

# CHAPTER 1

## INTRODUCTION

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### 1.1 PURPOSE OF THE EIR

This EIR has been prepared for the City of Santa Cruz (City), which is the lead agency for the Riverfront Project (Project). This EIR has been prepared in accordance with the California Environmental Quality Act (CEQA), which is found in the California Public Resources Code, Division 13, and with the State CEQA Guidelines, which are found in Title 14 of the California Code of Regulations, commencing with section 15000.

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

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

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

Pursuant to CEQA (Public Resources Code section 21002), public agencies should not approve projects as proposed if there are feasible alternatives or feasible mitigation measures, which would substantially lessen the significant environmental effects of such projects. Pursuant to section 15021 of the State CEQA Guidelines, CEQA establishes a duty for public agencies to avoid or minimize environmental damage where feasible. According to the State CEQA Guidelines, “feasible” means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors. This section further indicates that CEQA recognizes that in determining whether and how a project should be approved, a public agency has an obligation to balance a variety of public objectives,

including economic, environmental, and social factors, and an agency shall prepare a “statement of overriding considerations” as to reflect the ultimate balancing of competing public objectives when the agency decides to approve a project that will cause one or more significant effects on the environment. The environmental review process is further explained below in subsection 1.4.

## 1.2 PROJECT OVERVIEW

The proposed Riverfront Project (Project) consists of demolition of existing commercial buildings and the construction of a seven-story, 188,694-square-foot, mixed-use building with 175 residential condominium units and 11,498 square feet of ground floor and levee-front commercial space. A total of 20 residential units would be designated as affordable housing, with 15 units for very-low-income households and 5 units for low-income households. The Project applicant is seeking a 35-percent density bonus pursuant to state and local law (Government Code Section 65915 and City of Santa Cruz Municipal Code Chapter 24.16, Part 3). See Chapter 3, Project Description, for a full description of the Project.

## 1.3 SCOPE OF THE EIR

### 1.3.1 Review of Environmental Impacts

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

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

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

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

### 1.3.2 Consideration of Existing Environmental Documents

In analyzing a proposed project, the City may consider whether existing environmental documents already provide an adequate analysis of potential environmental impacts. An earlier analysis may be used where, pursuant to tiering, program EIR, or other CEQA provisions, if it can be determined that one or more effects have been adequately analyzed in an earlier EIR or negative declaration (State CEQA Guidelines section 15063(c)(3)(D)). If an earlier analysis is used, the Initial Study checklist discussion should identify: a) the earlier analyses and state where they are available for review; b) identify which effects were 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; and c) 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.

In preparing this EIR, the City considered earlier analyses in the General Plan 2030 EIR and in the Downtown Plan Amendments EIR. On June 26, 2012, the Santa Cruz City Council adopted the *General Plan 2030* after certifying an EIR for the plan. The *General Plan 2030* EIR includes the Draft EIR volume (September 2011) and the Final EIR volume (April 2012). The General Plan EIR reviewed all of the recommended topics included on the Appendix G environmental checklist in the State CEQA Guidelines as well as all sections required to be included in an EIR. The General Plan EIR is a “program” EIR prepared pursuant to State CEQA Guidelines Section 15168, which reviewed environmental impacts associated with future development and buildout within the City’s planning area that would be accommodated by the General Plan.

The Santa Cruz City Council approved amendments to the Downtown Plan (formerly Downtown Recovery Plan [DRP]) in November 2017. A program EIR was prepared pursuant to section 15168 of the State CEQA Guidelines, which evaluated effects of the 2017 Plan amendments and was certified on November 14, 2017; the EIR includes the Draft EIR volume (July 2017) and the Final EIR volume (October 2017). The Downtown Plan amendments included additional height allowances under specified circumstances and other revised development standards that could lead to potential increased development in the downtown area. Potential future development within the Downtown Plan area with the amendments was estimated by City staff as 880 new residential units, 305,007 square feet of commercial uses, and 124,057 square feet of office uses, resulting in a net increase of 711 residential units, approximately 2,200 square feet of office space, and a decrease in commercial space of approximately 14,700 square feet. This level of potential new development in the downtown area was evaluated in the EIR, including potential

development on the Project site. The Downtown Plan Amendments EIR evaluated impacts of this level of potential future development and addressed aesthetics, air quality and greenhouse gas emissions, biological resources, cultural and tribal cultural resources, hydrology and water quality, public services, transportation and traffic, water and wastewater utilities, and land use. The EIR also evaluated amendments to the *General Plan 2030* and the City's Local Coastal Program (LCP) related to the downtown area.

CEQA also allows a lead agency to avoid repeating analyses that were already provided in a certified General Plan EIR for a development project that is consistent with the General Plan. Public Resources Code section 21083.3 and its parallel CEQA Guidelines provision, section 15183, provide for streamlined environmental review for projects consistent with the General Plan for which an EIR was certified. Under these provisions of CEQA, a project that is consistent with a General Plan that was adopted pursuant to a certified EIR, could be potentially partially or wholly exempt from further CEQA analyses.

### 1.3.3 Riverfront Project EIR Scope of Work

The City considered earlier analyses in the certified General Plan 2030 and Downtown Plan Amendments EIRs when it prepared an Environmental Checklist for the proposed Project to determine whether impact analyses in these EIRs had adequately addressed any potential impacts of the proposed Project, consistent with the provisions of Public Resources Code section 21083.3 and CEQA Guidelines section 15183. The Project site is designated Regional Visitor Commercial (RVC) in the City's *General Plan 2030* and is zoned Central Business District (CBD). The proposed Project is consistent with both designations, and the General Plan strongly encourages mixed-use development in RVC districts. For the Downtown Area, the General Plan indicates that the Regional Visitor Commercial designation "emphasizes a mix of regional office and retail uses, residential and mixed-use developments, restaurants, and visitor attractions such as entertainment venues," and that the Downtown Recovery Plan provides detailed requirements for this area. In the downtown area, the General Plan allows a floor area ratio (FAR) of up to 5.0. The Project's proposed FAR is 4.44, which is within the allowed FAR established in the General Plan as amended in 2017 as part of the Downtown Plan Amendments.

While the *General Plan 2030* EIR considered the impacts of repurposing, intensifying, and redeveloping existing developed parcels in the City as a whole, specific future development of the Project site was not noted or specifically evaluated in the General Plan EIR, and there were no site-specific impacts identified for the Project site. However, as part of the overall estimated buildout, the EIR considered construction of new housing units and non-residential uses in the City with an estimated buildout of 3,350 new residential units and approximately 1,090,000 square feet of commercial uses throughout the City by the year 2030 (City of Santa Cruz 2012, DEIR volume-page 3-13). Since adoption of the General Plan, approximately 1,840 residential units, including single-family homes and accessory dwelling units, and 545,000 square feet of commercial space have been constructed or approved throughout the City. Thus, the proposed 175 residential units and

approximately 11,500 square feet of commercial space would be within the remaining residential and commercial buildout estimates considered in the city-wide General Plan EIR impact analyses.

The Downtown Plan Amendments EIR assessed potential future development with an estimated net increase of 711 residential units and approximately 2,200 square feet of office space with a decrease in commercial space of approximately 14,700 square feet in the downtown area. The Project site is located in the “Area X” considered in the Downtown Plan Amendments EIR, which is located on the east side of Front Street between Laurel and Soquel. The Downtown Plan EIR estimated that buildout with the Downtown Plan Amendments could potentially result in a net increase of approximately 321 residential units and approximately 11,200 square feet of commercial space in this area. Thus, the proposed 175 residential units and 11,498 square feet of commercial space, which is a reduction in current commercial square footage, are within the amount of development considered in the Downtown Plan EIR for all areas evaluated, as well as the specific area in which the proposed Project is located.

An environmental checklist was prepared for the proposed Project in support of the EIR Notice of Preparation (NOP). The NOP is included in Appendix A, and the checklist is included in Appendix B. The purpose of the checklist was to evaluate the impact categories covered in the City’s certified Downtown Plan Amendments EIR and General Plan EIR to determine whether the Project’s impacts had been adequately analyzed in previous EIRs pursuant to CEQA or whether any new significant impacts peculiar to the Project or Project site would result. Where an impact resulting from the project was previously adequately analyzed, the review provides a cross-reference to the pages in the Downtown Plan Amendments EIR and/or General Plan EIR where information and analysis may be found relative to the environmental issue listed under each topic. The checklist also identifies whether the Project involves new significant impacts or substantially more severe impacts than analyzed in the Downtown Plan Amendments EIR and/or General Plan EIR or new significant impacts not peculiar to the site or Project. The checklist concluded that cultural resources (historical resources) and energy required additional analysis. (See Appendix B for further explanation.)

Based on the analyses in the Environmental Checklist and responses to the NOP (as discussed below), this EIR evaluates potentially significant impacts for the topics listed below. As a result of the EIR scoping process, the City also chose to further analyze issues related to biological resources, geology/soils, and land use in the EIR. The EIR also evaluates topics required by CEQA and CEQA Guidelines for all EIRs, including growth inducement, project alternatives, and cumulative impacts. Other issues not included in the EIR are evaluated in the 2019 Environmental Checklist, which is included in Appendix B and also is available for review on the Planning Department’s website at: [www.cityofsantacruz.com/CEQA](http://www.cityofsantacruz.com/CEQA).

- Biological Resources
- Cultural Resources
- Geology and Soils
- Energy Conservation
- Land Use

Where applicable and as noted, this EIR tiers from the Downtown Plan Amendments EIR, (SCH#2017022050), which was certified on November 14, 2017. Pursuant to Public Resources Code section 21068.5, “tiering” or “tier” means the coverage of general matters and environmental effects in an environmental impact report prepared for a policy, plan, program or ordinance followed by narrower or site-specific environmental impact reports which incorporate by reference the discussion in any prior environmental impact report and which concentrate on the environmental effects which (a) are capable of being mitigated, or (b) were not analyzed as significant effects on the environment in the prior environmental impact report. According to CEQA Guidelines section 15152, agencies are encouraged to tier the environmental analyses which they prepare for separate but related projects including general plans, zoning changes, and development projects. This approach can eliminate repetitive discussions of the same issues and focus the later EIR or negative declaration on the actual issues ripe for decision at each level of environmental review. Tiering shall be limited to situations where a project is consistent with the general plan and zoning. As discussed above the proposed Project is consistent with the General Plan designation, as well as the zoning designation (see Section 4.5, Land Use, for further discussion).

The Project site is located within the geographical area covered by the Downtown Plan Amendments EIR, and the proposed development is within the level of development analyzed in the EIR. Therefore, the City has determined that the proposed Project is within the scope of activities outlined in the prior Downtown Plan Amendments EIR and its impacts were generally analyzed in the EIR. The analyses in this EIR focus in greater detail on the environmental effects that could result from the proposed Project at the proposed location.

The EIR also draws from the City of Santa Cruz *General Plan 2030* EIR (SCH#2009032007), which was certified on June 26, 2012. Relevant sections of the General Plan EIR, as well as the Downtown Plan Amendments EIR, are incorporated by reference in accordance with section 15150 of the State CEQA Guidelines. The specific sections of these prior EIRs that are relied upon and incorporated by reference in this EIR are noted and explained in the relevant sections of this EIR.

The Downtown Plan Amendments EIR and General Plan EIR are available for review at the City of Santa Cruz Planning and Community Development Department (809 Center Street, Room 101, Santa Cruz, California) by appointment during normal business hours (Monday through Thursday, 7:30 AM to 12 PM and 1 PM to 3 PM). See City contact information in section 1.4.2 to make an appointment. Both EIRs are also available online on the City’s website at:

- Downtown Plan Amendments EIR  
<http://www.cityofsantacruz.com/Home/Components/BusinessDirectory/BusinessDirectory/101/2849>
- General Plan 2030 EIR  
<http://www.cityofsantacruz.com/government/city-departments/planning-and-community-development/long-range-policy-planning/general-plan>

## 1.4 ENVIRONMENTAL REVIEW AND APPROVAL PROCESS

### 1.4.1 Scoping

Under CEQA, the lead agency for a project is the public agency with primary responsibility for carrying out or approving the project, and for implementing the requirements of CEQA. CEQA Guidelines section 15083 authorizes and encourages an early consultation or scoping process to help identify the range of actions, alternatives, mitigation measures, and significant effects to be analyzed and considered in an EIR, and to help resolve the concerns of affected regulatory agencies, organizations, and the public. Scoping is designed to explore issues for environmental evaluation, ensuring that important considerations are not overlooked and uncovering concerns that might otherwise go unrecognized.

A Notice of Preparation (NOP) for this EIR was circulated for a 30-day comment period on November 20, 2019. The NOP was circulated to the State Clearinghouse and to local, regional, and federal agencies in accordance with State CEQA Guidelines. The NOP also was sent to organizations and interested citizens that have requested notification in the past. The NOP is included in Appendix A. A public scoping meeting was held on December 4, 2019 to receive oral comments on the EIR scope.

Written comments were received in response to the NOP from three public agencies (California Coastal Commission, California Native Heritage Commission, and FEMA) and three individuals. These letters are included in Appendix A. The comments have been taken into consideration in the preparation of this EIR for comments that address environmental issues.

### 1.4.2 Public Review of Draft EIR

The Draft EIR will be published and circulated for review and comment by the public and other interested parties, agencies, and organizations for a 45-day public review period from May 11 through June 24, 2020. Written comments on the Draft EIR may be submitted to the Samantha Haschert at the address below or may be submitted by email to [shaschert@cityofsantacruz.com](mailto:shaschert@cityofsantacruz.com) by 5:00 pm on June 24, 2020.

City of Santa Cruz Planning and Community Department  
809 Center Street, Room 101  
Santa Cruz, California 95060

The Draft EIR will be available for public review during the comment period from the City's website at: [www.cityofsantacruz.com/CEQA](http://www.cityofsantacruz.com/CEQA). City offices are currently closed due to the COVID-19 pandemic. If offices open, a printed copy of the Draft EIR may be reviewed at the Planning and Community Development Office located at 809 Center Street, Room 107; please contact Samantha Haschert at the email address above to set up an appointment to review the Draft EIR. Interested parties should check the City of Santa Cruz Coronavirus response web page regularly for

potential modifications to office hours and operations, which may impact availability to review a printed copy of the Draft EIR. Online review of the Draft EIR is strongly encouraged. The City’s webpage can be accessed at: <http://www.cityofsantacruz.com/>.

The City of Santa Cruz encourages public agencies, organizations, community groups, and all other interested persons to provide written comments on the Draft EIR prior to the end of the 45-day public review period. Section 15204(a) provides guidance on the focus of review of EIRs, indicating that in reviewing draft EIRs, persons and public agencies “should focus on the sufficiency of the document in identifying and analyzing the possible impacts on the environment and ways in which the significant effects of the project might be avoided or mitigated,” and that comments are most helpful when they suggest additional specific alternatives or mitigation measures that would provide better ways to avoid or mitigate the significant environmental effects. This section further states that: “CEQA does not require a lead agency to conduct every test or perform all research, study, and experimentation recommended or demanded by commenters. When responding to comments, lead agencies need only respond to significant environmental issues and do not need to provide all information requested by reviewers, as long as a good faith effort at full disclosure is made in the EIR.”

### 1.4.3 Final EIR / Project Approval

Following the close of the public and agency comment period on this Draft EIR, responses will be prepared for all comments received during the public review period that raise CEQA-related environmental issues regarding the Project. The responses will be published in the Final EIR document. The Final EIR will include written responses to any significant environmental issues raised in comments received during the public review period in accordance with State CEQA Guidelines section 15088. The Final EIR document also will include Draft EIR text changes and additions that become necessary after consideration of public comments.

The Final EIR, which includes both the Draft and Final EIR documents, will be presented to the City Council. The City Council will make the final decision on certification of the EIR and the Riverfront Project. The Project also will be reviewed by the City Historic Preservation Commission and the Planning Commission, which will provide a recommendation to the City Council. The City Council must ultimately certify that it has reviewed and considered the information in the EIR, that the EIR has been completed in conformity with the requirements of CEQA, and that the document reflects the City’s independent judgment.

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

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



1. Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effects on the environment.
  2. Those changes or alterations are within the responsibility and jurisdiction of another public agency and have been, or can and should be, adopted by such other agency.
  3. Specific economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or alternatives identified in the environmental impact report.
- (b) With respect to significant effects which were subject to a finding under paragraph (3) of subdivision (a), the public agency finds that specific overriding economic, legal, social, technological, or other benefits of the project outweigh the significant effects on the environment.

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

#### 1.4.4 Adoption of Mitigation Monitoring & Reporting Program

CEQA requires that a program to monitor and report on mitigation measures be adopted by a lead agency as part of the project approval process. CEQA requires that such a program be adopted at the time the agency approves a project or determines to carry out a project for which an EIR has been prepared to ensure that mitigation measures identified in the EIR are implemented. The Mitigation Monitoring and Reporting Program proposed for adoption by the City will be included in the Final EIR, although it is not required to be included in the EIR.

## 1.5 ORGANIZATION OF DRAFT EIR

The content and format of this Draft EIR are designed to meet the requirements of CEQA and the CEQA Guidelines (sections 15122 through 15132). This Draft EIR is organized into the following chapters:

- **Chapter 1, Introduction**, explains the CEQA process; describes the scope and purpose of this Draft EIR; provides information on the review and approval process; identifies intended uses of the EIR; and outlines the organization of the Draft EIR document.

- ❑ **Chapter 2, Summary**, presents an overview of the Project; provides a summary of the impacts of the Project and mitigation measures; provides a summary of the alternatives being considered; includes a discussion of known areas of controversy; and lists the topics not carried forward for further analysis.
- ❑ **Chapter 3, Project Description**, provides information about the location, setting, and background for the Project; identifies Project-specific objectives; and provides a detailed description of the Project elements and components.
- ❑ **Chapter 4, Environmental Setting, Impacts, and Mitigation Measures**, explains the approach to the environmental analysis for this EIR, and provides environmental setting, impacts, and mitigation measures for the topics identified for inclusion in the EIR. Each topical section in this Draft EIR presents information in three parts. The “Environmental Setting” section provides an overview of the existing conditions on and adjacent to the Project site. Local, State and federal regulations also are identified and discussed, when relevant.

The “Impacts and Mitigation Measures” section provides an outline of the criteria used to evaluate whether an impact is considered significant based on standards identified in the CEQA Guidelines. Agency policies or regulations and/or professional judgment also are used to further define what actions may cause significant effects. Any Project feature or element that may cause impacts, as well as Project features that may serve to eliminate or reduce impacts, will be identified and addressed for both direct and reasonably foreseeable indirect impacts. Mitigation measures that would reduce significant impacts are identified. The significance of the impact after mitigation also is identified. For impacts found to be less-than-significant, mitigation measures are not required, but where relevant, the EIR recommends Project modifications or appropriate conditions of approval.

- ❑ **Chapter 5, Other CEQA Considerations**, evaluates the topics required to be included in an EIR, including significant unavoidable impacts, irreversible impacts, growth inducement, and cumulative impacts.
- ❑ **Chapter 6, Alternatives**, identifies alternatives to the proposed Project that were considered and evaluates the required No Project alternative and two other Project alternatives identified to avoid or lessen identified significant impacts.
- ❑ **Chapter 7 References and EIR Preparation**, identifies all agencies contacted during the preparation of the Draft EIR, all references that were cited or utilized in preparation of the Draft EIR and individuals who were involved in preparing this Draft EIR.
- ❑ **Appendices** contain additional information used in preparing this Draft EIR. Appendix A contains the NOP and comment letters that were submitted in response to the NOP. Appendix B includes the Environmental Checklist that assesses Project impacts and issues

to be addressed in the EIR. Appendix C includes historical significance diagrams that depict the significant historic features of on-site buildings. Appendix D contains energy calculations developed as part of this EIR.

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