

PUBLIC NOTICE

U.S. ARMY CORPS OF ENGINEERS LOS ANGELES DISTRICT

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APPLICATION FOR PERMIT Lilac Hills Ranch Project

Public Notice/Application No.: SPL-2014-00595-RAG

Project: Lilac Hills Ranch Project

Comment Period: June 2, 2015 through July 2, 2015

Project Manager: Rose Galer; 760-602-4835; Rose.A.Galer@usace.army.mil

Applicant

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Contact

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Location

The proposed 608-acre Lilac Hills Ranch project (Project) site is located in the westernmost portion of the Valley Center Community Plan (VCCP) area and Bonsall Community Plan (BCP) area, approximately 2 miles from Interstate 15 (I-15) and Old Highway 395 (Latitude 33.29333 and Longitude -117.13597). From the northwest corner of the site, West Lilac Road serves as the northern boundary. The eastern border of the Project extends south almost to Elmond Drive and is bordered by Rodriguez Road on the east and Rodriquez Road on the west. From the southwest corner, the western boundary runs along Shirey Road and Standell Lane (Figures 1, 2 and 3).

Activity

As proposed, in the applicant's jurisdictional delineation, the Project is a mixed-use development over 608 acres. The proposed project would impact approximately 4.22 acres and 17,296 linear feet of jurisdictional waters of the U.S., of which 1.30 acre (1,918 linear feet) is jurisdictional wetlands and 2.92 acres (15,378 linear feet) is non-wetland jurisdictional waters (ephemeral drainages) (Figure 3). The proposed project activity would include the discharge of dredged or fill material into waters of the U.S., both non-wetland waters and wetland waters (i.e., special aquatic sites) (Figure A, 5a and 5b).

Interested parties are hereby notified an application has been received for a Department of the Army permit for the activity described herein and shown on the attached drawing(s). We invite you to review today's public notice and provide views on the proposed work. By providing substantive, site-specific comments to the Corps Regulatory Division, you provide information that supports the Corps' decision-making process. All comments received during the comment period become part of the

record and will be considered in the decision. This permit will be issued, issued with special conditions, or denied under Section 404 of the Clean Water Act. Comments should be mailed to:

DEPARTMENT OF THE ARMY LOS ANGELES DISTRICT, U.S. ARMY CORPS OF ENGINEERS REGULATORY DIVISION (File No. SPL-2014-00595-RAG) ATTN: Rose Galer 5900 LA PLACE COURT, SUITE 100 Carlsbad, California 92008

Alternatively, comments can be sent electronically to: Rose.A.Galer@usace.army.mil

The mission of the U.S. Army Corps of Engineers Regulatory Program is to protect the Nation's aquatic resources, while allowing reasonable development through fair, flexible and balanced permit decisions. The Corps evaluates permit applications for essentially all construction activities that occur in the Nation's waters, including wetlands. The Regulatory Program in the Los Angeles District is executed to protect aquatic resources by developing and implementing short- and long-term initiatives to improve regulatory products, processes, program transparency, and customer feedback considering current staffing levels and historical funding trends.

Corps permits are necessary for any work, including construction and dredging, in the Nation's navigable water and their tributary waters. The Corps balances the reasonably foreseeable benefits and detriments of proposed projects, and makes permit decisions that recognize the essential values of the Nation's aquatic ecosystems to the general public, as well as the property rights of private citizens who want to use their land. The Corps strives to make its permit decisions in a timely manner that minimizes impacts to the regulated public.

During the permit process, the Corps considers the views of other Federal, state and local agencies, interest groups, and the general public. The results of this careful public interest review are fair and equitable decisions that allow reasonable use of private property, infrastructure development, and growth of the economy, while offsetting the authorized impacts to the waters of the United States. The permit review process serves to first avoid and then minimize adverse effects of projects on aquatic resources to the maximum practicable extent. Any remaining unavoidable adverse impacts to the aquatic environment are offset by compensatory mitigation requirements, which may include restoration, enhancement, establishment, and/or preservation of aquatic ecosystem system functions and services.

Evaluation Factors

The decision whether to issue a permit will be based on an evaluation of the probable impact including cumulative impacts of the proposed activity on the public interest. That decision will reflect the national concern for both protection and utilization of important resources. The benefit, which reasonably may be expected to accrue from the proposal must be balanced against its reasonably foreseeable detriments. All factors which may be relevant to the proposal will be considered including the cumulative effects thereof. Factors that will be considered include conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, flood plain values, land use, navigation, shoreline erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food production and, in general, the needs and welfare of the people. In addition, if the proposal would discharge dredged or fill material, the evaluation of the activity will include application of the EPA Guidelines (40 CFR Part 230) as required by Section 404 (b)(1) of the Clean Water Act.

The Corps of Engineers is soliciting comments from the public; Federal, state, and local agencies and officials; Indian tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps of Engineers to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

Preliminary Review of Selected Factors

<u>EIS Determination</u>- A preliminary determination has been made an environmental impact statement is not required for the proposed work.

<u>Water Quality</u>- The applicant is required to obtain water quality certification, under Section 401 of the Clean Water Act, from the California Regional Water Quality Control Board. Section 401 requires any applicant for an individual Section 404 permit provide proof of water quality certification to the Corps of Engineers prior to permit issuance. For any proposed activity on Tribal land that is subject to Section 404 jurisdiction, the applicant will be required to obtain water quality certification from the EPA.

<u>Coastal Zone Management</u>- For those projects in or affecting the coastal zone, the Federal Coastal Zone Management Act requires that prior to issuing the Corps authorization for the project, the applicant must obtain concurrence from the California Coastal Commission that the project is consistent with the State's Coastal Zone Management Plan. As proposed, the Project is located outside of the coastal zone. However, a final determination of whether this project affects coastal zone resources will be made by the Corps, in consultation with the California Coastal Commission, after review of the comments received on this Public Notice.

<u>Essential Fish Habitat</u>- Preliminary determinations indicate the proposed activity would not adversely affect EFH. Therefore, formal consultation under Section 305(b)(2) of the Magnuson-Stevens Fishery Conservation and Management Act (MSA) is not required at this time.

Cultural Resources- Portions of the proposed project area were surveyed for cultural resources by Affinis archaeologists and representatives of the San Luis Rey Band of Luiseño Mission Indians in May 2007. The remaining project parcels were surveyed for cultural resources by Affinis staff and Native American monitors from Saving Sacred Sites (representing the San Luis Rey Band) between February 2011 and March 2012. Proposed off-site improvements were surveyed in July 2012. Seven archaeological sites and two isolates have been recorded within the project area: CA-SDI-12,551; CA-SDI-12,553H; CA-SDI-18,362; CA-SDI-18,363; CA-SDI-18,364; CASDI- 18,365; CA-SDI-20,436; P-37-028486; and P-37-032243). However, one of the previously recorded sites (CA-SDI-12,553H) was mapped incorrectly and is not located within the project area. Another previously recorded site (CA-SDI-12,553H) appears to have been removed by residential development, although subsurface features or deposits may remain beneath the existing residences. The five extant sites include a stacked stone rock feature (apparently historic) with two milling features nearby, a possible rock shelter or oven feature, lithic scatter, and three milling stations, one with associated lithic scatter. A testing program was conducted in July 2012 to assess the proposed project site in accordance with the significance criteria of the California Environmental Quality Act (CEQA) and the County of San

Diego's Guidelines for Determining Significance: Cultural Resources. These resources were also assessed according to Section 106 of the National Historic Preservation Act (NHPA) for their eligibility for the National Register of Historic Places (NRHP). Districts, sites, buildings, structures, and objects that meet the criteria for listing in the NRHP, are considered historic properties.

Within the Project's boundary, one site (CA-SDI-18362) was determined to be a historic property. The portion of this site that meets the criteria for NRHP eligibility is within the proposed biological open space easement. One other resource, CA-SDI-20436, is a significant resource under CEQA and may be eligible for the NRHP. The CA-SDI-20436 site is also within the proposed biological open space easement.

The Corps requested, from the Native American Heritage Commission's (NAHC), a Native American contact list. When this contact list is received, the Corps will initiate consultation with all Native American contacts as well as the State Historic Preservation Office (SHPO).

Endangered Species- Focused surveys were conducted by RECON from 2011-2014 for several sensitive wildlife species including: least Bell's vireo (*Vireo bellii pusillus*), coastal California gnatcatcher (*Polioptila californica californica*), and cactus wren (*Campylorhynchus brunneicapillus couesi*). Habitat assessments were conducted for the following sensitive wildlife species: southwestern willow flycatcher (*Empidonax traillii extimus*), burrowing owl (*Athene cunicularia hypugaea*), Hermes copper butterfly (*Lycaena hermes*), Stephens' kangaroo rat (*Dipodomys stephensi*), and arroyo toad (*Anaxyrus californicus*). Based on the applicant's biological technical report, no federally listed or threatened species were found within or near the proposed project site. However, the site is within U.S. Fish and Wildlife Service's (USFWS) designated critical habitat areas for the California gnatcatcher. The Corps will initiate consultation with the USFWS.

<u>Public Hearing</u>- Any person may request, in writing, within the comment period specified in this notice, that a public hearing be held to consider this application. Requests for public hearing shall state with particularity, the reasons for holding a public hearing.

Proposed Activity for Which a Permit is Required

Basic Project Purpose- The basic project purpose comprises the fundamental, essential, or irreducible purpose of the proposed project, and is used by the Corps to determine whether the applicant's project is water dependent (i.e., requires access or proximity to or siting within the special aquatic site to fulfill its basic purpose). Establishment of the basic project purpose is necessary only when the proposed activity would discharge dredged or fill material into a special aquatic site (e.g., wetlands, pool and riffle complex, mudflats, coral reefs). As proposed, the Project would impact approximately 4.22 acres and 17,296 linear feet of jurisdictional waters of the U.S., of which 1.30 acre (1,918 linear feet) is jurisdictional wetlands and 2.92 acres (15,378 linear feet) is non-wetland jurisdictional waters (ephemeral drainages). The basic project purpose for the proposed project is to construct a mixed-use development and the related, necessary infrastructure. The basic project purpose is not water dependent; therefore, the applicant has the burden of rebutting the presumption that there is a less damaging alternative for the proposed activity that would not affect jurisdictional wetlands [§40 CFR 230.10(a)(3.)].

Overall Project Purpose- The overall project purpose serves as the basis for the Corps' 404(b)(1) alternatives analysis and is determined by further defining the basic project purpose in a manner that more specifically describes the applicant's goals for the project, and which allows a reasonable range of alternatives to be analyzed. The applicant's stated overall project purpose for the proposed project

is to provide a compact pedestrian-oriented mixed-use village consistent with the County's Community Development Model and General Plan policies.

<u>Additional Project Information</u>

<u>Baseline information-</u> The 608 acre Lilac Hills Ranch project site is comprised of mostly agricultural and disturbed lands (76 percent) with patches of native habitat (coastal sage scrub, southern mixed chaparral) on the steeper slopes to the west; and riparian habitat (coast live oak woodland, coast live oak riparian woodland, willow riparian woodland, and willow scrub) along the major drainage courses. As proposed by the applicant, the Corps jurisdictional waters of the U.S. total approximately 18.13 acres, of which 13.44 acres consist of jurisdictional wetlands. A total of 44,406 linear feet of streambed were mapped on-site. The on-site jurisdictional waters consist of riparian wetlands and mostly un-vegetated or upland vegetated ephemeral drainages that have been partially affected by agriculture.

Project description- The project would consist of a mixed-use development, including residential, commercial, and institutional uses, along with parks and open space. Specifically, the project would include: 90,000 square-feet of commercial, office, and retail, including a 50-room country inn; 903 traditional single-family detached homes; 164 single-family attached homes; 211 residential units within the commercial mixed-use areas; and 468 single-family detached age-restricted residential units within a senior citizens neighborhood; necessary facilities and amenities to serve the senior population (including a senior community center, a group care facility, and a memory care facility); and a 2-acre Community Purpose Facilities (CPF) area that could be comprised of a private recreational facility and civic fire station, with the total area of both not to exceed 40,000 square feet. The project also proposes a school site to accommodate kindergarten through 8th grade students, public and private parks, and other recreational amenities. Also planned within the project site are a Recycling Facility (RF), a Water Reclamation Facility (WRF), and other supporting infrastructure. The mixed-use, commercial, and civic uses, with parks, would form a Town Center and two Neighborhood Centers, to which residents can walk to for various social and commercial needs. Open space would retain some of the existing citrus and avocado groves, sensitive biological/wetland habitat, and cultural resources totaling 104.1 acres. The project also includes off-site road and utility improvements.

Applicant's Preliminary Alternatives Analysis

The applicant's designated agent prepared a draft alternatives analysis examining the proposed Project, a No Federal Action (No Fill) Alternative and several Off-site Alternatives.

Proposed Project

The proposed project, as described above in the project description, would avoid 85 percent of the jurisdictional waters of the U.S. within the project site. The proposed project would impact 4.22 acres of waters of the U.S., including 2.92 acres (15,378 linear feet) of non-wetland waters of the U.S. (ephemeral streams) and 1.30 acres (1,918 linear feet) of wetlands waters of the U.S. See Figure A and Figure 3.

No Federal Action Alternative

The No Federal Action alternative avoids waters of the U.S. by either complete avoidance or by the construction of crossings that do not place permanent fill in jurisdictional waters of the U.S. (see Attachment A). This alternative would avoid all impacts to waters of the U.S. through construction of five large crossings (e.g., bridge, arch-culvert, or similar). This alternative would have two separate development nodes. The northern development area would have 453 single-family units and a 10-

acre Town Center consisting of 6 acres of commercial uses and 100 multi-family units (4 acres). There would be 4 acres of private parks and a 6.6-acre public park. The southern development area would have 140 single-family units and a 6-acre Town Center consisting of 3 acres of commercial uses and 75 multi-family units (3 acres). There would be 1.4 acres of private parks. The two development nodes would be served by a single sewage treatment plant constructed on a centrally located 6-acre parcel. Three acres of required wet weather storage would be included. Treated wastewater would not be reclaimed as the plant would not be large enough to produce consistent flows for a recycled water system. The No Federal Action Alterative would require 11 pump stations to convey effluent to the treatment plant.

Off-Site Alternatives

Off-site project areas were included in the draft alternatives analysis for property located in northern San Diego County (see Attachment B). The proposed Pre-Approved Mitigation Area (PAMA) for the North County Multiple Species Conservation Program (NCMSCP) was utilized in the alternatives analysis because it identifies sensitive biological resources and the future preserve design. The alternatives analysis considered all slopes over 25 percent, existing lot patterns and infrastructure availability. Physical constraints (e.g., PAMA, steep slopes and lot patterns) are shown on Attachment B. Development on slopes over 25 percent must generally be avoided or is severely constrained through the existing San Diego County Resource Protection Ordinance (RPO). The proposed project site only contains approximately 20 acres of slopes that exceed the San Diego County definition of "steep" and the project will preserve 99.7 percent of all the steep slopes on-site.

The draft alternatives analysis resulted in six alternative project sites, of roughly 500-600 acres, with similar parcel layouts and minor amounts of steep slopes. Four alternative project sites are located outside of the proposed PAMA while two (F and G) are located within the PAMA (see Attachment B).

Project alternative site A is located in the Bonsall Community Plan area, and is located approximately two miles west of the project site, and slightly over one mile from a major transportation corridor. Project alternative site A is located in the Rainbow Municipal Water District (RMWD).

Project alternative site B is located approximately four miles east of the proposed project site. This area is located in the Valley Center Municipal Water Distrcit (VCMWD). This property is located roughly five miles from any regional transportation corridor.

Project alternative sites C and D are designated villages located within the town of Valley Center. These two areas are located approximately 11 miles from a major regional transportation corridor. Project alternative sites C and D are located within VCMWD and could have access to water and sewer with construction of proper facilities. Areas C and D are needed to complete the town of Valley Center, providing business and commercial opportunities that do not currently exist in two compact locations.

Project alternative site E is the downtown area of the City of Escondido. Project alternative site E is located near a major transportation corridor and existing water and sewer services would be available upon construction for necessary facilities.

Project alternative site F is located just north of State Route 76 in the Fallbrook Community Plan area. Area F is a valley with steeper hills to the west and east. There is enough land within Area F in which to plan a compact, pedestrian oriented community in close proximity to a regional transportation corridor. Project alternative site F is located within the proposed North County MSCP PAMA.

Project alternative site G is located just south of State Route 76 in the Fallbrook Community Plan area. Area G includes a large flat area that is the San Luis Rey River floodplain, and becomes quite steep beyond the floodplain. Area G is located within the proposed North County MSCP PAMA.

Project alternative site H is located south of SR-78 and the community of Bonsall, in the Bonsall Community Plan area, and south of the San Luis Rey River. The property is approximately 1,400 acres in size. At least half of the property is relatively flat and disturbed with existing agriculture and a thoroughbred breeding and boarding operation. The property is located in the Rainbow Municipal Water District (RMWD) and the proposed North County MSCP PAMA.

<u>Proposed Mitigation</u> – The proposed mitigation may change as a result of comments received in response to this public notice, the applicant's response to those comments, and/or the need for the project to comply with the 404(b)(1) Guidelines. In consideration of the above, the proposed mitigation sequence (avoidance/minimization/compensation), as applied to the proposed project is summarized below.

<u>Avoidance:</u> As proposed by the applicant, avoidance measures include avoidance of 85 percent of the jurisdictional waters of the U.S. on-site by minimizing impacts to the major drainage courses to road crossings and impacting disturbed narrow non-wetland ephemeral drainages. The avoided areas or biological open space, would be preserved and protected under a covenant of easement. The proposed road crossings minimize impacts to waters of the U.S. by placing the proposed crossings where wetlands/streambeds are narrow, disturbed, and where existing agricultural road crossings exist (see Attachment A).

Minimization: Measures to minimize indirect edge effects on waters of the U.S. include buffers that range between 50 and 100 feet, incorporation of limited building zone setbacks adjacent to these buffers, and restrictions on nighttime lighting adjacent to the preserved waters of the U.S. In addition, signage and fencing would be installed to restrict access to the biological open space areas except along designated trails to help minimize any potential future impacts to the waters of the U.S. Restrictions on construction activities during the sensitive avian breeding season will reduce the potential for indirect noise impacts while the project is being graded. Storm drain outlets must meet the storm water pollution requirements which would limit any indirect impacts from runoff to the waters of the U.S.

<u>Compensation:</u> Compensatory mitigation for unavoidable impacts to waters of the U.S. will be required. The proposed mitigation includes a combination of on-site restoration for wetland and non-wetland waters of the U.S. The proposed mitigation plan includes 6 acres of creation/establishment of wetland/riparian habitat to be created in the southern portion of the proposed project site. In addition, at total of 12 acres is proposed as preserved wetland/riparian habitat to be enhanced within the biological open space. Table 3 lists the applicant's proposed wetland impacts and mitigation.

TABLE 3
SUMMARY OF WETLAND IMPACTS AND MITIGATION

		Impact	Mitigation	Total Mitigation Requirement
Vegetation Community	Agency Jurisdiction	(acres)	Ratio	(acres)
Southern Coast Live Oak	ACOE, CDFG,	1.9	3:1	5.7
Riparian Woodland (61310)	County of San Diego ¹			
Coastal/Valley Freshwater Marsh	ACOE, CDFG,	0.2	3:1	0.6
(52410)	County of San Diego ¹			
Southern Willow Riparian	ACOE, CDFG,	0.5	3:1	1.5
Woodland (62500)	County of San Diego ¹			
Mule Fat Scrub (63310)	ACOE, CDFG,	0.1	3:1	0.3
	County of San Diego ¹			
Southern Willow Scrub (63320)	ACOE, CDFG,	0.6	3:1	1.8
	County of San Diego ¹			
Disturbed Wetland (11200)	ACOE, CDFG,	0.1	3:1	0.3
, ,	County of San Diego ¹			
Non-wetland Waters/Streambed	ACOE, CDFG	3.1	1:1	3.1
TOTAL		6.5		13.3

Where RPO wetlands occur.

Proposed Special Conditions

No permit conditions are proposed at this time.

For additional information please call Rose Galer of my staff at 760-602-4835 or via e-mail at Rose.A.Galer@usace.army.mil. This public notice is issued by the Chief, Regulatory Division.



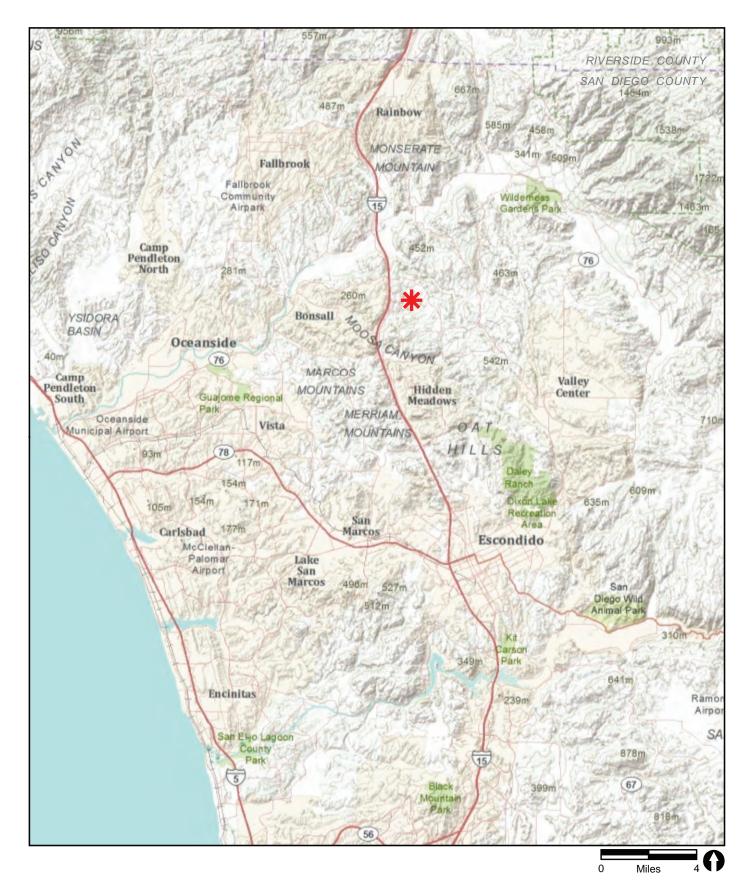
Regulatory Program Goals:

- To provide strong protection of the nation's aquatic environment, including wetlands.
- To ensure the Corps provides the regulated public with fair and reasonable decisions.
- To enhance the efficiency of the Corps' administration of its regulatory program.

DEPARTMENT OF THE ARMY
LOS ANGELES DISTRICT, U.S. ARMY CORPS OF ENGINEERS

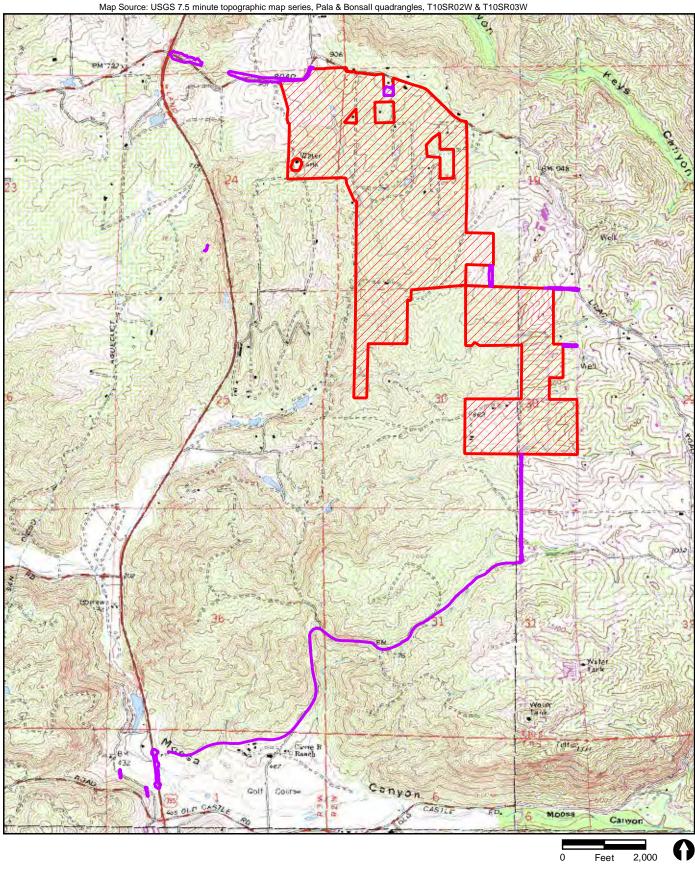
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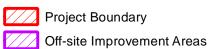
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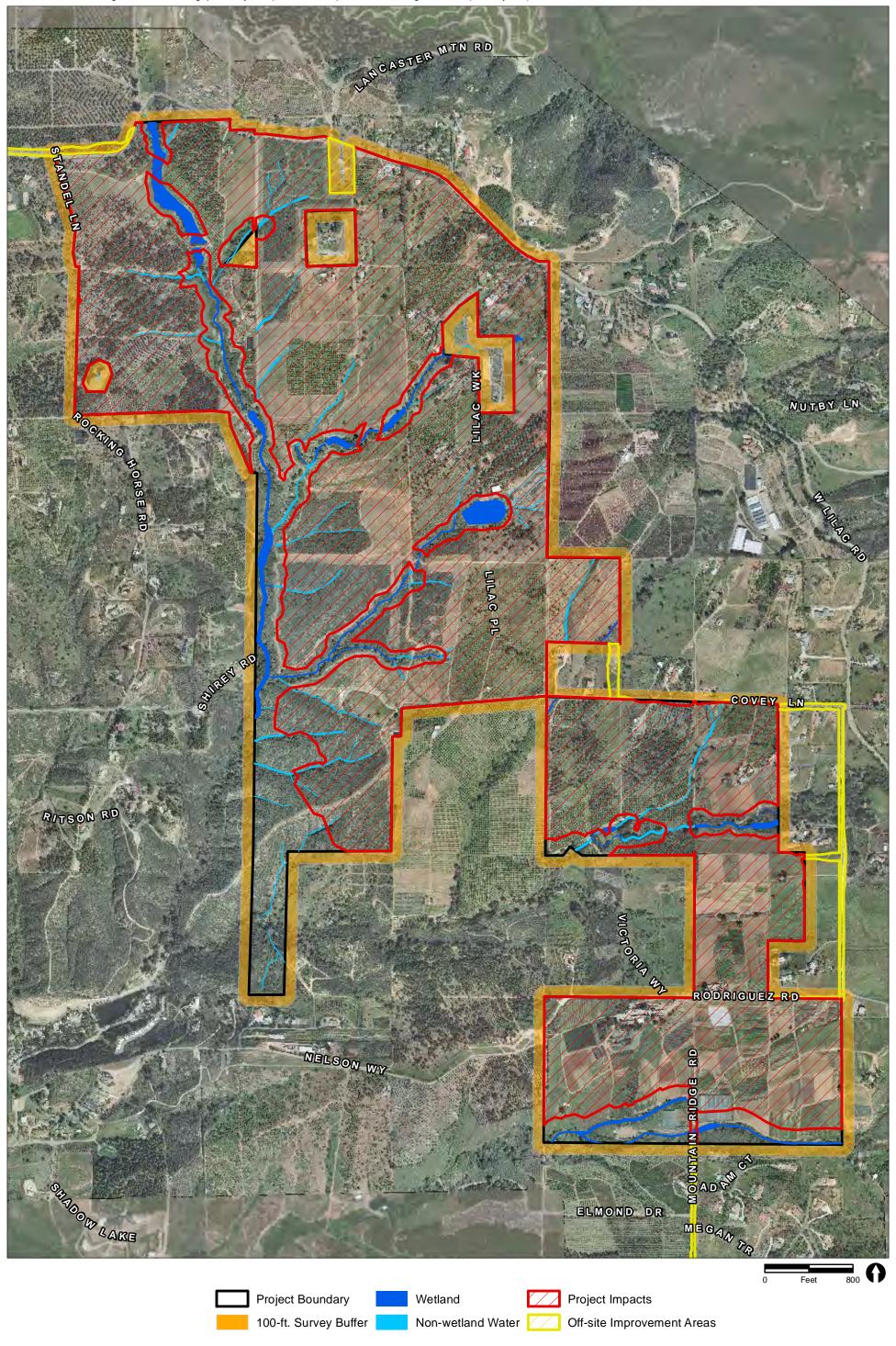


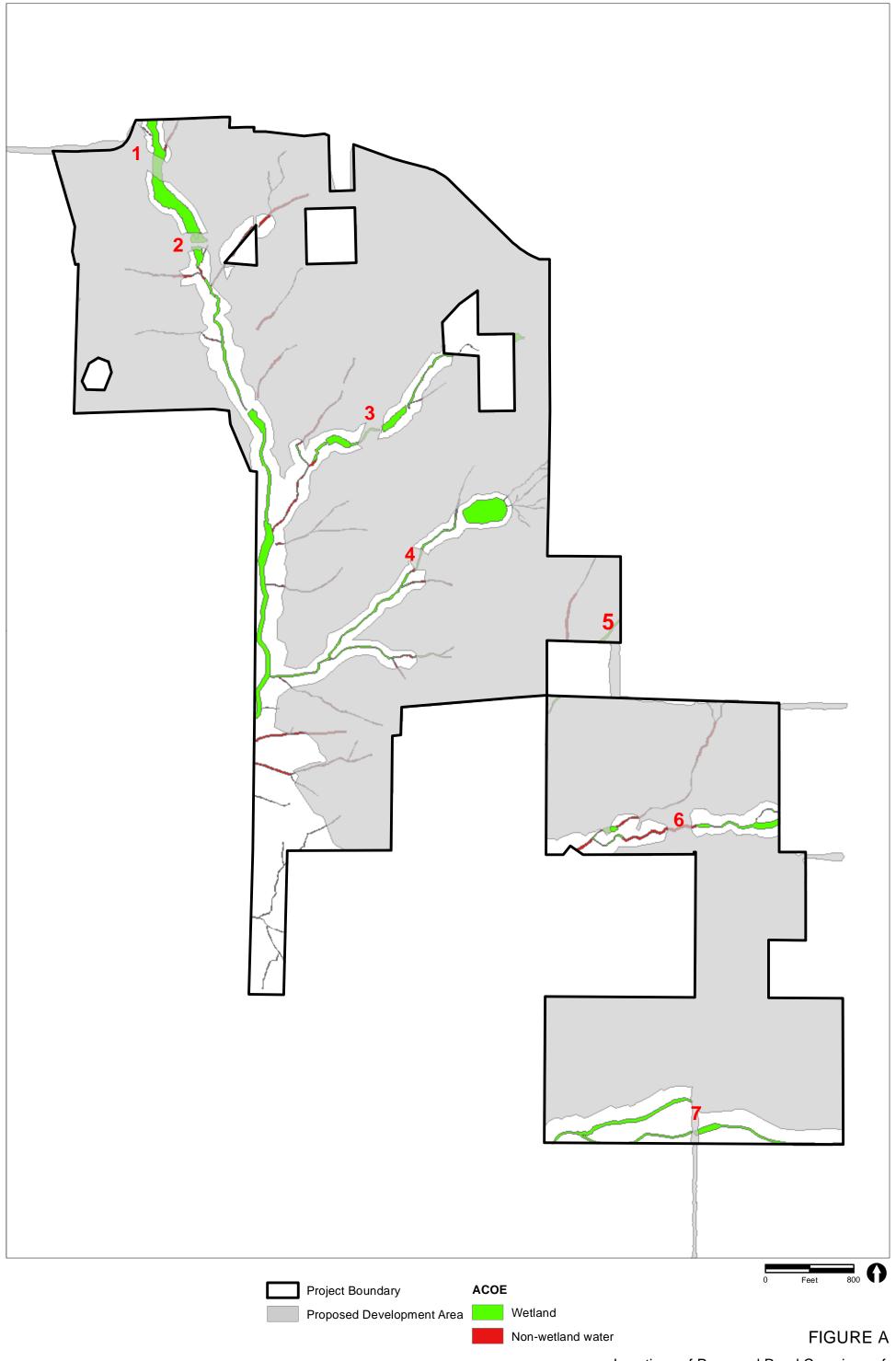












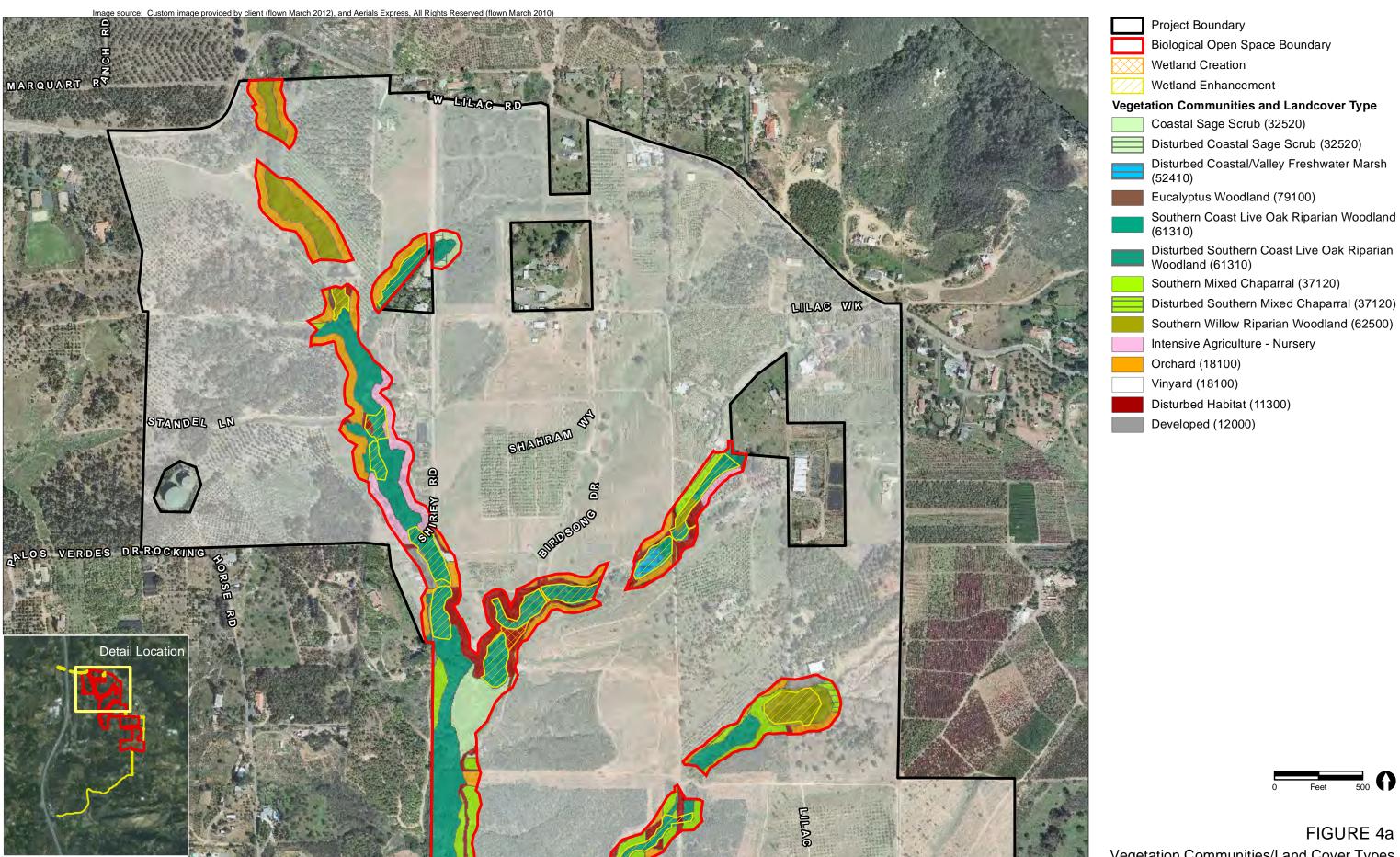


FIGURE 4a

Vegetation Communities/Land Cover Types within Biological Open Space and Location of Potential Wetland Mitigation

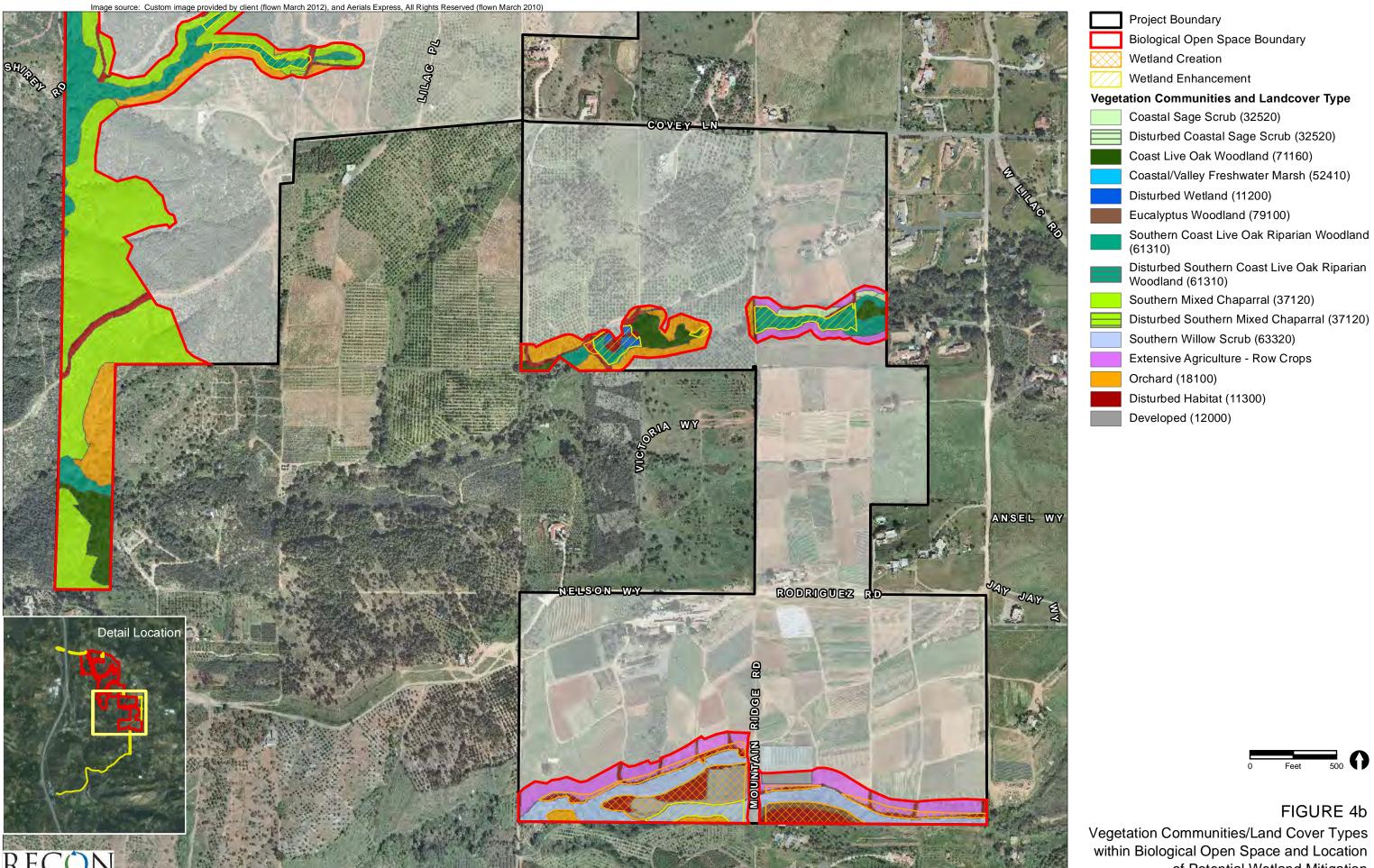
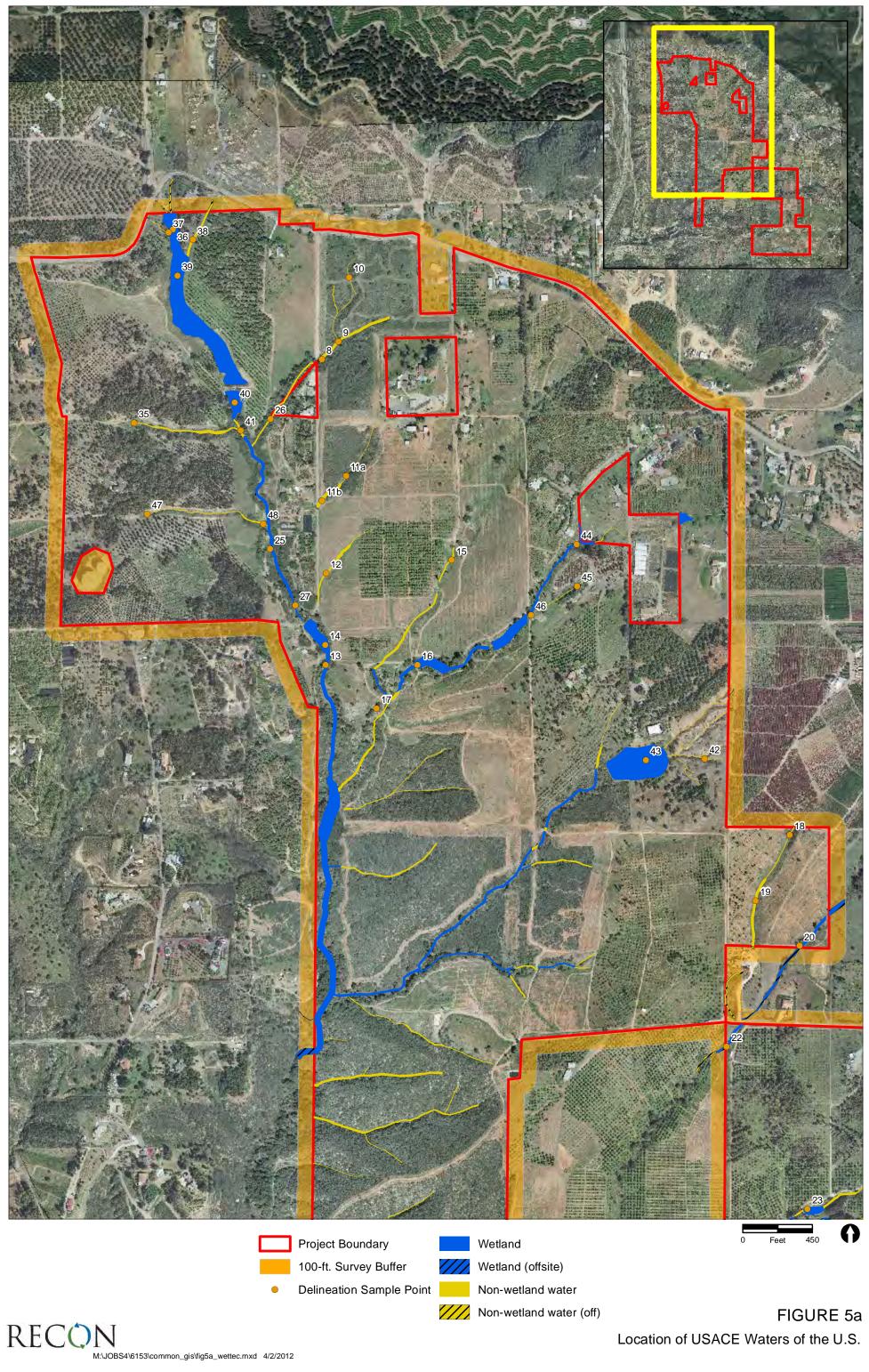
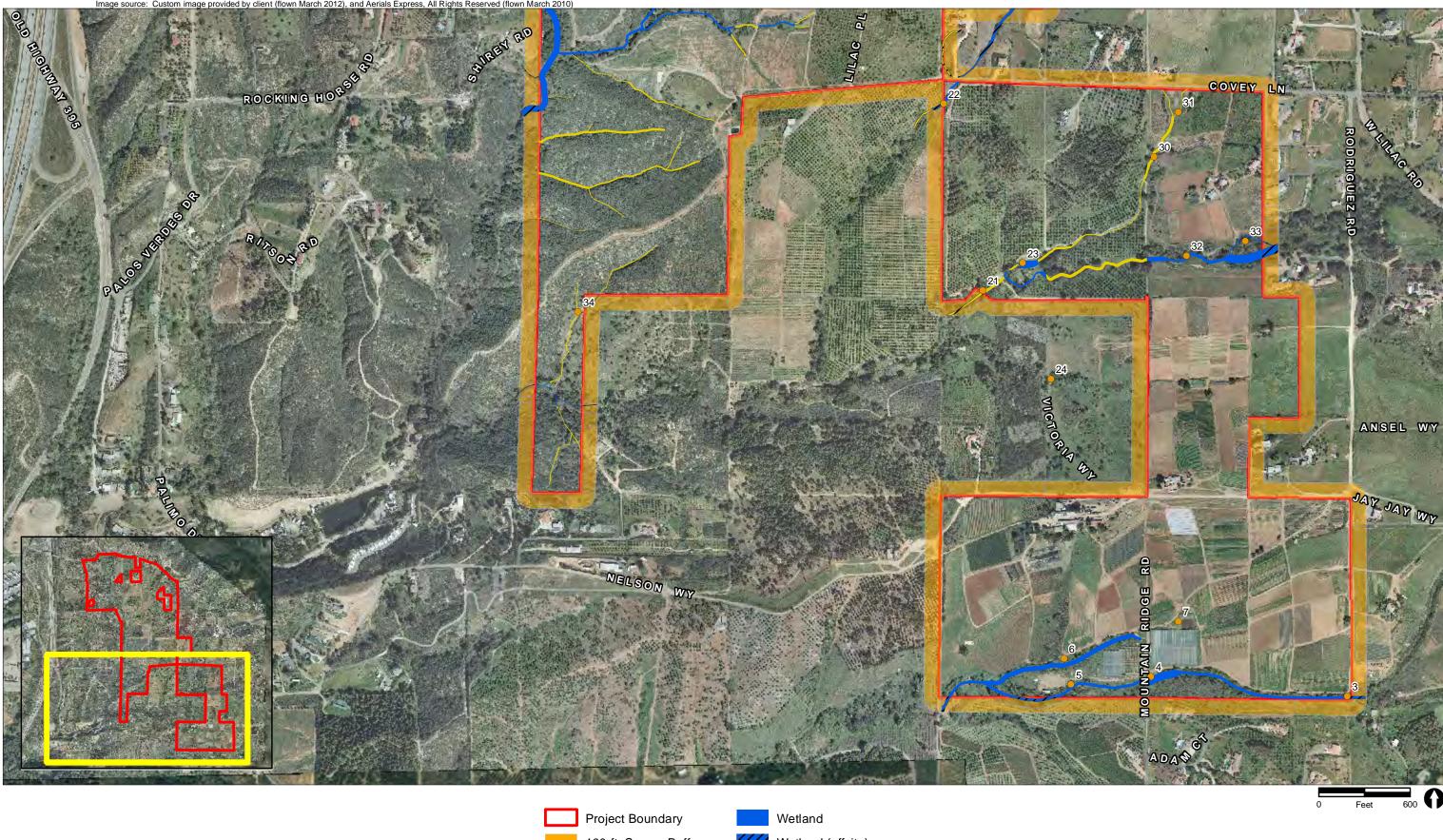


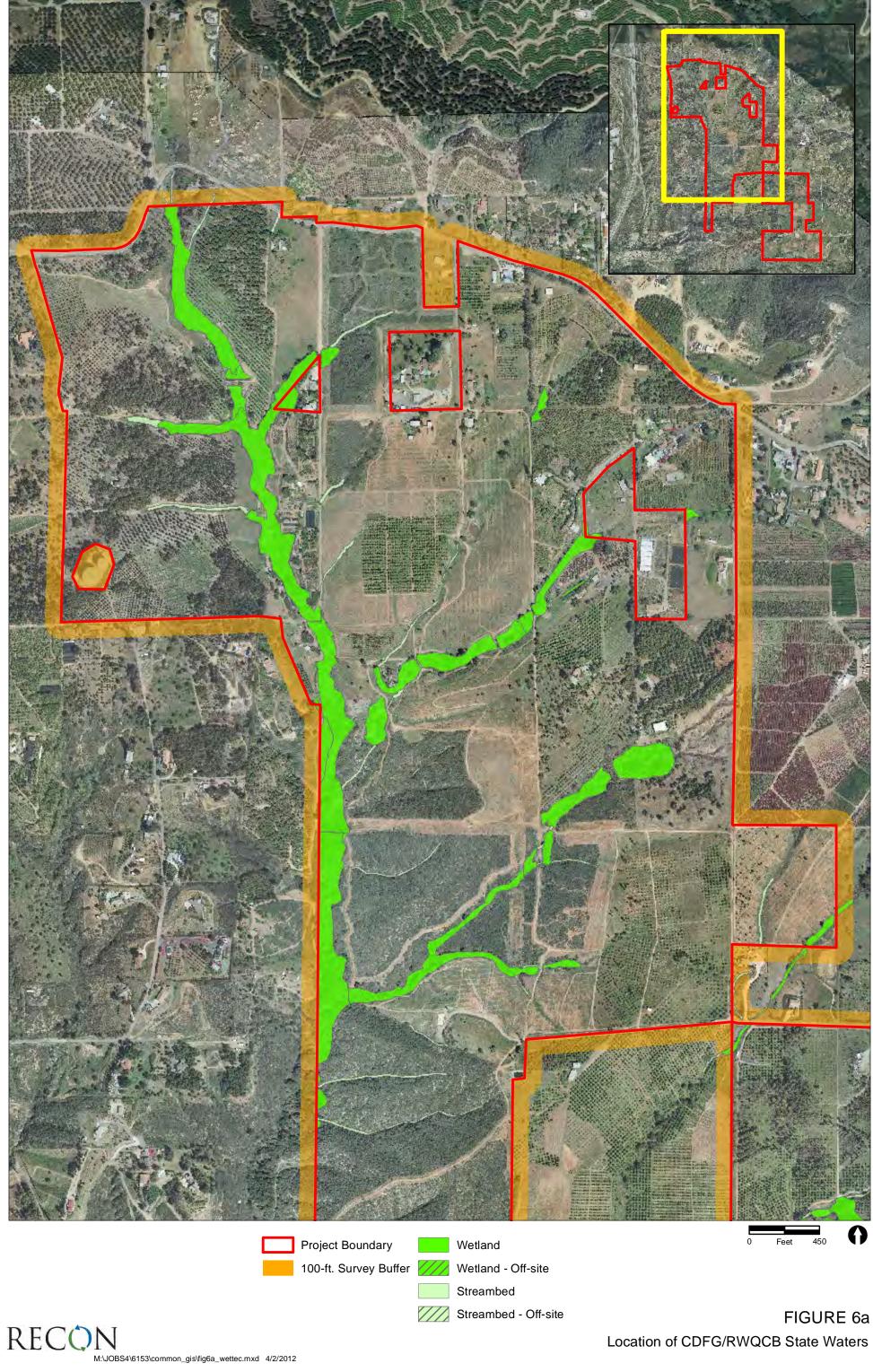
FIGURE 4b

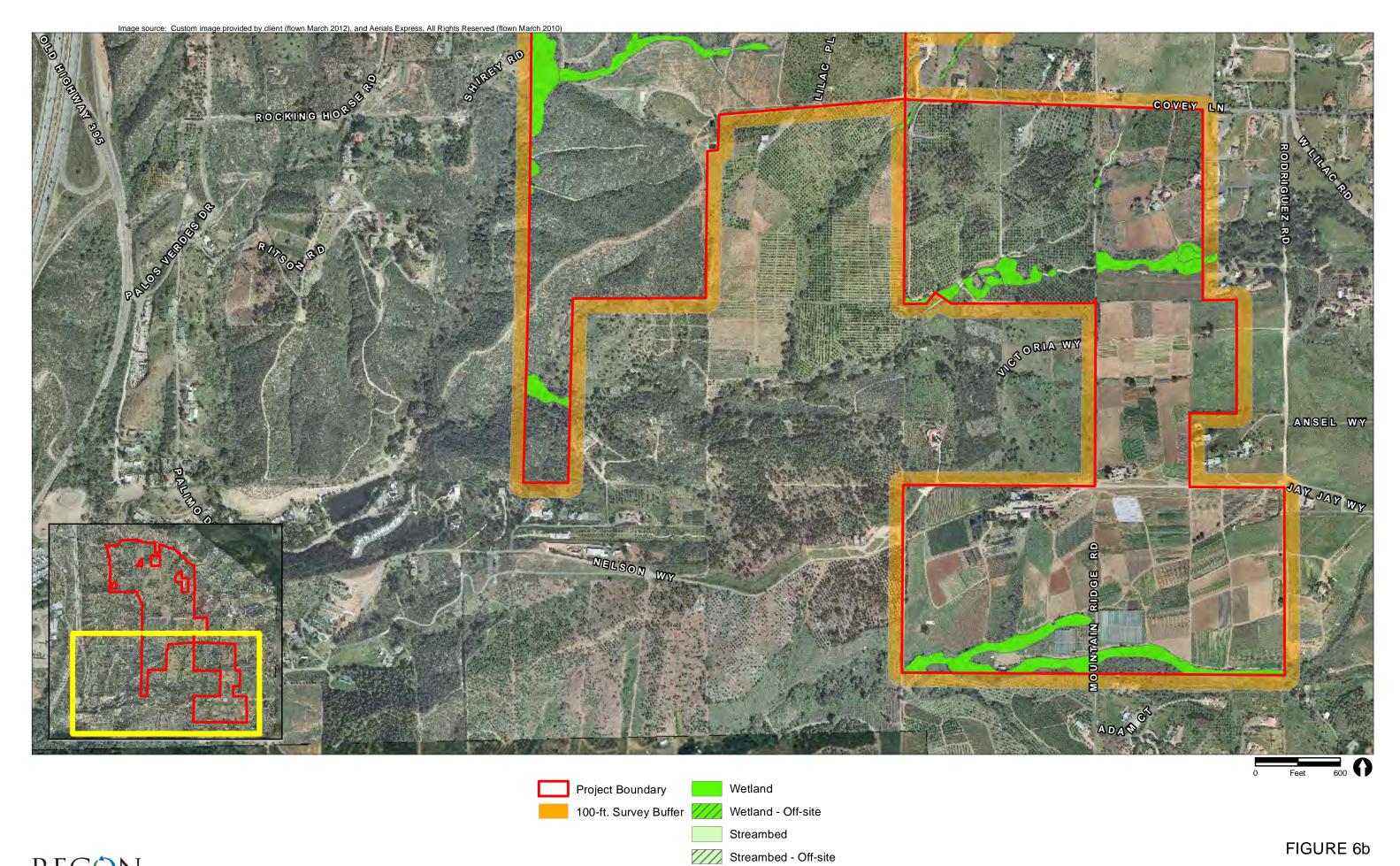
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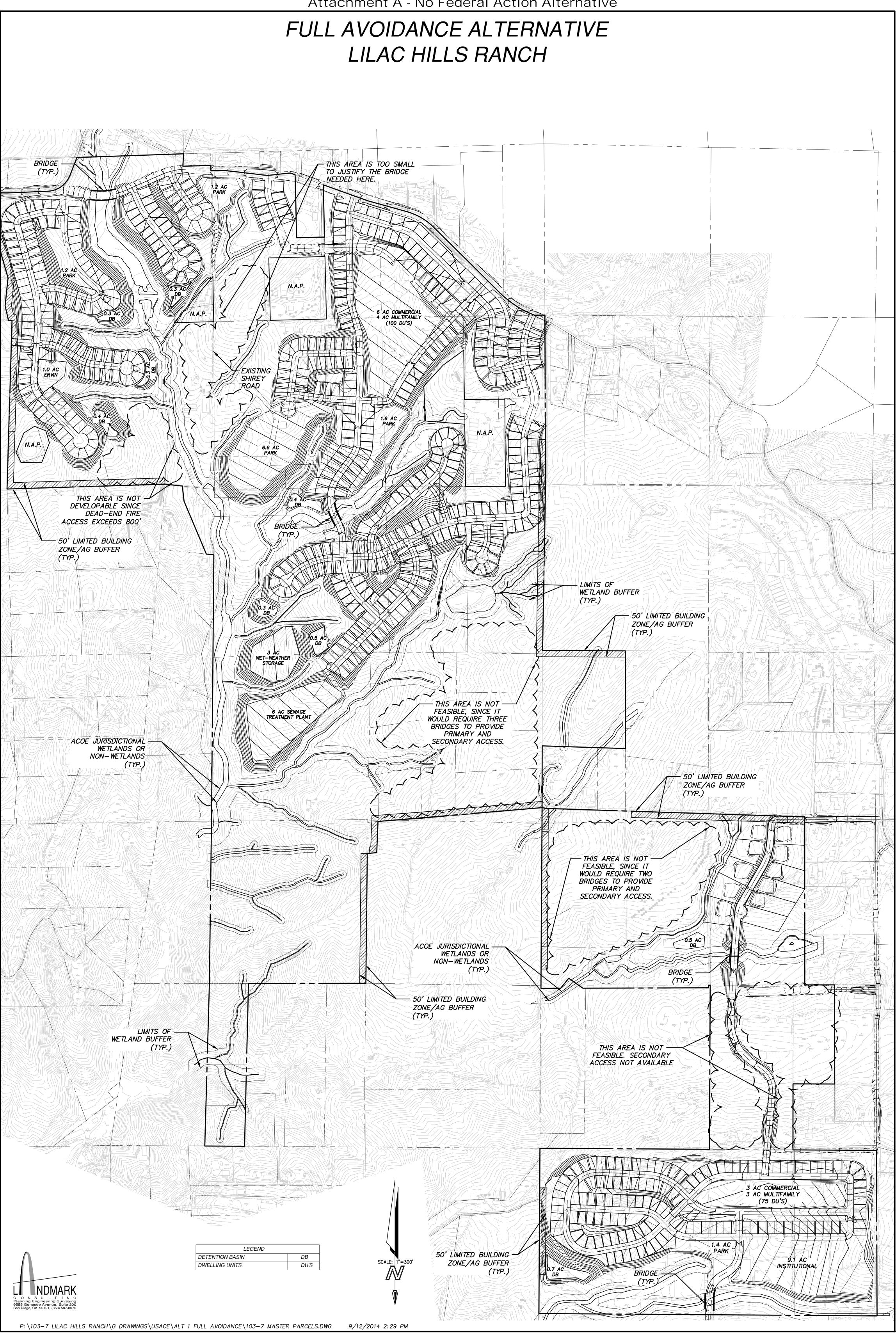


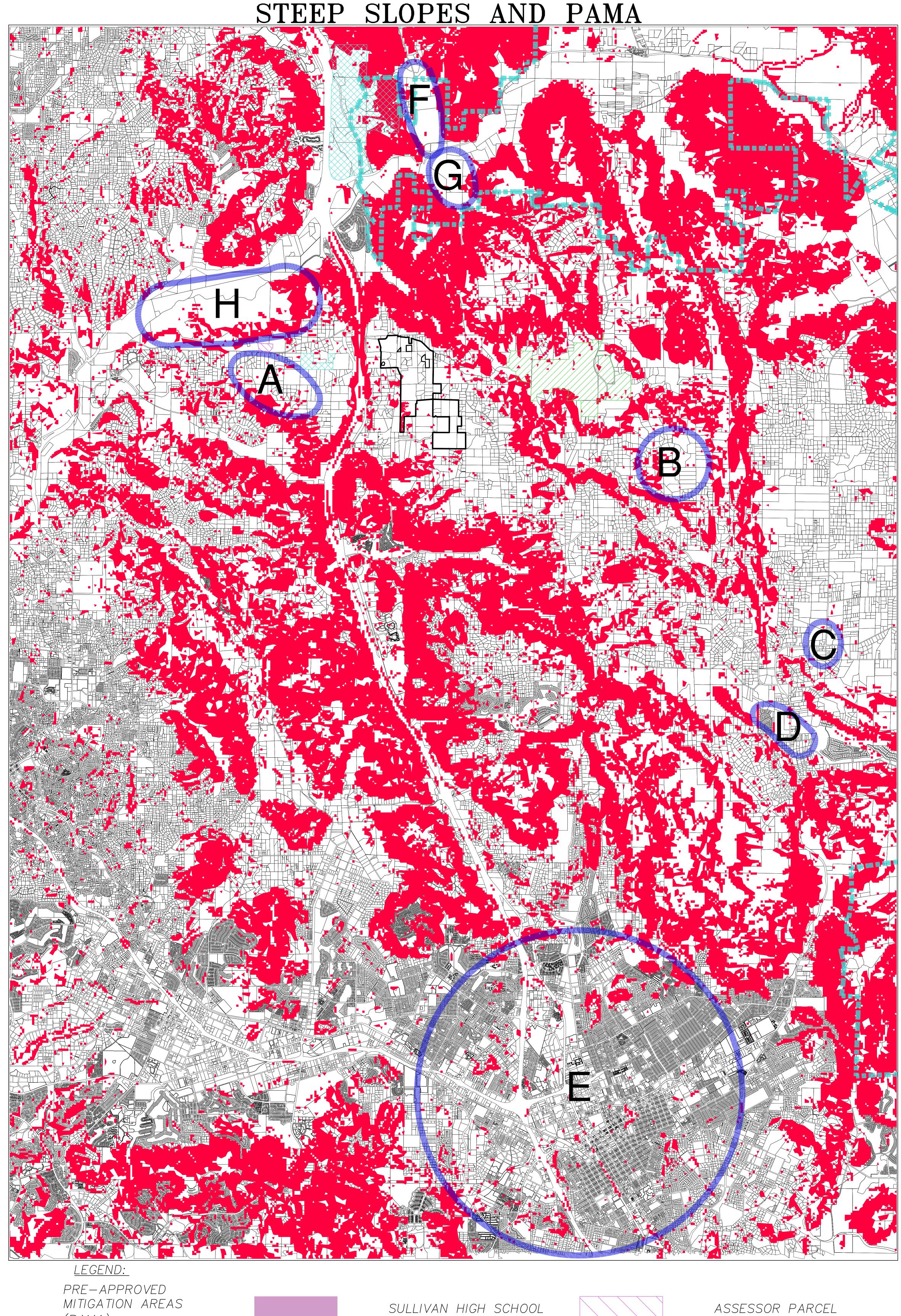


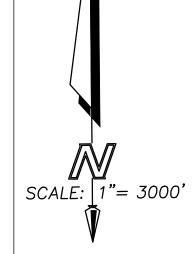




Location of CDFG/RWQCB State Waters







(PAMA)

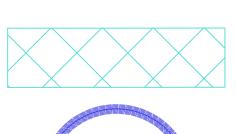
SLOPES > 25%



LILAC RANCH OPEN SPACE



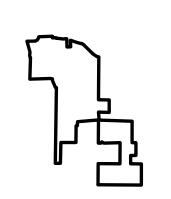
APPROVED DEVELOPMENT



CWA BOUNDARY



PROJECT BOUNDARY (608 acres)



ALTERNATIVE SITES (approximately 600 acres)

