1 2 3 4 5 6 7 8 UNITED STATES DISTRICT COURT 9 EASTERN DISTRICT OF CALIFORNIA 10 ----00000----11 12 SIERRA CLUB and FRIENDS OF THE NO. CIV. 2:12-0044 WBS CKD WEST SHORE, 13 Plaintiffs, MEMORANDUM AND ORDER DENYING MOTION TO ALTER OR AMEND 14 JUDGMENT RE: CROSS MOTIONS FOR 15 SUMMARY JUDGMENT TAHOE REGIONAL PLANNING AGENCY, 16 COUNTY OF PLACER, and BOARD OF SUPERVISORS OF THE COUNTY OF 17 PLACER, 18 Defendants. 19 HOMEWOOD VILLAGE RESORTS, LLC, 20 and JMA VENTURES, LLC, 21 Defendants and Real Parties in Interest. 22 23 ----00000----24 25 Before the court is Tahoe Regional Planning Agency 26 ("TRPA"), the County of Placer (the "County"), Homewood Village 27 Resorts, and JMA Ventures' (collectively, "defendants") motion to 28 alter or amend the judgment of the January 4, 2013, Memorandum 1

and Order Re: Cross Motions for Summary Judgment ("Order"),

(Docket No. 69), pursuant to Federal Rule of Civil Procedure

59(e). (Docket No. 71.) The Order granted in part and denied in
part cross motions for summary judgment. (Order at 113-14.)

Plaintiffs Sierra Club and Friends of the West (together,

"plaintiffs") oppose the motion.¹

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Reconsideration is an "extraordinary remedy" which should be used "sparingly in the interests of finality and the conservation of judicial resources." Kona Enter., Inc. v. Estate of Bishop, 229 F.3d 877, 890 (9th Cir. 2000); see also Sch. Dist. No. 1J, Multonomah Cnty. v. ACandS, Inc., 5 F.3d 1255, 1263 (9th Cir. 1993) (stating that reconsideration should only be granted in "highly unusual circumstances"). A motion for reconsideration "should not merely present arguments previously raised, or which could have been raised in the initial . . . motion." United States v. Westlands Water Dist., 134 F. Supp. 2d 1111, 1130 (E.D. Cal. 2001) (citing Backlund v. Barnhart, 778 F.2d 1386, 1388 (9th Cir. 1985)). It has been said that under Rule 59(e), "[r]econsideration is appropriate if the district court (1) is presented with newly discovered evidence, (2) committed clear error or the initial decision was manifestly unjust, or (3) if there is an intervening change in controlling law." Sch. Dist. No. 1J, 5 F.3d at 1263.

Defendants argue that the court committed legal error by requiring revision of the EIR-EIS after finding that the EIR-

The detailed factual background of this case may be found in the Order. <u>See</u> (Docket No. 69); <u>Sierra Club v. Tahoe</u> Reg'l Planning Agency, Civ. No. 2:12-0044 WBS, --- F.Supp.2d ----, 2013 WL 79947 (E.D. Cal. Jan. 4, 2013).

EIS's analysis of Alternative 6 was inadequate and that substantial evidence did not support the County and TRPA's respective findings that Alternative 6 was economically infeasible. Defendants point to the directive in California Environmental Quality Act ("CEQA"), Cal. Pub. Res. Code § 21000-21176, case law that when the feasibility of an alternative depends on economic factors, the evidentiary basis for the agency's finding that the alternative is economically infeasible need not be in the EIR itself, but must be in the administrative record. See, e.g., Flanders Found. v. City of Carmel-by-the-Sea, 202 Cal. App. 4th 603, 618 (6th Dist. 2012). The court acknowledged this requirement in its Order, explaining that "CEQA does 'not require the EIR itself to provide any evidence of the feasibility of . . . alternatives, much less an economic or cost analysis of the various project alternatives and mitigating measures identified by the EIR." (Order at 55 (quoting San Franciscans Upholding the Downtown Plan v. City & Cnty. of S.F., 102 Cal. App. 4th 656, 690-91 (1st Dist. 2002)).) The court cannot agree with defendants, however, that in requiring the preparation of a legally adequate EIR-EIS it committed clear error or that the remedy it ordered is manifestly unjust.

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The "Guidelines," which flesh out CEQA's provisions, prescribe that an EIR "include sufficient information about each alternative to allow meaningful evaluation, analysis, and comparison with the proposed project." Cal. Code Regs., tit. 14, § 15126.6, subd. (d). An EIR-EIS must have "'detail

The Guidelines are set forth in the California Code of Regulations, title 14, section 15000 $\underline{\text{et seq.}}$

sufficient to enable those who did not participate in its preparation to understand and to consider meaningfully the issues raised by the proposed project.'" Pres. Action Council v. City of San Jose, 141 Cal. App. 4th 1336, 1355 (6th Dist. 2006) (quoting Laurel Heights Improvement Ass'n v. Regents of Univ. of Cal., 47 Cal. 3d 376, 405 (1988)). Further, "the agency preparing the EIR may not simply accept the project proponent's assertions about an alternative; the agency must 'independently participate, review, analyze and discuss the alternatives in good faith.'" Save Round Valley Alliance v. County of Inyo, 157 Cal. App. 4th 1437, 1460 (4th Dist. 2007) (quoting Kings Cnty. Farm Bureau v. City of Hanford, 221 Cal. App. 3d 692, 708 (5th Dist. 1990)).

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At the outset of the Order's analysis of the EIR-EIS's alternatives discussion, the court explained that one of the project's objectives was to generate sufficient revenue to support the project's proposed environmental and fire safety

Defendants are correct that the quotation from Laurel Heights cited in the Order's discussion of the sufficiency of the EIR-EIS's analysis of Alternative 6 arose in the context of an EIR's failure to adequately explain why it had declined to further analyze certain alternatives. But, at the same time, the Laurel Heights court was also disapproving the minimal attention the EIR gave to the "no project" alternative. <u>Laurel Heights</u> <u>Improvement Ass'n</u>, 47 Cal. 3d at 403. It therefore had occasion to explain the importance of meaningful analysis of alternatives that are considered in an EIR in equivalent terms to those stated in the Order: "An EIR's discussion of alternatives must contain analysis sufficient to allow informed decision making. . Without meaningful analysis of alternatives in the EIR, neither the courts nor the public can fulfill their proper roles in the CEQA process." Id. at 404. The court went on to say, "An EIR must include detail sufficient to enable those who did not participate in its preparation to understand and to consider meaningfully the issues raised by the proposed project." Id. at 405.

improvements, as well as the economic viability of the ski operations. (Order at 30.) As noted in the Order, the EIR-EIS, based on information provided by the project proponent, rejected that Alternative 6 could meet that objective of economic feasibility. (Order at 56-57; see also Administrative Record 3923 ("Alternatives consisting of fewer than the 282 units included in Alternative 6 would <u>likewise</u> be financially infeasible . . . ") (emphasis added).)

In <u>Preservation Action Council v. City of San Jose</u>, the court ruled that the EIR's analysis of a reduced-size alternative was inadequate because ambiguity regarding the size of the alternative "would have made it difficult to compare the size of the . . . alternative to the size of other home improvement warehouses in the area in order to evaluate the validity of the claim by [the project proponent] that the . . . alternative was infeasible because it would produce a 'competitive disadvantage.'" <u>Pres. Action Council</u>, 141 Cal. App. 4th at 1355. In other words, the EIR made it impossible to determine whether the alternative would achieve the project applicant's objectives.

The ambiguity in that case "meant that the public and the City Council were not properly informed of the requisite facts that would permit them to evaluate the feasibility of th[e] alternative," id., and that the EIR "lacked 'detail sufficient to enable those who did not participate in its preparation to

Obviously the court did not intend to suggest that the EIR-EIS rejected analyzing Alternative 6 wholesale. Indeed, the court rejected plaintiffs' contention that the EIR-EIS needed to analyze a further reduced-size alternative on the grounds that analyzing one reduced alternative-Alternative 6--was sufficient.

understand and to consider meaningfully' the reduced-size alternative," <u>id.</u> (quoting <u>Laurel Heights Improvement Ass'n</u>, 47 Cal. 3d at 404-05).

After explaining that the City also did not include meaningful detail in the record regarding the project proponent's claim that the reduced-size alternative was infeasible or make a specific finding validating that claim, the court in that case held that "[t]he City violated CEQA by failing to ensure that the [EIR] adequately analyzed the potentially feasible and environmentally superior reduced-size alternative and failing to make a specific finding, based on substantial evidence, regarding the feasibility of the reduced-size alternative." Id. at 1357. The court therefore required revision of the EIR to remedy its inadequate analysis of the reduced-size alternative. Id. at 1357-58 (also requiring adoption of appropriate findings based on substantial evidence).

In the instant case, this court likewise ordered revision of the EIR-EIS after making comparable rulings regarding the EIR-EIS's analysis of Alternative 6's economic feasibility and the County and TRPA's respective findings that Alternative 6 is economically infeasible. Not to have ordered revision of the EIR-EIS would have ignored the distinction between the feasibility determinations the County and TRPA are entitled to make on the record and the analysis of a project's alternatives

The court found in its Order that the Tahoe Regional Planning Compact, Pub. L. No. 96-551, 94 Stat. 3233 (1980); Cal. Gov't Code § 66801 et seq.; Nev. Rev. Stat. § 277.200 et seq., requires a comparable analysis of alternatives to CEQA. (Order at 57.)

that CEQA requires to be in the EIR-EIS. To properly compare alternatives, information on how each alternative meets or fails to meet the project's objectives must be adequate and accurate. Because the project's economic feasibility is one of its key objectives, simply redoing findings will not cure the defect in the EIR-EIS identified by the court in its Order and ensure that the EIR-EIS is the public informational document and guide for the agencies it is intended to be. Accordingly, the court neither committed clear error nor ordered a manifestly unjust remedy.

IT IS THEREFORE ORDERED that defendants' motion to alter or amend the judgment be, and the same hereby is, DENIED. DATED: February 27, 2013

WILLIAM B. SHUBB

UNITED STATES DISTRICT JUDGE