

REPORT TO CITY COUNCIL

DATE: SEPTEMBER 9, 2015

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER *GR*

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SUBJECT: APPLICATION OF ANNEXATION, PRE-ZONING ORDINANCE, AND FINAL ENVIRONMENTAL IMPACT REPORT AND MITIGATION MONITORING AND REPORTING PROGRAM RELATED TO THE AGOURA EQUESTRIAN ESTATES PROJECT AND ADJACENT AREAS

I. BACKGROUND AND PROJECT DESCRIPTION

A. Project Location

The Agoura Equestrian Estates Project site is located in the unincorporated area of Los Angeles County, just east of the City of Agoura Hills border, along Chesebro Road, and north of Driver Avenue/Palo Comado Canyon Road. The project site is located on land owned by the City of Agoura Hills, which is proposed to be purchased and partially developed by a private company (the applicant). The site consists of two parcels: APN 2052-009-270, which is a nearly 71-acre parcel to the east and south of Chesebro Road; and APN 2055-010-270, which is an approximately 0.25-acre parcel across Chesebro Road from the main parcel (see Attachment 1, Project Location). Assessor Parcel Number 2052-009-270 consists of valley and hillside areas characterized by natural vegetation, including grasses, shrubs and some trees on the perimeter, some of which are oak trees. Chesebro Canyon Creek runs along APN 2055-010-270. The site as a whole is bordered on the west by low density residential single-family homes in the Old Agoura community and a gas station, with some commercial services and high density residential development adjacent to the U.S. 101 Highway corridor further west, all of which are located in the City of Agoura Hills. To the north and east, the project site is surrounded by open space owned by the State of California (Mountains Recreation and Conservation Authority – MRCA). The southern portion of the project site is bounded by U.S. Highway 101.

B. Development of Phases 1 and 2

The Agoura Equestrian Estates Project involves annexation of the approximately 71-acre site (APNs 2052-009-270 and 2055-010-270) into the City of Agoura Hills from the County of Los Angeles, and subdivision of the site into 17 lots, including two permanent open space lots (Lot Nos. 16 and 17) and 15 residential single-family lots (Lot Nos. 1-15). Specifically, APN 2055-009-270 would be subdivided into 15 residential lots on about 22 acres, and one 49-acre open space lot to be preserved. APN 2055-010-270 would be preserved in its entirety as open space. The project involves two phases, both of which consist of multiple step processes. The multiple steps are detailed more fully in Section IV. NEXT STEPS of this report.

The item that is the subject of this report is solely the California Environmental Quality Act (CEQA) document prepared for the Agoura Equestrian Estates Project and the initiation of an annexation application and Pre-Zoning request for the Agoura Equestrian Estates Project and adjacent lands at this time (related to City Case No. 13-ANX-001). Nonetheless, for background purposes, Phase 1 and 2 of the project, to be considered at a later date, are described below.

Phase 1 of the project includes the following in the approximately 22-acre development area:

- Construction of a private access road through the site, including rolled curb
- Trails, fencing and drainage improvements within the private road right-of-way
- Relocation/construction of an existing multi-use informal trail located partially within and partially outside of the site boundaries to the east
- Earthen and rock drainage swale improvements, debris detention basins, and underground pipes for runoff, terminating in an outlet into Chesebro Creek
- An equestrian trail and fence along the western side of the site, adjacent to existing homes
- Extension of utilities under the proposed private road from existing water and sewer lines south of site under Chesebro Road
- Grading of Lot 1 only to ensure that the grading in Phase 1 can be balanced onsite (no export/import of soil)

Attachment 2 (Subdivision Map with Equestrian Trails) shows the proposed subdivision map with the equestrian trails. A shear key/butress fill is required to be constructed east of Lot 9 (see Final Environmental Impact Report (EIR) Figure 4.2-3) pursuant to the project's Geotechnical Site Evaluation report (Gorian, 2013) to address a potential

landslide (see Section 4.3 Geology and Soils of the FEIR). The buttress, which is an EIR mitigation measure (Mitigation Measure GEO-1(a)), would be constructed as part of Phase 1. It consists of removing and replacing soil in a 30 x 180 foot square area.

Phase 1 includes grading for construction of the infrastructure components, but not for residential pads or residences, with the exception of the pad grading for Lot 1. Lot 1 is within a Federal Emergency Management Agency (FEMA) floodplain, and excess dirt from the project grading would be used to elevate Lot 1 so that there would be no net export or import of soil from the Agoura Equestrian Estates Project site. However, no residence on Lot 1 would be constructed as part of the Phase 1 project. Construction of Phase 1 is proposed to begin within one year of entitlement and to take a total of two years. During project construction, staging and equipment storage areas would be located at Lot 15 of the proposed subdivision, and outside of the protected zones of the existing nearby oak trees. Access to and from the site would be via Chesebro Road, Palo Comado Canyon Road and U.S. Highway 101.

Phase 2 consists of the development of each single-family residence in the future. The applicant has proposed 15 residential single-family lots to ultimately be developed with individual homes and associated landscaping. No plans have been submitted for the residential development of the 15 units. As each residence is proposed, the development would require an individual permit process, such as Site Plan Review and possibly an Oak Tree Permit, which would include separate application review.

Total grading for Phase 1 is estimated at 2,506 cubic yards of cut and 2,506 cubic yards of fill, with no net import or export of soil (see Final EIR Figure 2-6 for the grading plan). Phase 2 grading, based on concept grading at this time (see Final EIR Appendix B for a concept grading plan), would also balance the cut and fill onsite. The conceptual estimate for grading of Phase 2 is a total 13,445 cubic yards of cut and 9,715 cubic yards of fill, with a shrinkage of 2,020 cubic yards and a subsidence of 1,710 cubic yards, resulting in a net balance on the site and no import/export of soil. Nonetheless, as each residential lot would be developed in the future, an individual grading plan would be required for review and approval. The individual grading plan would need to be generally consistent with the quantity of grading identified in the FEIR or additional CEQA review would be required. The areas on each lot shown for grading may vary, and the location of the grading and the precise building pad would be determined at the time each residential application is submitted.

C. Local Agency Formation Commission/Sphere of Influence/Annexation

The project site is proposed for annexation, as it would provide for the orderly development of the ultimately proposed 15 single-family homes along with a private road and associated infrastructure. Access to the site and utilities/infrastructure would be taken via the City of Agoura Hills. The area surrounding the project site on the east

is rural and undeveloped, whereas there are existing higher density homes on the west (City of Agoura Hills), limited commercial use on the south (City of Agoura Hills), and open space and similar-density residential uses beyond to the north (the latter of which is in the City of Agoura Hills). Without annexation, the proposed development may be viewed as a subdivision "island" in Los Angeles County, rather than being contiguous with other existing built areas of the adjacent City of Agoura Hills to allow coherent and efficient development. Additionally, the City owns the project site, and desires to allow for development of a limited portion of the site, with the remainder maintained as permanent open space land, consistent with City standards and regulations pursuant to the General Plan and Municipal Code.

Upon initial discussions with the Los Angeles County Local Agency Formation Commission (LAFCO), the entity that reviews and approves annexations, City staff was directed to include two other areas, besides the two project site parcels, in the annexation request: (1) the portion of the Caltrans U.S. Highway 101 right-of-way (ROW) along the south side of the project site; and (2) the State of California (MRCA) open space parcel APN 2055-010-901 (see Attachment 3, Areas Proposed for Annexation, and Attachment 4 Correspondence from LAFCO). Nonetheless, these two areas would remain in their existing state, with no improvements proposed. In summary, the areas proposed for annexation include the following:

APN	Acres	Ownership
2052-009-270	71	City of Agoura Hills
2055-010-270	0.26	City of Agoura Hills
2055-010-901	38	State of California (MRCA)
Caltrans ROW	8	State Department of Transportation (Caltrans)
Total	117	

The above noted areas include the annexation of a portion of Chesebro Road through both the project site and the State of California parcel, ensuring that the City would own and maintain Chesebro Road for this segment.

LAFCO requires that a California Environmental Quality Act (CEQA) document be prepared and adopted/certified by the Lead Agency, and submitted to LAFCO as part of a request for an annexation and Sphere of Influence change. A Sphere of Influence (SOI) is a term used to delineate the City's probable future physical boundary and service area. It consists of an area that a City intends to annex in the future, but which is not currently within the City limits. As such, the SOI is often bigger than a City's current jurisdiction. Annexation refers to incorporating a specific unincorporated County territory into the City limits. The area to be annexed must be identified in a City's SOI. Since the date of incorporation of the City of Agoura Hills, the City's boundary has been coterminous with its SOI. In other words, there are no lands in the SOI that have not

already been incorporated into the City. Therefore, the proposed application to LAFCO would include a request for an SOI change and annexation at the same time. The City boundary would continue to be coterminous with the SOI. LAFCO also requires that as part of the annexation application submittal, a City "pre-zone" the areas it wishes to annex by way of a Pre-Zoning Ordinance, and prepare a Resolution of Application to LAFCO.

D. Zoning and Land Use Designations

1. Current Zoning

The current zoning designations for the two project parcels, as well as the State of California open space parcel and Caltrans ROW, are as follows: County of Los Angeles A-1-5 (Light Agricultural, maximum residential density of one dwelling per five acres) for APN 2052-009-270 and O-S (Open Space) for APN 2055-010-270 (total 71 acres); for Caltrans ROW and APN 2055-010-901 (State of California parcel) to be annexed only, it is A-1-5 and O-S respectively.

2. Current Land Use Designations

The current land use designations are as follows: County of Los Angeles North Area Plan N5 Mountain Lands (maximum residential density of one dwelling per five acres) for APN 2052-009-270, and OS-P (Open Space-Parks) for APN 2055-010-270 (total 71 acres); for Caltrans ROW and State of California parcel to be annexed only, it is TC (Transportation Corridor) and OS-P with Significant Ecological Area overlay, respectively.

3. Proposed Zoning and Land Use Designations

The proposed City zoning and General Plan land use designations for the areas to be annexed are listed below, and shown on Attachment 5 (Pre-Zoning Areas). The zoning districts are those being proposed for the "pre-zoning" as required by LAFCO. The zoning districts and land use designations exist in the Zoning Code and General Plan, and no new districts or designations are to be created. Staff proposes these particular designations and districts, as they most closely fit with the proposed Agoura Equestrian Estates Project and best reflect the site and surrounding area, which is lower density development and protected open space. Note that pursuant to AHMC Section 9672.9(C), the zoning designations must be shown with a "UA" identification attached to the designation to indicate that upon annexation approval, such designation would apply to the property.

Parcel	General Plan Designation	Zoning
<u>Project Site</u> Fifteen Residential Lots (portion of APN 2052-009-270, proposed Lots 1-15) Remaining Onsite Parcels (remainder of APN 2052-009-270, proposed Lot 17; and all of APN 2055-010-270, proposed Lot 16)	Residential Very Low Density (RV) (1 acre minimum lot) Open Space – Deed Restricted (OS-DR)	Very Low Density Residential (RV) (1 acre minimum lot)- Old Agoura Design Overlay (OA)- Equestrian Overlay (EQ) Open Space – Deed Restricted (OS-DR)-OA-EQ
<u>Other Lands</u> APN 2055-010-901 Caltrans ROW	OS-DR OS-DR	OS-DR-OA-EQ OS-DR-OA-EQ

The Very Low Residential (RV) zoning is the lowest density residential zone in the City, and is intended for large lot development suitable for equestrian and agricultural-oriented uses. It permits one single-family dwelling unit per lot, with a one-acre minimum lot size. The RV zone is found in the City north of the project site. To the west of the project site, the residential area is zoned at a slightly higher density, Low Density Residential (RL), which includes large lots to provide for equestrian uses in conjunction with residential and related development, with a 20,000 square foot minimum lot size. The RV zone reflects the proposed project's subdivision into residential lots (Lot Nos. 1-15) of between 1.28 and 1.78 acres, and the desire to accommodate equestrian uses on the lots.

The Open Space – Deed Restricted zone is the most restrictive zone in the City. It is for areas which, because of natural habitat, visual and aesthetic value, or other reason, should be preserved as natural open space by restricting development rights through deed restrictions. In this zone, no use is permitted without a Conditional Use Permit, and the following conditional uses are allowed: parks and trails; wildlife preserves; and public passive recreational uses that bear a reasonable relationship to open spaces. The project proposes to protect the two open space lots noted previously (Lot Nos. 16 and 17) as permanent open space, deed restricted. The particular receiving entity of the two open space lots has yet to be determined. Nonetheless, as part of recordation of the Final Tract Map by the applicant, deed restrictions would be placed on these open

space lots indicating allowed uses and other conditions, consistent with the OS-DR zone and the project conditions of approval, including EIR mitigation measures.

Each parcel or land area to be annexed is proposed to be zoned Old Agoura Design Overlay (OA) and Equestrian Overlay (EQ). The reason for this zoning is the location of the lands, upon annexation approval, in the Old Agoura community of the City, and within an area of equestrian use, similar to the adjacent uses in the City. The Old Agoura Design Overlay is to preserve the unique character of Old Agoura through establishing special public improvement standards and design guidelines. The purpose of the EQ overlay is to create, enhance, and protect the equestrian and rural atmosphere of the property. These overlay zones would ensure that the proposed Agoura Equestrian Estates Project site, State of California parcel, and Caltrans ROW would be compatible with the particular area of the City within which the areas would be annexed, and that the proposed equestrian uses on the Agoura Equestrian Estates Project site would be consistent with City standards for equestrian areas.

The proposed zoning of the State of California (MRCA) lot and the Caltrans ROW would enable the current uses to continue and be protected as such. No change in use of either of these lands is proposed or expected.

II. REQUESTED CITY COUNCIL ACTIONS

At this time, the City Council is being asked to consider taking only the following actions:

- Certification of the Final Environmental Impact Report (EIR) and the related Mitigation and Monitoring and Reporting Program (MMRP) per the California Environmental Quality Act (CEQA)
- Approval of Annexation Resolution
- Approval of Pre-Zoning Ordinance

The actions are described more below. The City Council will be considering the applicant-requested Agoura Equestrian Estates Project entitlements at a later date, subsequent to any LAFCO approval of annexation.

A. Final Environmental Impact Report and Mitigation Monitoring and Reporting Program.

The Environmental Impact Report (EIR) assesses both the near-term impacts of Phase 1 of the project (subdivision; annexation; grading of Lot 1; and construction of a private road, drainage and basins, trails, and utilities), and the long-term construction of 15 single-family homes on the 15 single-family lots under Phase 2. It is anticipated that the subsequent permitting process for individual residences on the newly subdivided residential lots (e.g., Site Plan Review, Oak Tree Permit) that comply with applicable

provisions of the Municipal Code and are consistent with the EIR would not require further environmental analysis.

A Notice of Preparation/Initial Study was prepared and circulated for agency comment in May 2014. The following issues were addressed in that document, and were not necessary to carry forward in the EIR analysis because there would be no impact, or impacts would be less than significant, or impacts would be less than significant with mitigation: agriculture resources; air quality; cultural resources; greenhouse gases; land use and planning; mineral resources; noise; population and housing; public services; recreation; transportation/traffic; and utilities and service systems.

The Draft EIR analyzed the following environmental issue areas, and identified less than significant impacts, or potentially significant, but mitigable, environmental effects on aesthetics; biological resources; geology and soils; hazards/hazardous materials; and hydrology and water quality. All potentially significant impacts were shown to be lessened to a less than significant level by implementation of outlined mitigation measures.

The Notice of Availability/Notice of Intent to Adopt (NOA/NOI) an EIR was distributed to public agencies at the local, state and federal level, public interest/non-profit groups, and homeowners associations prior to January 15, 2015, and the Draft EIR was circulated for public review from January 15, 2015 to March 2, 2015. The Planning Commission held a public hearing to receive comments on the document on February 5, 2015. Notices of the hearing and NOA/NOI were posted at City Hall, the City Recreation Center, the Agoura Hills Library and the Los Angeles County Clerk's Office, as well as published in the local newspaper. The Draft EIR was made available for review on the City's website, at the Planning Counter at City Hall and at the Agoura Hills Library.

Thirty six (36) comment letters were received. City staff and the EIR consultant responded to each of the comments in writing. The comment letters and responses are found in Section 8.0 Response to Comments of the Final EIR. The most common topic themes found in the public comment letters were the following:

- Residential units, including possible second units
- Proposed trails
- Traffic impact analysis
- Traffic from secondary units
- Fuel modification and permanent preservation of sensitive communities
- Wildlife movement and connectivity
- Botanical surveys

These comments are addressed in the "global responses" portion of the Responses to

Comments.

In response to the comments, portions of the EIR were revised to clarify or provide additional information. These edits are shown in ~~strikeout~~/underline mode in the Final EIR. In particular, additional botanical surveys were conducted in March, April and June of 2015, with the results of the surveys incorporated in the Final EIR. The reason for additional botanical surveys in 2015 is that the 2014 surveys were conducted after a period of prolonged dry weather, and rains occurred in early 2015, after the DEIR was released for public review. After such rains, it might be expected that more plant species would be present than may have been in the prior year, in particular the round leaf filaree, a California rare plant. The DEIR indicated that the project could result in the reduction in the number or habitat of rare plant species (Impact BIO-2), including specifically the round leaf filaree, although it was not detected in 2014, but that mitigation to prepare an onsite or offsite restoration plan or offsite preservation for the round leaf filaree and other rare plant species was required in the event the species are found onsite and cannot be avoided (MM BIO-2(b)). In other words, the DEIR anticipated a circumstance in which the round leaf filaree may be found onsite in future surveys. Finding the round leaf filaree on the project site in 2015 did not change the level of impact identified in the DEIR.

In some cases, Draft EIR mitigation measures were amended or added to provide extra protection to resources. However, the revisions to the EIR did not result in identification of new or more severe impacts or change the conclusion of the Draft EIR regarding significance of an impact. The revisions to, or addition of, mitigation measures in the Final EIR were not necessary to reduce potentially significant impacts to a less than significant level, as the Draft EIR already concluded that implementation of the Draft EIR mitigation measures would already accomplish this.

CEQA Guidelines Section 15088.5 indicates that an EIR must be recirculated prior to certification if "significant" new information is disclosed. New information added to an EIR is not "significant" unless the EIR is changed such that it deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect that the project's proponents have declined to carry out. "Significant new information" can include, for example, that:

- A new significant environmental impact would result from the project or from a new mitigation measure proposed to be implemented.
- A substantial increase in the severity of an environmental impact would result unless mitigation measures are adopted that reduce the impact to a level of insignificance.

- A feasible project alternative or mitigation measure considerably different from others previously analyzed would clearly lessen the significant impacts of the project, but the project's proponents decline to adopt it.
- The Draft EIR was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded.

None of the above conditions apply to the EIR. Therefore, the EIR is not required to be recirculated. The modifications to the Draft EIR for inclusion in the Final EIR do not constitute "significant new information" as defined in Section 15088.5 of the State CEQA Guidelines. The modifications described in Section 8.0 Responses to Comments of the FEIR and shown in strikeout/underline mode in the FEIR text do not show: (1) new significant environmental impacts from the project or from new mitigation measures that were not identified in the DEIR; (2) a substantial increase in the severity of environmental impacts described in the DEIR; (3) feasible project alternatives or mitigation measures considerably different from others previously analyzed that would clearly lessen the significant environmental impacts of the project, but which the project proponent declines to adopt; or (4) that the Draft EIR was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded. As such, the decision not to recirculate the EIR would not deprive the public of a meaningful opportunity to comment on substantial adverse effects or feasible mitigation measures or alternatives.

Attachment 6 is the Final EIR, which was previously provided to the City Council under separate cover. It consists of the Draft EIR, the public comment letters and responses to the items raised in these letters, as well as technical appendices and the Mitigation Monitoring and Reporting Program (MMRP). Any necessary changes to the EIR based on the public comments have been incorporated into the Draft EIR text to form the Final EIR.

On August 6, 2015, a CD copy of the Final EIR with the full set of comments and the corresponding responses was mailed to each individual, agency or entity that provided comments on the Draft EIR. On that same day, a copy of the Final EIR was made available online on the City's website, as well as available at the Planning Department in City Hall. (Please also note that on August 3, 2015, an e-mail with an electronic link to the FEIR - including the comments and responses to comments - was sent to all commenters as a courtesy, in advance of the mailed and posted copies).

On August 20, 2015, the Planning Commission considered the Final EIR and MMRP at a regularly scheduled hearing, which was duly noticed, for recommendation to City Council. The Planning Commission packet is included as Attachment 7 to this report, and a summary of the Planning Commission and public comments on the Final EIR is provided below in Section III. PLANNING COMMISSION SUMMARY.

Notice of this City Council public hearing and availability of the Final EIR were posted at City Hall, the City Recreation Center, and the Agoura Hills Library, and published in the local newspaper. The notice was also mailed to all property owners within a 750-foot radius of the proposed areas to be annexed; all commenters on the Draft EIR; all those on the NOA/NOI distribution list identified above; and all those who submitted correspondence to City staff and the Planning Commission after the Commission packet was distributed, including just prior to the hearing and at the hearing.

For informational purposes, the Public Resources Code Section 21092.5(a) requires that the City provide responses to all comments received during the Draft EIR public comment period (January 15 – March 2, 2015) at least ten days prior to certifying the Final EIR. While the City Council is the decision-making body to consider certifying the Final EIR, the responses were nonetheless provided to the commenters more than ten days prior to the Planning Commission hearing consistent with that requirement. Therefore, commenters on the Draft EIR have had access to a copy of the Final EIR with the comments and responses to comments for just under a month prior to the City Council considering whether to certify the EIR.

CEQA Guidelines Section 15097 requires an approving agency to adopt a Mitigation Monitoring and Reporting Program (MMRP) for measures needed to avoid or lessen a project's significant effects. The MMRP is included as Appendix I to the Final EIR. The purpose of such a program is to ensure that mitigation measures identified in the EIR are implemented by listing the measures, the timeframe for their implementation, and the entity responsible for ensuring that they are carried out.

Attachment 8 is City Council Resolution No. 15-1797 to certify the Final EIR for the Agoura Equestrian Estates Project; make environmental findings pursuant to the California Environmental Quality Act; and adopt a Mitigation Monitoring and Reporting Program. The Resolution summarizes the various potential environmental impacts, and the mitigation measures identified in the EIR to address the impacts. The City must certify the Final EIR prepared for the Agoura Equestrian Estates Project prior to initiating annexation, as well as approving the project. According to the CEQA Guidelines Section 15090(a), certification consists of three steps. Prior to approving a project, the lead agency must certify that: (1) the Final EIR was completed in compliance with CEQA; (2) the Lead Agency (City) reviewed and considered the Final EIR before approving the project; and (3) the Final EIR reflects the agency's independent judgment and analysis.

CEQA Guidelines Section 15091 requires written findings to support an agency's approval of the project. The findings must be supported by substantial evidence in the record. The following finding is necessary:

- Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environment effect as identified in the Final EIR.

The EIR has incorporated required mitigation measures that reduce all potentially significant impacts to a less than significant level. The Resolution addresses the finding by summarizing the impacts identified in the Final EIR and briefly describing the mitigation measures required to reduce the impacts to a level of less than significant.

Section 15092 of the CEQA Guidelines requires that a public agency (the City) must only decide to approve or carry out a project for which an EIR was prepared if:

- The project approved will not have a significant effect on the environment; or
- The agency has either: eliminated or substantially lessened all significant effects on the environment where feasible as shown in the findings under Section 15091; or determined that any remaining significant effects on the environment found to be unavoidable under Section 15091 are acceptable due to overriding concerns.

The Resolution addresses this requirement by summarizing that the Final EIR has demonstrated that all significant effects on the environment have been reduced to a level of less than significant through required mitigation measures. Therefore, no statement of overriding considerations is necessary.

Exhibit A of Resolution No. 15-1797 is the CEQA Findings and Facts in Support of Findings. This document describes the: (1) effects determined to be less than significant or no impact in the Initial Study/Notice of Preparation; (2) effects determined to be less than significant with mitigation in the Initial Study/Notice of Preparation; (3) effects determined to be less than significant without mitigation in the EIR; (4) potentially significant environmental impacts determined to be mitigated to a less than significant level in the EIR; (5) measures to further reduce potentially significant environmental impacts already determined to be mitigated to a less than significant level in the Draft EIR; and (6) project alternatives. Exhibit B of Resolution is the EIR's MMRP.

B. Annexation

Attachment 9 is City Council Resolution No. 15-1798 a Resolution of Application. The Resolution of Application initiates the LAFCO annexation and Sphere of Influence amendment process. The reasons for this proposed annexation, as listed in the Resolution, are to create a logical extension of City boundaries; to promote the efficient provision of municipal services and access in the affected territory; and, considering that 71 acres of the territory are owned by the City, to allow for limited development and permanent open space uses of the site, consistent with City standards and regulations

pursuant to the General Plan and Municipal Code. The Resolution relates to City Case Number 13-AXN-001 for annexation and Sphere of Influence amendment.

C. Pre-Zoning

Attachment 10 is Ordinance No. 15-419 approving the Pre-Zoning. The Ordinance designates the proposed annexation territories with City of Agoura Hills zoning designations, consisting of RV-OA-EQ (UA) (Very Low Density Residential-Old Agoura Design Overlay-Equestrian Overlay) at a density of one acre minimum lot for the approximately twenty two (22) acre area (Lot Nos. 1-15) of Assessor Parcel Number 2052-009-270 that would contain single-family homes; OS-DR-OA-EQ (UA) (Open Space-Deed Restricted-Old Agoura Overlay-Equestrian Overlay for Assessor Parcel Number 2055-010-270 (0.25-acre parcel containing Chesebro Canyon Creek, known as Lot 16) and the remainder of Assessor Parcel Number 2052-009-270 (open space Lot 17); and OS-DR-OA-EQ (UA) for Assessor Parcel Number 2055-010-901 (State of California-MRCA) and the U.S. Highway 101 right-of-way. The Resolution states that these zoning designations most closely match with the proposed Agoura Equestrian Estates Project and adjacent areas to be annexed, and best reflect the areas surrounding the annexation territory, which are lower density development and protected open space, and within the Old Agoura Design Overlay and Equestrian Overlay.

The Ordinance demonstrates how the proposed Pre-Zoning is consistent with the City of Agoura Hills General Plan 2035, and lists applicable goals of the General Plan. The Ordinance states that, prior to final acceptance of the annexation and Sphere of Influence amendment by the City Council after LAFCO approval, the City Council would consider a General Plan Amendment to incorporate the new annexation territories into the text and exhibits of the General Plan, reflecting their inclusion in the City boundary. This action would ensure consistency with the General Plan.

III. PLANNING COMMISSION SUMMARY

On August 20, 2015, at its regularly scheduled meeting, the Planning Commission held a public hearing to consider: (1) the Final EIR and MMRP and Resolution No. 15-1135 recommending that the City Council certify the Final MMRP, approve the MMRP, and make certain CEQA findings; (2) Resolution No. 15-1136 recommending that the City Council approve a Resolution of Application; and (3) Resolution No. 15-1137 recommending that the City Council adopt a Pre-Zoning Ordinance related to the Agoura Equestrian Estates Project and adjacent areas proposed for annexation. The Planning Commission approved each of the three Resolutions on a vote of 3-2 (Northrup, Anstead opposed). The majority of the Commission found that the necessary findings could be made for all three actions.

Attachment 11 is the draft minutes from the Planning Commission hearing on August 20, 2015. A "Summary of the Planning Commission's Deliberations on Actions Before the Commission, August 20, 2015" is included as Attachment 12. The Commissioners discussed the following environmental issues: flooding, wildlife corridor and edge effects, wetlands, traffic, and the project description for Phase 2 single-family residences, among other items. "Responses to Environmental Topics Raised in the Commission's Deliberations on Actions before the Commission, August 20, 2015" is included as Attachment 13. Attachment 14 consists of the public written comments provided to the Planning Commission after the Commission staff report packet was distributed and as part of the hearing on August 20, 2015. Lastly, Attachment 15 is the "Responses to Topics Raised in Written and Oral Testimony Submitted by the Public to the Planning Commission, August 20, 2015."

IV. NEXT STEPS

If the City Council approves the CEQA Resolution, the Resolution of Application to LAFCO, and the Pre-Zoning Ordinance, City staff would then submit an application to LAFCO to begin the annexation and Sphere of Influence amendment process. The LAFCO review process could take between 18-24 months. Upon approval of the annexation and Sphere of Influence amendment by LAFCO, the Phase 1 entitlement components of the project, listed below, would return to the Planning Commission for recommendation, followed by City Council action. Phase 2 development of each of the 15 residential lots with single-family homes is expected to occur at a later date as part of an individual permit process, including separate application review and entitlement, for each home, which the Planning Commission would consider for approval.

- Vesting Tentative Tract Map (TR 72316) to:
 - Divide approximately 71 acres (APN 2052-009-270) into sixteen lots: (1) open space to be preserved, (2) fifteen residential lots
 - Retain the one parcel (about 0.26 acre) across Chesebro Road (APN 2055-010-270) as a separate open space lot to be preserved
- Annexation and Sphere of Influence Amendment (13-ANX-001) for the two project parcels plus the state-owned parcel (APN 2055-010-901) and a portion of the Caltrans right-of-way along U.S. Highway 101
- General Plan Amendment (13-GPA-002) to reflect annexation of new areas into the General Plan text and exhibits
- Oak Tree Permit (13-OTP-021) for oaks associated with Phase 1 work along the western side of the project site (encroachment only - oaks to remain)
- Conditional Use Permit (13-CUP-005) for the overall project, given that the approximately 71-acre parcel is hillside, and that trails are proposed in the OS-DR zone of current APN 2052-009-270 on Lot 17

- Zone Change and Zoning Ordinance Amendment (13-ZC-001 and 13-ZOA-001) from County zoning to Residential Very Low (RV)-Old Agoura Overlay (OA)-Equestrian Overlay (EQ) for fifteen residential lots and Open Space – Deed Restricted (OS-DR)-OA-EQ for the two open space lots within the project site (proposed Lots 16 and 17), and the State of California parcel (APN 2055-010-901) and Caltrans U.S. Highway 101 ROW

- Development Agreement (13-DA-001) (see description below)

As part of the project entitlements, the applicant has requested that the City approve a Development Agreement, as authorized by the Development Agreement Act (Cal. Gov't Code Section 65864, *et seq.*). A Development Agreement would provide for the development of the project site in phases and grant the applicant a vested right to develop the project site over time consistent with the terms of the project approvals. To create certainty over time, a Development Agreement freezes the development standards and laws in effect as of the date the project entitlements are approved. Although a Development Agreement would significantly restrain the City's power to change land use powers applicable to the project, the Development Agreement provides the City with sufficient reserved powers during its term to respond to health and safety-related changes and other specified City-wide situations.

As proposed consideration for the rights granted under a Development Agreement, the applicant offers public benefits to the City by providing permanent dedication of about 49 acres of open space land, annexation of the development into the City of Agoura Hills and City control, an equestrian path and the preservation of an existing informal trail on state land managed by the National Park Service; and a covenant recorded against the property that will prohibit development of the property for any school purposes. In exchange for these and other benefits to the City, the applicant will receive assurances that the project may be developed during the term of the Development Agreement, subject to the terms and conditions of the Development Agreement and any conditions of approval.

The initial term of the Development Agreement is proposed to be ten years, and may be extended by five years as long as the applicant retains ownership of the project site and is proceeding with development of the project site, for a potential total term of no longer than 15 years. The rights granted by a Development Agreement would run with the land, and be transferrable to the subsequent owners of each of the proposed 15 individual residential lots. Approval of a Development Agreement is considered a legislative act, which must be accomplished through the City Council's adoption of an ordinance.

V. RECOMMENDATION

Staff recommends that the City Council conduct a public hearing and adopt the two Resolutions and one Ordinance in the following order:

1. Resolution No. 15-1797 certifying the Final Environmental Impact Report for the Agoura Equestrian Estates Project; making environmental findings pursuant to the California Environmental Quality Act; and adopting a Mitigation Monitoring and Reporting Program.
2. Ordinance No. 15-419 approving the Pre-Zoning of approximately 117 acres for the Agoura Equestrian Estates Project and adjacent properties.
3. Resolution No. 15-1798 initiating proceedings to amend the Sphere of Influence of the City of Agoura Hills and annex to the City of Agoura Hills certain uninhabited territory for the Agoura Equestrian Estates Project and adjacent lands.

Attachments:

1. Project Location Map
2. Subdivision Map with Equestrian Trails
3. Areas Proposed for Annexation
4. Correspondence from LAFCO
5. Pre-Zoning Areas
6. Final Environmental Impact Report (provided previously, under separate cover)
7. Planning Commission staff report and attachments, August 20, 2015
8. City Council Resolution No. 15-1797 regarding CEQA document
9. City Council Resolution No. 15-1798 regarding application for annexation
10. City Council Ordinance No.15-419 regarding Pre-Zoning
11. Draft minutes from the Planning Commission hearing, August 20, 2015
12. Summary of the Planning Commission's Deliberations on Actions Before the Commission, August 20, 2015
13. Responses to Environmental Topics Raised in the Commission's Deliberations on Actions before the Commission, August 20, 2015
14. Public Written Comments Provided to the Planning Commission
15. Responses to Topics Raised in Written and Oral Testimony Submitted by the Public to the Planning Commission, August 20, 2015