City Hall 2729 Prospect Park Drive Rancho Cordova, CA 95670

Planning Department 916-851-8750

Planning Director Paul Junker



NOTICE OF PREPARATION

DATE: April 8, 2011

TO: Responsible Agencies, Organizations and Interested Parties

LEAD AGENCY: City of Rancho Cordova

Contact: Bret Sampson 2729 Prospect Park Drive Rancho Cordova, CA 95670

SUBJECT: Environmental Impact Statement/Environmental Impact Report for the Ranch at

Sunridge Project

Pursuant to the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA), the U.S. Army Corps of Engineers (USACE) and the City of Rancho Cordova propose to prepare a joint Environmental Impact Statement (EIS) and Environmental Impact Report (EIR) for the Ranch at Sunridge project. The USACE is the Lead Federal Agency for NEPA and the City of Rancho Cordova is the Lead State Agency for CEQA. NEPA jurisdiction is created by the need for permits to fill wetlands pursuant to Section 404 of the Clean Water Act, which is considered a major federal action; therefore, an EIS is required in addition to an EIR. The determination to prepare a joint EIS/EIR was made by the City of Rancho Cordova and the USACE.

As specified by the CEQA Guidelines, this Notice of Preparation will be circulated for a 30-day review period. The City of Rancho Cordova welcomes agency and public input during this review. In the event that no response or request for additional time is received by any Responsible Agency by the end of the review period, the Lead Agency may presume that the Responsible Agency has no response.

The City is scheduled to hold a scoping meeting to receive input on the scope of the EIS/EIR on May 2, 2011 at 6:30 p.m. at the City of Rancho Cordova City Hall located at 2729 Prospect Park Drive in Rancho Cordova, CA 95670. Copies of the Notice of Preparation are available at City Hall.

Comments may be submitted in writing during the review period and addressed to:

Bret Sampson City of Rancho Cordova 2729 Prospect Park Drive Rancho Cordova, CA 95670

The comment period closes on May 9, 2011.

PROJECT SUMMARY

The project applicant, K. Hovnanian Communities, Inc., is seeking approval by the City of Rancho Cordova for the Ranch at Sunridge project or the "Proposed Project." The Ranch at Sunridge project would be a mixed-use development on approximately 530 acres within the Sunrise Douglas Community Plan area in Rancho Cordova, California in eastern Sacramento County. The project applicant is also seeking authorization and permit(s) from USACE to place dredged or fill material into waters of the U.S.

A. PROJECT LOCATION

The project site is located in eastern Sacramento County, south of U.S. Highway 50 (U.S. 50), within the city limits of the City of Rancho Cordova (Exhibits 1 and 2). The property is located approximately one-half mile south of Douglas Road and directly east of Rancho Cordova Parkway, formerly known as Jaeger Road. Sunrise Boulevard is located approximately one mile to the west, and Grant Line Road is approximately one mile east and two miles south of the project site. The project site is bordered by the Sunridge Specific Plan area to the north, east, and west, and by the SunCreek Specific Plan area to the south and east. Most of the land adjacent to the project site is undeveloped grazing land, although new residential construction has begun on the properties located within the Sunridge Specific Plan area directly north and west of the project site.

B. PROJECT COMPONENTS

PROJECT LAND USES

The Proposed Project Alternative would include a range of housing types, commercial uses, open space, and recreation opportunities, as well as roadway improvements, support infrastructure, and utilities. Land uses are described below in Table 1. Exhibit 3 shows the proposed land use plan.

Table 1 Land Use Summary of the Proposed Project			
Land Use	Acres	Average Density per Acre (du/acre) ¹	Total Number of Dwelling Units ²
Low Density Residential (2.1–6.0 du/ac)	142.3	4.9	694
Medium Density Residential (6.1–18.0 du/ac)	105.4	6.5	685
High Density Residential (18.1–60 du/ac)	12.2	31	378
Elementary School/Medium Density Residential ³	12.9^{3}	-	-
Commercial (Shopping Center)	13.5	-	-
Preserve Area	174		
Neighborhood and Community Parks	29.3	-	-
Community Garden and Dog Park	8.5	-	-
Neighborhood Green	0.2	-	-
Detention/Water Quality Basins	24.3	-	-
Chrysanthy Blvd. and Rancho Cordova Parkway	20.5	-	-
Total	530.1	-	1,757

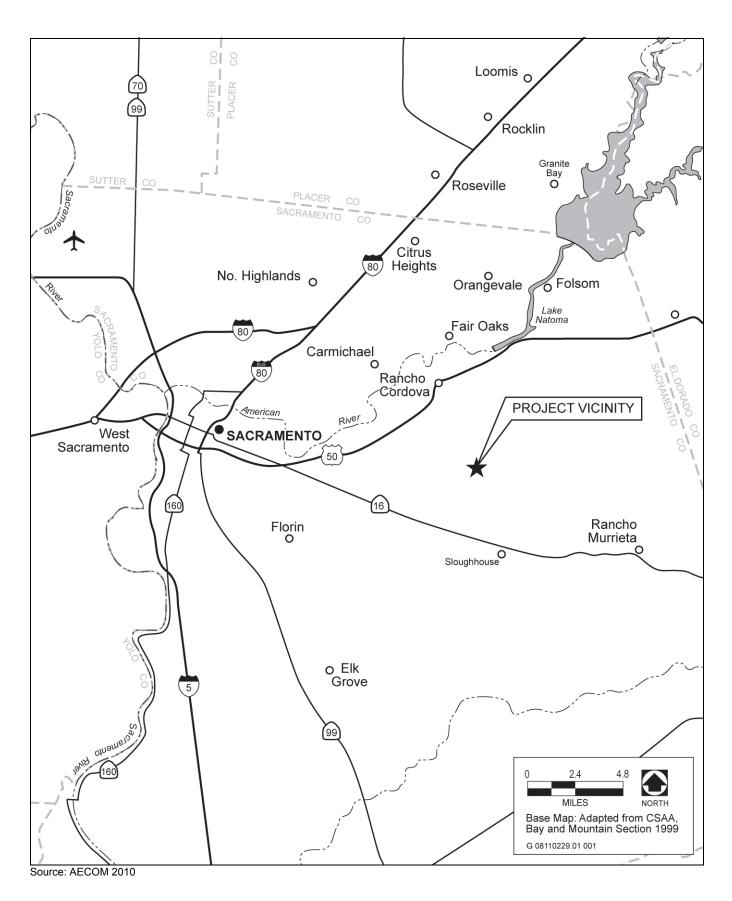
Notes:

Source: Wood Rogers 2010, AECOM 2010

¹ du/ac = average dwelling units per acre

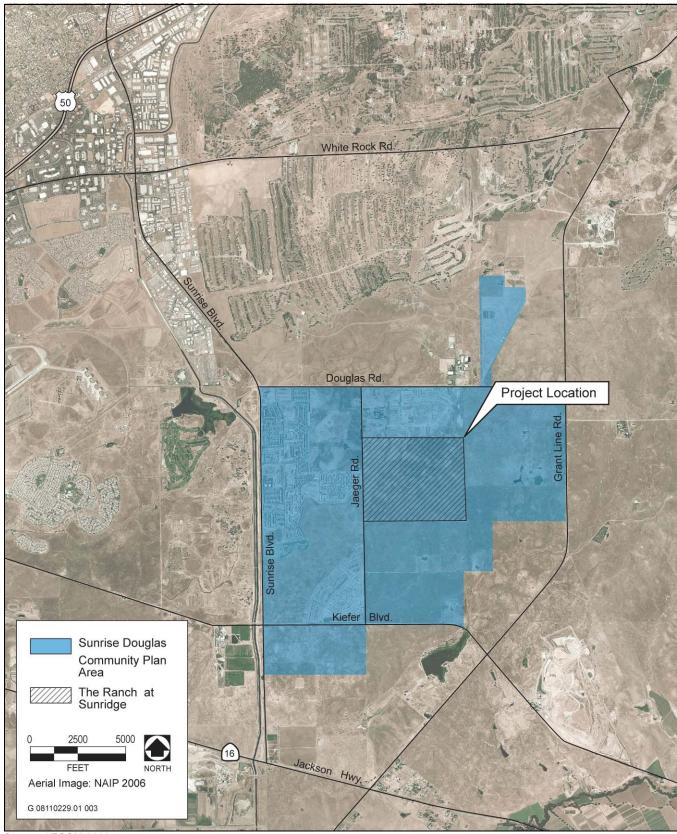
Numbers have been rounded

Assumes the construction of an elementary school would replace 12.9 acres of Medium Density Residential that would accommodate 84 units. If an elementary school is constructed, the project would include a reduced total of 1,673 residential units.



Project Vicinity Exhibit 1

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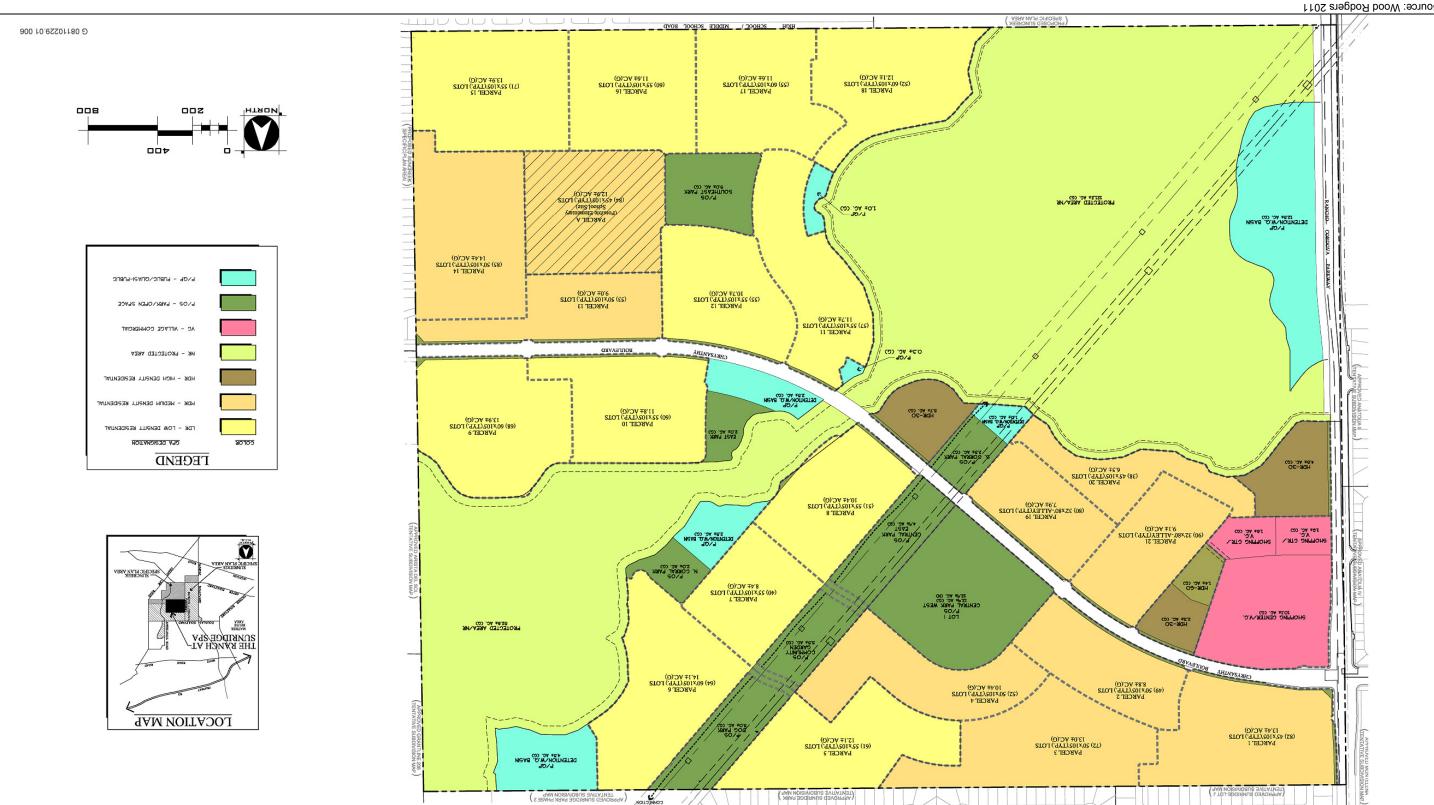


Source: AECOM 2010

Project Location Exhibit 2

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Source: Wood Rodgers 2011 Source: Wood Rodgers 2011 Concept Plan Exhibit 3



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Construction of the Proposed Project is anticipated to begin in 2012. The Proposed Project would include the elements described below.

RESIDENTIAL

The Proposed Project provides for the construction of up to 1,757 dwelling units in three residential land use classifications on approximately 260 acres. The proposed densities are as follows:

- ▶ Low Density Residential, with a permitted density range of 2.1 to 6 dwelling units per acre (du/ac);
- ▶ Medium Density Residential, with a permitted density range of 6.1 to 18 du/ac; and
- ► High Density Residential, with a permitted density range of 18.1 to 60 du/ac.

COMMERCIAL

The Proposed Project includes 13.5 acres of commercial land uses on three separate parcels in the northwestern corner of the project site that would include shopping center uses.

PARKS

The Proposed Project includes 38 acres of community and neighborhood parks. The largest community park is the 12.9-acre Central Park West, which is located in the north central portion of the site and would share a boundary with the 4.9-acre Central Park East, which is located within the SMUD transmission line corridor. The Proposed Project would include five smaller parks ranging in size from 2 to 5 acres that would include two corral parks and a dog park. In addition, the Propose Project would include a 3.5-acre community garden and a 0.2-acre neighborhood green.

SCHOOLS

The Proposed Project includes 12.9 acres designated for elementary school uses. The elementary school would be part of the Elk Grove Unified School District (EGUSD) and would be located directly east of the Southeast Park. This co-location of the school and park is intended to accommodate joint uses by the EGUSD and the Cordova Recreation and Park District. Funding for school construction would be provided through state bonds and local bonds and developer fees.

If the EGUSD determines that construction of an elementary school is not necessary within the Proposed Project, the parcel designated for an elementary school would be built out with 84 single-family residential units at an average density of 6.5 dwelling units per acre.

FIRE AND POLICE PROTECTION

Fire protection services would be provided by Sacramento Metropolitan Fire District. Police protection would be handled by the City of Rancho Cordova Police Department.

WETLAND PRESERVE

The Proposed Project includes a 174-acre wetland preserve locating along the existing drainage of Morrison Creek. Waters of the U.S. and wetlands would be preserved at the project site, including the entire length of Morrison Creek. The existing cattle grazing that occurs on the site would continue within the wetland preserve with implementation of the Proposed Project. The two corral parks located within the project site would contain cattle loading areas to allow for cattle to be transported to and from the wetland preserve. To facilitate wildlife movement within the wetland preserve, the project would include a culverted ConSpan[©] bridge design where Chrysanthy Boulevard would cross over the proposed wetland preserve.

Temporary fencing would be erected between construction areas and the wetland preserve during the construction phase, and a permanent hog wire fence would be installed at the completion of construction to prevent unauthorized vehicle access. Interpretive signage would be placed along the preserve boundary to provide educational opportunities. Deed restrictions and conservation easements would be recorded that would require the wetland and open-space areas constructed on-site to be maintained as wetland and wildlife habitat in perpetuity.

CIRCULATION IMPROVEMENTS

The project includes the development of an estimated 20.5 acres of major roadways that include Chrysanthy Boulevard and Rancho Cordova Parkway within the project site. Chrysanthy Boulevard would bisect the project site and would provide an east-west connection between Sunrise Boulevard and Grant Line Road, which are major six-lane roadways. Rancho Cordova Parkway would connect Douglas Road to the north with Kiefer Boulevard to the south. In addition, a number of two-lane internal roadways are proposed as collector streets that accommodate access to residential, commercial, park, and school uses.

The project includes the development of 8.6 acres of trail corridors along the perimeter of the preserve area. These include a 40-foot wide regional trail corridor containing a Class I bike trail that would extend along the protected area frontage south of Chrysanthy Boulevard and a 14-foot wide local trail corridor containing a Class I bike trail that would extend along the protected area frontage north of Chrysanthy Boulevard. The on-site trail corridors would provide direct connectivity to existing and planned trails within adjacent developments to the north, east and west of the project site.

C. REQUIRED APPROVALS

The project applicant is requesting the following entitlements from the City of Rancho Cordova:

- Amendment of the City of Rancho Cordova General Plan to establish land use designations consistent with the land uses identified on the Tentative Subdivision Map submitted with the project application (Exhibit 3);
- ▶ Rezone of the entire project site to establish a single Special Planning Area (SPA) zoning designation; and
- Approval of the Tentative Subdivision Map to create 1,379 single-family residential lots and 378 multi-family units; 23 parcels for single-family residential uses; four parcels for multi-family residential uses; three parcels for commercial uses; 17 parcels for park, wetland preserve, school and detention/water quality pond uses; and various parcels for regional and local trails, bike trail nodes, and landscape corridors.

The project applicant would also be required to acquire the following additional approvals/permits:

- ► Take permits from the U.S., Fish and Wildlife Service (USFWS) and the California Department of Fish and Game (CDFG) under the Federal and State Endangered Species Acts.
- ▶ Water quality permitting (NPDES and water quality certifications) under the Clean Water Act by the Central Valley Regional Water Quality Control Board (CVRWQCB) and State Water Resources Control Board.
- ▶ Wetland fill permits under Section 404 of the Clean Water Act by the U.S. Army Corps of Engineers.
- ► Approval of infrastructure details for water supply facilities by the Sacramento County Water Agency (SCWA).
- ▶ Approval of infrastructure details for wastewater conveyance facilities by Sacramento Area Sewer District.
- ▶ Approval of the elementary school site acquisition and site plans by the Elk Grove Unified School District.

► Approval of the neighborhood park site acquisition and site plans and roadway landscape corridor plans by the Cordova Recreation and Park District.

D. PROJECT BACKGROUND

The Ranch at Sunridge project site was designated in the 1993 Sacramento County General Plan as an Urban Growth Area and is located within the Sacramento County Urban Services Boundary. Due to rapid employment growth and intense housing demand along the U.S. 50 corridor, the Sunrise Douglas Community Plan (SDCP) was initiated by the Sacramento County Board of Supervisors in 1995 in order to establish the policy framework and conceptual development plan for an estimated 6,042 acres in eastern Sacramento County. In 1996, the County identified 2,632 acres within the SDCP as the Sunridge Specific Plan area. The Ranch at Sunridge project site is located within the Sunridge Specific Plan area.

The SDCP and Sunridge Specific Plan underwent environmental review together in the *Sunrise Douglas Community Plan/Sunridge Specific Plan EIR*, with the SDCP being evaluated at a program level, while the Sunridge Specific Plan was evaluated at a project-specific level. The Final EIR for the community plan and specific plan was completed in November 2001.

Meanwhile, beginning May 10, 2002, the County initiated a series of conflict resolution meetings regarding potential wetlands and endangered species permitting strategies for the unpermitted areas within the Sunrise Douglas Community Planning Area and Sunridge Specific Plan area. The meetings were attended by key stakeholders including the federal permitting agencies (i.e., U.S. Environmental Protection Agency, U.S. Army Corps of Engineers, and U.S. Fish and Wildlife Service). The Sacramento County Board of Supervisors approved the SDCP and Sunridge Specific Plan during the initial phases of these meetings.

Shortly after these meetings had been initiated, Rancho Cordova officially became an incorporated city (July 1, 2003). With the incorporation of the City, the Sunrise Douglas Community Plan/Sunridge Specific Plan came under the City's jurisdiction. The City adopted applicable portions of the County's general plan and zoning ordinance, as well as applicable community and specific plans, and zoning designations in areas within the newly incorporated city. The City General Plan was adopted on June 26, 2006.

In September 2004, the City prepared a Notice of Preparation/Initial Study (NOP/IS) for the Sunridge Village project, located on the current project site. A second NOP was released in January 2005 to reflect changes to the project design and the project name, which was changed to the Preserve at Sunridge. The Preserve at Sunridge included single-family residential, multi-family residential, commercial and office, neighborhood parks, an elementary school, detention/water quality basins, an open space/wetland preserve, pedestrian facilities, bikeways, and parkways/drainage corridors. Overall, the project included 2,703 residential units containing a mix of single-family and high density residential uses. The project was proposed to include a 92.4-acre wetland preserve located at the southwest corner of the project site. Morrison Creek was proposed to be channelized and rerouted within an existing utility easement that traverses the site.

On July 17, 2006, the Rancho Cordova City Council certified the EIR for the Preserve at Sunridge project. On August 7, 2006, the following project entitlements were formally adopted: a rezone from AG-80 to Special Planning Area (Ordinance No. 40-2006), a Development Agreement (Ordinance No. 41-2006), and a Tentative Subdivision Map.

On September 5, 2006, the California Native Plant Society (CNPS) filed a petition for writ of mandate in Sacramento County Superior Court seeking to set aside the City's actions. The case was litigated in Superior Court and appealed to the Court of Appeal, Third Appellate District. On March 24, 2009, the Third Appellate District filed an opinion upholding the judgment of the Superior Court with respect to the determination of the project's inconsistency with the City's General Plan regarding interconnection of preserved habitat areas that support special-status plant and animal species, and regarding mitigation on such species.

The case was sent back to the Sacramento County Superior Court, which entered final judgment issuing a peremptory writ of mandate on September 28, 2009. The writ of mandate nullified all of the City's approvals for the project, including certification of the EIR.

During the course of these court proceedings, ownership of the project site was transferred to K. Hovnanian Communities, Inc. K. Hovnanian assumed responsibility of the project and submitted an application to the U.S. Army Corps of Engineers for a Clean Water Act (CWA) Section 404 permit associated with discharges of fill material into waters of the United States. The U.S. Army Corps of Engineers determined that implementation of the project would require federal discretionary authorization and permits (i.e., Section 404 of the CWA and Section 7 of the federal Endangered Species Act), making the project subject to the requirement of NEPA. Thus, the U.S. Army Corps of Engineers initiated the preparation of an EIS in 2008.

As preparation of the EIS proceeded, the applicant elected to change the project's design and to rename the project the Ranch at Sunridge. The project redesign required the submittal of a new project application to the City of Rancho Cordova, which triggered the requirement to prepare a new EIR. A joint Draft EIR/EIS is, therefore, currently being prepared for the proposed project.

E. PROBABLE ENVIRONMENTAL EFFECTS

The Draft EIS/EIR will address potential impacts associated with project implementation including impacts related to visual resources, biological resources, traffic, air quality, greenhouse gas emissions, noise, human health and hazards, hydrology and water quality, geology and soils, land use compatibility and agricultural resources, population and housing, cultural and paleontological resources, and public service and utility systems.