City of Santa Cruz
INITIAL STUDY / ENVIRONMENTAL CHECKLIST

I. BACKGROUND & PROJECT DESCRIPTION

1. **Application Number:** CP13-0059

2. **Project Title:** La Bahia Hotel

3. **Lead Agency Name and Address:**
   City of Santa Cruz
   Community Development Department
   809 Center Street, Room 206, City Hall Annex
   Santa Cruz, CA 95060

4. **Contact Person and Phone Number:** Ryan Bane, (831) 420-5141

5. **Project Location:** 215 Beach Street. The project site is located along Beach Street across from the Santa Cruz Beach Boardwalk (APN 005-213-02, -03); see Figure 1.

6. **Project Applicant's/Sponsor's Name and Address:**
   OWNER: La Bahia, LLC, c/o Joseph Rossi, 460 Beach Street, Santa Cruz, CA 95060
   REP: French Resources Group, Inc., Craig French, 911 Center Street, Suite B, Santa Cruz, CA 95060

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

8. **Zoning:** RTC / CZO / SPO – Beach Commercial / Coastal Zone Overlay / Shoreline Protection Overlay

9. **Background:** The existing La Bahia Apartments (La Bahia) were constructed in 1926 by the Santa Cruz Seaside Company to provide vacationers with extended stay facilities (SOURCE V.2a[1]). Over the last ten years, the property has been used as short-term apartments for the University of California Santa Cruz (UCSC) students during the school year and as seasonal housing for the Seaside Company's Boardwalk employees during the summer.

   City Studies & Plans. In 1994/95, the La Bahia Apartments site and the Dream Inn (former Coast Hotel) parking lot site at the corner of West Cliff Drive and Bay Street were both analyzed to determine the feasibility of developing either site into a 275-300 room, group-oriented conference hotel as part of the preparation of the City's *Beach and South of Laurel Plan Comprehensive Area Plan* (B/SOL Area Plan). The Beach Area Plan Strategy, adopted by the City Council in June of 1996, identified the La

[1] Project studies and references are identified in Section V.

Bahia Apartments site as having the best conference hotel development potential due to its "unparalleled views and location" (SOURCE V.2a). The Plan Strategy looked at two possible hotel development scenarios for the La Bahia site:

- Alternative #1 – approximately 300 rooms, which would entail site consolidation with the adjacent Seaside Lodge, including the abandonment of Westbrook Street, or
- Alternative #2 – approximately 120-200 rooms on the existing La Bahia site.

In January 1997, the Santa Cruz City Council endorsed the Alternative #1 concept and further directed that a historic preservation firm be retained to identify La Bahia's primary architectural elements which would need to be incorporated into a major conference facility on the site (SOURCE V.2a). The 1998 B/SOL Area Plan, which was adopted by the City Council in October 1998, recommended development of the La Bahia site (including site consolidation with Westbrook Street and the property east of Westbrook) into a quality 250-275 room hotel with conference facility, retaining the architectural "character defining elements" identified in the Architectural Resources Group study (September 1997) prepared in support of the B/SOL Area Plan and incorporating the amenities necessary to be competitive regionally (SOURCE V.2a, page 109). The Plan also notes that an increase in building height by one floor may be necessary to maintain the architectural character and break up building mass.

Past Development Proposals. Two projects have been proposed for the La Bahia site in the last ten years, both of which are further summarized below. Table 1 compares key elements of past proposals with the current proposal.

In June 2003, the City Council approved a proposal to remodel and expand the existing La Bahia structures to develop a 118-room hotel, which included renovation of the existing La Bahia buildings, except for demolition of one existing building and partial demolition of another building, both in the rear of the site, with an approximate 94,600 square foot addition. Hotel facilities included approximately 3,000 square feet of meeting space, a day spa and a swimming pool. The application also included a Planned Development Permit to allow an increase in the allowable height and a Tentative Parcel Map so that the rooms could have been sold as commercial condominiums for limited use stays of 45 days/year with a 29-day consecutive stay limitation. The project also included an underground parking garage with provision of valet parking.

The 2003 approved project was proposed in two phases. A development agreement between the applicant and the City was proposed to specify provisions of the planned development and set forth timeframes for completing the project upon approval. An Initial Study, which was tiered from the 1998 B/SOL Area Plan EIR, concluded that an EIR would not be required, and a Mitigated Negative Declaration was adopted. Subsequent to project approval in 2003, the applicant concluded that the project as approved was not financially feasible and decided not to pursue the project, and the permit expired.

In April 2009, after certification of an EIR, the City Council approved a 125-room hotel that included demolition of all the existing La Bahia structures but reuse of the bell

tower. The project included approximately 5,300 square feet of meeting space, a restaurant, day spa, swimming pool and underground parking garage with valet parking. The application also included a Tentative Subdivision Map so each room could have been sold as commercial condominiums for limited use stays of 45 days/year with a 30-day consecutive stay limitation on the 45 days. An amendment to the approved 2003 Development Agreement also was proposed to reflect the revised project.

The 2009 City-approved project required a Local Coastal Program (LCP) amendment due to proposed heights above the height limits allowed in the Zoning Ordinance even under provisions of a Planned Development Permit. The LCP amendment was denied by the California Coastal Commission on August 11, 2011. It is also noted that the 2009 certified EIR was legally challenged, and was upheld by the Santa Cruz County Superior Court in April 2010. In November 2011, after the Petitioner Build a Better La Bahia had filed an appeal and the California Coastal Commission had denied the LCP amendment necessary for the project as approved by the City Council to proceed, the Court of Appeal directed the trial court to dismiss the litigation as moot. The superior court did so by a "judgment on remand" dated March 14, 2012.

FIGURE 1: Project Location

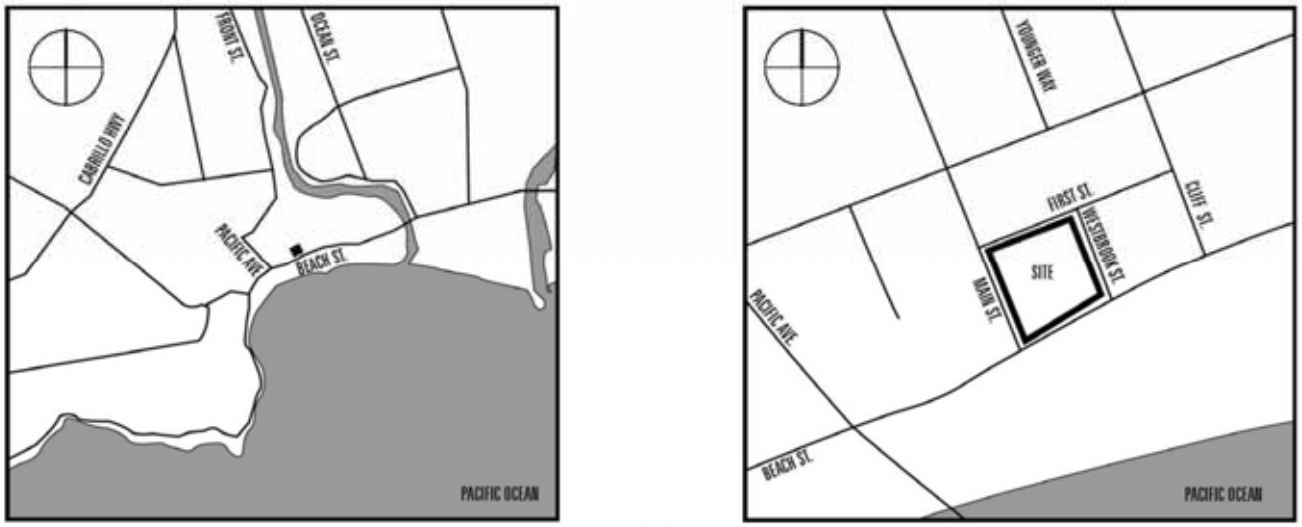

TABLE 1: Comparison of La Bahia Project Proposals

	Current 2013 Proposed Project	2009 Approved Project	2003 Approved Project
Project Size			
▪ Total Number of Rooms	165	125	118
▪ Total Square Footage	198,327 sf	177,040 sf	109,875 sf
▪ Parking Spaces	210 including 22 valet	195 including 62 valet	144 with valet
▪ Building Heights	36-42 ft.-Beach 43-44 ft.-First Street	32-35 feet-Beach St. 68-70 feet-First St.	38 ft.-Maximum 22-31 ft.-Beach St 29-35 ft.-First Street
Amenities			
▪ Meeting / Banquet	4,350 sf	5,353 sf	3,000 sf
Prefunction/Banquet Prep	3,325 sf	None	None
▪ Restaurant(s)	2,500 sf	2,942 sf	No
Kitchen	2,300 sf		
▪ Day Spa	750 sf	1,125 sf	Yes
▪ Retail Space	2,500 sf	No	No
▪ Swimming Pool	Yes	Yes	Yes
Other			
▪ Units Sold as Commercial Condominiums	No	Yes	Yes
▪ Building Demolition	Demolish all except for bell tower building in southeast corner.	Demolish all buildings.	Retain all buildings, except for demolition of one building and partial demolition of another, both in rear of site.
▪ Development Agreement	No	Yes	Yes

10. Project Description: The proposed project consists of demolition of the existing 44-unit La Bahia apartment complex, except for a portion of the existing bell tower building in the southeastern portion of the site, and construction of a 165-room hotel. Hotel amenities include approximately 4,350 square feet of meeting and banquet space, a 2,500 square foot restaurant, 2,500 square feet of retail space, a day spa, and a swimming pool. The facility also includes 2,695 square feet of space for business administration and 20,375 square feet of support space. Access to the project will be provided by a check-in entrance off 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.

Required permits/approvals, which include demolition authorization, and coastal, design, administrative use, and planned development permits, are outlined in subsection 11 below. The Planned Development Permit modification is proposed to allow an increase in building height and variation in required parking.

The proposed hotel is planned as a three-story structure that is stepped up from Beach Street to First Street. The parking garage would be partially underground (Level 1) and partially at street level (Level 2). The restaurant is located on Level 2, and the pool and meeting rooms are located on Level 3. The hotel rooms are located on the second through sixth levels. Figure 2 provides a schematic rendering of the proposed hotel development.

11. Other public agencies whose approval is required:

- City of Santa Cruz:
  - Residential Demolition Authorization Permit
  - Historic Demolition Permit
  - Historic Alteration Permit
  - Historic Building Survey Deletion
  - Coastal Permit
  - Planned Development Permit
  - Administrative Use Permit
  - Design Permit
- California Regional Water Quality Control Board (RWQCB): Review of Notice of Intent & Storm Water Pollution Prevention Plan (SWPPP) filed by Applicant
- Monterey Bay Unified Air Pollution Control District (MBUAPCD): Review of Asbestos Inspection and Removal Notification filed by Applicant

FIGURE 2: Project Schematic

II. ENVIRONMENTAL SETTING

The approximate 1.4-acre site is located on Beach Street across from the Santa Cruz Beach Boardwalk. The site is located in the Beach/South of Laurel Area Plan area in an area characterized by a mix of hotel, beach tourist, commercial and residential uses. The site is bordered by Beach Street on the south, Main Street on the west, First Street on the north, and Westbrook Street on the east. Motels are located to the west and east of the project site, and the beach and Santa Cruz Boardwalk are located south of the site. Residential uses are found along First Street north of the project site.

The project site slopes from north to south. The La Bahia Apartments, a group of Spanish Colonial Revival style buildings, occupies the entire block of Beach Street between Main and Westbrook. The primarily two-story building has 44 units that provide short-term housing to UCSC students during the school year and seasonal summer housing for Boardwalk employees. A surface parking lot and a swimming pool backfilled with soil are located on the northern portion of the site. There are several horticultural trees on the southern edges of the site.

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		Agriculture & Forest Resources	✓	Air Quality
	Biological Resources	✓	Cultural Resources	✓	Geology / Soils
✓	Greenhouse Gas Emissions		Hazards & Hazardous Materials	✓	Hydrology / Water Quality
✓	Land Use / Planning		Mineral Resources	✓	Noise
	Population / Housing	✓	Public Services		Recreation
✓	Transportation / Traffic	✓	Utilities / Service Systems	✓	Mandatory Findings of Significance

A. Instructions to Environmental Checklist

1. A brief explanation is required (see 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 V. 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.

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
1. AESTHETICS. 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) Substantially degrade the existing visual character or quality of the site and its surroundings?	✓			
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?			✓	
2. AGRICULTURE AND FOREST 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.1c-Figure 4.15-1)				✓
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))?				✓
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?				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
3. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management 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) Violate any air quality standard or contribute to an existing or projected air quality violation?	✓			
c) 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 (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	✓			
d) Expose sensitive receptors to substantial pollutant concentrations?			✓	
e) Create objectionable odors 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 Game 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 Game or U.S. Fish and Wildlife Service?				✓
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				✓
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?			✓	

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
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 as defined in Section 15064.5?	✓			
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to Section 15064.5?			✓	
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?			✓	
d) Disturb any human remains, including those interred outside of formal cemeteries?			✓	
6. GEOLOGY AND SOILS. Would the project:				
a) Expose people or structures to 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.Ic)				✓
ii. Strong seismic ground shaking?			✓	
iii. Seismic-related ground failure, including liquefaction?	✓			
iv. Landslides? (V.Ic-Figure 4.10-3)				✓
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 risks to life or property? (V.8)				✓
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
7. 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?				✓
8. 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?				✓
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) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?				✓
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				✓
h) 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? (V.lc-Figure 4.6-1)				✓
9. HYDROLOGY AND WATER QUALITY. Would the project:				
a) Violate any water quality standards or waste discharge requirements?				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local ground water table level (for example, the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				✓
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?				✓
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?				✓
e) 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?			✓	
f) Otherwise substantially degrade water quality?			✓	
g) Place housing within a 100-year flood-hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				✓
h) Place within a 100-year flood-hazard area structures which would impede or redirect flood flows? (V.Ic-Figure 4.7-1)				✓
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?			✓	
j) Inundation by seiche, tsunami, or mudflow?			✓	
10. LAND USE AND PLANNING. Would the project:				
a) Physically divide an established community?				✓
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	✓			

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
c) Conflict with any applicable Habitat Conservation Plan or Natural Community Conservation Plan?				✓
11. 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? (V.1)				✓
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?				✓
12. NOISE: Would the project:				
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance or applicable standards of other agencies?		✓		
b) Exposure of persons to or generation of excessive ground borne vibration or ground borne noise levels?				✓
c) Substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?			✓	
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?			✓	
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 expose people residing or working in the project area to excessive noise levels?				✓
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?				✓
13. POPULATION AND HOUSING. Would the project:				
a) Induce substantial 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 housing, necessitating the construction of replacement housing elsewhere?			✓	
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?			✓	

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
14. PUBLIC SERVICES. 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?				✓
15. 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?				✓
16. TRANSPORTATION/TRAFFIC. Would the project:				
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	✓			
b) Conflict with an applicable congestion management program, including, but not limited to level of service standard and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?				✓
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location, that results in substantial safety risks?				✓
d) Substantially increase hazards due to a design feature (for example, sharp curves or dangerous intersections) or incompatible uses (for example, farm equipment)?				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
e) Result in inadequate emergency access?				✓
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?				✓
17. UTILITIES AND SERVICE SYSTEMS. Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				✓
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction or which could cause significant environmental effects?			✓	
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				✓
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?			✓	
e) 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?				✓
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?			✓	
g) Comply with federal, state, and local statutes and regulations related to solid waste?				✓
18. MANDATORY FINDINGS OF SIGNIFICANCE. Would the project:				
a) Have the potential to 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, 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?	✓			
b) Have impacts that are individually limited, but cumulatively considerable? ("Cumulatively	✓			

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
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 EVALUATION

See Section **VI--ENVIRONMENTAL EVALUATION** 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.	

Ryan Bane, Senior Planner

8/16/13
Date

* Topics to be addressed in EIR as identified and discussed in this Initial Study include:

- Aesthetics
- Air Quality and Greenhouse Gas Emissions
- Cultural Resources – Historical Resources
- Geology and Soils
- Traffic
- Utilities - Water Supply
- Land Use – Plan Policy Review

V. REFERENCES AND DATA SOURCE LIST

1. City of Santa Cruz General Plan and EIR.
   a) June 26, 2012. Adopted. *General Plan 2030*.
   b) April 2012. "City of Santa Cruz *General Plan 2030* Final EIR." [SCH#2009032007] Certified June 26, 2012. Includes Draft EIR document.
   c) September 2011. "City of Santa Cruz *General Plan 2030* Draft EIR."

2. City of Santa Cruz - Adopted Plans.
   a) Adopted October 20, 1998. *Beach and South of Laurel Comprehensive Area Plan*. Prepared by the Phipps Group.
   b) Adopted September 11, 2007. *City of Santa Cruz Local Hazard Mitigation Plan, 2007-2012*.
   c) Adopted December 2011. *2010 Urban Water Management Plan*. Prepared by City of Santa Cruz Water Department. December 2011.
   d) Adopted October 2012. *City of Santa Cruz Climate Action Plan, An Update to the 2007 Local Hazard Mitigation Plan, 2007-2017*.

3. City of Santa Cruz – Project EIRs.
   a) July 2008. "La Bahia Final Environmental Impact Report." [SCH#2006042051] Certified April 14, 2009. Includes Draft EIR (April 2008) Errata (July 25, 2008), and "Final EIR Additional Environmental Information" (February 2009).
   b) April 2008. "La Bahia Recirculated Draft Environmental Impact Report." Prepared by RBF Consulting.
   c) July 1998. "Beach and South of Laurel Comprehensive Area Plan Final EIR", including the Draft EIR volume, dated March 1998. Certified October 20, 1998. [SCH#96071020]

4. Monterey Bay Unified Air Pollution Control District.
   a) August 2008. *2008 Air Quality Management Plan for the Monterey Bay Region*.
   b) February 2008. "CEQA Air Quality Guidelines."
   c) February 20, 2013. "Receive an Informational Report on the Status of Development Greenhouse Gas Emissions Thresholds for Evaluating Projects Under the California Environmental Quality Act (CEQA)".

5. April 6, 1998. Architectural Resources Group. "La Bahia Apartments, Santa Cruz, California Architectural Analysis and Recommendations for New Development"

6. Archaeological Consulting. November 30, 2001. "Preliminary Archaeological Reconnaissance of Assessor's Parcels 005-213-02 & -03."

7. Bowman & Williams. April 25, 2013. "Preliminary Stormwater Management Report for APN: 007-214-01 & 02, 215 Beach Street, Santa Cruz, CA 95060."

8. Pacific Crest Engineering, Inc. February 21, 2006. “Update Geotechnical Report, La Bahia Hotel, 215 Beach Street, Santa Cruz, California.”

9. Zinn Geology. January 27, 2008. “Geologic Investigation, La Bahia Hotel, 215 Beach Street, Santa Cruz, CA 95060.”

Initial Study Preparation: Strelow Consulting in association with the City of Santa Cruz Planning and Community Development Department.

VI. EXPLANATION OF ENVIRONMENTAL CHECKLIST RESPONSES

1. AESTHETICS

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Eliminate or substantially adversely affect a scenic vista,*
- *Substantially damage scenic resources, including visually prominent trees, rock outcrops, or historic buildings along a state scenic highway;*
- *Substantially degrade the existing visual character or quality of the site and surroundings, i.e., be incompatible with the scale or visual character of the surrounding area; or*
- *Create a new source of substantial light or glare.*

(a-b) Scenic Views and Resources. The project site is located in a developed, urbanized area of the City within the “Beach Commercial” subarea of the Beach/South of Laurel Area Plan planning area. The visual character of the Beach Commercial subarea is dominated by the Boardwalk and other visitor-serving and commercial development along Beach Street. Views along Beach Street in the project vicinity consist of a variety of buildings of mixed architectural styles and age on the north side of Beach Street and the Wharf, Monterey Bay and Boardwalk on the south side of Beach Street. Views of Monterey Bay are the prominent scenic view in the project vicinity.

Maps developed for the City’s *General Plan 2030* and included in the General Plan EIR identify panoramic views from the Wharf, West Cliff Drive and East Cliff Drive, which would include the project site (SOURCE V.1c-Figure 4.3-1). The Municipal Wharf, areas along West Cliff Drive path, the ocean bluff on the east side of the San Lorenzo River, and a view from the Oceanview Park also are identified as “scenic viewpoints and panoramas” in the City’s Local Coastal Program (LCP) (LCP Map CD-3), and West Cliff Drive and Bay Street are identified as “scenic drives”. The project site is located below the Beach Hill neighborhood, which is identified as an “urban skyline” in the City’s LCP (LCP Map CD-3). The adjacent Santa Cruz Boardwalk is identified as a “visual landmark” in the City’s General Plan EIR (SOURCE V.1c-Figure 4.3-1).

The site is visible from the Main Beach, the Wharf, portions of West Cliff Drive, and a small segment of East Cliff Drive. From the beach, Wharf and West Cliff Drive, the primary visual

feature is foreground views of the bay, beach and Boardwalk, and distant views of the Santa Cruz Mountains. Views of the bay and Wharf are provided across the northwestern portion of the project site from the corner of Main Street and First Street for motorists, bicyclists and pedestrians traveling toward Beach Street. At this location, the Wharf and part of the ocean are visible behind the existing La Bahia structures.

Project development would partially block some of the existing identified scenic views and/or be within the viewshed of scenic or panoramic views as identified in the City's General Plan and LCP. Further review of project impacts upon scenic views should be evaluated as a part of an EIR analysis based on the currently proposed site plan and building heights.

The proposed project will result in removal of four existing horticultural trees on the edge of the existing building, mostly along the southern portions of the building. The trees are small and are not visually prominent scenic features, and thus, are not considered scenic resources. Removal of these horticultural trees adjacent to the existing building would not result in a significant impact to scenic resources. See subsection 4—Biological Resources – below for further discussion of heritage tree removal impacts.

(c) Effects on Visual Character of Surrounding Area. The existing La Bahia development consists of a complex of several buildings that are partially interconnected in places and designed in the Spanish Colonial Revival style. The buildings are primarily two stories, stepping up to three stories from the prominent bell tower at the eastern end of the Beach Street façade. The exterior walls are covered with textured stucco and the multi-level roof is covered with red Spanish tiles and rolled roofing at various sections.

The proposed project includes demolition of the existing buildings, except for a portion of the existing bell tower building in the southeastern portion of the site. Reconstruction with a new facility is proposed with heights ranging from about 36 to 42 feet along Beach Street to approximately 42-43± feet along First Street. The building heights are based on average grades from ten onsite locations and developed based in provisions in the Zoning Ordinance (Municipal Code section 24.22.162). The RTC zone district in which the project site is located allows heights up to 36 feet. A Planned Development Permit may be approved with regards to height, but the added height may not exceed one story or twenty percent of height (in feet) over and above regulations established in district regulations for the district in which the project is proposed. (Municipal Code section 24.08.720).With approval of a PD permit with the required findings, heights up to 43.2 feet could be allowed. It is also noted that the B/SOL Area Plan EIR assumed development at the La Bahia site under a Planned Development permit process that allows variations in building heights, and considered heights up to 45 feet.

The project will result in greater building mass than currently exists on the site. Additionally, structural development is subject to the B/SOL Area Plan Design Guidelines, adopted by the City Council in October 1998, which generally favor the Spanish Colonial Revival architectural style in proximity to the La Bahia site. The B/SOL Area Plan states that, in adopting the plan, "the City Council stipulated that the developer should be required to work with a historic preservationist retained by the City in meeting the proposed Design Guidelines to ensure compatibility of scale and architectural style and be required to conform to the City's design review process" (SOURCE V.2a, page 110).

A rendering of the proposed project design is shown on Figure 2 in the "Project Description" subsection of this Initial Study. The overall massing, general design and height of the project requires further review in an EIR with regards to project impacts on the visual character of the area. The EIR will also include and review a shadow analysis prepared for the project.

(d) Create New Source of Substantial Lighting. The project site is located within the City's developed Beach area. As such exterior lighting is present on most vicinity structures, and there are also street lights and lighting associated with Boardwalk and surface parking lots in the vicinity.

Impact. The project is not expected to result in introduction of a major source of light or glare as the site is currently developed and the surrounding area supports visitor-serving and commercial development with exterior lighting. Parking will be located underground, and, thus would not result in exterior parking lot lighting. Exterior lighting of the proposed building will be required to be consistent with the B/SOL Plan's adopted Design Guidelines. Lighting in accordance with these guidelines will not create significant visual impacts on the surrounding neighborhood, because these standards require lighting to be shielded, directed downward and oriented and selected so as not create offsite glare. Specifically, the Guidelines state that:

- Building illumination and architectural lighting shall be indirect and concealed from view. Decorative building and landscape lighting shall be subtle.
- All exterior lighting shall be selective and shielded to confine light within the site and prevent glare onto adjacent properties or streets.

Thus, the project would not create a new source of substantial lighting in the project area. Exterior lighting will be further reviewed by City staff as part of the Design Permit process.

2. AGRICULTURE & FOREST RESOURCES

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Convert prime farmland, unique farmland or farmland of state importance to non-agricultural uses;*
- *Conflict with existing zoning for agricultural use or a Williamson Act contract;;*
- *Conflict with existing zoning for, or cause rezoning of, forest land;*
- *Result in the loss of forest land or conversion of forest land to non-forest use; or*
- *Involve other changes to 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.*

The project site is located within the developed urban area of the City of Santa Cruz. The project site does not contain prime or other agricultural lands as mapped on the State Farmland Mapping and Monitoring Program, (SOURCE V.1c-Figure 4.3-1). The site is not

designated for agricultural uses in the City's General Plan, and is not located adjacent to agricultural lands. The project site is not zoned Timberland Preserve, and the four horticultural trees adjacent to the existing buildings are not considered timber resources. Thus, the proposed project would not result in conversion of agricultural or forest lands or lead to conversion of agricultural or forest lands.

3. AIR QUALITY

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Conflict with or obstruct implementation of the applicable air quality plan;*
- *Violate any air quality standards or contribute substantially to an existing or projected air quality violation, i.e. result in generation of emissions of or in excess of 137 pounds per day for VOC or No_x, 550 pounds per day of carbon monoxide, 150 pounds per day of sulfur oxides (SO_x), and/or 82 pounds per day of PM_{10} (due to construction with minimal earthmoving on 8.1 or more acres per day or grading/excavation site on 2.2 or more acres per day for PM_{10}) pursuant to impact criteria for significance developed by the MBUAPCD (MBUAPCD, "CEQA Air Quality Guidelines," February 2008);*
- *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 (including releasing emissions which exceed quantitative thresholds for ozone precursors);*
- *Expose sensitive receptors to substantial pollution concentrations; or*
- *Create objectionable odors affecting a substantial number of people.*

(a) Consistency with Air Quality Plans. The project consists of visitor-serving, limited stay hotel uses, and will not result in new permanent residential population or growth. However, the Monterey Bay Unified Air Pollution Control District will be contacted to review whether the project would be consistent with or conflict with or obstruct implementation of the District's Air Quality Management Plan.

(b-c) Project Emissions. Federal and state ambient air quality standards (AAQS) address six criteria pollutants, including ozone, carbon monoxide, nitrogen dioxide, sulfur dioxide, fine particulate matter (both PM_{10} and $PM_{2.5}$, which refer to particles less than 10 microns and 2.5 microns, respectively), and lead. The state standards, which are generally more stringent than the federal standards, apply to the same pollutants as the federal standards do, but also include sulfate, hydrogen sulfide, and vinyl chloride.

The North Central Coast Air Basin (NCCAB), in which the project site is located, is under the jurisdiction of the MBUAPCD and includes Santa Cruz, Monterey and San Benito Counties. The NCCAB is currently in attainment for the federal PM_{10}, ozone, nitrogen dioxide, sulfur dioxide, and carbon monoxide standards and is unclassified or in attainment for the federal PM_{25} and lead standards. The basin is designated non-attainment for the state ozone and PM_{10} standards, and is in attainment for all other state standards, except for carbon monoxide for which it is unclassified.

The project would generate air emissions through new regional vehicle trips. In accordance with directives in the *General Plan 2030* and the General Plan EIR, project emissions will be calculated and evaluated in an EIR, including PM_{10} emissions associated with the demolition of the existing building and project excavation and grading. The analysis also will include review of whether carbon monoxide thresholds established in the MBUAPCD CEQA Guidelines would be exceeded. The MBUAPCD's "CEQA Air Quality Guidelines," indicate that 8.1 acres could be graded per day with minimal earthmoving or 2.2 acres per day with grading and excavation without exceeding the PM_{10} threshold of 82 lbs/day. The project site is approximately 1.4 acres in size, which is below the MBUAPCD threshold for potential significant impacts resulting from grading. However, excavation to accommodate the planned underground parking garage is proposed. Although all clearing and grading is not likely to occur in one day, construction-related emissions will be further reviewed in an EIR. The project also will require demolition of existing buildings, and pursuant to MBUAPCD Rules (439), there shall be no visible emissions from building removals, and commencement of removal activities are prohibited when peak wind speed exceeds 15 miles per hour.

(d) Sensitive Receptors. The project site is located within a developed area of the City of Santa Cruz and is surrounded by primarily residential and visitor-serving commercial uses. As indicated above, the proposed project would not result in stationary emissions. Thus, the proposed project will not expose sensitive receptors to substantial pollutant concentrations. For CEQA purposes, a sensitive receptor is generically defined as any residence, including private homes, condominiums, apartments, and living quarters; education resources such as preschools and kindergarten through grade twelve (k-12) schools; daycare centers; and health care facilities such as hospitals or retirement and nursing homes (SOURCE V.4b). However, potential exposure to diesel particulate matter and asbestos is discussed below.

Diesel Particulate Matter. Diesel particulate matter was identified as a toxic air contaminant (TAC) by the State of California in 1998. Diesel exhaust is emitted from a broad range of on- and off-road diesel engines. Following the identification of diesel as a TAC, the California Air Resources Board (CARB) developed a comprehensive strategy to control diesel PM emissions. The "Risk Reduction Plan to Reduce Particulate Matter Emissions from Diesel-Fueled Engines and Vehicles"—a document approved by ARB in September 2000—set goals to reduce diesel PM emissions in California by 75% by 2010 and 85% by 2020. This objective would be achieved by a combination of approaches (including emission regulations for new diesel engines and low sulfur fuel program).The Diesel Risk Reduction Plan includes 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 diesel particulate 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 Diesel Risk Reduction Plan was adopted, the CARB started developing PM 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.

Impact Analysis. Demolition, excavation, grading and project construction could involve the use of diesel trucks and equipment that will emit diesel exhaust, including diesel particulate matter, which is classified as a toxic air contaminant. It is possible that a short-term impact could occur from the project due to the localized concentration of diesel exhaust from construction equipment adjacent to sensitive receptors (i.e., residences). Residential uses are located adjacent to the project site along First Street. Residents would be exposed to construction-related diesel emissions, but demolition and grading would be the primary activities that would use diesel equipment, and these activities would be of temporary and of short-term duration. Furthermore, compliance with state regulations regarding diesel equipment will substantially reduce diesel emissions. Thus, potential exposure to adjacent residents is considered a less-than-significant impact as further discussed below.

The MBUAPCD's CEQA Guidelines indicate that temporary emissions of a carcinogenic toxic air contaminant that can result in a cancer risk greater than one incident per 100,000 population is considered significant. The CARB does not have a specific threshold of significance for diesel exhaust, although assessment of toxic air contaminant cancer risks is typically based upon a 70-year exposure period. Health Risk Assessments are typically conducted for areas that would expose sensitive receptors to high concentrations of diesel particulate over a long period of time. Per the California Office of Environmental Health Hazard Assessment (OEHHA) and California Air Pollution Control Officers Association (CAPCOA) guidelines, estimating cancer risk for diesel particulate matter is typically not required for construction activities as they occur for a short period of time and, therefore, would not measurably increase cancer risk (SOURCE V.3b).

Project construction-related diesel emissions would be of limited duration (i.e., primarily during demolition and grading) and temporary. Project excavation and construction activities that would utilize diesel-powered equipment would expose receptors to possible diesel exhaust for a limited number of days out of a 70-year (365 day per year, 24-hour per day) period. Because exposure to diesel exhaust will be well below the 70-year exposure period, and given the limited and short-term duration of activities that would use diesel equipment, construction-related diesel emissions are not 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. The MBUAPCD's CEQA Guidelines also indicate that reductions in particulate emissions of up to 85% could result with retrofitting of diesel equipment (SOURCE V.4b-Table 8.4). 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 diesel emissions and associated risks is considered a less-than-significant impact.

Although mitigation measures are not required, the following Condition of Approval is recommended based on measures included in former project approval and past determinations by the MBUAPCD, which have indicated that a diesel exhaust risk assessment would not be necessary if all construction equipment and trucks are retrofitted with diesel particulate filters, catalytic converters or other means are employed to eliminate or significantly reduce diesel emissions (SOURCE V.3b).

RECOMMENDED CONDITION OF APPROVAL: Require construction equipment to use 2003 or later models for all onsite heavy-duty equipment during grading activities OR install oxidation catalysts on heavy-duty equipment OR use equipment that uses biodiesel fuel to minimize emission of diesel exhaust on all onsite equipment used during grading activities.

Asbestos Exposure. Existing state, federal and local regulations require demolition activities to minimize asbestos released into the air. The National Emissions Standards for Hazardous Air Pollutants (NESHAPS) as set forth in the Code of Federal Regulations—40CFR61--is designed to prevent "visible emissions" of asbestos when buildings are renovated or demolished. Under federal law, a building must be inspected for asbestos prior to demolition or renovation, and federal and state agencies must be notified prior to demolition. According to the California Air Resources Control board, removal and disposal of asbestos procedures and controls must be specified in the notification form.

The MBUAPCD enforces the Asbestos NESHAP regulation with authority delegated by the U.S. EPA. Rule 424 adopts the Federal Asbestos NESHAP by reference. Surveys for asbestos must be conducted prior to demolition or renovation activities that will disturb materials that might contain asbestos. A copy of the asbestos survey must be included with the required notification to the District, which also collects fees for demolition and/or renovation activities which are subject to the Asbestos NESHAP. Rule 306 includes a fee schedule based on the type of NESHAP activity being conducted.

The asbestos NESHAP specifies work practices to be followed during demolition of all structures that contain, or may contain asbestos. These work practices have been designed to effectively reduce airborne asbestos to safe levels, and the project must comply with the NESHAP. NESHAP specifies work practice requirements to limit asbestos emissions from building demolition and renovation activities, including the removal and associated disturbance of asbestos containing materials. The requirements for demolition and renovation activities include asbestos surveying, notification, asbestos containing materials removal procedures and time schedules, asbestos containing materials handling and clean-up procedures, and storage, disposal, and landfilling requirements for asbestos-containing waste materials. All operators are required to maintain records, including waste shipment records, and are required to use appropriate warning labels, signs, and markings.

Impact: The existing onsite buildings will be demolished. It is not known whether the existing buildings on the site contain asbestos or lead paint, but given that the buildings were constructed in 1926, they may contain friable asbestos, which has been identified as a hazardous airborne contaminant. With implementation of required EPA, CARB, and MBUAPCD regulations, airborne asbestos would not be generated in unhealthy amounts during demolition and impacts would be less than significant. Although no mitigation

measures are required as a significant impact has not been identified, the following project condition of approval is recommended to demonstrate compliance with these regulations.

RECOMMENDED CONDITION OF APPROVAL: Require proof of MBUAPCD Notification (and asbestos surveys) prior to issuance of demolition permit. Any building materials classified as hazardous materials will be disposed of in conformance with Federal, State, and local laws.

(e) Odors. According to the MBUAPCD CEQA Guidelines, land uses associated with odor complaints typically include landfills, agricultural uses, wastewater treatment plants, food processing plants, chemical plants, refineries, and landfills (SOURCE V.4b). The proposed hotel project does not include any uses associated with odors.

4. BIOLOGICAL RESOURCES

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *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 Game or U.S. Fish and Wildlife Service;*
- *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 Game or US Fish and Wildlife Service;*
- *Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means;*
- *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;*
- *Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance; or*
- *Conflict with the provisions of an adopted Habitat Conservation Plan (HCP), Natural Community Conservation Plan (NCCP), or other approved local, regional, or state habitat conservation plan;*
- *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; or*
- *Substantially reduce the number or restrict the range of an endangered, rare, or threatened species.*

The project site is located within a developed part of the City that has a mix of hotels, and other visitor-serving, recreational and residential uses. The Santa Cruz Beach Boardwalk is a prominent use in the area. The project site has been developed and in use since 1926. 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 "sensitive habitat area" (SOURCE V.1c-Figure 4.8-3). The majority of the site's landscaping is contained within its two courtyards and consists of

decorative trees, shrubbery, and flowers. Project development would not result in impacts to biological resources as none existing on or in proximity to the site.

(e) Consistency with Local Ordinances - Tree Removal. There are four horticultural trees adjacent to the existing buildings along the southern portion of the site. The trees are assumed to be heritage trees under City regulations. A grove of acacia and other trees in the middle of the site were removed in 2006 after the property owners obtained a Heritage Tree Removal Permit from the City, which included replanting of four 24-inch box specimen trees on the site or as street trees in accordance with City requirements.

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. 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.

It is noted that the City is in the process of updating the Heritage Tree regulations (Chapter 9.56 of the Municipal Code). The heritage tree removal permit process and requirements would remain intact with some clarifications. The primary proposed changes include an expanded statement of purpose, including acknowledgment of the importance of the urban forest, removal of heritage shrubs from the ordinance, and addressing non-native, invasive trees, such as eucalyptus and acacia trees, growing outside of a biotic resource area. The proposed changes have not yet been adopted by the City Council.

Impact Analysis. The proposed project in will result in removal of four horticultural trees that are assumed to be heritage trees under City regulations. City regulations require tree replacement for removal of a heritage tree to consist of replanting three 15-gallon or one 24-inch size specimen for each heritage tree approved for removal. The project landscaping plan shows planting of four 24-inch box trees and nine 36-inch box trees. Thus, the proposed tree planting would be consistent with heritage tree regulations and replanting requirements for removal of four heritage trees and would not conflict with local tree preservation regulations or result in a significant impact.

(f) Habitat Conservation Plans. There are no adopted Habitat Conservation or Natural Community Conservation Plans in the project vicinity.

5. CULTURAL RESOURCES

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Cause a substantial adverse change in the significance of an archaeological resource.*
- *Disturb any human remains, including those interred outside of formal cemeteries.*
- *Cause a substantial adverse change in the significance of an historic resource pursuant to Section 15064.5 of the State CEQA Guidelines. A "substantial adverse change in the significance of an historical resource" means physical demolition, destruction, relocation, or alteration of the resource or its immediate surroundings such that the significance of an historical resource would be materially impaired. The significance of an historical resource is materially impaired when a project demolishes or materially alters in an adverse manner those physical characteristics of an historical resource that convey its historical significance and that justify its inclusion in, or eligibility for, inclusion in the California Register of Historical Resources or local register of historical places.*
- *Pursuant to CEQA Guidelines, "historical resources include a resource listed in, or determined to be eligible for listing in the California Register of Historical Resources; a resource included in a local register of historical resources; and any object, building, structure, site, area, place, record, or manuscript which a lead agency determines to be historically significant or significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California.*

(a) Historical Resources. The existing La Bahia Apartments complex is included in the City of Santa Cruz' Historic Building Survey with an "Excellent" rating. Built in 1926 by the Santa Cruz Seaside Company, the apartments consist of a complex of buildings designed in the Spanish Colonial Revival style and designed by William C. Hays, an architect of statewide stature who contributed many structures to northern California communities. The structure is a city-designated "landmark". The B/SOL Area Plan EIR concluded that it is likely that the La Bahia is eligible for the National Register under criterion "c" at a local level of significance, and also appears to be eligible for the California Register.

An architectural analysis of the La Bahia building, conducted in 1998 as part of the B/SOL Area Plan EIR, identified the character-defining features of the buildings as the overall massing and configuration, the Spanish Colonial style and detailing and the courtyards (SOURCE V.5). The major contributing elements include buildings along Beach Street, Courtyards 1 and 2, the building elevations encompassing and the passages to the courtyards, as well as the scale, massing, character and detail of all buildings. The B/SOL Area Plan EIR considered future development of a hotel on the La Bahia site, and concluded that if the La Bahia is altered or expanded in a way which preserves the major contributing elements of the building, thus not impairing the significance of the historic resource, the development would result in a less-than-significant impact on historic resources (SOURCE V.3.c). Specifically, the B/SOL Area Plan EIR indicated that if future review of development shows the project designs follow the recommendations set forth in the architectural analysis, then impacts to historic resources would be reduced to a less-than-significant level.

The project includes demolition of the existing La Bahia structures, except that the bell tower building in the southeastern portion of the site will be retained and rehabilitated. The effects of

rehabilitation of the retained building and historic impacts due to demolition of the other portion of the site's structures require further evaluation in an EIR.

(b, d) Archaeological Resources. According to maps developed for the City's *General Plan 2030* and included in the General Plan EIR, the project site is within a mapped "sensitive" archaeological area and "sensitive" historical archaeological area (SOURCE V.1c-Figures 4.9-1 and 4.9-3). An archaeological investigation prepared for the project site found that there are nine prehistoric sites recorded within one kilometer of the project site, the closest being on Beach Hill (SOURCE V.6). A field investigation found no evidence of potentially significant archaeological resources in the project area (Ibid.).

Impact Analysis. The proposed project will result in demolition of the existing onsite structures (except for the bell tower structure), as well as excavation and construction of a new hotel facility. The archaeological investigation found no evidence of potentially significant archaeological resources in the project area (SOURCE V.6). However, due to the presence of prehistoric and historic resources in the vicinity, there is a possibility that unidentified (e.g., buried) cultural resources could be found during grading or site development. Therefore, the archaeological report recommended a standard measure to be followed in the event resources are uncovered during construction. This is consistent with provisions of section 24.12.430 of the City's Municipal Code, which 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 and 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. While mitigation measures are not required as a significant impact has not been identified, the following condition of approval is recommended.

RECOMMENDED CONDITION OF APPROVAL. If archaeological resources or human remains are accidentally discovered during construction, 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, appropriate mitigation 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 and 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.

(c) Paleontological Resources. According to maps developed for the City's *General Plan 2030* and included in the General Plan EIR (SOURCE V.1c-Figure 4.9-5), the project site is within an area mapped primarily as Purisima Formation (Late Miocene to Pliocene) with Late Pleistocene Alluvium, both of which are known to contain fossils (SOURCE V.1c). The site is also situated on a small area of the Holocene Alluvium geologic formation (SOURCE V.1c-Figures 4.9-5). Although this formation is generally considered too young to contain paleontological resources, it is considered moderately sensitive for paleontological resources because it is underlain by sedimentary geologic units that have a high paleontological sensitivity (Ibid.) (SOURCE V.1c).

Impact Analysis. The proposed project will result in excavation and construction of a new hotel facility that could result in discovery of unknown paleontological resources during construction. The site has been previously graded and disturbed, and the potential to impact unknown paleontological resources is considered less than significant. Although mitigation measures are not required, the following Condition of Approval is recommended in the event that unknown resources are encountered during construction, consistent with Action HA1.2.3 in the *General Plan 2030*.

RECOMMENDED CONDITION OF APPROVAL. Due to the project site's location within a paleontologically sensitive area and the potential for encountering such resources during construction, excavation and construction shall be halted if such resources are found and examined. If the find is significant, the City shall require the 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.

6. GEOLOGY AND SOILS

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Expose people or structures to potential substantial adverse effects resulting from the rupture of a known earthquake fault, seismic ground shaking, landslides, or seismic-related ground-failure, including liquefaction, and that cannot be mitigated through the use of standard engineering design techniques.*
- *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 an onsite or offsite landslide or slope failure.*
- *Result in substantial soil erosion or the loss of topsoil and subsequent sedimentation into local drainage facilities and water bodies.*
- *Be located on an expansive soil, as defined by the Uniform Building Code (1997) or subject or other soil constraints that might result in deformation of foundations or damage to structures, creating substantial risks to life or property.*

(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 11.5 miles to the northeast, and the San Gregorio, approximately 9 miles to the southwest.

There are no active fault zones or risk of fault rupture within the City (SOURCE V.1c). Therefore, fault rupture through the site is not anticipated.

(aii-iv,c) Seismic & Geologic Hazards.

Seismic Hazards. The project would be subject to both seismic shaking and liquefaction hazards. According to maps developed as part of the City's recently adopted *General Plan 2030* and included in the General Plan EIR, the project site is located in an area identified as being subject to liquefaction hazards (SOURCE V.1c-Figure 4.10-4). The project applicant would be required to design and construct the proposed project in conformance with requirements established in the California Building Code (CBC), which includes seismic design parameters. Structures built in accordance with the latest edition of the California Building Code have an increased potential for experiencing relatively minor damage which should be repairable (SOURCE V.3b). The 2008 geotechnical report (including geologic report) for the former approved project outlines the values for the seismic design as established in the CBC, which would mitigate the potential impacts due to seismic shaking. The *General Plan 2030* EIR also concludes that with adherence to existing regulations and standards, including the CBC, harm to people and structures from adverse seismic events would be minimized.

The 2008 geotechnical study also identified a potential for liquefaction and potential inducement of either lateral spreading toward the south (Beach Street) or lateral surge around the foundation piers. The study includes special foundation recommendations, which would mitigate the effects of liquefaction induced lateral spreading on the foundation system. Implementation of all recommendations of the geotechnical investigation and geologic report were required. The former geotechnical investigation concluded that the former proposed hotel project could have been constructed with implementation of recommendations set forth in the geotechnical report (SOURCE V.8). Since the building design has been changed, an update to the geotechnical investigation will be necessary, and exposure to seismic hazards will be further evaluated in the EIR.

Slope Hazards. The project site gently slopes from north to south with a narrow band of 30-50+% slopes in the central portion of the site. According to maps developed as part of the City's recently adopted *General Plan 2030* and included in the General Plan EIR, the project site contains slopes of 30-50+% (SOURCE V.1c-Figure 4.10-5). It appears that the onsite slope, in part, was created due to past grading for the site to create level areas in the upper portion of the site. City regulations exempt minor sculpted landforms from compliance with City slope regulations. The project proposes grading the northern portion of the site to construct an underground parking garage. The area of the 30-50+% slopes likely would be regraded, thus eliminating any construction on steep slopes, although a grading plan has not yet been prepared.

Coastal Bluff Erosion Hazards. The project site is not located on a coastal bluff that could be subject to coastal bluff erosion. Coastal erosion is the wearing away of coastal land. The term is commonly used to describe the horizontal retreat of the shoreline along the ocean. Coastal erosion includes both cliff or bluff erosion and beach erosion, and is a result of both winter wave attack as well as a slowly rising sea level (SOURCE V.2b). The City's existing adopted Local Hazards Mitigation Plan (2007-2012) map of areas susceptible to coastal erosion identifies the

shoreline between Bay Street and East Cliff Street, which includes the project site, as not being subject to coastal erosion (Ibid.).

(b) Erosion. According to maps developed as part of the City's recently adopted *General Plan 2030* and included in the General Plan EIR, the project site is located within an area that is mapped as having soils with high to very high erosion potential (Elkhorn sandy loam) (SOURCE V.1c-Figure 4.10-6).

Impact. The northern and middle portion of the site will be significantly excavated and regraded for construction of the parking garage. The project grading plan indicates that 22,250 cubic yards of material will be excavated and hauled offsite. Project plans include an erosion control plan with measures to: prevent offsite transport of sediments, including, installation of perimeter fencing; covering stockpiled materials; protection of storm drains; and protection of the site before and during rainy periods. With implementation of the proposed erosion control plan in conformance with City grading and erosion control standards and requirements set forth in the City's Municipal Code Chapter 18.45, the project would not result in significant erosion impacts during construction, and no erosion impacts upon completion of construction. The potential for erosion is considered a less-than-significant impact.

(f) Expansive Soils. Soil borings and laboratory testing conducted in 2001 were reviewed as part of an updated geotechnical report prepared in January 2008. The borings encountered fill or native soils underlain by Purisima Formation sandstone at depths that varied from 11 to 44 feet below the existing ground surface. Silty sands were encountered in all borings, except for one that encountered interbedded clays and sands. Artificial fill was encountered in two borings ranging in depth from 2 to 8 feet. Free groundwater was found in most borings perched above the bedrock at depths below the ground surface varying from eight to 24 feet, with an average depth of 12.8 feet (SOURCE V.8). The geotechnical report did not identify expansive soils, but provided recommendations for other potential geotechnical constraints, such as the need to implement a dewatering plan during construction due to high groundwater levels and temporary shoring during construction during excavation. An updated geotechnical report will be prepared as required by California Building Code and City requirements.

(e) Use of Septic Systems. The project will be connected to City sanitary sewers and will not use septic systems.

7. GREENHOUSE GAS EMISSIONS

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment;*
- *Conflict with any applicable plan, policy or regulation of an agency adopted for the purpose of reducing the emissions of greenhouse gases.*

(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 house 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 (SOURCE V.1c). 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 (Ibid.).

The most common GHG that results from human activity is carbon dioxide, followed by methane and nitrous oxide (SOURCE V.1c). The primary contributors to GHG emissions in California (as of 2008) are transportation (about 37%), electric power production (24%), industry (20%), agriculture and forestry (6%), and other sources, including commercial and residential uses (13%). Approximately 81% of California's emissions are carbon dioxide produced from fossil fuel combustion (Ibid.).

The State of California passed the Global Warming Solutions Act of 2006 (AB 32), which requires reductions of GHG emissions generated within 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.

The California Air Resources Board (CARB) is the lead agency for implementing AB 32. In accordance with provisions of AB 32, CARB has completed a statewide Greenhouse Gas (GHG) Inventory that provides estimates of the amount of GHGs emitted to, and removed from, the atmosphere by human activities within California. Based on review of this inventory, in December 2007 CARB approved a 2020 emissions limit of 427 CO_2 equivalent million metric tons (MMT CO_2e)1, which is equivalent to the 1990 emissions level. In accordance with requirements of AB 32, a Scoping Plan was released in October 2008 and adopted by CARB in December 2008, which includes elements for reducing the state's greenhouse emissions to 1990 levels. The Scoping Plan identifies 18 emissions reduction measures that address cap-and-trade programs, vehicle gas standards, energy efficiency, low carbon fuel standards, renewable energy, regional transportation-related greenhouse gas targets, vehicle efficiency measures, goods movement, solar roofs program, industrial emissions, high speed rail, green building strategy, recycling, sustainable forests, water and air (SOURCE V.1c).

[1] The CO_2 equivalent emissions are commonly expressed as "million metric tons of carbon dioxide equivalent ($MMTCO_2E$)". The carbon dioxide equivalent for a gas is derived by multiplying the tons of the gas by the associated Global Warming Potential (GWP).

The City's *General Plan 2030* includes goals, policies and actions on climate change, including reducing community-wide greenhouse gas 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 ten years to reduce greenhouse gasses by 30%.

The *General Plan 2030* EIR estimated greenhouse emissions that could result in 2030 from potential development and buildout accommodated by the plan that included 3,350 residential dwelling units and approximately 3,140,000 additional square feet of new commercial, office and industrial uses. The General Plan EIR analysis determined that the GHG emissions levels associated with potential buildout that would be accommodated by the General Plan would not be considered substantial compared to long-term forecasts and state and regional targets, and would be less than forecast statewide per capita emission rates. The proposed project was factored into the General Plan buildout and EIR analyses based on a 125-room hotel. The current project proposes 165 rooms, which results in 40 additional rooms that would not have been considered in the buildout analysis. Although, GHG emissions resulting from the project are not expected to be significant, the issue will be further reviewed in an EIR.

(b) Conflict with Applicable Plans. The project would not conflict with state plans adopted for the purpose of reducing greenhouse gas emissions. The State's "Scoping Plan" includes strategies for transportation, energy, water and other sectors that are not directly applicable to the proposed project.

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 greenhouse gas 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 aide sustainable practices. Measures are outlined for the following sectors: municipal, residential, commercial, and community programs. The CAP includes an implementation chapter that identifies tracking and reporting of the success of the measures, including City staff responsibilities.

There are no specific measures that would apply to the proposed hotel project, although some of the CAP's reduction measures are aimed at the commercial sector. The proposed project will be subject to applicable provisions of the City's Green Building Code requirements and water conservation features, including drought-resistant landscaping. These measures are consistent with those recommended for commercial and other uses in the CAP related to building and energy efficiency and water conservation. Thus, the project would not conflict with provisions of the CAP.

8. HAZARDS & HAZARDOUS MATERIALS

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials.*
- *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.*
- *Be located on a site that is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, create a significant hazard to the public or the environment.*
- *Impair the implementation of or physically interfere with an adopted emergency response or evacuation plan.*
- *Expose people or structures to a significant risk of loss, injury or death involving wildland fires.*

The project site is not located near airport or wildland fire hazards area.

(a-d) Exposure to Hazardous Materials. The project will not result in creation of risks associated with hazardous material use. Future development of the planned site uses would not include development that would store or use hazardous materials other than janitorial supplies, which would not create a substantial hazard. See subsection VI.3d above regarding potential exposure to asbestos during construction and diesel particular emissions during construction. The project is not located within ¼ mile of an existing or proposed school, and would not result in a stationary source of emissions.

9. HYDROLOGY

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Substantially deplete groundwater supplies or interfere substantially with groundwater recharge;*
- *Substantially alter the existing drainage pattern of the site or area or result in offsite drainage or flood problems;*
- *Substantially increase the rate or amount of surface runoff which would exceed capacity of existing or planned storm drain facilities, cause downstream or offsite drainage problems, or increase the risk or severity of flooding in downstream areas;*
- *Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface water quality;*
- *Result in construction of habitable structures within a 100-year floodplain as mapped on a Federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map, which would expose people or structures to a significant risk of loss, injury or death due to flooding;*

- *Locate structures within a 100-year flood hazard area that would impede or redirect flood flows;*
- *Expose people or structures to a significant risk of loss, injury, or death involving flooding as a result of the failure of a levee or dam; or*
- *Expose people or structures to a significant risk of loss, injury or death as a result in inundation by seiche, tsunami, or mudflow.*

(a-b) Water Quality and Groundwater. The project site is located within a developed area and would not affect groundwater supplies. The use would not involve discharges that would violate any water quality standards or waste discharge requirements.

(c-e) Drainage. The San Lorenzo River mouth is located 2,500 feet east of the project site. The San Lorenzo River watershed is the largest watershed in the City, which originates in the Santa Cruz Mountains and drains approximately 138 square miles, including much of the central area of Santa Cruz. The City portion of the San Lorenzo River includes the leveed lower portion of the river from the river mouth to Highway 1 and approximately one mile upstream from Highway 1 Bridge to the City limits near Sycamore Grove (SOURCE V.3b).

The site is located on Beach Street. The project site currently drains to the south via sheetflow. There are three stormwater outfalls that serve the site, of which two are City storm drains and one is a private storm drain. One City storm drain outfall (OF1) discharges to the beach across from the intersection of Beach Street and Westbrook Street, and the second outfall (OF2) discharges to the beach across from the intersection of Main and Beach Street. The private outfall (OF3) drains to the beach west of the City outfall OF1, at the intersection of Beach Street and Westbrook Street (SOURCE V.3b).

Impact Analysis. The proposed project would not alter the existing drainage pattern of the site or area as existing drainage patterns and conveyance to City storm drains would be provided with the project. Similarly, there would be no alteration of a stream course or river. The project would not significantly increase stormwater flows, and discharge into City storm drain facilities would be maintained at pre-development rates. Therefore, this is considered a less-than-significant impact.

Drainage from the proposed project would continue to drain to existing storm drains. The project will result in an increase in impervious surfacing of approximately 13,000 square feet with a resulting increase in runoff of 1.12 cubic feet per second (cfs) during a 10-year storm event (SOURCE V.7). According to a stormwater management plan prepared for the project, a detention system is proposed under the pervious pavement with a control structure to regulate post development flow to predevelopment level and provide 48 hours of extended detention. The proposed development retains the existing drainage patterns and with incorporation of the detention system to capture, slow and store runoff, post-project development would not exceed pre-development runoff rates, consistent with the City's *General Plan 2030* policy that requires new development to maintain pre-development runoff levels (CC5.1.8). Therefore, project drainage impacts would be less than significant.

(f) Water Quality. The project site is located across the street from the Main Beach and Monterey Bay. The Monterey Bay National Marine Sanctuary (MBNMS) is the largest of thirteen marine sanctuaries administered by the United States Department of Commerce National Oceanic and Atmospheric Administration (NOAA). The MBNMS extends from Marin County to Cambria, encompassing nearly 300 miles of shoreline and 5,322 square miles of ocean extending an average distance of twenty-five miles from shore (SOURCE V.3b).

Within urbanized areas such as the City, pollutants frequently associated with storm water include sediment, nutrients, oil and grease, heavy metals, and litter. The primary sources of storm water pollution in urban areas include automobiles, parking lots, landscape maintenance, construction, illegal connections to the storm water system, accidental spills and illegal dumping.

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, which 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 storm water 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 (SOURCE V.1c).

The 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.1c). In 1998, the City adopted an ordinance for "Storm Water and Urban Runoff Pollution Control" (Chapter 16.19 of the city's Municipal Code), as part of its SWMP in accordance with the RWQCB's requirements. The ordinance identifies prohibited discharges and required Best Management Practices (BMPs) for construction and new development.

City regulations (Municipal Code section 16.19.140) require that any construction project, including those undertaken under any permit or approval granted pursuant to Titles 15 (Streets and Sidewalks), 18 (Buildings and Construction), and 24 (Zoning) of the City Code, shall implement best management practices, including the City's mandatory BMPs as detailed in the latest BMP manual published by the City's Public Works Department. BMPs shall be maintained in full force and effect during the duration of the project. The City's BMP manual requires a development project to include a structural or treatment control BMPs, or a combination of BMPs, to reduce potential pollutant loadings in storm water runoff to the maximum extent practicable.

Construction activity on projects that disturb one or more acres of soil, or less than one acre but are part of a larger common plan of development that in total disturbs one or more acres, 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 BMPs that the discharger will use to protect storm water runoff and the placement of those BMPs. Because the project site size is over one acre, the project must file a Notice of Intent (NOI) with the RWCQB and abide by the state regulations outlined in the general permit and implement BMPs to the maximum extent practicable. The landowner is responsible for filing a NOI with the RWQBC, developing a SWPPP, and providing the City with proof of coverage under the state's Construction General Permit 99-08-DWQ.

Impact Analysis. The proposed project would result in an increase of impervious area, but would not result in a substantial degradation to water quality due to limited driveway areas, incorporation of Low Impact Development-Best Management Practices, including porous pavement in the parking lots and biofiltration planters, to pre-treat runoff and implementation of required SWPPP and erosion control plan during construction. None of these measures or requirements are currently in place with the existing apartment complex that was originally constructed in 1926.Therefore, potential impacts to water quality would be considered less than significant as discussed below.

The proposed hotel includes a two-level, enclosed parking garage. Parking areas typically introduce oil, grease, and water-insoluble hydrocarbons from vehicle drippings and engine system leaks to the City's storm drain system. However, the proposed project parking garage will be underground and/or covered, thus reducing potential for these pollutants to enter the storm drainage system. The enclosed parking garage would be connected to the sanitary sewer system instead of the storm drain system.

Post-construction operations would be subject to the City's SWMP. The SWMP contains post-construction BMPs for new development and redevelopment projects and food service facilities. The post-construction BMPs address the following relevant storm water pollution issue areas:

- Peak storm water runoff discharge rates.
- Minimization of storm water pollutants of concern.
- Protection of slopes and channels.
- Storm drain system stenciling and signage.
- Design of material and trash storage areas.
- Design of parking lot areas.
- Requirements for restaurants and food processing/manufacturing facilities, such as kitchen oil and grease handling, cleaning kitchen equipment, and maintenance of garbage areas.
- Structural and treatment control BMPs.

According to a stormwater management plan prepared for the project, stormwater treatment will be provided via a detention system in conjunction with "low impact

development" (LID) features (SOURCE V.7). Bio-planters will be utilized at the downstream end of the project site to provide water quality treatment to roof and site runoff prior to entering the detention system. Pervious pavement is proposed on driveway and courtyard areas as secondary and overflow treatment measures. The detention system is proposed under the pervious pavement with a control structure to regulate post development flow to predevelopment level and provide 48 hours of extended detention. The proposed development retains the existing drainage patterns and incorporation of the LID measures will capture, treat, slow and store runoff and minimize water quality degradation in detained stormwater leaving the site.

The City's mandatory BMPs, as detailed in the latest BMP manual published by the City's Public Works department, must be implemented to protect water quality into the municipal storm drain system. Some of the BMPs the proposed project would be required to abide by, regarding trash storage areas and a restaurant, include the following (for a full list of construction related BMPs, refer to the City of Santa Cruz SWMP):

- All trash storage areas, except those at a single-family residence, must meet the following requirements:
  - The trash storage area must have drainage from adjoining roofs and pavement diverted around the area.
  - The trash storage area must be screened or walled to prevent offsite transport of trash.
  - The trash storage area shall have a roof to prevent storm water from entering.
  - The trash storage area shall be paved and impervious to leaks and spills.
  - Storm drains are prohibited in a trash storage area.
  - The trash storage area must have a drain to the sanitary sewer so that wastewater from the cleaning of the trash storage area may be drained to the sanitary sewer unless exempted by the Department of Public Works.
  - The trash storage area must be large enough to accommodate projected amounts of both refuse and recyclable materials.
- Properly design restaurant equipment and accessory wash areas. The wash areas shall be:
  - Self-contained, equipped with a grease trap or interceptor, and properly connected to the sanitary sewer.

The project also includes an erosion control plan that specifies measures to be implemented during construction, as discussed in subsection 6(b) above. In addition, the proposed project would be required to conform to all applicable construction BMPs included in the SWMP that reduce water quality impacts. Additional measures may be set forth in the required SWPPP. Thus, the potential for erosion and water quality degradation during construction would be less than significant.

Because the proposed project includes a covered parking garage, and with implementation of the proposed water treatment measures and erosion control and other measures during construction, the project would not result in significant water quality impacts during construction or operation.

(g-h) Flood Hazards. The project site is located outside of the 100-year and 500-year flood zone as shown on maps developed as part of the *General Plan 2030* and included in the General Plan EIR (SOURCE V1.c-Figure4.7-1) that were based on FEMA maps. Current FEMA maps (Flood Insurance Rate Maps, Santa Cruz County, Panel 334, Revised May 16, 2012) show the project outside of any flood areas.

A geological investigation conducted for the previously approved hotel project (SOURCE V.9) concluded that the project site is subject to lower flooding risk than the surrounding area, but this doesn't preclude the possibility of future flooding, particularly along the Beach Street, where the ground elevation is 13.5 feet above the sea level. However, the level of risk is considered less than significant, although the report suggest that critical equipment, such as backup generators, not be located on the lower levels of the building.

Sea Level Rise. There has been increasing attention paid in recent years to the issue of global climate change and its potential effects on coastal resources. Over the past century, sea level has risen nearly eight inches along the California coast, and a number of model scenarios suggest very substantial increase in sea level due to climate change over the coming century (SOURCE V.1c). Specifically, a 1.4 meter sea-level rise has been estimated, which would place nearly 500,000 people in California at risk of a 100-year flood event (Ibid.). The City of Santa Cruz, built on the 100-year floodplain, and only 20 feet above sea level is at risk. Additionally, changes in precipitation patterns could lead to increased flooding. According to the California Climate Change Center, under medium to medium□high greenhouse gas emissions scenarios, mean sea level along the California coast is projected to rise from 1.0 to 1.4 meters (about 3 to 4.5 feet) by the year 2100 (Ibid.).

With funding from FEMA, the City has prepared a "Climate Change Adaptation Plan", which was adopted by the City Council in October 2012. The objectives of this Plan are to identify and evaluate the potential impacts of climate change on the City of Santa Cruz, analyze the severity of the hazards that the City faces, and develop potential adaptation responses to reduce the risk and exposure of the City to these hazards. The first step identified potential risks in a "Vulnerability Study", which identified potential facilities vulnerable to risks of sea level rise, including beaches, West Cliff Drive, the City's wastewater treatment facility and the Santa Cruz Harbor. The study also addressed coastal storm and cliff erosions hazards, as well as the potential for increased precipitation and flooding. Based on this study, the City has developed action items with priorities to respond to specific risks and hazards related to climate change. that will build adaptive capacity into policies, programs and infrastructure. The Plan will include provide a range of goals, objectives and actions that will build adaptive capacity into policies, programs and infrastructure and will provide a framework to continually expand understanding of climate science, community vulnerabilities and new adaptation technologies to inform current and future decisions.

The Climate Adaptation Plan (SOURCE V.2d) indicates that the California Ocean Protection Council, working with the Coast and Ocean Climate Action Team (CO-CAT), which consists of representatives from 15 different state agencies that have some responsibilities or authority over issues affected by climate change, have adopted interim sea level rise projections for the decades ahead using the high scenarios in all cases for 2030, 2050 and 2100 that are summarized in the table below. For the dates after 2050, the table includes three different values for sea level rise—based on low, medium, and high greenhouse gas emission

scenarios. These values are based on the Intergovernmental Panel on Climate Change emission.

Year		Average of Models	Range of Models
2030		7 in (18 cm)	5–8 in (13–21 cm)
2050		14 in (36 cm)	10–17 in (26–43 cm)
2070	Low	23 in (59 cm)	17–27 in (43–70 cm)
	Medium	24 in (62 cm)	18–29 in (46–74 cm)
	High	27 in (69 cm)	20–32 in (51–81 cm)
2100	Low	40 in (101cm)	31–50 in (78–128 cm)
	Medium	47 in (121 cm)	37–60 in (95–152 cm)
	High	55 in (140 cm)	43–69 in (110–176 cm)

SOURCE: City of Santa Cruz Climate Adaptation Plan
Sea-Level Rise Projections using 2000 as the Baseline adopted by California Ocean Protection Council

Based on the City's GIS mapping utilizing sea level rise maps developed by the Pacific Institute, the La Bahia site is located outside of the mapped area subject to sea level rise of up to 55 inches. This is shown on Figure 3.

i) Dam Failure. Dam failure can occur as a result of earthquakes, seiches, structural instability, or intense rain in excess of design capacity. When a dam fails, an extremely large quantity of water is suddenly released downstream, destroying anything in its path. The City of Santa Cruz owns and operates Newell Creek Dam, which is located near the town of Ben Lomond in the Santa Cruz Mountains and impounds Newell Creek to form Loch Lomond Reservoir. The reservoir was constructed in the early 1960s and has a maximum capacity of 2.9 billion gallons. The Loch Lomond Reservoir is the City's primary raw water storage facility (SOURCE V.2b). The City has established monitoring protocols to ensure structural integrity of the dam, including monthly monitoring water pressures within the dam and seepage and after established rainfall and earthquake triggers. Horizontal and vertical movement is monitored annually at Newell Creek Dam and periodic seismic reviews are conducted at to ensure stability with respect to current seismic standards (Ibid.).

j) Tsunami Inundation. According to maps developed as part of the *General Plan 2030* and included in the General Plan EIR (SOURCE V1.c-Figure4.7-1), the project site is partially located within a tsunami inundation zone, as are most of the downtown and beach areas of Santa Cruz. The upper portion of the site and Beach Hill area is shown as being outside of an inundation area. Tsunamis are produced when movement occurs on faults in the ocean floor, usually during very large earthquakes. Sudden vertical movement of the ocean floor by fault movement displaces the overlying water column, creating a wave that travels outward from the earthquake source. An earthquake anywhere in the Pacific can cause tsunamis around the entire Pacific basin (SOURCE V.2b).

California is at risk from both local and distant source tsunamis. Eighty-two possible or confirmed tsunamis have been observed or recorded in California during historic times. Most of these events were small and only detected by tide gages. Eleven were large enough to cause damage and four events resulted in deaths. Two tsunami events caused major damage (SOURCE V.2b). There has been minimal damage and loss of life in Santa Cruz during recorded history of tsunamis (Ibid.). However, a tsunami generated by a 9.0 magnitude earthquake in

Japan in March 2011 reached Santa Cruz and caused substantial damage to the Santa Cruz Small Craft Harbor.

Santa Cruz, like many coastal cities, is exposed to impacts from tsunamis. A distant source tsunami from elsewhere in the Pacific Ocean is capable of causing significant destruction in Santa Cruz. However, this type of tsunami would be able to reduce some of the impacts by using the Tsunami Warning System for the Pacific Ocean to prompt an evacuation (SOURCE V.2b). A local source tsunami generated by an earthquake on any of the faults affecting Santa Cruz could arrive just minutes after the initial shock. The lack of warning time from such a nearby event would result in higher causalities than if it were a distant tsunami where the Tsunami Warning System for the Pacific Ocean could warn threatened coastal areas in time for evacuation. Past experience has not resulted in extensive damage from tsunami, but proximity to faults does create the possibility as a result of future quakes (Ibid.).

Even though the potential for a significant tsunami may be low or possibly uncertain, the potential outcome of such a tsunami could be significant damage and loss of life. Even a moderate earthquake occurring in or near any of the nearby faults could result in local source tsunamis from submarine landsliding in Monterey Bay (SOURCE V.2b). The U.S. Army Corps of Engineers has looked at potential earthquake sources around the Pacific and modeled expected tsunami impacts on the coast of the Monterey Bay, and estimated that a tsunami wave with a probability of occurrence of one every 100 years would be about 5.9 feet high. A tsunami with a probability of occurrence of one every 500 years is expected to be 11.5 feet high (SOURCE V.2b). There has been minimal damage and loss of life in Santa Cruz during recorded history. However, even though the potential for a significant tsunami may be low or possibly uncertain, the potential outcome of such a tsunami could be significant damage and loss of life (Ibid.).

Impact Analysis. While historically Santa Cruz coastline has not experience heavy damage due to a tsunami, the proposed project could be exposed to inundation by tsunami in its lifetime. The National Oceanic and Atmospheric Administration operates a tsunami warning system giving several hours notice to allow evacuation of threatened areas to prevent injuries. Distant tsunamis present a lower risk, as the Tsunami Warning System for the Pacific Ocean, the emergency noticing system, would allow for evacuation. The proposed project could be significantly affected by local tsunamis, which do not allow enough time for evacuation. However, the area is already largely developed. Additional development would not lessen or worsen the potential for tsunami damage or loss in the project area, although the project would result in an increased number of visitors in the area . Therefore, the impact is considered less than significant. Although mitigation measures are not required, the following Condition of Approval is recommended.

FIGURE 3: Predicted Sea Level Rise

- The project applicant shall avoid locating critical equipment (such as back up generators) in the lower topographic positions of the site to minimize impacts due to flooding.

- The project applicant shall develop a hotel evacuation plan, subject to the approval of the City of Santa Cruz Fire Department. The plan should provide an evacuation plan for a distant and local tsunami. The distant tsunami evacuation plan shall include a map of routes and safe zones to be utilized in case of a distant tsunami. A local tsunami evacuation plan may direct tenants to hotel's higher floors in case of an earthquake.

- The project applicant shall be responsible for placing adequate signage inside the hotel rooms and corridors containing evacuation information for both distant and local tsunami events. The signs should contain the safe routes and safety zone locations.

10. LAND USE AND PLANNING

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Physically divide an established community;*
- *Conflict with any applicable City land use plan, policy or regulation adopted for the purpose of avoiding or mitigating an environmental effect; or*
- *Conflict with any applicable Habitat Conservation Plan or Natural Community Conservation Plan.*

(a) Divide An Established Community. The project site is located within the developed Beach area of the City, and development of the site would not physically divide an established community.

(b) Consistency with General Plan and Local Coastal Plan. The project site is currently designated "Regional Visitor Commercial"—RVC in the City's existing *General Plan2030* and 2005 Local Coastal Plan (LCP), and is zoned RTC (Beach Commercial). According to the *General Plan 2030*, the Regional Visitor Commercial designation "applies to areas that emphasize a variety of commercial uses that serve Santa Cruz residents as well as visitors." The General Plan further states that in the Beach Area, the emphasis is on "visitor-serving commercial uses such as hotels, motels, restaurants, and amusement parks, as well as residential and mixed-use development in the Beach Area neighborhoods", and that the Beach and South of Laurel Comprehensive Area Plan provides detailed requirements for the Beach area.

The proposed hotel use is consistent with the General Plan designation. Further, the B/SOL Area Plan recommends a 250-275 room hotel and conference center that would include the adjacent property east of the site and Westbrook Street. The current proposal does not include

consolidation with the adjacent property, but the proposed number of rooms (165) would be within the overall number recommended in the B/SOL Plan. The project also includes 4,500 square feet of meeting rooms and an addition 3,325 square feet of "pre-function" space, which taken together could accommodate conferences.

Therefore, the proposed project is consistent with the land use designation in the *General Plan 2030* and zone district, as well as the intensity of development supported in the *Beach and South of Laurel Comprehensive Area Plan.* There are several General Plan policies that address historical resources, both protection of and restoring and rehabilitating historic or architecturally-significant buildings, sites, and landmarks. Additionally, the *Beach and South of Laurel Comprehensive Area Plan* (B/SOL Area Plan) was adopted by the City Council in October 1998. The B/SOL Area Plan references provides some policy direction for the Beach Flats and Beach Hill subareas based on City policies in effect when the Plan was adopted. However, for the Beach Commercial subarea in which the project site is located, the B/SOL Area Plan does not include specific policies, although recommendations are made for the project site. The policies in the formerly adopted Beach Area Plan were revised as part of the Coastal Commission's certification in 2002 of the B/SOL Plan. Further review of potential project conflicts with General Plan, LCP, B/SOL Area and Beach Area Plan policies and recommendations will be provided in an EIR.

(c) Conflict with Habitat Conservation Plan. The project site is not located within an area covered by an adopted Habitat Conservation Plan or Natural Community Conservation Plan.

12. NOISE

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Expose persons to or generate noise levels in excess of standards established in the County's "Land Use Compatibility for Community Noise" chart.*
- *Expose persons to or generate excessive groundborne vibration or groundborne noise levels.*
- *Result in a substantial permanent increase in ambient noise levels above existing levels if it will expose outdoor activity areas of noise-sensitive land uses to a 5 dB increase in noise where existing noise levels are below 60 dBA L_{dn}, a 3 dB increase in noise where existing noise levels are between 60 and 65 dBA L_{dn}, or a 1.2 dB increase in noise where existing noise levels are above 65 dBA L_{dn}. An outdoor noise standard of 65 dBA (CNEL) at the property line shall be used in the assessment of operational noise impacts.*
- *Result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels authorized by the General Plan or Noise Ordinance.*

(a-b) Exposure to Noise. Major noise sources within the project area include vehicular traffic on Beach Street, Boardwalk activities, and railroad traffic. The City's General Plan 2030 EIR included existing and projected noise contours for streets throughout the City based on existing sound levels and future levels with increased traffic. Within the Beach area, Pacific Avenue between Beach Street and Center Street was found to have an ambient noise level of 64 dBA (Ldn) at 50 feet from the centerline of the road and 65 dBA (Ldn) in the future (SOURCE V.1c-Table

4.13-3). Beach Street between Cliff and Riverside was found to have ambient noise levels of 59 and 61 dBA (Ldn) under existing and future conditions (Ibid.). Ldn refers to the noise level over a 24-hour period, which is also expressed as DNL or Community Noise Equivalent Level (CNEL).

The Santa Cruz Beach Boardwalk is the predominant noise source in the beach area during the summer months. Major noise sources include roller coasters, people screaming and outdoor concerts. Noise measurements conducted for the B/SOL Area Plan EIR indicated that roller coasters generate maximum noise levels (Lmax) of 69 to 78 dBA at the residences and businesses across Beach Street (SOURCE V.1c). Traffic noise levels were estimated between 58 and 63 dBA for the day/night average level (Ldn).

The railroad tracks on Beach Street adjacent to the project site are used on a limited basis for both freight trains and tourist trains. During the summer (and limited days during the winter holidays) recreational trains access the Boardwalk along the tracks that cross the City in a north/south direction along Chestnut Street. There are generally two round trip excursions per day. The trains travel at relatively low speeds through the City and the major noises are the rumble from the locomotive and the whistles that must be sounded before and during each at-grade roadway crossing. Locomotives typically produce maximum noise levels (Lmax) of 88 dBA at a distance of 50 feet and whistles produce an Lmax of 105 dBA at 50 feet. If there are two round trips a day, this corresponds to an Ldn of 49 dBA. The Ldn would increase to 65 dBA near grade crossings since the train would be required to sound its warning horn (whistle) (SOURCE V.1c).

According to the City's noise compatibility standards in the General Plan, hotels are normally acceptable where ambient noise levels do not exceed 65 decibels, CNEL, which accounts for a 24-hour period. Hotels are conditionally acceptable in areas with ambient noise levels of 60-70 CNEL.

Impact Analysis. The proposal consists of construction of a new 165-room hotel. Project interior and outdoor areas would be exposed to noise levels associated with the beach area, including traffic, Boardwalk and occasional train noise. Existing and projected ambient noise levels along Beach Street east of the project site would be around 59-61 dBA (Ldn), which is an acceptable level for hotel uses. The project site also will be subject to intermittent increased noise levels related to Boardwalk operations, railroad noise and traffic in the area.

As indicated above, the City of Santa Cruz General Plan sets forth noise and land use compatibility standards. Exterior noise levels of 55 to 65 CNEL or less are considered normally acceptable for hotel uses. Noise levels of 60 to 70 CNEL are considered conditionally acceptable, and may need additional noise insulation or attenuation in building designs. City and State standards require interior noise levels of 45 decibels (dB) or less. Closed windows, building materials and design features, such as insulation and noise-attenuating windows, can reduce interior noise levels. The project site would be exposed to noise levels within the normally acceptable level, although there is some overlap with the conditionally acceptable level. Therefore, potential exposure of occupants to sound levels that are within an "conditionally acceptable" level for noise-land use compatibility as set forth in the City's General Plan, would be considered a potentially significant impact.

However, visitors would have limited stays at the hotel. Implementation of the following mitigation will reduce the impact to a less-than-significant level.

MITIGATION NOISE-1. Require preparation of an acoustical study with building permit submittal and require building plans to incorporate any recommended building or window design measures, if needed to achieve interior noise levels (attributable to exterior sources) of 45 decibels in any habitable room, measured in either the day-night average sound level, as established by state law.

(d) Temporary Construction Noise. There will be a temporary increase in existing noise levels during grading 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. Because construction noise impacts would be temporary and vary throughout the construction period, impacts would be less than significant. However, construction activities could cause temporary annoyance and activity interference at adjacent sensitive land uses, which are considered residents to the north of the project site. Noise levels would decrease with distance from the site. Although mitigation measures are not required, the following Condition of Approval is recommended.

RECOMMENDED CONDITION OF APPROVAL. Require implementation of the following measures during all phases of project construction:

- Limit noise-generating constructions activities to daytime, weekday hours (8AM to 6 PM) and 8 AM to 5 PM on Saturdays. Prohibit construction on Sundays and holidays.
- Properly muffle and maintain all construction equipment powered by internal combustion engines.
- Prohibit unnecessary idling of internal combustion engines.
- Locate all stationary noise-generally equipment, such as air compressors as far as practical from existing nearby noise sensitive receptors.
- Select quiet construction equipment, particularly air compressors, whenever possible.
- Designate a project construction supervisor as “Noise Disturbance Coordinator” who would be responsible for responding to any local complaints about construction noise. The Disturbance Coordinator would determine the cause of the noise complaint and institute reasonable measures to correct the problem. Conspicuously post a telephone number for the Disturbance Coordinator at the construction site and submit to the City of Petaluma Building and Police Departments.
- Notify nearby residents (within 300 feet) in writing of the construction schedule.

(e-f) Airport Noise. The project site is not located near an airport or private airstrip.

13. POPULATION AND HOUSING

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Induce substantial 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;*
- *Displace substantial numbers of existing housing units, necessitating the construction of replacement housing elsewhere; or*
- *Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere.*

(a) Population Growth. The project consists of new visitor serving uses and will not result in population growth or new housing demands.

(b-c) Housing and Resident Displacement. Project construction will result in conversion of the 42 existing La Bahia apartments to visitor serving uses. However, the majority of the units are used on a seasonal basis by UCSC students and summer Boardwalk workers. The units are typically rented on a short-term, month-to-month basis with two primary leasing seasons: the summer season and winter season. All rental agreements in place at La Bahia are month-to-month. Tenants are not guaranteed more than 30 days of continuous occupancy and therefore tenancy is seasonal. In addition to the month-to-month term, each rental agreement includes a specific termination date that corresponds with the end of the leasing season.

The summer season generally begins in May and extends through August of each year. During the summer season, tenants are primarily seasonal Boardwalk employees. The winter season generally begins in September and extends through May of each year. The units during the winter are available to the general public but tenants tend to be UCSC students.

With the exception of three units, all tenants are provided tenancy on a month-to-month basis and are required to vacate at the end of either the summer or winter season. Of the three units that do not vacate, one is occupied by a property manager who lives on site as a condition of employment. The other two units are rented to tenants that, while on a month-to-month rental agreement, are not required to vacate with each respective leasing season.

Since the onsite housing mostly is used only on a temporary, short-term and/or seasonal basis, there will be no displacement of permanent residents as a result of the project. Residential conversions require approval by the City, and a request for such conversions is included in the application. The City's existing Residential Demolition/Conversion Authorization Ordinance regulates the demolition or conversion of housing if it is a low-income housing resource. The Authorization would require relocation assistance for any displacement of permanent residents.

In anticipation of the need to address replacement housing requirements for the redevelopment of La Bahia site, the property owner (Santa Cruz Seaside Company) utilized the Advance Replacement Housing Proposal pursuant to Section 24.08.1362 of the City's Zoning Ordinance

and jointly constructed a replacement housing project at 401 Pacific Avenue in 2003. This development contains 72 rental residential units, 71 of which are rented to the public and one that is occupied by an onsite apartment manager. Staff from the City of Santa Cruz have acknowledged that the 401 Pacific project was and still is intended to satisfy replacement housing requirements that may arise from the redevelopment of La Bahia.

14. PUBLIC SERVICES

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Result in substantial adverse physical impacts associated with provision of new or physically altered facilities, the construction of which could cause significant impacts, in order to maintain acceptable service for fire protection, police protection, schools and parks.*

(a-b, d) Fire and Police Protection Services and Other Public Facilities. The proposed project will be served by existing services and utilities. The project will have no measurable effect on existing public services in that the incremental increase in demand for fire and police services will 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 will be required to install automatic fire sprinklers and alarms in accordance with City requirements and comply with other Fire and Police Department recommendations regarding access. Thus, the proposed project would not result in significant impacts to fire and police protection services. There are no other known public facilities that would be affected by the project.

(c) Schools. The proposed hotel project would not result in a permanent residential population and would result in an increase in school-aged children. Therefore, there would be no impacts on schools.

15. RECREATION

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Increase the use of existing parks or recreational facilities such that substantial physical deterioration would occur or be accelerated; or*
- *Include recreational facilities or require construction or expansion of recreational facilities which might have an adverse physical effect on the environment.*

The proposed visitor serving uses will not result in generation of new permanent residents or population. Some visitors to the proposed project may visit nearby City parks and recreational facilities. However, because the project is a hotel facility adjacent to the beach, it is expected that most use would be oriented toward the beach and surrounding area, including downtown and West Cliff Drive. These facilities and others in the vicinity are already used by residents and visitors, and the increment of use generated by project visitors would not be considered

substantial enough to cause substantial physical deterioration to existing park or recreational facilities. The proposed hotel also would be have its own facilities, including pool.

16. TRANSPORTATION / TRAFFIC

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit;*
- *Change the level of service of a State Highway roadway segment from acceptable operation (LOS A, B, or C) to deficient operation (LOS D, E or F);*
- *Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways;*
- *Substantially increase hazards due to a design feature (for example, sharp curves or dangerous intersections) or incompatible uses (for example, farm equipment);*
- *Result in inadequate emergency access; or*
- *Conflict with adopted policies, plans, programs that support supporting alternative transportation (for example, bus turnouts, bicycle racks).*

There are no adopted congestion management programs for the project area, and the project would not conflict with adopted policies, plans or programs that support alternative transportation. The project is not located near an airport.

(a, d-e) Traffic and Circulation. The project site is located along Beach Street. Primary vicinity intersections include: Pacific Avenue/Beach Street, Beach Street/Main Street, and Beach Street/Cliff Street. A traffic analysis will be included in the EIR to include identification of existing weekday PM peak based on new traffic counts at 16 intersections, project trip generation and distribution, and project impacts upon intersection levels of service and highway levels of service. The traffic study will also address access and parking pursuant to the City's traffic study requirements.

17. UTILITIES & SERVICE SYSTEMS

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Result in a water demand that exceeds water supplies available from existing entitlements and resources, and new or expanded supplies may be needed.*
- *Result in water demand that exceeds capacity of the water supply or infrastructure system or would require expansion of water supply, treatment or distribution facilities, the construction of which could cause significant environmental effects.*
- *Result in wastewater flows exceed treatment plant capacity or require expansion of existing facilities.*

(a) Exceed Wastewater Treatment Requirements. The project does not include any features that would require discharge or be subject to wastewater treatment or discharge requirements.

(b,e) Wastewater Treatment. (a-b, e) Wastewater Collection and Treatment. Wastewater treatment is provided by the City's wastewater treatment plant that has adequate capacity to serve planned growth in the City (SOURCE V.1c). The City's WWTF has a capacity of approximately 17 million gallons per day (mgd) with a total remaining treatment plant capacity of 7.2 mgd, of which 3.7 mgd constitutes the remaining share for the City (Ibid.).

Impact. The project will result in increased wastewater flows. The City's treatment plant has adequate capacity to serve the project, which is estimated to generate approximately 0.019 mgd of wastewater based on a conservative estimate that 90 percent of the estimated project water use would result in wastewater generation[1]. Even with other planned growth, the General Plan 2030 EIR estimated cumulative flows of 1.35 mgd to be within remaining wastewater treatment capacity. Therefore, the City's treatment plant has adequate capacity to serve the project without expansion or improvement, and impacts of increased wastewater flows are less than significant.

(b, d) Water Supply. The project site is located within the service area of the City of Santa Cruz Water Department. The City of Santa Cruz Water Department serves approximately 22,000 connections in an approximate 20-square mile area that includes lands within existing City limits, a portion of UCSC, a portion of Live Oak in the unincorporated area of Santa Cruz County, a small part of the City of Capitola and coastal agricultural lands outside City limits.

The City's *General Plan 2030* EIR provides a comprehensive analysis of impacts of water demand within the City's service area. The EIR and the City's *2010 Urban Water Management Plan* (UWMP), which was adopted in December 2011 in accordance with State law, assess future water supplies and water demand within the City's water service area, including potential buildout accommodated by the General Plan.

[1] Based on City water demand rates of 93 gallons per day (gpd) per hotel room and 66 gallons per year per commercial square foot (SOURCE V.1c).

Water production has fluctuated over the past ten years; annual production has ranged from a high of nearly 4,500 MGY in 2000 to a low of approximately 3,200 MGY in 2009 (SOURCE V.2c). The 2010 UWMP estimates a 20-year future water supply in the year 2030 as 4,160 MGY, depending on the outcome of negotiations between the City and regulatory agencies regarding potential limitations on City diversions at its surface water supplies, such as the San Lorenzo River, Laguna Creek and other North Coast diversions, in order to increase base flows for listed fish species . Continued access to the same amount of North Coast supply sources will depend on the outcome of a Section 10 "incidental take" permit application and accompanying Habitat Conservation Plan (HCP) that are being prepared by the City pursuant to the federal Endangered Species Act for City activities. The permit and plan must be approved by the U.S. Fish and Wildlife Service and the National Marine Fisheries Service (NMFS). The City entered into the HCP process in 2001. A draft HCP has not yet been completed, but the City has prepared and submitted a Draft Conservation Strategy that identifies and proposes minimum in-stream flows at City diversions to minimize the effect of diversions on habitat conditions for steelhead and coho salmon. The water supply estimates in the 2010 UWMP were developed using the City's water supply operations model and incorporates the best available information about future operations beginning in 2015 under the yet-to-be-approved Habitat Conservation Plan (HCP). The final outcome is not known as the City of Santa Cruz is currently negotiations with the federal agencies on flow requirements.

The adopted 2010 UWMP estimates a 20-year water demand of between 4,046 and 4,537 MGY in the year 2030 within the entire water service area. The UWMP also includes a 2020 per capita water use target of 110 gallons per capita per day (gpcd), established in accordance with state law requirements. The UWMP notes that over the last 10-year period, per capita water use within the City of Santa Cruz water service area has declined from about 126 gpcd in 2001 to 93 gpcd in 2010 (Ibid.). The City's 10-year baseline (ending 2010), determined in accordance with the state's technical methodologies, is 113 gpcd.

The primary water reliability issue currently facing the City of Santa Cruz is the lack of an adequate water supply during drought years due to the wide range in the yield of surface water sources from year to year and limited storage capacity. The City faces a series of ongoing challenges that potentially could lead to some loss of existing supply in the future, although it is uncertain at this time to what extent and which supplies might be affected. These considerations include: potential flow releases associated with the HCP as described above, the outcome of water rights petitions, groundwater availability and climate change issues. These considerations are described in section 4.5 of the City of Santa Cruz *General Plan 2030* Draft EIR as updated by the Final EIR document.

The City of Santa Cruz has been actively considering possible new water supplies for nearly 20 years. In 2005, the City adopted an Integrated Water Plan (IWP), which identifies a water management strategy. This adopted strategy consists of the following three major components:

- Water conservation programs.
- Customer use curtailment (water use cutback) in times of shortage.
- Supplemental water supply for drought protection provided by a 2.5 million-gallon-per-day (mgd) desalination plant with potential for expansion up to 4.5 mgd in increments of one mgd.

The City is actively implementing water conservation programs. Additionally, the City and Soquel Creek Water District are pursuing regulatory approvals for a permanent, 2.5 mgd (with potential for expansion to 4.5 mgd) desalination plant. If approved by the voters of the City of Santa Cruz, the facility would provide a backup water supply to the City in times of drought and would provide water to the District at other times to reduce its reliance on well water and avert the threat of seawater intrusion in local groundwater aquifers. One year of testing at a pilot desalination plant has been completed, and a Draft EIR has been prepared and is currently in the public review period. There is some uncertainty related to the approval and timing of the permanent desalination plant construction and operation. The likelihood of construction of a permanent plant is currently uncertain as design plans have not been completed, and it cannot be predicted at this time whether the voters will approve the facility, or whether the Coastal Commission and other agencies would issue the necessary approvals.

Project water demand will be estimated and the impacts on the City's water supply will be further evaluated in the project EIR given current conditions of the City's water supply system.

(c) Storm Drainage Facilities. See discussion above under subsection 8—Hydrology.

(f) Solid Waste Disposal. The project will be served by the City's existing landfill facility. Solid waste collection and disposal, including recycling services, are provided by the City of Santa Cruz to residents, businesses and institutions within the City's boundaries at the Resource Recovery Facility (RRF), which includes a sanitary landfill, recycling center, greenwaste drop-off area, and Household Hazardous Waste Drop-Off Facility. The City owns and operates this facility, including a Class III sanitary landfill, which is located approximately three miles west of the City off Highway 1 on Dimeo Lane. The RRF only accepts municipal solid waste and serves as a sorting facility to remove any recyclable or composting materials (SOURCE V.1c). The City's solid waste operations are in full compliance with federal, state, and local air, water and waste regulations for collection vehicles, processing operations, and landfill disposal operations (Ibid.). The City has implemented several best management practices to improve its solid waste services, including a landfill gas collection system that is used to run an engine to produce electricity and use of bio-diesel for collection and landfill equipment to reduce CHG emissions (Ibid.).

The City of Santa Cruz met has met the state-mandated waste diversion goals of 25% of its 1990 waste-streams from landfill disposal by 1995 and 50% by 2000. As of 2009, the City had achieved a diversion rate of 63-65%, which exceeds the state requirements. In the year 2000, the City established a Zero-Waste goal. Based on continued waste reduction, annual aerial surveys, and calculations, the landfill is estimated to have capacity through the year 2058 (SOURCE V.1c). State law requires that facilities begin planning for future waste disposal/reuse facilities at least 15 years in advance of existing landfill closure dates, which would be after the existing *General Plan 2030* planning horizon. Therefore, there is adequate remaining capacity to serve the proposed project, and solid waste generated by the project would be considered a less-than-significant impact.

18. MANDATORY FINDINGS OF SIGNIFICANCE

In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:

- *Have the potential to 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, 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;*
- *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.); or*
- *Have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly.*

(a) Quality of the Environment. The proposed project would have no significant effect on biological resources, but could result in impacts to cultural (historical) resources as discussed in section 5a above, which will be further evaluated in an EIR.

(b) Cumulative Impacts. The EIR prepared for the City's recently adopted *General Plan 2030* identified potential significant cumulative impacts related to traffic, water supply, population and noise. The proposed hotel will not result in a population increase and would not contribute to this cumulative impact. Additionally, the cumulative noise impact was identified for a two street segments outside of the project area to which the proposed project would not contribute. The proposed project would contribute to significant cumulative impacts related to traffic and water supply, which will be further reviewed in an EIR, as will any other potentially significant cumulative impacts to which the project may contribute.

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