

LETTER 8



WALT DISNEY Imagineering

Edward A. Churchila
Vice President, Post-Development

May 3, 2004

Ms. Sheri Vander Dussen, AICP
Planning Director, City of Anaheim
Planning Department
200 South Anaheim Boulevard
Anaheim, CA 92805



Dear Ms. Vander Dussen:

On behalf of The Disneyland Resort, located at 800 Ball Road in Anaheim, we write to share our comments on the Anaheim General Plan and Zoning Code Update Draft Environmental Impact Report (DEIR) No. 330 (SCH #2003041105). Although we have reviewed all relevant sections of the document, our comments focus primarily on the 26.4-acre Anaheim Resort Specific Plan (ARSP) expansion area along Harbor Boulevard (the "ARSP Expansion Area"), and in large part are intended to provide closure on some of the issues we raised at the April 19, 2004 Planning Commission meeting.

We applaud the city's vision as it updates its blueprint for the future, and particularly share in the City's desire to extend the Anaheim Resort Specific Plan area south along Harbor Boulevard, connecting the "missing link" between Orangewood Avenue and the City's southern boundary with Garden Grove. This change will create further incentives to broaden the physical and financial transformation of the Anaheim Resort and will link important tourism-serving assets in Anaheim and Garden Grove. Furthermore, we support the City's desire to ensure that the parcels in the ARSP Expansion Area will be subject to the same, rigorous physical and technical standards that produced the high quality tourism-serving zone that we all enjoy today.

PROGRAM EIR

We appreciate that, as the environmental analysis supporting a general plan and zoning code update, DEIR No. 330 is a high level, "program" EIR, and that the City will require subsequent or project EIR's to analyze each new development opportunity that emerges. That said, we note that the changes proposed in the ARSP Expansion Area are rather specific, enabling the development of 2775 new hotel rooms, restaurants and other visitor-serving uses with, as we understand it, no further environmental analysis required. As with the original Anaheim Resort Specific Plan EIR, the potential environmental effects associated with the development of these uses, should be thoroughly analyzed. We would suggest that the City put a process in place affirmatively requiring more specific environmental analysis with respect to any subsequent development in the ARSP Expansion Area, to be conducted at the time that development is processed.

8-1



SPECIFIC AREAS OF ANALYSIS

8-2 | By virtue of the Disneyland Resort Specific Plan and EIR No. 311, Development Agreement No. 96-01, the Infrastructure and Parking Finance Agreement, and Disney's other, associated agreements with the City that vest our long term entitlements, Disney has reserved future development capacity. We seek assurances that this capacity will be available as we move forward with future development plans, and our review of this matter has focused on ascertaining whether the Disneyland Resort's entitled, fully built out plan has been incorporated in the baseline analysis for this project and DEIR. We also want to ensure that impacts associated with the ARSP Expansion Area are analyzed and mitigation measures for such development are defined for potential impacts that exceed the baseline condition. Finally, we want to ensure that the conclusions of the planning and technical analysis are consistent with the Disneyland Resort's current and future operating requirements.

After careful review of the documents and several meetings with City Staff, we offer the following comments reflecting the evolution of our thinking on the concerns we expressed to the City Planning Commission on April 19, 2004:

PUBLIC SERVICES AND FACILITIES

8-3 | Power: Staff has advised us of various new power capacity enhancement projects planned for the ARSP area, including a new 120 MW substation and renovations of the Anaheim substation, that would increase output from 80 to 120 MW. Based on these assurances and the fact that these items are included in the City's 5-year capital plan, we are satisfied that there will be enough power to serve both Disney's entitled, fully built out project and the ARSP Expansion Area.

8-4 | Water: Staff has assured us that, although the specific water-related study for the ARSP will not be completed until mid-May, Disney's full, entitled buildout is included in the baseline model from which the City conducted its water-related analysis for DEIR No. 330. In addition, Staff has advised us of the City's planned new water capacity enhancement project (i.e., a new 1500 gpm well in Ponderosa Park). Based on these assurances, we are satisfied that there is enough water to serve both Disney's entitled, fully built out project and the ARSP Expansion Area.

8-5 | Storm Drainage: Disney's concern about general deficiencies in the storm drainage infrastructure in and around the Anaheim Resort area is tempered by the nature of existing site conditions. In all likelihood, any expansion into, or redevelopment of the ARSP Expansion Area will decrease the amount of impervious land area and as such, will diminish run off and discharge to the existing storm drainage system, therefore potentially reducing impacts. In addition, Staff has assured Disney that the areas within the Disneyland Resort and the ARSP Expansion Area are covered under the South Central Area Drainage Plan and that adequate capacity exists under this plan to accommodate full buildout of both projects. Based on these assurances, and ongoing Orange County Flood Control District capacity enhancing projects (i.e., new pumps and bypass lines) we are satisfied that there is enough storm drain capacity to serve both Disney's entitled, fully built out project and the ARSP Expansion Area.

Sewer: Although there is no detailed sewer technical study attached to DEIR No. 330, it does highlight a sewer deficiency related to the ARSP Expansion Area (identified in the South Central Sewer Deficiency Study) and defines the process for evaluating,



8-6

defining and implementing the required fix. Full funding by the project that trips the required improvement or the payment of fees, or both, have been identified as the means of ensuring that this improvement gets implemented. Although the specific density and location of a development in the ARSP Expansion Area will determine whether the required improvement is "tripped", we understand from Staff that this will likely be required very early in the redevelopment of this area. The fix to this deficiency will slightly decrease loads to the sewer system that serves the Disneyland Resort and as such, would enhance the Resort's sewer capacity. As such, based on Staff's assurances, we are satisfied that the development of the ARSP Expansion Area will not adversely impact Disney's entitled, fully built out project with respect to sewerage.

8-7

Traffic and Circulation: Staff has provided us with the needed technical study to confirm that the traffic model used to analyze traffic impacts in the ARSP Expansion Area includes Disney's entitled, fully built out project. We have, however, identified some inconsistencies between intersection cross-sections assumed in DEIR No. 330 and those in the Disneyland Resort EIR, and would like to continue to work with Staff to address this issue to ensure that there is no negative impact on Resort traffic. Finally, we want to continue working with Staff to assess the impact of trips assigned through the ARSP area to/from the Platinum Triangle or other areas of the City in order to quantify and ultimately mitigate their impact to key Resort Area intersections.

8-8

Mitigation Measure Consistency: Staff has assured us that the Mitigation Measures adopted for projects within the ARSP Expansion Area will be consistent with the DEIR executive summary and in line with such measures for the associated original ARSP EIR. Based on those assurances, we are no longer concerned about the difference in wording between the executive summary mitigation table and the mitigation measures described in the DEIR text.

8-9

All other concerns we expressed to the Planning Commission have been resolved to our satisfaction. As has always been the case, Staff has been cooperative and thoughtful in reviewing our issues and concerns. Thank you for the opportunity to comment on this important effort. We look forward to continuing to work with Staff and our community and business partners to further enhance the Anaheim Resort Area's reputation as a world-class tourism destination.

Sincerely,

Edward A. Chuchla
Vice President, Pre-Development
Walt Disney Imagineering

2. *Response to Comments*

8. **Response to Comments From Edward A. Chuchla, Vice President, Pre-Development, Walt Disney Imagineering, Dated May 3, 2004**

- 8-1 The proposed project is a comprehensive General Plan and Zoning Code Update and as a result, the level of analysis is not as detailed as the project level EIR for the Anaheim Resort Specific Plan (ARSP). As suggested in your comment, the City will require a Conditional Use Permit for subsequent hotel and other visitor-serving development in the ARSP Area. As such, each project will be reviewed to determine if additional environmental review is necessary, consistent with Section 15162 of the CEQA Guidelines, at the time individual development applications are submitted.
- 8-2 Buildout of The Disneyland Resort has been incorporated into the future baseline analysis for the EIR. In addition, the City will require a Conditional Use Permit for subsequent hotel and other visitor-serving development in the ARSP Area, as described above. As such, each project will be reviewed to determine if additional environmental review is necessary, consistent with Section 15162 of the CEQA Guidelines, at the time individual development applications are submitted. This will ensure that potential impacts associated with future hotel and other visitor-serving development will be adequately mitigated.
- 8-3 Comment is hereby noted, included in the official environmental record of the proposed project, and will be forwarded to the appropriate City of Anaheim decision-makers for their review and consideration.
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