

1 ORIGINAL FILED 2 AUG 1 4 2006 3 LOS ANGELES 4 SUPERIOR COURT 5 6 7 SUPERIOR COURT OF CALIFORNIA 8 COUNTY OF LOS ANGELES 9 10 CASE NO. BS 098 722 SIERRA CLUB, et al., 11 DECISION ON SUBMITTED MATTER Petitioner, 12 13 vs. CITY OF SANTA CLARITA, et al., 14 15 Respondent. 16 NEWHALL LAND AND FARMING, 17 Real Party in Interest. 18 Having taken the matter under submission on May 31, 2005, having 19 20 considered all the evidence admitted and the parties' oral and written 21 arguments, the Court rules as follows: Petitioners Sierra Club, Center for Biological Diversity, Friends 22 23 of the Santa Clarita River, and California Water Impact Network 24 ("Petitioners") seek a Writ of Mandate commanding Respondents City of 25 Santa Clarita and Santa Clarita City Council ("City" or "Respondents") to set aside its decision certifying the Final Environmental Impact 26

Real Party in Interest Newhall Land and Farming ("Newhall").

Report ("FEIR") and approving the Project known as Riverpark in favor of

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The Riverpark project is located on a 695.4-acre site. Originally, Riverpark proposed 1, 183 residential units, consisting of 439 singlefamily homes and 744 apartments, and 40,000 square feet of commercial development, a trail system, a 29-acre active/passive park along the Santa Clara River, and approximately 442 acres of open space area, including most of the Santa Clara River. (2:1 AR, Tab 4, 340-42 [Draft EIR, § 1.0, Project Description | Through the public hearing process, the project was revised by converting the apartments to condominiums or townhouses, reducing to 1,123 the residential units and to 16,000 square feet commercial development, and preserving additional areas of the Santa Clara River and its south fork. (10 AR, Tab 12, 11742-44 [FEIR, Project Revisions and Additional Information].) Further hearings in 2005 reduced the residential units to 1,089, consisting of 432 single family homes and 657 condominium/townhouses, and provided for the preservation of more land and river areas, totaling 788 acres (470-acres on-site) for recreation and open space. (10 AR 11742-44; 9 AR, Tab 11, Included among the 318 off-site acres are the remaining 11418-22.) portions of the south fork of the Santa Clara River owned by RPI, and 37 acres of the Santa Clara River significant ecological area ("SEA").

Project approvals included a General Plan Amendment, a Zone Change, a vesting tentative tract map, a conditional use permit to build in excess of two stories and a maximum of 50-feet, Hillside Innovative Application, a permit for vehicular gating, a variance to reduce setback requirements and to build sound walls in excess of 7 feet, Hillside Development Application, and an Oak Tree Permit. (1 AR, Tab 2, 9-114; 2 AR 259.)

The Planning Commission held 9 hearings and on 12/21/04 recommended that the City Council certify the EIR and adopt a Statement of

Overriding Considerations for impacts that could not be mitigated to a less than significant level. (1 AR, Tab 2, 9-22 [App. Reso.]; 7:2 AR, Tab 9, 8079-81 [12/21/04 Hearing Transcript]; 73 AR, Tab 652, 51639-43 [12/21/04 Staff Report].)

The City Council held 3 hearings and certified the EIR on 5/24/05, unanimously approving the project on 6/14/05. (1 AR, Tab 2, 22-26; 1 AR, Tab 3, 115-229.)

Petitioner filed within Petition for Writ of Mandate alleging non-compliance with CEQA.

To establish violation of the California Environmental Quality Act ("CEQA"), Petitioner must show an abuse of discretion in that the County either failed to proceed in the manner required by law or the determination or decision is not supported by substantial evidence. (Code Civ. Proc., § 1094.5(b); Pub. Resources Code, §§ 21168, 21168.5.) When CEQA non-compliance is alleged, the Court reviews the entire record to see if substantial evidence supports the challenged determinations.

"Substantial evidence" is defined as "enough relevant information and reasonable inferences from this information that a fair argument can be made to support a conclusion, even though other conclusions might also be reached." (14 Cal. Code Regs., § 15384(a); Laurel Heights Improvement Assn. v. Regents of University of California (1988) 47 Cal.3d 376, 393.) Substantial evidence may include facts, reasonable assumptions predicated upon facts, and expert opinion supported by facts, but not argument, speculation, unsubstantiated opinion, or clearly erroneous evidence. (Pub. Resources Code, §§ 21080(e)(1)(2), 21082.2(c).)

"[I]n applying the substantial evidence standard, the reviewing court must resolve reasonable doubt in favor of the administrative

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Petitioners contend that the City is legally precluded from relying on water from the transfer of 41,000 AFY acre feet per year ("AFY") of State Water Project ("SWP") water to the local SWP wholesaler, Castaic Lake Water Agency ("CLWA") ("41,000 AFY transfer") for planning purposes, and the EIR's reliance on water supplies is not supported by substantial evidence.

City Properly Relied on the 41,000 AFY Water Transfer for Planning

Determinations in an EIR must be upheld if supported by

(Chaparral

The water for the Riverpark project is to be supplied by CLWA.

In 1999, CLWA entered into a contract with the Kern Delta Water District for transfer of 41,000 acre feet per year (AFY) as part of the

In <u>Planning and Conservation League v. Dept. of Water Resources</u> (2000) 83 Cal.App.4<sup>th</sup> 892 ("PCL"), the PCL challenged the Monterey Agreement program EIR. The Court of Appeal held that the EIR should have been prepared by DWR as the lead agency, rather than by one of the contractors, and that a new EIR must be prepared and certified by DWR. The Court did not invalidate the Monterey Agreement or enjoin the water transfers effected thereunder, but directed the trial court to consider under CEQA section 21168.9 whether the Monterey Agreement should remain in place pending preparation of DWR's new EIR, and to retain jurisdiction pending certification of DWR's EIR.

In <u>Friends of Santa Clara River v. CLWA</u> (2002) 95 Cal.App.4<sup>th</sup> 1373 ("Friends I"), the Court of Appeal ordered CLWA's EIR decertified because it had been tiered from the Monterey Agreement EIR, adjudged inadequate: "We have examined all of appellant's other contentions and find them to be without merit. If the PCL/tiering problem had not arisen, we would have affirmed the judgment." (<u>Friends</u>, <u>supra</u>, at 1387.) The Court did not issue any ruling affecting CLWA's ability to continue to use and rely on water supplies from the 41,000 AFY Transfer, leaving it to the trial court's discretion whether to enjoin CLWA's use of the water pending its completion of a new EIR. (<u>Friends</u>, <u>supra</u>, at 1388.)

<sup>&</sup>lt;sup>1</sup>An excellent history of the SWP and the role of Department of Water Resources ("DWR") in the management of the SWP, the Monterey Agreement and amendments, and relevant litigation is set forth in <u>Calif. Oak Foundation v. Santa Clarita</u>, 133 Cal.App.4th 1219 (2005).

 In September 2002, on remand to the Los Angeles County Superior Court, the <u>Friends</u> petitioners applied under CEQA section 21168.9 to enjoin CLWA from continuing to use and rely on water from the 41,000 AFY Transfer. The trial court rejected that request, and in December 2003, the Court of Appeal affirmed the trial court's ruling allowing CLWA to continue to use and rely on water from the 41,000 AFY Transfer pending completion of its new EIR. (Id.; see also, <u>Friends of the Santa Clara River v. Castaic Lake Water Agency</u>, 2003 WL 22839353 ("Friends II"] at Tab 7, 5 AR 4180-97.)

Meanwhile, on 5/5/03, before the trial court acted on remand, the parties to the PCL litigation entered into the Monterey Settlement Agreement.<sup>2</sup> Section II of that agreement provides that SWP would continue to be administered and operated in accord with both the Monterey Amendments and the terms of the Monterey Settlement Agreement. (5:1 AR, Tab 7, 4367.) The Monterey Settlement Agreement did not invalidate or vacate the Monterey Amendments, or any water transfer effected under them.

A. PCL, Friends of the Santa Clara River and California Oak do not preclude reliance on the 41,000 AFY Water Transfer

Petitioners contend that legal uncertainties surrounding the 41,000 AFY transfer due to the <u>PCL</u> and <u>Friends</u> lawsuits preclude the City from relying on water from that transfer for planning purposes. Specifically, Petitioners contend that because PCL requires the Department of Water Resources ("DWR") to prepare an EIR analyzing the

<sup>&</sup>lt;sup>2</sup>On 6/6/03, the Sacramento County Superior Court issued its Order under CEQA section 21168.9, approving both the Monterey Settlement Agreement, and the continued operation of the SWP pursuant to the Monterey Amendment and the approved Monterey Settlement Agreement. (See 6 AR, Tab 8, 6557; 8 AR, Tab 10, 9775-78 [Order].)

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effects of the eight SWP water transfers completed under the Monterey Agreement, none of those transfers, including the 41,000 AFY transfer, can be relied on for planning purposes until DWR has completed and certified that EIR. Moreover, Petitioners contend that the Court of Appeal so held in California Oak Foundation v. City of Santa Clarita (2005) 133 Cal.App.4th 1219.

PCL, Friends and California Oak (discussed infra) do not preclude reliance on the 41,000 AFY transfer for planning purposes.

While the Courts of Appeal could have simply said that all EIRs requiring reliance on the 41,000 AFY transfer, must await the certification of a new FEIR by DWR (and resolution of any litigation challenging such FEIR), they have not done that.

Although the Court in Friends and California Oak observed that CLWA "may be able to cure the PCL problem by awaiting action by the [DWR] complying with the PCL decision, then issuing a subsequent EIR, supplement to EIR, or addendum . . . tiering upon a newly certified Monterey Agreement EIR" (California Oak, supra, 133 Cal.App.4th at 1230, n.6), neither court said that the CLWA and City of Santa Clarita must await the DWR FEIR.

CLWA certified a new EIR on the 41,000 AFY Transfer on 12/22/04. (Tab 10, 8:2 AR 10441-480 [CLWA Resolution certifying the EIR]; see also Tab 637, 63 AR 43468-44683 [CLWA FEIR]; Tab 12, 10 AR 11750 [Final Riverpark EIR Project Revisions and Additional Information.) This new EIR analyzes the effects of the 41,000 AFY Transfer without tiering from the Monterey Agreement EIR.<sup>3</sup> Although CLWA's EIR is currently being

<sup>&</sup>lt;sup>3</sup>The CLWA EIR concludes that the Monterey Settlement Agreement neither requires that DWR's new EIR be certified before CLWA can certify its new EIR for the 41,000 AFY Transfer, nor requires that DWR's new EIR

Since the prior CLWA EIR for the 41,000 AFY Transfer was overturned solely because it tiered from a later-decertified Monterey Agreement EIR, and CLWA has now certified an EIR approving the 41,000 AFY Transfer without tiering from the Monterey Agreement EIR, the City reasonably included water from the 41,000 AFY Transfer in CLWA's supplies, after considering at length the current status of all litigation.

3. The 41,000 AFY transfer is sufficiently certain and the Monterey Settlement Agreement does not preclude Respondents from relying on said transfer in its EIR pending DWR's preparation of its EIR.

As argued by Respondents, three provisions in the Monterey Settlement Agreement, read together, refute Petitioners' argument that the 41,000 AFY Transfer was excluded from Attachment E because it was a non-permanent transfer, which may not be used for planning purposes.

serve as the EIR for that Transfer. (Tab 637.63 AR 43987-92 [CLWA Master Response to Comments].) These conclusions are consistent with <u>Friends II</u>, that the 41,000 AFY Transfer is not legally bound to the <u>PCL</u> litigation or to DWR's new EIR. (Tab 7, 5:1 AR 4195-4196.)

Although DWR is in the process of certifying its own EIR pursuant to <u>PCL</u> and the Monterey Settlement Agreement, DWR approved CLWA's preparation of its EIR in a comment letter on the Draft EIR, and noted that CLWA's Draft EIR "adequately and thoroughly discusses the proposed project and its impacts," and "adequately discusses the reliability of the SWP, pre- and post-Monterey Amendment conditions, future conditions and SWP operations." (Tab 637, 63 AR 43482-83.)

<sup>&</sup>lt;sup>5</sup>Respondents' Riverpark EIR discusses the prior litigation and devotes 8 pages to discussion of the litigation surrounding CLWA's EIR on the 41,000 AFY Transfer in its response to comments alone. (Tab 8, 6 AR 6551-6559.)

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otherwise. The Monterey Settlement Agreement does not prohibit reliance on the 41,000 AFY Transfer. All of the water transfers were effected as permanent transfers under the Agreement and are to be analyzed in the same way in DWR's new EIR, as required by Section III(C)(4).

5:1 AR 4370) pending completion of CLWA's new EIR, but does not

distinguish the 41,000 AFY Transfer from the Attachment E transfers

Section III(E) acknowledges the

(Tab 7. 5:1 AR 4370.)

Petitioner contends that the continued availability of the 41,000 AFY transfer is uncertain until DWR has concluded its EIR and that under California Oak, the City may not presume that the outcome of DWR's environmental review will be the continued availability of the 41,000 AFY.

DWR, however, has recognized the 41,000 AFY Transfer as a permanent transfer under the Monterey Agreement by entering into Amendment No. 18 to CLWA's agreement, which increases its Table A Amount by 41,000 AFY (Tab 10, 8:1 AR 9212-14), and has since consistently allocated water

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supplies to CLWA based on that entitlement (Tab 4, 2:2 AR 1015-17 [DEIR]). Furthermore, as noted <u>supra</u>, DWR also submitted positive comments on CLWA's Draft EIR. (Tab 637, 63 AR 43482-83).

DWR's analysis of the 41,000 AFY Transfer in its new EIR will be part of a broader analysis of past and future permanent transfers of Table A Amounts, and will not constitute the EIR for the 41,000 AFY transfer. (5:1 AR, Tab 7, 4369.) As noted <u>supra</u>, <u>PCL</u>, <u>Friends</u> and the Monterey Settlement Agreement do not prohibit CLWA's preparation of its new EIR addressing the impacts of the 41,000 AFY transfer. (Tab 637, 63 AR 43987-92 [CLWA Master Response to Comments].)

California Oak, being most recent, deserves further discussion. California Oak, the Court struck down the City's certification of an earlier EIR for an industrial project because it did not address the legal uncertainties surrounding the 41,000 AFY Transfer. California Oak did not bar the use of water from the 41,000 AFY transfer for all planning purposes. It criticized the City's failure to explain its reasoning for relying on the 41,000 AFY transfer, but held that it was up to the City to determine whether or not to rely on the 41,000 AFY transfer in its planning. The Court stated: "[T]he question is whether the entitlement should be used for purposes of planning future development, since its prospective availability is legally uncertain. Although this decision must be made by the City, the EIR is intended to serve as an informative document to make government action transparent. Transparency is impossible without a clear and complete explanation of the circumstances surrounding the reliability of the water supply." (Id. at 1237-38; emphasis supplied.) Before relying on water from the 41,000 AFY transfer for planning purposes, the City must "present a reasoned analysis of the significance . . . [or insignificance] of the

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decertification of the EIR for the Castaic purchase; how demand for water would be met without the 41,000 AFY entitlement; or why it is appropriate to rely on the 41,000 AFY transfer in any event." (Id. at 1244.)

The Court in California Oak ruled that the EIR contained an inadequate discussion, in fact no discussion at all, of the uncertainty regarding the 41,000 AFY transfer in the EIR itself, but only references to it in the appendices, and responses to comments. The text of the EIR did not mention the decertification of the CLWA EIR, "entitlements are not really entitlements, but only 'paper' water." (California Oak, supra, 133 Cal.App.4th at 1236.) From the EIR, the Court could only assume that City concluded the 41,000 AFY would continue to be available, but found that the lack of a forthright discussion of a significant factor that could affect water supplies was antithetical to the purpose of an EIR to reveal to the public the basis on which officials approve or reject environmental action. 1237-38). Thus, the Court held that the EIR failed to inform the public of the litigation uncertainties surrounding the 41,000 AFY transfer, and substantial evidence did not support the City's decision to rely on water from that transfer for planning purposes.

Here, by contrast, the City discussed the 41,000 AFY transfer and its uncertainties at considerable length, both in the EIR and throughout the review process. (See infra, pp. 12-16.) The PCL, Friends, Friends II, and California Oak decisions were all discussed. The City concluded that it was likely that the 41,000 AFY would be available for the project. By the time the City Council held it first Riverpark hearing on 1/25/05, the City also had before it CLWA's certified new EIR for the 41,000 AFY transfer, which was not the case in California Oak.

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The Riverpark EIR adequately discloses the uncertainties regarding the 41,000 AFY transfer and discusses them forthrightly.

c. Substantial evidence supports reliance on 41,000 AFY water transfer and the EIR's analysis of the transfer is not flawed

Petitioners contend that substantial evidence does not support the City's decision to rely on water from the 41,000 AFY Transfer.

As noted, <u>California Oak</u> held that, as long as the city has analyzed the uncertainties surrounding this water supply, it is within the City's province to decide whether to rely on the 41,000 AFY Transfer for planning purposes.

The EIR and the Administrative Record contain substantial evidence supporting the City's decision that water from the 41,000 AFY Transfer can be relied on as part of CLWA's supplies.

CLWA, the SWP and the reliability of its water supplies, the Monterey Agreement, the PCL litigation, the Monterey Settlement Agreement, CLWA's Table A Amounts, and the Friends litigation are all extensively discussed in the EIR. The City specifically discloses that a future adverse judgment invalidating the Monterey Agreement could affect CLWA's ability to use water from the 41,000 AFY transfer and adversely affect CLWA's water supplies over the long term, but that, based on the information discussed, CLWA (the experts concerning water supply) believed that such a result "is unlikely to >unwind' executed and completed agreements with respect to the permanent transfer of SWP Water Amounts." (Tab 4,2:2 AR 1014-15; see also, Tab 8,6:2 AR 6551-59 [TR-3].) Further, the EIR notes the 41,000 AFY Transfer was completed in 1999, CLWA has paid approximately \$47 million for the additional Table A Amount, the monies have been delivered, the sales price has been financed through CLWA by tax-exempt bonds, and DWR has increased CLWA's

SWP maximum Table A Amount and delivered or made available to CLWA the 95,200 AFY because it was a permanent transfer/reallocation of SWP Table A entitlement between SWP contractors." (Tab 4, 2:2 AR 1013.) Included in the EIR's Appendices and referenced in the EIR, are the 19 documents supporting the EIR's analyses, including the PCL decision, the Monterey Settlement Agreement, the Sacramento County Superior Court's "Order Pursuant to Public Resources Code Section 21168.9," the Friends decision, the Los Angeles County Superior Court's Judgment on remand in the Friends litigation, CLWA's final EIR for the 41,000 AFY Transfer, and CLWA's Resolution certifying that EIR.

The City responded to numerous comments challenging the EIR's conclusion that CLWA could rely on the 41,000 AFY Transfer for planning purposes. Due to the number of comments, and the amount of information required to respond, the City prepared a "master" response on this subject, TR-3 (Tab 8, 6:2 AR 6551-59). TR-3 reviews the information disclosed in the EIR's Water Services section regarding the 41,000 AFY Transfer and the Friends litigation, then responds to comments asserting that: (i) the PCL litigation and Monterey Settlement Agreement preclude CLWA from using or relying on that water transfer, and (ii) because the Monterey Settlement Agreement requires DWR to prepare a new EIR on the Monterey Agreement, CLWA cannot rely on the water transfer until that new EIR is completed. The City also prepared responses to individual comment letters on the 41,000 AFY Transfer All of these comments and

<sup>&</sup>lt;sup>6</sup>See, for example, responses to comments from the Santa Clarita Organization for Planning and the Environment (Tab 8, 6 AR 5962-66, 6689-6717), Petitioners Sierra Club (Tab 8, 6 AR 6194-6201, 6370, 6737-66, 6829-30), California Water Impact Network (Tab 8, 6 AR 6273-74, 6767-75), Friends (Tab 8, 6 AR 6387, 6835-36), and from a law firm involved in the PCL litigation (Tab 8, 6 AR 6275-78, 6776-83).

The City's Planning Commission also held a study session on the subject of the reliability of available water supplies. (Tab 9, 7 AR 7480-92.)

Ultimately, the City reviewed all of this information, and the views expressed in the EIR, by CLWA, and by commentators opposed to the City considering the 41,000 AFY Transfer, and determined it was appropriate for the City to rely on those SWP supplies. (Tab 2, 1 AR 9-114 (App. Reso); Tab 3. 1 AR 174-220 [CEQA Findings].) explained that its determination to allow Riverpark to rely on the 41,000 AFY Transfer was supported by the information in the EIR for four main reasons: (i) nothing in the Monterey Settlement Agreement or in any court decision precludes that reliance; (ii) nothing in the Monterey Settlement Agreement precludes CLWA from preparing and certifying its revised EIR for that transfer as instructed by the Court of Appeal in the Friends decision and, in fact, the Settlement Agreement was carefully crafted to leave that EIR and any required remedies to the Los Angeles County Superior Court; (iii) the fact that DWR is preparing an EIR that will analyze all of the water transfers under the Monterey Agreement does not preclude CLWA from preparing and certifying its revised EIR, as instructed by Friends; and (iv) CLWA's Final EIR reapproving the transfer had been certified without tiering from the Monterey Agreement EIR. (Tab 8, 6:2 AR 6558-59 [TR-3]; Tab 10, 8:2 AR 10441-10480; Tab 12, 10 AR 11750.)

As directed by <u>California Oak</u>, the City here has analyzed in considerable detail the uncertainties surrounding the AFY water transfer and explained the basis for its reliance on that transfer. The City's

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Petitioners' contention that the City makes false statements about the transfer (OB 7-9) is not borne out by the record.

The City's statement reads: "Because the 41,000 AF was a permanent water transfer, because DWR includes the 41,000 AF in calculating CLWA's share of SWP Table A Amount, and because the courts have not prohibited CLWA from using or relying on those additional SWP supplies, the City has determined that it remains appropriate for the Riverpark project to include those water supplies in its water supply and demand analysis, while acknowledging and disclosing uncertainty created by litigation." (Tab 8, 6:2 AR 6768-69.)

This statement is qualified and explained by the City's extensive discussion of the legal uncertainties arising from litigation, supra, and is not misleading. The statement cannot be taken out of context and must be read in light of other statements and evidence in the record. As regards "reliance on the fact that DWR counts the 41,000 AFY in Table A amounts, DWR has acknowledged the 41,000 AFY Transfer by continuously delivering SWP water, including water from the Transfer, to CLWA for The Monterey Settlement Agreement treats the 41,000 AFY Transfer identically to the Appendix E Transfers. The City's discussion of the reliability of SWP water supplies, including the 41,000 AFY Transfer water, is a discussion relating to the ability of the SWP to deliver only such supplies as are available on a year-to-year basis. (See, e.g., Tab 4, 2:2 AR 1022-30.) The City discussed the reliability of available SWP supplies under average, dry and critical dry years, and that there would be sufficient supplies to meet Riverpark's demand and cumulative demand. (Id. at 1051-70.)

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## II. Impacts on Biological Resources were Appropriately Evaluated

Petitioner contends that the project's impact on three special-status species, the western spadefoot toad ("Toad"), the San Diego backtailed jackrabbit ("Jackrabbit") and the holly-leaf cherry woodlands ("Holly-Leaf") must be considered significant because they are "rare" within the meaning of CEQA, the EIR's responses to comments by Department of Fish and Game ("DFG") were inadequate, as were mitigation measures for the Toad and Jackrabbit.

CEQA Guidelines section 15065(a) provides: "A lead agency shall find that a project may have a significant effect on the environment and thereby require an EIR to be prepared for the project where there is substantial evidence, in light of the whole record, that . . . : (1) The project has the potential to . . . substantially reduce the number or restrict the range of an endangered, rare or threatened species . . ." (Guidelines, § 15065(a); 51 AR 33996.)

Here, an EIR was prepared and the impacts on the Toad, Jackrabbit, and Holly-Leaf considered. Petitioner contends that, to assess the

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significance of the project impacts on the Toad, Holly-Leaf, and Jackrabbit, the EIR was required to determine whether the species are "rare" under Guidelines section 15380(b)(2)(A), which defines "rare" as "[a]lthough not presently threatened with extinction, the species is existing in such small numbers throughout all or a significant portion of its range that it may become endangered if its environment worsens."

The EIR's conclusions with regard to these species are supported by substantial evidence.

Toad

The EIR concluded that impacts on the Toad would be significant and unavoidable (Tab 7, 5:2 AR 5774, 5827).

The EIR describes the Toad as a special-status species (Tab 7, 5:2 AR 5720-5730, 5737, 5831-36; see also Tab 9, 7:2 AR 8572 [Revised Draft EIR ("RDEIR")]), and defines "special-status wildlife" to include rare species, that is, State Species of Special Concern and Federal Species of Concern. (Tab 7, 5:2 AR 5728.) The EIR notes that Toads were found in three seasonal rainpools created by human disturbances in the middle of areas planned for development: in the right-of-way for the extension of Newhall Ranch Road, in the middle of Planning Area A-1, and in the middle of Planning Area B (Tab 7, 5:2 AR 5832-34). The potential impacts on the Toad were analyzed in accordance with CEQA and City thresholds and found to be significant (id. at 5750-53, 5774). Mitigation was recommended in the form of pre-construction surveys, preparation of a Resource Management and Monitoring Plan ("RMMP"), design construction of new enhanced Toad habitat and implementation of a capture and relocation and monitoring program. Ultimately the EIR concluded that the impacts would remain significant and unavoidable, because such measures have not yet been proven to he highly effective,

The City's responses to comments and its actions addressed DFG's concerns (Tab 8, 6:1 AR 5880-86 [DFG letter], Tab 8, 6:2 AR 6621-30 [response]), and those of other commentators (see, e.g., Tab 8, 6:1 AR 5876-77 [Santa Monica Mountains Conservancy letter], Tab 8, 6:2 AR 6610-14 [response]). The City followed DFG's recommendations, the City's "Western Spadefoot Toad Habitat Enhancement and Mitigation Plan" ("Toad Plan") was created by the City's expert biologist in consultation with DFG and was ultimately approved by DFG.

Substantial evidence in the record supports the City's decision to mitigate the impacts on the Toad rather than reconfigure the Project. Such evidence included opinion of City's expert biologist that the Toad Plan was likely to succeed, and DFG's approval of that Plan. It properly exercised its discretion to consider the remaining impacts on the Toad to be significant and unavoidable, and adopted a Statement of Overriding Considerations for the Toad. (Tab 3, 1 AR 145-150, 155-163, esp. 159 [SOC].) Arguments similar to Petitioners' arguments here were rejected in Defend the Bay v. City of Irvine (2004) 119 Cal.App.4th 1261, 1276-77.

## *Jackrabbit*

For the Jackrabbit, the Revised DEIR determined that "[b] ecause this species is not state or federally listed as Endangered or Threatened, because it is considered relatively abundant in suitable habitat areas within its range, and because the direct loss of individual jackrabbits is expected to be low, it is expected that the regional population would not drop below a self-sustaining level with the implementation of this project," the loss of any individual

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The EIR identifies the Jackrabbit as a State and federal specialstatus species, and determined the significance of impacts on that species based on CEQA and City thresholds that recognize substantial adverse effects on special-status species and substantial reduction of habitat as being significant impacts (Tab 7. 5:2 AR 5750-53). Based on field surveys (see, e.g., Tab 7, 5:2 AR 5707-08 [RDEIR, § 4.6; Tab 6, 4 AR 4153-54), the EIR reported that Jackrabbits. Which occur in a variety of habitats, had been sighted on-site in the riverbed, open terraces and disked fields, but that because those areas are disturbed, the overall quality of the habitat on site suitable for Jackrabbits was only moderate. (Tab 7, 5:2 AR 5735, 5739, 5775; Tab 9, 7:2 AR 8572 [RDEIR].) The EIR noted that the Project had been designed to include all NRMP applicable mitigation measures for the areas in and adjacent to the Santa Clara River (Tab 7. 5:2 AR 5754-61, and 5789-5800 [RDEIR, § 4.61; Tab 9, 7:2 AR 8576 [RDEIR]), including preconstruction surveys, capture and relocation, and riparian habitat creation enhancement. (Id. at 5757-5759, and 5793-95 [RDEIR, § 4.6]; see also, Tab 9, 7:2 AR 8541-42 [RDEIR]).

The EIR concluded that project-level impacts would be less than significant, not just because Jackrabbit is not a listed species and does not require heightened protection, but also because the species is abundant where it occurs, and, since it is mobile and would likely disperse to nearby better habitat rather than be killed as the site is developed, few individuals would be lost due to development of the site. (Tab 7, 5:2 AR 5775.) Nevertheless mitigation including preparation of an RMMP and preconstruction surveys of areas outside the NRMP areas for

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27 28 recommended. (Tab 7, 5:2 AR 5800-01, 5809-10; Tab 9,7:2 AR 8543-45, 8584-85 [RDEIR pages].) The EIR also concluded that the project-level and cumulative impacts on an aggregate of 280 acres of habitat, in general, necessarily including that for Jackrabbits, would be significant and unavoidable even after mitigation (Tab 7, 5:2 AR 5761-62, 5811, 5825-26, 5827). A Statement of Overriding Considerations was adopted for these impacts. (Tab 3, 1 AR 145-163.)

The City did not ignore DFG's comments, but in response to DFG, stated that it had considered the NRMP and its EIS/EIR, which had earlier analyzed impacts on the Jackrabbit within the NRMP area (in and adjacent to the Santa Clara River), and found those impacts to be significant and imposed mitigation to reduce them to a less than significant level. (Tab 8, 6:2 AR 6622-23.) Those mitigation measures, the City explained, had been incorporated into the Project as design features, and that Riverpark scaled back the activities permitted by the NRMP, so that the activities within the NRMP area would have even less of an impact on the Jackrabbit than the NRMP EIS/EIR had determined. (Tab 8, 6:2 AR 6622-24.)

Development was moved further back from the Santa Clara River to protect riparian resources, including Jackrabbit habitat (including bank stabilization in a portion of the site). A public trail that had been proposed in the riverbed was moved out to join the pedestrian/bike bridge over the Aqueduct. (Tab 8, AR 6623-24; see also Tab 2, Tab 4, Tab 12 [FEIR, Final Project Revisions]; Tab 11) The City also explained that the mitigation requiring preconstruction surveys and capture and relocation was more definitive than DFG described B more than simply forcing individuals to disperse. As to cumulative impacts, the City

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all of the land between the eastern border of Riverpark vest to Castaic Creek, and because Riverpark had been revised to preserve even more upland, the EIR had concluded that cumulative impacts on the species would be less than significant. (Tab 8, AR 6624.) DFG disputed the EIR's conclusions without challenging the City's

survey methodology. (Tab 8, AR 5882.) As the City's response to DFG's comment letter shows, the City considered DFG's comments, but disagreed with them. The City's response did not assert that the EIR relied solely upon the NRMP EIS/EIR's analysis of impacts on the Jackrabbit. (Tab 8, AR 6622-24.) Rather, the EIR conducted its own independent analysis. (Tab 7 [RDEIR, § 4.6]; Tab 6 [survey report]; Tab 9 [RDEIR].) The City's responses to DFG contained a reasoned explanation based on scientific information. (See CEQA Guideline ' 15088.) The City was not required to accept DFG's opinions over those of its own expert. of Irritated Residents, supra, at 1394-97; Laurel Heights I, supra, 47 Cal.3d at 393-93.)

Substantial evidence supports the EIR's conclusions Jackrabbit. The evidence shows the EIR conducted its own analysis of the impacts on the Jackrabbit, and did not rely solely upon the NRMP EIS/EIR for that analysis.

Holly-Leaf Cherry Scrub

The surveys conducted by the Project's expert botanist concluded that the plant community identified was not "holly-leaf cherry woodlands, "but "holly-leaf cherry scrub" ("HLCS"), which is different and one not specified in DFG's List of California Terrestrial Natural Communities recognized by the California Natural Diversity Data Base (i.e. without any State or federal protection). (Tab 7, AR 5716-17; Tab

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Based on the evidence, including the rare plant surveys conducted in 2002 and 2003, and supporting evidence (Tab 6, AR 3359-82, 3383-95), the EIR reported the expert botanist's identification of the plant community on-site as HLCS (Tab 7, 5:2 AR 57 16-17). The EIR properly defined the class of plants that were considered to be "special status plants" (Tab 7, 5.2 AR 5722), and did not include HLCS within that class based on the botanist's expert opinion. Based on CEQA and City thresholds, the EIR concluded that the permanent disturbance of 3.6 acres of HLCS, which did not support special-status plant or wildlife species and is not considered to be sensitive by the resource agencies, was not significant (Tab 7. 5.2 AR 5767). As noted before, the EIR concluded that the project-level and cumulative impacts from disturbing an aggregate of 280 acres of habitat, in general, necessarily including HLCS, would be a significant impact, and unavoidable even after mitigation, and, a Statement of Overriding Considerations was adopted as to this impact (Tab 3, AR 145-163).

The City's response to DFG's comments on the HLCS was not "dismissive." The City responded that based on scientific and other information the identified plant community was not "holly-leafed cherry woodland," but HLCS, because the canopy did not amount to a woodland canopy, and that DFG does not include HLCS within its list of special status plant communities. Also because only 3.6 acres of habitat would be permanently impacted by the Project, and HLCS "stand of trees" was not considered a sensitive plant community as identified by the DFG, the

Substantial evidence supports the conclusions that the HLCS on site was not a special status species, and that impacts to it alone would not be significant.

## III. Description of the Project and Mitigation Measures

Petitioners contend that the EIR fails as an informational document to adequately describe the project or the mitigation measures, misstates the public and agency concerns raised in comment letters, and fails to meaningfully respond to them.

The EIR adequately describes impact on the Santa Clara River and is not misleading

Petitioners contend the project will damage the river and the EIR and the City's staff reports mislead by "perpetuat[ing] the myth that the project will improve the condition of the river," (OB 16-17) and by the statement in Final EIR that the project "has been designed to preserve the Santa Clara River corridor." (AR 28.)

A review of the record discloses extensive discussion in the EIR and staff reports concerning the encroachment into the Santa Clara River and the impacts to it. Among other things, the EIR discloses that the Project would install buried bank stabilization in the western portion of the site, but not the eastern portion where the river corridor would remain substantially undisturbed up to the eastern boundary where the Newhall Ranch Road Golden Valley Road Bridge would be built. (See Tabs 4, 5, 7, 11, 12.) There is evidence that buried bank stabilization is less harmful to the river and its resources than traditional cement stabilization, yet protects adjacent development adequately (Tab 11, 9 AR 10739-47 [FEIR, App. C. Functional Assessment Summary], 10877-90

Thus, the City did not "ignore Riverpark's encroachment into the river." It considered at great length the Project's impacts on the river and adjacent areas and required changes in the Project to reduce those impacts.

of Overriding Considerations (Tab 7.)

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The EIR adequately describes the project setting and is not misleading

The City found that "the proposed project is appropriate for the subject property," "proposes considerably lower densities than existing nearby developments," and that "[b]y proposing a maximum of 1,089

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residential units and approximately 16,000 square feet of commercial space, the project proposes development that would be substantially less dense and less intense than those that both the current and the proposed land use classifications would allow." (1 AR 30.)

Petitioners contend the finding is incorrect, because the City "never actually calculated the number of residential units that can actually be built on the site," and the site's physical characteristics, such as topography, constrain the number of units that can be built on any given parcel.

The findings relating to the project setting are adequate under CEQA and not misleading. Prior to the approval of the General Plan Amendment and Zone Change proposed by the Project, the City's General Plan designations for the site permitted development more dense and intense than the now-approved designations. (See, e.g., Tab 4, 2:1 AR 346-48 [DEIR, § 1.0, Project Description], 830-837 [Id., § 4.7, Land Use]; Tab 4, 18 2:2 AR 947-52.)

There is no requirement the City must calculate exact number of units which actually can be built.

The EIR adequately describes on-site and off-site dedications to the City

Petitioners contend the EIR does not "adequately describe both the on-and off-site [land] dedications, which the City considers a significant benefit, and has identified as one main bases [sic] for over-riding the project's significant adverse impacts," and City staff and the EIR do not discuss in an Agenda Report to the City Council a Planning Commissioner's comments during a debate on whether the Commission would consider the Project's proposed dedication of portions of the South Fork of the Santa Clara River to be a benefit under the

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Preliminarily, these issues were not raised during the administrative process and, consequently, are now barred. (CEQA, § 21177(a); see Park Area Neighbors v. Town of Fairfax (1994) 29 Cal.App.4th 1442, 1447-48.) Moreover, the dedications were not offered as mitigation measures, but as benefits in connection with the City's issuance of a Statement of Overriding Considerations and the Hillside Development Application. (Tab 3. 1 AR 147-1 50.)

In any case, CEQA requires that an EIR analyze a project's adverse environmental impacts, its benefits. (See, CEQA, not e.g., § 21002.1(a).) Dedication of on-site and off-site open space to the City to be preserved in perpetuity does not create adverse environmental impacts. Even so, the EIR does discuss the attributes of these land dedications. The on-site land to be dedicated was discussed extensively in the Draft EIR (see. e.g., Tab 4, AR 367 [DEIR, § 1.0, Project Description]; Tab 4, 2:2 AR 1214-44 [id., § 4.12, Parks and Recreation]; Tab 7, 5:2 AR 5689-5827 [RDEIR, § 4.6, Biological Resources]), as well as in City staff reports (Tab 604,61 AR 42947-42953; Tab 652, 73 AR 51639-51650; Tab 652, 73 AR 51651-51811; Tab 666, 74 AR 51913-51925; Tab 674, 74 AR 52073-52085; Tab 2-3, 1 AR 9-227) and in Planning Commission hearings (Tab 3, 1 AR 147-150). The attributes and benefits of the offsite land dedications are discussed in the Final EIR (see, e.g., Tab 12. 10 AR 11742-61 [FEIR. Final Project Revisions]; Tab 11, 9 AR 11419-22, 11516 [FEIR. App. K, map, land use table, new SEA chart]).

Failure to discuss comments in the agenda report is not fatal here. The Planning Commission debated which Project attributes should be considered as benefits in connection with their decision whether to

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recommend approval of the Hillside Development Application, for which Newhall had submitted its Innovative Application Compliance Report. The EIR analyzed the land being dedicated to the extent necessary to inform the City and the public, and based on that information, the Planning Commission ultimately voted on which Project benefits it viewed as supporting the Hillside Development Application, including, without limitation, the on- and off-site land dedications (Tab 9,7:2 AR 8079-81 [12/21/04 HT]; Tab 652, 73 AR 51639-45, esp. 51643 [12/21/04 Staff Report]; Tab 2, 1 AR 15-18 [App. Reso.]). All of this information was before the City Council.

The EIR adequately describes on and off-site dedications and does not fail as an informational document in other respects.

## IV. Alternatives Were Considered as Required by CEOA

An EIR's alternatives analysis must include a reasonable range of alternatives to the project that would feasibly obtain the basic objectives of the project and evaluate the comparative merits of the alternatives. (Guidelines, § 15126.6(a).)

Petitioners contend that the City's rejection of Alternative 2, the Santa Clara River Reduced Bank Stabilization Alternative, in the EIR and in its Findings was "disingenuous and pretextual, and therefore contrary to the mandates of CEQA" and not supported by substantial evidence.

Substantial evidence supports the determinations made by the City in rejecting Alternative 2 and finding that, due to the revisions to the Project, that alternative was no longer environmentally superior.

The City rejected Alternative 2 for multiple reasons.

After analyzing Alternative 2's impacts as compared to those of the Project as originally proposed, the EIR concluded that, while this alternative would reduce impacts in certain environmental areas

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As noted above, the original Project was substantially revised over the course of the 24 public hearings. The Project as revised and approved: (1) Moved all development back to the resource line established by the Planning Commission, which reduced the Project's intrusion into the SEA and protected mature riparian resources that serve as habitat (Id.. esp. Tab 11, 9 AR 11419-22, 11516 [FEIR App. K, Project Revisions and Additional Information]; Tab 12, 10 AR 11741-61 [FEIR, Final Project Revisions]; Tab 11,9 AR 11224-35 IFEIR App. 1,7/20/04 Staff Report] ), (2) Moved the equestrian trail out of the river (Id. esp. Tab 12, 10 AR 11741-61 [FEIR, Final Project Revisions]),

(3) Reduced the Project's overall (temporary and permanent) intrusion 1 into the SEA from the original 37 acres to 32.1 acres, and its permanent 2 intrusion from 24 to 16.9 acres, 7.5 of which are attributable to the 3 construction of Newhall Ranch Road and one of which is attributable to the Santa Clara River Trail (Id. esp. Tab 11, 9 AR 11516 [FEIR App. K, 5 Tab 12, 10 AR 11741-61 [FEIR. Final Project new SEA chart]; 6 Revisions)), (4) Was conditioned on an absolute prohibition of construction of any lots within the new FEMA floodplain boundaries (Tab 8 11, 9 AR 11406-09 [CLOMR]: Tab 12, 10 AR 11756, 11757-58 [FEIR, Final 9 Project Revisions].) (5) Relocated the Newhall Ranch Road/Golden Valley 10 Road Bridge abutments farther out of the active channel of the river, 11 resulting in reduced impacts to biological resources in those riparian 12 areas (Tab 11, 9 AR 11410-17 [FEIR App. J, Technical Memorandum 13 Hydraulic Design and Analysis]; Tab 12, 10 AR 11758 [FEIR, Final Project 14 Revisions]) and (6) Dedicated approximately 318 off-site acres, 15 16 including, inter alia, the ARound Mountain" site containing 37 acres of Santa Clara River SEA, which further offset the Project's impacts on 17 biota and the floodplain (Tab 12, 10 AR 11741-58 [FEIR, Final Project 18 Revisions]). 19

Based on the evidence as regards the revised project, the City Council found that, as compared with the Project as approved, Alternative 2 was no longer environmentally superior because the new Project design reduced development, and thus impacts, in areas not affected by the revisions contemplated by Alternative 2, that although the approved Project would afford the City 94 fewer residential units, it still preserved a greater mix of housing opportunities than did Alternative 2, which reduced the number of single-family lots, and that

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The findings as to Alternative 2 are supported by substantial evidence and the record shows that the City Council considered and balanced all of the competing factors, and chose to approve the Project with those factors in mind.

V. City Properly Found that the Project is Consistent with General Plan Goals and Policies of Protecting Significant Natural Resources Government Code section 66473.5 provides that "[n]o local agency shall approve a tentative tract map . . . unless . . . [it] is consistent with the general plan."

It is within the City's province, to balance the competing interests reflected in its General Plan policies, and the City has broad discretion to construe those policies in light of the plan's purposes.

(San Franciscans Upholding the Downtown Plan, supra, at 678.) A reviewing court, therefore, may only ascertain whether the lead agency "considered the applicable policies and the extent to which the proposed project conforms with those policies" (id.) by considering whether, as a whole, the "'project is compatible with, and does not frustrate, the general plan's goals and policies" (Napa Citizens for Honest Government v. Napa County Board of Supervisors (2001) 91 Cal.App.4th 342, 355.) A project must be in agreement or in harmony with the applicable General Plan, "not in rigid conformity with every detail thereof." (San Franciscans Upholding the Downtown Plan, supra.)

A lead agency's determination that a project is consistent with its general plan "can be reversed only if based on evidence from which no reasonable person could have reached the same conclusion." (A Local and Regional Monitor v. City of Los Angeles (1993)16 Cal.App.4th 630, 648;

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see also <u>San Franciscans Upholding the Downtown Plan v. City and County of San Francisco</u> (2002) 102 Cal.App.4th 656, 6771.) In approving the Project, the City considered its General Plan policies and the Project conformance to them.

Petitioners contend that the Project is inconsistent with the City's General Plan goals and policies to protect significant natural resources because its intrusions into the SEA and the floodplain are inconsistent with the General Plan requiring the developer to "enhance and preserve the SEA," and the EIR's conclusion that the project is consistent with Land Use Policy Element 5.3 by "not proposing development within the river" (2 AR 891) is not supported by the evidence in the record.

The EIR analyzes the original Project's consistency with the City's General Plan and concludes that the Project as originally proposed was consistent with Policy 1.1 of Goal I of the City's Open Space and Conservation Element because the Project preserves the Santa Clara River and much of its significant vegetation as open space (Tab 4, 2:2 AR 859-60) as shown by evidence noted above as to other issues. Furthermore, as discussed <u>supra</u>, the Project was later revised, further reducing the Project's overall intrusion into the SEA from 37 to 32.1 acres, and dedicating 37 undeveloped acres of SEA in the Round Mountain property.

The EIR also concludes that the Project as originally proposed was consistent with Policies 3.3 and 3.7 of Goal 3 of the City's Open Space and Conservation Element, because the EIR identifies areas of significant ecological value and natural riparian habitat and mitigates impacts to the extent possible (Tab 4, 2:2 AR 861-62: see also Tab 7. 5:2 AR 5689-5827 [RDEIR, § 4.6, Biological Resources]). Also, as

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The original Project was also found to be consistent with Policy 5.3 of Goal 5 to require new development to be sensitive to SEAs through creative planning techniques that avoid and minimize disturbance in these areas for these same reasons (Tab 4, 2:2 AR 890-91), a conclusion supported by the same substantial evidence that supports consistency with Goal 1, Policy 1.1 of the Open Space and Conservation Element.

Petitioners' arguments that the Project impermissibly intrudes into the SEA restate their CEQA arguments. The same evidence in the record supports the consistency findings. The Project was revised to limit intrusion into the SEA. The City's decision after circulation of the Draft EIR to protect the riparian resources and habitat by setting the resource line in the western portion of the site and moving the equestrian trail out of the river bed further ensured that the Project as approved was consistent with the General Plan policies. always proposed placing 15 lots within the already disturbed SEA area next to Planning Area A-2. (See, e.g., Tab 7, 5:2 AR 5785.) Also, as revised Section 4.6 explains, even the permanent loss of 24 acres of habitat, now reduced to 16.9, is not expected to detract from the overall integrity and value of the SEA, and the Project will preserve and enhance various amounts of upland habitat in Planning Area B to serve as a buffer between the riparian habitat and development and to mitigate adverse impacts to riparian plant communities within the SEA. The benefits of the Project's enhancements to the banks of the Santa Clara River and to its main drainage in the 29-acre park are confirmed by the Final EIR's Hybrid Functional Assessment for Riverpark (Tab 11, 9 AR 10877-90).

Substantial evidence supports the finding of consistency with the City's General Plan. The Petition for Writ of Mandate is denied. Counsel for Respondent is ordered to prepare, serve and lodge in Department 85 a proposed Judgment Denying the Petition for Writ of Mandate on or before August 21, 2006. DATED: August 14, 2006 Dzintra I. Janavs Judge of the Superior Court