



Los Angeles Regional Water Quality Control Board

Mr. Troy Juve
SFI Los Valles, LLC
10960 Wilshire Blvd, Suite 1260
Los Angeles, CA 90024

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED
No. 7017 1450 0002 1559 2496

DENIAL WITHOUT PREJUDICE, TECHNICALLY CONDITIONED WATER QUALITY CERTIFICATION FOR PROPOSED LOS VALLES PROJECT, HASLEY CANYON WASH, UNINCORPORATED LOS ANGELES COUNTY (File No. 18-041)

Dear Mr. Juve:

Board staff has reviewed your request on behalf of Los Valles, LLC (Applicant) for a Clean Water Act Section 401 Water Quality Certification for the above-referenced project. I hereby deny your application without prejudice pursuant to §3859(d) of Title 23 of the California Code of Regulations (23 CCR) because it is inadequate.

We are unable to certify your project as it is designed, because we cannot conclude that impacts to waters of the United States have been appropriately minimized and that the project would not result in an unacceptable degradation of water quality. Section 401 of the Clean Water Act requires that we certify that your activities will not cause or contribute to a violation of the state water quality standards. Because the proposed project will eliminate waters of the United States and all the beneficial uses of those waters, mitigation for the loss cannot be considered until it is demonstrated that avoidance has been considered and mitigation is justified. Our review of your application leads us to conclude that your project, as currently designed, does not avoid or minimize impacting waterways, and has not considered alternatives specific to avoidance of undergrounding entire lengths of streambed.

Because these waters are also waters of the State, Article 4, Chapter 4, Division 7 of the California Water Code (CWC), commencing with section 13260(a), also applies to your project. Pursuant to Article 4, this Regional Board is required to prescribe waste discharge requirements (WDRs) for any proposed or existing discharges including dredge and fill discharges. If certified under Section 401 of the CWA, Water Quality Order No. 2003 - 0017 DWQ Statewide General Waste Discharge Requirements for Dredged or Fill Discharges That Have Received State Water Quality Certification would apply to your discharge.

Our principal concern with the proposed project is the undergrounding (permanent removal) of 2,000 linear feet of streambed. The proposed project development and/or grading area converts watercourses into a storm drain system and does not allow for any natural drainage to occur. There is no evidence that other design alternatives (specific to waters) were considered which would avoid, or avoid to some extent, these sections of the drainages within the area of proposed development. In addition, the drainage impacts are not fully analyzed in terms of their direct or

indirect impacts to the Hasley Canyon Wash, its tributaries and associated floodplain, including any downstream geomorphological or hydrological impacts.

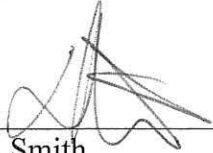
The advantages of a design in which natural drainages, or minimally modified drainages, are retained through the property, creating a hydrologically functional landscape that mimics the natural hydrologic regime, are multifold and may include enhanced property values, improved habitat, aesthetic amenities, and improved quality of life and in some cases economic benefits, including stormwater management.

Before the 401 Certification can be issued for the proposed project, you must demonstrate that appropriate alternatives have been considered within the proposed development footprint. In particular, you should consider an alternative in which natural drainages, or minimally modified drainages, are retained through the property. When considering the alternatives, the evaluation should analyze the hydrologic impacts of the design, likely effects downstream and the importance of habitat-connectivity. In addition, the alternative evaluation should include a consideration of the total imperviousness of the site.

You may choose to revise your project and/or submit a report specifically regarding project alternatives and additional issues to be addressed, in order to complete your application in the future. Additional fees may be required, pursuant to 23 CCR §3833(4), if the revised application is not filed within twelve months of the date of this action or the project has changed significantly in scope or its potential for adverse impact.

We look forward to working with you. Should you have questions concerning this Certification action, please contact Valerie Carrillo Zara, Section 401 Program, at (213) 576-6759, Dr. LB Nye at (213) 576-6785.

Sincerely,



Deborah J. Smith
Executive Officer

5-23-18

Date

DISTRIBUTION LIST

Martin Rasnick (via electronic copy)
Glen Lukos Associates
29 Orchard
Lake Forest, CA 92630

Bill Orme (via electronic copy)
State Water Resources Control Board
Division of Water Quality
P.O. Box 944213
Sacramento, CA 94244-2130

Brock Warmuth
(via electronic copy)
California Department of Fish and Wildlife
Streambed Alteration Team
3883 Ruffin Rd Suite A
San Diego, CA 92123-4813

Steve Estes (via electronic copy)
U.S. Army Corps of Engineers
Regulatory Branch, Ventura Field Office
2151 Alessandro Drive, Suite 110
Ventura, CA 93001

Melissa Scianni
Elizabeth Goldmann
(via electronic copy)
U.S. Environmental Protection Agency, Region 9
WRT-2-4
75 Hawthorne Street
San Francisco, CA 94105