



REPORT TO CITY COUNCIL

To: Honorable Mayor and Members of the City Council

From: Grant Yates, City Manager

Prepared by: Grant Taylor, Community Development Director

Date: July 11, 2017

Subject: First Amendment to the Professional Services Agreement with VCS Environmental for CEQA Services related to Amendment No. 11 to the East Lake Specific Plan

Recommendation

Authorize the City Manager to execute a First Amendment to the Professional Services Agreement with VCS Environmental for additional services for the completion of the Environmental Impact Report for Amendment No. 11 to the East Lake Specific Plan in an amount not to exceed \$56,199.

Background

The East Lake Specific Plan (ELSP) is a blueprint guide for the development of approximately 2,950 acres at the southern end of the City of Lake Elsinore. Originally, adopted in 1993, the ELSP has been amended nine times in a piecemeal fashion (one amendment application was not processed to completion) without the preparation of a single complete ELSP document.

City staff is currently preparing Amendment No. 11 to the ELSP. The updated ELSP is a complete overhaul of the land uses and development regulations, circulation and drainage, and architectural guidelines; in order to streamline development, make the ELSP document user-friendly, protect the natural resources in the back basin, and ensure that the City's "Action Sports Capital of the World" activities have a permanent location in the City.

The City of Lake Elsinore serves as the lead agency to evaluate the environmental impacts of development projects proposed within the City. On October 14, 2014, the City Council approved a Professional Services Agreement with VCS Environmental (VCS) for Phase 1 of the East Lake Specific Plan Amendment that included preparation of an opportunities and constraints analysis, public outreach, meeting attendance and preparation of technical studies in an amount not to exceed \$233,440. The original bid VCS submitted for two phases was \$578,960 that included technical studies, preparation of the Draft EIR and environmental documentation. Staff worked with the consultant to obtain services for all of Phase 1 and a large part of Phase 2. VCS Environmental has completed scope of services including 1) Opportunities and Constraints Analysis, 2) Meeting Attendance, 3) Preparation of Technical Studies, 4) Public Outreach, and 5) Preparation of the Draft EIR. A separate contract was approved with VCS for Noise Analysis for \$24,400 and the City entered into a contract with Linscott, Law & Greenspan Engineers for traffic analysis in an amount of \$88,896.

Staff, VCS and the City Attorney are currently working on preparing responses to comments received regarding the Draft EIR and the Draft Specific Plan. The comment letters received contained a substantial number of comments, many of which are lengthy and significant. In addition, considerable time will be required in planned outreach meetings with authors of the most significant of the comment letters in an attempt to gain consensus, make plan adjustments and provide applicable modifications to the mitigation measures, if any.

Discussion

The ELSP area has potential for significant economic development services and benefits to the City, residents, businesses and visitors. The originally approved 1993 ELSP has resulted in development of approximately one-fourth of the 2,950 acre East Lake area with the Links at Summerly golf course and residential development (i.e. Summerly and Serenity). The current undeveloped ELSP land use designations do not reflect market demand and are large infeasible due to significant environmental constraints and lack of infrastructure.

The updated ELSP is a vision identified by the City Council to further the “Dream Extreme” and “Action Sports Capital of the World” branding the City has adopted. The proposed ELSP includes five land use designations, three overlay zones, and eight planning areas that would potentially allow 458,000 SF commercial/light industrial development, one golf course, up to four hotels (540 rooms), 36.4 acres of parks, 3,640 residential dwelling units, 67,500 square foot for restaurants, one airport, and up to 815 acres of habitat preservation/mitigation. This amount of development was based on the planning area’s carrying capacity in what impacts can be mitigated, what the market demands and what is realistically feasible.

The City conducted an EIR scoping meeting on December 1, 2016 and a Community Meeting on May 3, 2017. Over 1,200 notices were mailed for each meeting to owners of property within ELSP’s boundaries and within 300 feet of the project boundaries and other interested parties. On June 20, 2017, the Planning Commission held workshop regarding the ELSP and overall the Commission was very supportive of the project.

We are now entering the “home stretch” with preparation of responses to comments, outreach to EIR commenters, further outreach to property owners and stakeholders, and final edits to the ELSP document. The environmental consulting firm, VCS Environmental, has already gone beyond their scope of services and has exceeded their budget at their cost (at least \$48,000) to assist the City. Staff is requesting an additional \$56,199 for VCS Environmental to complete the responses to comments, work with staff and the City Attorney, prepare a matrix of comments, provide additional air quality and traffic analysis in support of the responses to comments, provide increased support at public hearings, attend additional outreach meetings, and assist with City Council briefings.

Fiscal Impact

\$56,199 for additional meetings and to complete responses to comments and the Final EIR.

Exhibits

- Amended Professional Services Agreement with VCS Environmental for ELSP
- A – Change Order Request for ELSP dated June 16, 2017
- B – Original Professional Services Agreement with VCS Environmental for ELSP