CHAPTER 5
CEQA CONSIDERATIONS

Section 15126 of the California Environmental Quality Act (CEQA) Guidelines requires that all aspects of a project must be considered when evaluating its impact on the environment, including planning, acquisition, development, and operation. The EIR must also discuss (1) significant environmental effects of the proposed project, (2) significant environmental effects that cannot be avoided if the proposed project is implemented, (3) significant irreversible environmental changes that would result from implementation of the proposed project, and (4) growth-inducing impacts of the proposed project. Chapter 2, Summary, and Sections 4.1 through 4.5 of this EIR provide a comprehensive identification and evaluation of the proposed project's environmental effects, mitigation measures, and the level of impact significance both before and after mitigation. This section addresses the other required topics identified above, as well as cumulative impacts and project alternatives.

5.1 SIGNIFICANT UNAVOIDABLE IMPACTS

The State California Environmental Quality Act (CEQA) Guidelines require a description of any significant impacts, including those that can be mitigated but not reduced to a level of insignificance (section 15126.2(b)). Where there are impacts that cannot be alleviated without imposing an alternative design, their implications and the reasons why the project is being proposed, notwithstanding their effect, should be described. This EIR identified the following significant unavoidable project impacts: cultural resources (historical resources). As discussed in Chapter 6 of this EIR, alternatives to fully or partially preserve the existing historical structures in place were considered but determined to be infeasible and would not avoid the significant and unavoidable cultural resources impact. Other alternatives were carried forward for full discussion that would reduce the cultural resources impact slightly, but not to a less than significant level.

5.2 SIGNIFICANT IRREVERSIBLE ENVIRONMENTAL CHANGES

The State CEQA Guidelines require a discussion of significant irreversible environmental changes with project implementation, including uses of nonrenewable resources during the initial and continued phases of the project (section 15126.2(d)). The Guidelines indicate that use of nonrenewable resources during the initial and continued phases of the project may be irreversible since a large commitment of such resources makes removal or nonuse thereafter unlikely. Primary impacts and particularly, secondary impacts (such as highway improvement which provides access to a previously inaccessible area) generally commit future generations to similar uses. Irreversible damage can also result from environmental accidents associated with the project. Section 15227 further requires this discussion only for adoption of a plan, policy or ordinance by a public agency, the adoption by a Local Agency Formation Commission (LAFCO) of a resolution making

determinations, and projects which require preparation of an EIS under the National Environmental Policy Act (NEPA). The proposed Project does not meet these requirements as a mixed-use, development project. However, a discussion of significant irreversible changes was provided in the *Downtown Plan* Amendments EIR that was certified in November 2017, which is summarized below.

As indicated, in section 15126.2(d):

> Uses of nonrenewable resources during the initial and continued phases of the project may be irreversible, since a large commitment of such resources makes removal or nonuse thereafter unlikely. Primary impacts and, particularly, secondary impacts (such as highway improvement which provides access to a previously inaccessible area) generally commit future generations to similar uses. Also, irreversible damage can result from environmental accidents associated with the project. Irretrievable commitments of resources should be evaluated to assure that such current consumption is justified.

According to section 15126.2(d), a project would generally result in a significant irreversible impact if:

- The project would involve a large commitment of nonrenewable resources during initial and continued phase of the project;
- Primary and secondary impacts would generally commit future generations to similar uses;
- The project would involve uses in which irreversible damage could result from environmental accidents; or
- The proposed consumption of resources is not justified (e.g., the project involves the wasteful use of energy).

The Project would result in intensified development on a site that is already utilized for urban development and is surrounded by urban development. Both the *Downtown Plan* and General Plan encourage a mix of land uses in this area. Thus, the proposed Project would not commit future generations to uses that do not already exist.

The *Downtown Plan* Amendments EIR concluded that future development in the downtown area, including the Project site, would result in the permanent and continued consumption of electricity, natural gas, and fossil fuels. Construction activities would result in the irretrievable commitment of nonrenewable energy resources, primarily in the form of fossil fuels (including fuel oil, natural gas, and gasoline) for automobiles and construction equipment. Development would irretrievably commit nonrenewable resources to the construction and maintenance of buildings and infrastructure. Energy demands would result for construction, lighting, heating and cooling of residences, and transportation of people to and from the Project site. However, the consumption

of these resources would not represent unnecessary, inefficient, or wasteful use of resources as discussed in Section 4.5 of this EIR. The Project would be required to comply with policies in the General Plan 2030 that promote energy conservation, which could minimize or incrementally reduce the consumption of these resources. In addition, new structures will be required to be constructed in accordance with specifications contained in Title 24 of the California Code of Regulations, the City's Green Building Regulations and City regulations regarding water conservation.

No other irreversible changes are expected to result from the adoption and implementation of the proposed Project. The Project does not include the use of hazardous materials.

5.3 GROWTH INDUCEMENT

CEQA requires that any growth-inducing aspect of a project be discussed in an EIR. This discussion should include consideration of ways in which the project could directly or indirectly foster economic or population growth in adjacent and/or surrounding areas. Projects which could remove obstacles to population growth (such as major public service expansion) must also be considered in this discussion. According to CEQA, it must not be assumed that growth in any area is necessarily beneficial, detrimental or of little significance to the environment.

The proposed Project would result in a net increase of 175 residential units and a net decrease of approximately 9,300 square feet of commercial building space. Thus, the Project could directly foster population growth, but might not foster economic growth with a reduction of commercial space, although depending on the types of uses that ultimately occupy the Project, commercial uses could also generate more revenue than existing commercial uses on the Project site. In addition, some of the non-residential space could be used for services for the Project residents.

As of January 1, 2019, the City had a population of 65,807 people, and an estimated 23,801 housing units. Census data for the tract that contains the downtown area shows an average household size of 1.83 (American Community Survey 5-year 2011-2015 Table S1101), which is slightly below the citywide average household size of 2.4 persons. Based on this data future development accommodated by the proposed Project could result in a population increase of approximately 320 to 420 persons based on household sizes of 1.83 and 2.4, respectively. At worst case, this would increase City population to 66,227. This is a conservative assumption that all Project residents would come from outside the City.

The Association of Monterey Bay Area Governments (AMBAG) develops population and housing forecasts for the region. The current forecast for the City of Santa Cruz in 2020 is 68,381 people and 26,365 housing units. With the additional housing units and even assuming that the population potentially resulting from the proposed Project is all entirely "new" residents, the City of Santa Cruz will still be below these forecasts. Therefore, population and housing growth due to the Project is not substantial.

The Project does not include off-site utility improvements or extension of water or sewer into undeveloped areas, and thus, the Project site would not remove obstacles to development and population growth. Therefore, the Project would not indirectly foster population or economic growth.

5.4 CUMULATIVE IMPACTS

5.4.1 State CEQA Requirements

The State CEQA Guidelines section 15130(a) requires that an EIR discuss cumulative impacts of a project "when the project's incremental effect is cumulatively considerable." As defined in Section 15355, a cumulative impact consists of an impact that is created as a result of the combination of the project evaluated in the EIR together with other projects causing related impacts. As defined in section 15065(a)(3), "cumulatively considerable" means that the incremental effects of an individual project are significant when viewed in connection with the effects of past projects, other current projects, and probable future projects. Where a lead agency is examining a project with an incremental effect that is not "cumulatively considerable," the lead agency need not consider the effect significant.

CEQA requires an evaluation of cumulative impacts when they are significant. When the combined cumulative impact associated with the project's incremental effect and the effects of other projects is not significant, the EIR shall briefly indicate why the cumulative impact is not significant and is not discussed in further detail in the EIR. Furthermore, according to the California State CEQA Guidelines section 15130 (a)(1), there is no need to evaluate cumulative impacts to which the project does not contribute.

An EIR may determine that a project's contribution to a significant cumulative impact will be rendered less than cumulatively considerable and thus not significant when, for example, a project funds its fair share of a mitigation measure designed to alleviate the cumulative impact. An EIR shall examine reasonable, feasible options for mitigating or avoiding the project's contribution to any significant cumulative effects.

The discussion of cumulative impacts shall reflect the severity of the impacts and their likelihood of occurrence, but the discussion need not provide detail as great as that provided for the impacts that are attributable to the project alone. The discussion should be guided by standards of practicality and reasonableness, and should focus on the cumulative impact to which the identified project contributes.

Discussion of cumulative impacts may consider either a list of past, present, and probable future projects producing cumulative impacts; or a summary of growth projections contained in an adopted plan that evaluates conditions contributing to cumulative impacts, such as those

contained in a General Plan. If a lead agency determines that a cumulative effect has been adequately addressed in a prior EIR, that cumulative effect is not required to be examined in a later EIR pursuant to CEQA (Pub. Resources Code section 21094(e)(1). The section further indicates that cumulative effects are adequately addressed if the cumulative effect has been mitigated or avoided as a result of the prior EIR and adopted findings or can be mitigated or avoided by site-specific revisions, imposition of conditions or other means in connection with the approval of the later project (Id., subsection (e)(4)).

If a cumulative impact was addressed adequately in a prior EIR for a general plan, and the project is consistent with that plan or action, then an EIR for such a project need not further analyze that cumulative impact, as provided in the State CEQA Guidelines section 15183(j). Therefore, future projects that are determined to be consistent with the General Plan may rely on this analysis to streamline their environmental review.

5.4.2 Cumulative Analysis

Cumulative Growth

The Santa Cruz City Council adopted an updated General Plan 2030 in June 2012 after certifying the accompanying EIR. The analyses in the EIR provide an assessment of cumulative impacts within the City with projected growth in the City that could be accommodated by the General Plan and University of California Santa Cruz (UCSC) growth and development. The Santa Cruz City Council approved amendments to the *Downtown Plan* in November 2017 and certified the accompanying EIR. The amendments included additional height allowances under specified circumstances and other revised development standards that could lead to potential increased development in the downtown area. Potential future development with the Plan amendments was estimated by City staff as 880 new residential units, 305,007 square feet of commercial uses, and 124,057 square feet of office uses, resulting in a net increase of 711 residential units, approximately 2,200 square feet of office space and a decrease in commercial space of approximately 14,700 square feet, which was evaluated in the EIR. The *Downtown Plan* Amendments EIR, which included evaluation of an amendment to the General Plan, updated the General Plan EIR cumulative analysis based on additional growth anticipated in the downtown area, including development accommodated by the *Downtown Plan* amendments and other reasonably foreseeable development. The cumulative analysis in the *Downtown Plan* Amendments EIR included the Project site. Table 5-1 identifies recently constructed, approved, and pending projects within the downtown area since certification of the *Downtown Plan* Amendments EIR.

Because CEQA discourages "repetitive discussions of the same issues" (CEQA Guidelines section 15152(b)), and because the Project is consistent with the City's *General Plan 2030* and the *Downtown Plan*, the City has determined the Project meets the provisions of Public Resources Code section 21083.3(b) and State CEQA Guidelines section 15183 and, therefore, the City's *General Plan 2030* EIR and *Downtown Plan* Amendments EIR have adequately addressed cumulative impacts for all topics. The *Downtown Plan* Amendments EIR identified significant

cumulative impacts related to traffic, water supply, and schools, but concluded that the downtown development impacts would not be cumulatively considerable, except for cumulative traffic impacts based on updated traffic impact analyses that identified unacceptable levels of service at several downtown intersections.

The *General Plan 2030* EIR also identified potential significant cumulative impacts related to population and noise. The proposed Project would not contribute to cumulative noise impacts since the Project site is not located in proximity to the road segments subject to the cumulative noise impact (Westside industrial area). Regional population forecasts have been revised since certification of the *General Plan 2030* EIR, and cumulative development as a result of development accommodated by the General Plan, as well as additional development accommodated by the *Downtown Plan* Amendments EIR, would not exceed regional population forecasts for the year 2030, and therefore, no significant cumulative impacts are anticipated related to population.

Table 5-1: City Cumulative Projects (As of November 30, 2019)

	Name/Address	Description	Status
Under Construction			
	1547 Pacific (Park Pacific)	79 residential units and 5,750 square feet commercial	Under Construction
Approved			
	1013 Pacific Avenue	17 condominium units and 4,300 square feet commercial	Approved
	501 Cedar Street	Mixed-use project with 769 square feet commercial addition and 2 residential units	Approved
	100 Laurel Street	Mixed-use project with 205 apartments and 7,085 square feet commercial	Approved
Pending Applications			
	2035 N. Pacific	Mixed-use project with 4,300 square feet of office and 26 apartments	

The proposed Project would contribute to significant cumulative traffic impacts. Therefore, cumulative traffic impacts are further reviewed below, along with a discussion of cumulative water supply impacts.

The City of Santa Cruz *General Plan 2030*, General Plan EIR, *Downtown Plan*, and *Downtown Plan* Amendments EIR are available for review at the City of Santa Cruz Planning and Community Development Department (located at 809 Center Street, Room 101, Santa Cruz, California) by appointment[1]. Both EIRs are also available online on the City's website at:

- Downtown Plan Amendments EIR: http://www.cityofsantacruz.com/Home/Components/BusinessDirectory/BusinessDirectory/101/2849

[1] Contact Samantha Haschert at SHaschert@cityofsantacruz.com or by phone at (831)-420-5196 to make an appointment to review the EIR. See section 1.4.2 of this EIR for further information.

- General Plan 2030 EIR: http://www.cityofsantacruz.com/government/city-departments/planning-and-community-development/long-range-policy-planning/general-plan

Cumulative Impact Analysis

Traffic and Transportation. As indicated above, cumulative traffic impacts were analyzed in the *General Plan 2030* EIR based on estimated buildout accommodated by the General Plan, a number of approved and reasonably foreseeable projects, and long-range growth anticipated for the University of California, Santa Cruz (UCSC).

The proposed Project would contribute to significant cumulative traffic impacts at intersections that would not meet City LOS standards. The *Downtown Plan* Amendments EIR identified significant cumulative impacts at the following downtown intersections: Front Street/Laurel Street, Pacific Avenue/Laurel Street, and Front Street/Soquel Avenue. The General Plan 2030 EIR also identified significant cumulative impacts in the Project vicinity at the following intersections: Highway 1/Highway 9, Chestnut Street/Mission Street, and Ocean Street/Water Street.

Intersection improvements are planned as part of the City's TIF program at Ocean Street/Water Street, Highway 1/ Highway 9, and Chestnut Street/Mission Street, but would not improve operations to an acceptable LOS, although delays may be reduced. The other three impacted intersections are not included in the City's TIF program, as significant cumulative impacts were not identified as part of the *General Plan 2030* EIR analysis. However, the *Downtown Plan* Amendments EIR identified improvements for each of these intersections that would improve LOS to acceptable levels.

The proposed Project would contribute to significant cumulative traffic impacts at six locations as analyzed in the *Downtown Plan* Amendments EIR in the Project vicinity and along state highways. The proposed Project would be required to pay the City's traffic impact fee, although identified improvements would not mitigate cumulative impacts to a less-than-significant level at three intersections: Ocean Street/Water Street, Highway 1/ Highway 9, and Chestnut Street/Mission Street, as discussed in the *General Plan 2030* and *Downtown Plan* Amendments EIRs, although delays would be reduced over existing levels. Intersection operations would be improved at the other three impacted downtown intersections with implementation of Mitigation 5-1 identified in the *Downtown Plan* Amendments EIR. This measure is applicable to the proposed Project and requires the Project to contribute fair-share payments to the downtown intersection improvements identified in the *Downtown Plan* Amendments EIR.

The following mitigation measure adopted with the *Downtown Plan* Amendments requires future development in the downtown area, including the proposed Project, to contribute fair share contributions to fund the identified improvements at the following intersections: Front/Soquel, Front/Laurel and Front/Pacific.

MITIGATION 5-1: Require future development projects within the downtown area to contribute fair-share payments for improvements at the following intersections: Front/Soquel (signal timing and lane modifications); Front/Laurel (westbound lane addition and north and south right-turn overlap), and Pacific/Laurel (southbound left-turn lane addition).

With implementation of Mitigation 5-1, significant cumulative impacts at three intersections would be mitigated, and the Project's contribution would not be cumulatively considerable. Future development projects in the downtown area would be required to pay the City's traffic impact fees for improvements at the other three intersections, but planned improvements would not result in acceptable levels of service, and no other feasible improvements have been identified. Therefore, the *Downtown Plan* Amendments EIR concluded that cumulative traffic impacts remain significant at three City intersections and along state highways, and the Project's contribution to cumulative traffic impacts would be cumulatively considerable at these locations.

Pursuant to legislative changes in CEQA and in the State CEQA Guidelines, a Project's effect on automobile delay shall not constitute a significant environmental impact, and the new metric to be used is vehicle miles traveled (VMT). The State CEQA Guidelines amendments gave all agencies until July 2020 to adopt their own VMT standards. The City of Santa Cruz is in the process of developing a VMT threshold, but has not yet adopted one and has until July 1, 2020 to do so.

Technical guidelines published by the California Office of Planning and Research indicate a per capita or per employee VMT that is 15 percent below that of existing development may be a reasonable threshold (California Office of Planning and Research, December 2018). Additionally, the guidelines indicate that overall per-capita vehicle travel would need to be approximately 14.3 percent lower than existing levels to meet targeted greenhouse gas emissions reductions, and below these levels, a project could be considered low VMT. Furthermore, residential development that would generate vehicle travel that is 15 or more percent below the existing residential VMT per capita, measured against the region or city, may indicate a less-than-significant transportation impact. The State guidelines also indicate that If existing models or methods are not available to estimate the vehicle miles traveled for the particular project being considered, a lead agency may analyze the project's vehicle miles traveled qualitatively. Such a qualitative analysis would evaluate factors such as the availability of transit, proximity to other destinations, etc.

The *Downtown Plan* Amendments EIR estimated that VMT resulting from future development resulting from the plan amendments could result in a VMT of 11.0, which was less than County average. Preliminary reviews by the City indicates that residential development in the City of Santa Cruz generates VMT per capita more than 15 percent lower than the County average per capita VMT per the California Travel Model. Based on the California Travel Model, the City's VMT residential per capita is 11.04 compared to the County per capita VMT of 15.41. The City per capita figure is 28 percent less than the County figure, which would indicate that the City's per capita VMT is low compared to the region.

Technical guidelines published by the California Office of Planning and Research indicate that CEQA Guideline Section 15064.3, subdivision (b)(1), states that lead agencies generally should presume that certain projects (including residential, retail, and office projects, as well as projects that are a mix of these uses) proposed within ½ mile of an existing major transit stop or an existing stop along a high quality transit corridor would have a less-than-significant impact on VMT (California Office of Planning and Research, December 2018). The Project site is located within a transit-priority area across the street from the Santa Cruz Metro bus station. The State Guidelines also indicate that a project that falls below an efficiency-based threshold that is aligned with long-term environmental goals and relevant plans would have no cumulative impact distinct from the project impact (California Office of Planning and Research, December 2018). Accordingly, a finding of a less-than-significant project impact would support a less-than significant cumulative impact conclusion, and vice versa. Given the Project's location downtown and close proximity to transit, bicycle and pedestrian facilities and the fact that the City's residential VMT is already substantially lower than the regional County average, under current CEQA Guidelines provisions, the Project's contribution to cumulative transportation impacts based on VMT would be less than significant and would not be cumulatively considerable.

Utilities - Water Supply. The geographical area for the analysis of cumulative water supply impacts includes the area served by the City's Water Department. As indicated, the 2015 Urban Water Management Plan (UWMP) predicts water supply shortfalls by the year 2035 of approximately 40 MGY in normal rainfall years, 528 MGY during a single dry year, and 1,639 MGY in multiple dry year periods, even though demand is forecast to decrease because of increased efficiency achieved through retrofits and other water saving measures. Without augmented water supplies, cumulative future water demand during dry periods is considered a potentially significant cumulative impact on water supplies. Water demand resulting from pending development projects as well as future development resulting from the proposed Project would be within the growth and water demand considered in the UWMP.

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 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 at this time.

The proposed Project would result in a net increase in water demand of approximately 4.5 MGY, which is within the estimated 29 MGY demand projected for development in the downtown area and evaluated in the *Downtown Plan* Amendments EIR. This is not considered substantial in relation to the estimated future demand in the City's water service area of approximately 3,200 MGY. The proposed Project would contribute to significant cumulative impacts related to water supply. The *Downtown Plan* Amendments EIR updated the General Plan EIR cumulative analysis to reflect potential additional development in the downtown area, including the Project site, and no other new significant cumulative impacts were identified. The *Downtown Plan* Amendments EIR concluded that while future development would result in an increased water demand, the demand would not substantially exacerbate water supply reliability in the future or during a drought 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. In addition, the proposed Project would pay the required "System Development Charge" for the required new service connection. This charge as set forth in Chapter 16.14 of the City's Municipal Code is intended to mitigate the water supply impacts caused by new development in the City of Santa Cruz water service area, and the funds are used for construction of public water system improvements and conservation programs. The Project's payment of the System Development Charge and required installation of water-conserving fixtures and landscaping would address the Project's contribution to cumulative water supply impacts in the same manner that is required of all new development in the City. Therefore, the Project's incremental contribution to a significant cumulative water supply impact would not be cumulatively considerable.

The proposed Project would not result in new or substantially more severe significant impacts related to water supply than analyzed in the *Downtown Plan* Amendments EIR and General Plan EIR. Since the potential Project contribution to cumulative impacts falls within the total level of those analyzed in the *Downtown Plan* Amendments EIR and General Plan EIR, no further environmental analysis is required pursuant to Public Resource Code section 21083.3 and CEQA Guidelines section 15183.