

# Newland Sierra, LLC

August 23, 2017

*By Hand-Delivery/E-mail*

Laurie Berman  
District 11 Director  
California Department of Transportation  
4050 Taylor Street, M.S. 240  
San Diego, California 92110

Ann Fox  
Deputy District Director  
Planning and Local Assistance  
California Department of Transportation  
4050 Taylor Street, M.S. 240  
San Diego, California 92110

Re: *Newland Sierra Responses to August 10, 2017 Comment Letter*

Dear Ms. Berman and Ms. Fox:

On behalf of Newland Sierra, LLC, this letter is in response to the letter from Roy Abboud, Local Development and Intergovernmental Review Branch, to the County of San Diego (County) dated August 10, 2017. The August 10 letter provides comments on the County's Draft EIR for the Newland Sierra Project situated in unincorporated San Diego County, just west of the Interstate 15 (I-15)/Deer Springs Road Interchange (Project; SCH No. 2015021036). Newland Sierra is the applicant with the County and the landowner of the Project. We are also the permittee working with the Department to construct and fund improvements to the I-15/Deer Springs Road Interchange (Interchange) to mitigate traffic impacts associated with our Project.

We appreciate the opportunity to respond to the August 10 letter, which is comprised of comments from three branches or divisions within the Department: (1) Traffic Engineering and Analysis (TEA) branch comments, (2) Park and Ride Coordinator comments, and (3) Environmental Division comments.

In summary, the TEA branch comments state that the Department "does not have a project to improve" the Interchange as identified in the Draft EIR; we must initiate an "Intersection Control Evaluation" (ICE) with the TEA branch at the Interchange location to mitigate traffic impacts generated by the Project; we must pay for the ICE process and all construction improvements associated with the Interchange project; and additional traffic mitigation is required because the Project directly impacts the I-15 mainline segment from Deer Springs Road to Pomerado Road.

The Park and Ride Coordinator's comments focus on the County's Draft EIR evaluation of impacts to the existing park-and-ride facilities in the vicinity of the Project, and asks the Project to commit to expand and/or improve those existing facilities as part of the Project.

The Environmental Division's comments center on the Interchange project, and state that Caltrans should not be prematurely assigned the responsibility for the environmental analysis, technical studies, and mitigation for that project in the County's Draft EIR for the Project. Newland Sierra responds to all these comments below.

Additionally, we thank Ms. Fox for scheduling a meeting with us this Thursday at Caltrans' offices to discuss the August 10 letter in more detail. The meeting will allow us to clarify various issues, address any misunderstandings, and continue our prior discussions and coordination efforts with the Department.

## **TEA Branch Comments**

### **I-15/Deer Springs Road Interchange**

The Department's TEA Branch comments suggest that the Department "does not have a project" at the Interchange and that the County's Draft EIR has "directed" or "assigned" responsibility for the Interchange's environmental analysis, technical studies, and mitigation to the Department. (See August 10 letter, pp. 1, 14.) These comments require clarification.

In 2014, at Newland Sierra's request, the Department entered into a Cooperative Agreement, effective April 16, 2014 (2014 Agreement). The 2014 Agreement initiated the process of evaluating alternative Interchange improvements to *mitigate* our Project's impacts to the Interchange within the state highway system. As such, the Interchange project is a Newland Sierra proposed privately-funded project in accordance with the Department's current Project Development Procedures Manual. This process includes the development of a Project Initiation Document (PID) consisting of a Project Study Report-Project Development Support (PSR-PDS) that establishes the framework and project objectives for the next two phases of the Interchange project. In accordance with the Department's guidelines, the PSR-PDS defines the purpose and need for any proposed improvements, identifies a reasonable range of alternatives, estimates project cost and schedule, assigns funding responsibility to Newland Sierra, and outlines an action plan for implementation of the Interchange improvements.

Newland Sierra is currently preparing the PSR-PDS under the Department's purview and in accordance with the 2014 Agreement. As required by the 2014 Agreement, all of the Department's activities in this regard are fully reimbursed by Newland Sierra. The range of alternatives considered in the PSR-PDS will follow the applicable policies and guidance of state highway projects and will be evaluated to ensure the proposals provide adequate traffic impact mitigation. In addition, Newland Sierra acknowledges that the PSR-PDS will include at least one alternative that meets full highway design standard requirements. After completion of the PSR-PDS, the Department and Newland Sierra will enter into the next phase — the Project Approval and Environmental Document (PA&ED) phase. The PA&ED phase will involve preparation of the appropriate environmental documents for the Interchange project, along with the selection of a range of reasonable alternatives and feasible mitigation in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).

The Department is concurrently going through the PSR-PDS process as the County prepares its own separate EIR for the Sierra Project. The Department also has been coordinating with the County during this concurrent planning and environmental review process. (See, for example, the enclosed letter from Jacob Armstrong, Department, to Francisco Ortiz, San Diego County, dated February 4, 2016.)

If the Department ultimately approves the selected Interchange project, Newland Sierra, as the permittee, will fund 100% of all Interchange improvements and mitigation. Accordingly, there is no intent to direct or assign responsibility to the Department for the Interchange's environmental analysis,

studies, or mitigation. Our 2014 Agreement with the Department confirms this fact, as does the preparation of the draft PSR-PDS through the Department's normal project development approval process, and the Department's coordination with the County as it continues its own EIR evaluation of the Sierra Project.

We would like to use our upcoming meeting to more fully explain our prior and continuing discussions and coordination efforts with the Department, as it does not appear that the August 10 letter acknowledges our prior efforts with the Department dating back to 2014. As a result, the August 10 letter creates confusion, and calls for the Department's clarification.

### **I-15 Mainline Improvements/Mitigation**

In addition, we would like to address the TEA Branch's comment stating that additional traffic mitigation is required because the Project directly impacts the I-15 mainline segment from Deer Springs Road to Pomerado Road. We believe there is a miscommunication over the feasibility of such mitigation.

In our view, the County's Draft EIR appropriately determined that impacts to the I-15 mainline from Deer Springs Road to Pomerado Road (a distance of nearly 11 miles) would require additional mainline capacity improvements (e.g., adding one lane to each side of I-15 along the identified stretch of I-15, which amounts to approximately 22 miles of capacity enhancing improvements). The Draft EIR correctly concluded there is no Caltrans-recognized mitigation program to implement such improvements; and, thus, such mitigation is not feasible, resulting in a significant unavoidable impact of the Project under CEQA.

The Draft EIR's findings are supported by the Department with regard to other projects where capacity enhancing improvements to the I-15 mainline were identified. In those settings, and contrary to the August 10 letter, the Department has appropriately recognized that no mitigation program, which an EIR could rely on, is currently in place to implement such improvements, and such improvements are not planned to be in place until sometime between 2040 and 2050 based on SANDAG's Regional Transportation Plan (RTP) in effect for the region. In addition, the RTP does not identify any specific secured funding sources for such improvements.

Like the Department, we support regional efforts by the County, SANDAG, private stakeholders, and other jurisdictional transportation agencies to work with the Department in developing a program to both plan and fund necessary capacity, multi-modal improvements and transportation demand management (TDM) strategies along the I-15 corridor. In addition, the Sierra Project includes a TDM program with measures including demand-responsive shuttle services from the Project's Town Center and residential neighborhoods to the Escondido Transit Center, transit subsidies for the Project's residents and commercial employees, a Sierra community-sponsored electric bike-share program, 19 miles of trails and pathways, and six miles of continuous bike lanes along the off-site road improvements and along the backbone road system and through the neighborhoods, and other required trip reducing measures.

For example, the County's Draft EIR includes a robust TDM program that reduces the Project's total vehicle miles travelled by 11.1% through project design features that will be incorporated in and made enforceable by the County's conditions or its mitigation monitoring and reporting plan for the Project.

(For further information regarding the Project's TDM program, please refer to the Draft EIR, Section 2.7, Greenhouse Gas Emissions, Table 2.7-7, pp. 2.7-57 through 2.7-60; and the supporting Fehr & Peers' Technical Report, which is Appendix D to the EIR's GHG Technical Report [Draft EIR, Appendix K].) The August 10 letter makes no mention of this innovative TDM program.

#### **Park and Ride Coordinator Comments**

The August 10 letter raises issues related to the capacity of existing park-and-ride facilities, including the Deer Springs Road park-and-ride lot located on the west side of I-15 in the northeast corner of the intersection of Mesa Rock Road and Deer Springs Road. The County's Draft EIR addresses this lot, but acknowledges that the decision to expand the park-and-ride also requires Caltrans concurrence; and, more importantly, the lot is part of the Department's draft PSR-PDS, so the Department will evaluate the lot as part of its own concurrent review process for the Interchange project.

The draft PSR-PDS also specifically identifies improvements to the existing Deer Springs Road park-and-ride lot in association with the Project's proposed improvements to the Interchange. More specifically, the Project's proposed improvements to Mesa Rock Road include realigning the road inside the Project's Town Center neighborhood to provide space to increase the size and capacity of the existing park-and-ride lot. Based on a preliminary estimate, this existing park-and-ride lot could be roughly doubled in size to accommodate up to 50 parking spaces. As part of building the new Interchange, subject to Caltrans evaluation and approval, the Project would expand the capacity of this existing park-and-ride lot to include additional parking spaces, electric vehicle parking spaces, bicycle facilities (including racks, lockers, etc.), and accommodations for car-share and ride-share services.

Further, the August 10 letter identifies two other park-and-ride lots in the Project vicinity, including the existing lot located on the east side of I-15 in the northwest corner of the intersection of Mountain Meadows Road/Deer Springs Road and Old Highway 395/Champagne Road. It is our understanding that, at this stage, the Department's PID process has not identified a need to expand this park-and-ride lot in association with the Interchange project. That being said, the PSR-PDS is still in a draft form and should the Department determine that expansion and/or other facility enhancing improvements may be warranted at this park-and-ride lot, this issue can be analyzed as part of PSR-PDS.

In summary, the Department's concurrent PSR-PDS process presently addresses the park-and-ride facilities in the Project vicinity; the Department provides review and oversight of the PSR-PDS, which we are required to prepare at Newland Sierra's sole expense and at no cost to the Department; and if that process demonstrates that expansion of or improvements to the existing park-and-ride lots are required, the Department retains the full discretion and authority over that process – including the decision whether to approve the Interchange project in accordance with the provisions of the Department's current Project Development Procedures Manual.

These facts were not presented in the August 10 letter. At our meeting, we would like the opportunity to work through these issues to a successful outcome.

## Environmental Division Comments

The Environmental Division comments state that the County Draft EIR should not assign the responsibility for the Interchange project's environmental analysis, technical studies, and mitigation to the Department. We agree with that view, and that is the reason we entered into the 2014 Agreement with the Department, so we could initiate the PID process leading to preparation of the PID-PSR-PDS. If the mitigation measures in the County's Draft EIR are not clear on this point, we will ask the County to revise the text of the mitigation to ensure that, as the permittee, Newland Sierra is solely responsible for the costs and mitigation associated with the Interchange project.

In addition, we would like to clarify one important point. Currently, the Interchange is congested, and these existing conditions are not connected to or caused by the Newland Sierra Project. Moreover, whether the Sierra Project is developed or not, traffic volumes along I-15 and through the Interchange are forecasted to increase as the County and cities (e.g., San Marcos, Escondido, and Vista) continue to grow consistent with planning forecasts.

Further, the Environmental Division states that the "environmental analysis, technical studies, and mitigation relating to the potential impacts" of the Interchange project should be addressed as part of the Draft EIR for the Sierra Project. We do not concur with this comment.

First, the Interchange project's preliminary environmental effects are currently under consideration as part of the Department's PID-PSR-PDS process, and the Department will be the lead agency under CEQA and NEPA for the environmental compliance required for that project. As to funding, by the 2014 Agreement, we have committed to be solely responsible for all expenses incurred in the PID-PSR-PDS process, including costs to reimburse the Department for its work. We also have committed to fund the construction of the Interchange project if approved by the Department.

Second, the County's Draft EIR, in fact, provides the required analysis of the Interchange project as mitigation for the Sierra Project. Specifically, the Interchange is one of the mitigation measures set forth in the Draft EIR, Section 2.13, Transportation and Traffic, Mitigation Measure **M-TR-1**, p. 2.13-105.

Under CEQA, if a mitigation measure would cause one or more significant effects in addition to those that would be caused by the Project as proposed, the effects of the mitigation measure must be discussed, but in less detail than the significant effects of the Project as proposed. (See 14 Cal. Code Regs., § 15126.4(D).) The Draft EIR provides the requisite analysis of the Interchange improvements by disclosing all it reasonably can at this time regarding the environmental effects associated with such improvements. For example:

- **Aesthetics.** The Draft EIR, Section 2.1, evaluates potential impacts to aesthetics and visual resources of the Sierra Project, and includes an evaluation of the visual impacts of the Interchange improvements. (See Draft EIR, Section 2.1, Aesthetics, pp. 2.1-27, 2.1-42, Figures 2.1-4 and 2.1-6.)
- **Agricultural Resources.** The Draft EIR, Section 2.2, analyzes potential significant impacts to agricultural resources resulting from implementation of the Sierra project, including off-site improvements such as the Interchange improvements. (See Draft EIR, Section 2.2, Agricultural Resources, pp. 2.2-10-11, 2.2-18.)

- **Air Quality.** The Draft EIR, Section 2.3, analyzes the potential air quality impacts resulting from the Sierra Project, including impacts associated with the construction and operation of the Interchange improvements. (See Draft EIR, Section 2.3, Air Quality, pp. 2.3-22-23, 2.3-26, 2.3-37.)
- **Biological Resources.** The Draft EIR, Section 2.4, evaluates biota impacts of the Sierra Project, including the Interchange improvements. (See Draft EIR, Section 2.4, Biological Resources, pp. 2.4-46-48, 2.4-69-70, 2.4-123.)
- **Cultural Resources.** The Draft EIR, Section 2.5, evaluates the potential impacts to cultural resources resulting from the Sierra Project, including the Interchange improvements. (See Draft EIR, Section 2.5, Cultural Resources, pp. 2.5-39, 2.5-41, 2.5-56.)
- **Geology, Soils, and Seismicity.** The Draft EIR, Section 2.6, analyzes the potential geology, soils, and seismicity impacts of the Sierra Project, including the Interchange improvements. (See Draft EIR, Section 2.6, Geology, Soils, and Seismicity, pp. 2.6-11, 2.6-18, 2.6-22.)
- **Greenhouse Gas Emissions.** The Draft EIR, Section 2.7, evaluates the Sierra Project's potential global climate change and GHG emissions impacts, and addresses the construction and operational impacts of the Interchange improvements. (See Draft EIR, Section 2.7, Greenhouse Gas Emissions, pp. 2.7-34, 2.7-36.)
- **Hazards and Hazardous Materials.** The Draft EIR, Section 2.8, evaluates potential significant wildfire hazards, hazardous materials, emergency response plans, and vector impacts of the Sierra Project, including those associated with the Interchange improvements. (See Draft EIR, Section 2.8, Hazards and Hazardous Materials, pp. 2.8-21, 2.8-26, 2.8-31, 2.8-36.)
- **Mineral Resources.** The Draft EIR, Section 2.9, evaluates the potential for significant impacts to mineral resources associated with the Sierra Project, including those associated with the Interchange improvements. (See Draft EIR, Section 2.9, Mineral Resources, pp. 2.9-9.)
- **Noise.** The Draft EIR, Section 2.10, evaluates potential noise and vibration impacts resulting from development of the Sierra Project, including off-site construction associated with improvements to the Interchange. (See Draft EIR, Section 2.10, Noise, pp. 2.10-19-20, 2.10-33-34.)
- **Paleontological Resources.** The Draft EIR, Section 2.11, analyzes the Sierra Project's potential impacts to paleontological resources, including those associated with the Interchange improvements. (See Draft EIR, Section 2.11, Paleontological Resources, pp. 2.11-6, 2.11-10.)
- **Population and Housing.** The Draft EIR, Section 2.12, analyzes the Project's physical impacts with regard to increases in population levels and the housing stock with implementation of the proposed project, and addresses the I-15 interchange improvements. (Draft EIR, Section 2.12, Population and Housing, pp. 2.12-9-11.)
- **Utilities and Service Systems.** The Draft EIR, Section 2.14, evaluates the Sierra Project's potential significant impacts on utilities and service systems resulting from implementation of the project, and addresses the Interchange improvements. (See Draft EIR, Section 2.14, Utilities and Service Systems, pp. 2.14-48-49, 2.14-52, 2.14-59, 2.14-65.)
- **Energy.** The Draft EIR, Section 3.1, analyzes the Sierra Project's potential energy impacts, and includes the construction of the Interchange improvements in its analysis. (See Draft EIR, Section 3.1, Energy, pp. 3.1-11-12.)

- **Hydrology and Water Quality.** The Draft EIR, Section 3.2, evaluates the Sierra Project's potential impacts on hydrology and water quality, and addresses the Interchange improvements. (See Draft EIR, Section 3.2, Hydrology and Water Quality, pp. 3.2-18, 3.2-23.)
- **Land Use and Planning.** The Draft EIR, Section 3.3, evaluates the Sierra Project's potential land use impacts, and analyzes the Interchange improvements. (See Draft EIR, Section 3.3, Land Use and Planning, pp. 3.3-20, 3.3-27, 3.3-45.)
- **Parks and Recreation.** The Draft EIR, Section 3.4, analyzes the Sierra Project's potentially significant on- and off-site recreational opportunities, and addresses the Interchange improvements. (See Draft EIR, Section 3.4, Parks and Recreation, p. 3.4-11-12.)
- **Public Services.** The Draft EIR, Section 3.5, evaluates changes to the environment resulting from the provision of public services to the Sierra project, and addresses the Interchange improvements. (See Draft EIR, Section 3.5, Public Services, p. 3.5-19.)

As the Department is aware, the Department will conduct its own independent environmental review of the Interchange project, including all such feasible alternatives and mitigation, as part of its PA&ED phase, which will be at Newland Sierra's expense. The PA&ED phase will evaluate the potential impacts of each Interchange alternative/ configuration, select the preferred Interchange configuration (a Department decision), and develop the final mitigation for the chosen Interchange configuration. As the permittee, we acknowledge our responsibility to pay the costs of the PA&ED phase, and the subsequently identified, feasible mitigation required by the Department.

Newland Sierra looks forward to our meeting this week to resolve misunderstandings, clarify roles and responsibilities, supplement information concerning Newland Sierra's numerous discussions and coordination efforts with the Department from 2014 to the present, and identify options for correcting various issues raised in the August 10 letter.

Thank you for your anticipated cooperation.

Very truly yours,



Rita Brandin  
President

Enclosure

cc: Nick Ortiz, County of San Diego  
Mark Slovick, County of San Diego  
Joe Hull, Deputy District Director, PPM  
Roy Abboud, Acting Branch Chief, LD & IGR Branch  
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February 4, 2016

Newland Sierra  
TIA 8/12/15

Mr. Francisco Ortiz  
San Diego County  
Department of Planning and Development Services  
5510 Overland Ave, Suite 310  
San Diego, CA 92123

Dear Mr. Ortiz:

The California Department of Transportation (Caltrans) appreciates the opportunity to be involved in the review process for the Newland Sierra Development Project (Newland Sierra) located within the unincorporated portion of the County of San Diego, directly adjacent to the Interstate 15 (I-15) / Deer Springs Road Interchange (Interchange). We would like to provide comments based on our review of the most recent draft Traffic Impact Analysis (TIA) prepared by Linscott, Law, and Greenspan, dated August 12, 2015, as well as clarify Caltrans' current efforts in the oversight of the proposed improvements to the Interchange. Improvements to the Interchange have been proposed by Newland Sierra to mitigate traffic impacts associated with the development project.

In 2014, at the request of Newland Sierra, Caltrans entered into a Highway Improvement Agreement (HIA) to initiate the process of evaluating alternative interchange improvements. This process includes the development of a Project Initiation Document (PID) consisting of a Project Study Report-Project Development Support (PSR-PDS) report. The purpose of the PSR-PDS is to define the purpose and need for any proposed improvements, identify a reasonable range of alternatives, estimate project cost and schedule, and develop an action plan for implementation of the improvements.

The PSR-PDS is being prepared by Newland Sierra with Caltrans providing review and oversight. The range of alternatives considered in the PSR-PDS will follow the applicable policies and guidance for state highway projects and will be evaluated to ensure the proposals provide adequate traffic impact mitigation. In addition, the PSR-PDS must include at least one alternative that meets full highway design standard requirements. Typically, after completion of a PSR-PDS, a Project Report (PR) is prepared that includes and appropriate environmental documentation for the proposed improvements along with the selection of a final alternative.



Caltrans is concurrently going through the PSR-PDS process as the County is preparing its own studies for the Newland Sierra Environmental Impact Report (EIR). There are several important issues to note that have arisen from our review of the draft County TIA, which we would like to comment for the purposes of clarification. These issues are related to the general differences between Caltrans' guidance to Newland Sierra for the preparation of the PSR-PDS documents, and County guidance pertaining to the preparation of the draft TIA/EIR.

Specifically, the regional traffic modeling used for the draft TIA for the County EIR differs from the traffic modeling used for the Interchange PSR-PDS. Consistent with County requirements, the draft TIA/EIR study utilizes the SANDAG Series 10 Model (Series 10), and based on guidance from Caltrans staff, the PSR-PDS traffic study is based on the Series 12 Model (Series 12). The land use assumptions and horizon year timeframe between the two Models are different as the Series 10 model includes full buildout of all County land uses without time limitation, and the Series 12 model utilizes a 20 year horizon, or 2040 in this case, following anticipated completion of interchange construction.

Given the different methodologies and timeframes, the traffic volumes presented in the PSR-PDS are lower than the volumes identified in the draft TIA/EIR. Caltrans, working with the County and Newland Sierra, will continue to coordinate to address any concerns related to differences in the models. Therefore, continued review and the possible approval of the PSR-PDS should not be considered as an approval or acceptance of the County's EIR for the Newland Sierra development. As part of the PSR-PDS process, Caltrans may require additional analysis to ensure the adequacy of any proposed traffic mitigation improvements and continued operational integrity of the state highway system. Other elements of the draft TIA/EIR in which Caltrans may provide comments on in the future are the internal capture rates, trip distribution and the overall magnitude of future volumes.

Additionally, the Newland Sierra project proposes utilization of the existing Mesa Rock Road as the easterly entrance to the development. This location is approximately 300 feet from the existing Interchange ramps and would not comply with current highway design spacing criteria. Consideration of this location, independent of other substantial modifications, would result in significant traffic impacts due to the concentration of traffic at those two intersections. For your information, Newland Sierra has discussed with Caltrans staff redesign of the interchange that would move the existing ramps, thereby increasing the distance between Mesa Rock Road and the interchange. We look forward to further exploring an approach that addresses all potential concerns with the County and Newland.

Finally, other key aspects that should be considered in the future as the EIR is developed are the effects of the Newland Sierra project on the future operations of I-15, and air quality conformity impacts resulting from the increase in vehicle mileage travelled (VMT).

We look forward to our continued coordination as Caltrans evaluates the alternatives in the PSR-PDS through the normal project development oversight process and as the County continues the

Mr. Francisco Ortiz  
February 4, 2016  
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EIR evaluation of the Newland Sierra Project. Should you have any questions, please contact Roy Abboud at (619) 688-6968 or [roy.abboud@dot.ca.gov](mailto:roy.abboud@dot.ca.gov).

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Armstrong', written over a horizontal line.

JACOB ARMSTRONG, Branch Chief  
Development Review Branch