

1.0 INTRODUCTION

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1.1 PURPOSE OF EIR

This EIR has been prepared for the City of Santa Cruz (City), which is the lead agency for the project. This document, together with the draft EIR dated January 2014, constitutes the Final EIR for the project.

This EIR has been prepared in accordance with the California Environmental Quality Act (CEQA) and the State CEQA Guidelines, which are found in Title 14 of the California Code of Regulations, commencing with section 15000. CEQA was most recently amended in 2013, with new provisions effective January 1, 2014; and the State CEQA Guidelines were most recently amended in 2012, with the amendments became effective in February 2013.

As stated in the CEQA Guidelines section 15002, the basic purposes of CEQA are to:

- Inform governmental decision-makers and the public about the potential, significant environmental effects of proposed activities.
- Identify the ways that environmental damage can be avoided or significantly reduced.
- Prevent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible.
- Disclose to the public the reasons a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

Pursuant to State CEQA Guidelines section 15121, an EIR is an informational document which will inform public agency decision-makers and the public generally of the significant environmental effects of a project, identify possible ways to minimize the significant effects, and describe reasonable alternatives to the project. The public agency shall consider the information in the EIR along with other information which may be presented to the agency. While the information in the EIR does not control the ultimate decision about the project, the agency must consider the information in the EIR and respond to each significant effect identified in the EIR by making findings pursuant to Public Resources Code section 21081.

1.2 PROJECT OVERVIEW

This Environmental Impact Report (EIR) addresses the potential environmental effects of the proposed La Bahia Hotel project. The proposed project consists of construction of a 165-room hotel after demolition of the existing 44-unit La Bahia apartment complex, except for a portion of the existing bell tower building. Hotel amenities include meeting and banquet space, a restaurant, retail space, a day spa, and a swimming pool. Access to the project will be provided by a check-in entrance on Beach Street, an entrance/exit on Westbrook Street, and an exit onto Main Street. A total of 210 parking spaces are provided, including 49 valet spaces, within a parking garage that is partially underground. A full description of all project components is provided in the PROJECT DESCRIPTION (3.0) section of the Draft EIR.

1.3 CONSIDERATION OF IMPACTS

As indicated above, the focus of the environmental review process is upon significant environmental effects. As defined in section 15382 of the CEQA Guidelines, a “significant effect on the environment” is:

... a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project, including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. An economic or social change by itself shall not be considered a significant effect on the environment. A social or economic change related to a physical change may be considered in determining whether a physical change is significant.

In evaluating the significance of the environmental effect of a project, the State CEQA Guidelines require the lead agency to consider direct physical changes in the environment and reasonably foreseeable indirect physical changes in the environment which may be caused by the project (CEQA Guidelines section 15064[d]). A direct physical change in the environment is a physical change in the environment which is caused by and immediately related to the project. An indirect physical change in the environment is a physical change in the environment which is not immediately related to the project, but which is caused indirectly by the project. An indirect physical change is to be considered only if that change is a reasonably foreseeable impact which may be caused by the project.

CEQA Guidelines section 15064(e) further indicates that economic and social changes resulting from a project shall not be treated as significant effects on the environment, although they may be used to determine that a physical change shall be regarded as a significant effect on the environment. In addition, where a reasonably foreseeable physical change is caused by economic or social effects of a project, the physical change may be regarded as a significant effect in the same manner as any other physical change resulting from the project.

1.4 EIR PROCESS

An Initial Study and Notice of Preparation (NOP) for this EIR were circulated on August 19, 2013. The NOP was circulated to the State Clearinghouse and to local, regional, and federal agencies, as well as to organizations and interested citizens. Comment letters were received from one public agency (FEMA) and two individuals (Reed Searle and Bill Malone). The NOP and NOP comment letters are included in Appendix B of the Draft EIR volume. An agency and public scoping meeting also was held on September 9, 2013, to take public comments on the proper scope of the EIR's analyses and project alternatives. Both the written comments and oral comments received at the scoping meeting have been taken into consideration in the preparation of the Draft EIR.

The Draft EIR was published and circulated for review and comment by the public and other interested parties, agencies, and organizations for a 45-day public review period from January 15, 2014 through February 28, 2014. Eleven letters of comment were received; agencies, organizations and individuals that submitted written comments on the draft EIR are outlined below.

LOCAL & STATE AGENCIES

1. Monterey Bay Unified Air Pollution Control District
2. California Coastal Commission
3. California Department of Transportation
4. California Public Utilities Commission
5. California State Clearinghouse

FEDERAL AGENCIES

6. U.S. Department of Homeland Security, FEMA Region IX

PRIVATE ENTITIES & INDIVIDUALS

7. Citizens Advocating Rational Development (CARD)
8. Ross Gibson
9. Theo Marcus
10. Bill Malone
11. Don Webber

This Final EIR volume includes written responses to significant environmental issues raised in comments received during the public review period, as well as any text changes and additions that became necessary after consideration of public comments. (See CEQA Guidelines, § 15088c.) The Final EIR will be presented to the City Historical Preservation Commission, the City Planning Commission and City Council. Before it can approve the project or any of the alternatives described in the Final EIR, the City Council must first certify that it has reviewed and considered the information in the EIR, that the EIR has been completed in conformity with the requirements of CEQA, and that the document reflects the City's independent judgment. (See CEQA Guidelines, § 15090, subd. (a).)

Pursuant to sections 21002, 21002.1 and 21081 of CEQA and sections 15091 and 15093 of the State CEQA Guidelines, no public agency decision-making body shall approve or carry out a project for which an EIR has been certified which identifies one or more significant effects unless both of the following occur:

(a) The public agency makes one or more of the following findings with respect to each significant effect:

1. Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effects on the environment.
2. Those changes or alterations are within the responsibility and jurisdiction of another public agency and have been, or can and should be, adopted by such other agency.
3. Specific economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or alternatives identified in the environmental impact report.

(b) With respect to significant effects which were subject to a finding under paragraph (3) of subdivision (a), the public agency finds that specific overriding economic, legal, social, technological, or other benefits of the project outweigh the significant effects on the environment.

Although these determinations (especially regarding feasibility) are made by the public agency's final decision-making body (here, the City Council) based on the entirety of the agency's administrative record as it exists after completion of a final EIR, the EIR must provide information regarding the significant effects of the proposed project and must identify the potentially feasible mitigation measures and alternatives to be considered by that decision-making body.

1.5 REPORT ORGANIZATION

This document, together with the draft EIR dated January 2014, constitutes the Final EIR for the project. This document contains responses to comments received on the Draft EIR. The Final EIR is organized with the following sections.

- **INTRODUCTION**
- **SUMMARY OF ENVIRONMENTAL IMPACTS:** This section provides a summary of all impacts, their level of significance, and mitigation measures identified for the project, as well as a summary of alternatives. An overview of the project is also provided, and project alternatives and issues of concern are summarized.
- **CHANGES TO DRAFT EIR:** This section outlines revisions to the Draft EIR text as a result of review of comments and responses as may be needed. Additional clarification provided by City staff also is included.

- **PUBLIC COMMENTS AND RESPONSES:** Each comment letter is presented, and responses to comments immediately follow each comment letter.

A Mitigation Monitoring and Reporting Program is included in Appendix A.