UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

June 10, 2013

James Robb
U.S. Army Corps of Engineers, Sacramento District
1325 J Street, Room 1350
Sacramento, California 95814-2922

Subject: Draft Environmental Impact Statement for the Placer Vineyards Specific Plan, Placer County, California (CEQ# 20130100)

Dear Mr. Robb:

The U.S. Environmental Protection Agency (EPA) has reviewed the Draft Environmental Impact Statement (DEIS) for the Placer Vineyards Specific Plan pursuant to the National Environmental Policy Act, Council on Environmental Quality regulations (40 CFR Parts 1500-1508), and Section 309 of the Clean Air Act. We appreciate efforts by the U.S. Army Corps of Engineers (Corps) to coordinate with our agency throughout the environmental review process.

In response to Public Notice 199900737, issued for this project on March 13, 2007, EPA initiated the 404(q) elevation process by submitting "3a" and "3b" letters on May 1, 2007 and May 31, 2007, respectively, due to concerns over potential impacts to Aquatic Resources of National Importance. We provided comments on the Administrative DEIS (ADEIS) on August 12, 2012. As requested in EPA's comments on the ADEIS, the Corps included information in the DEIS on cumulative air impacts from other reasonably foreseeable projects within the Sacramento Valley Air Basin. The disclosure of quantitative measures of cumulative air impacts (to the degree that information is available) enables a better understanding of long term health impacts, and facilitates stronger mitigation planning. Given the many planned development projects in the region, mitigation will be a challenge, and we encourage coordination with the air districts on this matter.

According to the DEIS, the Proposed Action would directly impact approximately 119.3 acres of Waters of the U.S., including 27.7 acres of vernal pools. Impacts from the Proposed Action, combined with cumulative impacts, would total more than half the acreage impacted from 1990-2010 in the study area (western Placer County, northern portion of Sacramento County, and western portion of Sutter County). In the DEIS, the Corps considers the loss and degradation of functions and services of Waters of the U.S. to be a potentially significant impact, since the applicants have not provided a mitigation strategy that complies with Clean Water Act regulations. Given the extreme historical losses of vernal pools and other Waters of the U.S. in California, the EPA agrees that the level of degradation that could occur in the absence of adequate mitigation would be significant and should be avoided.

We have rated the DEIS as Environmental Objections – Insufficient Information (EO-2) (see enclosed EPA Rating Definitions) based on significant impacts to aquatic resources and the potential inability of any of the action alternatives to both comply with the 2008 Compensatory Mitigation Rule and achieve no net loss of wetland functions. Please find our detailed comments attached, which provide

recommendations to address these issues as well as our concerns with: (1) project need and range of alternatives, (2) impacts to air quality, (3) flooding risk, (4) scope of the hazardous materials assessment, (5) disclosure of potential long-term benefits of "smart growth" development, and (6) opportunities to create a more environmentally sustainable project.

We appreciate the opportunity to review this DEIS, and are available to discuss our comments. If you have any questions, please contact Jen Blonn, the lead reviewer for this project. Ms. Blonn can be reached at 415-972-3855 or blonn.jennifer@epa.gov.

Sincerely,

/s/

Angeles Herrera, Associate Director
Communities and Ecosystems Division

Enclosures:
Summary of the EPA Rating System
EPA Detailed Comments

Cc via email:
Mike McKeever, Sacramento Area Council of Governments

U.S. EPA DETAILED COMMENTS ON THE DRAFT ENVIRONMENTAL IMPACT STATEMENT FOR THE PLACER VINEYARDS SPECIFIC PLAN, PLACER COUNTY, CALIFORNIA, JUNE 10, 2013

Waters of the U.S. (WUS)

The Proposed Action would directly impact approximately 119.3 acres of WUS, including 27.7 acres of vernal pools (page 3.4-34). Impacts from the Proposed Action, combined with cumulative impacts, would total approximately 242.03 acres of impacts to WUS, which is greater than half the acreage impacted from 1990-2010 in the study area (western Placer County, northern portion of Sacramento County, and western portion of Sutter County; impact data from pages 3.4-34, 4.0-16, and 4.0-17). Such further degradation of the aquatic environment would warrant substantial mitigation.

The proposed project is located within an area planned for development under the draft Placer County Conservation Plan (PCCP). EPA strongly supports the development of the PCCP; however, we also recognize the uncertainty regarding whether the PCCP will come to fruition. We appreciate the analysis in the DEIS of ways in which the project could potentially align with the PCCP, and we believe that the best mitigation would come about as the result of the project fulfilling its compensation and preservation requirements under the auspices of the PCCP. However, since the PCCP is not approved, we believe the Corps must evaluate the proposed development in the context of a stand-alone project.

EPA fully recognizes the biological benefits of large, continuous, natural areas, as discussed within the proposed mitigation strategy. As a stand-alone project, the mitigation must comply with the 2008 Compensatory Mitigation Rule, and should be consistent with the South Pacific Division's Standard Operating Procedures (SOP) for establishing mitigation ratios. The DEIS states that, based on the Corps' evaluation, the applicants' proposed mitigation strategy would not adequately mitigate impacts and would result in a net loss of wetland area and function (page 3.4-39). The Corps would require a revised mitigation strategy and incorporate final mitigation requirements into permit conditions (Mitigation Measure Bio-1). EPA agrees with the Corps' determination that the currently proposed mitigation strategy is inadequate. We also believe, however, that the DEIS should have documented the availability of appropriate mitigation for this project and provided more details on a mitigation strategy that would comply with the applicable regulations. Without such information at this stage in the project, EPA is unable to evaluate compliance with the 404(b)(1) Guidelines.

We are available to assist the Corps and the project proponents in determining compliance with the 404(b)(1) Guidelines, including the Mitigation Rule. For further coordination on issues pertaining to 404 permitting and WUS, please contact Paul Jones, EPA Wetlands Office, at (415) 972-3470 or jones.paul@epa.gov.

Recommendations for the Final Environmental Impact Statement (FEIS):

- Ensure that the preferred alternative avoids and minimizes impacts to WUS to the greatest extent practicable through avoidance measures, such as those included in Alternatives 1 through 5.
- Provide more detailed information on where and how the applicants would meet their mitigation requirements under both PCCP and "stand-alone" conditions. The FEIS should examine whether sufficient compensatory mitigation and preservation lands

are available to offset impacts. It is unclear what is available and practicable to the applicants absent an approved regional conservation strategy such as the PCCP.

- Provide details on proposed ratios and types of mitigation. Ensure that mitigation ratios are consistent with the SOP, and that mitigation ratios proposed under the draft PCCP are not relied upon before the PCCP is approved.
- Revise Table 4.0-2 so that it includes a column for total mitigation without preservation. The current total mitigation column is misleading because it includes preservation acres, which primarily fulfill requirements from U.S. Fish and Wildlife Service Biological Opinions under Section 7 of the Endangered Species Act, and are not mitigation for impacts to WUS.
- To the extent possible, include stream setbacks consistent with the draft PCCP in order to minimize secondary impacts. This would have the added benefit of increasing integration with PCCP mitigation requirements. We recommend including in the FEIS a discussion of the best management plans and low impact development options that would be employed to minimize impacts and maintain water quality.

Project Need

Implementation of the Proposed Action would result in construction of 14,132 to 21,631 residential units. This increase in housing would fulfill 86% to 131% of Sacramento Area Council of Government's (SACOG) housing needs projection through the year 2035 (page 3.7-8). Information on other reasonably foreseeable development projects in the cumulative impacts study area is provided in Section 4.2.4, and demonstrates that numerous other residential units are planned. The outstanding need for the full number of housing units proposed under this project does not appear to be documented in the DEIS.

Recommendation for the FEIS:

Augment section 1.4 (Project Need) to provide data on outstanding housing needs in the project vicinity. Please include a total estimate of planned housing units in the study area and compare it to SACOG's housing needs forecast.

Range of Alternatives

The DEIS includes a Proposed Action, a No Action Alternative, and Alternatives 1 through 5. Alternatives 1 through 5 are modified versions of the Proposed Action, and they have smaller footprints to avoid additional WUS. The Proposed Action includes a lower-density (Base Plan) and a higher-density (Blueprint) development scenario, and both scenarios share the same footprint. "The number of units that would be built under Alternatives 1 through 5 would be the same as the Proposed Action….[T]o the extent that the number of units to be built on a property would be reduced due to the revised footprint, the same number of units would be built on another property by increasing the density…[T]he total number of units for the [Placer Vineyard Specific Plan] as a whole would still remain 14,132 (or 21,634 units if Alternatives 1 through 5 are combined with the Blueprint scenario)" (page 2.0-49).

An option that combines Alternatives 1 through 5 is introduced on page 2.0-47 and would avoid filling 9.2 acres of wetlands relative to the Proposed Action (page 2.0-47). This option, however, is not assessed for all impact categories. It is unclear whether the combination of Alternatives 1 through 5 is considered to be a reasonable alternative, and it does not appear to be included in the

404(b)(1) Alternatives Analysis (Appendix 3.4). Further, page 3.11-20 indicates that an option that combines Alternatives 1 though 5 is only considered under the Base Plan scenario. It is unclear whether the Blueprint scenario could be viable for an alternative that combines Alternatives 1 though 5 (or a subset thereof) in order to minimize impacts to WUS and still align the project with the Regional Blueprint Plan.

Recommendations for the FEIS:

- Either ensure that "combined Alternatives 1 through 5" (with Base Plan and Blueprint scenarios) is fully assessed as a separate alternative for purposes of the NEPA analysis and the 404(b)(1) analysis, or explain why it is not a distinct alternative.
- Amend the 404(b)(1) Alternatives Analysis, as needed, if there is a practicable "combined Alternatives 1 through 5" alternative.

Air Quality

EPA is concerned with air quality impacts from this project, particularly when considered in concert with the numerous other development and major infrastructure projects proposed or in process within the region. The proposed project is located in a nonattainment area for federal ozone (8-hour) and PM2.5 standards. In order to achieve attainment, strong measures are needed to avoid, minimize, and mitigate impacts.

Cumulative Air Quality Impacts

Thank you for including tables with criteria pollutant emission estimates from construction and operational phases of other major infrastructure projects in the region. Such information helps clarify the intensity of cumulative impacts, as well as future challenges the region would face in attaining federal air quality standards.

Recommendations for the FEIS:

- Include the following projects in Tables 4.0-4 through 4.0-7, or explain why they are excluded: Mather Specific Plan, Southport Sacramento River Early Implementation Project, Jackson Township Project, and Folsom Dam Modification Project Approach Channel.
- Discuss potential differences between the Blueprint scenario and the Base Plan scenario with respect to long-term regional cumulative air quality impacts from the operational period. The potential benefits of the Blueprint scenario do not appear to be fully described.
- Please coordinate with the air district to ensure that construction and operational emissions from this project, combined with other reasonably foreseeable projects nearby, will not exceed the relevant emission budgets in the SIPs, and document this coordination in the FEIS.

Mitigation Measures

Mitigation measures from the Placer Vineyards Environmental Impact Report are provided in Appendix 3.0 of the DEIS, and commitments for air quality mitigation do not appear to be made within the DEIS.

Recommendation for the FEIS:
Commit to implement all mitigation measures within Appendix 3 that are within the span of the Corps' control for direct and indirect air quality impacts that would result from the Corps' permit decision, such as all air quality control measures for material hauling and construction activities.

General Conformity
Under General Conformity regulations, both the direct and indirect emissions associated with a federal action must be evaluated. Page 3.3-31 of the DEIS states, "…the scope of the conformity analysis would be appropriately limited to the emissions associated with grading activities that would result from the filling of jurisdictional wetlands, any associated access roads and any staging areas necessary to conduct filling activities." It is unclear whether indirect impacts, such as hauling materials and equipment to the site for grading activities, were accounted for in the analysis.

Recommendation for the FEIS:
Ensure that appropriate indirect emissions are included in the conformity analysis and disclosed in the FEIS.

Operational Period Traffic Emissions
Mitigation measures for traffic impacts require the project proponent to contribute its fair share towards the cost of widening roadways. It is unclear whether these road widening projects are already funded, and whether they are consistent with the general plan. Further, EPA is concerned that residual air impacts from traffic are, according to the DEIS, expected to be significant even after mitigation (page 3.14-45).

Recommendation for the FEIS:
Commit to partner with the county and SACOG to develop and implement a plan for mitigating operational period transportation impacts that is consistent with regional planning goals and minimizes long-term air emissions *before* construction begins.

Exposure to Toxic Air Contaminants
Page 3.3-28 states, "[California Air Resources Board] has also provided planning guidance that recommends not locating sensitive receptors within 500 feet of a freeway or roadways with greater than 100,000 annual average daily traffic (AADT). No portion of the project site would be within 500 feet of a freeway or roadway with AADT of 100,000." It is unclear whether toxic air contaminant risks from future growth in AADT, due to this development project and others nearby, were considered.

Recommendation for the FEIS:
Assess and document whether sensitive receptors may, in the future, be located within 500 feet of roadways with AADT of 100,000 or more due to siting of facilities within this development project and projected growth in AADT nearby. If a risk is identified, describe measures to avoid, minimize, and mitigate risks.

Flood Risk

Page 3.10-26 discusses project impacts on flood capacity, and page 3.10-29 discusses impacts to flood hazards related to dam or levee failure. Changes in severe weather patterns under climate change scenarios will greatly influence flood risk and related infrastructure needs. It is unclear whether climate change was considered in the analysis.

> **Recommendation for the FEIS:**
> Augment the discussions on flood capacity and risk of dike or levee failures to fully address expected changes to weather patterns due to climate change.

Hazardous Materials

Potential sources of hazardous materials within the project site are clearly defined. Information on nearby sources of contamination, however, does not appear to be provided.

> **Recommendation for the FEIS:**
> Ensure that appropriate buffers surrounding the project site were assessed for potential contamination that could impact the project site (i.e. through groundwater plume migration or via air currents). The assessment should include searching federal and state databases and examining aerial imagery. Please include buffer distances and methodology, document any potential nearby sources, and commit to mitigation if needed.

Comparison between Blueprint and Base Plan

The DEIS discusses impacts of the Blueprint scenario by stating that, "… by concentrating population closer to the core of the region, a number of environmental and lifestyle benefits would accrue, including shorter commutes, greater potential use of transit, cleaner air, and less open space lost to suburban sprawl" (page 3.7-9). The assessment does not appear disclose the full range of benefits that could result from a relatively more compact, well connected, mixed-use project. For example, areas with greater density are more likely to receive federal funds to support transit projects, which could provide residents with an important amenity and improve air quality by reducing auto-dependence. In addition, long-term municipal costs savings could accrue from more compact development, such as lower costs for sewer and road maintenance, garbage collection, and other services. Similarly, long-term resident cost savings could result from shorter commute times and more convenient access to goods and services.

> **Recommendation for the FEIS:**
> Provide detailed qualitative descriptions and quantitative measures of the degree to which benefits from "smart growth" planning might accrue under the Blueprint scenario relative to the Base Plan scenario.

Sustainable Transportation & Building

Creating an entirely new development provides ample opportunities to incorporate policies and designs that minimize demand for energy and water, minimize traffic impacts, and create a high-quality living environment, with easy access to jobs, services, and recreation.

Green building incorporates strategies to reduce energy and water needs, minimize harmful chemicals, and create a healthy indoor environment, among other goals. Green building strategies can also reduce operation and maintenance costs for owners and ease public service (i.e. water and electricity) demand requirements for the project. The U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) program offers detailed guidance, and EPA is available to assist the project proponent in identifying appropriate opportunities.

Significant operational period impacts are anticipated to result from automobile use, including high levels of greenhouse gas emissions (GHG). We strongly encourage implementation of all mitigation measures to reduce vehicle emissions, such as development of a reliable transit system with frequent service, walkable neighborhoods, and well-connected bike lanes. We recognize that the Proposed Action includes a multimodal transit terminal and a potential Bus Rapid Transit (BRT) system, and includes mitigation measures to promote biking and transit.

Recommendations for the FEIS:

- Include a strong commitment by the County and project proponents to partner with local transit agencies and SACOG to accommodate transit access. Neighborhood design should include development of transit routes to maximize ridership, and bus stops should be identified early so that they can more easily be incorporated into streetscapes. This is particularly important for the potential BRT system along Watt Avenue since there are already plans to widen the road.
- Consider using a grid pattern for neighborhood roadways to reduce the travel distance for vehicles, bikes, and pedestrians for local trips. Grid patterns can make more trips possible to complete without use of a vehicle.
- Add GHG mitigation commitments from the Corps' Elverta DEIS, including Mitigation Measure 3.7b, which requires project proponents to develop a GHG reduction plan and receive approval from the County, in consultation with the Air District. Also require that the GHG Reduction Plan be approved *before* construction.
- Discuss the feasibility and benefits of obtaining LEED for Neighborhood Development (ND) Certification for the project area or a portion of it. LEED-ND certification provides independent, third-party verification that a neighborhood development project is located and designed to meet high levels of environmentally responsible, sustainable development, with principles that are in line with the Sacramento Region Blueprint's growth principles.
- Discuss the feasibility and benefits of obtaining LEED certification for homes, schools, and commercial buildings.
- Discuss the feasibility and benefits of exceeding CALGreen standards in priority areas by meeting "optional" standards, including: pollutant control, indoor air quality, renewable energy, energy and water conservation, and low impact development.
- Consider recycled materials that could be used to replace raw materials for particular infrastructure components. Some options include tire-derived aggregate, crushed recycled concrete, recycled asphalt pavement, and rubberized asphalt concrete.
- Consider creating a policy to use locally sourced materials to reduce air emissions from transport.