City of Santa Cruz
ENVIRONMENTAL CHECKLIST FORM / INITIAL STUDY

I. Background

1. **Application No:** CP19-0122

2. **Project Title:** 2035 North Pacific Avenue Office/Residential Building

3. **Lead Agency Name and Address:**
   City of Santa Cruz
   809 Center Street, Room 101
   Santa Cruz, CA 95060

4. **Contact Person and Phone Number:** Clara Stanger, 831-420-5247
   CStanger@cityofsantacruz.com

5. **Project Location:** 2035 North Pacific (APN 006-361-24) in the City of Santa Cruz; see Figure 1.

6. **Project Applicant's/Sponsor's Name and Address:**
   Peter Bagnall
   125 Mission Street, #4, Santa Cruz, CA 95060
   OWNER: 2035 North Pacific Avenue LLC, Santa Cruz, CA 95060

7. **General Plan Designation:** RVC – Regional Visitor Commercial

8. **Zoning:** CBD – Central Business District

9. **Background-CEQA Environmental Review:** An Initial Study (IS) and Mitigated Negative Declaration (MND) were prepared and circulated for a 30-day public review period from April 12, 2021 through May 11, 2021, and the public review period was extended to June 21, 2021. Comments were received from one public agency (California Department of Toxic Substances Control [DTSC]) and two private companies (PG&E and Chevron). Generally, the comments received on the July 2021 IS/MND addressed:

   - *Site Remediation:* Remediation of the site has been completed that is sufficient to accommodate the current use of the property, and the proposed project would require a second remediation to accommodate the project. Additional information is needed in the project description as to how site remediation efforts would be conducted with an analysis of impacts of remediation .
   - *Air Quality and Greenhouse Gas Emissions:* Concerns were raised regarding emissions during excavation and site remediation, including odors. DTSC asked that the potential presence of naphthalene in the underground former concrete gas holder foundation be

considered as naphthalene could create an odor nuisance upon removal of the foundation and associated hazardous materials.

- *Geology and Soils:* Concerns were raised regarding the conclusion of impact significance and how the subsurface concrete, former gas holder foundation would be removed and whether it would affect stability of the adjacent steep slopes and commercial building.
- *Hazards and Hazardous Materials:* The hazards section conclusion that the potential release of hazardous materials is a potentially significant impact was appropriate, however, the section should include a requirement for the applicant to enter into a cleanup agreement with the DTSC for remediation. The activities of the second remediation that would be necessary to construct the project and associated impacts (e.g., traffic, air and noise impacts associated with the excavation and offsite disposal of contaminated soils) should be addressed in the IS/MND.

In addition, since circulation of the IS/MND in 2021, the City revised and updated its slope modification permit requirements and adopted the 2020 Urban Water Management Plan (UWMP), which is an update to the adopted 2015 UWMP that was referenced in the 2021 IS/MND. In addition, AMBAG adopted a new Regional Growth Forecast in June 2022.

The IS/MND for the proposed project has been revised to provide expanded analyses in response to public comments, as well as to changes to adopted City and regional plans and regulations. New text and/or expanded analyses have been provided in the document, including the Section I-Background and Project Description and some topics in Section VI, including aesthetics, air quality, geology and soils, greenhouse gas emissions, hazards and hazardous materials, land use, noise, population and housing, tribal cultural resources, utilities and cumulative impacts.

This revised IS/MND also is being recirculated for public review and comment due revised text and new potentially significant impacts related to air quality (odors), geologic hazards and noise (vibration). State CEQA Guidelines Section 15073.5 requires a lead agency to recirculate a negative declaration when the document must be substantially revised after public notice of its availability has previously been given, but prior to its adoption. A "substantial revision" means:

1) A new, avoidable significant effect is identified and mitigation measures or project revisions must be added in order to reduce the effect to insignificance, or
2) The lead agency determines that the proposed mitigation measures or project revisions will not reduce potential effects to less than significance and new measures or revisions must be required.

Recirculation is not required under the following circumstances:

1) Mitigation measures are replaced with equal or more effective measures pursuant to Section 15074.1.
2) New project revisions are added in response to written or verbal comments on the project's effects identified in the proposed negative declaration which are not new avoidable significant effects.
3) Measures or conditions of project approval are added after circulation of the negative declaration which are not required by CEQA, which do not create new significant

environmental effects and are not necessary to mitigate an avoidable significant effect.

4) New information is added to the negative declaration which merely clarifies, amplifies, or makes insignificant modifications to the negative declaration.

All potentially significant impacts can be mitigated to a less-than-significant level with the mitigation measures identified in this Initial Study. Under these conditions, a MND may be prepared pursuant to the State CEQA Guidelines section 15070. Furthermore, the Initial Study did not identify significant effects that would require preparation of an EIR as outlined in the State CEQA Guidelines section 15065. Potentially significant impacts can be mitigated to a less-than-significant level and have been agreed to by the City, in which case an EIR need not be prepared solely because without mitigation, an environmental effect would be significant (State CEQA Guidelines section 15065(b)(1)).

10. Description of the Project: The proposed project consists of a Design Permit and Slope Development Permit to construct a 38,880 square foot, mixed-use building that includes 3,777 square feet of ground floor office space and 26 residential apartment units within 10 feet of a 30 percent slope and a Variance to sidewalk width. This project involves removal of one heritage tree. The proposed project includes demolition of an existing building and the construction of a three-story structure with an underground parking garage with 30 parking spaces. The new building includes office space and 10 parking spaces in the parking garage on the first floor and residential units on the second and third floors. The residential units include 4 studio units, approximately 435 square feet in size and 22 one-bedroom units, approximately 609 – 741 square feet in size. The project includes an apartment/office building lobby and indoor stacking bike storage. The proposed site plan and location of units is shown on Figure 2. Access to the site is currently provided via North Pacific Avenue, south of River Street.

Site Remediation. The project will require site remediation due to presence of hazardous materials associated with a former Pacific Gas and Electric (PG&E) Santa Cruz Manufactured Gas Plant (MGP), which operated on the project site and adjacent properties from 1867 until 1930. Historical operations of this MGP have resulted in soil, soil gas and groundwater contamination; the site has previously been partially remediated and capped with a land use covenant planned to accommodate the existing uses on the site as further discussed in section VI.9. As the project includes excavation and disturbance of the capped impacted soils, such excavation is considered by DTSC as a second remedial action.

Prior to conducting any onsite remediation activities, the owner of the project site must enter into a Voluntary Cleanup Agreement (VCA) with DTSC. Once the VCA is established, the DTSC will lead the owner of the project site through the remediation process. This may include a supplemental remedial investigation to further identify the lateral and vertical extent of residual contamination at the project site. The remedial investigation report would include an updated human health risk assessment. The risk assessment would be used to determine clean-up levels that are necessary to make the project site suitable to accommodate the proposed uses.

A Remedial Action Plan (RAP) will be prepared to specify the remedial goals and actions that would be undertaken based on the extent of residual contaminants found within the soil and the subsurface former gas tank foundation. Subsequent to site remediation activities, a Remedial Action Completion Report (RACR) will be prepared to discuss construction oversight and site cleanup activities.

Soil remediation and removal would occur simultaneously with the project grading and excavation. Excavation is required to construct the proposed underground parking garage. The area of excavation is approximately 9,900 square feet, and the estimated volume of excavated soil and material is approximately 4,200 cubic yards (cy). All material would be removed daily from the site as it is excavated, and it is expected that it would take four months to remove the contaminated soil and the remains of a sub-surface tank foundation.

According to information provided by the applicant, the following steps would be taken to remove/remediate contaminated soils once all approvals have been received from DTSC.

1. Demolition of existing building, surface demolition and asphalt removal.
2. Removal and relocation of utilities.
3. Installation of beam and lagging shoring.
4. Removal (excavation) of soil to approximately 4 to 5- feet below ground surface (bgs) around the former gas-holder tank.
5. Removal of materials in the tank and dewatering as specified in the project RAP and geotechnical reports.
6. Break the top 4-5 feet of tank foundation with an excavator bucket with a hammer attachment or a concrete wall saw.
7. Pump any water from the gas tank foundation into baker tanks. Water will be sampled and classified to determine whether discharge can be made to the City's sanitary sewer system or hauled to an off-site wastewater treatment or disposal facility.
8. Add shoring, over-excavate another 4-5 feet bgs and continue excavation as in steps 5 and 6.
9. Add shoring, over-excavate another 4-5 feet bgs and continue excavation as in steps 5-6 to the bottom of the former gas-holder tank.

The RAP will specify the details of the proposed soil removal action, including required permitting, utility clearance, equipment, staging and methods, soil and groundwater testing that would be required for waste characterization, environmental controls, and measures to ensure construction worker and public safety. Generally, subsurface soil and groundwater (if encountered) sampling would be conducted prior to any soil removal in order to classify soil/groundwater for appropriate waste disposal/recycling. Samples would be collected from between the surface to approximately 13 feet bgs, which is below the bottom of the proposed subterranean parking lot. During the site subsurface work, hazardous material monitoring for the safety of the workers and the public would be implemented.

11. **Other public agencies whose approval is required:**
    - California Department of Toxic Substance Control: The project applicant would be required to enter into a cleanup agreement with DTSC. The DTSC would then oversee and approve the site Remedial Action Plan and remediation activities.

12. **Have California Native American tribes traditionally and culturally affiliated with the project area requested consultation pursuant to Public Resources Code section 21080.3.1?** ~~No~~ Yes, however the request for notification and consultation was received after the project application was deemed complete in 2021.

II. Environmental Setting and Surrounding Land Uses

The 0.35-acre project site is located on the west side of North Pacific Avenue, approximately 110 feet south of River Street and approximately 300 feet north of Mission Street. The project site is bordered by North Pacific Avenue on the east, commercial development on the north and south, and a steep slope on the west. The San Lorenzo River is located approximately 700 feet northeast of the project site.

The project site is primarily flat with ground surface elevations ranging from about 20 to 22 feet above mean sea level (MSL) in the parking lot and building areas. The western edge of the project site consists of the base of a steeply inclined slope that ascends to Santa Cruz Mission State Historic Park; the elevation of the top of the slope to the west of the site is about 85 feet MSL. The project site is developed with an existing approximately 3,700 square foot, single-story commercial building and parking lot.

The project area is surrounded primarily by commercial buildings, except a multi-family residential/commercial mixed-use project is located east of the project site on the southeast corner of the River Street/North Pacific Avenue intersection, and a mixed-used commercial/residential project is located to the south of the project site. Single-family residences are located west and upslope from the project site along Adobe Street and School Lane. The Santa Cruz Mission and Holy Cross Church also are located west of proposed site. Santa Cruz Mission State Historic Park and Holy Cross Grammar School are located approximately 0.05 miles and 0.13 miles west of the site, respectively.

As previously indicated, the project will require site remediation due to presence of hazardous materials associated with a former PG&E MGP, which operated on the project site and adjacent properties from 1867 until 1930. Historical operations of this MGP have resulted in soil, soil gas and groundwater contamination; the site has previously been partially remediated and capped to accommodate the existing uses on the site as further discussed in section VI.9. A foundation to a former manufactured gas tank is found underground in the northern portion of the project site beneath an existing parking lot. The original gas holder system consisted of an aboveground structure that was used for the storage of manufactured gas as shown in the foreground (bottom left) of Figure 3 , which shows a historic photo of the project site with MGP facilities, including the former gas tank.

FIGURE 1: Vicinity Location

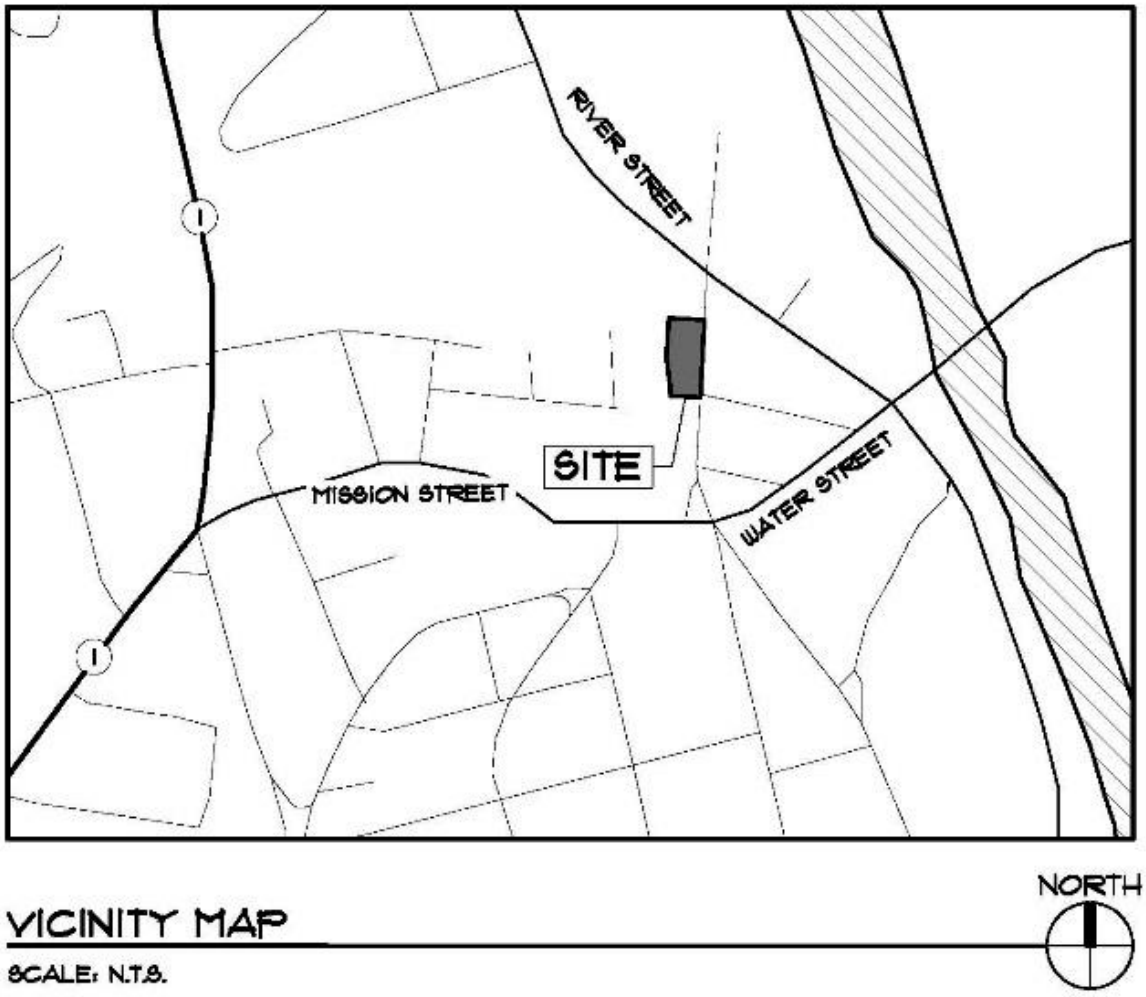

FIGURE 2: Proposed Site Plan

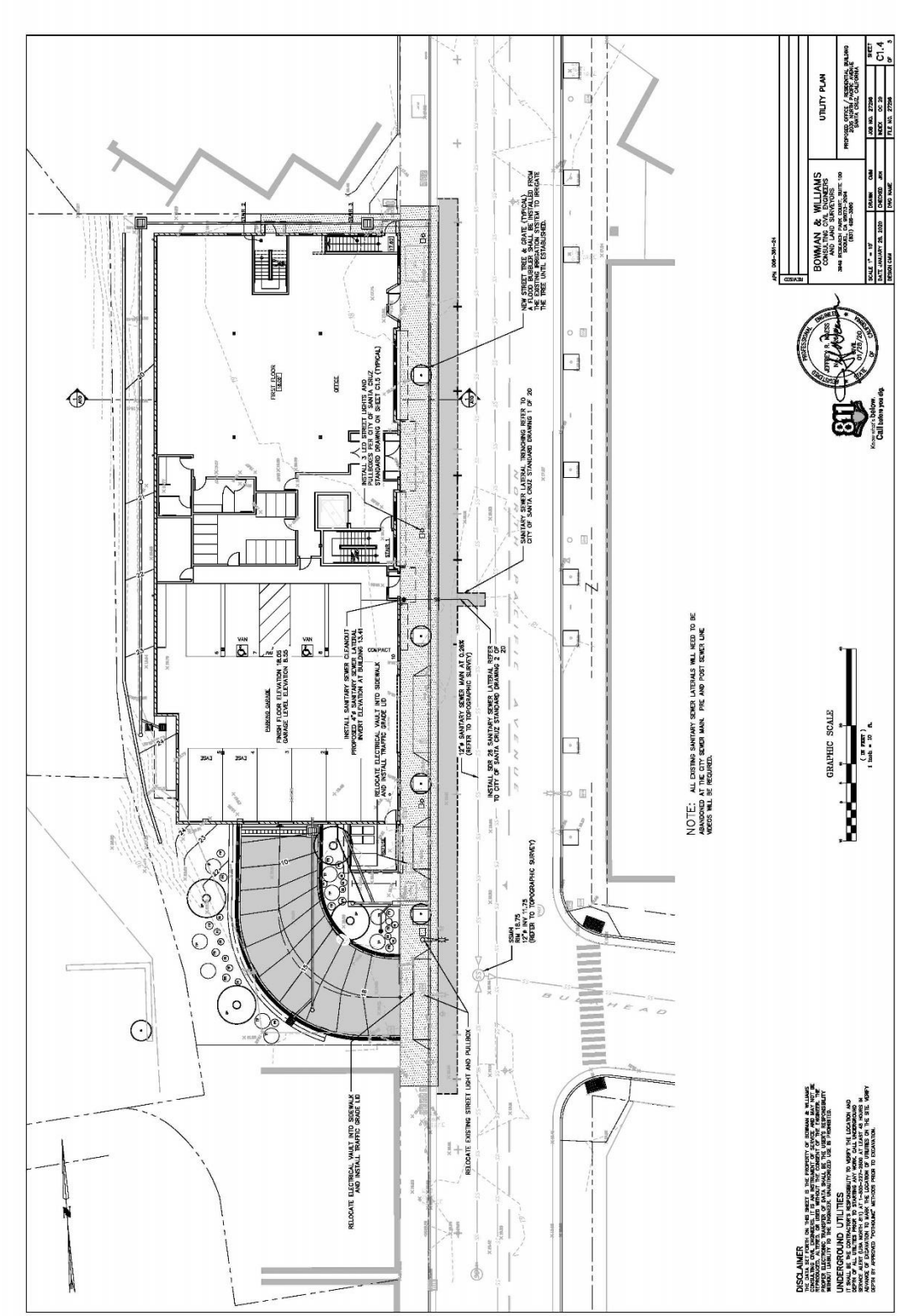

FIGURE 3: Historic Photo of the MGP at 2035 North Pacific Avenue

SOURCE: Terra Pacific Group 2013a

III. Environmental Checklist

Environmental Factors Potentially Affected by the Project: The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

	Aesthetics		Agricultural and Forestry Resources	✓	Air Quality
✓	Biological Resources	✓	Cultural Resources		Energy
✓	Geology / Soils		Greenhouse Gas Emissions	✓	Hazards and Hazardous Materials
	Hydrology / Water Quality	✓	Land Use / Planning		Mineral Resources
✓	Noise		Population / Housing		Public Services
	Recreation		Transportation		Tribal Cultural Resources
✓	Utilities / Service Systems		Wildfire		Mandatory Findings of Significance

A. Instructions to Environmental Checklist

1. A brief explanation is required (see Section VI, Explanation of Environmental Checklist Responses) for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question (see Section V, References and Data Source List, attached). A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).

2. All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.

3. Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that any effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.

4. "Negative Declaration: Less Than Significant With Mitigation Incorporated" applies where incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less-than-significant level.

5. Earlier Analysis may be used where, pursuant to the tiering, program EIR, or other CEQA process, one or more effects have been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case a discussion should identify the following on attached sheets:
   a) *Earlier Analysis used.* Identify earlier analyses and state where they are available for review.
   b) *Impacts adequately addressed.* Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
   c) *Mitigation measures.* For effects that are "Less than Significant with Mitigation Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.

6. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.

7. Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.

8. The explanation of each issue should identify:
   a) The significance criteria or threshold, if any, used to evaluation each question; and
   b) The mitigation measure identified, if any, to reduce the impact to less than significance.

B. Use of Earlier Analyses

In analyzing the proposed project, the City may consider whether existing environmental documents already provide an adequate analysis of potential environmental impacts. An earlier analysis may be used where, pursuant to the tiering, program EIR, or other California Environmental Quality Act (CEQA) provisions, if it can be determined that one or more effects have been adequately analyzed in an earlier EIR or negative declaration (State CEQA Guidelines Section 15063(c)(3)(D)).

The preparation of this Initial Study has drawn from analyses contained in the *City of Santa Cruz General Plan 2030 EIR* (April 2012), which includes the Draft EIR volume (September 2011) and the Final EIR volume (April 2012). The Santa Cruz City Council certified the EIR and adopted the *General Plan 2030* on June 26, 2012. The General Plan EIR is a "program" EIR prepared pursuant to State CEQA Guidelines section 15168, which reviewed environmental impacts associated with future development and buildout within the City's planning area that would be accommodated by the General Plan. A program EIR can be used for subsequent projects implemented within the scope of the program/plan and where the project is consistent with the general plan and zoning of the city or county in which the project is located. Typically, site-specific impacts or new impacts that weren't addressed in the program EIR would be evaluated in an Initial Study, leading to preparation of a Negative Declaration, Mitigated Negative Declaration or EIR. Site-specific mitigation measures included in the General Plan EIR also would be a part of future development projects, and

supplemented, as may be necessary with site-specific mitigation measures identified in the subsequent environmental review process.

The General Plan EIR reviewed all of the topics included on the Appendix G environmental checklist in the State CEQA Guidelines. Specific future development of the project site was not noted or evaluated in the *General Plan 2030* EIR, and there were no site-specific impacts identified for the project site. However, as part of the overall estimated buildout, the EIR considered construction of new housing units and non-residential uses in the City with an estimated development of 3,350 new residential units throughout the City by the year 2030 with an associated population increase of 8,040 residents (SOURCE V.1b-DEIR volume). Since 2009, the General Plan EIR "baseline" year, approximately 2,200 residential units have been constructed or approved throughout the City. Thus, the proposed project with 26 residential units would be within the buildout anticipated and evaluated in the General Plan 2030 EIR and would be within the time period covered by the EIR.

In accordance with CEQA and the State CEQA Guidelines, this Initial Study is being "tiered" from the *General Plan 2030* EIR. "Tiering" refers to using analyses of general matters contained in an EIR for a plan with later environmental analyses for development projects, concentrating solely on the issues specific to the later project. This approach is in accordance with State CEQA Guidelines section 15152, which encourages lead agencies to use an EIR prepared for a general plan or other program or ordinance, when the later project is pursuant to or consistent with the program or plan. The Initial Study tiers from the *General Plan 2030* EIR for the following topics:

- Greenhouse Gas Emissions,
- Population and Housing,
- Public Services,
- Recreation, and
- Utilities, except for water supply.

The *General Plan 2030* EIR is on file at the City's Planning and Community Development Department, 809 Center Street, Room 101, Santa Cruz. The *General Plan 2030* EIR is also available for review on the City of Santa Cruz Planning Department's website at: https://www.cityofsantacruz.com/government/city-departments/planning-and-community-development/long-range-policy-planning/general-plan.

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources)	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
1. AESTHETICS. Except as provided in Public Resources Code Section 21099, would the project:				
a) Have a substantial adverse effect on a scenic vista?				✓
b) Substantially damage scenic resources, including but not limited to trees, rock outcroppings, and historic buildings within a state scenic highway?				✓
c) In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point.) If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?			✓	
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?			✓	
2. AGRICULTURE AND FORESTRY RESOURCES. In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement Methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:				
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use? (V.1b-DEIR volume)				✓
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				✓
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources)	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
d) Result in the loss of forest land or conversion of forest land to non-forest use?				✓
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use?				✓
3. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management district or air pollution control district may be relied upon to make the following determinations. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?				✓
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?			✓	
c) Expose sensitive receptors to substantial pollutant concentrations?			✓	
d) Result in other emissions (such as those leading to odors adversely affecting a substantial number of people?		✓		
4. BIOLOGICAL RESOURCES. Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?				✓
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?				✓
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources)	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?		✓		
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?			✓	
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				✓
5. CULTURAL RESOURCES. Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource pursuant to in Section 15064.5?				✓
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to Section 15064.5?		✓		
c) Disturb any human remains, including those interred outside of formal cemeteries?		✓		
6. ENERGY. Would the project:				
a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?			✓	
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?				✓
7. GEOLOGY AND SOILS. Would the project:				
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving: i. Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42. (V.Ia, V.1b-DEIR volume)				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources)	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
ii. Strong seismic ground shaking? iii. Seismic-related ground failure, including liquefaction? iv. Landslides?		✓		
b) Result in substantial soil erosion or the loss of topsoil?			✓	
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?		✓		
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?			✓	
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				✓
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?			✓	
8. GREENHOUSE GAS EMISSIONS. Would the project:				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?			✓	
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?				✓
9. HAZARDS AND HAZARDOUS MATERIALS. Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			✓	
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?		✓		
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within ¼ miles of an existing or proposed school?				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources)	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?		✓		
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?				✓
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				✓
g) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				✓
10. HYDROLOGY AND WATER QUALITY. Would the project:				
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?			✓	
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?				✓
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would: i) Result in substantial erosion or siltation on- or off-site; ii) Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site; or				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources)	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
iii) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff,				✓
d) In flood hazard, tsunami or seiche zones, risk release of pollutants due to project inundation?				✓
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?				✓
11. LAND USE AND PLANNING. Would the project:				
a) Physically divide an established community?				✓
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?			✓	
12. MINERAL RESOURCES. Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				✓
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?				✓
13. NOISE: Would the project:				
a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance or applicable standards of other agencies?			✓	
b) Result in exposure of persons to or generation of excessive ground borne vibration or ground borne noise levels?		✓		
c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources)	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
14. POPULATION AND HOUSING. Would the project:				
a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?			✓	
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?				✓
15. PUBLIC SERVICES.				
a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities or need for new or physical altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for any of the public services: a) Fire protection?			✓	
b) Police protection?			✓	
c) Schools?			✓	
d) Parks?			✓	
e) Other public facilities?			✓	
16. RECREATION. Would the project:				
a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?			✓	
b) Include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?			✓	
17. TRANSPORTATION. Would the project:				
a) Conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources)	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
b) Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?				✓
c) Substantially increase hazards due to a design feature (for example, sharp curves or dangerous intersections) or incompatible uses (for example, farm equipment)?				✓
d) Result in inadequate emergency access?				✓
18. TRIBAL CULTURAL RESOURCES. Would the project:				
Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is: a) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or				✓
b) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resources Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe				✓
19. UTILITIES AND SERVICE SYSTEMS. Would the project:				
a) Require or result in the relocation or construction of new or expanded water, ~~or~~ wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or which could cause significant environmental effects?				✓
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?			✓	

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources)	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?			✓	
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?			✓	
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?				✓
20. WILDFIRE. If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:				
a) Substantially impair an adopted emergency response land or emergency evacuation?				✓
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?				✓
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?				✓
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?				✓
21. MANDATORY FINDINGS OF SIGNIFICANCE. Would the project:				
a) Have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources)	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
b) Have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of the past projects, the effects of other current projects, and the effects of probable future projects.)			✓	
c) Have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?				✓

Discussion of Environmental Checklist

See **Section VI, Explanation of Environmental Checklist Responses**, for discussion.

IV. Determination

On the basis of this initial evaluation:

I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.	
I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.	✓
I find that the proposed project MAY have a significant effect on the environment and an ENVIRONMENTAL IMPACT REPORT is required.	
I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect (1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and (2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.	
I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.	

Clara Stanger

Clara Stanger, Senior Planner

9/26/22

Date

V. References and Data Source List

Agency Plans and Studies

1. City of Santa Cruz General Plan and EIR.
   a. Adopted June 26, 2012. *General Plan 2030*. Available online at: http://www.cityofsantacruz.com/home/showdocument?id=71130.
   b. April 2012. "City of Santa Cruz *General Plan 2030* Final EIR." [SCH#2009032007] Certified June 26, 2012. Includes Draft EIR document, dated September 2011. Available online at: http://www.cityofsantacruz.com/Home/Components/BusinessDirectory/BusinessDirectory/102/1775.
   c. Adopted March 22, 2016. "City of Santa Cruz Draft 2015-2023 Housing Element."
   d. July 2018. "Cultural Resources Background Report Update with Policies, Programs, and Maps, City of Santa Cruz, Santa Cruz County, California." Prepared by Dudek.

2. Other City of Santa Cruz Adopted Plans and Certified EIRs.
   a. Adopted August 2016. *2015 Urban Water Management Plan*. Prepared by City of Santa Cruz Water Department.
   b. October 2017. "Downtown Plan Amendments Final EIR." [SCH#2017022050] Certified November 14, 2017. Includes Draft EIR document, dated July 2017. Prepared by Dudek. Available online at:
   c. June 2020. Resolution of the City Council of the City of Santa Cruz Adopting the Use of Vehicle Miles Traveled as the New Transportation Measure of Environmental Impacts. June 9, 2020 with Draft SB 743 Implementation Guidelines (May 27, 2020).
   d. Adopted November 2022. *2020 Urban Water Management Plan*. Prepared by the City of Santa Cruz, Water Department. Available online at:
      https://www.cityofsantacruz.com/government/city-departments/water/urban-water-management-plan-2020.

3. AMBAG.
   a. Adopted June 2022. "2022 Regional Growth Forecast."
   b. Adopted June 2018. *Monterey Bay 2040 Moving Forward, 2040 Metropolitan Transportation Plan / Sustainable Communities Strategy.*
   c. Adopted June 11, 2014. "2014 Regional Growth Forecast".

4. California Department of Conservation. 2016. *California Important Farmland Finder – Santa Cruz* [online map]. Accessed on May 26, 2020. Available online at: https://maps.conservation.ca.gov/dlrp/ciff/.

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6. Monterey Bay Air Resources District.
    a. Adopted March 15, 2017. *2012-2015 Air Quality Management Plan.* Adopted March 15, 2017. Available online at: http://www.co.monterey.ca.us/home/showdocument?id=62318.
    b. Revised February 2016, adopted April 1996. "Guidelines for Implementing the California Environmental Quality Act." Available online at: https://www.mbard.org/files/50d38962a/Attachment_Guidelines-for-Implementing-CEQA.pdf.
    c. February 2008. "CEQA Air Quality Guidelines*."* Available online at: https://www.mbard.org/files/f665829d1/CEQA_full+%281%29.pdf.

Project Studies

7. Albion.
    a. September 2019. "Final Cultural Resource Assessment for 2035 North Pacific Avenue, Santa Cruz, Santa Cruz County, California.".
    b. May 2020. "Addendum to Archaeological Recommendations for 2035 North Pacific Avenue, Santa Cruz, California." May 27, 2020.

8. Bowman & Williams. 2019. Storm Water Control Plan for 2035 North Pacific Avenue, Santa Cruz, California. July 9, 2019. Revision Date: January 23, 2020.

9. Maureen Hamb.
    a. 2019. Arborist Report for 2035 North Pacific Avenue. September 26, 2019.
    b. July 13, 2020. 2035 N. Pacific: Review/Respond Planning Comments

10. Ninyo & Moore
    a. May 2018. "Geotechnical Evaluation for 2035 North Pacific Avenue, Santa Cruz, California."
    b. March 6, 2020. "Review of Proposed Debris Wall Plans, 2035 N. Pacific Avenue, Santa Cruz, California, 95060."
    c. September 23, 2020. "Potential Impact for Construction Related Vibrations on Adjoining Properties, 2035 North Pacific Avenue, Santa Cruz, California", Memorandum.
    d. June 13, 2022."Response to City of Santa Cruz Comments Proposed Office/Residential Building, 2035 North Pacific Avenue, Santa Cruz, California."

Hazards/Hazardous Materials Reports

11. California Department of Toxic Substance Control.
    a. 2009. *Use of the Northern and Southern California Polynuclear Aromatic Hydrocarbon Studies in the Manufactured Gas Plant Site Cleanup Process.* July 1, 2009.

b. February 2012. California Environmental Quality Act Initial Study and Final Negative Declaration for Former Santa Cruz Manufactured Gas Plan Remedial Action Plan (RAP). Accessed August 25, 2022. Available online at: https://www.envirostor.dtsc.ca.gov/public/deliverable_documents/5070068180/Final%20PG%26E%20Santa%20Cruz%20Initial%20Study%20rev%20010312.pdf

c. February 2022. Operation and Maintenance Agreement, Santa Cruz Former MGP Site, 201-221 River Street, 223 River Street, 235 River Street, and 2035 North Pacific Avenue.

d. May 2021, September 2022. Saga Bhatt, Project Manager, Site Mitigation and Restoration Program. Personal communications.

12. EnviroStor 2020. DTSC online environmental database. Accessed January 25, 2021. https://www.envirostor.dtsc.ca.gov/public/profile_report.asp?global_id=60000413.

13. Terra Pacific Group (TPG)

a. 2012. Final Remedial Action Plan, Former Santa Cruz MGP Site. February 21, 2012. Prepared for PG&E and Chevron Environmental Management Company.

b. 2013a. Summary of Conditions and Recommendations, Concrete Gas Holder Foundation, Former Santa Cruz Manufactured Gas Plant, 2035 North Pacific Avenue, Santa Cruz California. Letter to Department of Toxic Substances Control. February 19, 2013.

c. 2013b. Soil Gas Probe Installation and Sampling Report Former Santa Cruz Manufactured Gas Plant Site. July 25, 2013. Prepared for PG&E and Chevron Environmental Management Company.

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g. 2022. Five-Year Review Report Former Santa Cruz Manufactured Gas Plan Site, 201-221, 223, and 225 River Street and 2027 and 2035 North Pacific Avenue, Santa Cruz, California. June 15,2022. Prepared for PG&E and Chevron Environmental Management Company.

Initial Study Preparation

City of Santa Cruz Planning and Community Development Department (Clara Stanger) in association with Dudek: Stephanie Strelow, Ryan Brady (Archaeology), Matthew Morales (Air Quality and Greenhouse Gas Emissions), Nicole Peacock and Audrey Herschberger (Hazardous Materials).

VI. Explanation of Environmental Checklist Responses

1. Aesthetics

(a) Scenic Views. The project site is located at the north end of Pacific Avenue near River Street in an area characterized by a mix of primarily commercial and residential structures. According to maps developed for the City's *General Plan 2030* and included in the General Plan EIR, the project site is not within a mapped panoramic view (SOURCE V.1b-DEIR Figure 4.3 1). The Town Clock, south of the project site, and the Holy Cross Church on Mission Hill, northwest of the project site, are identified as "visual landmarks" (SOURCE V.1b-DEIR Figure 4.3 1). Holy Cross Church, which is characterized by its tall steeple, white exterior and prominent hilltop location, is the most widely-visible landmark in Santa Cruz. The proposed thee-story mixed-use building would not result in impacts to scenic views as none are located in the vicinity of the project site and would not block or affect views of the nearby visual landmark structures. Therefore, the proposed project, including site remediation, would have *no impact* on scenic views.

(b) Scenic Resources. There are no designated state scenic highways or roads within the City. The project site is not located near a state scenic highway. Therefore, *no impact* to scenic resources within a state scenic highway would occur. Thus, the project would result in *no impact* on scenic resources.

(c) Visual Character. The project area is located north of the downtown area in a developed neighborhood. Building heights and architectural styles are varied and include 2-3 story buildings with a mix of architecture designs.

The City of Santa Cruz is an "urbanized area" under the definition of the term in CEQA Guidelines section 15387. Therefore, per the amended Environmental Checklist question, the City need not specifically consider existing visual character or the project's potential effect on it. Nonetheless, this analysis has considered these issues and concludes that the project would not substantially degrade the existing visual character of the site or its surroundings. The height and scale of the building is consistent with other buildings in the vicinity and its height and scale is less than the residential structure northeast of the project site on the southeast corner of North Pacific Avenue and River Street. The project site does not have existing views along the ocean or of scenic coastal areas, which must be protected as required finding for a Design Permit pursuant to Municipal Code section 24.08.430.

The project site is located in the "North Pacific Area" of the Downtown Plan, an area in which intensified mixed-use development is supported. The Plan indicates that a maximum height of 35 feet (2 floors of commercial, or 1 floor of commercial with 2 floors of residential above) is proposed for the North Pacific area. Additional height up to 45 feet (3 floors of commercial, or 1 floor of commercial with 3 floors of residential above) is allowed for properties east of North Pacific Avenue, if visual analyses indicate that views to Mission Hill from the Water Street Bridge are preserved and if additional height is highly articulated. Views of the project site are block by an existing three-to-four story building. The proposed project is consistent with the height requirements in the Downtown Plan and would not affect views of Mission Hill as seen from

the Water Street Bridge as views of the site are blocked by existing buildings. Therefore, the project does not conflict with applicable zoning and other regulations governing scenic quality.

Furthermore, Public Resources Code section 21099 provides that aesthetic impacts of a residential, mixed-use residential, or employment center project on an infill site within a transit priority area shall not be considered to result in significant impacts on the environment, although design review would still be required pursuant to local City requirements and regulations. "Infill site" means a lot located within an urban area that has been previously developed, or on a vacant site where at least 75 percent of the perimeter of the site adjoins, or is separated only by an improved public right-of-way from, parcels that are developed with qualified urban uses. "Transit priority area" means an area within one-half mile of a major transit stop that is existing or planned. The project qualifies as mixed-use residential project on an infill site in a transit priority area (approximately 70 feet from the Santa Cruz Metro Transit Center on Pacific Avenue). Therefore, the new three-story building would not substantially degrade the visual character of the area or conflict with regulations governing scenic quality, resulting in a *less-than-significant impact*. It is noted that the proposed building would include a Spanish tile roof, stucco siding, a tower feature, and decorative ceramic tile inserts to create a Spanish Mission aesthetic.

(d) Light and Glare. The project would not result in introduction of a major new source of light or glare, although there would be exterior lighting on the new buildings similar to existing lighting on other existing buildings in the surrounding area. Exterior lighting would be oriented so as to not create off-site glare or light. Therefore, the project would have a *less-than-significant* impact related to creation of a new source of substantial light or glare. Exterior building lighting would be further reviewed by City staff as part of the Design Permit review.

2. Agriculture and Forestry Resources

The project site does not contain farmland or grazing land as mapped on the Santa Cruz Important Farmland Map by the California Department of Conservation Farmland Mapping and Monitoring Program (SOURCE V.4). The project site is designated as "Urban and Built-Up Land." Surrounding lands are designated as "Urban and Built-Up Land." Neither the site nor adjacent lands are designated for agricultural uses in the City's General Plan. The project site is not zoned Timberland Production. Therefore, the project would not result in the conversion of agricultural or forest lands to other uses and *no impact* would occur.

3. Air Quality

(a) Conflict with Air Quality Management Plan. In 1991, the Monterey Bay Air Resources District[1] (MBARD) adopted the Air Quality Management Plan (AQMP) for the Monterey Bay Region in response to the California Clean Air Act of 1988, which established specific planning requirements to meet the ozone standards. The California Clean Air Act requires that AQMPs be updated every three years. The MBARD has updated the AQMP seven times. The most recent update, the *2012-2015 Air Quality Management Plan* (2016 AQMP), was adopted in

[1] The agency's former name was the Monterey Bay Unified Air Pollution Control District (MBUAPCD).

2017. The 2016 AQMP relies on a multilevel partnership of federal, state, regional, and local governmental agencies. The 2016 AQMP documents the MBARD's progress toward attaining the state 8-hour ozone standard, which is more stringent than the state 1-hour ozone standard. The 2016 AQMP builds on information developed in past AQMPs and updates the 2012 AQMP. The primary elements from the 2012 AQMP that were updated in the 2016 revision include the air quality trends analysis, emission inventory, and mobile source programs (SOURCE V.6a).

The MBARD has a procedure for determining whether a residential project conflicts with the District's adopted AQMP, which is based on the Association of Monterey Bay Area Governments' (AMBAG's) adopted housing unit forecast. The City of Santa Cruz had 24,250 existing dwelling units as of January 1, 2022, and approximately 1,590 residential units are under construction or have been approved. With the addition of these units, the City's housing units would total 25,840 dwelling units within the City. With existing units and the proposed project's increase of 26 new residential units, there would be a total of 25,865 dwelling units within the City. The current AQMP is based on AMBAG's 2014 Regional Growth Forecast (AMBAG 2014), which estimated 27,547 dwelling units within the City for the year 2025 (SOURCE V.3c). Therefore, the proposed project would be consistent with the AQMP, would not conflict with or obstruct implementation of the AQMP and would result in *no impact*.

(b) Project Emissions. The U.S. Environmental Protection Agency (EPA) and the California Air Resources Board (CARB) have established ambient air quality standards that are the maximum levels of ambient (background) air pollutants considered safe, with an adequate margin of safety to protect public health and welfare. Criteria pollutants include ozone (O_3), nitrogen dioxide (NO_2), carbon monoxide (CO), sulfur dioxide (SO_2), inhalable particulates (PM_{10}), fine particulates ($PM_{2.5}$), and lead. High O_3 levels are caused by the cumulative emissions of reactive organic gases (ROG) and nitrogen oxides (NO_x), which react under certain meteorological conditions to form O_3. In California, sulfates, vinyl chloride, hydrogen sulfide, and visibility-reducing particles are also regulated as criteria air pollutants. An area is designated as "in attainment" when it is in compliance with the federal and/or state standards, as further discussed below.

The project site is located within the North Central Coast Air Basin (NCCAB), which is under the jurisdiction of the Monterey Bay Air Resources District (MBARD) and includes Santa Cruz, Monterey, and San Benito Counties. The NCCAB is designated attainment for the federal PM_{10} and SO_2 standards and is designated attainment/unclassified for the other federal standards. The NCCAB is designated attainment for the state $PM_{2.5}$, NO_2, SO_2, and lead standards, and is designated unclassified for CO in Santa Cruz County. The NCCAB has nonattainment designations for state O_3 and PM_{10} standards.

The MBARD 2012-2015 AQMP, adopted March 15, 2017, identifies a continued trend of declining O_3 emissions in the NCCAB primarily related to lower vehicle miles traveled (VMT), showing that the region is continuing to make progress toward meeting the state O_3 standard during the three-year period reviewed (SOURCE V.6a).

Impact Analysis. The proposed project would indirectly generate air pollutant emissions through new vehicle trips resulting from the mixed-use building, including an office space

and 26 residential units, as well as emissions during construction. The proposed project would not result in stationary emissions. The proposed office and residential uses are at a level that is substantially below the MBARD's screening level for the single-family residential units that could result in potentially significant O_3 impacts (SOURCE V.6c). Therefore, project emissions would not be considered substantial or result in an air quality violation, and the impact would be *less than significant*.

Project construction would result in generation of fugitive dust and PM_{10} emissions related to demolition, site preparation, excavation and site remediation and construction, including construction vehicle trips. According to the MBUAPCD's CEQA Air Quality Guidelines, 8.1 acres could be graded per day with minimal earthmoving or 2.2 acres per day with grading and excavation without exceeding the MBUAPCD's PM_{10} threshold of 82 pounds per day (SOURCE V.6c). The existing building would be demolished and a new mixed-use building with an underground garage would be constructed on the project site. Upon demolition of the existing structure, soil excavation and remediation are expected to take approximately four months to complete and would result in removal of approximately 9,900 cy of soil and material, including the foundation of an underground former gas tank. Soils would be tested and appropriately contained and removed to licensed facilities for disposal. The excavation would result in a temporary daily increase in truck trips to remove excavated materials; on average, approximately 16 haul truck trips could occur during the four-month remediation schedule.

The project site is approximately 0.35 acres in size. Therefore, the area of potential grading and construction would be less than the MBARD's threshold and impacts related to fugitive dust generation and PM_{10} emissions would be considered *less than significant*. However, due to the extensive excavation and soil removal/remediation that would be required, the California Emissions Estimator Model (CalEEMod) Version 2020.4.0, which is currently recommended by MBARD, was used to estimate criteria air pollutant emissions generated during construction and operation of the proposed project. CalEEMod is a statewide computer model developed in cooperation with air districts throughout the state to quantify criteria air pollutant emissions associated with construction activities from a variety of land use projects, such as residential, commercial, and industrial facilities. A construction assumptions scenario was developed based on the best available information known and information provided by the applicant. Key construction assumptions include phase types, phase timing and duration, off-road equipment use (e.g., type, quantity, and hours of operation per day), number of vehicle trips (e.g., haul trucks, vendor trucks, and worker vehicles) and trip distance, ground disturbance acreage, amount of demolition debris, and paving area, as well as the excavation/remediation process.

Emissions of criteria air pollutants associated with construction and operation of the proposed project based on the CalEEMod results are shown on Tables 1 and 2; the model results are on file with the City of Santa Cruz Planning and Community Development Department. As shown, maximum daily emissions would not exceed the applicable MBARD significance threshold. related to air quality, confirming that project construction and operational emissions would result in a *less-than-significant impact*.

Table 1. Estimated Maximum Daily Construction Criteria Air Pollutant Emissions

Year	ROG	NO_x	CO	SO_x	PM_{10}	$PM_{2.5}$
	pounds per day					
2023	1.28	14.55	11.11	0.03	3.27	1.73
2024	0.71	7.31	8.03	0.02	0.62	0.36
2025	0.91	9.67	11.23	0.03	1.04	0.49
2026	16.97	9.57	11.13	0.03	1.04	0.49
Maximum Daily Emissions	**16.97**	**14.55**	**11.23**	**0.03**	**3.27**	**1.73**
MBARD Threshold	*N/A*	*N/A*	*N/A*	*N/A*	*82*	*N/A*
Threshold Exceeded?	**N/A**	**N/A**	**N/A**	**N/A**	**No**	**N/A**

Source: Dudek
Notes: CO = carbon monoxide; MBARD = Monterey Bay Air Resources District; N/A = not applicable; NO_x = oxides of nitrogen; PM_{10} = coarse particulate matter; $PM_{2.5}$ = fine particulate matter; ROG = reactive organic gases; SO_x = sulfur oxides. The values shown are the maximum summer or winter daily emissions results from CalEEMod and include watering of exposed areas two times per day, per the City's Standard Construction Practices.

Table 2. Estimated Maximum Daily Operational Criteria Air Pollutant Emissions

Emission Source	ROG	NO_x	CO	SO_x	PM_{10}	$PM_{2.5}$
	pounds per day					
Area	0.78	0.02	2.15	<0.01	0.01	0.01
Energy	0.01	0.07	0.04	<0.01	0.01	0.01
Mobile	0.58	0.64	5.39	0.01	1.05	0.29
Total	**1.37**	**0.74**	**7.58**	**0.01**	**1.07**	**0.30**
MBARD Threshold	*137*	*137*	*550*	*150*	*82*	*N/A*
Threshold Exceeded?	**No**	**No**	**No**	**No**	**No**	**N/A**

Source: Dudek
Notes: CO = carbon monoxide; MBARD = Monterey Bay Air Resources District; N/A = not applicable; NO_x = oxides of nitrogen; PM_{10} = coarse particulate matter; $PM_{2.5}$ = fine particulate matter; ROG = reactive organic gases; SO_x = sulfur oxides. The values shown are the maximum summer or winter daily emissions results from CalEEMod.

According to the MBARD CEQA Guidelines, projects that are consistent with the AQMP would not result in in cumulative impacts, as the AQMP already accounts for regional emissions. The MBARD prepares air quality plans, which address attainment of the state and federal air quality standards, and which incorporate growth forecasts developed by AMBAG. The AQMP takes into account cumulative development within the City, and thus, cumulative emissions have been accounted for in the AQMP. As indicated above in criterion 3(a), the project would not conflict with the AQMP. Therefore, the project's contribution to cumulative air pollutant emissions would be *less-than-significant*.

(c) Sensitive Receptors. For CEQA purposes, a sensitive receptor is defined as any residence, including private homes, condominiums, apartments, and living quarters; education resources such as preschools and kindergarten through grade 12 (K-12) schools; daycare centers; and

healthcare facilities such as hospitals or retirement and nursing homes (SOURCE V.6c). The project site is located in a developed area of the City of Santa Cruz. Residential uses are situated on North Pacific Avenue east of the project site, and Holy Cross Grammar School is located approximately 0.13 miles southwest from the project site; these uses are considered sensitive receptors.

Diesel particulate matter (DPM) was identified as a toxic air contaminant (TAC) by the State of California in 1998. Subsequently, the CARB developed a comprehensive strategy to control DPM emissions. The *Risk Reduction Plan to Reduce Particulate Matter Emissions from Diesel-Fueled Engines and Vehicles*—a document approved by the CARB in September 2000—set goals to reduce DPM emissions in California by 75 percent by 2010 and 85 percent by 2020. This objective would be achieved by a combination of approaches, including emission regulations for new diesel engines and low-sulfur fuel program. An important part of the DPM risk reduction plan is a series of measures for various categories of in-use on- and off-road diesel engines, which are generally based on the following types of controls:

- Retrofitting engines with emission-control systems, such as DPM filters or oxidation catalysts;
- Replacement of existing engines with new technology diesel engines or natural gas engines; and
- Restrictions placed on the operation of existing equipment.

Once the DPM risk reduction plan was adopted, the CARB started developing emission regulations for a number of categories of in-use diesel vehicles and equipment. In July 2007, the CARB adopted regulations for in-use, off-road diesel vehicles that will significantly reduce particulate matter emissions by requiring fleet owners to accelerate turnover to cleaner engines and install exhaust retrofits.

The site remediation activities would involve the excavation and handling of MGP waste, which could result in potential emission of naphthalene. Naphthalene is a common pollutant in urban outdoor air and is found in a number of products, including mothballs, diesel, and certain other petroleum-based fuels, and also is present as a contaminant at refineries and former MGPs. It is a California-designated TAC.

Impact Analysis. Grading and project construction could involve the use of diesel trucks and equipment that would emit diesel exhaust, including DPM, which is classified as a TAC. The site remediation activities would involve the excavation and handling of MGP waste, which could result in potential emission of naphthalene, also a TAC. The proposed mixed-use building is located southwest of an existing multi-family residential building that would be indirectly exposed to temporary construction emissions.

Construction-related diesel exhaust (from equipment and trucks) and potential naphthalene (from MGP waste) emissions would be of limited duration (i.e., primarily during grading) and temporary. Assessment of TAC-related (including DPM and naphthalene) cancer risks is typically based on a 70-year exposure period. Project excavation and construction activities that would use diesel-powered equipment would

expose receptors to possible diesel exhaust for a very limited number of days out of a 70-year (365 days per year, 24 hours per day) period. Because exposure to TACs during construction would be well below the 70-year exposure period and, given the limited and short-term nature of activities that would use diesel equipment, construction-related TAC emissions would not be considered significant. Furthermore, the State is implementing emission standards for different classes of on- and off-road diesel vehicles and equipment that applies to off-road diesel fleets and includes measures such as retrofits. Additionally, Title 13 of the California Code of Regulations (Section 2485(c)(1)) prohibits idling of a diesel engine for more than five minutes in any location. Thus, the project would not expose sensitive receptors to substantial pollutant concentrations, and potential exposure of sensitive receptors to TAC and associated risks would be considered *less-than-significant*.

(d) Odors. According to the Air District's *CEQA Air Quality Guidelines* (SOURCE V.6c), land uses associated with odor complaints typically include landfills, agricultural uses, wastewater treatment plants, food processing plants, chemical plants, and refineries. The proposed mixed-use building would not create objectionable odors.

Impact Analysis. The site remediation activities would involve the excavation and handling of MGP waste, which is commonly associated with odors. The primary potential odor source related to site remediation is potential emission of petroleum and/or naphthalene odors related to the former MGP. Naphthalene has a strong odor like mothballs.

Naphthalene odors and vapors are anticipated during removal of the contents of the former tank foundation. The California Occupational Safety and Health Administration has identified an 8-hour permissible exposure limit of 0.1 parts per million naphthalene. This is the safe exposure level for workers over an 8-hour work day. The odor threshold for naphthalene is 0.084 parts per million.

Project construction activities may create some odors that may be detectable at the site perimeter. Construction and site remediation would not create objectionable odors affecting a substantial number of people and would be short in duration (four months). However, implementation of the mitigation measure AIR-1 would reduce the likelihood of exposure to naphthalene odors and vapors during construction of the proposed project, resulting in a *less-than-significant impact*.

MITIGATION MEASURE AIR-1- *Air Monitoring and Odor Control*. Health and safety air monitoring shall be conducted for naphthalene in accordance with a site-specific health and safety plan to be reviewed and approved by DTSC. Personal protective equipment will be used in accordance with the site-specific health and safety plan. A Community Air Monitoring Plan (CAMP) shall be prepared for the project, describing air monitoring, action levels, and response actions to be conducted during soil activities to protect the public. The CAMP shall be reviewed and approved by DTSC. Odor or emissions control, such as soil wetting, the use of vapor/odor suppressant foam, and/or use of an Odor Boss OB-60G odor control system or similar, shall be implemented if fugitive odors or emissions above action levels are present at the site

perimeter or other monitoring station, as determined in the CAMP. In accordance with the Monterey Bay Air Resources District, odors and dust must not cause a public nuisance.

4. Biological Resources

(a-c) Special Status Species, Sensitive Habitat. The site is located in a developed neighborhood with impervious surfaces and landscaping. According to maps developed for the City's *General Plan 2030* and included in the General Plan EIR, the project site is not located within or adjacent to a sensitive habitat area (SOURCE V.1b, DEIR Figure 4.8-3). Areas of riparian and wetland habitat associated with the San Lorenzo River is located approximately 700 feet to the northeast of the project site, however no riparian habitat is located on or adjacent to the project site. The project site contains an existing commercial building and paved parking lot; no sensitive habitat is present and no special-status plant or wildlife species are expected to be present. Therefore, the project would result in *no impact* to special status plant or wildlife species.

(d) Wildlife Movement/Nesting.

Wildlife Movement. Wildlife corridors are segments of land that provide a link between these different habitats while also providing cover. Wildlife dispersal corridors, also called dispersal movement corridors, wildlife corridors or landscape linkages, are features whose primary wildlife function is to connect at least two significant or core habitat areas and which facilitate movement of animals and plants between two or more otherwise disjunct habitats (SOURCE V.1b-DEIR). Three main corridors have been identified within the City that could provide connectivity between core habitats within or adjacent to the City: western corridor (Moore Creek), central corridor (San Lorenzo River and major tributaries), and eastern corridor (Arana Gulch) (Ibid.).

The San Lorenzo River is the nearest corridor to the project site is located approximately 0.13 miles northeast of the project site. Thus, the proposed development would not substantially interfere with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, resulting in *no impact*.

Nesting Birds. The existing heritage tree on the property provides potential nesting habitat for migratory birds which are protected by the Migratory Bird Treaty Act and California Department of Fish and Wildlife (CDFW) Code. In addition, all raptor nests are protected by the CDFW Code.

Impact Analysis. Removal of trees has the potential to destroy bird nests, eggs or chicks if any are present during construction. This would be a potentially significant impact if nesting birds are present. The proposed project would remove one 28-inch diameter liquid amber tree due to construction. Removal of the heritage tree could result in impacts to nesting birds if present. Implementation of Mitigation Measures BIO-1 would reduce the impact to a *less-than-significant* level.

MITIGATION MEASURE BIO-1-*Pre-construction Nesting Bird Survey*. Schedule tree and vegetation removal between September 1 and January 31 of any given year to avoid

the bird nesting season. If that schedule is not practical, a qualified biologist shall be hired to conduct a pre-construction nesting bird surveys no more than two weeks (14 days) prior to vegetation removal. If any active bird nests are observed, the biologist will designate a buffer zone around the nest tree or shrub as follows: 200 feet for nesting raptors and 50 feet for all other bird species. This buffer zone may be adjusted if the biologist determines that other factors may help shield the active nest, such as vegetative screening between the nest and the vegetation removal site that reduces the nesting bird's ability to see the activity. No vegetation removal will take place within the buffer zone until the biologist has determined that all chicks have fledged and are able to feed on their own.

(e) Conflicts with Local Ordinances – Tree Removal. An arborist review was conducted at the project site, and one liquidambar tree is located on the site. It is 28 inches in diameter and is a heritage tree under City definitions (SOURCE V.9).

Chapter 9.56 of the City Municipal Code defines heritage trees, establishes permit requirements for the removal of a heritage tree, and sets forth mitigation requirements as adopted by resolution by the City Council. Generally, trees with a 14-inch or larger diameter are heritage trees. Resolution NS-23, 710 adopted by the City Council in April 1998 establishes the criteria for permitting removal of a heritage tree and indicates that one or more of the following findings must be made by the Director of Parks and Recreation:

1) The heritage tree or heritage shrub has, or is likely to have, an adverse effect upon the structural integrity of a building, utility, or public or private right of way;
2) The physical condition or health of the tree or shrub, such as disease or infestation, warrants alteration or removal; or
3) A construction project design cannot be altered to accommodate existing heritage trees or heritage shrubs.

Resolution NS-21, 436 sets forth the tree replacement/mitigation requirements for approved removal of a heritage tree to include replanting three 15-gallon or one 24-inch size specimen or the current retail value which shall be determined by the Director of Parks and Recreation. Removal would be permitted if found in accordance with the above criteria and requirements. Approval of a tree removal permit automatically requires replacement trees as set forth above. Removal of heritage tress consistent with City regulations and requirements is not considered a significant impact.

Impact Analysis. The proposed project would remove one heritage tree, a non-native ornamental tree. The 28-inch diameter heritage tree is growing behind the existing sidewalk within the parking area serving the existing office building. The location of the liquidambar is tree is within the footprint of the proposed structure and the proposed provision of underground parking would require removal of the heritage tree (SOURCE V.9). The proposed landscaping plan includes planting of four street trees. Therefore, the project meets City requirements for removal of a heritage tree and provision of replacement trees, resulting in a *less-than-significant impact* related to conflicts with City regulations protecting trees.

(f) Habitat Conservation Plans. There are no adopted Habitat Conservation or Natural Community Conservation Plans in the project vicinity. The City's Operations and Maintenance Habitat Conservation Plan (O&M HCP), approved in 2021, is not applicable to the proposed project or project site as it was developed for improvements or projects related to City facilities with the potential to take federally listed species and other non-listed special-status species.

5. Cultural Resources

(a) Historical Resources. According to the maps developed for the City's *General Plan 2030* and included in the General Plan EIR, the project site is not located within a designated Historic District (SOURCE V.1b, Figure 4.9-3). The existing building was constructed in 1978 and is not of the age (typically over 45 years) to be considered as a historical resource. Therefore, the project would result in *no impact* to historical resources.

(b-c) Archaeological Resources. According to maps developed for the City's *General Plan 2030* and included in the General Plan EIR, as updated in 2018, the project site is located within an area that is identified as being highly sensitive for prehistoric cultural resources and sensitive for historical resources (SOURCE V.1d). The project site is part of a site that was formerly occupied by a MGP that operated from about 1867 through 1930; most of the above-ground structures associated with this facility had been removed by the 1960s (SOURCE V.13a). (See Section VI.9(b,d) below regarding exposure to hazardous materials.) Due to potential soil and groundwater contamination from this facility, remediation activities were performed in 2012-2013 on the northern portion of the project site that included soil removal. During excavations, a buried concrete gas holder foundation was encountered, which was approximately 50 feet in diameter and extended to 15 feet below the ground surface; and was left in place (SOURCE V.10a)

An archaeological investigation of the site was conducted in 2019, which included a background records search at the California Historical Resources Information System (CHRIS) Northwest Information Center (NWIC) at Sonoma State University and a field investigation consisting of a pedestrian survey. The records search indicated that one archaeological resource has been identified within the "project area" (cultural resources study area, including the project site) and thirteen resources have been recorded within a quarter mile radius of the project study area. The resource identified in the study area is the Mission District of Santa Cruz, which includes the site of the Santa Cruz Mission. This recorded resource is not located on or adjacent to the project site, but is located approximately 670 feet west and upslope of the project site. Additionally, a historic map from 1853 depicts a structure situated 165 feet southwest of the project area, and a second structure positioned 87 feet northwest. The pedestrian survey of the project site found no evidence of cultural materials. However, the archaeological investigation indicated that potentially significant cultural materials may be located within the Mission District and the Mission itself (SOURCE V.7a).

As indicated above, the project site was part of a larger property that was a commercial gas manufacturing plant. Two circular gas holders are featured in the northern and central portions of the study area (SOURCE V.7a), and one underground tank from this operation has been identified on the project site. Environmental review conducted for soil remediation at the site

in 2012 included a records search at CHRIS and a sacred lands search request to the Native American Heritage Commission (NAHC). NAHC responded that "Native American cultural resources were not identified in the project area" (SOURCE V.11b). The reviewed records indicated that are no known archaeological resources as defined in CEQA, Title 14, Chapter 3, Article 5, Section 15064.5 within project site boundaries, although project activities could uncover archaeological resources. The review also indicated that no historical resources as defined in CEQA, Title 14, Chapter 3, Article 5, Section 15064.5 were identified within the study area (Ibid.). The project area was identified as being within the Mission Hill Historic District (District); however no elements of that district resided directly within the project area (Ibid.).

Section 24.12.430 of the City's Municipal Code sets forth the procedure to follow in the event that prehistoric or cultural features are accidentally discovered during construction. Under provisions of this Code section, work shall be halted within 50 meters (150 feet) of the find until it can be evaluated by a qualified professional archaeologist. If the find is determined to be significant, the Planning Director shall be immediately notified, and appropriate mitigation measures shall be formulated and implemented. Additionally, the County Coroner shall be notified in accordance with provisions of Public Resources Code 5097.98-99 in the event human remains are found and the Native American Heritage Commission shall be notified in accordance with the provisions of Public Resources Code section 5097 if the remains are determined to be Native American.

Impact Analysis. The project site is located within an area of high sensitivity for cultural resources. The project cultural resources assessment did not find evidence of cultural resources on the project site, but indicated that the project site is close to a recorded site of the Santa Cruz Mission. The project archaeological investigation concluded that potentially significant cultural materials may be located within the project area due to the site's proximity to the Mission. A follow-up review by the project archaeologist concluded that cultural resources associated with the Mission or early settlement of Santa Cruz may be found on the project site and surrounding area (SOURCE V.7b). Therefore, potential disturbance to cultural resources is a *potentially significant impact*.

The project site is within the Mission Hill Historic District. The physical Santa Cruz Mission is approximately 670 feet west of the project area, on top of an elevated landform. Additionally, two historic structures, one located 165 feet southwest, and one located 87 feet northwest, were identified in historic maps (SOURCE V.7a). Intact cultural resources that could be encountered may relate to the prehistoric or historic eras, with a greater emphasis on the latter. The proximity of the Santa Cruz Mission and two possible outbuildings highlight the potential for historical resources, such as old privies or refuse pits. Prehistoric cultural remains that could be encountered include lithic artifacts, such as stone flakes or projectile points, or dietary remains such as faunal shell or bone.

The project site is also known to have potentially hazardous soils as it was part of a former MGP that included project site. (See Section VI.9(b,d) below regarding exposure to hazardous materials.) The project archaeological investigation recommended that hazardous materials soil testing be conducted, followed by extended archaeological testing to determine presence or absence of archaeological resources on the project site.

The northern portion of the project site has been tested for hazardous materials and soil has been remediated up to 10 feet deep (SOURCE V.13a). The remediation has disturbed subsurface soils in this portion of the project site; however, the project archaeological report indicates that undisturbed subsurface deposits may still exist.

The project archaeological investigation recommended conducting a subsurface investigation on the project site in the areas and depths of proposed project impacts to determine presence or absence of archaeological resources. This would consist of mechanical excavation of four trenches with depths to approximately eight feet below the current grade. However, the recommendation indicated that because hazardous materials may be present within the soils at the project site, the soils should be tested prior to implementation of an archaeological testing program to ensure the safety of the team. The purpose of the subsurface testing is to define the vertical and horizontal extent of the site and intrasite variability within the project's area of direct impact and collect sufficient data to assess the site's integrity and data potential and thus eligibility for listing on the California Register of Historical Resources (CRHR). Per the State CEQA Guidelines section 15064.5(c), impacts to archaeological sites are potentially significant if the site is determined to be a historical resource determined by potential eligibility for listing in the CRHR or meets the criteria set forth in CEQA (Public Resources Code section 21083.2) or as a unique archaeological resource. A resource is eligible for listing in the CRHR if the resource retains enough integrity to convey its significance and also meets one or more of the following criteria:

1) is associated with events that have made a significant contribution to broad patterns of history; or
2) is associated with the lives of significant persons in our past; or
3) embodies the distinctive characteristic of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or
4) has yielded or may be likely to yield, information important in history or prehistory.

A "unique archaeological resource" means an archaeological artifact, object, or site about which it can be clearly demonstrated that, without merely adding to the current body of knowledge, there is a high probability that it meets any of the following criteria:

1) Contains information needed to answer important scientific research questions and that there is a demonstrable public interest in that information.
2) Has a special and particular quality such as being the oldest of its type or the best available example of its type.
3) Is directly associated with a scientifically recognized important prehistoric or historic event or person.

A "nonunique archaeological resource" means an archaeological artifact, object, or site which does not meet the above criteria. A nonunique archaeological resource need be given no further consideration, other than the simple recording of its existence by the lead agency.

Should a resource have low individual data potential but contain unique information (e.g., from rare artifacts, lithic materials, or reduction patterns), it may be deemed eligible based on its ability to provide useful data about broader historic trends. If a resource has low data potential and stands to offer only redundant information, then it will normally be recommended ineligible. If the resource does not meet the above criteria, recommendations may be to 1) discontinue testing and proceed with the project or 2) monitor construction by a professional archaeologist (SOURCE V.7b). If a resource is determined to be eligible for listing on the CRHR, avoidance or implementation of a data recovery plan would be required.

The project archaeological study recommended that an Extended Phase I (XPI) study be completed prior to excavation commencing on the project site (SOURCE V.7b). Since the project site is contaminated, the consultant recommended soil testing be completed prior to the XPI to ensure that all necessary safety precautions are initiated. A portion of the project area was disturbed by past remediation efforts, and the contamination of the soil still creates a hazardous materials work situation in the unremediated area. The project archaeologist recommended four trenches measuring 10 feet long, 2-3 feet wide, and 8 feet deep be excavated to identify potentially significant historic cultural remains. Trenches would be excavated in 5-inch increments using an excavator with a flat-bladed bucket. If intact subsurface soils were encountered, it was recommended that prehistoric resources be investigated by screening 0.025m^3 soil samples from 20cm vertical, mechanically excavated levels through 0.3mm mesh hardware cloth. The effort would be used to identify potential artifacts. Trench sidewalls would be inspected for cultural material and sediment profiles. At least one auger probe would be excavated at the base of each trench to identify if more deeply buried cultural remains are present.

Because of past uses and disturbances at the site in addition to hazardous material contamination, review by Dudek archaeologists recommends archaeological monitoring during testing and remediation of onsite soils not previously remediated. Extended Phase 1 testing is most often done for boundary testing a known site, if there is a site nearby, or if there is potential for buried cultural deposits. In this case, there are no known or recorded resources on the project site, and the one recorded site, the Santa Cruz Mission site, is on the bluff above the project site. Review by Dudek archaeologists as part of preparation of this Initial Study concludes there is adequate separation to not consider the project property contiguous with the Mission site. Additionally, in this case, the project site has been disturbed from previous uses at the site (MGP), and subsequent soils testing and remediation in the northern portion of the project soil resulted in removal of soils in that area. The remaining on-site soils would be removed as part of a hazardous materials-soils management program, at which time monitoring for cultural resources could be undertaken. Monitoring of excavation is often recommended for sites in sensitive areas, but where there are no known or recorded resources.

Monitoring during soil excavation, which would be subject to a soils management plan for potential hazardous materials, is recommended to ensure proper treatment of potential inadvertent discoveries. Soil would be removed in 5-inch increments using an excavator with a flat-bladed bucket. The archaeologist would have the authority to halt work for a short period of time to investigate a potential find in accordance with requirements set forth in City of Santa Cruz Municipal Code Section 24.12.430. Once soils are removed to the depth required for the project excavation, no further testing would be necessary.

It is also noted that the discovery of unknown cultural resources, including human burials, during soil disturbing construction would be subject to review in accordance with City and state requirements. If archaeological resources or human remains are exposed or discovered during either site clearing or during subsurface construction, operations shall stop within 150 feet of the find, and a qualified professional archaeologist shall be contacted for further review and recommendations. If a find is determined to be significant, the Planning Director shall be immediately notified, and appropriate measures shall be formulated and implemented in accordance with Section 24.12.430 of the City's Municipal Code – "Protection of Archaeological Resources." The County Coroner shall be notified in accordance with provisions of Public Resources Code 5097.98-99 in the event human remains are found and the Native American Heritage Commission shall be notified in accordance with the provisions of Public Resources Code section 5097 if the remains are determined to be of Native American origin.

Implementation Mitigation Measure CUL-1 would reduce the impact to a less-than-significant level.

> MITIGATION MEASURE CUL-1-*Archaeological Monitoring*. Require a qualified archaeologist to monitor soil disturbance activities, subject to required State approvals for hazardous materials and worker safety plans, until the archaeologist determines monitoring is no longer necessary. If an intact historic or prehistoric resource is identified during monitoring, work shall be halted until the find can be evaluated in accordance with requirements set forth in the City of Santa Cruz Municipal Code Section 24.12.430, including notification of the City of Santa Cruz Planning Director. The find shall be inspected by a qualified archaeologist to determine, in consultation with the Planning Director, if the discovered artifact is an archaeological resource under CEQA definitions, and if so a mitigation plan shall be implemented in accordance with City regulations. If soils do not require remediation, monitoring shall be conducted during site preparation and excavation with compliance with City regulations as set forth above if there is a discovery.
>
> Should a resource have low individual data potential but contain unique information (e.g., from rare artifacts, lithic materials, or reduction patterns), it may be deemed eligible based on its ability to provide useful data about broader historic trends. However, if a resource has low data potential and stands to offer only redundant information, then it will normally be recommended ineligible. If the resource does not

meet the above criteria, recommendations may be to discontinue testing and/or continue monitoring. Should it be determined that the discovery is an archaeological resource as defined by CEQA, the archaeologist shall provide recommendations for avoidance or recovery for review by the Planning Director. Project redesign to avoid significant cultural resources would only be recommended if cultural resources were identified and evaluated as significant under CEQA criteria. If it is not feasible to avoid or protect the resource in place due to soil remediation measures that may be required, as determined by the archaeologist in consultation with the Planning Director, data recovery could be implemented based on specifications set forth in a data recovery plan. The data recovery plan shall be prepared by a qualified archaeologist and meet the Secretary of Interior's Standards for Archaeological Documentation and would be tailored to fit the research questions developed for the identified resource and identify methods of recovery, including manual excavation, extensive recordation, mapping, and analysis of cultural material found on the site. The data recovery plan shall be reviewed and approved by the Planning Director prior to implementation.

6. Energy

Pacific Gas and Electric Company (PG&E) provides electricity and natural gas service to the City. PG&E, a subsidiary of PG&E Corporation, provides natural gas and electric service to approximately 16 million homes and businesses across a 70,000 square-mile service area.

The state of California's per capita electrical use has been the lowest or one of lowest of any state. California is among the top states in the nation in net electricity generation from renewable resources. The state leads the nation in net electricity generation from solar, geothermal, and biomass.

Monterey Bay Community Power (MBCP) was formed in March 2017 as a joint powers authority to provide locally controlled, 100% carbon-free electricity to residents and businesses in Monterey, San Benito and Santa Cruz Counties through the Community Choice Energy (CCE) model established by the State of California. The CCE model enables communities to choose clean-source power at a cost equivalent to PG&E while retaining PG&E's role in maintaining power lines and providing customer service. The CCE model helps ensure local economic vitality because surplus revenues that would normally flow to PG&E will stay in the community. MBCP started supplying electricity to customers in spring 2018 with existing customers automatically enrolled.

In 2007, Santa Cruz became one of the first municipalities in the nation to require new construction to include the adoption of environmentally superior building materials and designs. Builders in Santa Cruz now use best practices for their construction projects that enhance building energy efficiency and water conservation as well as to improve air quality, waste reduction and recycling, and erosion and runoff control.

(a) Energy Use. The project includes the demolition of an existing commercial office with paved parking lot and would construct a 3-story mixed-use building and an underground garage. The

mixed-use building and underground garage would be subject to City and state building code requirements and would result in more energy efficient building design than the existing structure to be demolished. Future construction of two new homes would not contribute to the wasteful, inefficient, or unnecessary consumption of energy and other resources. Residential uses that comply with the 2016 California Title 24 are about 28% more efficient than the 2013 Title 24, and energy efficiency will increase as older buildings are replaced .

Overall, the future consumption of electrical and natural gas resources would not represent unnecessary, inefficient, or wasteful use of resources given the ongoing implementation of the City's Climate Action Plan and *General Plan 2030* policies that address lighting and energy conservation measures. In addition, the new mixed-use building and underground garage would be required to be constructed in accordance with specifications contained in Title 24 of the California Code of Regulations and the City's Green Building Regulations. Such measures have been factored into California energy forecasts which predict an overall reduction in per capita use of electricity due to energy efficiency standards and conservation. Therefore, the proposed project would not result in wasteful or inefficient energy use during construction or operation and would result in a *less-than-significant impact*.

(b) Conflicts with Plans. Construction and operation of the project would not conflict with or obstruct implementation of a state or local plan for renewable energy. Therefore, the project would result in *no impact*.

7. Geology and Soils

(a.i) Fault Rupture. The project site is located in a seismically active region of California and the region is considered to be subject to very intense shaking during a seismic event. The City of Santa Cruz is situated between two major active faults: the San Andreas, approximately 11.2 miles to the northeast and the San Gregorio, approximately 9.9 miles to the southwest. There are no active fault zones or risk of fault rupture within the City (SOURCE V.1b-DEIR Section 4.10). The closest active fault is the San Andreas fault, located approximately 11.0 miles northeast of the project site. The site is not located with the Alquist-Priolo Special Studies Fault Zone established by the state of California. No surface traces of known active or potentially active faults are present along the project site (SOURCE V.10a). Therefore, the probability of adverse effects from surface fault rupture is low (Ibid.), and *no impact* would occur.

(a.ii-iv) Seismic Hazards. Seismically induced hazards include ground shaking, surface rupture, ground failure, settlement, landslides, and water waves (SOURCE V.1a). According to maps developed for the City's *General Plan 2030* and included in the General Plan EIR, the project site is located in an area subject to liquefaction in area "B" which is defined as areas underlain by soils considered to be liquefiable, but the "B" areas are anticipated to have greater depth to groundwater, and therefore, a lesser susceptibility to liquefaction (SOURCE V.1b-DEIR Figure 4.10-4). The project site is not located within a mapped landslide area (SOURCE V.1b-DEIR Figure 4.10-3).

A geotechnical investigation was conducted of the project site that included soils borings and testing. The project site is generally underlain by Miocene age Santa Cruz Mudstone, and results

of the soils testing indicate that the project site is underlain by alluvium and Santa Cruz Mudstone (SOURCE V.10a). Site soils consist of clay underlain by lean clay and poorly graded sand and clayey sand (Ibid.). The investigation indicated that based on historic activity, the potential for future seismic activity in the project area is considered significant.

Impact Analysis. The proposed mixed-used building would be subject to seismic shaking from an earthquake on regional faults, as well as liquefaction and settlement, which is considered a *potentially significant impact*. However, with implementation the geotechnical investigation recommendations, including recommendations for seismic design criteria, exposure to seismic hazards would be considered a *less-than-significant impact*.

The City is in relative proximity to historically active faults; as such, there is potential for development to be subject to strong seismic ground shaking. The project is located in an area considered to have a very high susceptibility for liquefaction according to City plans, and the geotechnical investigation conducted for the project site indicates that the site is underlain by saturated sand and fine-grained soil below the assumed design groundwater level that will liquefy under considered ground motions (SOURCE V.10a). The site also would be subject to settlement following a seismic event (Ibid.).

While the potential for seismic ground shaking cannot be eliminated, the project would be required to comply with the 2016 California Building Standards Code (California Code of Regulations, Title 24), which includes requirements for geotechnical investigations that establish seismic design parameters. Compliance with recommendations in the project geotechnical report and with the California Building Standards Code would reduce risks associated with strong seismic ground shaking at the project site. Recommendations are provided for seismic design criteria and for remedial grading with a mat slab, deep foundations or ground improvement are set forth in the project geotechnical report. Therefore, the project would have a *less-than-significant impact* with regard to strong seismic ground shaking, liquefaction and settlement with implementation of recommendations in the project geotechnical report. However, construction and operation of Proposed Project facilities would not increase the potential for earthquakes or seismically induced ground failure to occur, including the risk of loss, injury, or death resulting from seismic ground shaking or seismic related ground failure.

MITIGATION MEASURE GEO-1-*Implementation of Geotechnical Recommendations*. Require implementation of recommendations set forth in the geotechnical investigation (Ninyo & Moore 2018) regarding site preparation, structural foundations, and all other recommendations regarding seismic design considerations.

(c) Geologic Hazards. Non-seismically induced hazards include slope instability, cliff retreat, and non-seismic settlement and landslides (SOURCE V.1a). As shown in the City's *General Plan 2030* and included in the General Plan EIR, the western edge of the project site is identified to be an area of 30-50% slope or greater than 50% slope (SOURCE V.1b-DEIR Figure 4.10-5). This slope, which extends off site, is up to approximately 60 feet in height and sloped at an inclination of about 50-60 degrees from horizontal (SOURCE V.10a). The steep slope is several hundred feet north and

south of the property and is covered with various types of shrubs and trees. Portions of the slope north and south of the subject property are also covered with rock netting, which is used to mitigate surficial slope failures. On the subject property, a small portion of the slope located near the southern property line is covered with rock netting, while the rest of the slope does not have rock netting or other slope stabilizations devices. The rock netting at the southern end of the slope extends approximately 30 feet to the north of the southern property boundary (Ibid.).

Impact Analysis. The proposed mixed-used building is located at the bottom of a steep slope, and construction could result in slope failures, potentially adversely affecting the project site or adjacent properties, a *potentially significant impact*.

The western property line of the project site is located near the toe of the steep slope, and a retaining wall is located near the toe that is up to three feet in height. Talus deposits consisting of soil, rock and vegetation lie along the toe of the slope above the retaining wall, and were generated by erosion and surficial slope failures (SOURCE V.10a). Material observed at the toe of the slope included blocks up to several feet in size, and the geotechnical investigation indicates that these types of failures will continue to occur over time and should be considered during the design of the project (Ibid.). The geotechnical report concluded that the slope located west of the project site is considered surficially unstable and remedial measures are need to mitigate the impact that future surficial failures may have on the project (Ibid.).

Since much of the slope lies outside the property limits, catchment structures along the western property are considered a feasible solution to mitigate the potential hazard (SOURCE V.10a). If easements were obtained on the neighboring properties, a rockfall-netting system could be installed to mitigate the potential hazard. (Ibid.). The project geotechnical engineer indicated that the proposed 7.5-foot setback between the proposed debris wall at the base of the slope and proposed building will provide adequate space for further maintenance (SOURCE V.10b).

While the adjacent slope could pose hazards to the proposed project, CEQA Guidelines question whether a project could further exacerbate hazardous conditions that would result in a direct or indirect impact. In the current case, the siting of the building would not exacerbate or cause further slope failures.

Project construction includes site remediation and removal of at least one underground buried gas holder tank foundation that underlies the northern portion of the project site and was part of the former MGP that was in operation between 1867 and 1930. The above-ground portion of the tank was previously removed, but the concrete foundation was left in place. It is located in the northern portion of the project site below the asphalt paved parking lot, and extends north of the northern property line of the adjacent property at 201-217 River Street (see figure in Attachment A). The northern perimeter of the tank foundation lies very close to the building footprint on the adjacent property. The concrete foundation is approximately 50 feet in diameter with 1.5 feet thick concrete walls, and the top of the foundation walls are buried approximately 0.5 to 2 feet below the ground surface. The tank reportedly slopes toward the perimeter of the tank, with the center of the tank lying at a depth of about 8.5

feet and the perimeter at a depth of about 14 feet below the ground surface (SOURCE V.10d). In addition, testing conducted in 2013 found in-ground wooden remnants of another former aboveground gas holder that were encountered in the parking lot adjacent to the northern end of the existing onsite building, which appeared to extend beneath the existing building (SOURCE V.13c).

Concerns have been raised that the removal of the concrete tank foundation could cause instability to the adjacent slope and adjacent commercial building. The ascending natural slope along the western side of the property is approximately 65 feet high and steeply inclined with residential properties along the top. The western side of the excavation for the proposed below-grade parking area will be about 10 feet away from the property line and close to the toe of the slope (SOURCE V.10d). Additional geotechnical investigation was conducted as summarized below. Potential vibration associated with excavation of the site and construction of the underground parking garage was also considered, but it was determined that the project would not result in adverse impacts related to slope stability; see section VI.13b for further discussion.

The estimated removal area for the gas holder tank is approximately 2,500 square feet, which includes a 5 feet wide area around the perimeter of the tank. The volume of material inside the holder tank is estimated to be approximately 800 cy. Perched groundwater was present inside the buried tank and varied in depth from about 5 to 7 feet below the ground surface at the time of their evaluation in December 2012 and January 2013. It is noted that water pumping results from within the concrete sump in the former tank in 2013 show that substantially dewatering the sump in the tank could take considerable time and might not be fully achievable (SOURCE V.13b). The geotechnical reviews concluded that removal of the buried concrete tank foundation is geotechnically feasible provided that the geotechnical recommendations provided are incorporated into the shoring and dewatering designs for the excavation of the proposed underground parking garage and foundation removal (SOURCE V.10d).

Slope stability analyses were performed using the two- dimensional stability analysis program SLOPE/W modeling the long term (with proposed below- grade parking area in place) and temporary (i.e., during removal of the buried tank foundation) conditions in order to evaluate the impact of the proposed site improvements on the westerly ascending slope. The results indicate that the westerly ascending slope will have a factor of safety of 1.5 or higher in the long run when soldier piles are incorporated into the shoring design. Furthermore, the westerly ascending slope will have a factor of safety of about 1.4 during the temporary condition (i.e., during removal of the buried tank foundation) incorporating soldier piles into the shoring. The factors of safety presented here indicate that the stability of the subject slope under long-term and temporary conditions will be acceptable and in conformance with the standard of care currently exercised in geotechnical engineering practice (SOURCE V.10d).

The geotechnical investigation conducted for the project considered that excavation would encounter the former gas tank foundation and that excavation in proximity to existing structures could undermine the foundation of those structures and/or cause soil

movement related distress (SOURCE V.10a), which is considered *a potentially significant impact*. The geotechnical report includes recommendations for stabilization during excavation that includes design and use of shoring systems and accounting for the adjacent building foundation (SOURCE V.10a). The geotechnical report also recommends that ground improvement methods, which generate high vibrations, not be used due to proximity of structures (SOURCE V.10a).

With implementation of Mitigation Measures GEO-1, GEO-2 and GEO-3, the project would result a *less-than-significant impact* regarding geologic hazards.

MITIGATION MEASURE GEO-2-*Implementation of Geotechnical Recommendations*. Require implementation of recommendations set forth in the geotechnical investigations regarding excavation removal of the existing underground tank foundation (Ninyo & Moore 2018, 2022 and any subsequent investigations), including design of cutoff walls, dewatering methods and demolition of foundation using low vibratory techniques.

MITIGATION MEASURE GEO-3-*Debris Catchment*. Require installation of a debris catchment fence specifically designed by a contractor that specializes in catchment structure design and construction as set forth in the project geotechnical investigation (Ninyo & Moore 2018).

(b, d) Soils and Erosion. The geotechnical investigation prepared for the project included exploratory borings and laboratory testing. Site soils consist of clay underlain by lean clay and poorly graded sand and clayey sand (SOURCE V.10a). Groundwater was measured at a depth of approximately 16 feet. Testing indicated that the soils have a low potential for expansion (Ibid.). However, based on previous environmental remediation work performed at the site, variation in near-surface soils should be anticipated and expansive clay could be present in areas of proposed hardscape or pavement (Ibid.).

According to maps developed for the City's *General Plan 2030* and included in the General Plan EIR, soils on the project site consist primarily of the Soquel loam, 2 to 9 percent slopes (SOURCE V.1b-DEIR Figure 4.10-6). This soil type does not have a high erosion hazard potential (SOURCE V.1b-DEIR Table 4.10-5).

Impact Analysis. The proposed project would involve grading and excavation for construction of the proposed building and underground parking garage, but construction would not result in substantial erosion. This is considered *a less-than-significant impact*.

The project site is relatively flat and soils are not considered highly erosive. However, excavated soils and/or construction debris could result in inadvertent off-site transport of sediments that would be prevented with implementation of standard erosion control measures. Although mitigation measures are not required, the following Condition of Approval is recommended.

RECOMMENDED CONDITION OF APPROVAL. Implement erosion control measures during construction of the new driveway, including, but not limited to: limiting ground disturbance and vegetation removal during construction; conducting work prior to the rainy season if possible and protecting disturbed areas during the rainy season; and immediately revegetate disturbed areas. Require temporary fencing on the perimeter of the site during construction to prevent inadvertent erosion and offsite transport of sediments.

(e) Septic Systems. The project would be connected to the City's sanitary sewer system and would not use septic systems. Therefore, *no impact* would occur.

(f) Paleontological Resources. According to maps developed for the City's *General Plan 2030* and included in the General Plan EIR, the project site is located within an area mapped as the Santa Cruz Mudstone unit and is adjacent to the Holocene Alluvium unit (SOURCE V.1b-DEIR Figure 4.9-5), which is not known to contain fossils. Santa Cruz County is known to contain fossils in the following geological units: Late Pleistocene alluvium; the Purisima Formation; the Santa Cruz Mudstone; and the Santa Margarita Sandstone. Holocene alluvium is generally considered too young to contain paleontological resources, however this geological unit is moderately sensitive for a paleontological resources because it is underlain by sedimentary geologic units that have a high paleontological sensitivity (SOURCE V.1b, DEIR volume).

As indicated above, the project site was part of a larger property that was a commercial gas manufacturing plant. Environmental review conducted for soil remediation at the site included a search of the University of California Museum of Paleontology, University of California, Berkeley database. The database search identified paleontological resources in Santa Cruz County, but did not identify any paleontological resources within or adjacent to the project site (SOURCE V.11b).

Impact Analysis. While the project site does not contain known paleontological resources, it is located in a sensitive geologic formation with regards to paleontological resources, and construction activities could potentially destroy unknown paleontological resources. General Plan Action HA1.2.3 requires the City to notify applicants within paleontologically sensitive areas of the potential for encountering such resources during construction and condition approvals that work will be halted and resources examined in the event of encountering paleontological resources during construction. If the find is significant, the City would require treatment of the find in accordance with the recommendations of the evaluating paleontologist. Treatment may include, but is not limited to, specimen recovery and curation or thorough documentation. With implementation of *General Plan 2030* policies and actions, the impact would be considered *less-than-significant*.

RECOMMENDED CONDITION OF APPROVAL: In the event that paleontological resources are encountered during construction, work shall be halted in the vicinity of the find until it can be evaluated by a professional paleontologist. If a find is determined to be significant, treatment of the find in accordance with the recommendations of the evaluating paleontologist shall be required. Treatment may

include, but is not limited to, specimen recovery and curation or thorough documentation.

8. Greenhouse Gas Emissions

(a) Greenhouse Gas Emissions. Climate change refers to any significant change in measures of climate, such as average temperature, precipitation, or wind patterns over a period of time. Climate change may result from natural factors, natural processes, and human activities that change the composition of the atmosphere and alter the surface and features of the land. Significant changes in global climate patterns have recently been associated with global warming, an average increase in the temperature of the atmosphere near the Earth's surface, attributed to accumulation of greenhouse gas (GHG) emissions in the atmosphere. Greenhouse gases trap heat in the atmosphere, which in turn heats the surface of the Earth. Some GHGs occur naturally and are emitted to the atmosphere through natural processes, while others are created and emitted solely through human activities. Climate change models predict changes in temperature, precipitation patterns, water availability, and rising sea levels, and these altered conditions can have impacts on natural and human systems in California that can affect California's public health, habitats, ocean and coastal resources, water supplies, agriculture, forestry, and energy use (SOURCE V.1b-DEIR volume).

The most common GHG that results from human activity is carbon dioxide, followed by methane and nitrous oxide. The primary contributors to GHG emissions in California are transportation (about 37 percent), electric power production (24 percent), industry (20 percent), agriculture and forestry (6 percent), and other sources, including commercial and residential uses (13 percent). Approximately 81 percent of California's emissions are carbon dioxide produced from fossil fuel combustion (SOURCE V.1b-DEIR volume).

The State of California passed the Global Warming Solutions Act of 2006 (AB 32), which seeks to reduce GHG emissions generated by California. The Governor's Executive Order S-3-05 and AB 32 (Health & Safety Code, § 38501 et seq.) both seek to achieve 1990 emissions levels by the year 2020. Executive Order S-3-05 further requires that California's GHG emissions be 80 percent below 1990 levels by the year 2050. AB 32 defines GHGs to include carbon dioxide, methane, nitrous oxide, hydrocarbons, perfluorocarbons and sulfur hexafluoride.

In 2015, Governor Brown issued Executive Order, B-30-15, which created a "new interim statewide GHG emission reduction target to reduce GHG emissions to 40 percent below 1990 levels by 2030 is established in order to ensure California meets its target of reducing GHG emissions to 80 percent below 1990 levels by 2050." SB 32 codified this target. In 2018, Governor Brown issued Executive Order B-55-18, which established a statewide goal to "achieve carbon neutrality as soon as possible, and no later than 2045, and maintain and achieve negative emissions thereafter." The order directs the CARB to work with other State agencies to identify and recommend measures to achieve those goals.

The California Air Resources Board (CARB) is the lead agency for implementing AB 32. In accordance with provisions of AB 32, CARB conducts an annual statewide GHG Emission Inventory that provides estimates of the amount of GHGs emitted to the atmosphere by human

activities within California. In accordance with requirements of AB 32, CARB adopted an Initial Scoping Plan in 2008 and is required to update the scoping plan at least every five years. The First Update to the Scoping Plan, approved in 2014, established a 2030 emissions target of 40 percent below 1990 levels. The current (2017) Scoping Plan identifies a balanced mix of strategies to meet the State's 2030 GHG limit. A new draft Scoping Plan was underway at the time of the issuance of this environmental checklist.

The City's *General Plan 2030* includes goals, policies, and actions on climate change, including reducing communitywide GHG emissions 30 percent by 2020, reducing 80 percent by 2050 (compared to 1990 levels), and for all new buildings to be emissions neutral by 2030. In October 2012, the City also adopted a "Climate Action Plan" that outlines the actions the City will take over the next 10 years to reduce GHG emissions by 30 percent.

Impact Analysis. The project would result in a demolition of one existing commercial building and construction a three-story mixed-use building with an underground garage. As indicated in Section III.B above, the City's General Plan EIR considered construction of approximately 3,350 new residential units throughout the City to the year 2030 (SOURCE V.1b-DEIR volume). The General Plan EIR estimated GHG emissions that could result from potential development and buildout accommodated by the General Plan that included 3,350 residential dwelling units with an associated population increase of 8,040 residents and approximately 3,140,000 additional square feet of new commercial, office, and industrial uses by the year 2030 with an estimated 8,665 new jobs. The EIR analysis determined that the emissions levels associated with buildout would not be considered substantial compared to long-term forecasts and state and regional targets and would actually be less than forecast statewide per capita emission rates with required reductions. Implementation of the proposed *General Plan 2030* policies and actions, as well as planned implementation statewide actions, would further reduce emissions. Therefore, the impact was considered *less than significant*. (The analysis is included on pages 4.12-24 to 4.12-31 of the Draft EIR volume and pages 3-26 to 3-27 of the Final EIR volume.)

The proposed construction of the mixed-use building and underground garage would be within the overall amount of future residential use evaluated at a program level in the General Plan EIR. This Initial Study tiers off and incorporates by reference the General Plan EIR (as discussed in Section III.B above) for the GHG emissions analysis, which concluded impacts would be less than significant. Therefore, the operation of the project upon completion of construction would have a *less-than-significant* impact on GHG emissions.

Construction, including site excavation and remediation, would result in temporary GHG emissions related to construction activities, including equipment and vehicle use. GHG emissions during construction were calculated using the CalEEMod emissions model as explained in section VI.3(b) above. The results are shown in Table 3, which show approximately 900 metric tons of GHG emissions over the construction period for the project including site excavation and remediation.

Table 3. Estimated Annual Construction GHG Emissions

Year	CO_2	CH_4	N_2O	CO_2e
	metric tons per year			
2023	192.62	0.04	0.01	196.22
2024	206.27	0.04	0.01	210.04
2025	236.17	0.05	0.01	240.78
2026	247.45	0.04	0.01	252.85
			Total	*899.89*
			30-Year Amortized Emissions	**30.00**

Notes: GHG = greenhouse gas; CO_2 = carbon dioxide; CH_4 = methane; N_2O = nitrous oxide; CO_2e = carbon dioxide equivalent.

Currently, there are no adopted GHG emission thresholds, except MBARD has an adopted guideline for stationary source projects in which a project would not have a significant GHG emissions impact if the project emits less than 10,000 metric tons of CO_2e per year. For context, the Bay Area Air Quality Management District (BAAQMD), which is adjacent to MBARD, evaluates the GHG significance of projects based on operations only and has stated that there is no proposed construction-related climate impact threshold at this time, since GHG emissions from construction represent a very small portion of a project's lifetime GHG emissions (as compared to long-term operations) (BAAQMD 2022[2]). As discussed previously, proposed project operations were determined to be less than significant. Based on the preceding considerations, temporary construction-related GHG emissions would result in a *less-than-significant impact.*

(b) Conflicts with Applicable Plans. The project would not conflict with state plans adopted for the purpose of reducing GHG emissions. The General Plan EIR found no impacts related to conflicts with applicable plans related to GHG emissions and reduction strategies.

In October 2012, the Santa Cruz City Council adopted a Climate Action Plan (CAP) that addresses citywide greenhouse emissions and reduction strategies. The CAP outlines the actions the City and its partners may take pertaining to reduction of GHG emissions to meet the goals and implement the policies and actions identified in the *General Plan 2030*. The CAP provides City emissions inventories, identifies an emissions reduction target for the year 2020, and includes measures to reduce energy use, reduce vehicle trips, implement water conservation programs, reduce emissions from waste collection, increase solar systems, and develop public partnerships to aid sustainable practices. Measures are outlined for the following sectors: municipal, residential, commercial, and community programs. Each chapter, as well as Appendix A, provides a table of actions necessary to meet each reduction measure, quantifies the potential GHG emission reduction, and prioritizes implementation based on funding, ease,

[2] Adopted April 20, 2022. Justification Report: CEQA Thresholds for Evaluating the Significance of Climate Impacts from Land Use Projects and Plans. Available online at: https://www.baaqmd.gov/plans-and-climate/california-environmental-quality-act-ceqa/updated-ceqa-guidelines.

and current infrastructure. With a couple of exceptions, all measures establish the year 2020 as the target date to achieve the specified reductions. The CAP includes an Implementation chapter that identifies tracking and reporting of the success of the measures, including City staff responsibilities.

The new mixed-use building and underground garage would be subject to approval of building permits that meet the California Building Code and City Green Building Code requirements and City requirements for water conservation fixtures and features, including drought-resistant landscaping. These measures are consistent with those recommended for residential uses in the CAP related to building and energy efficiency, water conservation, and encouraging use of solar systems.

Furthermore, the proposed project location and uses are consistent with the sustainable transportation and land use planning goals set forth in the City's CAP that encourage higher density development along transit corridors and activity centers to support efficient, accessible, and sustainable transportation options and reduce automobile trips. Additionally, the Santa Cruz County Regional Transportation Commission's (SCCRTC) *2040 Santa Cruz County Regional Transportation Plan*, adopted in June 2018, provides guidance for transportation policy and projects through the year 2040. The RTP identifies 11 "key destinations" (i.e., employment and commercial centers) within Santa Cruz County. Downtown Santa Cruz is identified as a key destination. The RTP's Target 1A seeks to increase the percentage of people who can travel to key destinations within a 30-minute walk, bike, or transit trip by 20 percent by 2020 and 40 percent by 2035. The proposed project is located within the maximum travel buffer for the Downtown Santa Cruz key destination. Thus, the project would not conflict with provisions of the CAP, and *no impact* would occur.

9. Hazards and Hazardous Materials

(a) Hazardous Material Use. The proposed development consists of a mixed-use residential and office building with uses that typically would not use, handle or store significant quantities of hazardous materials, and would not involve the routine transport, use, or disposal of hazardous materials or wastes and would not result in the creation of a public health hazard.

Relatively small amounts of commonly used hazardous substances such as gasoline, diesel fuel, lubricating oil, adhesive materials, grease, solvents, and architectural coatings would be used during construction. These materials are not considered extremely hazardous and are used routinely throughout urban environments for both construction projects and structural improvements. Further, these materials would be transported and handled in accordance with all federal, state, and local laws regulating the management and use of hazardous materials. Consequently, use of these materials for their intended purpose would not pose a significant risk to the public or environment. Once construction has been completed, fuels and other petroleum products would no longer remain within the work area. Daily operation of the proposed project would not otherwise require the use, storage, or disposal of hazardous substances. Therefore, impacts would be *less than significant*.

(b, d) Release of Hazardous Materials or Hazardous Emissions. The project site is part of a property that was the former PG&E Santa Cruz MGP, which operated on the project site and adjacent properties from 1867 until 1930. Historical operations of this MGP have resulted in soil, soil gas, and groundwater contamination, including:

- polycyclic aromatic hydrocarbons (PAHs), benzene, naphthalene, arsenic, and lead in soil;
- benzene and naphthalene in soil gas; and
- total petroleum hydrocarbons (TPH), naphthalene, benzene, arsenic, lead, and total cyanide in groundwater.

Cleanup and monitoring of the former MGP is ongoing under the voluntary cleanup program overseen by the California Department of Toxic Substances Control (DTSC). Central Coast Regional Water Quality Control Board (CCRWQCB) also has an open case file (Case #2030094), but DTSC is the lead agency. A Human Health Risk Assessment (HHRA) was conducted in 2010 on the former MGP site, including the project site, the results of which concluded that the soil, soil gas, and groundwater contamination beneath the former MGP does not pose a significant risk for onsite commercial or landscaping workers, nor offsite commercial or residential populations. However, future changes in land use, redevelopment, or permanent removal of the existing asphalt or concrete cover could result in human health risks above an acceptable risk range (SOURCE V.13a). The HHRA therefore recommended remedial actions and/or institutional controls be placed on various portions of the former MGP to further protect future occupants. A Remedial Action Plan (RAP) was developed in 2012 (SOURCE V.13a) and approved by DTSC. Remedial actions recommended in the RAP included "focused excavation and off-site disposal of impacted soil in select areas in combination with a site cap (asphalt or concrete), deed restrictions, and monitored natural attenuation of groundwater."

Following DTSC's approval of the RAP, remedial activities were completed between September 2012 and February 2013, including removal of soil in select locations up to 13 feet below ground surface (bgs) (SOURCE V.13d~~c~~). During excavation activities, a 50-foot diameter concrete above-ground gas tank foundation was identified beneath the north parking lot on the project site. The tank foundation appears to extend onto a portion of the northern-adjacent property, extending as far as the southern corner of the northern-adjacent building. The foundation, which appeared to be a large concrete sump extending between 8 and 13 feet bgs, is located beneath approximately 10 feet of clean fill material and asphalt paving (SOURCE V.13b). Soil samples collected on top of the foundation identified a 1-foot to 3.5-foot thick layer of tarry soil located on top of the foundation, covered with approximately 10 feet of relatively clean fill material. The tarry soil contained PAH concentrations up to 7,400 mg/kg (in benzo(a)pyrene (B(a)P) equivalent concentrations). Water was also identified within the concrete tank foundation, approximately five feet below ground surface. The water level in the tank foundation is several feet higher than groundwater.

It was determined the foundation was structurally sound, but removal of the foundation would be difficult due to a number of significant technical challenges and adverse impacts associated with the potential removal (SOURCE V.13b). Geotechnical challenges are associated with the relatively loose saturated fill materials that are within the sump and the ability to remove the

fill safely without compromising the integrity of nearby structures and infrastructure on all four sides (buildings, sidewalks, cliff, underground utility lines, etc.). Logistical challenges are associated with the large size of the foundation structure relative to the small parking lot in which it resides, and the difficulties to fit required equipment onsite to remove the contents (Ibid.). Terra Pacific Group (TPG) recommended a land use covenant be placed in the area of the concrete tank foundation to prohibit disturbance of the asphalt cap and prohibit placement of a water supply well or other structure which could disturb the foundation without prior approval from DTSC (SOURCE V.13b).

Additionally, during excavation activities associated with the remedial action, in-ground wooden sidewalls of an apparent second former aboveground tank holder were encountered just north of the existing office building on the project site and appeared to extend beneath the building (SOURCE V.13c). Water-saturated tarry soils were encountered at a depth of approximately 2 feet bgs beneath the planter along the northeastern corner of the building. A third former aboveground tank may have been present beneath the southern two-thirds of the existing office building, based on historical map review and based on drilling refusal on the eastern side of the building (SOURCE V.13c). While no soil samples were collected beneath the existing office building, the identification of these features indicates the potential for contamination beneath the building.

During remedial activities, approximately 5,961 tons of soil were excavated and disposed of offsite, and 144 confirmation samples were collected from the excavation sidewalls and bottom. Pits were backfilled and restored to pre-existing conditions (SOURCE V.13d~~e~~). No remedial excavation or sampling occurred beneath the existing office building on the project site.

Post-remediation soil gas sampling was conducted between April 2013 and April 2014, which included 17 soil gas samples and 9 sub-slab samples. According to the 2016 Final Remedial Action Completion Report (SOURCE V.13.d~~e~~), "residual levels of contaminants at 2035 North Pacific Avenue remain at levels that warrant long-term management. As such, a [land use covenant] is warranted to ensure the long-term protection of human health associated with residual [contamination] that remains in soils." The report also states, "residual levels of [contamination] in soil gas would be considered safe and protective of future residential land use" (SOURCE V.13d).

A 2022 Five-Year Review Report for the Former Santa Cruz MGP included a draft 2021 updated vapor intrusion health risk evaluation, which found that the risk evaluation included in the 2016 Final Remedial Action Completion Report was still valid. This review concluded that the surface covers in the Restricted Areas (i.e., building foundations, paved parking lots, and clean topsoil in planters) are present and provide an effective means of preventing direct exposure to known soil residues and offsite migration of soil residues via erosion and/or run-off, and that the areas of the site designated as restricted are used only for commercial purposes. In sum, the remedy implemented in 2013 is functioning as intended, and the remedial action, which was methodically evaluated by a human health risk assessment, continues to be protective of current populations using the project site, and those located in the immediate vicinity. The 2022 Five-Year Review Report also stated that the sites that make up the former MGP and include

2035 North Pacific Avenue are preparing draft land use covenants that would restrict residential and sensitive land uses (SOURCE V.13g).

In addition to proposed land use restrictions, a post-remediation groundwater monitoring program would be implemented, and an operations and maintenance (O&M) plan would be prepared and implemented under agreements between DTSC and the property owners. An O&M agreement was completed in February 2022 and states that the O&M plan would detail the required routine cap inspections, documentation post-remediation groundwater monitoring, and 5-year reviews required under CERCLA (SOURCE V.13d~~e~~ and V.11c). The land use covenant would enforce the O&M and maintenance of the cap features and enforce land use restrictions at the project site. According to the DTSC case file (SOURCE V.12), draft land use covenants are being prepared for the four properties, including the project site, that propose restricting residential and sensitive land uses (SOURCE V.13g); the project site will have a Land Use Covenant executed in 2024. The details of the Land Use Covenant have not yet been developed, however, according to the Final Remedial Action Completion Report (SOURCE V.13d), at a minimum, the Land Use Covenant will include the following requirements:

- All uses and development of each property (including mixed land use and/or high-density residential land use) will preserve the integrity and physical accessibility of the capped surfaces, planters overlying impacted soils, and groundwater monitoring wells.
- Activities that will disturb impacted soil below the capped surfaces will not be permitted without a Soil Management Plan approved by DTSC.
- Any contaminated soil brought to the surface by grading, excavation, trenching or backfilling will be managed in accordance with applicable provisions of state and federal law and in accordance with the Soil Management Plan.
- Capped surfaces and groundwater monitoring wells will not be altered without DTSC approval.
- Installation of wells and extraction of groundwater will not be allowed without DTSC approval. Groundwater is currently not used for domestic or municipal water supply at the Site.
- Use of the groundwater for beneficial uses will be prohibited."

Based on available documentation as discussed above, any proposed disturbance of capped surfaces, site soils, groundwater wells, and/or the subsurface tank foundation(s) on the project site would require prior DTSC approval.

Figure 5-4 of the Final Remedial Action Completion Report (SOURCE V.13d) is included in Attachment A and shows key chemical concentrations in soil at the project site, representing post-remediation (i.e. current) conditions. The Final Remedial Action Completion Report, which was completed in 2016, used the California Human Health Screening Levels (CHSSLs), which are no longer used for remediation evaluation. Dudek compared concentrations of key chemicals in soil on the project site with current screening levels, as shown in Table 4. The highest

concentrations of contaminants detected in soils on the project site are above current screening levels for both residential and commercial use.

Table 4: Key Contaminants and Current Screening Levels

Contaminant	Highest concentration in soil (TPG 2016) (mg/kg)	Applicable Screening Levels (mg/kg)			
		Commercial/Industrial		Residential	
TPHg	220,000	2,000	SFRWQCB ESL	430	SFRWQCB ESL
TPHd	500,000	1,200	SFRWQCB ESL	260	SFRWQCB ESL
TPHmo	230,000	180,000	SFRWQCB ESL	12,000	SFRWQCB ESL
B(a)P equivalent	7,400	0.9	ABSC	0.9	ABSC
Naphthalene	1,500	6.5	DTSC SSL	2	DTSC SSL
Benzene	4,400	1.4	DTSC SSL	0.33	DTSC SSL
Arsenic	14.8	12	ABSC	12	ABSC
Lead	156	500	DTSC SSL	80	DTSC SSL

DTSC SSL: DTSC Human Health Risk Assessment Note 3. Recommended screening levels derived by DTSC from EPA Screening Levels for constituents in soil, tap water, and ambient air. Cancer endpoint screening level was used, where available.

SFBRWQCB ESL: San Francisco Bay Regional Water Quality Control Board (SFBRWQCB) Environmental Screening Levels (ESLs) are referenced where DTSC SSLs are not available. ESLs are used statewide as conservative screening levels for identification and evaluation of contaminated sites.

TPHg: total petroleum hydrocarbons, gasoline

TPHd: total petroleum hydrocarbons, diesel

TPHmo: total petroleum hydrocarbons, motor oil

B(a)P equivalent: Benzo(a) pyrene equivalent

ABSC: Ambient-like screening concentrations (ABSC)

i. ABSC of arsenic is presented in the RAP (TPG 2012) and was determined for the project site based on the target action level developed for the adjacent site, 125 River Street, as recommended by DTSC (TPG 2016a). Arsenic levels below 12 mg/kg are considered representative of naturally occurring background concentrations.

ii. ABSC of B(a)P equivalent values were used for risk characterization of the project site (TPG 2016a). ABSCs may be used to identify areas on MGP sites that warrant remedial action or long-term risk management (DTSC 2009). However, this screening value does not necessarily represent a final remediation goal. Further remediation may be warranted to allow unrestricted land use, and evaluation of each individual PAH and their applicable screening value may be warranted (DTSC 2009).

Groundwater monitoring is ongoing, as outlined in the Workplan for Post-Remediation Monitoring Well Installation and Groundwater Sampling (SOURCE V.23d). Three monitoring wells are located on the project site: MW-4A, MW-5A, and MW-7. During the most recent groundwater monitoring event as reported on DTSC's Envirostor (SOURCE V.13f), MW-5A, located north of the existing building, contained concentrations of TPH and arsenic above the target action level established in the workplan (SOURCE V.13e).

Impact Analysis. Development of the project site could result in a release of hazardous materials due to the presence of remaining contamination in soils on the project site. In addition to known contamination, site features associated with the former MGP are likely present below the existing building, and conditions beneath the building (i.e. levels of

contamination) are unknown. Levels of soil contamination could be similar to levels removed outside of the building area during remedial activities; such soils would require special handling, removal, and disposal with approval by DTSC. Therefore, potential release of hazardous materials is considered a *potentially significant impact*.

It appears that the subsurface foundation (and other foundations if found to be located beneath the existing office building) would be required to be removed to accommodate the proposed project's underground parking area. As indicated above in section VI.7(c), removal of the northern foundation has been determined to be feasible with implementation of recommendations provided in a geotechnical review (SOURCE V.d). However, disturbance of the existing site cap, disturbance of project site soils, groundwater monitoring wells, and subsurface features, and a potential change in land use would violate a forthcoming land use covenant for the former MGP site and would therefore require additional remediation and DTSC approval. The existing O&M Agreement (DTSC 2022) requires the installed remedy (the cap) to be left in place.

Any soil disturbance and removal of subsurface features as a result of the proposed project would be subject to provisions of a remediation plan and approval by DTSC. DTSC has indicated that future changes in land use, redevelopment or permanent removal of the existing asphalt or concrete cover could result in human health risks above an acceptable risk range. The results of the health risk assessment prepared for the remediation conducted at the site suggest that levels of carcinogenic polycyclic aromatic hydrocarbons (CPAHs), benzene, arsenic and lead present in soils and benzene and naphthalene in soil gas at one location at the site would require some remediation or other form of risk management (e.g., institutional controls) in the event that the existing physical mitigating features that currently exist on the site were to be removed or altered and/or if the site were to be developed in the future for residential purposes, which is now proposed. Additionally, remediation or another form of risk management (e.g., institutional controls) is warranted to protect the health of on-site intrusive workers who may engage in subsurface construction activities (SOURCE V.11b).

Prior to conducting any onsite investigations or remediation activities, the owner of the project site must enter into a Voluntary Cleanup Agreement (VCA) with DTSC. Once the VCA is established, the DTSC will lead the owner of the project site through the remediation process. This may begin with a supplemental remedial investigation to identify the lateral and vertical extent of residual contaminants within the gas holder tank area as well as other site areas where known or anticipated contamination still exists. The remedial investigation report would include an updated human health risk assessment. The risk assessment would be used to determine clean-up levels that are necessary to make the project site suitable to accommodate the proposed uses. The results of the investigation will assist in determining the extent of remedial actions needed for onsite soils and will be used for developing the site RAP. The RAP will include, but not be limited to:

- An evaluation of existing site environmental conditions and human health risk.
- The appropriate remedial action objectives and site cleanup goals.

- Identification of recommended remedial alternatives that are protective of human health and the environment.
- A detailed plan for implementation of the chosen remedial action.
- A health and safety plan.
- A CAMP prepared in accordance with the DTSC January 2020 Community Air Monitoring Plan Guidance.

The investigation and remediation activities will be overseen by DTSC and the reports/plans required by DTSC will be submitted to DTSC for approval. Following successful completion of the investigation and remediation activities in a manner acceptable to DTSC, the DTSC will provide case closure for the voluntary cleanup case. The applicant shall follow and implement all DTSC's requirements for investigation and remediation until case closure is granted by the DTSC.

In addition, the existing building was constructed in 1978 (County of Santa Cruz Assessor's Office website[3]). The EPA released a partial ban on asbestos-containing materials in 1989, but a full ban on the use and marketing of asbestos-containing materials did not occur until April 2019. The United States also banned lead-based paint for use in housing in 1978; however, lead-based paint use in commercial structures was not included in this ban. Therefore, there is a potential for asbestos-containing materials and lead-based paint to be present in the building materials. In addition, universal waste items containing hazardous materials (e.g. polychlorinated biphenyls, metals, and refrigerants) may be present in the existing building. Historical subsurface features associated with the former MGP may also contain asbestos and lead-based paint, including transite materials. Demolition of the existing building and removal of subsurface features could result in a release of these hazardous building materials.

Implementation of the following mitigation measures would reduce the likelihood of a release during construction of the proposed project, resulting in a *less-than-significant impact*.

MITIGATION MEASURE HAZ-1-*Remedial Action*. Prior to excavation associated with project construction, the applicant shall enter into a Voluntary Cleanup Agreement with the DTSC and initiate the site remediation process. The investigation and remediation activities will be overseen by DTSC and the reports/plans required by DTSC shall be submitted to DTSC for approval. The applicant shall follow and implement all DTSC's requirements for investigation and remediation until case closure is granted by the DTSC.

The remediation process will include the following aspects; however, exact activities will be determined in conjunction with the DTSC as part of the voluntary cleanup agreement oversight.

[3] County of Santa Cruz. 2020. Assessor's Office online parcel search. Accessed January 26, 2021. http://sccounty01.co.santa-cruz.ca.us/ASR/Characteristics.

- Submittal of a work plan for further site investigation, if determined to be necessary by DTSC
- Site sampling and submittal of a remedial investigation report, including a revised risk evaluation, if determined to be necessary by DTSC
- Submittal of a Remedial Action Plan, including a Community Air Monitoring Plan
- Completion of the remedial action in tandem with the site construction excavation activities. The remedial activities will likely include the following:
  - Waste characterization and profiling
  - Excavation, direct loading, and off-site transportation for disposal of approximately 4,200 cy of soil to an average of 11 feet depth. The appropriate disposal facility will be determined upon waste characterization. Written approval from the CCRWQCB or DTSC may be required for disposal.
  - Excavation and removal of the gas holder tank foundation and contents. The contents of the tank foundation will be removed prior to removal of the foundation. Health and safety air monitoring will be conducted for naphthalene, and other compounds as appropriate, in accordance with a site-specific health and safety plan to be reviewed and approved by DTSC. Personal protective equipment will be used in accordance with the site-specific health and safety plan. Air monitoring will be conducted in accordance with a DTSC-approved CAMP. Odor or emissions control, such as soil wetting, the use of vapor/odor suppressant foam, and/or use of an Odor Boss OB-60G odor control system or similar, shall be implemented if fugitive odors or emissions above action levels are present at the site perimeter or another monitoring station, as determined in the CAMP. In accordance with the Monterey Bay Air Resources District, odors and dust must not cause a public nuisance. Note that if additional tank foundations are identified under the existing office building, they will also need to be removed.
  - Installation of a vapor barrier or other vapor mitigation, if needed based on a risk evaluation.
- Submittal of a remedial action completion report

MITIGAITON MEASURE HAZ-2-*Well Protection*. Ongoing remedial actions on the project site require continued monitoring of the three monitoring wells, MW-4A, MW-5A, and MW-7. The three wells on the project site may require removal, protection, or replacement for future development of the project site. A well decommissioning and destruction plan shall be prepared for the management of the monitoring wells. The decommissioning and destruction plan, which may also include protection and/or replacement, would be written in accordance with applicable state and local laws and submitted to the DTSC and CCRWQCB for approval. The approved plan shall be followed, and on-site wells would be removed or protection measures emplaced prior to construction in accordance with applicable laws and regulations.

MITIGATION MEASURE HAZ-3-*Pre-Demolition Hazardous Materials Survey and Abatement*. Prior to demolition and construction, a hazardous building material survey will be conducted on the project site, including the existing building and subsurface features. The survey will be completed by a California Division of Occupational Safety and Health-certified asbestos consultant and a California Department of Public Health-certified lead inspector, and will follow all federal, state, and local requirements. Demolition or renovation plans and contract specifications shall incorporate abatement procedures for the removal of identified materials containing asbestos, lead, polychlorinated biphenyls, mercury, refrigerants, and universal waste items. All abatement work shall be done in accordance with federal, state, and local regulations, including those of the U.S. Environmental Protection Agency (which regulates disposal), Occupational Safety and Health Administration, U.S. Department of Housing and Urban Development, California Occupational Safety and Health Administration (which regulates employee exposure), and the Monterey Bay Air Resources District.

(c) Hazardous Emissions. The project site is located approximately 0.13 miles east of east of the Holy Cross Grammar School. However, the project consists of residential and office uses and would not involve emissions of hazardous materials. Therefore, *no impact* would occur.

(f) Emergency Response. Existing and proposed access to the project site is from River Street, or Mission Street. The project would not include any changes to existing public roadways that provide emergency access to the site. Therefore, the project would have *no impact* related to interference with adopted emergency response or evacuation plans.

(g) Wildland Fire Hazard. According to maps developed for the City's *General Plan 2030* and included in the General Plan EIR, the project is not located in an area of fire hazards (SOURCE V.1b-DEIR Figure 4.6-1). The project site is located within an urban development area, approximately 0.4 miles north of the City's downtown area. The site commercial and residential uses and the proposed project would be within the existing development footprint of the site. Therefore, the project would not expose people or structures to a significant risk of loss, injury or death involving wildland fires, resulting in a *less-than-significant impact*. See also section IV.20 below.

10. Hydrology and Water Quality

(a) Water Quality. The principal surface water drainage in the City is the San Lorenzo River, which is located approximately 690 feet east of the project area. The project site is relatively flat with 12,375 square-feet of impervious area. The slope along the westerly portion of the property is the only natural exposed area. The remainder of the site is covered with hardscape from past development.

Urban runoff and other "non-point source" discharges are regulated by the 1972 Federal Clean Water Act (CWA), through the National Pollutant Discharge Elimination System (NPDES) permit program that has been implemented in two phases through the California Regional Water

Quality Control Boards (RWQCB). Phase I regulations, effective since 1990, require NPDES permits for stormwater discharges for certain specific industrial facilities and construction activities, and for municipalities with a population size greater than 100,000. Phase II regulations expand the NPDES program to include all municipalities with urbanized areas and municipalities with a population size greater than 10,000 and a population density greater than 1,000 persons per square mile. Phase II regulations also expand the NPDES program to include construction sites of one to five acres.

Construction activity on projects that disturb one or more acres of soil must obtain coverage under the State's General Permit for Discharges of Storm Water Associated with Construction Activity (Construction General Permit, 99-08-DWQ). Construction activity subject to this permit includes clearing, grading, and disturbances to the ground such as stockpiling or excavation. The Construction General Permit requires the development and implementation of a Storm Water Pollution Prevention Plan (SWPPP). The SWPPP must list best management practices (BMPs) that the discharger will use to protect stormwater runoff and the placement of those BMPs. A Notice of Intent (NOI) and SWPPP must be prepared prior to commencement of construction. Proposed grading and development on the project site would disturb more than 1 acre and, thus, the project would be subject to preparing a SWPPP. The City's regulatory requirements and BMPs, as detailed in the "Stormwater Best Management Practices Manual" published by the City's Public Works Department, must be implemented.

The City of Santa Cruz (City) has developed a Storm Water Management Program (SWMP) in order to fulfill the requirements of the Phase II NPDES General Permit for Discharges of Storm Water from Small Municipal Separate Storm Sewer Systems (MS4) (General Permit) and to reduce the amount of pollutants discharged in urban runoff. In compliance with the Phase II regulations, the City's comprehensive SWMP is designed to reduce the discharge of pollutants to the Maximum Extent Practicable (MEP) and to protect water quality (SOURCE V.1b-DEIR volume).

In 1998, the City of Santa Cruz adopted an ordinance for "Storm Water and Urban Runoff Pollution Control" (Chapter 16.19 of the city's Municipal Code) as part of its Storm Water Management Program in accordance with the RWQCB's requirements. The ordinance identifies prohibited discharges and required Best Management Practices (BMPs) for construction and new development.

Project construction would not result in water quality degradation. The project would result in construction of a new mixed-used building and underground garage with approximately 12,106 square feet of impervious surface. Post-development runoff rates would not exceed pre-development rates as the project will be reducing the amount of impervious surface currently at the site. However, the project would be required to adhere to City stormwater requirements that would avoid or reduce potential impacts. Storm water treatment for the roof areas will be accomplished through the use of in-line downspout filtration units, in-line catch basin filtration unit and permeable pavement walkways on site (SOURCE V.8). Therefore, stormwater runoff as a result of the proposed development would not result in adverse impacts to water quality, and the impact would be *less than significant*.

(b) Groundwater. The project site is located within the West Santa Cruz Terrace groundwater basin (SOURCE V.1b-DEIR Section 4.5). Groundwater was measured at a depth of about 16 feet in the two Cone Penetrometer Test locations. Groundwater was not encountered in the other borings. The project site is not located within a water supply aquifer. The project would not include groundwater wells and would continue to receive municipal water from the City of Santa Cruz. Therefore, the project would have *no impact* on groundwater supplies or recharge.

(c) Drainage. There are no existing storm drainage systems in North Pacific Avenue. The proposed project would result in a decrease in runoff due to increasing the amount of pervious surfaces with establishing new drainage structures, and increasing the amount of landscape areas adjacent to the site. The project would not result in alteration of existing drainage patterns. The project would decrease the net impervious area on the site by 270 square feet. Runoff would be captured and dispersed using in-line downspout filtration units, in-line catch basin filtrations units, and permeable pavement. An increase of landscaping would provide areas of bioretention, thus decreasing surface runoff. The system would be designed in accordance with City regulations and no on-site retention is required. Therefore, the project would not alter existing drainage pattern or result in substantial increases in runoff resulting in *no impact*.

(d) Flood and Tsunami Zones. The project site is located within a Federal Emergency Management Agency (FEMA) flood hazard area (SOURCE V.1b-DEIR Figure 4.7-1), but is not in a tsunami inundation zone (SOURCE V.1b-DEIR Figure 4.7-2). As indicated in 10a above, the project includes water quality treatment measures that would pre-treat stormwater runoff in accordance with City requirements. Therefore, the project would result in *no impact* related to release of pollutants in flood or tsunami zones.

(e) Conflict with Plans. The project site is located approximately 689 feet from the San Lorenzo River. Water quality objectives are included in the Water Quality Control Plan for the Central Coastal Basin (Basin Plan) for protection of surface water and groundwater quality in the Central Coast Region. This Basin Plan lists beneficial uses for surface waters and describes the water quality objectives that must be maintained to allow those uses. The proposed project would not result in new discharges or conflict with provisions in the Basin Plan as all stormwater would be directed into the City's storm drain system with pre-treatment or discharged via surface flow over existing vegetation away from San Lorenzo River, which would prevent water quality degradation in accordance with the City's stormwater requirements. A sustainable ground-water management plan for the area in which the project is located has not yet been prepared. Therefore, the project would not conflict with adopted water quality or groundwater plans.

11. Land Use and Planning

(a) Physical Division of Community. The project site is located in an existing developed area of the City, and the proposed project consists of redevelopment of an existing site. Therefore, the project would not physically divide an established community and would result in *no impact*.

(b) Consistency with Local Policies/Plans. The proposed mixed-use project is consistent with General Plan and zone district designations for the site. However, the western portion of the

proposed building is located within approximately 7.5 feet of 30-50+ percent slopes with one segment at the southwest corner of the building being located within 3 to 6 feet of 30-50+ percent slopes. The project, therefore, requires a slope development permit pursuant to the City's slope regulations set forth in the City's Municipal Code section 24.14.030 as it encroaches within 20 ~~10~~ feet of a ~~30~~ 50 percent slope. The General Plan also includes policies to discourage development on unstable slopes (Policy H6.2). The geotechnical investigations conducted for the project did not identify potential impacts related to stability of adjacent slopes as a result of construction and operation of the project. With implementation of recommendations in the project geotechnical report and Mitigation Measures GEO-1 and recommended conditions of approval~~GEO-2~~, the project would not result in slope instability problems as discussed above in subsection IV.7(c) and would not conflict with regulations or policies regarding slope setbacks.

12. Mineral Resources

There are no mines or areas of known mineral resources within the City (SOURCE V.1b-DEIR). Therefore, the project would have *no impact* on mineral resources.

13. Noise

(a) Generation of Substantial Noise Increases. The project site currently supports a commercial office. The proposed project would demolish the existing building and construct a 3-story mixed-use building, which includes a ground floor office and two stories of residential units. An underground garage would also be constructed at the project site. The additional residential units would not result in a substantial increase of new noise sources levels compared to the existing noise levels associated within the area, which consists of a mix of commercial and residential uses. The proposed project would result indoor and outdoor activities similar to existing uses and would not generate substantial new noise sources levels. Therefore, the project would not result in generation of a substantial permanent increase in ambient noise levels, resulting in a *less-than-significant impact*.

Project construction, including excavation and site remediation activities, would result in a temporary increase in existing noise levels during excavation and construction of the project. Noise impacts resulting from construction depend on the noise generated by various pieces of construction equipment, the timing and duration of noise-generating activities, and the distance between construction noise sources and noise-sensitive receptors, as well as existing ambient noise levels. Noise generated during construction would vary throughout the construction period and on any given day, depending on the construction phase and the type and amount of equipment used at the construction site. The highest noise levels would be generated during grading of the site, with lower noise levels occurring during building construction and finishing. The areas immediately adjacent to the project site are generally commercial uses, although residential uses are located to the northeast. However, overall, construction noise levels would be temporary, short-term, and fluctuate throughout the course of project construction. There are no standards in the City's General Plan or Municipal Code that regulate construction impacts, although section 9.36.10(e) permits construction of specified activities between the hours of 10 PM and 8 AM with City approval. Because

construction noise impacts would be temporary, the impact of construction noise would be considered *less than significant*.

(b) Generation of Excessive Vibration. Construction activities can cause vibration that varies in intensity. The use of pile driving and vibratory compaction equipment typically generates the highest construction-related groundborne vibration levels. Construction and operational activities associated with the project, including demolition are not expected to create significant sources of groundborne vibrations or other excessive noise events as no equipment is anticipated to be used that would generate substantial groundborne vibration. However, removal of a remaining underground concrete gas tank holder foundation as part of the site remediation could involve use of impact equipment that could cause vibration, affecting the nearby structure north of the project site. Project construction includes excavation for an underground parking garage near the bottom of the adjacent ascending slope. The depth of excavation is about 12 feet below existing grade. Based on the underlying soil conditions and excavation depth, it is anticipated that a shoring system for excavation will consist of soldier piles (steel beams) and wood lagging and that the drilling equipment used to install soldier piles would not generate significant vibration, although vibration monitoring during construction was recommended (SOURCE V.10c). Subsequent reviews indicate that use of low vibratory equipment should be used to remove the underground tank foundation (SOURCE V.10d).

> MITIGATION MEASURE NOI-1: Require use of low-vibratory equipment for excavation and ground improvement as set forth in project geotechnical investigations and require vibration monitoring during excavation and installation of shoring system in accordance with recommendations by project geotechnical engineers and implement remedial measures, if needed, if monitoring shows evidence of slope instability or potential damage to adjacent structures.

(c) Location Near Airport. The project site is not located near a public airport or private airstrip, therefore *no impact* would occur.

14. Population and Housing

(a) Population Growth. The City had a population of 64,075 people as of January 1, 2022 (SOURCE V.5). Based on the City's existing average household size of 2.3, the proposed project's addition of 26 apartments would result in a maximum population increase of approximately 61 people, resulting in a total City population of 64,136 residents when added to the City's existing population. This is within the regional population forecast of 68,845 for the City of Santa Cruz for the year 2025 (SOURCE V.3a). Therefore, the proposed project would not substantially induce unplanned population growth. Therefore, the increase in population would be within planned growth, and the project would result in a *less-than-significant impact*.

(b) Displacement of People or Housing. The project would result in 26 new residential units. Currently, there are no residential units at the project site, and therefore the proposed project would not result in the displacement of people or housing. Therefore, the project would result in *no impact.*

15. Public Services

(a-b, d-e) Fire, Police, Parks, and Other Public Services. The proposed project would be served by existing public services. The project would have no measurable effect on existing public services in that the incremental increase in demand would not require expansion of any services to serve the project. Construction of new fire or police facilities to serve the project would not be warranted. New development would be required to install automatic fire sprinklers and alarms in accordance with City requirements and comply with other Fire Department recommendations regarding access.

As indicated in Section III.B above, the City's General Plan EIR considered construction of approximately 3,350 residential units throughout the City to the year 2030 (SOURCE V.1b-DEIR volume). The proposed construction of the 3-story mixed-used building and underground garage would be within the overall amount of residential development evaluated at a program level in the General Plan EIR, and this Initial Study tiers off and incorporates by reference the General Plan EIR for public services as discussed in Section III.B above. The EIR analyses concluded that impacts of potential development and buildout accommodated by the General Plan would be less than significant for fire and police protection services and parks and recreation. (The analyses are included on pages 4.6-33 to 4.6-40 of the Draft EIR volume and pages 3-19 to 3-22 of the Final EIR volume.) Since the size of the proposed project would fall within the total amount of potential development analyzed in the General Plan EIR, no further analysis is required regarding public services and the project's impact would be *less than significant*.

(c) Schools. The project would result in future construction of in 22 one bedroom apartment units and 4 studio apartment units. The proposed units would be served by the Santa Cruz City Schools. The project would result in an estimated enrollment increase of less than one student throughout all grades based on student enrollment factors included in the General Plan EIR (SOURCE V.1b, DEIR volume). Schools serving the project site (Westlake Elementary, Branciforte Middle School, and Harbor High School) have capacity to serve the project based on current enrollments, and expansion would not be required to serve the project (Ibid.). The project would be required to pay school impact fees that are collected at the time of issuance of a building permit. Therefore, the project would result in a *less-than-significant* impact on public schools.

16. Recreation

As indicated in Section III.B above, The City's General Plan EIR considered construction of approximately 3,350 residential units throughout the City to the year 2030 (SOURCE V.1b-DEIR volume). Thus, the construction of a mixed-use building including office space and 26 residential units would be within the overall amount of residential development evaluated at a program level in the General Plan EIR, and this Initial Study tiers off and incorporates by reference the General Plan EIR for public services, as discussed in Section III.B above. The EIR analyses concluded that impacts of potential development and buildout accommodated by the General Plan would be less than significant for parks and recreation. (The analyses are included on pages 4.6-37 to 4.6-40 of the Draft EIR volume and pages 3-19 to 3-22 of the Final EIR volume.) Given that the proposed project would be within the overall amount of residential development

evaluated in the General Plan EIR, the project's impact on parks and recreational facilities would be *less than significant*.

17. Transportation/Traffic

(a) Conflict with Circulation Plan, Policy, or Ordinance. The project site is on North Pacific Avenue near its intersection with River Street. The *General Plan 2030* includes goals, policies and actions that set forth comprehensive measures to reduce vehicle trips, increase vehicle occupancy, encourage use of alternative transportation modes, and promote alternative-sustainable land use patterns, all of which would help reduce vehicle trips, and avoid and minimize adverse impacts related to traffic. The City's General Plan strives to maintain the established "level of service" D or better at signalized intersections (M3.1.3). "Level of service" (LOS) is typically used to evaluate traffic operations, in which operating conditions range from LOS "A" (free-flowing) to LOS "F" (forced-flow). Caltrans endeavors to maintain a target LOS at the transition between LOS C and D on State highway facilities. The City's General Plan also accepts a lower level of service and higher congestion at major regional intersections if necessary improvements would be prohibitively costly or result in significant, unacceptable environmental impacts (M3.1.4).

In the project area, the Highway 1/River Street (Highway 9) intersection is currently operating at unacceptable LOS during the weekday PM peak hour based on City and Caltrans LOS standards (SOURCE V.1b, DEIR volume). Improvements are planned at this intersection, although improvements would improve operations, but would not result in an acceptable LOS of D or better. However, the City has historically accepted a lower LOS at these intersections, which would be considered major intersections, and are also included in the existing General Plan as deficient intersections for which a lower LOS would be accepted (SOURCE V.1a).

Impact Analysis. The proposed project would result in an increase of approximately 173 daily trips and 17 PM peak hour vehicle trips based on standard trip generation rates included in the City's Downtown Plan Amendments EIR (SOURCE V.2b). While improvements are planned at the Highway 1/River Street intersection, the City has accepted a lower LOS of these regional intersections. Additionally, the project would be required to pay the City's traffic impact fee at the time of building permit issuance. The project would not affect the performance of transit, bicycle, or pedestrian facilities. Therefore, the project would not conflict with plans or policies regarding the City's circulation system, resulting in *no impact*.

(b) Conflicts with State CEQA Guidelines. CEQA Guidelines section 15064.3, subdivision (b) codifies the switch from LOS to vehicle miles traveled (VMT) as the metric for transportation analysis pursuant to state legislation adopted in 2013. In September 2013 Governor Brown signed Senate Bill 743 which made significant changes to how transportation impacts are to be assessed under CEQA. SB 743 directs the Governor's Office of Planning and Research (OPR) to develop a new metric to replace LOS as a measure of impact significance and suggests vehicle miles travelled as that metric. According to the legislation, upon certification of the guidelines, automobile delay, as described solely by LOS shall not be considered a significant impact

(Section 21009(a)(2)). SB 743 also creates a new CEQA exemption for certain projects that are consistent with the regional Sustainable Communities Strategy.

The City of Santa Cruz adopted a VMT transportation threshold on June 9, 2020 in accordance with CEQA and state requirements. The threshold generally establishes that a project exceeding a level of 15% below the County-wide average VMT may be a significant transportation impact. The City's guidelines to determine whether a land use project is within the VMT threshold includes a screening process in which situations are identified under which projects are determined not have a significant impact and further analysis is not required. City staff review of preliminary screening maps indicate that the project site is located in an area with VMT lower than the County average. Additionally, projects within one half-mile of an existing major transit stop would be expected to result in a less-than-significant impact (SOURCE V.2c). The project site is located within one-half of a major transit stop (Water Street/Ocean Street intersection). Thus, the project would not result in a significant impact related to VMT based on the City's adopted threshold and would not conflict or be inconsistent with CEQA Guidelines section 15064.3, resulting in *no impact*.

(c) Design-Safety. The proposed driveway has been designed in accordance with City requirements, and there are no access designs that would substantially increase hazards. Therefore, the project would result in *no impact* related to project design that could result in substantial increases in hazards.

(d) Emergency Access. The project has been designed in accordance with City police and fire department requirements and would provide for adequate emergency access. Therefore, the project would result in *no impact* related to emergency access.

18. Tribal Cultural Resources

As indicated above in Sections VI.5 and 9, the project site was part of a larger property that was a commercial gas manufacturing plant. Environmental review conducted for soil remediation at the site included a records search at CHRIS and a sacred lands search request to the Native American Heritage Commission (NAHC). NAHC responded that "Native American cultural resources were not identified in the project area" and that there were no known archaeological resources within the surveyed area (SOURCE V.11b).

Assembly Bill (AB) 52 requires that California lead agencies consult with a California Native American tribe that is traditionally and culturally affiliated with the geographic area of a proposed project, if so requested by the tribe. AB 52 also specifies that a project with an effect that may cause a substantial adverse change in the significant of a tribal cultural resource (TCR) is a project that may have a significant effect on the environment. Defined in Section 21074(a) of the Public Resources Code, a TCR is a site feature, place, cultural landscape, sacred place, or object, which is of cultural value to a California Native American tribe and is either listed in or eligible for listing in the California Register of Historical Resources or a local historic register, or the lead agency, at its discretion, chooses to treat the resource as a TCR.

a-b) Tribal Cultural Resources and Consultation. The California Public Resources Code section 21084.2 establishes that "[a] project with an effect that may cause a substantial adverse change in the significance of a tribal cultural resource is a project that may have a significant effect on the environment." The Public Resources Code requires a lead agency to consult with any California Native American tribe that requests consultation and is traditionally and culturally affiliated with the geographic area of a proposed project. In April 2022, the City received a request from the Amah Mutsun Tribal Band of Costanoan/Ohlone Indians that their tribe is traditionally and culturally affiliated with the geographic area of the City and requests notice of proposed projects pursuant to CEQA Public Resources Code section 21080.3. The request was received after the proposed project was determined to be complete, and thus notification is not required.

While there are no known tribal cultural resources meeting the above definition on the project site, the project site is located within an area identified as being sensitive for archaeological resources. While no known TCRs are located on the project site, it is possible that ground-disturbing activities would have the potential to encounter unknown subsurface resources, the discovery of which would be subject to procedures outline in City regulations as described in section VI.5. Section 24.12.430 of the City's Municipal Code sets forth the procedure to follow in the event that unknown archaeological materials are unearthed during construction, as described in Section VI.5 above. Thus, the project would have a less-than-significant impact on tribal cultural resources. Therefore, the proposed project would result in *no impact* to tribal cultural resources.

19. Utilities and Service Systems

(a) Relocation or Construction of Utilities. The project would be served by existing utilities. The project would not include extension or relocation of utilities, and there would result in *no impact*.

(b) Water Supply. The project site is located within the service area of the City of Santa Cruz Water Department, which serves an approximate 20-square-mile area. The service area includes the entire City of Santa Cruz, adjoining unincorporated areas of Santa Cruz County, a small part of the City of Capitola, and coastal agricultural lands north of the City. Water is treated at the City's Graham Hill Water Treatment Plant (GHWTP), except for groundwater, which is treated as part of the Beltz well system.

Water Supplies. The City's water system is comprised of four main sources of supply: San Lorenzo River diversions (including the Tait wells); North Coast spring and creeks; Loch Lomond Reservoir; and the Beltz wells. Over the past decade, the North Coast sources represented 26 percent of the total water supply, the San Lorenzo River represented 55 percent, Newell Creek (Loch Lomond Reservoir) represented 14 percent, and Beltz wells contributed the remaining 5 percent (SOURCE V.2a).

Water Demand. Water demand in the City's water service area has fluctuated over the past 10 years. The 2015 UWMP indicates that water consumption in the service area ranged between nearly 3,800 MGY in 2006 to approximately 2,500 MGY in 2015 (SOURCE V.2a). The 2015 water

demand was during the second year of a severe drought with water use restrictions and rationing in place.

In November 2021, the City adopted the 2020 UWMP, which reported that annual water use has decreased since the early 2000s and annual water use fell to a level of about 2.5 billion gallons, similar to the level experienced during the 1970s drought. However, in 2020, demand was still at a similar level as 2015, about 2.6 billion gallons, despite several years above long-term average rainfall from 2016 and 2020. Current projections forecast that water use over the next 25 years, including projected population growth, will increase at a very slow rate to reach approximately 2.8 billion gallons per year by 2045 (SOURCE V.2d).

With implementation of the City's proposed water rights modifications and water supply augmentation strategies as summarized below, the City projects having sufficient water available in normal years and single dry years to serve anticipated demand throughout the 2020-2045 UWMP planning period. However, the City's 2020 UWMP predicts that under multi-year drought conditions in the near term (2025) with proposed water rights modifications but before implementation of the planned aquifer storage and recovery (ASR) facilities and planned infrastructure projects, available supplies would meet projected demand in years one through four of the multi-year drought scenario, but would fall short of demand by 27 percent in year five, although such a shortage could occur sooner and persist longer through a multiple dry year period. Under multi-year drought conditions after 2030, with implementation of the ASR and planned infrastructure projects, available supplies would meet projected demand in years one through four of the multi-year drought scenario, and the year-five shortage is anticipated to be substantially reduced with projected shortages no larger than a negligible two percent or five percent with consideration of climate change parameters in dry years (SOURCE V.2d).

The 2020 UWMP indicates that while the City is vulnerable to water shortages during later years of a multiple dry year period primarily due to the limitation in when and how much water is available to meet system demand, exacerbated by a lack of storage within the system, the City is actively planning and implementing a number of projects and major investments in the water system designed to secure future water supply reliability. Since 2015, the City of Santa Cruz has been pursuing a Water Supply Augmentation Strategy (WSAS) developed by the Water Supply Advisory Committee, a citizen committee, which was formed in 2014 by Santa Cruz City Council with the charge to analyze potential solutions to deliver a safe, adequate, reliable, affordable and environmentally sustainable water supply for the City of Santa Cruz. The WSAS portfolio elements, which are being pursued on a concurrent timeline, include:

- **Element 0: Demand Management.** Demand Management, or conservation, is not considered a water supply for the purposes of the UWMP, but is addressed in the UWMP 2020.
- **Element 1: Transfers and Exchanges.** The City has been piloting water transfers to the Soquel Creek Water District since 2018, as water supplies are available, under a cooperative piloting agreement that extends through 2025. Potential water transfers and exchanges with local water districts in addition to the Soquel Creek Water District, include Central Water District, Scotts Valley Water District, and San Lorenzo Valley Water District, which would be facilitated by the City's proposed water rights modifications to place of use as briefly summarized below.

- **Element 2: Aquifer Storage and Recovery (ASR).** The City has been evaluating the feasibility of ASR in both the Santa Cruz Mid-County and in the Santa Margarita Groundwater Basins, with current work primarily focused on the portion of Santa Cruz Mid-County Basin within the City of Santa Cruz service area. Pilot testing has been conducted at the existing Beltz 8 and Beltz 12 well facilities to better understand potential water quality and operational constraints. Implementation of ASR also may occur in the future in the Santa Margarita Groundwater Basin.
- **Element 3: Recycled Water or Desalination.** Following completion of the 2017 Desalination Feasibility Update Review Report, further study of recycled water has been prioritized over study of seawater desalination. The City is continuing to examine the use of recycled water through commissioned engineering studies. The 2018 Recycled Water Facilities Planning Study recommendation includes two projects that would provide non-potable reuse in the City. The City is also committed to exploring other reuse opportunities, including: coordination with Soquel Creek Water District's Pure Water Soquel project, exploring groundwater replenishment and reuse at Beltz Well system, and exploring groundwater replenishment and reuse in Santa Margarita Groundwater Basin (SOURCE V.2c).

The City is also pursuing the Santa Cruz Water Rights Project to support the implementation of the WSAS. The project involves the modification of the City's existing water rights to increase the flexibility of the water system by improving the City's ability to utilize surface water within existing allocations. This project also incorporates into the City's water rights bypass flow requirements for all of the City's surface water sources which are protective of local anadromous fisheries. The primary components of the Santa Cruz Water Rights Project include:

- Water rights modifications related to place of use, method of diversion, points of diversion and re-diversion, underground storage and purpose of use, extension of time, and stream bypass requirements for fish habitats;
- Water supply augmentation components, including new aquifer storage and recovery (ASR) facilities at unidentified locations, ASR facilities at the existing Beltz Well facilities, water transfers and exchanges and intertie improvements; and
- Surface water diversion improvements, including the Felton Diversion fish passage improvements and the Tait Diversion and Coast Pump Station improvements (SOURCE V.2c).

In addition, as required by California Water Code and to manage risks due to water supply shortages that can be expected in the future, the 2020 UWMP includes a Water Shortage Contingency Plan that addresses how the City's water system would be managed during a water shortage emergency that arises as a result of drought, which could result in required customer water use reductions (SOURCE V.2c). Furthermore, the City continues to administer its water conservation program, has completed a Conservation Master Plan.

When any new water service is connected to the City system, it is charged a System Development Charge (SDC) that is to be used to do whatever needs to be done to the system

to accommodate new demand. A portion of that SDC is dedicated to funding and administering water conservation projects that help to offset the increased demand.

Impact Analysis. The proposed project would result in increased potable water demand, which would not be substantial and could be served by existing City water supplies, which would be adequate to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years. Therefore, the impact is *less than significant*.

The proposed project would result in future construction of a mixed-use project with 26 residential units and office space that is approximately equal in square footage as the existing office building. The project is estimated to result in a net increase of approximately 0.5 MGY based on water demand rates identified in the City's *General Plan 2030* EIR. Current water supplies are adequate during normal and most drought years, except for later years in a multi-year drought, to serve the project. The 2020 UWMP predicts that water supplies will be adequate in normal and single dry years to serve estimated growth within the City of Santa Cruz water service area. Under present conditions, there are adequate supplies to serve the project and reasonably foreseeable development during normal and single-dry year conditions.

The 2020 UWMP documents a trend of declining water demand since the year 2000, and total water demand is projected to increase at a very slow rate over the 20-year UWMP period due to continued implementation of conservation programs and other measures. The UWMP projects adequate water supplies in normal and single-dry years. However, projections for the year 2025 estimate a shortfall in the fifth year of a multi-year drought and only a minimal shortfall during this period with implementation of the City's proposed water augmentation strategies (SOURCE V.2d). Current water supplies are adequate during normal and single-dry years to serve the project and other reasonably foreseeable development. During periods of dry years and drought, water customers would be subject to water curtailment as enacted by the City. A multiple dry year scenario would require more substantial curtailment of all water customers. However, the proposed project's minimal demand (less than one hundredth of one percent of the total water service area demand) would not have significant effects on the levels of water supply or curtailment that would be required throughout the service area. Therefore, the impact of increased water demand on water supplies due to the proposed project is considered less than significant as there are sufficient supplies from existing sources to serve the project.

The City also considered availability of water supplies to serve the project and other "reasonably foreseeable future development" in accordance with the recently revised CEQA Guidelines (Appendix G). Reasonably foreseeable development was determined to be those projects that are under construction or approved within the City's service area.[4] Based on this review, approximately 2,990 residential units, 250 hotel rooms, and 58,200 square feet of commercial, industrial and office uses would be considerable reasonably foreseeable as projects have been approved or are under construction. Based on City

[4] Based on review of City cumulative projects (see https://www.cityofsantacruz.com/government/city-departments/planning-and-community-development/planning-division/active-planning-applications-and-status) and review with Santa Cruz County Planning Department.

water demand rates and projections, reasonably foreseeable development could result in a water demand of approximately 65 MGY and approximately 66 MGY with the water demand associated with the proposed Project. Based on the water demand Based on the UWMP supply projections, adequate supplies would be available to serve the project and reasonably foreseeable development in normal and single-year drought periods. Water supplies would be deficient during multiple dry years without implementation of the City's planned water augmentation strategies. However, the demand from the project and reasonably foreseeable development represents about two percent of total demand, which would not result in more stringent contingency measures than already anticipated for a multiple dry year period. Therefore, water supplies are sufficient to serve the project and reasonably foreseeable development, and the impact is less than significant.

As described above, the City continues to administer its water conservation program, has completed a Conservation Master Plan, and is implementing a water augmentation plan. The City has defined water supply augmentation strategies that are being studied in order to provide increased production between 2020 and 2035 to address potential drought shortages. The plan includes the pursuit of the following portfolio of options: continued and enhanced conservation programs; passive recharge of regional aquifers; active recharge of regional aquifers; and a potable supply using advanced treated recycled wastewater or desalinated water if recycled water did not meet City needs. These prospective sources are still under evaluation. A water transfer pilot program is underway for the passive recharge strategy.

(c) Wastewater Treatment Capacity. The project would be served by existing utilities, and the General Plan EIR concluded that the City's wastewater treatment facility would be adequate to handle growth and development accommodated by the General Plan and would not require expansion or construction of facilities to serve future growth. As indicated in section III.B above, the City's General Plan EIR considered development of approximately 3,350 residential units and 3,140,000 square feet of commercial, office, and industrial development within the City to the year 2030 (SOURCE V.1b, DEIR volume). The proposed project is within the remaining unbuilt residential units evaluated in the General Plan EIR as discussed in section IV.B. The General Plan EIR analyses concluded that impacts of potential development and buildout accommodated by the General Plan would be less than significant for wastewater treatment. Since the size of the proposed project would fall within the total amount of potential development analyzed in the General Plan EIR, as well as remaining undeveloped residential units, and this Initial Study tiers off and incorporates by reference the General Plan EIR for public utility and service systems, increased wastewater generated by the project would result in a *less-than-significant impact* on wastewater treatment capacity. (The General Plan EIR analyses are included on pages 4.6-41 to 4.6-43 of the Draft EIR volume.)

(d-e) Solid Waste Disposal. The General Plan EIR concluded that the City's landfill would be adequate to handle growth and development accommodated by the General Plan and would not require expansion or construction of facilities to serve future growth. As indicated in section IV.B above, the City's General Plan EIR considered development of approximately 3,350 residential units and 3,140,000 square feet of commercial, office, and industrial development within the City to the year 2030 (SOURCE V.1b, DEIR volume), and the proposed project is within

the total and remaining unbuilt residential units. The EIR analyses concluded that impacts of potential development and buildout accommodated by the General Plan would be less than significant for solid waste disposal. Since the size of the proposed project would fall within the total amount of potential development analyzed in the General Plan EIR, as well as remaining undeveloped residential units, and this Initial Study tiers off and incorporates by reference the General Plan EIR for public utility and service systems, solid waste generated by the project would result in a *less-than-significant impact* on landfill capacity. (The General Plan EIR analyses are included on pages 4.6-43 to 4.6-44 of the Draft EIR volume.)

20. Wildfire

(a) Emergency Plans. Existing and proposed access to the project site via north is at the intersection at River Street and North Pacific Avenue. From the southwest the project may be accessed at the intersection of Mission Street and North Pacific Avenue. From the southeast the project may be accessed at the intersection of Bulkhead Street and North Pacific Avenue approaching from the southeast. The project includes construction of a 3-story mixed-use building which includes a ground floor office space and parking, 26 residential units, and an underground parking structure. The proposed plans would not include any changes to existing public roadways that provide emergency access to the site. Therefore, the project would not substantially impair an adopted emergency response or evacuation plan and would result in *no impact*.

(b-d) Wildfire Impacts and Exposure. The project site is not located in or near a state responsibility area (SOURCE V.1a-DEIR Figure 4.6-1). The potential for wildlands fires represents hazards where development is adjacent to open space or within close proximity to wildland fuels or designated fire severity zones. The proposed project is located in an urban environment and the project would not exacerbate wildfire risks with the addition of a new mixed-use building. Therefore, the project would not exacerbate wildfire risks, resulting in *no impact.*

(c-d) Fire Hazards. The proposed project would be constructed in an existing developed area and would not require the installation of infrastructure that would exacerbate fire risks. The project site and adjacent parcels to the north, east, and south are located in a generally flat topography and would not result in downstream flooding, or landslides, or expose people and structures to significant risk as a result of post-fire slope instability, or drainage changes. The project site and surrounding area are not prone to high fire activity and the event of severe post-fire impacts would be unlikely. Therefore, the project and surrounding area would not expose people or structures to a significant risk related to wildfires, resulting in *no impact.* See also section IV.9(g) above.

21. Mandatory Findings of Significance

(a) Quality of the Environment. Although potentially significant impact to cultural resources is identified, which can be mitigated to a less-than-significant level, there are no known or recorded resources on the project site, and the proposed project wound not result in elimination of important examples of major period of California history or prehistory with implementation of mitigation measures. The project would have a less-than-significant effect

on biological resources with implementation of mitigation measures regarding pre-construction surveys for nesting birds. The project would not degrade the quality of the environmental or otherwise substantially adversely affect fish and wildlife habitats or threaten to eliminate a plant or animal community.

(b) Cumulative Impacts. Cumulative impacts related to development accommodated by the City's General Plan were found to be less than significant in the General Plan EIR, except for potential significant cumulative impacts related to traffic, water supply, population, and noise. The proposed project would not contribute to the identified significant cumulative noise impact as the identified street segments where increased noise levels are projected are outside of the project area (Westside industrial area). The cumulative population impact included growth within the City and at the University of California Santa Cruz campus if the North Campus area were annexed to the City. While the proposed project would contribute to cumulative population growth, the population resulting from the proposed project would be consistent with regional growth forecasts and would not be cumulatively considerable given the projected cumulative growth.

The proposed project would contribute to significant cumulative impacts related to traffic and water supply as identified in the General Plan EIR. As indicated in Section III.B above, the City's General Plan EIR considered development of 3,350 residential units throughout the City to the year 2030 (SOURCE V.1b-DEIR volume). The City's General Plan includes a range of policies and actions to reduce vehicular trips, and the City has also updated its Traffic Impact Fee Program, which identifies improvements to citywide intersections. The project would be subject to payment of traffic impact fees that would mitigate the project's contribution to a significant cumulative traffic impacts, and thus, the project's incremental contribution would not be cumulatively considerable. Furthermore, since certification of the General Plan EIR, the State CEQA Guidelines requirement for analysis of traffic impacts changed from LOS to VMT (see section IV.17 above), and the project would not result in a transportation impact based on VMT.

The City's adopted 2020 UWMP predicts adequate water supplies in normal and single-dry years. However, projections for the year 2025 estimate a shortfall in the fifth year of a multi-year drought and only a minimal shortfall during this period with implementation of the City's proposed water augmentation strategies (SOURCE V.2d). Without augmented water supplies, cumulative future water demand during multi-year dry periods is considered a potentially significant cumulative impact on water supplies.

As discussed in Section VI.19(b), the City continues to administer its water conservation program, has completed a Conservation Master Plan, and is implementing a Water Augmentation Plan. The City has defined water supply augmentation strategies that are being studied in order to provide reliable production during drought shortages between 2020 and 2035 to address potential drought shortages. The plan includes the pursuit of the following portfolio of options: continued and enhanced conservation programs; passive recharge of regional aquifers; active recharge of regional aquifers; and a potable supply using advanced treated recycled wastewater or desalinated water (if recycled water did not meet City needs). A water transfer pilot program is underway for the passive recharge strategy. Supply volumes for the other augmentation elements have not yet been defined, and specific projects have not

been selected or constructed, as these prospective sources are still under evaluation. Thus, the long-term provision of augmented water supplies is under development, but uncertain.

The proposed project would result in a net increase in water demand of approximately 0.6 MGY, which is not considered substantial in relation to the estimated future demand in the City's water service area of approximately 2,800 MGY. The proposed project would be subject to City requirements for installation of water conserving fixtures in accordance with City Municipal Code and building requirements. Additionally, under drought conditions, project residents, like other City customers, would be required to curtail water use by varying amounts, depending on the severity of the drought. The potential increase due to project water demand would not substantially exacerbate water supply reliability during a drought or due to cumulative growth because the amount of additional demand when spread across all service area customers would not result in any noticeable increase in the curtailment in customer use that would otherwise be implemented during drought conditions. The project water demand represents less than one-hundredth of one percent of the annual water demand. Therefore, the project's incremental contribution to a significant cumulative water supply impact would not be cumulatively considerable. The project would be subject to City requirements for installation of water conserving fixtures and landscaping in accordance with City Municipal Code and building requirements.

The General Plan EIR did identify a potential significant impact related to increased student enrollments in grades K-12, which could exceed existing school facility capacities depending on the timing and rate of growth as the increase would not happen all at once. The EIR concluded that with required payment of school impact fees to fund necessary facility expansion and/or additions, in conjunction with the District's potential reuse of the former Natural Bridges Elementary School if needed, the impact would be mitigated to a less-than-significant level. The EIR also found that potential addition or expansion of school classroom facilities is not expected to result in significant physical impacts due to the location of existing facilities within developed footprints. The proposed project and resulting increase in one new residence would not result in impacts to schools that are at or approaching capacity as discussion in subsection 15(c) above. Additionally, the new dwelling units would be subject to payment of school impact fees in effect at the time of issuance of building permits. Therefore, the project's cumulative contribution would not be considerable.

(c) Substantial Adverse Effects on Human Beings. No environmental effects have been identified that would have direct or indirect adverse effects on human beings.

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ATTACHMENT A

KEY CHEMICAL CONCENTRATIONS IN SOIL
REPRESENTING POST-REMEDIATION CONDITIONS - 2035 PACIFIC AVENUE

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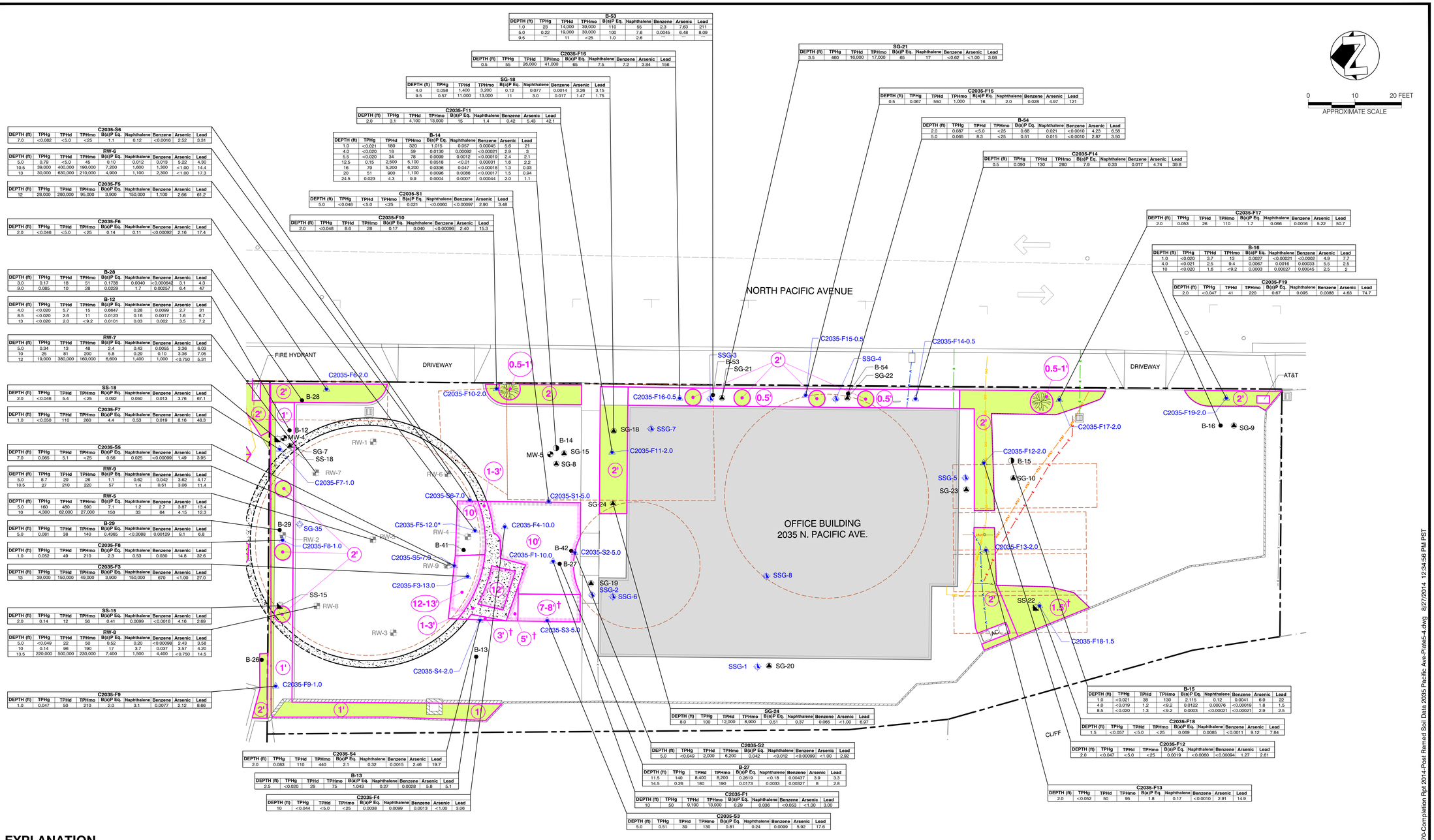

EXPLANATION

- SSG-5 — SUBSLAB SOIL GAS PROBE
- SG-35 — POST-REMEDIATION SOIL GAS PROBE (TPG, 2014)
- C2035-F3 — CONFIRMATION SOIL SAMPLE REPRESENTING POST-REMEDIATION CONDITIONS
- PREVIOUS SOIL BORING
- PREVIOUS SOIL BORING (GRAB GROUNDWATER OR LNAPL SAMPLE COLLECTED)
- PREVIOUS COMBINED SOIL BORING AND SOIL GAS PROBE
- PREVIOUS SOIL GAS PROBE
- MONITORING WELL
- PLANTER SOIL SAMPLE
- FORMER DEWATERING OR MONITORING WELL
- EXTENT OF EXCAVATION
- HISTORICAL MGP FEATURE
- PARCEL BOUNDARY
- PROPERTY LINE
- RETAINING WALL
- EXISTING UNDERGROUND AT&T DUCTS (AT&T)
- EXISTING UNDERGROUND ELECTRICAL (E)
- EXISTING UNDERGROUND GAS LINES (G)
- EXISTING STORM DRAIN (D)
- EXISTING UNDERGROUND WATER LINES (W)
- EXISTING BUILDING
- LARGE DIAMETER AUGER
- EXISTING LANDSCAPED PLANTER
- SLOT TRENCH EXCAVATION AREA
- BURIED CONCRETE/DEBRIS/UNKNOWN STRUCTURE
- 2' — EXCAVATION DEPTH OR DEPTH RANGE IN FEET BELOW GROUND SURFACE (BGS)
- EXISTING TREE

NOTES:

1. THE 10-FOOT TARGET DEPTH FOR THE LARGE DIAMETER AUGERS WAS NOT ACHIEVED IN ALL AREAS DUE TO UNDERGROUND CONCRETE, DEBRIS, OR OTHER UNKNOWN STRUCTURES.
2. ONLY UNDERGROUND UTILITY LINES THAT RESTRICTED EXCAVATION ARE PRESENTED.
3. SOIL AROUND EXISTING TREE ROOTS WAS REMOVED TO EXTENT POSSIBLE AND PROTECTIVE OF TREE.
4. ASTERISK (*) DESIGNATES SAMPLES COLLECTED DEEPER THAN FINAL EXCAVATION DEPTH BY POTHOLING.
5. DOUBLE ASTERISK (**) DESIGNATES SAMPLES COLLECTED BENEATH CONCRETE STRUCTURE.
6. DAGGER (†) DESIGNATES AREAS EXCAVATED TO TOP OF BEDROCK.
7. DOUBLE DAGGER (‡) DESIGNATES EXCAVATION AREA BACKFILLED WITH SLURRY

P:\Drafting\Projects\PGE-1070\Completion Rpt 2014\1012-PGE-1070-Completion Rpt 2014-Post Remed Soil Data 2035 Pacific Ave-Plate5-4.dwg 8/27/2014 12:34:56 PM PST

REV	DATE	REVISION DESCRIPTION	BY

ENGINEER OF WORK:

BAR SHOULD BE EXACTLY ONE INCH

SCALE: 1" = 20'
DESIGNED BY: ---
DRAWN BY: ---
CHECKED BY: ---
APPROVED BY: ---
DRAWING STATUS: **DRAFT**

TERRA PACIFIC GROUP
Environmental Engineering, Consulting, and Construction

SITE PLAN SHOWING KEY CHEMICAL CONCENTRATIONS IN SOIL REPRESENTING POST-REMEDIATION CONDITIONS - 2035 PACIFIC AVENUE

FORMER SANTA CRUZ MGP SITE
SANTA CRUZ, CALIFORNIA

PROJECT: PGE-1070 DATE: 8/27/2014

PLATE: 4 OF 4
PLATE: **5-4**