

Sierra Club Lake Group

15995 Lucy Circle Lower Lake, CA 95457

July 26, 2007

Mr. Richard Coel
Community Development Department
Planning Division
255 N. Forbes Street
Lakeport, CA 95453

RE: Cristallago Notice of Preparation and Initial Study

Dear Mr. Coel:

The Lake Group welcomes this opportunity to comment on the Cristallago Initial Study, and to suggest appropriate fields of investigation in the upcoming Environmental Impact Report. In the interest of brevity, this letter does not include issues of concern that are slated for comprehensive investigation in the EIR unless we have specific suggestions about details that might be omitted or can provide ancillary information that might otherwise be unavailable to the consultants. Comments keyed to specific passages in the IS follow a brief discussion of several more generalized areas of concern.

First, we contend that at the present time no environmental evaluation can be complete unless it specifically addresses the issue of climate change as related to carbon consumption and greenhouse gas emissions. A sidewise glance at this subject under the Air Quality label does not suffice, and might even eventually lead to the invalidation of the EIR as a whole. The State of California has already instigated legal action against at least one county for failing to take this momentous question under consideration in its planning process, and surely the environmental analysis of individual projects should be held to no lesser standard. Many possibilities for creative mitigation proposals on this subject exist besides the obvious provisions of copious insulation and public transit access. For example, it might be possible to require every new major residential subdivision to facilitate the routine installation of solar photovoltaic systems during construction by streamlining what can be a cumbersome process and (preferably) by offering a financial subsidy. Recognizing that solar power isn't suitable for all sites or for all customers, we do not propose that they become standard equipment on new houses at the present time, merely that the option of going solar be readily available to each purchaser of a new home.

Second, although economic analysis *per se* is outside the scope of this EIR, it should not ignore the potential environmental consequences of a project that cannot be completed because of adverse economic circumstances. Lake County is replete with phantom subdivisions, their lamentable results visible in many locations including this very site. Although golf course construction is proposed at an early stage of development, the argument has also been made that without the residential component the course could

not be viable. What consequences would therefore ensue if a general downturn in the residential real estate market or other forces beyond local control prevented those “necessary” houses from ever being built? Would the community be left to clean up the physical and financial mess left after partial or complete construction of a golf course that had become an enormous liability? Golf furthermore seems to be in a state of decline throughout the United States, as the baby boom generation and young retirees increasingly turn to alternative forms of recreation such as cycling, hiking, and canoeing. What happens if the proposed course fails to exert the magnetic draw on the affluent target market for Cristallago's homes, timeshares, and resort facilities, and these properties languish unsold? Will Lake County be saddled with the newest, largest, and most costly of its many paper subdivisions, and also with a mammoth bill to repair damage to the watershed?

Third, many of the existing physical constraints on the project site such as serpentine soils, steep hillsides, poorly drained lowlands, and natural hazards will persist long after completion, and will impose permanent requirements for monitoring and maintenance. Mitigations of these conditions must apply to Independent builders as well as the project developers, and so to a more limited extent to Cristallago residents and resort operators. Now, during the General Plan of Development process, is the time to devise environmentally sound construction procedures, and to make specific proposals for appropriate provisions to be incorporated into the CC&Rs.

Fourth, we urge that detailed evaluation of cumulative impacts be incorporated into every segment of the EIR. This assessment should be based not only on the other approved and proposed subdivisions in the Lakeport area and farther reaches of the county but also on the growth-inducing impacts of the Cristallago project itself. The cumulative effects of this project, which has already been described in the *San Francisco Chronicle* as one that will “change Lakeport forever,” are of potentially momentous significance, and far too important to be relegated to a cursory discussion at the end of the document.

Fifth, the validity of the EIR as a whole may stand or fall on the relevance of the Alternatives selected for evaluation. “No Project” is obvious, and required by law, but we would also propose at least two other Alternatives for consideration:

- Resort, with a minimal housing component. This would involve construction of the project's resort components as proposed, but further reduction of the residential units to the minimal number required for viability, which could be as few as one or two hundred.
- Low-impact recreation. This Alternative would eliminate the golf course (of which Lake County already has more than it can support) and instead be designed to meet increasing demand for healthful recreation and eco-tourism in a beautiful setting by replacing it with equestrian, biking, and hiking facilities, with ample connections to existing and proposed trail systems. Since these amenities could be provided much more cheaply than a high level golf course, the housing component could be reduced (as in the alternative above) while still allowing a generous rate of return to the developers.

Comments on specific items follow.

1. Aesthetics. The IS rightly concludes that the project's scenic impacts could be momentous. We recommend that particular attention be paid to the most easterly portions of the site, not only because it will be most easily seen from Highway 29 and because the most densely clustered housing will be located here, but also because the plan seems to site some residential lots along the ridgelines, which will maximize their effect on the view.

Analysis of the esthetic impact of the golf course itself is also warranted (even though many individuals find golf courses attractive), since it will create a glaring discontinuity with the existing landscape of the project site and surrounding terrain. The swathes of bright green created by irrigated greens and fairways, which could not naturally survive in the Northern California Coast Range ecosystem, will lead to a permanently artificial visual impression.

2. Agriculture. Prime agricultural soils are an irreplaceable asset, whether or not they are listed by the Farmland Mapping Program, or happen to be in current production, and the suitability of a substantial portion of the project site for agriculture is evidenced by existing Williamson Act contracts and previous agricultural zoning. Loss of this farmland to residential and resort uses should be considered in the context of a future in which dramatically increased transportation costs may make increased reliance on local sources of foodstuffs a necessity.

Furthermore the Class III soils on 80 acres of the site create an inconsistency with the Lakeport Area Plan, which encourages "development on soils (other than classes I – IV) within or contiguous to existing development and public services in the Lakeport area."

Impacts on surrounding agriculture may be more significant than the loss of farming potential on the project site itself, and should be examined from two perspectives. First, Cristallago will impact adjacent farming operations directly, when residential and resort uses come into conflict with normal farming practices, which frequently involve noise, dust, and spray drift. Second, it will greatly increase the probability of surrounding farmlands becoming prime candidates for residential construction. Although the "No-Access" easement proposed along the western and southern boundaries will mitigate this effect to some extent by preventing direct extension of community services through Cristallago onto neighboring land, ready access to those parcels from Scotts Valley Road reduces the practical effect of that restriction to a marginal level. No measures whatsoever are suggested to impede future dense residential use on the lands between the Cristallago site and Highway 29, and the eventual loss of that open space to such a purpose should probably be considered inevitable if Cristallago becomes a reality.

The EIR should also cast an inquiring eye (complete with grain of salt) on the actual feasibility of the proposed "agricultural" production of organic olive oil on the site. In practice production on even the small scale proposed is likely to provoke complaints from the residents and resort guests which it is intended to "buffer." We also suggest an investigation of the experiences of other communities where olive trees have been extensively planted for landscaping purposes -- for example, in Tucson, AZ -- only to

produce so many complaints from individuals allergic to the pollen that it has been necessary to prevent flowering altogether by undertaking a hormone spray program.

3. Air Quality, Lake County is proud of having the cleanest air in the state of California, and retaining that honor is of the utmost importance to the community for economic as well as purely environmental reasons. The asbestos-laden serpentine soils underlying approximately half the project site create an immense potential for adverse impacts, both during construction and subsequently. These soils cannot be removed without creating precisely the adverse effects on air quality that must be avoided, but it's also hard to prescribe techniques that could allow construction of residences or resort facilities upon them in a manner that would be safe for the workers involved and also avoid polluting the air. Capping the serpentine areas with clean fill -- a mitigation that has been suggested -- would entail the transport of immense quantities of dirt and generation of significant dust despite best management practices, and would also require excavation down to the underlying serpentine rocks in order to provide a stable foundation for the later construction of buildings. When those buildings are subsequently sold to individuals, must the owners be denied the privilege of working in their own gardens, for fear of disturbing the hazardous materials lying below the surface?

The very near proximity of Sutter Lakeside Hospital to the project site is mentioned; impacts to the hospital should be evaluated in the knowledge that a substantial expansion of this facility is currently under consideration.

The increased traffic generated both by Cristallago's resort and by its residential components could impact air quality to a potentially significant degree. Analysis is needed.

The project's near proximity to the LACOSAN wastewater treatment plant could result in momentous consequences in the event that reactivation of these facilities is required at a later date, and prevented by the presence of residential uses in the near vicinity.

We strongly recommend that evaluation of all air quality impacts and possible mitigations be guided by the specialized expertise of the Lake County Air Quality Management District.

4. Biological resources. Besides being a potential respiratory health hazard, serpentine soils are famous for supporting diverse plant communities that include many botanical rarities. Unfortunately the surveys that have already been conducted seem to have taken place during such a brief segment of the flowering season, and so late (May 20 being the earliest date mentioned) as to preclude the discovery of many species that could potentially be present. A definitive analysis of botanical impacts is impossible without dependable information about the species that exist on the site at the present time, and since many of these are annuals that can be observed only during a brief springtime window of opportunity, we strongly recommend that a series of protocol-level surveys be conducted by a competent botanist during the months of February through May, 2008. Although the serpentine areas have the greatest potential for supporting special-status plants, the wetlands in the southern portion of the site (Eachus Lake and environs) also demand extensive botanical examination. As on serpentine soils, effective floristic evaluation of seasonal wetlands is impossible unless the studies are conducted during the brief season when the plants can be observed.

The Sacramento perch is mentioned as being potentially affected by this project, but not the Clear Lake hitch (*lavinia exilicauda chi*), which is a Species of Special Concern, and one known to occur in both the Scotts Creek and Lyons Creek drainage during its annual spawning migration. Loss of spawning habitat is believed to be a major contributory factor to the drastic population decline that this once-abundant species has suffered in recent years, and therefore impacts to its habitat should be investigated whether or not hitch observations on the actual project site can be confirmed.

The Cristallago site undoubtedly supports resident and transient wild animals of many species at the present time; to say, as does the Initial Study, that construction and operation of the proposed facilities “could” impact them or is “likely” to do so minimizes the actual inevitability of such consequences. The assertion that no black-tailed deer are present on the property seems vanishingly improbable. Raccoons, skunks, coyotes, bobcats, and possibly cougars can also be expected, and their presence has been confirmed by anecdotal evidence presented by neighbors. The expansive grasslands on this site support many species of birds: the Initial Study mentions the possible presence of golden eagles and white-tailed kites, but not that of peregrine falcons, which have definitely been observed in the years subsequent to previous zoological assessments. For details, we recommend consultation with the Redbud Audubon Society and with the local animal rescue group SpiritWild.

Habitat fragmentation is another issue of concern. Although the preservation of substantial areas of open space is proposed (omitting the golf course areas which are unlikely to provide useful habitat), residential neighborhoods and the central resort area will divide that habitat into discrete islands that in sum will offer far less support for wildlife than would a single contiguous parcel of equal total area. Construction of fences can be expected to accentuate this “island effect” to a greater or lesser degree depending on the species.

The Lake Group contends that *all* loss of wildlife habitat must be mitigated, even when the ecosystem is common (ie grasslands) and the degradation minimal in proportion to total resources nearby. Failure to adopt such a policy will eventually lead to a future in which once-common ecotypes become rarities in their turn, as has happened, for example, to the tall-grass prairies that were once ubiquitous in the central portions of the United States, and now exist only in scattered fragments unable to support more than a tiny fraction of their previous inhabitants. Appropriate mitigation for habitat loss should, in our opinion, rely primarily on conservation easements. To the extent that replanting is undertaken, for example in mitigating loss of oak woodlands, we support a replacement formula based not on numbers of trees but upon their breast-height diameter, and also contend that a detailed mitigation monitoring plan must be an essential component of any replanting proposals. Since 2005 the state Public Resources Code has required that replanting programs provide no more than 50 per cent of the mitigation for oak woodland destruction, with the remainder coming in the form of a conservation easement, payment into a restoration fund, or other measures approved by the county.

5. Cultural resources. Besides site surveys conducted by a professional archeologist, we strongly recommend consultation with the Scotts Valley Band of Pomo Indians and other knowledgeable tribal groups to assist in identification of archeological sites on the property. The expertise of long-term local residents would also be of great value in identifying artifacts from the historic era such as stone walls and building foundations.

6. Geology/soils. This portion of the EIR should also investigate the potential hazards to the health of construction workers and others created by the disturbance of the serpentine soils on the site, separately from the analysis of air quality impacts (above). The expansive nature of some onsite soils is acknowledged, with consequent necessity for "deeper than normal" foundations: the additional disturbance to serpentine areas demanded by this construction method should be addressed.

7. Hazards. This site is known to harbor large populations of rattlesnakes. Although construction will in all probability reduce the area of suitable habitat, substantial numbers of snakes can be expected to persist in the area, and their presence is certain to pose ongoing risks for residents, resort visitors, and pets. Examination of this issue must be undertaken. It is also probable that the golf course and other irrigated landscaping will support increased populations of deer, and that these will in turn attract young roving mountain lions who have been ejected from remoter habitat by resident adults. The potential for injury and possibly even death to human beings and their animals cannot be ignored, nor the impact to wild populations when these dangerous intruders have to be destroyed to protect public safety.

Substantial wildfire hazards ensue whenever an urban/wildland interface is created. No mitigation can completely eliminate this risk, and ironically enough the more effective measures (such as substantial buffer zones free of combustible vegetation) will also increase habitat degradation, create additional visual impacts, and possibly increase water use. The two residential neighborhoods in the northern and western segments of the site will be in particular danger, since each is accessed by a single road terminating in a cul de sac, and each of these roads is much longer than the maximum 1000 feet normally allowed by county policy on dead end streets. A swiftly moving wildfire could easily cut off either of these neighborhoods, stranding residents and preventing fire department personnel from coming to their rescue. The potential for catastrophe in such a situation is obvious.

8. Hydrology/Water Quality. Drainage patterns on this site are complex, especially in the Scotts Creek watershed. The southernmost portion is regularly subject to flooding when Clear Lake rises, even though the lake itself lies some 15 miles downstream. Construction-related erosion, polluted runoff from roadways, and golf course chemicals can potentially impact everything that lies below their point of entry to the watershed, including the lake itself, and these impacts demand comprehensive analysis that should not be limited to the project site alone, but rather extended to all potentially affected portions of the watershed, if necessary even at comparatively distant locations. For example, significant erosion into the Scotts Creek drainage corridor could have dire effects not only on that watercourse but also on the Middle/Scotts confluence, associated wetlands including the Rodman Slough Preserve, and Clear Lake itself. Impacts from increased nutrient loads into either Scotts or Lyons Creek from roadways or the golf course could be equally significant, especially since a TMDL for nutrients has recently been imposed on Clear Lake. The West Lake Resource Conservation District is currently engaged in a comprehensive study of the Scotts Creek watershed, and the Lake Group strongly recommends that their expertise provide the basis for both evaluation and mitigation proposals.

It is our understanding that the project would not place its primary reliance on groundwater, but if it is proposed to tap this resource in any way -- for landscape irrigation or any other purpose -- it is of the utmost importance that a competent hydrological engineer undertake a detailed examination of the Scotts Valley aquifer and other groundwater resources in the area. A number of existing users, including residents of the town of Upper Lake, have an existing right to this resource, which is furthermore the only feasible source of supply for existing or future agriculturalists in Scotts Valley. Any possible depletion of the aquifer by Cristallago must be clearly identified at the outset.

We do not believe that there is any valid reason for constructing houses in a floodplain, on this site or elsewhere. The proper mitigation for such an impact is avoidance.

9. Land Use. As acknowledged, the Cristallago project as proposed is in conflict with both the Lake County General Plan and the Lakeport Area Plan (see the Staff Report of January 12, 2006 for details). To complicate the situation further, a major revision of the General Plan (also in conflict with this proposal) is approaching the final pre-adoption stages, and this revised Plan will in all probability be in force before the application reaches the Board of Supervisors. Although the precise provisions of the current draft might not all be adopted, prudence demands that relevant policies be included in the evaluation, with particular emphasis given on the Community Growth Boundaries designed to guide future development.

The consultants should furthermore be advised that these conflicts are so severe that the Community Development Department recommended an immediate rejection of the application early in 2006, and that many segments of the community fervently supported this recommendation. The decision (by a 4-1 vote of the BOS as then constituted) to proceed to environmental analysis by no means resolved the issue of consistency, and we therefore urge that the EIR include a detailed analysis of various policy conflicts and suggest possible resolutions. In principle, we assert that when an application conflicts with basic planning documents mitigations entailing modifications the project should be strongly preferred to those suggesting amendments to the policies and designations established by the community.

11. Noise. Although in close proximity to a major highway, the project site is currently undeveloped, and surrounded by sparsely populated residential and agricultural areas. Evaluation of noise should be undertaken in the knowledge that most of the project's immediate neighbors cherish a rural way of life and are likely to object to noise levels that suburban residents take for granted. Cristallago is furthermore proposed for phased construction over a period of ten or even fifteen years, which could extend the "temporary" elevated noise levels resulting from construction a long way into the future. During the final phases this nuisance would affect Cristallago residents and visitors as well as neighboring property owners, and the impact on these individuals should also be evaluated.

12. Population/housing. This project could affect population trends in two contradictory ways, or in some combination of the two. First, it could attract residents who would otherwise choose housing elsewhere in Lakeport, thus diminishing the market for the approximately 2000 unoccupied infill lots within the city limits, and for new subdivisions in the area north of the city and east of Highway 29 which has been designated for expansion. Second, it could attract a new subset of Lake County

residents who would not otherwise select this community at all, thus contributing substantially to net population growth in the area. Either possibility would warp growth patterns in ways that demand careful consideration. Analysis should also be undertaken in the context of the existing jobs/housing imbalance in Lake County -- an imbalance that Cristallago can be expected to accentuate. Since the jobs that Cristallago's resort component does generate will fall preponderantly into the low end of the service sector, the housing needs of those low-income employees must be taken into account. To the extent that this project augments the county's affordable housing deficit, mitigations are required.

13. Public services. Normal mitigation for increased demand is provided through developer fees, a practice that we support provided that the fees are high enough to offset the true cost of service. But we do object to the assertion that no mitigation of increased hospital demand is needed because an expansion of Sutter Lakeside facilities is currently under consideration. Cristallago's residents and visitors would inevitably place additional demands on hospital services through population increase alone, and the comparatively elderly target market envisaged will accentuate this effect. Mitigation in some form is needed whether or not the hospital's capacity expansion comes before or after the fact, especially since the proposed expansion is limited to administrative offices and outpatient care, and will not provide any additional bed space or surgical facilities.

We also disagree with the contention that the crowded High Street library is "sufficient for the area" even before being subjected to the added burden of 650 additional household units, or that proposals to maintain internal roadways through homeowners' fees eliminates the requirement to compensate for impacts to access roads or city streets.

14. Recreation. Analysis of the potentially deleterious effects of golf course management (involving artificial irrigation and heavy herbicide and pesticide applications) is needed. Accurate evaluation of the project's impacts on area recreational facilities as a whole will also depend in part on whether golf course access will be public or private, whether competition from the Cristallago course forces others to close, and also on specifics about the proposed bike/foot trail providing lakeshore/marina access. It is inevitable that most residents and some visitors will also make use of public parks and other recreational facilities in the area, including some located in comparatively remote parts of Lake County, and this increased demand requires analysis and mitigation.

15. Transportation. Saying that significant impacts "may" occur "if" the project causes a substantial increase in traffic minimizes the inevitability of this effect. The project is *certain* to impact traffic, leaving the only point in question the determination of appropriate mitigation measures, presumably fiscal in form.

We strongly disagree with the contention that no increased level of traffic at the airport would be expected. Lampson Field is a small private aviation facility, and the expected market for both Cristallago's residential and its resort components would include a number of affluent individuals accessing the area in their own small planes. Airport impact will be increased by the substantial projected proportion of secondary homes, and consequent traffic spike on weekends. Without undertaking a statistical analysis to determine the probable resulting level of airport use it is impossible to assess whether a

facility expansion will be needed, and the proportional fair share cost that should be imposed on these developers.

To avoid inconsistencies with existing and proposed transportation policies, provisions for bike paths (accessing downtown Lakeport, not merely the recreational facilities north of the city) and public transit must be provided.

16. Utilities. As stated above, we contend that a detailed hydrological analysis should be an unwavering requirement before considering any proposals to service this subdivision in whole or in part by groundwater. If surface water is to be used instead, substantial expansion of treatment capacity will be needed. Specific proposals, including both technical and fiscal details, must be provided.

Lake County's unique wastewater disposal system also involves the transport of treated wastewater to the Geysers geothermal field: any proposals to divert all or part of this stream to other uses such as landscape irrigation must be evaluated within the context of their effect on the continuing viability of this disposal method, and also their effects on the eventual completion of the Full Circle project and extension of public sewer systems to areas of the county that currently lack these services.

The Lake Group looks forward to examining the Cristallago EIR and to contributing to the ensuing dialogue. Please let us know when documents are available and opportunities for public comment occur.

Yours sincerely,

A handwritten signature in black ink that reads "Victoria Brandon". The signature is written in a cursive, flowing style.

Victoria Brandon

Chair, Sierra Club Lake Group