



Community Development Department

30111 Crown Valley Parkway • Laguna Niguel, California 92677
Phone/949 • 362 • 4360 Fax/949 • 362 • 4369

Mayor Laurie Davies

Mayor Pro Tem Fred Minagar

Council Member Elaine Gennawey

Council Member John Mark Jennings

Council Member Sandy Rains

September 1, 2020

TO:

Osmahn Kadri

Osmahn.kadri@gsa.gov

COPY:

Potomac-Hudson Engineering, Inc.

ATTN: CHFB Draft EIS

77 Upper Rock Circle Suite 302

Rockville, MD 20850

Subject: Chet Holifield Federal Building Draft Environmental Impact Statement, Laguna Niguel, California

Dear Mr. Kadri:

On behalf of the Mayor and City Council Members of the City of Laguna Niguel, thank you for providing us with an opportunity to review and comment on the Chet Holifield Federal Building (CHFB) draft Environmental Impact Statement (EIS). We also appreciate GSA's recognition that the City of Laguna Niguel is the primary stakeholder affected by this project and your willingness to hear our concerns and work with us on solutions. We are hopeful we can maintain a strong federal – local partnership as this project moves forward.

We have reviewed the Draft EIS and have several substantive comments/concerns. We have outlined those concerns in greater detail below, but in summary we are concerned that 1) the EIS does not identify a preferred project; 2) both Alternatives contemplate demolition of the CHFB, but neither the Proposed Action, Purpose and Need, nor Impact Analysis adequately analyze demolition of the CHFB structure; 3) the EIS includes a mitigation measure that would prevent/preclude implementation of either Alternatives 1 and 2; and 4) the results of this EIS will likely result in the abandonment and further deterioration of the CHFB structure resulting in a significant impact that was not analyzed in this EIS.

Under the National Environmental Policy Act of 1969 (NEPA), the "purpose and need" for a project is a critical element in the environmental review process. It explains the reason that the action being proposed is needed and serves as the basis for developing a reasonable range of alternatives. The deficiency with this EIS is there are no details of a proposed project. The EIS includes a reasonable range of alternatives, but no project has been proposed.

“The Proposed Action is defined as the relocation of tenants of the CHFB to new office space that meets appropriate applicable building code, accessibility, and security standards.” (Section 2.1, Page 2-1)

All that is stated for the Proposed Action is relocation of tenants. Since this is the only statement defining the Proposed Action, the reader is left with an understanding that the EIS is only analyzing and clearing the relocation of tenants and nothing else.

The Purpose portion under the Purpose and Need heading only provides slightly more information stating:

“The purpose of the Proposed Action is to accommodate the long-term office space requirements for the current tenants located at the CHFB that would meet applicable building code, accessibility, and security standards.” (Section 1.2.1, Page 1-5)

However, the limited description of the Proposed Action and project Purpose seem to conflict with other information included in the EIS, as follows:

- In the description of Alternative 1 (Hybrid Lease/Construction) in Section 2.1, the EIS introduces the concept of disposal of federal property (Section 2.1.1.1). However, neither the Proposed Action nor the Purpose and Need include or discuss the concept of disposal, yet disposal seems integral to both Alternative 1 and 2.
- Later in Section 2.1 the EIS includes Section 2.1.1.2 titled, “Future Development of the Existing Parcel.” This section states, “Although redevelopment is not considered under this Proposed Action, renovation and/or demolition, construction, and operation are considered foreseeable indirect impacts (see Section 3.1.1). Therefore, a range of potential future development scenarios are considered in this analysis...”
- One of those development scenarios is “Demolition of existing CHFB and construction of new mixed-use space.” Section 2.1.1.2 on Page 2-6, second bullet states: “The new owner would demolish the existing CHFB and construct a new development in accordance with the City of Laguna Niguel rezoning process.”
- The theme of redevelopment is continued in Section 2.1.2.1 for Alternative 2 with the following language, “Future development of the existing parcel under Alternative 2 would be similar to as described for Alternative 1, but for development of the entire 92-acre site as shown in Figure 1-2.”

Our concerns with these sections of the EIS are:

1. There is no defined project, where GSA describes to the public their proposal of what they want to do with the CHFB property and why they think their proposal is the best use for the property, i.e. a clear Proposed Action and corresponding Purpose and Need.
2. The Proposed Action only refers to relocation of tenants, yet Alternative 1 and 2 clearly contemplate disposal of federal property and demolition of the existing CHFB structure. The Proposed Action should be re-written to make it clear the EIS is analyzing disposal of the property and demolition of the CHFB structure.

3. The Purpose and Need also needs to be rewritten to describe the purpose of the project as disposal of the property and demolition of the CHFb to be consistent with the Proposed Action.
4. As drafted, it is unclear what NEPA clearance the EIS is providing. Is the NEPA clearance only limited to relocation of tenants as stated in the Proposed Action and Purpose and Need? Does the NEPA clearance also include disposal of the CHFb property as discussed in the Cultural Resources Section (Section 3.2)? Or does the EIS provide NEPA clearance to fully cover Alternatives 1 and 2, which both contemplate demolition of the CHFb?

In our opinion, the EIS needs to be revised to fully analyze the Proposed Action, which includes disposal and demolition of the CHFb. As detailed below, the EIS skirts around the issue and does not provide analysis of demolition even though both Alternatives clearly include demolition as a foreseeable outcome of the implemented Alternative. More concerning is the EIS includes a mitigation measure that would prevent implementation of Alternatives 1 and 2 by preventing demolition of the CHFb structure.

Section 3.2 of the EIS analyzes impacts to cultural resources. The EIS concludes the CHFb is eligible for listing on the National Register of Historic Places (NRHP), "due to the rarity of its architectural style and its association with master architect, William Pereira." (p. 3-3) The environmental consequences for Alternatives 1 and 2 are discussed in Sections 3.2.2.2 and 3.2.2.3 respectively. Since the discussion of environmental consequences is nearly identical for Alternatives 1 and 2, our comments apply to both Alternatives.

Two environmental consequences were identified:

1. Adverse effects and moderate impact from "partial demolition of the landscaping and site plan to visual impacts related to the loss of views to and from the historic property." (Page 3-8 and 3-9) While not stated, these consequences appear to only be related to the construction of a new office building on a portion of the CHFb site associated with Alternative 1.
2. Adverse effect and significant impact from the transfer of property from federal ownership: "Additionally, Section 106 regulations state that the transfer or sale of a historic property out of federal ownership or control constitutes an adverse effect when undertaken without adequate and legally enforceable restrictions or conditions to ensure the long-term preservation of the property's historic significance. As such, the disposal of the property could result in an adverse effect and a permanent significant impact." (page 3-9)

As previously stated, both environmental consequences are associated with actions that are not described as the Proposed Action or in the Purpose and Need statement.

The document then briefly addresses impacts from future redevelopment by stating: "Any future renovation or demolition activities of the CHFb could result in adverse effects and significant impacts if either redevelopment action was conducted in a way that did not comply with the Secretary of the Interior's *Standards*. If future redevelopment of the site was conducted in accordance with the Secretary of the Interior's *Standards*, there would be no adverse effect and no significant impact to the historic property." (p. 3-9)

We have the following concerns with these conclusions:

1. Clearly disposal of the CHFB property is contemplated as a Proposed Action and should be stated as such.
2. Since disposal of the CHFB property is part of the Proposed Action, redevelopment of the CHFB property is highly likely and should be analyzed as such. However, the analysis in the EIS does not provide clear NEPA clearance for demolition of the CHFB structure. Very little analysis of demolition was provided and the EIS states: "Follow-on NEPA, NHPA, or CEQA analyses would be required (depending on who acquires the site) for any proposed redevelopment plans presented by a future developer and would further address cultural resources." (p. 3-9)

In light of the environmental consequences to cultural resources, the EIS concludes:

"Any future renovation or demolition activities of the CHFB could result in adverse effects and significant impacts if either redevelopment action was conducted in a way that did not comply with the Secretary of the Interior's *Standards*. If future redevelopment of the site was conducted in accordance with the Secretary of the Interior's *Standards*, there would be no adverse effect and no significant impact to the historic property." (p. 3-9)

"Under Alternatives 1 and 2, adverse effects and significant impacts could be eliminated by implementing deed restrictions in the form of covenants stating that change of ownership would require any changes to the property that will impact its character-defining features be done according to Secretary of the Interior's *Standards*." (p. 3-10)

Our concern with this Impact Reduction Measure is that it precludes demolition of the CHFB structure and implementation of Alternatives 1 and 2, leaving GSA with the only choice of selecting the No Action alternative.

The Secretary of the Interior's Standards for the Treatment of Historic Properties provides standards for only the four following actions (https://www.nps.gov/history/local-law/arch_stnds_8_2.htm):

- Standards for Preservation
- Standards for Rehabilitation
- Standards for Restoration
- Standards for Reconstruction

The Secretary of the Interior's Standards do not permit demolition. Therefore, the suggested deed restriction requiring compliance with the Secretary of the Interior's Standards would make it impossible for redevelopment of the CHFB site to include demolition of the CHFB structure.

As we have established earlier in this comment letter, the Proposed Action being analyzed in this EIS, based on the development of alternatives and statements in the EIS, should include both disposal and demolition of the CHFB property and structure to allow for redevelopment of the site. However, a Deed Restriction against the property requiring compliance with the Secretary of the Interior's Standards for Treatment of Historic Properties would conflict with the Proposed Action, and thus Alternatives 1 and 2, by preventing demolition of the structure and redevelopment of the site. To undo this Impact Reduction Measure in the future, the beneficiary of the deed restriction or easement, which would most likely be

the Secretary of the Interior, would need to release/quit claim the restriction, which they couldn't do because that action would conflict with the Standards referenced in the deed restriction.

Therefore, this EIS needs to be revised to:

- Include disposal and demolition of the CHFB structure in the Proposed Action;
- Clearly and thoroughly analyze the Proposed Action, including disposal and demolition of the CHFB structure so those actions have complete NEPA clearance; and
- Remove a Deed Restriction requirement that prevents implementation of the Proposed Action and permits demolition of the CHFB structure, even if a significant impact remains that must be accounted for and justified in the Record of Decision.

Given how this EIS has been drafted, the City of Laguna Niguel is concerned the relocation of the tenants from the CHFB will leave a property and structure that sits and deteriorates, unused, over time, resulting in an eye-sore and attractive nuisance within our City. The measures included in this EIS would actually lead to and cause a significant impact to the natural and human environment that have not been analyzed in this EIS.

Under Alternatives 1 and 2 either 64.85 or all 92 acres would be deemed surplus property. Based on this EIS, that surplus property would have a deed restriction preventing the demolition of the existing 1,000,000 square foot building. The only options under the Secretary of the Interior's Standards would be preservation, rehabilitation, restoration, or reconstruction. The Need Statement indicates the CHFB structure has not been touched in many years and is deteriorating rapidly.

“Other than some energy-related modifications, there have been no modification to the CHFB since the 1980s. Most of the building's infrastructure is beyond its useful life and deficiencies have been documented in all major mechanical and electrical systems, including life-safety, fire protection, and fire sprinkler systems. Additionally, numerous issues exist, including the presence of asbestos containing materials (ACM) and the need to improve the building's response to future seismic events.” (p. 1-5)

What federal agency or developer would opt to acquire 64.85 or 92 acres, encumbered with a 1 million square foot structure in need of significant and costly improvements as noted above, that cannot be demolished? We believe the answer is none. GSA would likely still move forward with the relocation of the tenants from the CHFB as described in the Proposed Action because the CHFB building no longer works for the tenants, and the CHFB structure and remaining property would sit unused and deteriorating over time. This would result in a significant environmental consequence that is not analyzed in the EIS.

The City of Laguna Niguel is very concerned about the future of the CHFB property. The property is significant in size and location within the City. If not handled properly, the future of the CHFB property could have substantial negative impact on the City. Conversely, successful relocation of the tenants and redevelopment of the property would provide a tremendous benefit to both GSA and the City. The City would very much like to work with GSA to avoid potential pitfalls and foster successful redevelopment. As indicated in this letter, the City has significant concerns with the EIS. However, those concerns can be addressed with substantial edits to the EIS. Such action would thereby clear a path for anticipated City consideration of potential redevelopment opportunities and related rezoning alternatives for the

property that the City would otherwise be forced to postpone indefinitely, further hampering GSA disposal efforts.

Should you have any questions, please contact Erica Roess, Senior Planner at (949) 362-4067 or by email at eroess@cityoflagunaniguel.org.

Sincerely,



Jonathan Orduna
Community Development Director



CITY of LAGUNA NIGUEL

Community Development Department
30111 Crown Valley Parkway / Laguna Niguel, California, 92677
Phone / 949-362-4300 Fax / 949-362-4369

CITY COUNCIL

Mayor Fred Minagar
Mayor Pro Tem Elaine Gennawey
Council Member Kelly Jennings
Council Member Sandy Rains
Council Member Rischi Paul Sharma

April 1, 2021

TO:

Osmahn Kadri
Osmahn.kadri@gsa.gov

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Potomac-Hudson Engineering, Inc.
ATTN: CHFB Draft EIS
77 Upper Rock Circle Suite 302
Rockville, MD 20850

Subject: Chet Holifield Federal Building Final Environmental Impact Statement, Laguna Niguel, California

Dear Mr. Kadri:

On behalf of the Mayor and City Councilmembers of the City of Laguna Niguel, thank you for providing the City with an opportunity to review and comment on the Chet Holifield Federal Building (CHFB) Final Environmental Impact Statement (FEIS), including responses to our comments on the Draft EIS. The City also appreciates GSA's recognition that the City of Laguna Niguel is the primary stakeholder affected by this project and your willingness to hear our concerns and work with us on solutions. The City is hopeful it can maintain a strong federal – local partnership as this project moves forward.

The City commends GSA for making the following four substantial changes to the Final EIS.

1. Selecting Alternative 2 as the Preferred Alternative. By identifying Alternative 2 as the Preferred Project, GSA and the public can now evaluate and determine whether Alternative 2 is consistent with the Proposed Action and Purpose and Need.
2. Determining the Proposed Action Includes Disposal of the Property. Response to City of Laguna Niguel comment 28-2 states, *"The Proposed Action also includes disposal of GSA property reported as excess (Section 2.1.1.1 highlights the disposal process for federal facilities)."* The Preferred Alternative 2 must now be analyzed to determine consistency with the Proposed Action.
3. Clarifying and Expanding the Purpose and Need. Response to City of Laguna Niguel comment 28-3 states, *"Section 1.2.1 of the Final EIS includes addition of the following text to describe the purpose: "The Proposed Action would also dispose of any excess federal property within the 92-acre CHFB site". Section 1.2.2 of the Final EIS includes addition of the following text to justify the need for disposal: "The Proposed Action is also*

needed to address the Public Buildings Reform Board (PBRB) recommendations under P.L. 114-287, the Federal Assets Sale & Transfer Act of 2016 (FASTA) which made a recommendation of disposal of the CHFB (see Section 2.1.1.1 for additional information)."

Linking the Proposed Action to the PBRB recommendations is an important change for the public to understand because the PBRB recommendations need to be considered by GSA in evaluating Alternative 2 and the outcome of the Section 106 process in the Record of Decision (ROD).

Section 2.1.1.1 (FEIS Page 2-5) was revised to state: *"The Board's [PBRB] mission has two major elements: (1) identify specific federal real property for disposal and reform, the federal real property practices in order to "obtain the highest and best value for the taxpayer" and (2) "facilitat[e]and expedit[e] the sale or disposal of unneeded federal civilian real properties."*

Section 2.1.1.1 also states, *"Disposal of the CHFB is currently planned to be made pursuant to the FASTA and PBRB recommendations."*

4. Eliminating an Impact Reduction Measure Requiring a Deed Restriction or Covenant over the Property. In response to Laguna Niguel Comment 28-7, the FEIS eliminated Impact Reduction Measures requiring a deed restriction or covenant over the Property and replaced the language with the following,

"The Section 106 process is currently underway to determine effects to the property under NHPA, and results of this process, as well as any applicable impact reduction measures, will be detailed in the ROD for this EIS." (FEIS Page 3-9)

The City commends this change in language and looks forward to continuing to participate in the Section 106 process as a key stakeholder.

As the GSA moves through the final stages of the FEIS and the Section 106 process, the City requests the following.

- **The Section 106 Process Include Findings Applicable to CEQA in addition to NEPA.** The City recognizes that CEQA is a subsequent environmental review process in which the City of Laguna Niguel would function as the Lead Agency. However, through the NEPA process, GSA has decided to rely on a consultation process under Section 106 with the State Historic Preservation Officers, who represent the State of California. Since the Proposed Action includes demolition of the structure and consistency with PBRB recommendations, if the results of the Section 106 process are not transferable to the CEQA analysis and findings, the Proposed Action would not be feasible. Unless the GSA intends to demolish the CHFB while the building remains in federal ownership and then sell the property, which the GSA could do without CEQA review, the Section 106 determination must be applicable to CEQA for the GSA to achieve its intended action and the PBRB recommendations.
- **Impact Reduction Measures Cannot Preclude Implementation of the Proposed Action.** The Proposed Action mandates disposal of the CHFB property, and as stated in the FEIS, disposal must be "made pursuant to the FASTA and PBRB recommendations," which include "obtain the highest and best value for the taxpayer" and (2) "facilitate and expedite the sale or disposal of unneeded federal civilian real properties."

The Draft EIS included an Impact Reduction Measure that was not consistent with the Proposed Action and not consistent with PBRB's mission. The City of Laguna Niguel has repeatedly voiced its opinion that a covenant or deed restriction over the CHFB requiring consistency with The Secretary of the Interior's

Standards for the Treatment of Historic Properties, which requires preservation, rehabilitation, restoration, or reconstruction is inconsistent with the Proposed Action. This opinion is based on two factors. First, the City has spoken to numerous large developers and all of them have said they would not purchase the property if the existing CHFB had to remain. The developers indicated there is no feasible reuse of the building and the cost to renovate and maintain the structure is infeasible. Second, the GSA reached the same conclusion as the developers the City has spoken with in the Purpose and Need section by stating:

“Other than some energy-related modifications, there have been no modification to the CHFB since the 1980s. Most of the building’s infrastructure is beyond its useful life and deficiencies have been documented in all major mechanical and electrical systems, including life-safety, fire protection, and fire sprinkler systems. Additionally, numerous issues exist, including the presence of asbestos containing materials (ACM) and the need to improve the building’s response to future seismic events.” (p. 1-5)

If the federal government, with all of its resources, has determined reuse of the CHFB structure is infeasible then it is inconceivable to assume that a private development company could come to a different conclusion.

For this very reason, the ROD must determine whether the outcome of the Section 106 process and any Impact Reduction Measures placed on the property would allow for feasible attainment of the Proposed Action consistent with the PBRB’s recommendations. If the Section 106 process concludes that the property must be treated consistent with the Secretary of the Interior’s Standards for the Treatment of Historic Properties, which requires preservation, rehabilitation, restoration, or reconstruction, that determination would preclude implementation of the Proposed Action. It would also leave the property vacant and in a state of deterioration and disrepair that would have significant environmental effects on the City of Laguna Niguel and the surroundings, which must be accounted for in the ROD.

The City of Laguna Niguel looks forward to continuing to participate in the Section 106 process. The City also expects the GSA, through the Section 106 process and the drafting of the ROD, to ensure the Proposed Action, including following the PBRB’s recommendations, is adhered to in a feasible manner.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jonathan Orduna', with a long horizontal flourish extending to the right.

Jonathan Orduna
Community Development Director

Cc: Adam Bodner, PBRB, adam.bodner@pbrb.gov