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2.1 PURPOSE OF THE SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT

The City undertook analysis of the proposed Shea/Baker Ranch Associates (SRBA) Project and evaluated it against the standards set forth in Public Resources Code, section 21166 and State CEQA Guidelines, section 15162. That analysis is set forth in the Modified Initial Study attached hereto as Attachment A. Pursuant to State CEQA Guidelines, section 15162(a), 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 Project will have one or more significant effects not discussed in the OSA PEIR.

Specifically, as required by the OSA PEIR, the City conducted site-specific air quality and greenhouse gas emissions analyses for the SBRA Project. Those site specific studies showed that the SBRA Project would have significant air quality and greenhouse gas emissions impacts. Moreover, since the certification of the OSA PEIR and Addendum for Shea/Baker Ranch DA, new information in the form of new air emission thresholds, and project-specific information regarding construction air emissions and project GHGs has been developed. This information was developed because the OSA PEIR specifically required that each individual project within the OSA conduct a site-specific air quality and GHG emissions analysis to determine site specific impacts. Because site-specific development details were not available at the time the OSA PEIR was prepared and certified, the current level of detail about the SBRA Project was not previously known at the time the OSA PEIR was prepared and certified. This new information identifies significant effects in the areas of Air Quality and Global Climate Change that were not discussed in the prior OSA PEIR. Thus, a subsequent EIR would be required pursuant to Public Resources Code, section 21166 and State CEQA Guidelines section 15162(a)(3).

With regard to all other environmental issues, the Modified Initial Study confirmed that the 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 areas.

Because the additional analysis required in light of the new information regarding the SBRA Project does not require major additions or changes to the previously certified OSA PEIR, a supplemental EIR is the appropriate document for the SBRA Project pursuant to State CEQA Guidelines, section 15162 and 15163. The purpose of a supplemental EIR is to provide only the additional information necessary to make the OSA PEIR adequately apply to the SBRA Project, as revised. As such, a supplemental EIR need only contain the information necessary to address the project changes, changed circumstances, or new information that triggered the need for the additional review under CEQA. A supplemental EIR may be circulated for public review by itself without recirculation of the previous EIR (here, the OSA PEIR). (State CEQA Guidelines, section 15163(d).) Thus, preparation of a supplemental EIR does not re-open the previously certified OSA PEIR for revisions or public review¹. The focus of this DSEIR is on the project changes, new information and the environmental impacts resulting therefrom.

¹ Even though the OSA PEIR is not being re-opened, to the extent that it is referenced throughout this SEIR, the document is available for review at City Hall (located at 25550 Commercentre Drive, Suite 100, Lake Forest, CA



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This DSEIR has been prepared in accordance with requirements of the:

- California Environmental Quality Act (CEQA) of 1970, as amended (Public Resources Code Sections 21000 et seq.)
- State Guidelines for the Implementation of the CEQA of 1970 (herein referenced as CEQA Guidelines), as amended (California Code of Regulations Sections 15000 et seq.)
- City of Lake Forest Local CEQA Guidelines for Implementing the California Environmental Quality Act

The overall purpose of this DSEIR is to inform the lead agency, responsible agencies, decision makers, and the general public of the new environmental effects of the development and operation of the proposed SBRA Project. This DSEIR addresses the potential environmental effects of the SBRA Project, including effects that may be significant and adverse; evaluates a number of alternatives to the project; and identifies mitigation measures to reduce or avoid adverse effects.

2.2 NOTICE OF PREPARATION AND MODIFIED INITIAL STUDY

The City of Lake Forest adapted the standard Appendix G (Initial Study) checklist to address the factors in Public Resources Code, section 21166 and State CEQA Guidelines, section 15162. This checklist is known throughout this document as a “Modified Initial Study”. After preparation of a Modified Initial Study for the SBRA Project, the City of Lake Forest determined that a Supplement to the OSA PEIR would be required for the SBRA Project and issued a Notice of Preparation (NOP) and Modified Initial Study on January 12, 2012 (See Appendix A). Comments received during the public review period, which extended from January 13, 2012, to February 13, 2012 and including a Scoping Meeting on February 1, 2012, are contained in Appendix B. This DSEIR has taken into consideration all the comments received in response to the NOP.

The NOP process was used to determine scope of the environmental issues to be addressed in this DSEIR. Based on the NOP and the Modified Initial Study for the SBRA Project, certain environmental categories were identified as having the potential for significant environmental impacts over and above those found in the OSA PEIR. Issues identified as New Potentially Significant Impact in the Modified Initial Study are addressed in detail in this DSEIR. Issues identified as No New Impact/No Impact in the Modified Initial Study are not addressed beyond the discussion contained in the Modified Initial Study. Refer to the Modified Initial Study in Appendix A to this DSEIR for a discussion of how these initial determinations were made.

Table 2-1 summarizes the comments received from the commenting agencies during the NOP process, along with a reference to the section(s) of this DSEIR where the issues are addressed.

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**Table 2-1
NOP Responses**

Agency or Interested Party	Comment	SEIR Section Where Comment Is Addressed
California Cultural Resource Preservation Alliance, Inc. (CCRPA) (2/14/12)	Potential cultural resources impacts related to archaeological resources.	The Modified Initial Study (see Appendix A) determined that impacts to cultural resources were sufficiently analyzed in the OSA PEIR and Addendum. No new impacts related to cultural resources would result from implementation of the SBRA Project.
City of Irvine (2/1/12)	Request for clarification why analysis in Modified Initial Study did not include intersections analyzed in OSA PEIR, including intersections in the City of Irvine. Request for clarification about cumulative development assumptions. Additional comments and corrections relating to projections for traffic impacts.	The Modified Initial Study (see Appendix A) determined that impacts to traffic and transportation facilities were sufficiently analyzed in the OSA PEIR and Addendum. No new impacts related to traffic and transportation facilities would result from implementation of the SBRA Project. See Appendix D – <i>OSA Traffic Memo</i> .
City of Rancho Santa Margarita (2/3/12)	No comments at this time.	Not applicable.
Department of Toxic Substances Control (2/7/12)	Potential hazardous materials impacts.	The Modified Initial Study (see Appendix A) determined that impacts related to hazards and hazardous materials were sufficiently analyzed in the OSA PEIR and Addendum. No new impacts related to hazards and hazardous materials would result from implementation of the SBRA Project.
Department of Transportation: District 12 (2/13/12)	Concerns related to traffic impacts including impacts to interchanges and on- and off-ramps at Interstate 5 and Interstate 405. Statement of interest regarding the establishment of a Traffic Impact Fee program. Disagreement with use of Congestion Management Plan significance thresholds.	The Modified Initial Study (see Appendix A) determined that impacts to traffic and transportation facilities were sufficiently analyzed in the OSA PEIR and Addendum. No new impacts related to traffic and transportation facilities would result from implementation of the SBRA Project. See Appendix D – <i>OSA Traffic Memo</i> .
Native American Heritage Commission (1/19/12)	Potential cultural resources impacts.	The Modified Initial Study (see Appendix A) determined that impacts to cultural resources were sufficiently analyzed in the OSA PEIR and Addendum. No new impacts related to cultural resources would result from implementation of the SBRA Project.
South Coast Air Quality Management District (SCAQMD) (2/8/12)	Request for copy of the Draft EIR and addition documentation for SCAQMD review. Information related to CEQA procedures for analyzing air quality impacts.	Section 5.1, <i>Air Quality</i> .



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2.3 SCOPE OF THIS DSEIR

Based upon the Modified Initial Study, City of Lake Forest staff determined that a DSEIR should be prepared for the SBRA Project because there was new information of substantial importance that showed the SBRA Project would have one or more significant effects not discussed in the OSA PEIR or its Addendum. The scope of the DSEIR was determined based upon the City of Lake Forest's Modified Initial Study, comments received in response to the NOP, and comments received at the scoping meeting conducted by the City of Lake Forest. Pursuant to Sections 15126.2 and 15126.4 of the State CEQA Guidelines, the DSEIR should identify any potentially significant adverse impacts and recommend mitigation and/or alternatives that would reduce or eliminate these impacts to levels of insignificance.

Under CEQA Guidelines Sections 15126.2 and 15126.4, the DSEIR must identify any potentially significant adverse impacts of the SBRA Project and recommend mitigation that would reduce these impacts to levels of insignificance or eliminate the impacts altogether. The overall scope of this DSEIR was determined based upon the City's Modified Initial Study, and comments received in response to the NOP, as noted in Section 2.3.

2.3.1 **Impacts for Which Circumstances in Public Resources Code, section 21166 or State CEQA Guidelines, section 15162 Are Not Triggered**

Fourteen environmental impact categories were identified in the Modified Initial Study as not requiring additional analysis beyond that considered in the OSA PEIR and Addendum and are not addressed in this DSEIR. These categories are as follows:

- Aesthetics
- Agriculture and Forest Resources
- Biological Resources
- Geology and Soils
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use and Planning
- Mineral Resources
- Noise
- Population and Housing
- Public Services
- Recreation
- Transportation/Traffic
- Utilities and Service Systems

2.3.2 **Potentially Significant Adverse Impacts**

The Modified Initial Study identified two resource areas for which circumstances under Public Resources Code, section 21166 and State CEQA Guidelines, section 15162 were triggered. Thus, for these impacts, a subsequent EIR was required. As explained above, because the changes to the OSA PEIR would be minor and would only relate to Air Quality and Greenhouse Gas Emissions, the City chose to prepare a supplemental EIR instead of a subsequent EIR. After evaluating these impacts, the City has determined that the SBRA Project would have significant impacts related to:

- Air Quality
- Greenhouse Gas Emissions

2.3.3 Unavoidable Significant Adverse Impacts

This DSEIR identifies four significant and unavoidable adverse impacts, as defined by CEQA, that would result from implementation of the proposed SBRA Project. Unavoidable adverse impacts may be considered significant on a project-specific basis, cumulatively significant, and/or potentially significant. If the City of Lake Forest, as the lead agency, determines that unavoidable significant adverse impacts would result from the project, the City must prepare a “Statement of Overriding Considerations” before it can approve the project. (State CEQA Guidelines, Section 15093.) A Statement of Overriding Considerations states that the decision-making body has balanced the benefits of the proposed project against its unavoidable significant environmental effects and has determined that the benefits of the project outweigh the adverse effects and, therefore, the adverse effects are considered to be acceptable. The impacts that were found in the DSEIR to be significant and unavoidable are:

- | | |
|--------------|--|
| Impact 5.1-1 | Construction activities would generate short-term emissions exceeding SCAQMD’s regional threshold criteria for VOC and NO _x and cumulatively contribute to the SoCAB’s nonattainment designations. |
| Impact 5.1-2 | During construction of Phases 2 and 3, when some of the residences of Phase 1 could be occupied, there is a potential for significant PM ₁₀ and PM _{2.5} LST impacts. |
| Impact 5.1-3 | 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 , PM ₁₀ , and CO and cumulatively contribute to the SoCAB’s nonattainment designations. |
| Impact 5.2-1 | The SBRA Project would generate up to 46,000 MTons of CO _{2e} per year of new emissions, resulting in a substantial increase in GHG emissions. |



2.4 INCORPORATION BY REFERENCE

This DSEIR incorporates by reference all or portions of the OSA PEIR and Addendum and the technical documents that relate to the proposed SBRA Project or provide additional information concerning the environmental setting of the SBRA Project. All documents cited or referenced are incorporated into the SEIR in accordance with CEQA Guidelines Sections 15148 and 15150, including but not limited to the following:

- *City of Lake Forest General Plan 2010*

The City of Lake Forest General Plan, dated June 21, 1994 and amended on July 1, 2010, serves as a policy guide for determining the appropriate physical development and character of the City of Lake Forest (City). The General Plan is founded upon the community’s vision for the City and expresses the community’s long-term goals. Implementation of the General Plan would ensure that future development projects are consistent with the community’s goals and that adequate urban services are available to meet the needs of new development.

The General Plan contains goals, policies, and plans which are intended to guide land use and development decisions. The General Plan consists of a Land Use Policy Map and the following six elements or chapters, which together fulfill the State requirements for a General Plan:

- Land Use;
- Housing;

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- Circulation;
- Recreation and Resources;
- Safety and Noise; and
- Public Facilities/Growth Management.

Several supporting documents were produced during the development of the General Plan, including the Lake Forest Master Environmental Assessment and the General Plan Master Environmental Impact Report. These documents provide substantial background information for the General Plan. The General Plan and supporting documentation were used throughout this Initial Study as sources of baseline data.

- *City of Lake Forest Zoning Ordinance*

The City Zoning Ordinance (Title 9 of the City's Municipal Code) and Planned Community texts, which implement the policies articulated in the General Plan, are the primary regulatory documents used to ensure land use compatibility. Both contain standards for development, such as minimum lot sizes, building setback and maximum height limitations, parking and landscaping requirements, and other standards designed to promote compatibility. The project site is within the Baker Ranch Planned Community. The planned community provides a community design that has an orderly development and protects sensitive and natural resources. It is designed to act as an extension of the goals, policies, and guidelines of the General Plan.

- *City of Lake Forest Noise Ordinance*

The Lake Forest Noise Ordinance which provides limitations on loud and unnecessary noises. Chapter 11.16 of the Lake Forest Municipal Code addresses generally disturbing noise and regulates noise that could be caused by community development. Construction noise during nighttime hours is restricted if it would disturb residences. Section 11.16.020 of the Lake Forest Municipal Code identifies interior and exterior noise limits as in acceptable ranges that apply to all residential property within the City.

- *OSA PEIR (SCH No. 2004071039), 2008 (and certifying resolutions and findings)*

The primary purpose of the City of Lake Forest Opportunities Study (Opportunities Study) was to amend the City's General Plan and Zoning Code (General Plan Amendment 2008-02 and Zone Changes 2008-01 to 2008-05) for five properties previously zoned for industrial and commercial uses to facilitate the potential development of residential and commercial uses. The proposed SBRA Project is identified as Site 1 of the OSA. These properties were encumbered by the El Toro MCAS noise contours, as well as lying within the "crash zone" (APZ 2) for El Toro MCAS, which limited potential uses on those sites to only nonresidential uses. These noise contours and crash zone encumbrances are no longer necessary, as the El Toro MCAS is no longer used for air station or airport uses (nor is this facility planned for future air station or airport uses).

The OSA PEIR addresses the following environmental effects of the Opportunities Study (which includes the SBRA Project Site):

- Aesthetics and Visual Resources;
- Agricultural Resources;
- Air Quality;
- Biological Resources;

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- Cultural Resources;
- Geology/Soils and Mineral Resources;
- Greenhouse Gas Emissions;
- Hazards and Hazardous Materials;
- Hydrology/Water Quality;
- Land Use/Planning;
- Noise;
- Population/Housing;
- Public Services;
- Recreation;
- Transportation/Traffic; and
- Utilities/Service Systems.

The OSA PEIR addressed the issues referenced above and identified potentially significant environmental impacts, including site-specific and cumulative effects of the project in accordance with the provisions set forth in the CEQA and the CEQA Guidelines. In addition, the OSA PEIR recommends feasible mitigation measures, where possible, that would reduce or eliminate adverse environmental effects of the Lake Forest Opportunities Study.

- *Addendum to OSA PEIR, 2010*

The City of Lake Forest has processed two addenda to the OSA PEIR. An Addendum to the OSA PEIR was prepared and approved in July 2010 for a General Plan Amendment, Zone Change, and DA to redesignate the SBRA Project Site from Business Park to Residential, Mixed-Use, and Open Space uses. An Addendum for Whisler Ridge was approved by the City Council on October 5, 2010 for a Tentative Tract Map to subdivide 12 acres into 68 single-family lots with an open space area at the western edge of the site.



- *Alton Parkway Extension EIR and Appendices (SCH No. 2002121105)*

Final Impact Report 585 for the Alton Parkway Extension Project was certified by the Orange County Board of Supervisors on September 18, 2007. The EIR evaluated the construction of Alton Parkway as a six-lane, divided highway from Irvine Boulevard in the City of Irvine to Towne Centre Drive in the City of Lake Forest. The Board of Supervisors approved Alternative 1, which, as outlined in the EIR would be consistent with a roadway alignment conceptually approved in 1991 and provisions in the Orange County HCCP/HCP designed to create a wildlife corridor between the Borrego Wash and other open space conservation areas. Flood control improvements and habitat vegetation activities in the Borrego Canyon Wash were included within this EIR. This DSEIR incorporates the Alton Parkway Extension EIR in its entirety in order to address the Alton Extension project's adjacency to the SBRA Project and for purposes related to performing a traffic impact analysis that reflects the capacity of the future Alton Parkway.

- *City of Lake Forest CEQA Significance Thresholds Guide, November 20, 2001 (revised March 2009)*

The City of Lake Forest CEQA Significance Thresholds Guide was prepared for the review of projects, and in the preparation of environmental documents pursuant to CEQA. CEQA requires the analysis of discretionary projects to disclose their potential effects on the environment. The City of Lake Forest CEQA Significance Thresholds Guide is a tool that compiles information that is useful in the preparation of environmental documents, and improves the level of consistency, predictability,

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and objectivity of the City's environmental documents. The Guide provides assistance in evaluating the significance of project impacts for six key topical issues in the City of Lake Forest: traffic, noise, air quality, land use, aesthetics, and water resources. For each topical issue the following information is provided: background information; discussion of relevant standards, planning guidelines, policies etc.; thresholds of significance; and potential mitigation.

- Technical studies, personal communications and web sites listed in Chapter 13, *Bibliography*.

In each instance where a document is incorporated by reference for purposes of this DSEIR, the DSEIR shall briefly summarize the incorporated document, or briefly summarize the incorporated data if the document cannot be summarized. In addition, the DSEIR shall explain the relationship between the incorporated part of the referenced document and the DSEIR.

This DSEIR relies upon previously adopted regional and statewide plans and programs, agency standards, and background studies in its analyses, such as the City's General Plan, the South Coast Air Quality Management District's ("SCAQMD") Air Quality Management Plan, the SCAQMD CEQA Air Quality Handbook, and the Central/Coastal Natural Communities Conservation Plan/Habitat Conservation Plan ("NCCP/HCP"). Chapter 13, Bibliography, provides a complete list of references utilized in preparing this DSEIR. All of the documents listed in Chapter 13, as well as the aforementioned documents that are incorporated by reference, are available for review at:

- Development Services Department
Lake Forest City Hall
25550 Commercentre Drive, Suite 100
Lake Forest, CA 92630

2.5 FINAL SEIR CERTIFICATION

This DSEIR is being circulated alone, without the OSA PEIR, for public review for a period of 45 days. Interested agencies and members of the public are invited to provide written comments on the DSEIR to the City of Lake Forest address shown on the title page of this document. Upon completion of the 45-day review period, the City of Lake Forest will review all written comments received and prepare written responses for each comment. A Final SEIR (FSEIR) will then be prepared incorporating all of the comments received, responses to the comments, and any changes to the DSEIR that result from the comments received. The OSA PEIR and Addendum, as revised by the FSEIR, will be considered by the City of Lake Forest for certification, consistent with CEQA Guidelines, Section 15163.

All persons who commented on the DSEIR will be notified of the availability of the FSEIR and the date of the public hearing before the City. The DSEIR is available to the general public for review at the locations listed below. It is also available for review on the City's website at www.lakeforestca.gov/sbra.

- Development Services Department
Lake Forest City Hall
25550 Commercentre Drive, Suite 100
Lake Forest, CA 92630
- Foothill Ranch Branch Library
27002 Cabriole
Lake Forest, CA 92610

- El Toro Branch Library
24672 Raymond Way
Lake Forest, CA 92630

2.6 MITIGATION MONITORING

Public Resources Code Section 21081.6 requires that agencies adopt a monitoring or reporting program for any project for which it has made findings pursuant to Public Resources Code 21081. Such a program is intended to ensure the implementation of all mitigation measures adopted through the preparation of an EIR.

The Mitigation Monitoring Program for the SBRA Project will be completed as part of the Final SEIR and will be completed prior to consideration of the SBRA Project by the City of Lake Forest City Council.



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