SCH#: 2021010358

Final Environmental Impact Report

Crosswinds Residential Project

File Numbers: EA2020-0007, SD2020-0003, and SR2020-0010: Half – Dividend (Crosswinds)

Prepared by the

CITY OF MORGAN HILL

In Consultation with

DAVID J. POWERS & ASSOCIATES, INC.
ENVIRONMENTAL CONSULTANTS & PLANNERS

May 2023

Table of Contents

Section 1.0 Introduction

This document, together with the Draft Environmental Impact Report (Draft EIR), constitutes the Final Environmental Impact Report (Final EIR) for the Crosswinds Residential project.

1.1 Purpose of the Final EIR

In conformance with the California Environmental Quality Act (CEQA) and CEQA Guidelines, this Final EIR provides objective information regarding the environmental consequences of the proposed project. The Final EIR also examines mitigation measures and alternatives to the project intended to reduce or eliminate significant environmental impacts. The Final EIR is intended to be used by the City of Morgan Hill and any Responsible Agencies in making decisions regarding the project.

Pursuant to CEQA Guidelines Section 15090(a), prior to approving a project, the lead agency shall certify that:

(1) The Final EIR has been completed in compliance with CEQA;
(2) The Final EIR was presented to the decision-making body of the lead agency, and that the decision-making body reviewed and considered the information contained in the final EIR prior to approving the project; and
(3) The Final EIR reflects the lead agency's independent judgment and analysis.

1.2 Contents of the Final EIR

CEQA Guidelines Section 15132 specify that the Final EIR shall consist of:

a) The Draft EIR or a revision of the Draft;
b) Comments and recommendations received on the Draft EIR either verbatim or in summary;
c) A list of persons, organizations, and public agencies commenting on the Draft EIR;
d) The Lead Agency's responses to significant environmental points raised in the review and consultation process; and
e) Any other information added by the Lead Agency.

1.3 Public Review

In accordance with CEQA and the CEQA Guidelines (Public Resources Code Section 21092.5[a] and CEQA Guidelines Section 15088[b]), the City shall provide a written response to a public agency on comments made by that public agency at least 10 days prior to certifying the EIR. The Final EIR and all documents referenced in the Final EIR are available for public review at the City of Morgan Hill, Community Development Department on weekdays during normal business hours. The Final EIR is also available for review on the City's website: (https://www.morganhill.ca.gov/2088/Half-Dividend-Crosswinds-Residential-Dev).

Section 2.0 Draft EIR Public Review Summary

The Draft EIR for the Crosswinds Residential project, dated November 2022, was circulated to affected public agencies and interested parties for a 60-day review period from November 4, 2022, through January 3, 2023. The City undertook the following actions to inform the public of the availability of the Draft EIR:

- A Notice of Availability of Draft EIR was published on the City's website: (https://www.morganhill.ca.gov/2088/Half-Dividend-Crosswinds-Residential-Dev) and in the Morgan Hill Times;
- Notification of the availability of the Draft EIR was mailed to project-area residents and other members of the public who had indicated interest in the project;
- The Draft EIR was delivered to the State Clearinghouse on November 3, 2022, as well as sent to various governmental agencies, organizations, businesses, and individuals (see Section 3.0 for a list of agencies, organizations, businesses, and individuals that received the Draft EIR); and
- Copies of the Draft EIR were made available on the City's website (https://www.morganhill.ca.gov/2088/Half-Dividend-Crosswinds-Residential-Dev).

Section 3.0 Draft EIR Recipients

CEQA Guidelines Section 15086 requires that a local lead agency consult with and request comments on the Draft EIR prepared for a project of this type from responsible agencies (government agencies that must approve or permit some aspect of the project), trustee agencies for resources affected by the project, adjacent cities and counties, and transportation planning agencies.

The NOA for the Draft EIR was sent to owners and occupants adjacent to the project site and to adjacent jurisdictions. The following agencies received a copy of the Draft EIR from the City or via the State Clearinghouse:

- California Air Resources Board
- California Department of Conservation
- California Department of Fish and Wildlife, Bay Delta Region 3
- California Department of Forestry and Fire Protection
- California Department of Housing and Community Development
- California Department of Parks and Recreation, California Department of Resources Recycling and Recovery
- California Department of Toxic Substances Control
- California Department of Transportation, District 4
- California Department of Water Resources
- California Native American Heritage Commission
- California Natural Resources Agency
- California Office of Historic Preservation
- California Public Utilities Commission
- California Regional Water Quality Control Board, Central Coast Region 3 (RWQCB)
- California State Lands Commission
- State Water Resources Control Board, Division of Drinking Water
- State Water Resources Control Board, Division of Drinking Water, District 17
- State Water Resources Control Board, Division of Water Quality

Section 4.0 Responses to Draft EIR Comments

In accordance with CEQA Guidelines Section 15088, this document includes written responses to comments received by the City of Morgan Hill on the Draft EIR.

Comments are organized under headings containing the source of the letter and its date. The specific comments from each of the letters and/or emails are presented with each response to that specific comment directly following. Copies of the letters and emails received by the City of Morgan Hill are included in their entirety in Appendix A of this document. Comments received on the Draft EIR are listed below.

Comment Letter and Commenter **Page of Response**

Regional and Local Agencies

A. County of Santa Clara, Roads and Airports Department (dated December 22, 2022)

Comment A.1: The County of Santa Clara Roads and Airports Department (The County) appreciates the opportunity to review the Public Notice of Availability of an Environmental Impact Report for Half-Dividend (Crosswinds) Residential Development. We submit the following comments:

- We recommend that the City take over/annex the full road maintenance and improvement along the site's Half Road frontage up to Mission View Dr.

Response A.1: As stated in Section 4.17, Transportation, Page 192 of the Draft EIR, the project would provide sidewalks along its frontages along Half Road (up to Mission View Drive), Mission View Drive, and DePaul Drive. As described on Page 206, the project applicant will pay a fair share contribution toward the installation of a signal at the Half Road and Mission View Drive intersection. No other improvements are proposed along Half Road. Comment A.1 does not question the adequacy of the Draft EIR analysis. The recommendation for the City to take over/annex the full road maintenance and improvement is outside of the project scope. The City does not currently have plans to annex the road. The County has the option to discuss this recommendation with the City; this discussion would be separate from the project.

Comment A.2:

- We would like to know who will maintain the new signalized intersection of Mission View Dr and Half Rd. if approved. County maintains both approaches of Half Rd but not Mission View Dr.

Response A.2: Comment A.2 does not question the adequacy of the Draft EIR analysis. As described on Page 206 of the Draft EIR, the project applicant will pay a fair share contribution toward the installation of a signal at the Half Road and Mission View Drive intersection under Year 2030 cumulative plus project conditions. The City will fund the maintenance of the new intersection.

Comment A.3:

- Provide pedestrian connection between the cul-de-sac at DePaul Dr and Half Rd.

Response A.3: As stated in Section 4.17, Transportation in the Draft EIR, sidewalks would be located along DePaul Drive including the proposed cul-de-sac north of Half Road. Although, no pedestrian connection is proposed between the cul-de-sac, as shown on plan sheet L.10, an emergency vehicle access (EVA) path is proposed to be located between the cul-de-sac and Half Road, which pedestrians/bicyclists could also use to cross from the cul-de-sac to Half Road.

Comment A.4:

- 8. The Mission View Drive and Half Road intersection is projected to operate at an unacceptable LOS F during both the AM and PM peak hours under Year 2030 Cumulative without and with project conditions. Additionally, based on the peak hour traffic signal warrant checks, this intersection would have traffic volumes that meet thresholds that warrant signalization during both the AM and PM peak hours under Year 2030 Cumulative without and with project conditions. This constitutes an adverse effect on intersection operations based on the City's level of service standards.
    - The County's Condition of Approval: The project applicant shall pay a fair share contribution toward installing a signal at the Mission View Drive and Half Road intersection.

Response A.4: Comment A.4 includes an excerpt from Page 206 of the Draft EIR regarding the project's effect on operations of Mission View Drive and Half Road and the County's recommended condition of approval. As stated in the Draft EIR (Page 206), as a condition of approval, the project applicant shall pay a fair share contribution toward the installation of a signal at the Mission View Drive and Half Road intersection, which is consistent with the County's recommendation.

B. Santa Clara Valley Transportation Authority (dated January 3, 2023)

Comment B.1: The Vehicle Miles Traveled Impact and Mitigation Measures
The DEIR notes that the proposed project would have a Significant and Unavoidable impact in the area of Vehicle Miles Traveled (VMT) during project operations, Impact TRN-2.2. The DEIR and Transportation Impact Analysis (TIA) report indicate that "The project applicant would need to implement VMT reduction measures to achieve a 24 percent reduction (27.41 to 20.94) in its VMT per capita for the proposed residential project to reduce the project's VMT impact to less than significant (under Options 1 and 2). However, the available feasible mitigation measures are not capable of such reduction" (DEIR p. 193).:

Response B.1: Comment B.1 summarizes the VMT impact and mitigation measure required, as discussed in Section 4.17 Transportation, Page 193 of the Draft EIR. This comment does not question the adequacy of the Draft EIR analysis. Therefore, no further response is required.

Comment B.2: In light of the fact that this project will have a Significant and Unavoidable VMT impact, VTA recommends that the City work with the project applicant to provide further measures to incrementally reduce project VMT. In addition to those measures included in Mitigation Measure TRN-2.2, VTA recommends the following:

- The subsidized transit pass program included in Mitigation Measure TRN-2.2 should include a monitoring and verification mechanism to ensure that the passes are being provided over time. For instance, the City can require that the project management entity/Homeowners

Association submit a receipt annually showing that the required transit passes have been purchased, and documentation showing that the passes have been distributed to residents.

Response B.2: Mitigation measure MM TRN-2.1 on page 193 and Appendix G Transportation Analysis pages ii, 12, 13, 48, and 49 of the Traffic Impact Analysis of the Draft EIR have been updated to state that the project applicant shall develop and implement a Transportation Demand Management (TDM) plan which targets achieving a reduction in residential vehicle trips to and from the site. The TDM plan shall be prepared by a qualified traffic consultant and in coordination with the City of Morgan Hill Development Services Director or Designee. The TDM plan shall quantify the reduction in VMT. The TDM shall require the project applicant to make a financial contribution to the City's on-site demand rideshare service (MoGo), as a one-time or annual financial contribution based on City approval, or the management entity/Homeowners Association (HOA) will be required to provide fully (100 percent) subsidized annual VTA transit passes for all project homeowners (a maximum of one transit subsidy per residential unit, which would result in up to 269 transit passes per year). This subsidized transit program shall be approved by the City of Morgan Hill's Public Services Director or Director's designee prior to issuance of occupancy. The suggested mitigation measure for the Homeowners Association to submit a receipt and documentation showing that the required transit passes have been distributed would not reduce the significant and unavoidable VMT impact, as it would serve to ensure the implementation of the measure, but would not lead to further reduction in VMT beyond what the Draft EIR has disclosed could be achieved by the measure. Nonetheless, the mitigation has been updated to include VTA's recommendation (refer to Section 5.0 Draft EIR Text Revisions for the revisions to mitigation measure MM TRN-2.1 and Appendix B of this FEIR, for the revisions to the Transportation Analysis).

Comment B.3:

- The project should provide a mid-block pedestrian crossing to connect between the new sidewalk along the project's Mission View Drive frontage and the existing sidewalk on the east side of Mission View Drive. Consideration should be given to providing bulb- outs and a pedestrian signal or warning device to improve safety for pedestrians crossing Mission View Drive to access VTA bus services and other destinations north of the site along Cochrane Road.

Response B.3: The project does not propose a mid-block crosswalk along Mission View Drive, as suggested by the comment. Furthermore, the posted speed limit on Mission View Drive is 40 miles per hour. However, vehicle travel speeds along Mission View Drive are likely greater than 40 miles per hour due to the spacing and lack of controlled intersections between Cochrane Road and Half Road. Given the speeds along Mission View Drive, a mid-block crossing along Mission View Drive as suggested by the comment would require the construction of a median along

Mission View Drive to physically restrict and discourage crossing at location other than the mid-block crossing. The project does not propose a mid-block crosswalk along Mission View Drive, as suggested by the comment, since its implementation would require a right-of-way along Mission View Drive that is not controlled by the project applicant. Controlled crossings at the intersections of Cochrane Road with Mission View Drive and DePaul Drive are proposed as a part of the project (as described on Page 192 of the Draft EIR). Improvements on Mission View Drive would include continuous sidewalks along the project frontage and a controlled crossing at the project access point and at its future signalized intersection with Half Road. As stated on Page 192 of the Draft EIR, the proposed project would improve pedestrian safety and circulation throughout the project area. Therefore, the project would not result in a significant impact to pedestrian facilities or safety in the area.

Comment B.4:

- While VTA understands that there will be no general vehicle (non-emergency vehicle) access between the DePaul Drive extension and Half Road, the project should provide a connection for pedestrians and cyclists at the end of the proposed DePaul Drive cul-de-sac, to improve connectivity to the points south including Live Oak High School and the Madrone Channel Trail.

Response B.4: As stated above, the project would include sidewalks along the DePaul Drive including sidewalks, including a sidewalk along the cul-de-sac. The project would also include sidewalks along the Mission View Drive and Half Road frontages to improve the connectivity to Live Oak High School and the Madrone Channel Trail. As stated in Response B.3., the project would improve connectivity in the project area. As a part of the City's Bikeways, Trails, Parks and Recreation Master Plan, a planned multi-use trail would be constructed by the City and located along the west side of Mission View Drive by 2030. The multi-use trail would be a two-way, off-street paved trail for pedestrian and bicycle use. In addition, as mentioned on Page 192 of the Draft EIR, the project could generate up to three new bicycle trips during each of the peak hours and the demand generated by the proposed project could be accommodated by existing bicycle facilities in the vicinity of the site. The proposed project would provide adequate pedestrian and bicycle access to Live Oak High School and the Madrone Channel Trail.

Comment B.5: Bus Stop Improvements

VTA previously submitted these comments, however the site plan was not updated to reflect any recommendations. These recommendations help support further reducing solo vehicle trips. VTA Route 87 serves the frontage of the project on Mission View Drive. The stop spacing in- between the two nearest stops of the development is 3,400 feet and does not have close enough pedestrian facilities nearby to access the nearest stops. A new southbound bus stop should be installed after the main entrance on Mission View Drive. A bus stop in the northbound direction is also recommended on the condition that there will be a signalized crosswalk for the new development. The preferred location for the new bus stop is past the main entrance on Mission View Drive. VTA

would like to determine the location when off-site plans are drafted (see attachment). VTA also recommends to:

- Install street lighting at the bus stop
- Place trees and landscaping outside of the bus stop area C
- Install a new passenger pad 8'x40' minimum per VTA Standards

Response B.5: As stated on Page 193 of the Draft EIR, per VTA's recommendation, the project applicant will be required to pay a fair share contribution toward the installation of a southbound bus stop after (or adjacent to) the main entrance on Mission Drive. The condition of approval will be updated to state that the project applicant will also make a fair share contribution toward a northbound bus stop on Mission View Drive (refer to Section 5.0 Draft EIR Text Revisions of this Final EIR). The bus stops will include street lighting, landscaping, and a new passenger pad as mentioned in the condition of approval. The new bus stop would be consistent with the VTA standards for the location of the proposed landscaping/trees and the dimensions of the new passenger pad. The bus stop locations are not included on the project site plan since the project applicant will be contributing toward the payment of the bus stop, however, the bus stop would not be constructed as a part of the project. City staff will coordinate with VTA regarding the proposed location of the new bus stops; this coordination will be separate from the proposed project.

C. Valley Water (dated January 3, 2023)

Comment C.1: The Santa Clara Valley Water District (Valley Water) has reviewed the draft Environmental Impact Report (EIR), dated November 2022, for the proposed Crosswinds residential development on Half Road (Project). The following comments are based on Valley Water's review of the draft EIR:

1. **Section 4.9.2.1 – Project Impacts, Water Well and Septic System (Page 126):** Valley Water agrees with the DEIR evaluation that the one abandoned well located during the on-site reconnaissance should be properly destroyed in accordance with Valley Water Ordinance 90-1. Based on Valley Water well records, there is one active water supply well (09S03E16J005) with a well log located on APN 728-30-004. However, due to the long agricultural history of the Santa Clara and Llagas subbasins and subsequent land development, there are likely many abandoned or unregistered wells in the subbasins. While some of these wells may have been sealed prior to well permitting requirements, many have open casings and may be discovered during construction of the Project. If other abandoned or unregistered wells or well-like structures are discovered or encountered during Project construction, Valley Water's Wells Hotline should be immediately contacted to assist in the identification of these wells or structures and help determine the appropriate means of addressing them, such as proper destruction by a C-57 licensed driller with related work permit and inspection by Valley Water Wells Unit. Therefore, Valley Water also agrees with MM HAZ-2.7 listed in Table 1.2-1, which states "If the wells are identified, or subsequently encountered during earthwork activities, the wells shall be properly destroyed in accordance with Valley Water Ordinance 90-1.".

Response C.1: As mentioned in Comment C.1, mitigation measure MM HAZ-2.7 on Pages 126 and 127 of the Draft EIR requires wells identified during earthwork activities to be properly destroyed in accordance with Valley Water Ordinance 90-1. Based on Comment C.1, the mitigation has been updated to also require the project applicant or contractor to contact Valley Water's Wells Hotline immediately to assist in the identification of abandoned/unregistered wells or structures and help determine the appropriate means of addressing them (refer to Section 5.0 Draft EIR Text Revisions of this Final EIR). As stated in the Draft EIR, Page 127, with the implementation of mitigation measure MM HAZ-2.7, the abandonment of the well and septic system would not result in a significant environmental impact.

Comment C.2: Section 4.10.1.1 – Hydrology and Water Quality, Existing Conditions, Groundwater (Page 133): Previously on page 126, the DEIR stated there was only one water well identified during the on-site reconnaissance. However, this section of text on page 133 explains "there are two existing wells on the property associated with agricultural activities that have been occurring on the property for decades. With the cessation of agricultural activities, the wells are no longer in regular use." If there are two wells on the property, please fix the text on 126 for consistency to include the correct number of wells and provide details that both abandoned wells will be destroyed.

Response C.2: Based on Comment C.2, a correction to Page 133 has been made to state that there is one existing well on the property associated with residence on-site. Given the residence is vacant, the well is no longer in regular use (refer to Section 5.0 Draft EIR Text Revisions of this Final EIR). As stated in mitigation measure MM HAZ-2.7 and Response C.1, the well will be properly abandoned, in accordance with Valley Ordinance 90-1.

Comment C.3: 3. Section 4.10.1.1 – Hydrology and Water Quality, Existing Conditions, Groundwater Section and Post-Construction Water Quality Section (Pages 133 and 136): The DEIR states "The site does not contain aquifer recharge facilities, such as streams or ponds." While this statement is true, the stormwater runoff options 1 and 2 of the post-construction water quality (page 136) both mention Madrone Channel, which is a Valley Water managed aquifer recharge facility. Option 1 states "discharge into the public storm drain system to Madrone Channel" and option 2 states "no discharge to Madrone Channel". Valley Water recommends adding text to either page 133 or 136 explaining that Madrone Channel is used by Valley Water for managed aquifer recharge that supports groundwater sustainability in the Llagas Subbasin. Additional details about the managed recharge in Madrone Channel can be found in Valley Water's 2021 Groundwater Management Plan, Appendix I (https://www.valleywater.org/your-water/where-your-water-comes/groundwater/sustainable). Since Option 1 could discharge stormwater directly into Madrone Channel and Madrone Channel is a managed recharge facility, Valley Water recommends adding text to explain if Option 1 would have any impact on the quality of stormwater flowing into Madrone Channel and thus the quality of recharge to the aquifer.

Response C.3: Based on Comment C.3, Page 136 of the Draft EIR has been updated to state that under Option 1, the site would collect the runoff filtered through the bioretention areas and underground retention facilities, before being discharged into the public storm drain system to Madrone Channel. The Madrone Channel is used by Valley Water for managed aquifer recharge that supports groundwater sustainability in the Llagas Subbasin. Since runoff would be treated prior to being discharged to Madrone Channel, this option would not result in a significant impact to the quality of stormwater flowing into the Madrone Channel or quality of recharge to the aquifer (refer to Section 5.0 Draft EIR Text Revisions of this Final EIR).

Comment C.4: 4. Section 4.10.2.1 – Hydrology and Water Quality, Project Impacts, Impact HYD-2 (Page 136): The EIR correctly states that the Project site is not in a groundwater recharge facility. Although the site is not a part of, or adjacent to, a formally managed recharge facility, the project is in an area of the county that supports natural groundwater recharge (see the 2021 Groundwater Management Plan for the Santa Clara and Llagas Subbasin). Natural groundwater recharge is an important element of the county's overall water supply, representing approximately 15% of the supply available. The cumulative effect of development throughout the county over the last 50 years has substantially reduced natural groundwater recharge as naturally pervious surfaces have been developed with impervious surface. Natural groundwater recharge is especially important in the Coyote Valley sub-area of the Santa Clara Subbasin, which relies exclusively on natural recharge and managed in-stream recharge in Coyote Creek to maintain groundwater levels. To avoid the potential cumulative impact to natural groundwater recharge from new impervious surface, the proposed bioretention basins and other elements of the stormwater management plan should be designed to maintain as much natural groundwater recharge that is currently provided by the property.

Response C.4: Section 4.10.2.2 Cumulative Impacts, Page 138 of the Draft EIR discusses cumulative hydrology and water quality impacts. This cumulative hydrology discussion has been updated to state that the proposed bioretention basins would be designed to maintain as much on-site groundwater recharge as is feasible to avoid the cumulative impacts to natural groundwater recharge from new impervious surfaces. The site's stormwater facilities would be sized to allow infiltration of the 95th percentile, 24-hour rainfall event. In addition, the City standards require detention of the 25-year storm; under Option 1, stormwater would be directed to underground retention facilities designed for a 25-year, 24-hour storm event and under Option 2, 100 percent of stormwater from the site would be directed to underground retention facilities designed for a 100-year storm event. Refer to Section 5.0 Draft EIR Text Revisions of this Final EIR.

Comment C.5: 5. Section 4.10.2.1 – Hydrology and Water Quality, Project Impacts, Post-Construction Water Quality (Page 136): The bottom of the page states "The existing well on the 33-acre property would be properly removed under permit from Valley Water, as required per the

District Well Ordinance". If there are two wells on the property (as stated on page 133), the text on page 136 should be updated to reflect both wells.

Response C.5: As stated in Response C.2, Page 133 has been updated to correctly state that there is one existing well on-site, the reference to two wells was a typo. Refer to Section 5.0 Draft EIR Text Revisions of this Final EIR.

Comment C.6: **6. Section 4.10.2.2 – Hydrology and Water Quality, Project Impacts, Impact HYD-3 (Page 137):** While the project site is not a managed aquifer recharge facility, as correctly stated on page 136, the 33 acres of pervious surfaces currently allow for natural recharge. Both natural recharge and managed recharge support sustainable groundwater conditions in the Santa Clara and Llagas Subbasins. Page 137 explains that the 33 acres of "nearly entirely pervious" surfaces will be converted by the proposed development to about 75% impervious and 25% pervious surfaces. Valley Water recommends additional text is provided in the EIR to explain if, and how the reduction in pervious surfaces will affect natural recharge to the aquifer. Given the differences in the stormwater management plans for Option 1 versus Option 2, please also add text explaining if one of the options is preferable in terms of maintaining current natural recharge at the site.

Response C.6: As mentioned in Section 3.2 Project Description, Page 5 and under the Impact HYD-3 discussion, Page 137 of the Draft EIR, most of the site is undeveloped with fallowed agricultural fields. Some of the rainfall at the existing site percolates into the groundwater aquifer, however, most of it is not recharged but is lost due to evapotranspiration. Under Option 1, the reduction of pervious surfaces would reduce natural recharge as more impervious surfaces would increase the amount of runoff from the site, resulting in less rainfall percolation into the groundwater aquifer. However, this additional runoff would be directed to bioretention areas and underground retention facilities on-site to reduce runoff from leaving the site and enhance on-site percolation. Stormwater runoff from the site would be retained and then directed to the Madrone Channel, a recharge facility managed by Valley Water. Under Option 2, stormwater would be directed to subsurface infiltration facilities (sized to retain the 100-year storm event), resulting in the percolation of more stormwater into the groundwater aquifer, which would result in more on-site recharge to the aquifer compared to Option 1. Page 136 of the Draft EIR has been revised to include this clarification.

Comment C.7: **7. Section 4.10.2.2 – Hydrology and Water Quality, Project Impacts, Impact HYD-3 (Page 137):** The EIR states that the project would not "substantially increase the rate or amount of surface runoff in a manner which would result in flooding on-or off-site" and "create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage system..." The basis of this determination should be supported by a detailed analysis which compares pre- versus post-development conditions and provides justification for the design of the proposed retention basins. Furthermore, the EIR proposes two options to manage stormwater runoff. According to Section 3.2.4 of the EIR - 'Storm Drainage Improvements,' Option 1 would be designed to detain runoff from the 25-year, 24-hour storm event, and "Excess runoff from the site

would drain to the Santa Clara Valley Water District's (Valley Water's) Madrone Channel (Page 19)." The EIR should include a more detailed discussion of the potential impacts from Project Option 1 and determine the anticipated runoff (both volume and rate) if Option 1 is subjected to the 100-year, 24-hour storm event. The City has been working with Akel Engineering on a hydrology report detailing the Madrone Channel drainage basin and the allowable runoff contributions into Madrone Channel. Moreover, this study concluded that all developments north of Half Road should be restricted to a total of flow rate of 120 cfs; this equates to 0.42 cfs/acre. If Option 1 is the chosen alternative, the EIR should acknowledge this restriction and design the mitigation measures accordingly.

Response C.7: Under Project Option 1, based on a stormwater memo completed by Akel Engineering in December 2022, stormwater runoff for proposed developments north of Half Road would be allotted 120 cubic feet per second (cfs) at a rate of 0.42 cfs/acre.[1] Stormwater runoff that would be generated by the proposed Crosswinds project during the 100-year storm event would not exceed 13.4 cfs, which equates to 0.42 cfs/acre.[2]. Stormwater runoff from future developments north of Half Road (including the Crosswinds development) would not exceed 118.7 cfs during a 100-year event (which equates to 0.42 cfs/acre)[3] Therefore, the project and cumulative projects north of Half Road, would not exceed the runoff capacity for the Madrone Channel. Page 137 of the Draft EIR, which includes a discussion of drainage impacts, has been updated with the above information. Refer to Section 5.0 Draft EIR Text Revisions of this Final EIR. Given the project's runoff under Option 1 would not cause the Madrone Channel to exceed capacity under even a 100-year, 24-hour event, no mitigation measures are required to reduce drainage impacts.

Comment C.8: **8. Section 4.10.2.2 – Hydrology and Water Quality, Cumulative Impacts, Impact HYD-C (Page 138):** The text states that "the project would not impact groundwater recharge and would not conflict with the SCVWD's 2016 Groundwater Management Plan." Valley Water recommends updating this text to reflect Valley Water's 2021 Groundwater Management Plan. Valley Water also recommends revising this text as needed in response to Valley Water's previous comments about natural recharge and stormwater into Madrone Channel (recharge facility).

Response C.8: The reference to Valley Water's 2016 Groundwater Management Plan has been updated to the 2021 Groundwater Management Plan under Impact HYD-5, Page 138 of the Draft EIR. The discussion has been updated to clarify that stormwater would be treated on-site prior to being directed to the Madrone Channel (a managed recharged facility). Stormwater from the site would be retained via bioretention basins/facilities to reduce runoff from leaving the site and enhance

[1] Akel Engineering Group. Proposed New 42" Storm Drain Outfall at Half Road. December 2022.
[2] 0.42 cfs/acre x 33 acre project site = 13.4 cfs
[3] 0.42 cfs/acre x 283 acres (pending and approved projects in the area) = 118.7 cfs

on-site percolation, under Options 1 and 2 (Option 2 contains subsurface infiltration facilities sized to retain the 100-year storm event, resulting in more on-site recharge). Cumulative developments would be subject to similar requirements for bioretention basins that would result in on-site recharge, which would reduce impacts to the Madrone Channel recharge facility. Page 138 of the Draft EIR has been updated with this clarification. Refer to Section 5.0 Draft EIR Text Revisions of this Final EIR.

Comment C.9: **9. Section 4.10.2.2 – Hydrology and Water Quality, Cumulative Impacts, Impact HYD-C (Page 138):** The EIR states that the proposed development, from a cumulative standpoint, would not have a significant impact to the existing hydrology. A hydrologic analysis of the Madrone Channel drainage basin should be included with the EIR to support this finding. The analysis should assess the anticipated runoff (volume and rate) generated under post-development conditions, and account for contributions from other planned developments within the Madrone Channel drainage basin. Moreover, the analysis should demonstrate that Madrone Channel has adequate capacity (including freeboard) to receive and convey the cumulative runoff without inducing flooding downstream of the development. As noted, in Comment #3, the EIR should acknowledge the allotted runoff quantity for all developments north of Half Road, as determined in the study by Akel Engineering, which is roughly 120 CFS, or 0.4 CFS/acre. Moreover, the mitigation measure proposed under Option 1 should consider this restriction when determining the runoff generated cumulatively with other proposed developments in the Madrone Channel drainage basin.

Response C.9: As stated in Response C.7, stormwater runoff from future developments north of Half Road (including the Crosswinds development) would not exceed 109 cfs during a 100-year event,[4] which would not exceed the capacity (120 cfs) for runoff at the Madrone Channel under Option 1. Stormwater runoff from the site would be filtered through the bioretention areas and underground retention facilities before being discharged into the public storm drain system to Madrone Channel. Stormwater runoff from the project site would not result in a significant cumulative impact to the Madrone Channel basin (see Section 5.0 Draft EIR Text Revisions of this Final EIR).

Comment C.10: **10. Section 4.19.1.2 – Utilities and Service Systems, Project Impacts, Existing Conditions, Water Service (Page 214):** The DEIR states on page 214 "One or two private wells supply water to the residence and tree nursery." Please ensure this sentence and all the previously mentioned sentences about the number of existing wells on this property are consistent. Some statements say one well and others say two wells.

Response C.10: As stated in Responses C.2 and C.5, there is one existing well on the site, associated with the vacant residence, and the reference to two wells is a typo.

[4] Akel Engineering Group. Proposed New 42" Storm Drain Outfall at Half Road. December 2022.

There is an abandoned off-site well at the adjacent property to the west, which was historically used to supply water to the project site's tree nursey. The off-site well is no longer active. Page 214 and Appendix H Water Supply Assessment of the Draft EIR have been updated to state this. Refer to Section 5.0 Draft EIR Text Revisions.

Comment C.11: 11. Section 4.19.1.2 – Utilities and Service Systems, Project Impacts, Existing Conditions, Water Service (Page 214): The DEIR states that current groundwater use on-site is 18.54 acre-feet per year (AFY). However, based on Valley Water well production records, there is only one well (09S03E16J005) on the Project APNs with a reported production history that is typically <1 AFY. Given that information, the estimated groundwater use of 18.54 AFY greatly over-estimates actual reported groundwater use. In turn, this greatly over-estimates the statement on page 219 about increased groundwater demands "…the project would result in a net increase in groundwater demands of about 23.77 AFY." If actual groundwater use was closer to 1 AFY, then the net increase in groundwater demands due to the Project would be closer to the gross water demands of about 42 AFY. Valley Water recommends reevaluating the water supply assessment regarding actual, historical groundwater use on-site.

Response C.11: As stated in Response C.10, there is one existing well on the site the site, associated with the vacant residence. There is an abandoned off-site well at the adjacent property to the west, which was historically used to supply water to the project's tree nursey. The off-site well is no longer active. At the time the project's Water Supply Assessment was prepared (in 2020 and 2021), the off-site agricultural well was still active. Since this time, the off-site well has been destroyed. Page 214 of the Draft EIR has been updated to state that the off-site agricultural well is abandoned and no longer serves the site. Pages 219 and 220 and Appendix H Water Supply Assessment of the Draft EIR have been revised to include the updated net demand increase from 23.77 AFY to 41.67 AFY. Given the project is consistent with the General Plan assumptions, the project's water demand is consistent with the Urban Water Management Plan and would not exceed projections for the site. Therefore, the project would continue to have a less than significant impact related to the project's water demand as stated on Page 220 of the Draft EIR. See Section 5.0 Draft EIR Text Revisions of this Final EIR.

Comment C.12: 12. Section 4.19.1.2 – Utilities and Service Systems, Project Impacts, Existing Conditions, Storm Drainage (Page 215): The DEIR correctly states "The Madrone Channel (managed by Valley Water) is located approximately 1,000 feet west of the site. The Madrone Channel carries stormwater runoff from the area and also functions as a groundwater recharge basin." Please use this or similar text to address our comment on page 133 about Madrone Channel.

Response C.12: As recommended in Comment C.12, Page 133 of the Draft EIR has been updated to state that Madrone Channel is managed by Valley Water which functions as a groundwater recharge basin. See Section 5.0 Draft EIR Text Revisions of this Final EIR.

Comment C.13: **13.Section 4.19.2.1 – Utilities and Service Systems, Project Impacts, Text Related to Table 4.19-2 (Page 219):** The DEIR states "As shown in Table 4.19-2, the proposed project would result in a gross water demand of 42.31 acre-feet per year (AFY)…". However, the table 4.19-2 states that 42.31 AFY is an average between Water Demand based on WSMP net area and the Water Demand based on units of building area. Therefore, Valley Water recommends adding the word "average" to the sentence to more accurately reflect the information presented in the table: "As shown in Table 4.19-2, the proposed project would result in an average gross water demand of 42.31 acre-feet per year (AFY)…"

Response C.13: As recommended in Comment C.13, Draft EIR Page 219 has been to state updated to state that the proposed project would result in an average gross water demand of 42.31 acre-feet per year (AFY). See Section 5.0 Draft EIR Text Revisions of this Final EIR.

Comment C.14: **14 Utilities and Service Systems, Project Impacts, UTL-2, Water Supply Reliability (Page 220):** The analysis of water supply concludes that the project is consistent with the City's 2016 (and presumably 2020) Urban Water Management Plan (UWMP). The UWMPs for Morgan Hill and for Valley Water both assume substantial increases in water conservation to manage future water demands. To meet water conservation targets assumed in the UWMPs, Valley Water suggest that all available water conservation measures be required of the project, including requiring all multi-family residential units to install a submeter to encourage efficient water use. Studies have shown that adding submeters can reduce water use 15 to 30 percent.

Response C.14: As recommended in Comment C.14, all feasible water conservation measures would be implemented by the proposed project including the installation of individual water meters in all single-family residential and duet units. In addition, a water submeter would be installed in the condominium buildings to manage the water use of the condominium units. Page 219 and 220 of the Draft EIR have been updated with these clarifications (refer to Section 5.0 Draft EIR Text Revisions of this Final EIR).

Comment C.15: **15. Section 4.19.2.1 – Utilities and Service Systems, Project Impacts, UTL-2 (Page 220):** The DEIR correctly states, "The City's sole source of water supply, groundwater from the Llagas and Santa Clara subbasins, is a shared resource managed by Valley Water through the Sustainable Groundwater Management Act (SGMA) process" and references the 2018 SGMA Water Year regarding a balanced long-term groundwater budget.

Since the 2018 water year report is about five years old, Valley Water recommends adding the following text to this paragraph to provide the most current information on Valley Water's groundwater management under SGMA:

"Valley Water's 2016 Groundwater Management Plan (GWMP) for the Santa Clara and Llagas Subbasins describes groundwater sustainability goals, and the strategies, programs, and activities that support such goals. In 2019, the Department of Water Resources (DWR) approved the 2016

GWMP for both basins, determining it satisfies the objectives of SGMA. In 2021, Valley Water submitted to DWR the first required periodic update of the GWMP that describes updated groundwater management outcome measures, programs, and activities."

The 2021 GWMP is publicly available here on this webpage: https://www.valleywater.org/your-water/where-your-water-comes/groundwater/sustainable" The 2021 GWMP should also be referenced in the discussion on Impact HYD-5 on page 138.

Response C.15: As recommended in Comment C.15, Page 138 of the Draft EIR has been updated to reference the Valley Water 2021 Groundwater Management Plan. The recommended text update regarding the Groundwater Management Plan update has also been added to Page 220 of the Draft EIR text. See Section 5.0 Draft EIR Text Revisions of this Final EIR.

Comment C.16: **16. General:** The proposed sanitary sewer modifications along Half Road will require an encroachment permit for any modifications that will cross, or take place over the pipeline, and/or impact any appurtenances for the pipeline. It should be noted that Valley Water is a Responsible Agency under CEQA due its discretionary approval authority over Half Road pipeline and its appurtenances.

Response C.16: As noted in Comment C.16, Valley Water is a Responsible Agency for the project, and the project would require the obtainment of an encroachment permit for the proposed sanitary sewer modifications. Page 23 of the Draft EIR has been updated with a clarification that an encroachment permit from Valley Water will be required for the sanitary sewer modifications. Refer to Section 5.0 Draft EIR Text Revisions of this Final EIR.

D. Joe Baranowski (January 3, 2023)

Comment D.1: The DEIR correctly emphasizes that project impacts must be considered on a cumulative basis.

(pg. 25) The CEQA Guidelines advise that a discussion of cumulative impacts should reflect both their severity and the likelihood of their occurrence (CEQA Guidelines Section 15130(b)). To accomplish these two objectives, the analysis should include either a list of past, present, and probable future projects or a summary of projections from an adopted general plan or similar document (CEQA Guidelines Section 15130(b)(1)). This EIR uses the list of projects approach.

The analysis must determine whether the project's contribution to any cumulatively significant impact is cumulatively considerable, as defined by CEQA Guideline Section 15065(a)(3). The cumulative impacts discussion for each environmental issue accordingly addresses the following issues: 1) would the effects of all of past, present, and probable future (pending) development result in a significant cumulative impact on the resource in question; and, if that cumulative impact is likely to be significant, 2) would the contribution from the proposed project to that significant cumulative impact be cumulatively considerable?

> **Response D.1:** Comment D.1 summarizes the description and approach to evaluating cumulative impacts discussed on Page 25 of the Draft EIR. The comment does not question the adequacy of the Draft EIR analysis. Therefore, no further response is required.

Comment D.2: Comment 1: Cumulative Toxic Air Contaminants are underestimated because 'cumulative' pending projects are not accounted for at all or are incorrectly modeled.

Page 65 of the DEIR, Table 4.3-10 shows that effects of TAC Sources (e.g., cancer risk) to Project Site Receptors is based on Average Daily Trips on Mission View Drive of 14,020.

Appendix B of the DEIR states that: The average daily traffic (ADT) for Mission View Drive were based on AM and PM peak-hour cumulative plus project traffic volumes for the nearby roadways provided by the project's traffic consultant. The calculated ADT on Mission View Drive was 14,020 vehicles.

The only reference to the assumed Mission View Drive ADT value was "Correspondence with Maria Kisyova, Assistant Project Manager, David J. Powers & Associates, Inc., November 10, 2020, Hexagon - The Crosswinds Trip Gen and Volumes 11-10-20."

However, the DEIR states that:

The only other known TAC source within 1,000 feet that would affect residents of the proposed project are operational truck trips that would be associated with the approved Redwood Tech project immediately west of the site. At this time, the number of operational truck trips, truck routes, or associated emissions with the pending Redwood Tech project are unknown. However, based on modeling completed for a former industrial project proposed on that site in 2019 approximately two times larger than the current Redwood Tech project, the combined effect of emissions of truck operations from the pending Redwood Tech project and vehicle emissions from Mission View Drive would not likely result in a substantial cumulative effect from TAC sources (i.e., would not likely exceed cumulative BAAQMD thresholds) on sensitive receptors at the site. If the Redwood Tech project undergoes construction after the proposed project (under Options 1 and 2) starts operations (and residents are on-site), the cumulative effect of construction and operations of the Redwood Tech project may result in substantial cancer risks without the implementation of conditions of approval for construction emissions.

The assumption regarding TAC sources in the above paragraph are wrong for a number of reasons.

Response D.2: It should be clarified this excerpt from Draft EIR Page 65 is a discussion of TAC effects on future project residents, which is not considered a CEQA impact (refer to *California Building Industry Association v. Bay Area Air Quality Management District*, 62 Cal. 4th 369 (BIA v. BAAQMD)which concluded that effects of the environment on the project are not considered CEQA impacts). The Draft EIR properly analyzes the project's TAC impacts on the environment, including the potential to exacerbate existing conditions. To address the reverse situation, i.e., future project resident exposure to TACs, conditions of approval are recommended for the project for General Plan consistency to address impacts on the future residents. The 14,020 average daily trips (ADT) for Mission View Drive referenced in Appendix B Air Quality and Greenhouse Gas Assessment of the Draft EIR refers to the ADT from the project and cumulative volumes.[5] The average daily trips on Mission View Drive from cumulative plus project traffic volumes are derived from buildout of the General Plan. The cumulative traffic volumes on Mission View Drive reflect Year 2030 cumulative conditions, which are based on General Plan buildout projections, and reflect far greater traffic growth than traffic from only the Redwood Tech, Crosswinds, and Cochrane Commons Phase II projects combined. . The Draft EIR, therefore, provides a conservative analysis for TAC impacts (including vehicle emissions from Mission View Drive) on nearby sensitive receptors. As discussed on Pages 62 and 63 of the Draft EIR, both the proposed project and Redwood Tech

[5] The cumulative average daily trips on Mission View Drive are based on average of the AM and PM peak hour cumulative plus project volumes multiplied by 10. The peak hour volumes are assumed to be 10 percent of ADT; this is an observed and generally accepted standard factor based on various traffic data.
Personal Communications. Del Rio, Robert, Hexagon Transportation Consultants. April 17, 2023.

project would be required to implement construction best management practices that identify construction equipment necessary to reduce impacts on sensitive receptors to less than significant levels.

<u>Comment D.3:</u> A) The modeling done for the "former industrial project approximately two times larger than the current Redwood Tech project" is not consistent with ITE standards or known information.

An expert with qualifications that include registration as a Civil and Traffic Engineer in California, over 50 years professional consulting practice in these fields and both preparation and review of the traffic and transportation components of numerous environmental documents prepared under CEQA, reviewed the Redwood@101 Project and wrote a report dated May 20, 2021, which the City received and is aware of.

In that report, the author noted that the Redwood@101 project is "best described as a Business Park". That Land Use best matches the developer's documentation and statements to the Morgan Hill Planning Commission and City Council where the exact designation of "Business Park" was indeed spoken. The expert stated that the Redwood@101 land use, as stated BY THE DEVELOPER, corresponds to the description for Land Use Category 770, Business Park in the Institute of Transportation Engineers (ITE) Trip Generation, 10th Edition.

Based on the Redwood@101 building area the ITE Trip Generation manual indicates that approximately 6040 Average Daily Trips (ADTs) would be generated by the Redwood@101 project. This is higher than the number of ADT that were assumed for the 'twice as large" project.

Regarding the number of Truck Trips, the "twice as large" study assumed that "each truck service door would turn over once per day on average". That assumption is not consistent with modern operations or with ITE studies on buildings with a high number of dock doors.

<u>Response D.3:</u> The referenced May 20, 2021 memorandum was prepared by a third party regarding the Redwood Tech project. The letter attempted to justify why ITE Land Use Category 770 should be used for the Redwood Tech project, and claimed the Redwood Tech project was not subjected to a complete traffic analysis. This letter was withdrawn and no changes were made regarding approval of the Redwood Tech project. This comment pertains to future conditions that could affect future project residents based on the amount of traffic that would be generated by an adjacent industrial project, does not address an impact of the Crosswinds Residential project on the environment, and, according to the case law cited in the prior response, is outside the requirements of CEQA. As noted above, the exposure of future project residents to TACs source was included in the Draft EIR for informational purposes.

Based on the ITE Trip Generation Manual Land Use Category 770 Business Park description, this category may include offices, retail, and wholesale stores,

restaurants, recreational areas and warehousing, manufacturing, light industrial, or scientific research functions. The previous Trammel Crow industrial and Redwood Tech buildings were assumed to be tilt-up warehouse buildings with limited supporting office space and large truck dock doors. Thus, the buildings would not allow for customer-based uses such as office, retail, wholesale stores, restaurants, and recreational areas upon which the LU 770 Business Park ITE trip rates are based, which are higher than the LU 110 Light Industrial category trip rates.

The ITE Land Use Category 110 Light Industrial, which is described as uses that typically have minimal office space and include industrial activities such as material testing and assembly would be applicable to the previous industrial project and Redwood Tech project. Furthermore, trip rates for other potentially applicable land use categories such as "Industrial Park (LU 130) and Manufacturing (LU 140) are lower than those for Light Industrial (LU 110). The cumulative traffic analysis is based on the Cumulative Year 2030 condition peak-hour traffic volumes which reflects a proportion (15 Years or 75 percent) of traffic growth associated with the buildout of the City's General Plan (refer to Appendix G of the Draft EIR), also refer to Response D.8 for further detail). As noted above, this comment and the underlying issue of the traffic produced by a prior proposal for an adjacent site is outside the requirements of CEQA given it pertains to the effects of the environment on future project residents.

<u>Comment D.4:</u> B) The Average Daily Trips that the approved Cochrane Commons Phase 2 project will generate on Mission View Drive are not accounted for at all.

The DEIR incorrectly states that Table 3.4-1 identifies the approved (but not yet constructed or occupied) and pending projects within one mile of the project site that are evaluated in the cumulative analysis. Other pending projects in the City are located at least two miles away from the project site.

The "Cochrane Commons Mixed-Use Development Transportation Operations Analysis, December 10, 2021" shows that the approved project that is less than two miles away for the Crosswinds project site is estimated to generate 9,857 Average Daily Trips, many of which will result in travel along Mission View Drive.

As the DEIR states: *The substantial exposure to TACs for new project receptors is evaluated via the following criteria: (1) increased cancer risk, and (2) annual $PM_{2.5}$ concentration. Exposure to annual $PM_{2.5}$ concentrations from Mission View Drive traffic is above the BAAQMD single-source threshold of 0.3 µg/m^3. Cancer risk mostly results from exposure to diesel particulate matter, although gasoline vehicle exhaust contributes to this effect. Annual $PM_{2.5}$ concentrations are based on the exposure to $PM_{2.5}$ resulting from emissions attributable to truck and automobile exhaust, the wearing of brakes and tires, and roadway dust from vehicles traveling over pavement. Reducing particulate matter exposure would reduce both annual $PM_{2.5}$ exposures and cancer risk.*

The exposure to TACs for the Crosswinds project has used a false assumption for the number of CUMULATIVE Average Daily Trips that will be occurring on Mission View Drive and thus the results do not reflect the cumulative exposure or associated risk.

Response D.4: This comment pertains to future conditions that could affect future project residents based on the amount of traffic that would be generated by development in the area, does not address an impact of the Crosswinds Residential project on the environment, and, according to the case law cited in Response D.2, is outside the requirements of CEQA. As noted above, the exposure of future project residents to TACs source was included in the Draft EIR for informational purposes. Several conditions of approval were placed on the project to comply with requirements of the General Plan to ensure future resident exposure to TACs was consistent with BAAQMD guidelines. The average daily trips on Mission View Drive were derived from cumulative plus project traffic volumes from buildout of the General Plan. The cumulative traffic volumes in Appendix G Transportation Analysis in the Draft EIR reflect Year 2030 cumulative conditions, which are based on General Plan buildout projections, and reflect far greater traffic growth than traffic from only the Redwood Tech, Crosswinds, and Cochrane Commons Phase II projects combined. The Draft EIR, therefore, provides a conservative analysis for TAC impacts (including vehicle emissions from Mission View Drive) on future project residents.

Comment D.5: Comment 2: The traffic operations analysis done for the Crosswinds project is completely meaningless because 'cumulative' pending projects are not accounted for at all. This IS a matter of CEQA and thus of the DEIR review because CEQA guidelines require that consistency to a General Plan must be considered.

Appendix G of the DEIR states: *The traffic operations analysis provides supplemental analysis for use by the City of Morgan Hill in identifying potential improvement of the transportation system that may be included as part of the project's Conditions of Approval. However, the identified roadway operations and improvements are not required or considered project impacts per CEQA guidelines.*

First of all we should be clear that California Public Resources Code, Section 21099 (b)(4) states that the updated VMT *subdivision does not preclude the application of local general plan policies, zoning codes, conditions of approval, thresholds, or any other planning requirements pursuant to the police power or any other authority.*

Response D.5: Comment D.5 suggests that roadway operations and improvements outside of an evaluation of Vehicle Miles Traveled (VMT) were not considered in the Transportation Analysis for the proposed project. However, consistent with City requirements, a Traffic Operations Analysis, which includes the evaluation of intersection level of service, was completed as part of the Transportation Analysis (see Appendix G of the Draft EIR). Page 14 of the Transportation Analysis states that the Traffic Operations Analysis provides supplemental analysis, beyond the VMT analysis required by CEQA, for use by the City of Morgan Hill in identifying potential

improvement of the transportation system that may be included as part of the project's Conditions of Approval to demonstrate the project's consistency with the Morgan Hill 2035 General Plan goals and policies. The comment further argues that pending projects were improperly omitted from the cumulative analysis. However, the Transportation Analysis in Appendix G of the Draft EIR included trips from planned growth projected to be built out by 2030 (Year 2030 Cumulative Conditions), which includes Cochrane Commons, rather than employing a cumulative scenario derived from a list of pending and approved projects, which can serve to understate future growth. The Year 2030 condition peak-hour traffic volumes reflect a proportion (15 Years or 75 percent) of traffic growth associated with the buildout of the City's General Plan, which is a more conservative approach to evaluating future cumulative conditions in this case than relying on a list of pending and approved projects. Section 15130(b)(1) of the CEQA Guidelines allows for either approach, i.e., using the list approach or growth projections based on General Plan buildout.

Comment D.6: CEQA guidelines require that a lead agency conducting environmental review of a project must consider whether the project would conflict with any applicable land use plan, policy or regulation including the General Plan.

Response D.6: This comment correctly summarizes aspects of the CEQA Guidelines. As discussed in Section 4.11 Land Use and Planning, Page 141, the proposed project is consistent with the site's General Plan designation of Residential Attached Low-Density, and where relevant, the project's consistency with various General Plan Policies was discussed throughout the Draft EIR's analysis.

Comment D.7: The Morgan Hill General Plan requires a traffic impact study be done when a project generates 100 or more net new peak hour trips. The Crosswinds project exceeds the Trip Generation Threshold by a wide margin.

The Morgan Hill Transportation Impact Study Policy states that at a minimum the following shall be included in a transportation study.

1) The study shall acknowledge and identify the use of other traffic reports completed for other projects within the same area.
2) Existing Project Conditions: Background traffic volumes, existing volumes plus the volumes from approved but not yet constructed or occupied development in the area plus traffic from the proposed project.

3) Cumulative No Project Conditions and Cumulative Plus Project Conditions – from approved projects plus traffic from pending projects.

Response D.7: Comment D.7 references portions of the City of Morgan Hill Guidelines for the Preparation of Transportation Impact Reports dated May 28,

2008 (last amended February 24, 2010). A comprehensive transportation analysis which included a Vehicles Mile Traveled (VMT) evaluation in conformance with CEQA requirements and a supplemental transportation operations analysis (including a level of service (LOS) analysis pursuant to General Plan policy) was completed for the proposed project. An LOS analysis of existing conditions, existing plus project conditions, cumulative no project conditions (Year 2030), and cumulative plus project conditions was completed as a part of the Transportation Analysis. It is important to note that LOS provided for in the City's guidelines is no longer consistent with current state regulations for the evaluation of transportation impacts per CEQA (the Senate Bill (SB)743 and revised CEQA guidelines now require public agencies to base the determination of transportation impacts on vehicle miles traveled, rather than traffic delay and congestion). Instead, the City's 2008 transportation guidelines are used as a guide in the preparation of transportation analyses for development projects within the City to study the capacity of the roadway network to handle additional traffic, and what conditions to require of projects. Several conditions of approval are included to address the traffic issues raised by the analysis. This comment pertains to the methodology for evaluation of traffic congestion, and is not relevant to the Draft EIR's analysis.

Comment D.8: Instead the City and their consultants have willfully and knowingly chosen to simply ignore the projected impacts from VERY large projects already approved in the immediate vicinity of Crosswinds. NONE of the results in the Crosswinds traffic operations analysis are relevant. The number of new Average Daily Trips in the immediate area from projects that have been recently approved (plus Crosswinds) but not yet developed is approximately 18,500 and yet not a single analysis of any type has considered the cumulative traffic impact. This is absurd, irresponsible and a gross failure to follow the City's General Plan and a failure to give any consideration whatsoever to the health, safety, and welfare of Morgan Hill residents living in the area.

Response D.8: The referenced daily trips are not utilized in the traffic operations analysis. Rather, the operations analysis is based on weekday peak hour volumes during the morning and evening commute periods. Furthermore, the referenced 18,500 daily trips is an inaccurate estimation of daily trips associated with the referenced developments in the project area. When considering the Cochrane Commons (approximately 8,200 daily trips), Redwood Tech (approximately 3,500 daily trips), and this proposed project (approximately 2,500 daily trips), a total of approximately 14,200 daily trips may be generated by these three specific projects. In referencing the daily trips, the comment incorrectly presumes that the cumulative analysis completed for the proposed project did not consider the referenced approved projects. The comment also incorrectly suggests that all daily trips generated by the above developments would be added to Mission View Drive and Cochrane Road.

However, when considering the peak hour trip volumes for the above three projects, based on the individual project traffic operations studies, a total of

approximately 330 AM and 590 PM peak hour trips were estimated to travel through the Mission View Drive and Cochrane Road intersection. The comment suggests that the traffic associated with these individual projects must be considered in the cumulative analysis. The cumulative analysis, as discussed in Appendix G Transportation Analysis in the Draft EIR, reflects Year 2030 cumulative conditions, which accounts for growth beyond what would be considered if only the above three projects were evaluated. As stated in Response D.4, the Cumulative Year 2030 condition peak-hour traffic volumes reflect a proportion (15 Years or 75 percent) of traffic growth associated with the buildout of the City's General Plan. The Cumulative Year 2030 peak hour volumes at the Cochrane Road and Mission View Drive intersection reflect an additional 1,425 AM and 1,547 PM peak hour trips traveling through the Mission View Drive and Cochrane Road intersection when compared to existing traffic volumes. Thus, the peak hour volumes used in the Year 2030 cumulative analysis reflect peak hour traffic growth that is more than three times greater than that which would be accounted for if only considering the two other approved projects referenced in the comment. Therefore, the use of projected Year 2035 General Plan volumes to develop the Year 2030 cumulative volumes provides for a conservative estimate and evaluation of the effects of a greater amount of traffic volume on the roadway system. Also, the use of the General Plan traffic growth projections provides an evaluation of roadway operations that is consistent with the City's General Plan and a consistent basis in which all development projects can be compared.

Section 5.0 Draft EIR Text Revisions

This section contains revisions to the text of the Crosswinds Residential Project Draft EIR dated November 2022. Revised or new language is underlined. All deletions are shown with a ~~line through the text~~.

Page 22 **Section 3.2.6, Green Building Measures; the text will be REVISED as follows:**

The project would include the following green building measures, in compliance with the California Green Building Standards Code:

- Solar-ready area for PV solar panels on the roof
- Low volatile organic compound (VOC) emission interior wall and ceiling paints
- Insulation with 30 percent post-consumer recycled content for walls and floors
- Energy Star ~~General Electric (GE)~~ appliances.
- High efficiency heating, ventilation, and air conditioning (HVAC) units.
- Drought-tolerant landscaping and low flow irrigation system.
- Bicycle storage for residents.
- Electric vehicle (EV) charging stations.

Page 23 **Section 3.4, Uses of the EIR; the text will be ADDED as follows:**

3.4 USES OF THE EIR

This EIR would provide decision-makers in the City of Morgan Hill, other public agencies, and the general public with relevant environmental information to use in considering the project. If the proposed project is approved, the EIR could be used by the City in conjunction with appropriate discretionary approvals including, but not limited to, the following:

- Vesting Tentative Map
- Design Permit
- Issuance of Demolition, Grading, Building, and Occupancy Permits
- Tree Removal Permits
- Encroachment Permit from Valley Water (sanitary sewer modifications)

Page 25 **Section 4.0, Environmental Setting, Impacts, and Mitigation; the text in the second paragraph will be ADDED as follows:**

The CEQA Guidelines advise that a discussion of cumulative impacts should reflect both their severity and the likelihood of their occurrence (CEQA Guidelines Section 15130(b)). To accomplish these two objectives, the analysis should include either a list of past, present, and probable future projects or a summary of projections from an adopted general plan or similar document (CEQA

Guidelines Section 15130(b)(1)). This EIR uses both the list of projects approach and summary of projections approach, based on the particular topic.

Page 25 **Section 4.0, Environmental Setting, Impacts, and Mitigation; the text in Table 3.4-1 will be ADDED as follows:**

Table 3.4-1 below identifies the approved (but not yet constructed or occupied) and pending projects within one mile of the project site that are evaluated in the cumulative analysis. Other pending projects in the City are located at least two miles away from the project site.

Table 3.4-1: Cumulative Projects List

Name and Location	Description	Distance to Proposed Project
Redwood Tech at 101, west of DePaul Road, south of Cochrane Road, east of U.S. 101, and north of Half Road	Construction of five industrial buildings totaling approximately 500,000 square feet	Less than 50 feet west of the site
Cochrane Commons Phase II Project	Construction of 498 residential units, consisting of a mix of townhomes and apartments, 135,000 square feet of retail space, a 140-room hotel	0.3 mile north of the site
Borello Subdivision Peet Road	Construction of 244 residential units. The project is processing the final phase of the development which includes 114 lots.	0.5 mile north of the site
Santa Clara Valley Water District 18300 Peet Road	21,625 square foot industrial warehouse (under construction)	0.5 mile north of the site
Condit-Cardinale Automotive, 17085 Condit Road	Construction a 36,665 square foot commercial car dealership (pending)	0.8 mile southwest of the site
Condit Road, 650 feet south of Diana Avenue	Construction of a 32,795 square foot commercial car dealership (approved)	0.9 mile south of the site

Page 53 **Section 4.3.2, Impact Discussion: Text in Table 4.3-4 has been revised as follows:**

Table 4.3-1: Summary of Residential and De Paul Drive Extension Phasing				
Project Land Uses	**Size**	**Units**	**Square Feet**	**Acreage**
Phase 1 (Whole Site Preparation/Grading), 2023				
Single Family Housing	269	Dwelling Units	512,363	30.5
Phase 2 (40 condominium units, 32 single-family attached units, and 22 ~~34~~ single-family detached units), 2023-2024				
Single Family Housing	54	Dwelling Units	39,600	12.2
Condo/Townhouse	40	Dwelling Units	40,000	
Recreational Swimming Pool	3	1,000 square feet	3,000	
Other Asphalt Surface	1.2	Acre	52,272	
Phase 3 (32 single-family attached units, 34 single-family detached units, ~~66 single-family detached units~~ and 45 condominium units), 2024-2026				
Single Family Housing	66	Dwelling Units	118,000	12.9
Condo/Townhouse	45	Dwelling Units	45,000	
Other Asphalt Surface	1.3	Acre	56,528	
DePaul Extension, 2024-2025				
Other Asphalt Surface	1.4	Acre	60,984	1.4
Phase 4 (64 condominium units), 2026-2027				
Condo/Townhouse	64	Dwelling Units	64,000	2.9
Other Asphalt Surface	0.5	Acre	21,780	

Page 66 **Section 4.3.3, Non-CEQA Effects; the condition of approval text will be REVISED as follows:**

Condition of Approval: The project shall include the following conditions prior to building occupancy to reduce long-term increased cancer risk and annual $PM_{2.5}$ exposure for new project occupants:

1. Install air filtration in the project's residential units within 75 feet of Mission View Drive travel lanes. Air filtration devices shall be rated MERV13 or higher. To ensure adequate health protection to sensitive receptors (i.e., residents), this ventilation system, whether mechanical or passive, shall filter all fresh air that would be circulated into the dwelling units.

2. The ventilation system shall be designed to keep the building at positive pressure when doors and windows are closed to reduce the intrusion of unfiltered outside air into the building.

3. As part of implementing this measure, an ongoing maintenance plan,~~,~~ to be prepared by the Homeowners Association's (HOA's) heating, ventilation, and air conditioning (HVAC) contractor, for the buildings' HVAC air filtration system shall be required.

4. The HOA shall ensure the Covenants, Conditions and Restrictions and other property documents: (1) require cleaning, maintenance, and monitoring of the affected buildings for air flow leaks, and (2) include assurance that new owners or tenants are provided information on the ventilation system. The HOA's property managers/contractors will be responsible for maintaining the air filtration system at common buildings, such as the proposed clubhouse. The individual homeowners shall be responsible for maintaining the air filtration systems. The HOA shall provide information such as newsletters to encourage residents to comply with air filtration system maintenance requirements.

Page 124 **Section 4.9.2, Impact Discussion; MM HAZ-2.5 text will be REVISED as follows:**

MM HAZ-2.5: Prior to issuance of any grading permits, the project applicant shall excavate lead-impacted soils identified at sample location~~s SS-R-16A, SS-R-16D, and~~ SS-R-17B (near the single-family residence and barn structure) to a depth of at least 2.5 below the ground. The soil shall be properly disposed of in accordance with state and SCCDEH and California Code of Regulations, Title 8 waste disposal requirements. The SCCDEH (or equivalent oversight agency) may also approve leaving in-place some of the contaminated soil if the contaminated soil will be buried under hardscape and/or several feet of clean soil and not at risk of being encountered by future site users or nearby residents.

Pages 126-127 **Section 4.9.2, Impact Discussion; the text will be ADDED in MM HAZ-2.7 as follows:**

MM HAZ-2.7: Prior to issuance of a grading permit, the project applicant shall research well records from Valley Water and attempt to locate abandoned wells at the site. The project applicant or contractor shall contact Valley Water's Wells Hotline immediately to assist in the identification of abandoned/unregistered wells or structures and help determine the appropriate means of addressing them. If the wells are identified, or subsequently encountered during earthwork activities, the wells shall be properly destroyed in accordance with Valley Water Ordinance 90-1. If septic systems are encountered during earthwork activities, those systems shall be abandoned in accordance with SCCDEH requirements.

Page 133 **Section 4.9.1, Existing Setting; the text will be REVISED in the second paragraph as follows:**

Groundwater

The depth to groundwater at the project site is approximately 20 to 30 feet below ground surface.[6] The site does not contain aquifer recharge facilities, such as streams or ponds. There is one existing well ~~are two existing wells~~ on the property associated with the site's vacant residence ~~agricultural activities~~ that ~~have been occurring~~ has occurred on the property for decades. Given the residence is vacant~~With the cessation of agricultural activities~~, the well is ~~wells are~~ no longer in regular use.

Page 136 **Section 4.9.2, Impact Discussion; the text will be ADDED in the third and sixth paragraphs as follows:**

Under Option 1, the project would include underground retention facilities designed for a 25-year, 24-hour storm event. In addition, an on-site network of drainpipes would collect the runoff filtered through the bioretention areas and underground retention facilities, before being discharged into the public storm drain system to Madrone Channel. The Madrone Channel is used by Valley Water for managed aquifer recharge that supports groundwater sustainability in the Llagas Subbasin.

Under Option 2, the project would include underground retention facilities designed for a 100-year, 24-hour storm event. Stormwater runoff would be retained and treated on-site, with no discharge to the Madrone Channel.

With implementation of either stormwater retention option, the project would meet SWMP requirements. Conformance with the SWMP, as proposed by the project under both options, would reduce the potential for the project to result in post-construction water quality impacts. **(Less than Significant Impact)**

Impact HYD-2:	The project would not substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin. **(Less than Significant Impact)**

The depth to groundwater is approximately 20 to 30 feet below ground surface based on a geotechnical investigation completed for the 58-acre property immediately west of DePaul Drive, deep enough such that ground disturbance during construction, expected at most to be 10 feet during utility trenching and up to 13 feet for off-site sewer installation (under Options 1 and 2), would not interfere with groundwater flow or expose any aquifers. The project site is not an aquifer

[6] Haley Aldrich. *Due-Diligence Level Geotechnical Investigation DePaul Technology Center*. January 21, 2019. Groundwater depth estimation was for the property immediately west of the site (adjacent to DePaul Drive).

recharge facility (i.e., streams or ponds); therefore, development of the project site (under Options 1 and 2) would not substantially interfere with aquifer recharge. Since groundwater would be treated prior to being discharged, Option 1 would not result in a significant impact to the quality of stormwater flowing into the Madrone Channel (managed by Valley Water) or quality of recharge to the aquifer.

Most of the site is undeveloped with fallowed agricultural fields. Some of the rainfall at the existing site percolates into the groundwater aquifer, however, most of it is not recharged but is lost due to evapotranspiration. Under Option 1, the reduction of pervious surfaces would reduce natural recharge as more impervious surfaces would increase the amount of runoff from the site, resulting in less rainfall percolation into the groundwater aquifer. However, this additional runoff would be directed to bioretention retention areas and underground retention facilities on-site to reduce runoff from leaving the site and enhance on-site percolation. Stormwater runoff from the site would be retained and then directed to the Madrone Channel, a recharge facility managed by Valley Water. Under Option 2, stormwater would be directed to subsurface infiltration facilities (sized to retain the 100-year storm event), resulting in the percolation of more stormwater into the groundwater aquifer, which would result in more on-site recharge to the aquifer compared to Option 1. However, neither option would substantially interfere with groundwater recharge.

In addition, t~~T~~he existing well on the 33-acre property would be properly removed under permit from the Santa Clara Valley Water District, as required per the District Well Ordinance. For the above reasons, the project would not substantially decrease groundwater supplies or interfere with groundwater recharge. **(Less than Significant Impact)**

Page 137 Section 4.10.2, Impact Discussion; the text will be ADDED after the third paragraph as follows:

Furthermore, on-site systems proposed under Option 1 would be constructed to detain a volume of water up to a 25-year storm event while releasing water at a rate reflective of the 10-year predevelopment flow. This design limits stormwater flows off-site to less than 10-year predevelopment flows. Alternatively, on-site systems proposed under Option 2 would be constructed to retain a volume of water up to a 100-year storm event.

Based on a stormwater drainage memo completed in December 2022 regarding the Madrone Channel stormwater runoff capacity (see Appendix B of this Final EIR), the Madrone Channel has the capacity for the site's runoff during the 100-year storm event. Stormwater runoff for proposed developments north of Half Road would be allotted 120 cubic feet per second (cfs) at a rate of 0.42 cfs/acre. Stormwater runoff that would be generated by the proposed Crosswinds project during the 100-year storm event would not exceed 13.4 cfs.

Page 138 Section 4.10.2, Impact Discussion; the text will be ADDED in the second paragraph as follows:

Impact HYD-5:	The project would not conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan. **(No Impact)**

The project (under Options 1 and 2) would comply with the City's Stormwater Management Guidance Manual for Low Impact Development and Post-Construction Requirements. The project would not impact groundwater recharge and would not conflict with Valley Water's ~~the SCVWD's 2016~~ Groundwater Management Plan. For these reasons, the project would not conflict with implementation of a water quality or groundwater management plan. **(No Impact)**

Page 138 Section 4.10.2, Impact Discussion; the text will be ADDED in the third paragraph as follows:

Section 4.10.2.2 Cumulative Impacts

Impact HYD-C:	The project would not result in a cumulatively considerable contribution to a cumulatively significant hydrology and water quality impact. **(Less than Significant Cumulative Impact)**

The geographic area for cumulative hydrology and water quality impacts is the Madrone Channel storm water drainage basin. Cumulative developments near the project site would be subject to similar hydrological and urban runoff conditions. All cumulative projects occurring within Morgan Hill would be required to implement the same project conditions related to construction water quality as the proposed project (including preparation of a SWPPP if disturbance is greater than one acre), under Options 1 and 2. The site's stormwater facilities would be sized to allow infiltration of the 95th percentile, 24-hour rainfall event. In addition, the City standards require detention of the 25-year storm; under Option 1, stormwater would be directed to underground retention facilities designed for a 25-year, 24-hour storm event and under Option 2, 100 percent of stormwater from the site would be directed to underground retention facilities designed for a 100-year storm event. Under both options, the proposed bioretention basins/facilities would be designed to maintain as much on-site groundwater recharge as is feasible to avoid contributing to the cumulative impacts to natural groundwater recharge from new impervious surfaces. Cumulative developments would be subject to similar requirements for bioretention basins that would result in on-site recharge, which would reduce impacts to the Madrone Channel recharge facility.

Stormwater runoff for proposed developments north of Half Road would be allotted 120 cubic feet per second (cfs) at a rate of 0.42 cfs/acre. Stormwater runoff from future developments north of Half Road (including the Crosswinds development) would not exceed 109 cfs during a 100-year event. Therefore, the project and cumulative projects north of Half Road, would not exceed the flow capacity at the Madrone Channel. For these reasons, the cumulative projects, including the

proposed project (under both options), would not result in significant cumulative hydrology or water quality impacts. **(Less than Significant Cumulative Impact)**

Page 192 Section 4.17.2, Impact Discussion; the text will be ADDED in the condition of approval as follows:

Condition of Approval TRN-1: The project shall pay a fair share contribution toward the installation of a southbound and northbound bus stop, including street lighting, landscaping, and a new passenger pad, after the main entrance on Mission View Drive.

Pages 192-193 Section 4.17.2, Impact Discussion; the text will be ADDED in MM TRN-2 as follows:

Mitigation Measure: The following mitigation measures would reduce the VMT per capita generated by the project.

MM TRN-2.1: Prior to project occupancy, the project applicant shall develop and implement a Transportation Demand Management (TDM) plan which targets achieving a reduction in residential vehicle trips to and from the site. The TDM plan shall be prepared by a qualified traffic consultant and in coordination with the City of Morgan Hill Development Services Director or Designee. The TDM plan shall quantify the reduction in VMT. The TDM shall require the project applicant to make a financial contribution to the City's on-site demand rideshare service (MoGo), as a one-time or annual financial contribution based on City approval, or ~~D~~during project operations, the management entity/Homeowners Association (HOA) shall provide fully (100 percent) subsidized annual VTA transit passes for all project homeowners (a maximum of one transit subsidy per residential unit, which would result in up to 269 transit passes per year). This subsidized transit program shall be approved by the City of Morgan Hill's Public Services Director or Director's designee prior to issuance of occupancy. The HOA shall submit a receipt and documentation to the City showing that the transit passes have been purchased annually.

The project (under Options 1 and 2) would also incorporate the following design features to reduce project VMT by improving pedestrian connections and providing bicycle facilities:

- The project (under Options 1 and 2) will improve the surrounding pedestrian network by including sidewalks which terminate at the common property line, allowing for connections to the adjacent property in the event there is development in the future. The project proposes continuous sidewalks along the project frontages (under Options 1 and 2). The proposed frontage improvements along Mission View Drive, Half Road, and De Paul Drive include sidewalk improvements.

- The proposed project (under Options 1 and 2) will include 64 bicycle parking spaces distributed through the proposed development.

Page 214 Section 4.19.2, Impact Discussion; the text will be ADDED and REVISED in the second paragraph as follows:

The 33-acre site is mostly undeveloped and consists of grassland and boxed trees. A vacant single-family residence constructed in the 1950s is located on the southwestern section of the site. One ~~or two~~ private well~~s~~ supplies~~y~~ water to the residence ~~and tree nursery~~. There is an abandoned off-site well at the adjacent property to the west, which was historically used to supply water to the project site's tree nursey. The off-site well is no longer active. Total current groundwater use on site is approximately 0.64 acre-feet per year (AFY), as shown in Table 4.19-1 below.

Table 4.19-2: Current Groundwater Use On-Site	
Water Use Category	**Current Water Use (AFY)**
Vacant Rural Residence	0.64
~~Containerized Trees~~	~~17.90~~
Total Current Water Use	**0.64~~18.54~~**
Source: Todd Groundwater. *Half Road and Mission View Water Demand Memo*. February 2023 ~~April 13, 2021~~.	

Pages 219-220 Section 4.9.2, Impact Discussion; the text will be REVISED as follows:

As shown in Table 4.19-2, the proposed project would result in a gross water demand of 42.31 acre-feet per year (AFY), or approximately 13.8 million gallons per year (under Options 1 and 2).[7] It is assumed that full buildout of the project would be completed by 2026. When considering the existing water use on-site (0.64~~18.54~~ AFY), the project would result in a net increase in groundwater demands of about 41.67 ~~23.77~~ AFY.

Total water use in the City of Morgan Hill is expected to increase to 9,155 AFY in 2025, 9,760 AFY in 2030, and 10,366 AFY in 2035. Estimates of water use increases are based on expected population growth in the City. The population increases and water demand projections of the proposed project were compared to those of the UWMP to determine if the water demand of the project is included in the UWMP planning projections. Assuming an average of 3.14 occupants per residential unit, the project would result in 845 new residents. The UWMP expects a population increase of 6,800 persons to occur between 2020 and 2030; therefore, the project's population increase is accounted for in UWMP population projections. The UWMP projects an increase of 1,706 AFY for single-family and multi-family development water demand between 2020 and 2040. The project would use approximately 2.5 percent of the water demand allotted for single-family plus multi-family growth

[7] 1 acre-foot = 325,851.43 gallons

set forth in the UWMP. The project demands are consistent with the UWMP water demand projection increases for residential water use sectors; therefore, the proposed project's water demands were accounted for in the 2015 UWMP projections. As a result, there would be sufficient water supplies available to serve the project (under both project options).

Water Supply Reliability

The WSA compared supply and demand during normal, single-dry, and multiple-dry years for a 20-year projection. On an annual basis, the City has been able to provide sufficient supplies to meet demand during normal, single-dry, and multiple-dry year periods. The proposed project is included within the population and water demand projections included in the UWMP. The proposed residential uses of the project are consistent with allowable density under the current General Plan designation. Therefore, the project is included as part of the expected citywide demand increases through 2040. The UWMP found that the City will continue to adequately meet increased demands within its jurisdiction for normal, single-dry and multiple-dry year scenarios through 2040. Thus, the estimated net increase in demand on the site of 41.67 ~~23.77~~ AFY (or 13.6 million ~~7,745,488~~ gallons per year) would be adequately supplied by existing sources.

Pages 219-220 Section 4.19.2, Impact Discussion; the text in the first paragraph of Page 220 will be ADDED as follows:

Total water use in the City of Morgan Hill is expected to increase to 9,155 AFY in 2025, 9,760 AFY in 2030, and 10,366 AFY in 2035. Estimates of water use increases are based on expected population growth in the City. The population increases and water demand projections of the proposed project were compared to those of the UWMP to determine if the water demand of the project is included in the UWMP planning projections. Assuming an average of 3.14occupants per residential unit, the project would result in 845 new residents. The UWMP expects a population increase of 6,800 persons to occur between 2020 and 2030; therefore, the project's population increase is accounted for in UWMP population projections. The UWMP projects an increase of 1,706 AFY for single-family and multi-family development water demand between 2020 and 2040. The project would use approximately 2.5 percent of the water demand allotted for single-family plus multi-family growth set forth in the UWMP. In addition, the water conservation measures that would be implemented by the proposed project include the installation of individual water meters in all single-family residential and duet units and a water submeter in the condominium units to manage water use. The project demands are consistent with the UWMP water demand projection increases for residential water use sectors; therefore, the proposed project's water demands were accounted for in the 2015 UWMP projections. As a result, there would be sufficient water supplies available to serve the project (under both project options).

Page 220 Section 4.19.2, Impact Discussion; the text in the third paragraph will be REVISED as follows:

The City's sole source of water supply, groundwater from the Llagas and Santa Clara subbasins, is a shared resource managed by Valley Water through the Sustainable Groundwater Management Act

(SGMA) process. The 2018 Water Year Report for SGMA reporting concluded that Valley Water's comprehensive recharge programs continue to support a balanced long-term water budget for the two subbasins. Valley Water's 2016 Groundwater Management Plan (GWMP) for the Santa Clara and Llagas Subbasins describes groundwater sustainability goals, and the strategies, programs, and activities that support such goals. In 2019, the Department of Water Resources (DWR) approved the 2016 GWMP for both basins, determining it satisfies the objectives of SGMA. In 2021, Valley Water submitted to DWR the first required periodic update of the GWMP that describes updated groundwater management outcome measures, programs, and activities. The ongoing, active management of these Llagas and Santa Clara subbasins will ensure that there is reliable long-term supply of water for the proposed project (under Options 1 and 2). **(Less than Significant Impact)**