

1 INTRODUCTION

1.1 PURPOSE

COMPLIANCE WITH SUPERIOR COURT ORDER

This document, entitled the Second Partially Recirculated Draft Environmental Impact Report (“SPRDEIR”), has been prepared to comply with the February 19, 2010, Sacramento Superior Court Consolidated Ruling After Hearing (“Ruling”) in Case No. 34-2008-80000236, *Rocklin Residents for Responsible Growth v. City of Rocklin, et al.*, consolidated with Case No. 34-2009-00043599, *Town of Loomis v. City of Rocklin, et al.*

On November 25, 2008, the City Council, through a series of resolutions, certified a Final Environmental Impact Report (“FEIR”) for the Rocklin Crossings Project (“Project”) and approved the Project. The FEIR consisted of the 2007 Draft EIR, the 2008 Final EIR, the 2008 Partially Recirculated Draft EIR (“PRDEIR”) and the 2008 Supplement to the Final EIR. In December 2008, the adequacy of the FEIR was challenged by two Petitions for Writ of Mandate, one filed by Rocklin Residents for Responsible Growth (“Rocklin Residents”) and another filed by the Town of Loomis (“Loomis”). Although the two cases were filed separately in Placer County Superior Court, the parties to the litigation agreed to consolidate the two lawsuits for purposes of record preparation, briefing, and hearing and to transfer the litigation to the Sacramento Superior Court.

On February 19, 2010, the Sacramento Superior Court issued its Ruling, which rejected all of the contentions made by Loomis and all but one contention made by Rocklin Residents. With respect to one claim made by Rocklin Residents, the court concluded that the FEIR did not comply with the requirements of the California Environmental Quality Act (“CEQA”). A copy of the Ruling appears at Appendix A to this SPRDEIR. As set forth in the Ruling, the Court ruled that the FEIR did not comply with CEQA in the following respects:

- The traffic distribution analysis in the FEIR indicating that 40% of Project traffic will travel to/from the Project site along the I-80 corridor from points south of Rocklin Road is inconsistent with the economic analysis’ market area study which indicates that, because they would have the same or similar stores in Roseville, only a small percentage of the Project’s patrons would travel to/from the Project site on I-80 from southwest of Rocklin Road. (Ruling, pp. 12-13.)

The court rejected arguments challenging the following substantive aspects of the FEIR and found that:

- The FEIR properly analyzed potential traffic impacts from the Clover Valley project and Valley View Parkway in the cumulative traffic analysis. (Ruling, pp. 5-8.)
- The significance threshold and legal standard used in the FEIR for the analysis of potential urban decay impacts were appropriate and supported by substantial evidence. (Ruling, pp. 12-13.)

- The FEIR adequately analyzed urban decay impacts and the City’s decision not to recirculate the urban decay analysis is supported by substantial evidence. (Ruling, p. 14.)
- The FEIR adequately analyzed cumulative global warming impacts and the City’s threshold of significance employed was appropriate and supported by substantial evidence. (Ruling, pp. 14-15.)
- The FEIR adequately analyzed cumulative traffic impacts and the threshold of significance employed was appropriate and supported by substantial evidence. (Ruling, pp. 15-16.)
- The FEIR adequately analyzed cumulative air quality impacts. (Ruling, pp. 16-17.)
- The FEIR adequately analyzed noise impacts. (Ruling, p. 17.)
- The FEIR adequately analyzed urban decay impacts in Loomis. (Ruling, p. 18.)
- The FEIR contained a reasonable range of alternatives and adequately analyzed alternatives. (Ruling, pp. 19-21.)¹

CEQA requires that a court’s order include only those mandates that are necessary to achieve compliance with CEQA and only those specific project activities in noncompliance with CEQA. (See Pub. Resources Code, § 21168.9, subd. (b).) The court directed that the City prepare, circulate and certify a legally adequate EIR consistent with the views expressed in the Ruling before proceeding with the Project. (Ruling, p. 22.) Because the court only took issue with the FEIR with respect to the perceived inconsistency between the traffic analysis and economic impact and urban decay analysis, the law assumes that the FEIR is adequate in all other respects. (Pub. Resources Code, § 21005, subd. (c) [directing court to address each alleged ground of non-compliance]; see also *Federation of Hillside and Canyon Assns v. City of Los Angeles* (2004) 126 Cal.App.4th 1180, 1204 (“*Federation II*”) [where appellate court directed superior court to order limited relief, city had no obligation to update analysis of impacts in its adequate EIR].) Therefore, the City finds that, other than the specific issues in the court’s Ruling identified as requiring additional review or analysis, no other portion of the FEIR must be revised.

Because the court directed the City to set aside its various actions certifying the EIR and approving the Project, the status of the City’s environmental review process for the Project is akin to that of a lead agency that has circulated a full draft EIR but has determined that a partial recirculation is necessary to deal with one set of issues. Thus, the legal principles applicable in such a situation are relevant, as are the above-described principles governing judicial remedies in CEQA litigation. Public Resources Code section 21092.1 provides that when “significant new information” is added to an EIR after release of a draft EIR but “prior to certification,” the public agency shall undertake additional public review of such new significant new information “before certifying the [EIR].” This statutory command is reflected in section 15088.5 of the CEQA Guidelines (see Cal Code Regs., tit. 14, div. 6, ch. 3), which further provides, in subdivision (c), that “[i]f the revision is limited to a few chapters or portions of the EIR, the lead agency need only recirculate the chapters or portions that have been modified.” Subdivision (f)(2) of section 15088.5 further provides that

¹ / Although the Town of Loomis filed an appeal from the trial court’s adverse ruling, Loomis subsequently entered into a Settlement Agreement with the project proponents and dismissed its appeal.

[w]hen the EIR is revised only in part and the lead agency is recirculating only the revised chapters or portions of the EIR, the lead agency may request that reviewers limit their comments to the revised chapters or portions of the recirculated EIR. The lead agency need only respond to (i) comments received during the initial circulation period that relate to chapters or portions of the document that were not revised and recirculated, and (ii) comments received during the recirculation period that relate to the chapters or portions of the earlier EIR that were revised and recirculated. The lead agency's request that reviewers limit the scope of their comments shall be included either within the text of the revised EIR or by an attachment to the revised EIR.

Consistent with the court's Ruling and the legal principles described above, the City has prepared the SPRDEIR, which presents additional environmental analysis to the extent necessary to address the deficiencies identified by the court. The SPRDEIR does not revise the FEIR in any respect other than as directed or recommended by the court.

SCOPE OF SPRDEIR ANALYSIS

Unless indicated otherwise, the analysis in the SPRDEIR relies on information from the 2007 Draft EIR, the 2008 Final EIR, the 2008 Partially Recirculated Draft EIR, and the 2008 Supplement to the Final EIR, as well as the new traffic impact analysis and the new economic impact and urban decay analysis. The environmental analysis contained within the SPRDEIR revises and/or augments the previous evaluation of environmental impacts contained in the 2007 Draft EIR, the 2008 Final EIR, the 2008 Partially Recirculated Draft EIR, and the 2008 Supplement to the Final EIR to reflect new information found in the new traffic impact analysis and the new economic impact and urban decay analysis.

This document analyzes the specific topics related to the issues that prompted the court to grant Rocklin Residents' petition for writ of mandate, specifically the Traffic and Circulation and the Economic Impact and Urban Decay Analysis sections. This document will become part of the FEIR, as will the City's written responses to any significant environmental issues raised in timely comments submitted in response to this SRPDEIR.²

1.2 PROJECT SUMMARY

The Rocklin Crossings project (proposed project) includes the construction of a regional shopping center on approximately 55.1 acres (consisting of a development site of approximately 49.5 acres and a 5.6-acre detention basin site) at the southeast corner of Interstate-80 and Sierra College Boulevard. A variety of retail uses are proposed for the center,

²/ Nothing revealed by the updated traffic and economic/urban decay analyses calls into question the City's previously disclosed conclusions with respect to the significance of other categories of environmental impacts (e.g., on air quality, climate change, and noise). Thus, there was no need for the City to update the discussions of such other categories of impacts. Nor did the Superior Court Ruling direct the City to revisit any issues other than those relating to traffic and urban decay. Moreover, although some of the purely economic (as opposed to environmental) conclusions, as discussed below, are different than those reached previously, there is no relationship between the City's conclusions on the subject of urban decay and its conclusions on any other subject, with the exception of traffic. Urban decay is essentially a stand-alone subject, which does not directly implicate other impact categories, with the exception of traffic, as the Superior Court has emphasized. It is true that traffic impact analyses generally lay the groundwork for related analyses of air quality, climate change, and traffic-related noise; but here the conclusions of the new traffic study are so similar to those of the original study that, in the expert opinion of the City's planning staff and environmental consultants, there was no need to revisit these other topics, as the ultimate conclusions – whether impacts are significant or less than significant – would not change due solely to the modest differences between the new traffic conclusions and the original traffic conclusions.

including major tenants (expected to be a Walmart and a Home Depot), smaller retail tenants, and restaurants. Other traveler-serving uses could also be developed within the project site. Preliminary plans call for approximately 21 buildings totaling a maximum of 543,500 square feet with 2,463 parking stalls. The number of parking stalls provided would be required to conform with the requirements set forth in the Rocklin Crossings General Development Guidelines.

The project site is located in the City of Rocklin, south of Interstate 80 and east of Sierra College Boulevard. The City of Rocklin is located within the western portion of Placer County and is approximately 25 miles northeast of the City of Sacramento. The project site is comprised of the following Assessor's Parcel Numbers: 045-043-068, 045-043-071, 045-053-058, 045-053-059, and 045-053-060. Exhibit 1-1 identifies the site plan for the proposed project.

The City of Rocklin General Plan designates the majority of the land uses on the site as Retail Commercial (RC) with a 1.23-acre area designated as Medium Density Residential (MDR). The site is zoned UN (Unclassified), C-2 (Retail Business), and PD-C (Planned Development – Commercial). In approving the Project in November 2008, the Rocklin City Council approved a General Plan Amendment to re-designate the 1.23-acre area from Medium Density Residential (MDR) to Retail Commercial (RC), approved a zoning change to designate the whole site Planned Development-Commercial (PD-C) and approved a General Development Plan and Development Agreement for the site. The court directed the City to vacate these approvals, which occurred on September 28, 2010³. Reapproval of these now-vacated legislative actions will be necessary should the Rocklin City Council, after considering the SPRDEIR and the augmented Final EIR, choose to reapprove the Project.

CITY'S PRIOR CEQA REVIEW OF THE PROJECT AND PROJECT APPROVALS

On December 6, 2007, the City issued a Draft EIR for the Project for public review and comment. The Draft EIR included the City's thorough analysis of the Project's potential adverse environmental effects, including those related to land use, traffic and circulation, air quality, noise, population and housing, public services and utilities, aesthetics, public health and hazards, geology, soils and paleontology, hydrology and water quality, agriculture, biological resources, cultural resources, energy, economic impacts and urban decay, cumulative impacts, and alternatives.

In April 2008, the City issued a proposed Final EIR for the Project, which included responses to comments, including those of Rocklin Residents. On April 15, 2008, the City's Planning Commission held a public hearing on the Project, and formulated its favorable recommendation to the City Council. On May 27, 2008, the City Council held its own public hearing on the Project. The City Council, however, did not certify the EIR or approve the Project on May 27, 2008. Instead, the City Council decided to direct City staff to recirculate portions of the Draft EIR. The resulting Partially Recirculated Draft EIR specifically included revised analysis of Section 4.2 (Traffic and Circulation) and portions of Section 6.1 (Cumulative Impacts) related to traffic and circulation.

³ The first reading and publication action to rescind project approvals was taken by the Rocklin City Council on September 28, 2010; a second reading and publication action to rescind project approvals was taken by the Rocklin City Council on October 12, 2010.

On November 13, 2008, the City issued a Supplement to the Final EIR for the Project, which responded to public comments on the Partially Recirculated Draft EIR. On November 25, 2008, the City Council held a public hearing on the Project. At the close of the public comment period on November 25, 2008, the City Council, through a series of resolutions, certified the Final EIR and approved the Project. On November 26, 2008, the City filed a Notice of Determination with the Placer County Clerk pursuant to Public Resources Code section 21152.

As mentioned earlier, two lawsuits followed, and on February 19, 2010, the Sacramento Superior Court issued its Ruling and concluded that the FEIR did not comply with the requirements of the California Environment Quality Act (“CEQA”) in certain respects, as described earlier.

1.3 APPROACH TO THE ANALYSIS

The CEQA Guidelines state that “[w]hen recirculating a revised EIR, either in whole or in part, the lead agency shall, in the revised EIR or by an attachment to the revised EIR, summarize the revisions made to the previously circulated draft EIR.” (See CEQA Guidelines, § 15088.5, subd. (g).) In order to address the issues identified by the court, the technical subchapters that are included in the SPRDEIR document include the Traffic and Circulation sections and the Economic Impact and Urban Decay Analysis. A description of the content of each subchapter is presented below.

REVISED TRAFFIC ANALYSIS

The City is recirculating Section 4.2 (Traffic and Circulation) and the Traffic portion of Chapter 6, Cumulative and Growth Inducing Impacts, of the 2008 PRDEIR commencing on page 6-4 and ending on page 6-59. Both of these sections are replaced in their entirety by a single section identified as Traffic and Circulation (Section 4.2) included in this SPRDEIR. Table 1 at the end of this chapter summarizes the traffic impacts and mitigation measures discussed in this revised traffic section.

In response to the court’s Ruling, the City’s staff and consultants reexamined the trip distribution for the Project in light of the conclusions of the updated economic impact and urban decay analysis and in order to provide more detail on the origins of the percentage of Project trips that the PRDEIR traffic analysis had indicated will travel to/from the Project site along the I-80 corridor from points south of Rocklin Road. The SPRDEIR Traffic Impact Analysis (TIA), therefore, examines the Project trip distribution of an expanded area – beyond the original study area – that extends (south along Interstate 80 [I-80]) beyond Roseville to the Placer County/Sacramento County boundary. The TIA has also been updated and revised to reflect current baseline (2010) conditions, new traffic generation characteristics, review and comparison of the market area assessment in the economic impact and urban decay analysis, and application of the City’s updated traffic model.

REFINEMENTS TO TRAFFIC GENERATION SCENARIOS

As in the PRDEIR, the SPRDEIR TIA examines the following six development scenarios:

1. Existing conditions
2. Existing plus project conditions
3. Existing plus approved projects (baseline) conditions
4. Existing plus approved projects (baseline) plus project conditions
5. Cumulative (Year 2030) conditions
6. Cumulative (Year 2030) plus project conditions

The Existing Conditions scenario, however, has been updated to generate traffic volumes under 2010 conditions based on new traffic counts on study area roadway segments and intersections in the a.m. and p.m. peak hours for typical weekday and weekend conditions.

The Existing plus Approved Projects Condition scenario includes existing and approved but not yet constructed projects within the City limits as of May 2010, including the Rocklin Commons Project and the Clover Valley Project, and other planned improvements such as the Sierra College widening project and the construction of Valley View Parkway. To establish a near-term traffic baseline, the traffic from approved projects in the City, as well as the Town of Loomis, the City of Roseville, and Placer County, was added to the existing traffic volumes. In addition, LSA Associates (“LSA”), preparers of the TIA, have accounted for available traffic data (i.e., trip generation, distribution, and assignment) for these approved projects. LSA formulated trip-generation assumptions for each project and assigned such trips to the study area circulation network for all approved projects.

The Cumulative (Year 2030) Conditions scenario has been updated based on the most current iteration of the City of Rocklin’s 2008 Traffic Forecast Model, which is a detailed version (within Rocklin and surrounding areas) of the Placer County Travel Demand Model (the previous traffic study from the PRDEIR analyzed the cumulative condition for 2025 which was the future forecast year for the prior version of the City’s traffic model). The 2008 Travel Forecast Model includes all the proposed developments (General Plan Buildout) within the City of Rocklin and surrounding cities in Placer County. The 2008 Traffic Forecast Model was developed in 2008 by DKS Associates, Inc., (“DKS”) for use in the Rocklin General Plan Update EIR, and includes an extended horizon year and updated socioeconomic data for areas outside Rocklin. DKS is a transportation engineering firm employed by the City of Rocklin for on-call consulting purposes, including peer review efforts. LSA and DKS worked together in putting together the revised TIA created in response to the court’s ruling.

REFINEMENTS TO PROJECT TRIP GENERATION AND TRIP DISTRIBUTION ANALYSIS

Since the completion of the PRDEIR TIA, a new edition of the ITE *Trip Generation* (8th Edition) has been released. The PRDEIR’s trip generation for the Walmart component of the proposed project was previously based on the article, “Trip Generation Characteristics of Free-Standing Discount Superstores,” ITE Journal, August 2006. The article was originally relied on because it proposed a higher trip generation rate specific to superstores, when compared to the trip generation rate contained in the Seventh Edition ITE manual which had a lower trip generation rate based on older data. The Eighth Edition includes a trip generation rate based on the most

current data which is specific to superstores. The PRDEIR's trip generation rates for the other components of the proposed project (shopping center and home improvement store) were previously based on the ITE Trip Generation manual, Seventh Edition; however, the data for these land use types has been updated in the new Eighth Edition of the ITE Trip Generation manual. The estimate of daily, peak hour (a.m. and p.m. peak hour), and Saturday peak-hour trips generated by the Project is, therefore, based on trip generation rates from the ITE Trip Generation manual, Eighth Edition. In other words, the new TIA relies on the best currently available technical information in assessing the number of trips generated by the Walmart and the shopping center and home improvement store contemplated for inclusion in the Project.

Many of the trips generated by a retail shopping center such as the Project would be pass-by trips, or trips whose primary destination is not the shopping center. These trips would not be new trips generated by the Project; rather, they are trips that are already on the roadway network that would make a stopover at the proposed shopping center. As in the PRDEIR, a pass-by trip reduction rate was also applied to the trips generated by Project. The PRDEIR utilized a 10 percent pass-by reduction rate. This assumption was intended to be very conservative, as it likely significantly understated the actual rate, and reflected the City's approach of erring on the side of conservatism in conducting environmental review. Because the court, in its Ruling, perceived a conflict between the conclusions of the earlier TIA and economic study, the City consulted with DKS and then instructed LSA to reconsider that pass-by rate, in that it might have had the effect of inflating the number of trips coming to the site from the direction of Roseville. In response to that directive and supported by DKS, LSA has indeed modified their earlier approach. Published empirical data suggest that a range of approximately 20-40% for pass-by trips for this type of project. (See, e.g., *ITE Trip Generation Handbook* (2004), 28 percent pass-by trips for Free Standing Discount Superstore, 48% for Home Improvement Store, and 34 percent pass-by trips for Shopping Center.) Although the use of such higher pass-by rates would have been supportable based upon such data, the City nevertheless chose to be more conservative – again, based on the principle of preferring to err, if at all, on the side of conservatism in conducting CEQA analyses. (“Conservatism,” in this context, means an approach that errs on the side of overstating, rather than understating, the significance of impacts. The basis for such an approach is to be certain to effectuate the CEQA policy of mitigating all *significant* environmental effects to the extent feasible.)

LSA, with City and DKS concurrence, has therefore applied a conservative, 20 percent pass-by reduction rate to the total project trip generation. This rate may have the effect of overstating the true traffic-related impacts of the project, but avoids the distortions that occurred with the previously used 10 percent rate, which tended to artificially exacerbate the differences between the conclusions of the original traffic study and the original economic impact and urban decay analysis.

In addition, while in the PRDEIR TIA Project trips were distributed throughout the study area using only the City's traffic analysis model, the SPRDEIR TIA uses a select zone assignment from the City's traffic model to develop a trip distribution for the Project, as well as the revised economic impact and urban decay analysis results.

LSA has developed the trip distribution in coordination with City staff and DKS, and has reviewed and compared it with the market area assessment in the economic impact and urban decay analysis prepared by CBRE Consulting (“CBRE”), to consider both the traffic model

functions as well as the updated market study information. The trip distribution is also illustrated for an expanded area, including the City of Roseville, in order to indicate traffic generation outside of the immediate study area.

REFINEMENTS TO LEVEL OF SERVICE (LOS) METHODOLOGY

As in the PRDEIR, a LOS analysis has been performed using the existing plus project, existing plus approved projects plus project, and cumulative (2030) plus project traffic volumes. In the PRDEIR, the Circular 212 “Critical Movement Analysis” (“CMA”) planning methodology with saturation flow rates (1,500 – two phase, 1,425 – three phase and 1,375 – four phase) was employed for analyzing intersection LOS for signalized intersections and HCM methodology was used for analyzing intersection LOS for unsignalized intersections. The SPRDEIR also employs both the CMA planning methodology and Highway Capacity Manual (HCM) 2000 Methodology, but in a slightly different manner. The CMA planning methodology is employed to determine the LOS at signalized study area intersections controlled by the City of Rocklin. Consistent with the preferences of Caltrans and the Town of Loomis, the Highway Capacity Manual (HCM) 2000 methodology is employed to analyze ramp intersections (controlled by Caltrans), and all signalized and unsignalized intersections controlled by the Town of Loomis. Unsignalized intersections in the City of Rocklin and Placer County were also analyzed using the Highway Capacity Manual methodology.

SUMMARY OF EFFECT OF REFINEMENTS TO TRAFFIC ANALYSIS

As a result of the refinements to the traffic analysis detailed above, the SPRDEIR results in different baseline traffic conditions, as well as different traffic impacts and mitigation measures, than previously identified in the PRDEIR. In light of the refinements to the project trip generation and trip distribution analysis, the regional trip distribution percentages to specific regions/cities are more readily determined. Specifically, this refined analysis indicates that 14 percent of project traffic would travel northeast along I-80, 35 percent of project traffic would travel southwest along I-80, 22 percent would travel north along Sierra College Boulevard, 19 percent would travel south along Sierra College Boulevard, 3 percent would travel southwest along Granite Drive, and 7 percent would have destinations within close proximity to the project site. In particular, the expanded area trip distribution illustration indicates that 10 percent of project trips most likely end or originate in the City of Roseville (see Exhibit 4.2-6).

Based on the refinements in the traffic analysis, the SPRDEIR identified significant impacts at the following intersections in the Existing plus Approved Projects (Baseline) Plus Project scenario:

- Rocklin Road/Pacific Street
- Sierra College Boulevard/Rocklin Road
- Sierra College Boulevard/King Road (Loomis)

The SPRDEIR identifies significant impacts at the following intersections in the Cumulative (2030) Plus Project without Dominguez Road scenario:

- Rocklin Road/I-80 westbound ramps
- Sierra College Boulevard/Taylor Road (Loomis)
- Barton Road/Rocklin Road (Loomis)
- Sierra College Boulevard/English Colony Way (Placer County)

The SPRDEIR identifies significant impacts at the following intersections in the Cumulative (2030) Plus Project with Dominguez Road scenario:

- Sierra College Boulevard/Dominguez Road
- Sierra College Boulevard/English Colony Way (Placer County)

Mitigation measures have been identified for these significant traffic impacts. However, it cannot be guaranteed that the identified mitigation measures will be implemented, either because they are located within another jurisdiction, which the City has no ability to control, or because they are subject to the authority of the State (i.e., Caltrans for I-80 facility). The City has conservatively concluded that these impacts would remain significant and unavoidable at the time of anticipated City Council action on the Project. These include impacts at the following intersections:

- Sierra College Boulevard/King Road (Loomis) (Baseline and Cumulative)
- Rocklin Road/I-80 westbound ramps without Dominguez Road (Cumulative)
- Sierra College Boulevard/Taylor Road (Loomis) without Dominguez Road (Cumulative)
- Barton Road/Rocklin Road (Loomis) without Dominguez Road (Cumulative)
- Sierra College Boulevard/English Colony Way (Placer County) with and without Dominguez Road (Cumulative)

REVISED ECONOMIC IMPACT AND URBAN DECAY ANALYSIS

The City is also recirculating Chapter 5.0 (Economic Impact and Urban Decay Analysis) included in the 2007 Draft EIR. This chapter is replaced in its entirety by the chapter included in this SPRDEIR. Table 1 at the end of this chapter summarizes the urban decay impact discussed in this revised economic impact and urban decay analysis.

City staff and CBRE reexamined the previous economic impact and urban decay analysis in light of the court's determination that the conclusions of that earlier analysis were seemingly in conflict with the FEIR's traffic distribution analysis, which indicated that 40 percent of Project traffic will travel to/from the Project site along the I-80 corridor from points south of Rocklin Road.

Consistent with the court's Ruling, CBRE reviewed and revisited the market areas defined in the 2007 Draft EIR. In doing so, CRBE relied on (i) visual observation, (ii) data analysis, such as analysis of the distribution pattern of similar large format retailers (i.e., other existing or planned Walmarts and existing or planned Home Depot stores within the general region), (iii) retail sales leakage analysis, (iv) trends in per capita retail sales for Rocklin and other potential

constituent primary market area cities, and (v) its professional expertise and experience. For the purposes of its analysis, CBRE identified portions of the City of Rocklin and all of the Town of Loomis as the Rocklin Crossings Center's primary market area. A secondary market area was defined as the City of Auburn and unincorporated parts of Placer County along the Interstate 80 corridor and including the neighborhood of Granite Bay. The City of Roseville was excluded from the primary and secondary market areas for a number of reasons, including the fact that Roseville is already served by two Walmart stores, two Home Depots, and a Lowe's store.

Consistent with the court's Ruling, CBRE also closely coordinated its work with LSA and reviewed all pertinent data relevant to the assumptions to be used for delineating the primary and secondary market areas for the Project in order to determine whether refinements to the market areas identified in the Draft EIR were appropriate. This coordination confirmed that substantial percentages (23% to 48% according to Institute of Transportation Engineers Trip Generation Manual 8th Edition) of shoppers do indeed visit successful retail projects (especially those located adjacent to a freeway off-ramp) via pass-by trips. But where traffic models account for these pass-by trips in a numerical fashion, traffic models do not try to account (as an economist would and does) for the economic motivations behind individuals' decisions to make a temporary stop on the way to another destination. Thus, it is very likely that considerable numbers of people residing outside the defined primary and secondary market areas will stop at the project site to shop while on their way somewhere else. On that basis, while the market area used in the Rocklin Crossings economic impact and urban decay analysis is more narrowly defined than the traffic generation study area used in the traffic analysis, coordination between LSA and CBRE revealed that this difference is not inappropriate and does not undermine the results of either analysis. This coordination revealed that many of the pass-by trips attracted by the project will likely come from Roseville residents traveling on Highway 80 to destinations east of the project site. In light of this finding, CBRE identified Roseville as a part of the tertiary market for the Center. As the Draft EIR analysis prepared in 2006 had simply identified travelers passing through Rocklin on Interstate 80 as the tertiary market, CBRE re-examined and redefined the tertiary market area to specifically include residents of Roseville and portions of Rocklin, as well as other travelers passing through Rocklin on Interstate 80 and shoppers on pass-by trips. Based on this refined tertiary market, CBRE assumed that residents coming from tertiary markets will generate 10 percent of the Center's sales, whereas the Draft EIR analysis prepared in 2006 assumed the tertiary market area represented 5 percent of sales.

The urban decay analysis has also been updated to reflect 2010 economic conditions, including current demographic and market information. The analysis also considers the interim market effects of the recession and housing market crisis, issues that were not evident at the time the Draft EIR analysis was conducted. The Retail Sales Leakage Analysis for retail categories in which spending is not fully captured in the market areas has also been updated to account for major new retail developments that have opened and closed in the market areas since the end of 2008. The Retail Sales Leakage Analysis also addresses both the present time period (the year 2008 being the most recent year for which retail sales data are available, updated from 2004 retail sales data in the Draft EIR) and a relevant projected future time period (2016, the year the Center is anticipated to be fully operational and occupancy stabilized).

SUMMARY OF EFFECT OF REFINEMENTS TO ECONOMIC IMPACT AND URBAN DECAY ANALYSIS

Based on the preceding revised and updated information, CBRE re-estimated the extent to which the development of the Project may or may not contribute to urban decay or deterioration. CBRE Consulting estimates that stabilized Center sales will total \$230.3 million in 2016 dollars (compared to \$230.4 million in sales in 2009 dollars identified in the 2006 analysis), when Phase I (two anchors) and Phase II of the Center are slated to be fully operational and occupancy stabilized. Assuming that the new primary and secondary market area sales of Rocklin Crossings occurred at the proportional expense of existing market area retailers, the analysis finds that existing retailers would experience a maximum annual impact of \$120.8 million in sales upon stabilization of the Center in 2016 dollars (compared to an impact of \$33.9 million in 2009 dollars identified in the 2006 analysis). Specifically, potential sales diversions include \$30.8 million in food stores, \$28.1 million in home furnishings and appliances, \$25.2 million in building materials, and \$36.7 million in “other retail stores” sales. Because there is currently significant leakage in the apparel, general merchandise, and eating and drinking categories (i.e., residents of the primary market area spend money in those categories outside of Rocklin and Loomis), those categories are not expected to have diverted sales. Based on general industry performance data and sales performance data, the square footage equivalents of the sales diversions in these four categories are estimated to be as follows:

- Food Stores: 52,100 square feet
- Home Furnishings and Appliances: 83,800 square feet
- Building Materials: 74,500 square feet
- Other Retail Stores: 89,400 square feet

CBRE notes that these findings suggest that, at worst, stores totaling these respective square footages may be susceptible to closure due to the sales impacts of the Center; however, in reality, the impacts are most likely to be spread among many stores, rather than just one or a few stores, thus further reducing the likelihood of actual store closures. As this conclusion is based on 2010 market conditions, it departs from the 2006 analysis, which found that the only retail sector at risk of sales diversion, and ultimate store closure, was the home furnishings and appliances sector.

With respect to cumulative analysis, CBRE identified seven other major planned retail projects in the market areas (three in the primary market area and four in the secondary market area) and found these projects have the potential to generate retail sales in the market areas totaling \$388.1 million (compared to \$497.2 million in sales in 2009 dollars identified in the 2006 analysis), in addition to the \$207.3 million projected for the Center. Assuming all the projects, including Rocklin Crossings, are built (which is a highly unlikely scenario), the analysis indicates that the maximum annual impact to market area retailers is estimated at \$469.7 million in diverted sales (compared to \$212.0 million in diverted sales in 2009 dollars identified in the 2006 analysis), with food stores representing the largest share at \$132.0 million, followed by “other retail stores” at \$80.4 million, building materials at \$77.1 million, home furnishings and appliances at \$61.4 million, and general merchandise at \$52.5 million. Based upon analysis of the market area’s retail base, as well as expectations regarding sales

diversions, CBRE concludes that the following retail square footage in the market area is most at risk due to the cumulative projects (i.e., the Center and the seven planned projects):

- Building materials totaling 228,000 square feet;
- Food stores totaling 223,000 square feet;
- “Other retail stores” totaling 196,000 square feet;
- General merchandise stores totaling 208,000 square feet;
- Home furnishings and appliances stores totaling 183,000 square feet; and
- Apparel stores totaling 139,000 square feet.

These figures are highly conservative (i.e., worst-case), as they do not take into account factors such as prospective market corrections, market growth or enhancements following the introduction of the cumulative projects into the marketplace or potential increases in consumer spending pursuant to real income growth, or the likelihood that all the projects will not be developed as planned due to limited market demand and limited available credit. While conservative, these findings suggest that if all of the cumulative projects were built, there would be a large oversupply of retail space in most of the retail categories. As this conclusion is based on 2010 market conditions, it departs from the 2006 analysis, which found that the only retail sectors at risk of sales diversion, and ultimate store closure, are apparel stores, home furnishings and appliances and “other retail stores.” Of course the project has not been built as 2010 enters the fourth quarter.

CBRE notes that, although the impacts to the market area may be spread over a large group of stores, thereby minimizing the potential closure of any one or more particular stores, it appears likely that some existing retail would be susceptible to closure. Because the Center is expected, however, to open no sooner than three years from now (the earliest possible timeline for permitting and construction), any such store closure would be occurring at a time when the worst of the current retail market conditions is likely to be over. Therefore, it is likely that, if new competition created by the Center’s tenants and the cumulative projects results in some store closures in the future, the vacated spaces would have the potential to be successfully backfilled by other types of retail, restaurant, and/or service establishments (e.g., a jewelry store, gift shop, restaurant, auto repair or supplies store, etc.). This is a common occurrence in most shopping centers.

Based on the information above, CBRE assessed the probability of urban decay ensuing from development of the Center and the additional planned projects, with urban decay defined as “physical deterioration that is so prevalent and substantial it impairs the proper utilization of affected real estate or the health, safety, and welfare of the surrounding community.” The analysis considers whether any stores that might close due to the Center are likely to remain vacant for a prolonged period of time or whether the stores may be leased to other retailers within a reasonable marketing period. Consistent with the conclusions in the Draft EIR ,which were reinforced in CBRE’s November 25, 2008, memorandum to the City, CBRE concludes, based on consideration of current 2010 market area conditions, findings regarding diverted sales, and backfilling potential, that, while it is expected that the Rocklin Crossings project will result in some diverted sales and that some closures of market area stores may occur, these events are not expected or likely to result in urban decay, as defined above.

1.4 SECOND PARTIALLY RECIRCULATED DRAFT EIR PROCESS

As explained earlier, the City has prepared the SPRDEIR in order to present the environmental analysis required by the court's Ruling. The SPRDEIR does not revise the FEIR in any respect other than as directed or recommended by the court. As also explained earlier, where a lead agency recirculates only "portions" of an EIR, the lead agency may require commenters to limit their new comments to the new material in the recirculated portions of the prior document and may preclude the commenters from commenting anew on topics or text not subject to a partial recirculation. (See CEQA Guidelines, § 15088.5 subd. (f)(2).) This approach is also consistent with CEQA case law holding that, where a court in a CEQA case has found only limited problems with a respondent agency's record, neither the original parties to the litigation nor anyone else has the ability to raise issues that (i) have already been rejected by the court or (ii) that could have been, but were not, raised during either the prior administrative process or during the litigation. (See *Federation II, supra*, 126 Cal.App.4th at p. 1204; see also *Planning and Conservation League v. Castaic Lake Water Agency* (2009) 180 Cal.App.4th 210, 229 [discussing *Federation II* and noting where previously challenged EIR underwent limited revisions on remand, a second challenge to the analysis will not lie where material facts have not changed]; *Protect the Historic Amador Waterways v. Amador Water Agency* (2004) 116 Cal.App.4th 1099, 1112 [noting that Agency need only correct the deficiencies in the EIR that court has identified before considering recertification of the EIR].)

Therefore, the City of Rocklin directs that public comments must be restricted to the newly circulated information contained in the SPRDEIR related to the revised portions of the Traffic and Circulation and Economic Impact and Urban Decay Analysis chapters. In other words, *the partial recirculation is not an opportunity to re-submit comments on previously published topics, or add additional comments on previously published topics*. Readers are therefore requested not to make comments on issues not directly implicated by this SPRDEIR. The City will not respond to any new comments that are directed to other portions of the previously certified FEIR that are not a part of the SPDEIR.

The SPRDEIR will be subject to review and comment by the public, as well as all responsible agencies and other interested parties, agencies and organizations for a period of no less than 45 days. The SPRDEIR will be available for public review and comments during the period from December 14, 2010, through January 31, 2011. Comments should be sent to the City at the following address:

Mr. David Mohlenbrok
City of Rocklin
3970 Rocklin Road
Rocklin, CA 95677
(916) 625-5162

or by email directed to Mr. Mohlenbrok at: David.Mohlenbrok@rocklin.ca.us. In accordance with Section 15150, subdivision (b), of the CEQA Guidelines, all documents and/or portions of documents referenced in this SPRDEIR by reference are also available for public inspection at the City of Rocklin at the above addresses.

Following the close of the comment period, the City will prepare written responses to any significant environmental issues raised in timely comments on the SPRDEIR. These responses will be folded into a new FEIR that will supersede the original Final EIR issued in November 2008, which the City has decertified in response to the court's Ruling. The new FEIR will include all comments received during the comment period for the SPRDEIR, along with responses to comments previously submitted during the public review period for the original Draft EIR and the PRDEIR, which were already provided in the decertified FEIR. These documents, taken together, will comprise the new FEIR for the project.

Once it is completed, the new FEIR will be published and made available to commenting agencies a minimum of ten days prior to a hearing by the Rocklin City Council to consider its adequacy in accordance with the CEQA Guidelines and City Guidelines.

**Table 1
Summary of Environmental Impacts and Mitigation Measures**

Impacts	Significance Before Mitigation	Mitigation Measures	Significance After Mitigation
4.2 TRAFFIC AND CIRCULATION			
<p>Impact 4.2-1 Rocklin Road/Pacific Street. The addition of project-related traffic to baseline traffic volumes would degrade traffic operations at this intersection to an unacceptable level. This impact would be considered significant.</p>	S	<p>Mitigation Measure 4.2-1 Rocklin Road/Pacific Street Intersection. The project applicant shall be responsible for adding a northbound right-turn overlap phase (which includes modification of the signal phasing and addition of a new signal head that shows a “right-turn arrow”) to this intersection to mitigate the project impact at this location.</p>	LTS
<p>Impact 4.2-2 Sierra College Boulevard/Rocklin Road. The addition of project-related traffic to baseline traffic volumes would degrade traffic operations at this intersection to an unacceptable level. This impact would be considered significant.</p>	S	<p>Mitigation Measure 4.2-2 Sierra College Boulevard/Rocklin Road Intersection. The project applicant shall be responsible for adding a westbound through lane (resulting in two through lanes) to this intersection to mitigate the project impact at this location.</p>	LTS
<p>Impact 4.2-3 Sierra College Boulevard/King Road (Loomis). The intersection is projected to operate unacceptably during the p.m. peak hour in the no project condition and the project would add more than 5 percent to the total traffic volume. Because this intersection already operates unacceptably and the project’s contribution would be greater than 5 percent, this impact would be considered significant.</p>	S	<p>Mitigation Measure 4.2-3 Sierra College Boulevard/King Road (Loomis) Intersection. The project applicant shall be responsible for adding a westbound right-turn lane by restriping the westbound approach to this intersection to mitigate the project impact at this location. In order to implement this measure, the project applicant shall attempt, in good faith, to enter into an agreement with the Town of Loomis by which the applicant either shall be responsible for constructing the improvements at issue or shall provide the Town of Loomis with funding in an amount equal to the agreed upon estimated cost of the improvements.</p>	SU
<p>Impact 4.2-4 Roadway Segments. All roadway segments currently operate satisfactorily and the proposed project would not degrade any roadway segment to an unsatisfactory condition. Therefore, this impact would be considered less than significant.</p>	LTS	<p>No mitigation would be necessary.</p>	LTS

**Table 1
Summary of Environmental Impacts and Mitigation Measures**

Impacts	Significance Before Mitigation	Mitigation Measures	Significance After Mitigation
<p>Impact 4.2-5 Rocklin Road/I 80 Westbound Ramps Without Dominguez Road (Cumulative). The addition of project-related traffic to cumulative traffic volumes would degrade traffic operations at this intersection to an unacceptable level. This impact would be considered significant.</p>	S	<p>Mitigation Measure 4.2-5 Rocklin Road/I 80 Westbound Ramps Without Dominguez Road (Cumulative). The project applicant shall pay the City's traffic fee and SPRTA fee as the means of funding the project's fair share of the costs for implementing one of the identified three alternatives included in the feasibility study completed by the City for improving the intersection of Rocklin Road/I-80 westbound ramps.</p>	SU
<p>Impact 4.2-6 Sierra College Boulevard/Taylor Road (Loomis) Without Dominguez Road (Cumulative). The addition of project-related traffic to cumulative traffic volumes would degrade traffic operations at this intersection to an unacceptable level. This impact would be considered significant.</p>	S	<p>Mitigation Measure 4.2-6 Sierra College Boulevard/Taylor Road (Loomis) Without Dominguez Road (Cumulative). The project applicant shall be responsible for paying the Town of Loomis its fair share of the costs of constructing a westbound left-turn lane (resulting in a dual left-turn lane) and an eastbound right-turn overlap phase for this intersection. In order to implement this measure, the project applicant shall attempt, in good faith, to enter into an agreement with the Town of Loomis by which the applicant shall be responsible for providing to Loomis funds representing the project's fair share of the estimated cost of the constructing the improvements at issue as agreed to by Loomis, but only in the event that the Town of Loomis can demonstrate within a reasonable period of time (i.e., prior to the issuance of occupancy permits) that Loomis has a fee collection system such that a fair share payment from the project applicant will actually result in construction of the contemplated improvements.</p>	SU
<p>Impact 4.2-7 Barton Road/Rocklin Road (Loomis) Without Dominguez Road (Cumulative). The addition of project-related traffic to cumulative traffic volumes would degrade traffic operations at this intersection to an unacceptable level. This impact would be considered significant.</p>	S	<p>Mitigation Measure 4.2-7 Barton Road/Rocklin Road (Loomis) Without Dominguez Road (Cumulative). The project applicant shall be responsible for paying the Town of Loomis its fair share of the costs of constructing the signalization of this intersection. In order to implement this measure, the project applicant shall attempt, in good faith, to enter into an agreement with the Town of Loomis by which the applicant shall be responsible for providing to Loomis funds representing the project's fair share of the estimated cost of the signalization as agreed to by Loomis, but only in the event that the Town of Loomis can demonstrate within</p>	SU

**Table 1
Summary of Environmental Impacts and Mitigation Measures**

Impacts	Significance Before Mitigation	Mitigation Measures	Significance After Mitigation
		<p>a reasonable period of time (i.e., prior to the issuance of occupancy permits) that Loomis has a fee collection system such that a fair share payment from the project applicant will actually result in such signalization.</p>	
<p>Impact 4.2-8 Sierra College Boulevard/English Colony Way (Placer County) Without Dominguez Road (Cumulative). The addition of project-related traffic to cumulative traffic volumes would further degrade unacceptable traffic operations at this intersection by adding more than 5 percent to the projected traffic volumes. This impact would be considered significant.</p>	S	<p>Mitigation Measure 4.2-8 Sierra College Boulevard/English Colony Way (Placer County) Without Dominguez Road (Cumulative). The project applicant shall be responsible for paying to Placer County its fair share of the cost of the signalization of this intersection.</p> <p>In order to implement this measure, the project applicant shall attempt, in good faith, to enter into an agreement with the County of Placer by which the applicant shall be responsible for providing to the County funds representing the project's fair share of the estimated cost of the signalization as agreed to by the County, but only in the event that the County can demonstrate within a reasonable period of time (i.e., prior to the issuance of occupancy permits) that the County has a fee collection system such that a fair share payment from the project applicant will actually result in such signalization.</p>	SU
<p>Impact 4.2-9 Roadway Segments Without Dominguez Road (Cumulative). All roadway segments affected by the project are projected to operate at acceptable LOS. Therefore, this impact would be considered less than significant.</p>	LTS	<p>No mitigation would be necessary.</p>	LTS
<p>Impact 4.2-10 Sierra College Boulevard/Dominguez Road With Dominguez Road (Cumulative). The addition of project-related traffic to cumulative traffic volumes would further degrade unacceptable traffic operations at this intersection by increasing the v/c ratio by more than 0.05. This impact would be considered significant.</p>	S	<p>Mitigation Measure 4.2-10 Sierra College Boulevard/Dominguez Road With Dominguez Road (Cumulative). The project applicant shall pay its fair share (in the form of its required traffic impact fees) for the striping of this intersection when it is constructed in order to accommodate dual left-turn lanes, two through lanes, and a shared through/right-turn lane in the southbound direction and a left turn lane, a shared through lane/right-turn lane, and an exclusive right turn lane in the eastbound direction.</p>	LTS

**Table 1
Summary of Environmental Impacts and Mitigation Measures**

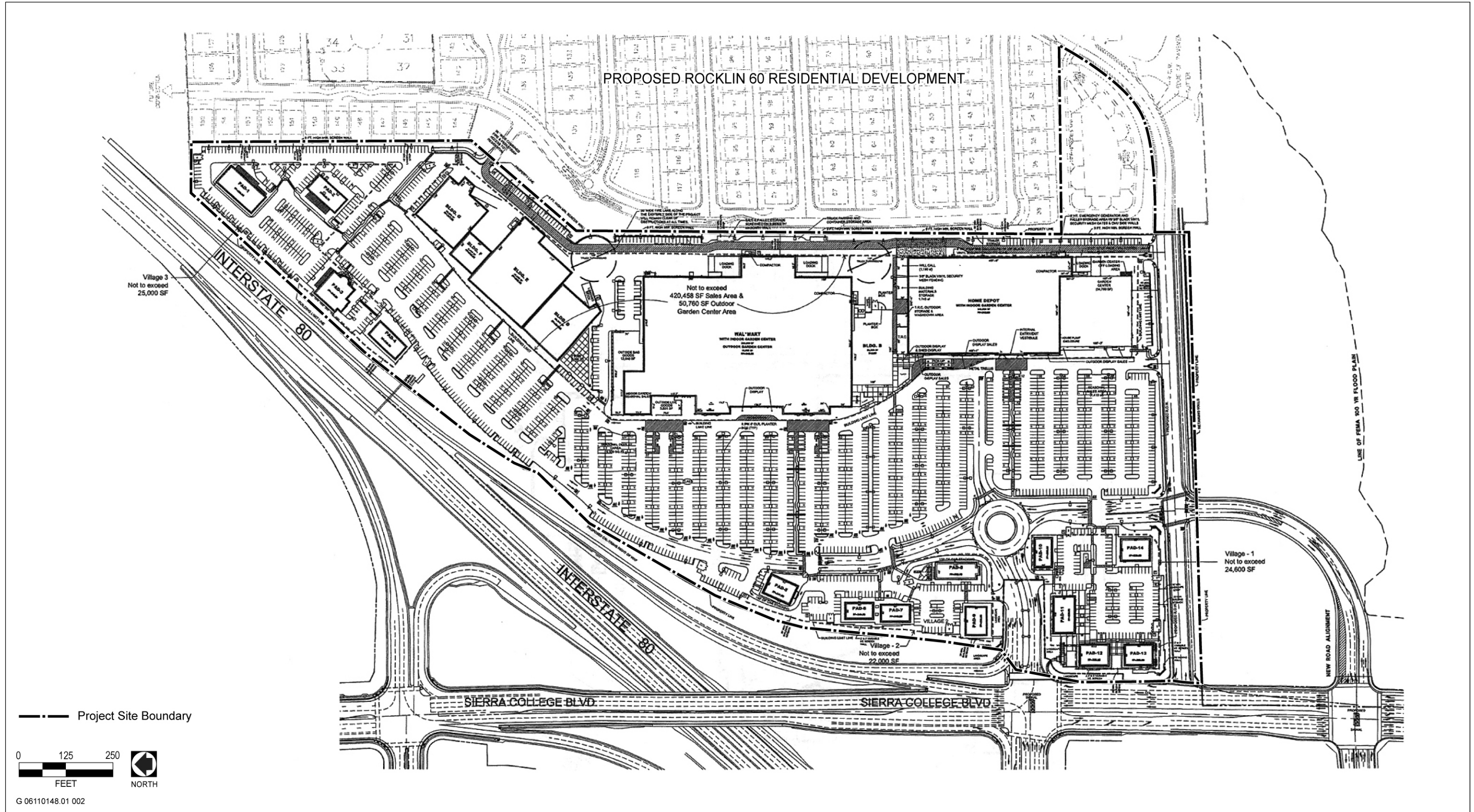
Impacts	Significance Before Mitigation	Mitigation Measures	Significance After Mitigation
<p>Impact 4.2-11 Sierra College Boulevard/English Colony Way (Placer County) With Dominguez Road (Cumulative). The addition of project-related traffic to cumulative traffic volumes would further degrade unacceptable traffic operations at this intersection by adding more than 5 percent to the projected traffic volumes. This impact would be considered significant.</p>	S	<p>Mitigation Measure 4.2-11 Sierra College Boulevard/English Colony Way (Placer County) With Dominguez Road (Cumulative). Implement Mitigation Measure 4.2-8.</p>	SU
<p>Impact 4.2-12 Roadway Segments With Dominguez Road (Cumulative). All roadway segments affected by the project are projected to operate at acceptable LOS. Therefore, this impact would be considered less than significant.</p>	LTS	No mitigation would be necessary.	LTS
<p>Impact 4.2-13 Freeway Mainline Impacts. The proposed project would contribute traffic to a freeway mainline (SR 65) segment that currently operates unacceptably for one segment under existing conditions and two segments under existing plus approved projects (baseline) conditions. In addition, in the cumulative condition, the project would contribute traffic to a freeway mainline segment (SR 65) that is projected to operate unacceptably even with the construction of freeway improvements. Since the project contribution along these freeway segments that operate at unacceptable los in baseline, plus approved projects and cumulative conditions does not exceed 5 percent of the total traffic on the freeway mainline, the project's impacts on freeway mainline segments would be considered less than significant.</p>	LTS	No mitigation would be necessary.	LTS

**Table 1
Summary of Environmental Impacts and Mitigation Measures**

Impacts	Significance Before Mitigation	Mitigation Measures	Significance After Mitigation
<p>Impact 4.2-14 Entrance Vehicle Stacking. The project's main access roadway has adequate length to avoid entrance vehicle stacking. Therefore, the project's effects on entrance vehicle stacking would be considered less than significant.</p>	LTS	No mitigation would be necessary.	LTS
<p>Impact 4.2-15 Right Turns From Unsignalized Driveway (Schriber Way). Northbound vehicles exiting from the project's unsignalized street (Schriber Way) would be required to cross two lanes of traffic. Sufficient gaps in the traffic stream would occur along Sierra College Boulevard to allow right turns from Schriber Way to the northbound through lanes. Therefore, this impact would be considered less than significant.</p>	LTS	No mitigation would be necessary.	LTS
<p>Impact 4.2-16 Bicycle/Pedestrian Circulation Policy Consistency. The proposed project would include design components that are intended to allow safe pedestrian/bicycle access and movement to and through the site consistent with City policies. Therefore, this impact would be considered less than significant.</p>	LTS	No mitigation would be necessary.	LTS
5 ECONOMIC IMPACT AND URBAN DECAY ANALYSIS			
<p>Impact 5-1: Urban Decay. Implementation of the proposed project would result in some diverted sales and some closures of market area stores may occur. However, these diverted sales and possible closures are unlikely to lead to physical deterioration so prevalent and substantial that it impairs the proper utilization of affected real estate or the health, safety, and welfare of the surrounding community, thus leading to urban decay. This would be considered a less-than-significant impact.</p>	LTS	No mitigation measures would be necessary.	LTS

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PROPOSED ROCKLIN 60 RESIDENTIAL DEVELOPMENT



Source: RSC Engineering, 2007

Project Site Plan

Exhibit 1-1

