following:</p> <ul style="list-style-type: none"> • Sprinkler controls that are weather- or soil-moisture-based • Drought tolerant plans • Reclaimed water for landscape irrigation, where available <p>AQ PDF-5 Site plans for development projects shall identify the area for collection of recyclable materials. The recycling collection area(s) shall be within, near, or adjacent to each trash disposal area. The recycling collection area shall be a minimum of 50 percent of the area provided for the trash enclosure.</p>	

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		<p>AQ PDF-6 Site plans for development projects, including landscaping and improvement plans, shall identify the location of bicycle access and bicycle rack areas, to the satisfaction of the Director of Development Services. These improvements shall be installed in accordance with those plans.</p> <p>Mitigation Measures No additional mitigation measures are feasible.</p>	
5.2 GREENHOUSE GAS EMISSIONS			
<p>5.2-1: Construction and operation of the proposed SBRA Project would generate additional GHG emissions.</p>	<p>Potentially significant.</p>	<p>Project Design Features (PDFs) from the OSA PEIR</p> <p>GHG PDF-1 (OSA PEIR GCC PDF1) The recreational centers proposed as part of development of Site 1 (Shea Baker Ranch Associates) shall be designed and constructed to include a photovoltaic system to reduce energy consumption.</p> <p>GHG PDF-2 (OSA PEIR GCCPDF2) Residential development shall be constructed with the following features to reduce energy consumption so long as they pose no conflict with applicable Building Code requirements: installation of a majority of Energy Star appliances; installation of high efficiency HVAC equipment with SEER rating of 13 or higher and TXV valve; installation of vinyl frame windows with dual pane low emissivity glass; installation of natural gas clean burning fireplaces; installation of water efficient plumbing fixtures to reduce water consumption; and provision of an option to the homeowner to include electric vehicle charging facilities in the residence garage.</p> <p>GHG PDF-3 (OSA PEIR GCCPDF3) Bicycle lanes and walking paths shall be incorporated into the street system of new residential development to provide alternative circulation routes to reach logical points of destinations such as schools, parks and retail areas.</p> <p>Mitigation Measures from the OSA PEIR The following mitigation measures have been carried through from the OSA PEIR and have been renumbered for the purposes of this SEIR. Modifications to the original mitigation measures are identified in strikeout text to indicate deletions and bold underlined to signify additions.</p>	<p>Significant and unavoidable.</p>

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		<p>GHG MM-1 (OSA PEIR Mitigation Measure MM GCC1) The City shall comply with the future requirements for implementation of AB 32 and SB 97 once those implementation requirements are developed.</p>	
		<p>GHG MM-1 (OSA PEIR Mitigation Measure MM GCC2) Prior to the issuance of building permits for new commercial and retail projects or residential projects within the Opportunities Study Area, the City shall review the plans to confirm that the SBRA Project complies with the requirements of Title 24 of the California Code of Regulations.</p>	
		<p>GHG MM-2 (OSA PEIR Mitigation Measure MM GCC3) Prior to the issuance of a Site Development Permit for new commercial and retail projects within the Opportunities Study project area, site plans shall include prioritized parking for electric vehicles, hybrid vehicles, and alternative fuel vehicles.</p>	
		<p>GHG MM-3 (OSA PEIR Mitigation Measure MM GCC4) The City shall identify energy efficient street lights and water and wastewater pumps and treatment systems which are currently available and which when installed will provide for a 10 percent reduction beyond the 2007 baseline energy use for this infrastructure, and shall require the use of this technology in all new development. All new traffic lights installed within the City shall use LED technology.</p>	
		<p>GHG MM-4 (OSA PEIR Mitigation Measure MM GCC5) The applicant shall City shall require all new development projects in the Opportunities Study Area to recycle and/or salvage at least 25 50 percent of nonhazardous construction and demolition debris. To implement this requirement, the applicant shall submit a construction waste management plan for review and approval of the Director of Development Services prior to issuance of a Building Permit. The construction waste management plan shall identify materials to be diverted from disposal and whether the materials will be stored on-site or commingled. Excavated soil and land-clearing debris do</p>	

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		<p>not contribute to this credit. Calculation can be done by weight or volume but must be documented.</p> <p>GHG MM-5 (OSA PEIR Mitigation Measure MM GCC6) Prior to approval of a Site Development Permit, the applicant shall demonstrate on conceptual landscape plans for new development in the Opportunity Study Area, the City shall require that new development will use reclaimed water for public and common area landscaping where available; install 50 percent native/drought-tolerant plant species in developer-installed landscaped areas; and utilize “smart” advanced capability controllers (e.g., Weather-Trac) to reduce water and energy consumption.</p> <p>GHG MM-6 (OSA PEIR Mitigation Measure MM GCC7) Prior to approval of a Site Development Permit for new commercial, retail and industrial projects, site plans must incorporate any combination of the following strategies to reduce heat gain created by impervious areas:</p> <ul style="list-style-type: none"> • Utilizing shade trees in common area landscaping; • Reducing the street widths to minimize impervious areas and reduce the use of asphalt; • Utilizing light-colored and reflective roofing materials and paint; • Incorporating bioswales where feasible in development areas to capture urban runoff and increase the amount of pervious surfaces. <p>GHG MM-7 (OSA PEIR Mitigation Measure MM GCC8) All commercial, industrial and retail development shall be required to post signs and limit idling time for commercial vehicles, including delivery trucks to no more than 5 minutes.</p>	
<p>5.2-2: The proposed project would not conflict with applicable plans, policies, or regulations related to the reduction of greenhouse gas emissions.</p>	<p>Less than significant.</p>	<p>Not Applicable</p>	<p>Less than significant.</p>

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