

February 9, 2016

**VIA E-MAIL AND
OVERNIGHT MAIL**

Mr. Jensen Uchida
Project Manager
Energy Division, CEQA Unit
State of California
Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298

Re: Response to October 27, 2015 Information Request;
CPUC Application No. A.15-04-013

Dear Mr. Uchida:

I am writing in response to your correspondence of October 27, 2015, asking for additional information in connection with the California Public Utilities Commission's ("CPUC") Energy Division's investigations for the preparation of the Subsequent Environmental Impact Report ("SEIR") for Southern California Edison's ("SCE") Riverside Transmission and Reliability Project ("RTRP"). For your convenience, a copy of that letter is attached as **Exhibit A**. This letter concerns the property you have referred to as the Vernola Trust PA 13 Property ("PA 13 Site"). Our office previously corresponded with you regarding the Vernola Marketplace Apartments Community site and the "Phase B" site. We are pleased to submit additional information to you now with respect to the PA 13 Site.

The PA 13 Site is composed of some 102.5 acres and consists of Assessor Parcel Nos. 160-050-27; 160-050-48; and 160-040-039. Formal vesting is: APV INVESTMENTS PA 13, LLC; BELLATERA INVESTMENTS PA 13, LLC; BOOMER INVESTMENTS PA 13, LLC; AND SHELLINA INVESTMENTS PA 13, LLC (collectively "Owners").

The PA 13 Site is located within City of Jurupa Valley's ("City") I-15 Corridor Specific Plan 266 ("SP 266"). SP 266 represents the vision first of the County of Riverside, and then of the City of Jurupa Valley after it incorporated, for the critical stretch of land along the I-15 freeway, which now serves as the City of Jurupa's signature visual entryway corridor, and the key catalyst for economic improvement development. It envisions a vibrant area of combined single family and multi-family residences, and both regional and community-based commercial uses serving them, and surrounding areas.

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Much of the City's planning and land use development energies have been focused in the SP 266 area, to demonstrable, positive effect. As characterized in a letter from the City Planning Director Thomas G. Merrill dated August 20, 2015, SP 266 is "fully entitled and nearly complete." Applicable excerpts from this letter are attached. (See, **Exhibit B** hereto, "Projects Within Edison's 230KV Transmission Line Path Table, project No. 4.) SP 266 has been the subject of a long series of "substantial conformance" determinations implementing its long-term vision for the area since originally being adopted by the Riverside County Board of Supervisors in November 1993. A summary of the progress of development within SP 266 is attached hereto as **Exhibit C**. An aerial photograph depicting the boundaries of SP 266, and giving perspective to the path and progress of implementation of its land use objectives, is attached as **Exhibit D**.

As the aerial shows, the PA 13 site is in the heart of this development progress. Current zoning for the PA 13 Site is R-1, Residential, land use is M Medium Density Residential, and the property is located within what SP 266 calls Planning Area 13. The PA 13 Site is therefore part of the properties that the applicable zoning authority, the City, has slated for single family residential development.

The status of the PA 13 Site, and all the SP 266 lands, was fully described to SCE by the City in a July 20, 2015, email from Mr. Merrill to Ray Hicks, then with SCE's Community Relations Department. Mr. Merrill's email included a link to an engineering website containing a history of SP 266, and its implementation measures.¹ A copy of this e-mail, with appended title pages of the documents referenced in the embedded link, is attached as **Exhibit E**.

Given this, it was disappointing in the extreme that SCE's July 24, 2015, response to the California Public Utilities Commission's Deficiency Letter contained no acknowledgment of any of the SP 266 zoning entitlements, nor any description of the development progress on any of the properties impacted by the RTRP, including the PA 13 Site. Indeed, it was the City that corrected this disregard by SCE, when Mr. Merrill provided a response to your Unit's request for additional information on August 20, 2015. (See, **Exhibit B**.)

Zoning is not the only basis upon which the PA 13 Site is being readied for development. In conjunction with the owners of the adjacent Sky Country East property, the PA 13 Site Owners are processing a lot line adjustment with the City. That lot line adjustment will consolidate existing ownerships, eliminating shape irregularities to facilitate more efficient utilization of developable area. A diagram of the proposed lot line adjustment, depicting the upgrades it will provide for the developability and market appeal of both properties, is attached as **Exhibit F**. The application for

¹ That link remains active, and can be reviewed at <https://file.ac/84T5UN0BXVQ/>.

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this lot line adjustment was filed with the City in December 2015, and completion is expected within weeks.

The PA 13 Site is also located immediately adjacent (and across Pats Ranch Road) to approved and developed single family residential properties, known locally as the Harvest Villages. These developments were approved under Tentative Tract Map 33428, and consist of three phases (Harvest Villages I, II, and III). Harvest Villages I is fully developed, Harvest Villages II is approved and under construction, and Harvest Villages III is in the process of getting its final tract map ready for recording. The Harvest Villages developments represent the single family residential vision of the City for this portion of the SP 266 area, and share identical zoning and land use designations as the PA 13 Site. The PA 13 Site may therefore reasonably be expected to develop similarly, as the next iteration of the City's sequencing of the SP 266 master planned community, and its Owners have been working from, and toward, this anticipated use. A diagram showing the location of the Harvest Villages, the PA 13 Site, and the proposed RTRP alignment is attached as **Exhibit G**.

Toward this end, the PA 13 Site Owners have engineered a lot plan for the property, which they denominate Harvest Villages IV, V, and VI, following the City-approved and market-tested development template already demonstrated as valid by the Harvest Villages I, II, and III. This plan demonstrates the pattern of development the PA 13 Site Owners would now be pursuing, absent the pendency of the RTRP project. A copy of this plan is attached as **Exhibit H**, and also depicts the proposed RTRP alignment.

With this background in mind, we provide the following responses to your October 27, 2015, request:

1. A description and conceptual site development layout, if available, depicting how the Vernola Trust PA 13 Site is intended to be developed.

There are no active development proposals now being pursued with respect to the PA 13 Site. The Owners have fielded inquiries from representatives of a number of different residential developers, but have not been able to engage in any serious exploration of development, due to the RTRP impacts on the property which are pending, but not yet defined sufficiently to allow for prospective planning. Both the pendency of the RTRP, and the prospect that any development approvals that might be secured for this site would likely be subject to litigation by SCE and Riverside Public Utilities (in the same manner as both such entities sued under CEQA to challenge the approvals on the Vernola Marketplace Apartment Community), have chilled any reasonable opportunity to take advantage of current favorable residential markets. While the Owners have pursued the lot line adjustment to clear the way for economically productive use of the PA 13 Site,

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at this point, development of the site sits in limbo pending resolution of the RTRP alignment and the many issues it raises.

2. **Description and conceptual site development layout, if available, depicting how the Vernola Trust property would be configured if the RTRP project was built as shown in Figure 1, including the types and square footage of development uses that would be lost as a result of the proposed ROW, if applicable.**

At this juncture, it is neither feasible nor realistic for the PA 13 Site Owners to proceed with any type of conceptual development layout, beyond the engineered lot plan already referenced above. The spectre of the RTRP casts too many complications over the site.

The PA 13 Site Owners have, however, commissioned an engineering analysis of the impacts and development constraints the proposed RTRP imposes upon their property, by Webb Engineering. A copy of this analysis also attached as **Exhibit I**. Webb has identified a number of negative impacts to the Site, starting with the loss of some six and one-half acres, along with the resulting loss of unit yield. More troubling, Webb notes that SCE's preliminary designs show nothing about how SCE plans to take access to its RTRP alignment. This leaves the PA 13 Site Owners guessing as to whether, or more likely where, SCE plans to take additional vehicular access across their property. The only thing presently clear to the PA 13 Site Owners about such access is that SCE clearly does not want to identify now for them what it is ultimately planning.

Further, Webb has analyzed SCE's "Transmission Line Right of Way Constraints and Guidelines" (a copy of which is attached as **Exhibit J**). That analysis reveals how SCE's stated width of 100 feet for the RTRP right-of-way is inconsistent with its own policies regarding configurations and reserved rights attending transmission line rights of way.

From this, it is manifest that SCE is unfortunately misstating and underestimating both the scope of its property needs, and their resulting impacts. Whether this results from intentional misdirection, or simply a failure to reconcile its public statements with its published internal policies, is of no moment. The fact remains that more analysis and scrutiny of SCE's CEQA representations of RTRP impacts is necessary, and the PA 13 Site Owners are grateful for the CPUC's CEQA Unit for requiring it.

The location of the proposed right-of-way is just the beginning of the challenges, however. SCE's "Transmission Line Right of Way Constraints and Guidelines" contain other published policies for how it deals with the interface between the rights of way rights it acquires with its transmission easements, and the residual rights of the owners from whose properties such easements are taken. Under them, SCE reserves the right to review and approve any use of any of

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its right of way area, and many of the uses of adjoining property, on an individual “case by case basis.” (See, **Exhibit J**, No. 1.) SCE requires 24/7 access to its transmission facilities (apparently including access rights over areas of the servient tenement needed to reach the right of way), prohibits any permanent, non-moveable structures or pipelines, and reserves the right to impose safety requirements or mitigation measures over third party users of both the right of way and the remaining property. (*Id.* at Nos. 2,3,5,11,13.) These policies pose cumbersome additional burdens, both procedural and substantive, on users of the remaining property, particularly residential users, for whom privacy and repose in their home is paramount.

The requirement of a 50 foot minimum centerline radius on all access road curves also betrays the insufficiency of SCE’s proposed 100 foot right of way. SCE dictates that roadways must be no less than 14 feet wide, with an additional two feet of swale or berm on either side. (*Id.* at No. 17.) The effect of these requirements taken together means that on curves in access roads, the minimum required distance will be **114 feet**. (See, **Exhibit I** hereto.) SCE is therefore understating its right of way needs.

The overall result from the perspective of the PA 13 Site Owners is an increase in risks associated with the development hurdles to bring market-appropriate uses to bear on the site, and elevated costs associated with engineering, financing, permitting, and construction required to make them a reality.

Your letter also makes reference to steel poles for the RTRP development as it passes the PA 13 Site. We would appreciate identification of the source of your conclusion that the transmission line support structures as they cross this property will be steel poles, as opposed to lattice towers. The PA 13 Site Owners had been given to believe a tubular steel pole configuration was planned, but would like this confirmed.

3. An overall timeline for construction and buildout of the Vernola Trust PA 13 property.

Given all of the foregoing, the PA 13 Site Owners simply cannot commit to a timeframe for development of the site. They will not know this until the many questions, issues, and encumbrances RTRP presents are resolved. In the absence of the RTRP project, however, they estimate that this property would develop likely by 2018-19.

Please note, however, that the City commissioned a study, entitled “Economic/Fiscal Impact Analysis – Riverside Transmission Reliability Project” by Urban Futures, Inc., dated December 2, 2015. A copy is attached as **Exhibit K**. That study examined the likely development patterns of RTRP – impacted sites, both with and without the proposed transmission line. It includes the PA 13 Site, which it called “Vernola Residential West.” That study predicted a yield

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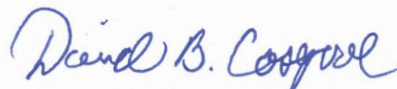
of 516 residential dwelling units on the PA 13 Site, with nearly 200 residents. (*Id.* at p. 7) It also predicted absorption of these units beginning in 2019-20. (*Id.* at p. 9) The study offers strong evidence of the City's desire, and expectation, of the scope and timing of development of the PA 13 Site, which may also be helpful to you.

In sum, most planning for development of the PA 13 property has been halted with the RTRP. The pending RTRP project renders any realistic formulation of a specific development plan for the site presently futile, since prospective users are hesitant to negotiate for a property that may embroil the purchaser in an eminent domain action. As such, the RTRP puts this property at a competitive disadvantage in the marketplace. This constraint is compounded by the broad nature of rights SCE reserves to itself as a matter of policy, over both the direct right-of-way acquisition and the remaining property that supports it, given the permanent impacts SCE's "Constraints and Guidelines" impose on the property for any user.

We appreciate the opportunity to explain to you the impacts of the RTRP on the PA 13 Site. We would welcome the opportunity to follow-up with you on any additional information you might require on any of the points discussed above, or any related matter.

Very truly yours,

RUTAN & TUCKER, LLP


David B. Cosgrove

DBC:mrs

Enclosures: Exhibit A – CPUC Data Request of October 27, 2015
Exhibit B – August 20, 2015 Letter from Thomas Merrill
Exhibit C – SP 266 Status Memo
Exhibit D – Aerial Photo of SP 266 Area
Exhibit E – Excerpts-Jurupa Valley 8-28-15 response to Information Request
Exhibit F – PA 13 Site Lot Line Adjustment Diagram
Exhibit G – PA 13 Map in Relation to Harvest Villages
Exhibit H – PA 13 Engineered Lot Plan-with RTRP Alignment
Exhibit I – Webb Engineering PA 13 Site Impact Analysis from RTRP
Exhibit J – SCE's Transmission Line Rights of Way Constraints and Guidelines
Exhibit K – City Economic / Fiscal Impact Analysis