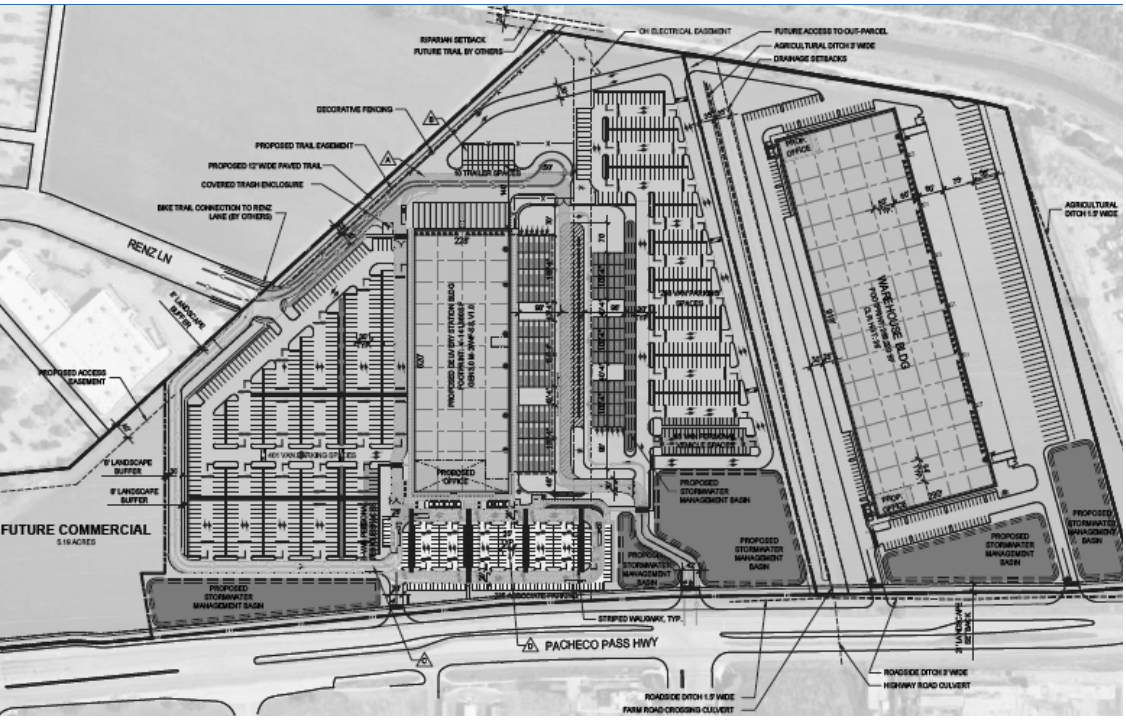
Public Review Draft Mitigated Negative Declaration

Project Garlic Industrial Subdivision

July 21, 2021



Prepared by

EMC Planning Group

PUBLIC REVIEW DRAFT MITIGATED NEGATIVE DECLARATION

PROJECT GARLIC INDUSTRIAL SUBDIVISION

PREPARED FOR

City of Gilroy Community Development Department Planning Division
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July 21, 2021

Community Development Department
Planning Division (408) 846-0451

MITIGATED NEGATIVE DECLARATION

City of Gilroy

7351 Rosanna St.

Gilroy, CA 95020

City File Number:

Project Description:

Name of Project: Project Garlic Industrial Subdivision

Nature of Project: The project includes a general plan amendment (eliminate the planned Cameron Boulevard extension through the property) and the subdivision of the 59.7-acre property into three parcels, with future development occurring in three phases: Phase 1 includes construction of 141,360 square foot delivery station, including 16,824 square feet of office and 124,536 square feet of warehouse; Phase 2 includes construction of a 266,220-square foot industrial building, including 10,000 square feet of office space and 256,220 square feet of warehouse; and Phase 3 would be for future commercial uses, with development proposed as part of Phase 3 subject to a separate CEQA review process.

Project Location:

Location: Northeast corner of Pacheco Pass Highway (SR 152) and Camino Arroyo.

Assessor's Parcel Number: 841-18-082

Entity or Person(s) Undertaking Project:

Name: Steve Beauchamp
Address: 8775 Folsom Boulevard, Suite #200, Sacramento, CA 95826
Staff Planner: Kraig Tambornini, Senior Planner

Initial Study:

An initial study of this project was undertaken and prepared for the purpose of ascertaining whether this project might have a significant effect on the environment. A copy of this study is attached.

Findings & Reasons:

The initial study identified potentially significant effects on the environment. However, this project has been mitigated (see Mitigation Measures below which avoid or mitigate the effects) to a point where no significant effects will occur. On the basis of the whole record, there is no substantial evidence the project will have a significant effect on the environment. The following reasons will support these findings:

- The proposal is a logical component of the existing land use of this area.
- Identified adverse impacts are proposed to be mitigated and a mitigation monitoring and reporting program have been prepared.
- The proposed project is consistent with the adopted goals and policies of the General Plan of the City of Gilroy.
- City staff independently reviewed the Initial Study, and this Negative Declaration reflects the independent judgment of the City of Gilroy.
- With the application of the following Mitigation Measures the proposed project will not have any significant impacts on the environment.
- The Gilroy Planning Division is the custodian of the documents and other material that constitute the record of proceedings upon which this decision is based.

Air Quality

AQ-1 Prior to issuance of building permits, subject to review and approval by the City Planning Division, the applicant shall provide to the city details of a proposed vehicle reduction program for future employees of the project utilizing the Bay Area Commuter Benefits Program, 511.org rideshare program, or other local commuter benefits program.

Party Responsible for Implementation: Project Applicant

Party Responsible for Monitoring: Gilroy Planning Division

AQ-2 Prior to issuance of building permits, subject to review and approval by the City Planning Division, the applicant for any phase shall include on the project plans the number of electric vehicle (EV) charging stations, dedicated vanpool and other high-occupancy vehicle (HOV) carpool spaces, bike racks, changing rooms and/or lockers on site, which would facilitate the use of ride-sharing and bicycles.

Implementation of these measures ensures that the proposed project, as mitigated, is consistent with the 2017 Clean Air Plan. The proposed project, therefore, does not have aspects that would interfere with or hinder implementation of the 2017 Clean Air Plan. Plan consistency related to GHG emissions is discussed in Section D.7, Greenhouse Gas Emissions, of this initial study.

Party Responsible for Implementation: Project Applicant

Party Responsible for Monitoring: Gilroy Planning Division

Biological Resources

BIO-1 To avoid/minimize impacts to burrowing owls potentially occurring within the project site, the project applicant shall retain a biologist qualified in ornithology to conduct surveys for burrowing owl. The approved biologist shall conduct a two-visit (i.e., morning and evening) presence/absence survey at areas of suitable habitat on and adjacent to the project site boundary no less than 14 days prior to the start of construction or ground disturbance activities. Surveys shall be conducted according to methods described in the Burrowing Owl Survey Protocol and Mitigation Guidelines (California Burrowing Owl Consortium 1993) and the Staff Report on Burrowing Owl Mitigation (CDFW 2012). The applicant shall submit evidence of completion of the preconstruction survey to the City of Gilroy Planning Department prior to issuance of a grading permit. Because burrowing owls occupy habitat year-round, seasonal no-disturbance buffers, as outlined in the *Burrowing Owl Survey Protocol and Mitigation Guidelines* (CBOC 1993) and the *Staff Report on Burrowing Owl Mitigation* (CDFW 2012), shall be in place around occupied habitat prior to and during any ground disturbance activities. The following table includes buffer areas based on the time of year and level of disturbance (CDFW 2012), unless a qualified biologist approved by the CDFW verifies through non-invasive measures that either: 1) birds have not begun egg laying and incubation; or 2) that juveniles from the occupied burrows are foraging independently and are capable of independent survival.

Location	Time of Year	Level of Disturbance Buffers (meters)		
		Low	Med	High
Nesting Sites	April 1 – Aug 15	200 m	500 m	500 m
Nesting Sites	Aug 16 – Oct 15	200 m	200 m	500 m
Nesting Sites	Oct 16 – Mar 31	50 m	100 m	500 m

If burrowing owl is found and avoidance is not possible, burrow exclusion may be conducted by qualified biologists only during the non-breeding season, before breeding behavior is exhibited and after the burrow is confirmed empty through non-invasive methods, such as surveillance. Occupied burrows shall be replaced with artificial burrows at a ratio of one collapsed burrow to one constructed artificial burrow (1:1). Evicted burrowing owls may attempt to colonize or re-colonize an area that would be impacted, thus ongoing surveillance during project activities shall be conducted at a rate sufficient to detect burrowing owls if they return.

If surveys locate occupied burrows in or near construction areas, consultation with the CDFW shall occur to interpret survey results and develop a project-specific avoidance and minimization approach.

Party Responsible for Implementation: Project Applicant

Party Responsible for Monitoring: Gilroy Planning Division

BIO-2 To avoid impacts to nesting birds during the nesting season (January 15 through September 15), to the extent feasible, construction activities that include any vegetation removal or ground disturbance (such as grading or grubbing) shall be conducted between September 16 and January 14, which is outside of the bird nesting season. If construction activities commence during the bird nesting season, then a qualified biologist shall conduct a pre-construction survey for nesting birds to ensure that no nests would be disturbed during project construction.

If construction activities are scheduled during the nesting season (February 15 to August 30 for small bird species such as passerines; January 15 to September 15 for owls; and February 15 to September 15 for other raptors), a qualified biologist shall conduct nesting bird surveys. Two surveys for active nests of such birds shall occur within 10 days prior to start of construction, with the second survey conducted with 48 hours prior to start of construction. Appropriate minimum survey radius surrounding the work area is typically 250 feet for passerines, 500 feet for smaller raptors, and 1,000 feet for larger raptors. Surveys shall be conducted at the appropriate times of day to observe nesting activities.

If the qualified biologist documents active nests within the project site or in nearby surrounding areas, an appropriate buffer between each nest and active construction shall be established. The buffer shall be clearly marked and maintained until the young have fledged and are foraging independently. Prior to construction, the qualified biologist shall conduct baseline monitoring of each nest to characterize "normal" bird behavior and establish a buffer distance, which allows the birds to exhibit normal behavior. The qualified biologist shall monitor the nesting birds daily, or as otherwise required by the California Department of Fish and Wildlife, during construction activities and increase the buffer if birds show signs of unusual or distressed behavior (e.g., defensive flights and vocalizations, standing up from a brooding position, and/or flying away from the nest). If buffer establishment is not possible, the qualified biologist or construction foreman shall have the authority to cease all construction work in the area until the young have fledged and the nest is no longer active. This measure shall be implemented by the developer prior to start of construction activities.

Party Responsible for Implementation: Project Developer

Party Responsible for Monitoring: Gilroy Planning Division

BIO-3 Based on the current proposed plans, if the aquatic features shown in the Biological Resources Report and Aquatic Resource Delineation Report (Huffman-Broadway Group, Inc. 2020a, 2020b) are considered jurisdictional by the CDFW and/or RWQCB, the project may require one or more regulatory permits. To determine whether the drainage is considered jurisdictional, the applicant shall retain a qualified biologist/wetland regulatory specialist to initiate discussions with the RWQCB and CDFW for this purpose.

If impacts to a feature subject to state jurisdiction may occur, fill authorization will be sought from the RWQCB and/or the CDFW if determined necessary through the regulatory agency consultation process.

Party Responsible for Implementation: Project Applicant

Party Responsible for Monitoring: Gilroy Planning Division

Geology and Soils

GEO-1 Prior to issuance of a grading permit, the Developer shall incorporate all of the geotechnical engineer's recommendations into the project design, subject to review and approval by the City's Public Works Department.

Party Responsible for Implementation: Project Developer

Party Responsible for Monitoring: Gilroy Public Works Department

GEO-2 The developer shall prepare an erosion control plan that details appropriate methods to prevent and/or minimize erosion. The erosion control plan is subject to the review and approval of the City of Gilroy Public Works Department prior to the issuance of a grading permit.

In addition to the mitigation above, the proposed project would be required to comply with the General Plan Policy PH 2.6 with its Preliminary Grading and Drainage Plan, which requires all new development proposals to include a site plan detailing appropriate methods of erosion and deposition control during site development and subsequent use; and General Plan Policy PH 3.6, which requires new development to include landscaped areas for reducing runoff and increasing runoff absorption capacities and encourages the use of permeable paving materials, which would minimize the erosive effects of storm water (refer to Sheets C300, C600, and L100 illustrating the drainage management and landscaped areas proposed on the site).

Party Responsible for Implementation: Project Developer

Party Responsible for Monitoring: Gilroy Public Works Department

GEO-3 Pursuant to the Geotechnical Engineering Study prepared by Condor Earth on July 8, 2020 for the project, the following recommendation shall be implemented in order to reduce impacts related to the potential for expansive soils onsite:

The foundation should extend below much of the zone of seasonal moisture variation or be constructed sufficiently stiff to move as rigid units with differential movement of foundations from heaving or settlement reduced to a value compatible with the proposed superstructure type and architectural finishes. The project structural engineer should take this into account when designing the foundations. Provided that the site is graded and all building pads are prepared in accordance with the recommendations provided in the geotechnical study, the conventional shallow foundation system would be appropriate for the proposed building foundations.

This recommendation shall be implemented prior to issuance of a grading permit subject to the review and approval by the City of Gilroy Public Works Department.

Party Responsible for Implementation: Project Developer

Party Responsible for Monitoring: Gilroy Public Works Department

Greenhouse Gas

GHG-1 If the City of Gilroy has adopted a qualified GHG reduction strategy prior to the time building permits are issued for the project, the applicant shall have the option to incorporate applicable GHG reduction measures identified in the GHG reduction strategy into the proposed project. Applicable measures from the reduction strategy shall be confirmed by the City of Gilroy. If the Planning Division finds that the project is consistent with the GHG reduction strategy, the significant project GHG impact would be reduced to less than significant and no further mitigation would be required.

If City has not adopted a qualified GHG reduction strategy prior to the time building permits are issued for the project, the applicant shall implement mitigation measure GHG-2.

Party Responsible for Implementation: Project Applicant

Party Responsible for Monitoring: Gilroy Planning Division

GHG-2 Prior to issuance of building permits for the project proposed the applicant shall prepare a Greenhouse Gas (GHG) Reduction Plan. The GHG Reduction Plan shall demonstrate, with substantial evidence, that GHG emissions will be reduced to the year 2022 service population threshold of significance of 4.32 MT CO_2e per year per service population. This would require that the unmitigated project emissions of 3,173 MT CO2e per year be reduced by 884 MT CO_2e per year [3,173 MT CO_2e – (4.32 MT CO_2e x 530 service population)] to 2,289 MT CO_2e.

The GHG Reduction Plan shall prioritize on-site GHG reduction design features. At a minimum, the Reduction Plan should include the GHG reduction measures listed below. Other feasible reduction measures may be substituted for the measures listed below provided that the City of Gilroy Planning Division Manager finds, based on substantial evidence provided by the applicant, that the substitute measures achieve an equal or greater volume of emissions reduction. Additional measures may be added by the applicant. A combination of the following measures can be included in the Reduction Plan:

- Implement the Transportation Demand Management Program strategies identified in mitigation measure TR-1 in this initial study to reduce VMT and associated mobile source GHG emissions from employee travel.
- Include sufficient plug-in capabilities for transport refrigeration units, if any, to eliminate the time that a transportation refrigeration system is powered by a fossil-fueled internal combustion engine while at the site.
- Exceed minimum CALGreen Code standards for bicycle parking and bicycle lockers; parking spaces dedicated for low-emitting, fuel efficient vehicles; and electric vehicle charging stations.
- Design buildings to exceed the current 2019 Title 24 energy efficiency standards by a minimum of five percent.
- All appliances installed in all buildings shall be Energy Star rated.
- Exceed higher than mandated parking lot lighting and area lighting energy efficient standards.
- Electrify truck loading docks.

In lieu of or in addition to one or more of the on-site measures above, the applicant may include in the Reduction Plan and take credit for GHG reductions resulting from making direct investments in off-site GHG reduction activities/programs in the vicinity. Examples of direct investments include building retrofit programs that pay for cool roofs, solar panels, solar water heaters, smart meters, energy efficient lighting energy efficient windows, and insulation. Other examples include financing programs for installing electric vehicle charging stations, electrifying school buses, or planting local urban forests.

The applicant may choose to retain a qualified air quality / GHG professional to quantify the GHG reductions that would result from implementing the Reduction Plan based on substantial evidence to be included in the Reduction Plan. The GHG reduction measures should be implemented even if their implementation would result in a GHG reduction, but the reduction cannot be reliably quantified. The GHG emissions reduction volume resulting from implementing the Reduction Plan measures may then be subtracted from the required 884 MT CO_2e per year reduction volume in order to reduce or avoid the significant GHG impact.

If the applicant elects to quantify the GHG emissions reductions from on-site measures and investments in off-site reduction programs and the reductions are insufficient to reduce project emissions by a minimum of 884 MT CO_2e per year or more, the applicant may then secure the balance of the required GHG emissions reduction volume by purchasing and retiring carbon offset credits. The carbon offset credits shall meet the following performance standards:

- Carbon offset credits shall be issued by a recognized, reputable and accredited registry that mandates the use of established protocols for quantifying and issuing the offset credits. Credits issued based on protocols approved by CARB should be prioritized. Examples of such registries include the Climate Action Reserve, American Carbon Registry, and Vierra.
- The carbon offset credits should be generated from projects developed in the United States. Credits from projects developed internationally should not be used unless the applicant demonstrates with substantial evidence that sufficient carbon offsets from projects in the United States are unavailable. International offsets must be quantified and issued using established protocols that are recognized in the United States and that are issued by recognized, reputable and accredited registries.
- All carbon offset credits purchased to reduce GHG emissions, must meet the criteria of being real, quantifiable, permanent, verifiable, enforceable, and additional, consistent with the standards set forth in Health and Safety Code section 38562, subdivisions (d)(1) and (d)(2).

Prior to issuing building permits for the proposed project, the applicant shall submit the GHG Reduction Plan for review and approval of the City of Gilroy Planning Division Manager. The Reduction Plan shall demonstrate that GHG emissions from the project will be substantially reduced. If on-site design and off-site program investments do not result in reducing the GHG impact to less than significant, the applicant shall, prior to approval of occupancy permits, provide documentation in the form of an executed contract or other certification that the balance of emissions reduction required to reduce the GHG impact to less than significant has been obtained through purchase of carbon offset credits, subject to the performance standards listed above.

Party Responsible for Implementation: Project Applicant

Party Responsible for Monitoring: Gilroy Planning Division

Hydrology and Water Quality

HYDRO-1 The project proponent shall prepare and submit Erosion Control Plans to the City of Public Works Department prior to the issuance of a grading permit. The Erosion Control Plans shall illustrate how the project's grading phases would prevent or minimize erosion and siltation on- and off-site, such as the inclusion of Best Management Practices.

Party Responsible for Implementation: Project Developer

Party Responsible for Monitoring: Gilroy Public Works Department

HYDRO-2 The project proponent shall prepare and submit a Storm Water Pollution Prevention Plan for review and approval by the City of Gilroy Public Works Department prior to issuance of a grading permit. The Storm Water Pollution Prevention Plan shall identify construction and post-construction Best Management Practices to prevent water pollution at the source.

Party Responsible for Implementation: Project Developer

Party Responsible for Monitoring: Gilroy Public Works Department

Transportation/Traffic

TR-1 The applicant shall prepare and implement a Transportation Demand Management (TDM) program to reduce the project's VMT impact to a less-than-significant level. The TDM measures shall include, but not be limited to, any combination of the following components, as necessary to reduce the project's VMT impact to less than significant:

a. Telecommuting and Alternative Work Schedule Program (VTA TP08). This program (compressed work week) allows and encourages employees to telecommute from home when possible, or to shift work schedules to reduce vehicle miles traveled.

i. 80% of employees shall be assigned a four day/40-hour work shift.

b. Ridesharing Program and Commuter Benefits (VTA TP11, TP13). This program matches employees interested in carpooling who have similar commute patterns. This TDM strategy encourages the use of carpooling, which reduces the number of vehicle trips and thereby reduces VMT.

i. Employers shall strive to have 20 percent of eligible employees participate in this program through regular communications and incentives.

ii. Incentives shall include, but not be limited to, pre-tax benefits.

iii. The applicant shall provide dedicated carpool/vanpool parking spaces commensurate with the number of employees participating in this program.

iv. Employers shall provide "Guaranteed Ride Home Services," which provides employees who regularly (twice a week) carpool, vanpool, bike, walk or take transit to work with a free and reliable ride home when one

of life's unexpected emergencies arise. Commuters may take advantage of this service up to four times per year to get home for unexpected emergencies such as a personal illness or a sick child. This service can also be used for unscheduled overtime when the employer mandates working late.

c. Provide transit passes to employees interested in public transit.

   i. Transit passes shall off-set at least 25 percent in the participating employees' transit costs from home to work and back.

d. The applicant shall provide a minimum of 10 bike racks (in a secure area) each, for both the phases of the project.

The TDM program shall be prepared prior to issuance of an occupancy permit, subject to review and approval by the Planning Division and the Public Works Department.

Party Responsible for Implementation: Project Applicant

Party Responsible for Monitoring: Gilroy Planning Division and Public Works Department

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PUBLIC REVIEW INITIAL STUDY

PROJECT GARLIC INDUSTRIAL SUBDIVISION

PREPARED FOR

City of Gilroy Community Development Department Planning Division
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July 21, 2021

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A. BACKGROUND

Project Title	Project Garlic Industrial Subdivision
Lead Agency Contact Person and Phone Number	Kraig Tambornini, Senior Planner City of Gilroy Community Development Department Planning Division (408) 846-0451
Date Prepared	July 2021
Study Prepared by	EMC Planning Group Inc. 301 Lighthouse Avenue, Suite C Monterey, CA 93940
Project Location	Northeast corner of Pacheco Pass Highway (SR 152) and Camino Arroyo, Gilroy
Project Sponsor Name and Address	Steve Beauchamp 8775 Folsom Boulevard, Suite #200 Sacramento, CA 95826
General Plan Designation	General Industrial
Zoning	General Industrial Planning Unit Development (M-2/PUD) – 54.52 acres Shopping Center Commercial (C-3/PUD) – 5.18 acres

Setting

The 59.7-acre site consists of APN 841-18-082 and is located at the northeast corner of Pacheco Pass Highway (State Route 152) and Camino Arroyo, within the city limits of Gilroy. The property is nestled between the Mount Diablo Mountain Ranges (approximately three miles east) and the Santa Cruz Mountain Ranges (approximately three miles west).

The property is surrounded by Miller Slough and farmland to the north, Pacheco Pass Highway, industrial, and commercial development to the south, industrial to the east, and commercial development to the west. The property is currently in agricultural production with an existing agricultural ditch and six PG&E utility poles running north-south through the middle of the site. The property has a general plan land use designation of General Industrial. The majority of the property (54.52 acres) is zoned General Industrial (M-2/PUD), with the remainder (5.18 acres) zoned Shopping Center Commercial (C-3/PUD).

The project site is currently in active agricultural production. Figure 1, Location Map, presents the regional location of the project site. Figure 2, Aerial Photograph, presents an aerial of the project site and surrounding land uses. Figure 3, Site Photographs, illustrates the existing setting of the project site.

Description of Project

The project includes a general plan amendment, tentative map, planned unit development, architectural/site review, and conditional use permit.

General Plan Amendment

The *City of Gilroy 2040 General Plan's* ("General Plan") circulation element includes the extension of Cameron Boulevard, and associated Class II Bikeway, north through the property to connect with Marcella Avenue. The project proposes to eliminate the planned extension through the property.

Tentative Map, Planned Unit Development, Architectural/Site Review, Conditional Use Permit

Subdivision and Phasing

The project proposes to subdivide the 59.7-acre property into three lots and develop in three phases:

- Phase 1 – Development of a 34.1-acre lot and for a 141,360 square foot delivery station;
- Phase 2 – Development of a 20.4-acre lot for the proposed 266,220 square foot industrial building; and
- Phase 3 – A remainder 5.2-acre lot for future commercial uses. This analysis will address infrastructure associated with the subdivision only, and not commercial development of the parcel. CEQA review will be required when development of that parcel is proposed.

The 54.5 acres associated with the proposed improvements of Phase 1 and Phase 2 is considered the project site for the purpose of this initial study as it is the only portion of the property that will be disturbed. The full set of project plans can be found in Appendix A.

Project Components

Phase 1 includes construction of 141,360 square foot delivery station, including 16,824 square feet of office and 124,536 square feet of warehouse. Site improvements include associated parking, median landscaping, landscaping and sidewalks on the project frontage, utilities,

stormwater management, and lighting improvements. The building would consist of 15 recessed docks to the north and van loading area to the east. Associated parking would be provided south of the building and van parking spaces would be provided east and west of the building. Phase 1 site would have access from Renz Lane to the west and from Pacheco Pass Highway via two proposed driveways to the south. The proposed eastern driveway would align with Cameron Boulevard and would be signalized.

The project also includes a bike trail (Class I bike trail) connection to Renz Lane at the northwest corner of the project site, to connect with a future bike trail to be constructed by others on the Miller Slough levee. Ornamental fencing, six feet in height, is proposed along the bike trail to screen views of the project site from those using the bike trail.

Phase 2 includes construction of a 266,220-square foot industrial building, including 10,000 square feet of office space and 256,220 square feet of warehouse. Site improvements would include associated parking, landscaping, utilities, stormwater management, and lighting improvements. The building would consist of 50 recessed docks and trailer parking to the east and associated vehicle parking to the north and south. Phase 2 site would have access from Pacheco Pass Highway via two proposed driveways. One access route across the existing agricultural ditch at the northern end of the project site is proposed and a secondary access route across the agricultural ditch at the southern end of the project site is possible. Refer to Appendix B for the potential secondary access across the agricultural ditch pursuant to applicant discussions with the City's Fire Department.

Unknown future Phase 3 commercial uses are not evaluated in this initial study.

Figure 4, Site Plan, presents an illustrative rendering of the project site plan overlain on an aerial photograph. Figure 5, Building Elevations, provides the south elevation views (i.e., Pacheco Pass Highway views) of the delivery station and the industrial building. Figure 6, Conceptual Stormwater Control Plan, provides a visual for the stormwater control measures to be used onsite.

Grading

The preliminary grading plan, Sheet 5 of the Tentative Map, indicates that grading will consist of 14,300 cubic yards of cut and 283,700 cubic yards of fill, for a net fill (soil import) of 269,400 cubic yards.

Employees

The delivery station (Phase 1) would result in approximately 197 full-time employees and the industrial building (Phase 2) would result in approximately 333 employees (Gicela Del Rio, email message, May 11, 2021). Therefore, the proposed project would result in approximately 530 employees.

PG&E Replacement Poles

Proposed project grading requires raising the grade by approximately three to four feet of fill. The existing poles are not suitable to accommodate raised fill at the base and will therefore need to be replaced. Approximately four existing wooden utility 115kV power poles and lines that cross through the middle of the parcel would be removed and replaced by Pacific Gas and Electric Company (PG&E). The replacement poles will be in-kind with the same material (treated wood), and the elevation of top of poles and power lines will be approximately three feet taller than current conditions. The poles will be located within five feet of existing pole locations within the existing 40-foot-wide PG&E easement.

The proposed utility activities would include removal and installation of new electrical transmission lines and poles. All existing poles are wood poles. The new poles would be comprised of treated wood.

Construction will last approximately 15 days and is anticipated to occur in early 2022 concurrent with the onsite Phase 1 delivery station construction work. Most activities would be limited to the hours per the City of Gilroy noise standards. No night work is anticipated.

Analysis Methodology

Pursuant to CEQA Guidelines section 15063(c)(3)(D), the analyses in the General Plan EIR adequately addresses many of the proposed project environmental effects. Where applicable, and where earlier analysis from the General Plan EIR is used, the location of that analysis in the EIR is provided. This initial study identifies impacts that were within the scope of and adequately analyzed in the EIR pursuant to applicable legal standards, and also identifies whether such effects were addressed by mitigation measures based on that earlier analysis.

Other Public Agencies Whose Approval is Required

- Regional Water Quality Control Board
- California Department of Fish and Wildlife
- California Department of Transportation
- Santa Clara Valley Water District
- California Public Utilities Commission

Have California Native American tribes traditionally and culturally affiliated with the project area requested consultation pursuant to Public Resources Code section 21080.3.1? If so, has consultation begun?

No California Native American tribes traditionally and culturally affiliated with the project area requested consultation pursuant to Public Resources Code section 21080.3.1.

Note: Conducting consultation early in the CEQA process allows tribal governments, lead agencies, and project proponents to discuss the level of environmental review, identify and address potential adverse impacts to tribal cultural resources, and reduce the potential for delay and conflict in the environmental review process. (See Public Resources Code section 21083.3.2.) Information may also be available from the California Native American Heritage Commission's Sacred Lands File per Public Resources Code section 5097.96 and the California Historical Resources Information System administered by the California Office of Historic Preservation. Please also note that Public Resources Code section 21082.3(c) contains provisions specific to confidentiality.

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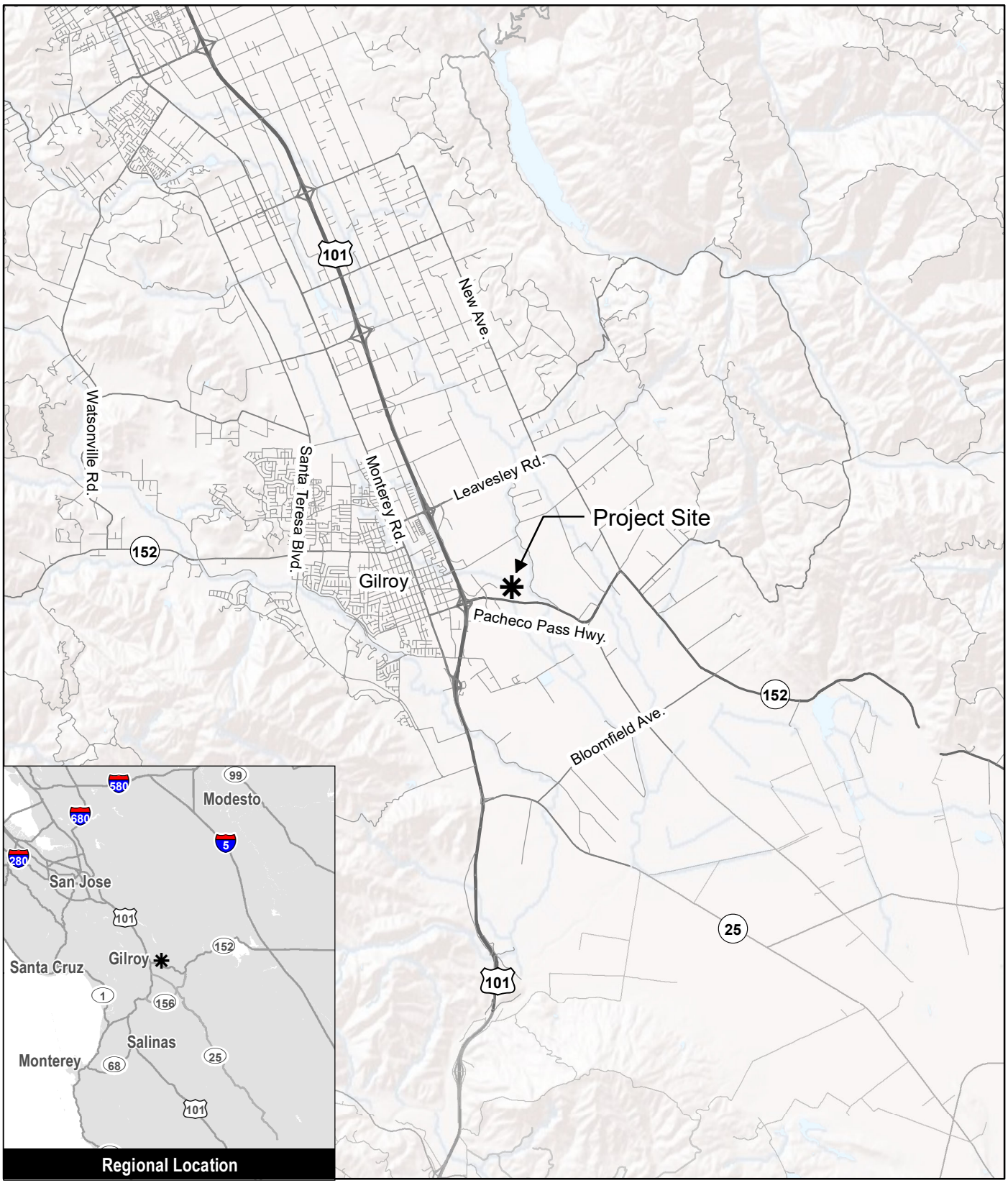

0 2 miles

Source: ESRI 2019

Figure 1

Location Map

Project Garlic Industrial Subdivision Initial Study

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Figure 2

Aerial Photograph

Project Garlic Industrial Subdivision Initial Study

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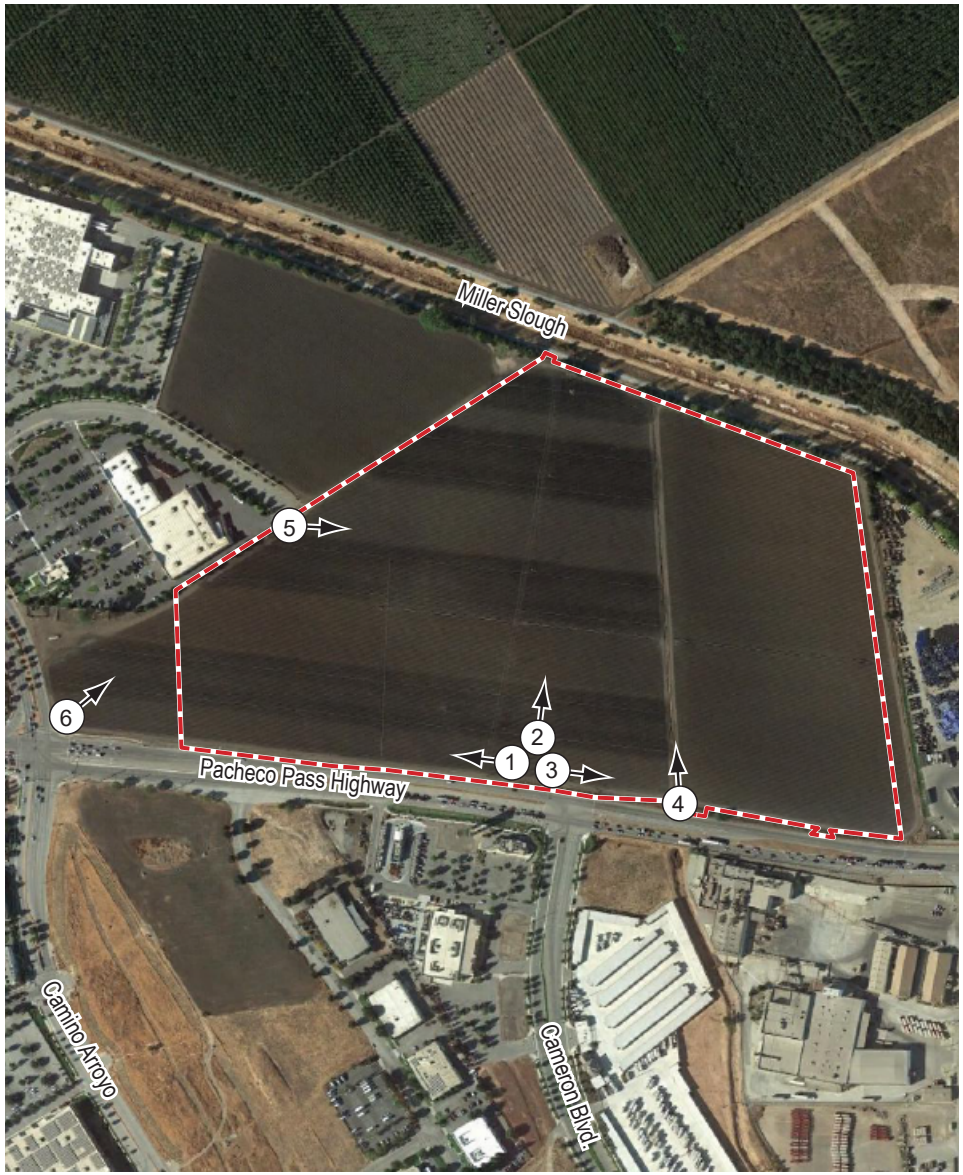
1 View from Pacheco Pass Highway facing west

2 View from Pacheco Pass Highway facing north

3 View from Pacheco Pass Highway facing east



Project Site

Source: Google Earth 2018
Photographs: EMC Planning Group 2021

4 On Pacheco Pass Highway facing north at the existing agricultural ditch

5 View from Renz Lane facing east across the site

6 From the southwest corner of the Future Commercial parcel facing northeast

Figure 3
Site Photographs

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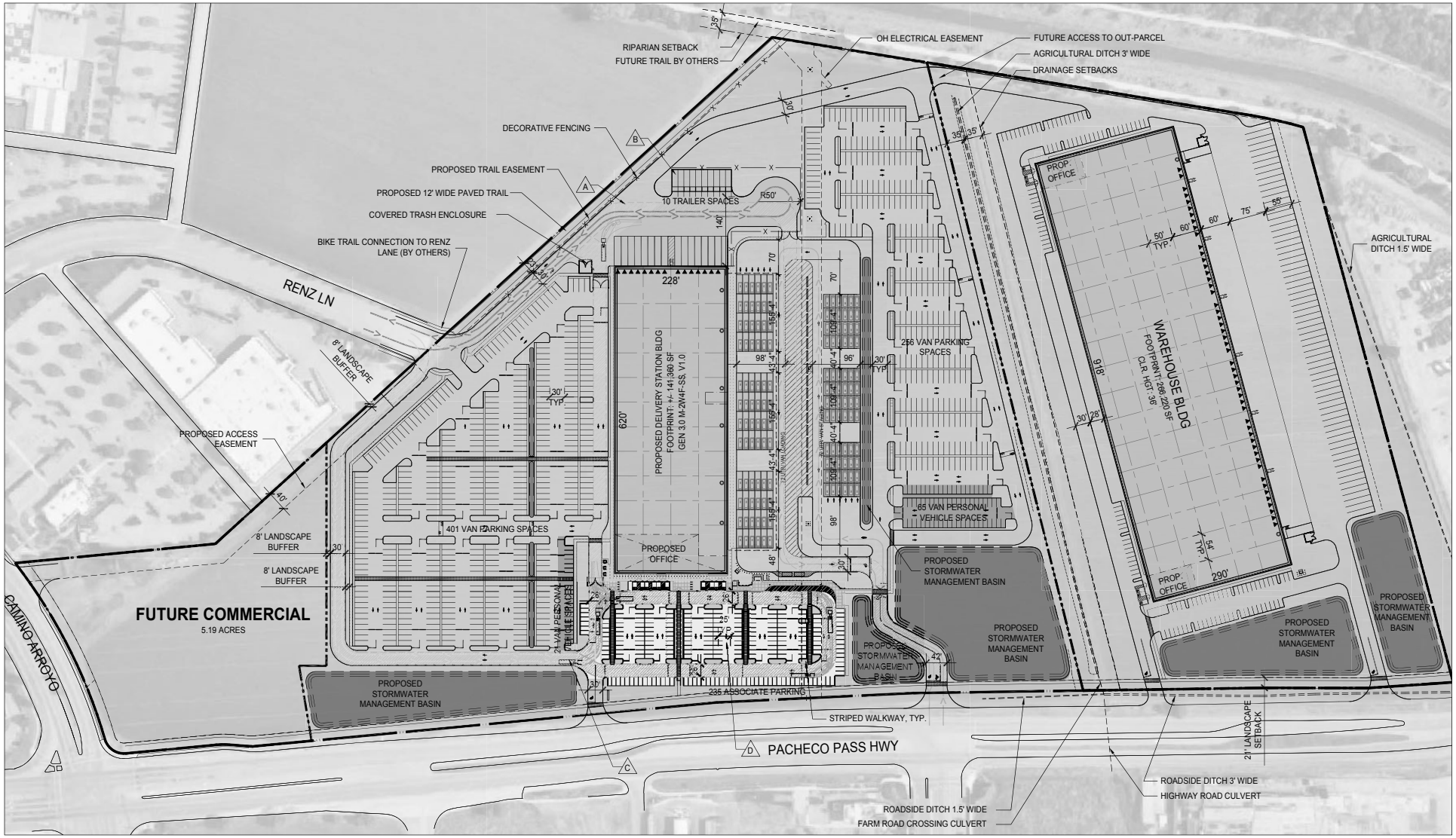

0 160 feet

Source: Ware Malcomb 2021

Figure 4
Site Plan

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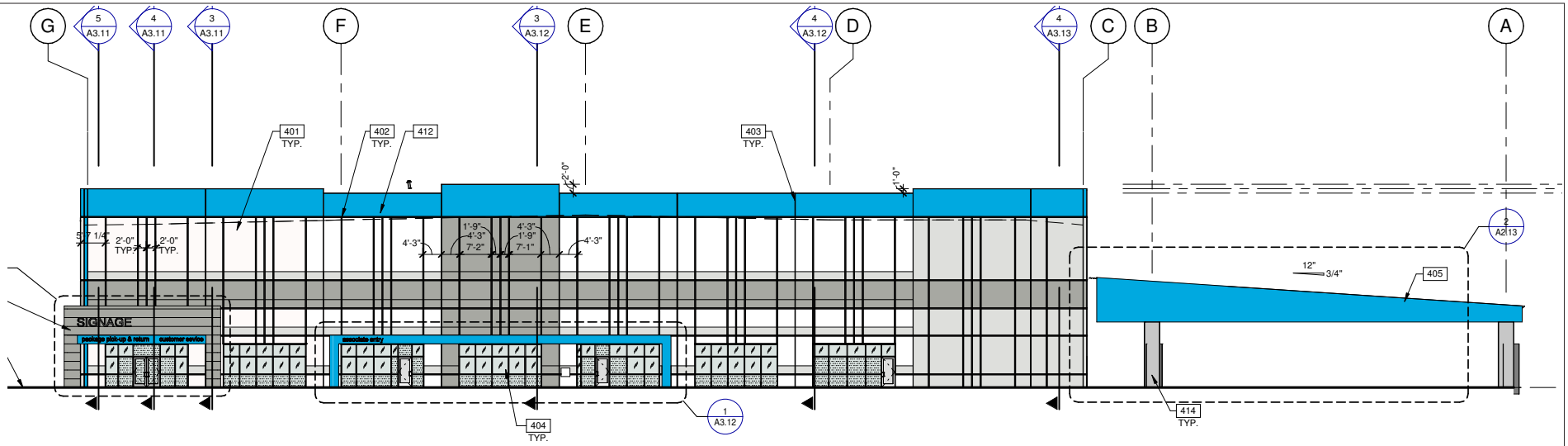
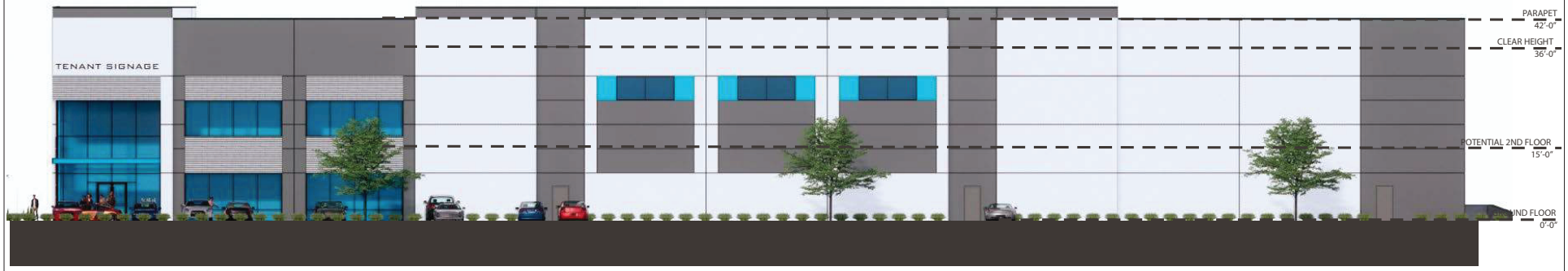


South Elevation of the Delivery Station



South Elevation of the Industrial Building

Source: Ware Malcomb 2020

Figure 5
Building Elevations

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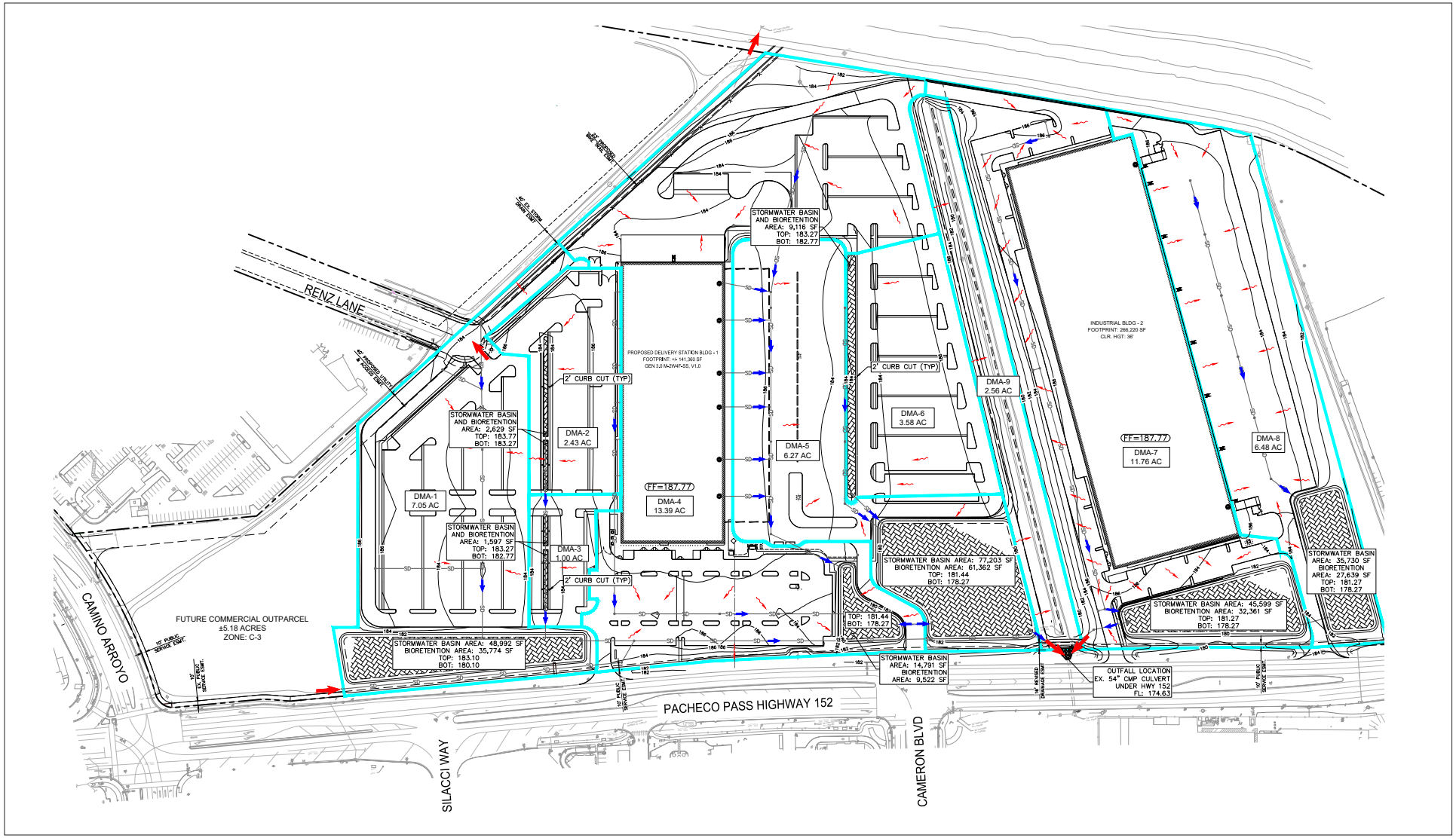

0 320 feet

Source: Kimley-Horn 2021

Figure 6

Conceptual Stormwater Control Plan

Project Garlic Industrial Subdivision Initial Study

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B. Environmental Factors Potentially Affected

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

☐ Aesthetics	☐ Greenhouse Gas Emissions	☐ Population/Housing
☒ Agriculture and Forestry Resources	☐ Hazards & Hazardous Materials	☐ Public Services
☐ Air Quality	☐ Hydrology/Water Quality	☐ Transportation/Traffic
☐ Biological Resources	☐ Land Use/Planning	☐ Tribal Cultural Resources
☐ Cultural Resources	☐ Mineral Resources	☐ Utilities/Service Systems
☐ Geology/Soils	☐ Noise	☐ Mandatory Findings of Significance
☐ None		

C. DETERMINATION

On the basis of this initial evaluation:

☐ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

☒ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

☐ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect (1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and (2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (1) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (2) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

_____ _____

Kraig Tambornini, Senior Planner Date

D. Evaluation of Environmental Impacts

The evaluation of the potential impacts of the proposed project is contained in the following series of checklists and accompanying narratives. The following notes apply to this section.

Notes

1. A brief explanation is provided for all answers except "No Impact" answers that are adequately supported by the information sources cited in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer is explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
2. All answers take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
3. Once it has been determined that a particular physical impact may occur, then the checklist answers indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
4. "Negative Declaration: Less-Than-Significant Impact with Mitigation Measures Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less-Than-Significant Impact." The mitigation measures are described, along with a brief explanation of how they reduce the effect to a less-than-significant level (mitigation measures from section XVII, "Earlier Analyses," may be cross-referenced).
5. Earlier analyses are used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier document or negative declaration. [Section 15063(c)(3)(D)] In this case, a brief discussion would identify the following:
    a. "Earlier Analysis Used" identifies and states where such document is available for review.
    b. "Impact Adequately Addressed" identifies which effects from the checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and states whether such effects were addressed by mitigation measures based on the earlier analysis.

c. "Mitigation Measures"—For effects that are "Less-Than-Significant Impact with Mitigation Measures Incorporated," mitigation measures are described which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.

6. Checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances, etc.) are incorporated. Each reference to a previously prepared or outside document, where appropriate, includes a reference to the page or pages where the statement is substantiated.

7. "Supporting Information Sources"—A source list is included in Section E, Sources, at the end of this initial study, and other sources used or individuals contacted are cited in the discussion.

8. The explanation of each issue identifies:

   a. The significance criteria or threshold, if any, used to evaluate each question; and

   b. The mitigation measure identified, if any to reduce the impact to less than significant.

1. AESTHETICS

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Have a substantial adverse effect on a scenic vista or degrade the existing visual character in the Hecker Pass Specific Plan Area or the hillside areas? (1,2,3,5,6)	☐	☐	☐	☒
b. Substantially damage scenic resources viewed from Hecker Pass Highway or Pacheco Pass Highway? (1,2,3,4,5,6,17)	☐	☐	☒	☐
c. Substantially damage scenic resources viewed from Uvas Park Drive, Santa Teresa Boulevard, or Miller Avenue from First Street to Mesa Road? (1,6)	☐	☐	☐	☒
d. Substantially damage scenic resources (farmland and surrounding hills) viewed from Highway 101? (6)	☐	☐	☐	☒
e. Result in unattractive entrances at the principal gateways to the City (north and south Monterey Street, Highway 152/Hecker Pass Highway, Highway 152/Pacheco Pass, north and south Santa Teresa Boulevard, and at the Highway 101 interchanges at Masten, Buena Vista, Leavesley, and Tenth Street)? (1,2,3,4,5,6)	☐	☐	☐	☒
f. Create a new source of substantial light or glare, which would adversely affect day or nighttime views in the area? (1,2,3,4,5)	☐	☐	☒	☐
g. Include or require a wall or fence higher than seven feet above the existing grade at the property line? (1)	☐	☐	☐	☒

Comments:

a. According to the General Plan EIR (p. 3-3), neither the General Plan nor the *Santa Clara County General Plan* designate specific scenic vistas within Gilroy or in the immediate unincorporated areas adjacent to Gilroy. The site is not located within or adjacent to hillside areas and is approximately three miles east of the Hecker Pass

Highway, at its intersection with Santa Teresa Boulevard (Santa Clara County 2020). Therefore, the proposed project would not have an adverse effect on a scenic vista or degrade the existing visual character in the Hecker Pass Specific Plan Area or hillside areas.

b. According to the General Plan EIR (p. 3-3), scenic resources of aesthetic value include Hecker Pass Highway, agricultural lands, riparian areas, and the hillsides that surround much of Gilroy.

The project site is located approximately three miles east of Hecker Pass Highway and, therefore, the proposed project would not have a substantial adverse effect on a scenic vista or degrade the existing visual character in the Hecker Pass Specific Plan Area. However, the project site is bordered to the south by Pacheco Pass Highway and, therefore, the proposed project would not only replace the existing views of the agricultural land at the site with the industrial uses but also interrupt views of the distant hillsides to the northwest and northeast. The City has designated and zoned the site for industrial uses thereby planning for industrial development at this location. For more information on the conversion of the existing agricultural uses with the City-anticipated industrial uses, please refer to Section 2.0, Agriculture.

The distant hillsides, northeast and northwest of the site, are currently visible to travelers on Pacheco Pass Highway (refer to the Photo 3 image in Figure 3, Site Photographs) and would be interrupted with development of the proposed project. However, the City has evaluated the impacts related to industrial development at this location in the General Plan EIR and anticipates industrial development pursuant to the General Plan land use designation. In addition, the surrounding uses of the project site include the commercial shopping center to the west and industrial uses to the east and south. Therefore, the proposed project would be surrounded by similar development in its use and structural appearance.

The proposed project, as an industrial development, would also comply with the General Plan Policy LU-5.1 ensuring that new industrial developments contribute to the overall attractiveness of the community through appropriate site design, architectural design, and landscaping. An example of the project's compliance with this General Plan policy is its proposal to place a line of trees along the property adjacent to Pacheco Pass Highway as natural screening of the development. The project also includes five (5) stormwater basins that help separate the proposed buildings from Pacheco Pass Highway, thereby reducing the visual massing of the buildings. Refer to Sheet L101 and L103 of the landscape plans for enlargements and elevations of the site as it would be seen from the Pacheco Pass Highway frontage. Post and rail fencing have also been proposed to the frontage of Pacheco Pass

Highway along with a monument feature at the corner of Camino Arroyo and Pacheco Pass; refer to Sheet L103 for renders of decorative features at entryways.

The proposed project includes the replacement of the existing PG&E poles with in-kind and same material (treated wood) poles that would be approximately three feet taller than the existing poles. The new poles would be located within five feet of the existing pole locations within the existing 40-foot-wide PG&E easement. Due to the replacement being in-kind, in the same location, with a minimal increase in height, this would not create any additional impacts already evaluated in this section.

Therefore, the proposed project's visual impacts from Pacheco Pass Highway would be less than significant for the following reasons:

- The project is consistent with the general plan land use and zoning designations;
- The project is consistent with General Plan Policy LU-5.1, Industrial Design Standards; and
- The project is adjacent to existing commercial and industrial development on three sides.

c. The project site is not located within the vicinity of Uvas Park Drive, Santa Teresa Boulevard, or Miller Avenue from First Street to Mesa Road. Therefore, the proposed development would not substantially damage scenic resources viewed from these rights-of-way.

d. The project site is located approximately 0.35 miles east of US Highway 101. Commercial and industrial development and vegetation blocks existing views of the project site from the highway. Therefore, the proposed project would not have a visual impact from US Highway 101 (Google Earth 2020).

e. The proposed project would be visible upon entering Gilroy from the east on Pacheco Pass Highway. Initial views at this principal gateway are of the existing industrial and commercial development on either side of Pacheco Pass Highway, as well as the project site farmland. The proposed project would convert the farmland to industrial uses resulting in a visual change at this principal gateway.

However, the project site is planned for industrial use in the General Plan and Zoning Ordinance. The proposed project's conceptual landscape plan (Sheets L100 and L101) includes a tree row along the northern edge of Pacheco Pass Highway to screen the proposed development. This landscaped frontage includes a sidewalk placed behind the property line. The project also provides distinctive landscaping along the gateway frontage as well as a corner monument feature at the corner of Camino Arroyo and

Pacheco Pass (see Sheet L103), pursuant to City Municipal Code Section 30.26.10. Post and rail fencing have also been proposed to the frontage of Pacheco Pass Highway; refer to Sheet L103 for renders of decorative features at entryways. Further, although the M-2 General Industrial zone allows for heights up to 75 feet, the project's tallest building is only 45 feet high. Therefore, the proposed project would not result in an unattractive entrance at this gateway.

The proposed project is not visible from Gilroy's other principal gateways and therefore, would not result in an unattractive entrance at those locations.

f. Existing commercial and industrial development to the west, east, and south provide night time lighting in the immediate vicinity. Development of the project site from agricultural to industrial uses would add to the existing light and glare. The project plans include a Photometric Plan Site Lighting (Sheets E1.0 and E1.1) illustrating the locations and types of lighting proposed onsite. Additional EV charging equipment, power poles, and light pole locations can be found on Sheet L100. The lighting proposed on the project site would comply with General Plan policy NCR-1.10, which encourages the use of measures to limit exterior light pollution and requires that outdoor lighting is directed downward; General Plan policy PFS-8.10, which requires compatibility with the neighborhood context (i.e., commercial and industrial); General Plan policy LU-8.12 addressing outdoor lighting fixtures and utilizing LED to provide maximum energy efficiency as well as effective lighting; General Plan policy LU-8.13, which requires that light shielding will be utilized to limit light pollution and direct outdoor lighting downward and away from sensitive receptors (adjacent Miller Slough and nearby farm houses); and Zoning Code Section 30.50.44(c), which states that no unobstructed beam of exterior lighting shall be directed outward from the site toward any residential use or public right-of-way. The proposed project's lighting shall be constructed or located so that only the intended area is illuminated and off-site glare is fully controlled.

   Compliance with the policies and City code section above would reduce the potential for light pollution associated with the proposed project to a less-than-significant level.

g. The proposed project does not include or require a wall or fence higher than seven feet above the existing grade at the property line.

2. AGRICULTURE

In determining whether impacts on agricultural resources are significant environmental effects and in assessing impacts on agriculture and farmland, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (LESA) (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Convert prime farmland or farmland of statewide importance, as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to an urban use (projects requiring a legislative act, such as zoning changes, annexation to the City, urban service area amendments, etc.)? (1,2)	☒	☐	☐	☐
b. Conflict with a Williamson Act contract? (1,3)	☐	☐	☐	☒
c. Involve other changes in the existing environment, which, due to their location or nature, could result in conversion of Farmland to nonagricultural use or conversion of forest land to non-forest use? (1,2,3,5)	☐	☐	☒	☐

Comments:

a. The project site consists of prime farmland. However, the City has designated the site as General Industrial in the General Plan and, associated with adoption of the General Plan and certification of the General Plan EIR, adopted a statement of overriding considerations determining that the benefits of placing industrial uses at the site outweighed the impacts of the loss of prime farmland (p. 3-44). With the City's adoption of the overriding findings, no further analysis of the loss of prime farmland is necessary.

However, the proposed project will be required to be consistent with the City of Gilroy Agricultural Mitigation Policy. The following City of Gilroy Standard Condition of Approval would be required.

Standard Condition of Approval

The applicant will be required to either:

(1) Purchase an equal amount of land (1:1 ratio) of agricultural land within the "Preferred Preservation Areas" (see Section 1.01 Definitions) and the transfer of the ownership of this land to the Silicon Valley Land Conservancy or other City-approved agency; or

(2) Purchase of development rights to a 1:1 ratio on agricultural land within the "Preferred Preservation Areas" and the transfer of ownership of these rights to the Silicon Valley Land Conservancy or other City-approved agency.

b. The project site is not under a Williamson Act contract; no parcels within the City's Urban Growth Boundary are subject to Williamson Act contracts (City of Gilroy 2020, p. 3-33).

c. The project site is prime farmland and is adjacent to active prime farmland to the northwest and to the north across Miller Slough. The farmland to the northwest is designated General Service Commercial by the General Plan. Therefore, the potential conversion of this adjacent agricultural land to non-agricultural use has been evaluated by the City's General Plan EIR and the General Plan anticipates its conversion to non-agricultural uses.

The farmland to the north is not within the City's Urban Growth Boundary. Miller Slough separates this farmland from the project site by approximately 210 feet. Pursuant to the General Plan EIR, compliance with the City's Agricultural Mitigation Policy, which requires a 150-foot buffer adjacent to areas with a Santa Clara County agricultural designation adjacent to the Urban Growth Boundary, would minimize the potential for land use conflicts. Therefore, the proposed project would not involve other changes in the existing environment, which, due to their location or nature, could result in conversion of Farmland to nonagricultural use.

3. AIR QUALITY

Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Conflict with the Bay Area Air Quality Management District Clean Air Plan (BAAQMD CAP)? (1,3,35)	☐	☒	☐	☐
b. Violate any air quality standard or contribute substantially to an existing or projected air quality violation? BAAQMD indicates that any project that would individually have a significant air quality impact would also be considered to have a significant cumulative air quality impact. (1,36,37,38)	☐	☐	☒	☐
c. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is in nonattainment under an applicable federal or state ambient air quality standard (including releasing emissions, which exceed quantitative thresholds for ozone precursors)? (1,36,37,38)	☐	☐	☒	☐
d. Expose sensitive receptors (residential areas, schools, hospitals, nursing homes) to substantial pollutant concentrations (CO and PM_{10}), as determined in b. above? (1,39)	☐	☒	☐	☐
e. Create objectionable odors affecting a substantial number of people? (1)	☐	☐	☒	☐

Comments:

a. The City of Gilroy is located within the San Francisco Bay Area Air Basin and the boundary of the Bay Area Air Quality Management District (air district). The air district adopted the current version of the Clean Air Plan in 2017 (Clean Air Plan). Consistency with the Clean Air Plan is based on conformance with air quality control measures presented in the Clean Air Plan. The air district's Air Quality CEQA Guidelines (2017) ("air district CEQA guidelines") Section 9.1 provides guidance on determining if a development project is consistent with the Clean Air Plan. For

consistency a project should meet three criteria: 1) support the primary goals of the Clean Air Plan; 2) include applicable Clean Air Plan control measures; and 3) not disrupt or hinder implementation of any Clean Air Plan control measures.

The primary goals of the Clean Air Plan are to attain air quality standards; to reduce population exposure to pollutants and protect public health in the Bay Area; and to reduce greenhouse gas (GHG) emissions and protect the climate. This is considered to have been accomplished if there are no project-level significant impacts, or if significant impacts are mitigated to a less-than-significant level.

As discussed in section "b/c" below, the proposed project would generate criteria air pollutant emissions, but not to the extent that significant impacts would occur. The proposed project would generate toxic air contaminant emissions during construction, but not to the extent that significant impacts that would occur cannot be mitigated to a less-than-significant level. Therefore, the proposed project would not result in significant air quality impacts, and supports the primary goals of the Clean Air Plan.

There are 81 control measures in the 2017 Clean Air Plan, many of which are applicable only for industrial or regional implementation. Regarding operational activities, the proposed project does not include end user operational information in detail sufficient to identify specific reduction programs that would achieve compliance with control measures. The city would require project conformance with measures that it determines are feasible for project-level implementation, or required as part of the Bay Area Commuter Benefit Program under California state law SB 1128, which is incorporated into the Clean Air Plan. The Bay Area Commuter Benefits Program is a partnership led by the air district and the Metropolitan Transportation Commission to improve air quality and reduce traffic congestion by promoting the use of alternative commute modes such as transit, ridesharing, bicycling, and walking. Under the Bay Area Commuter Benefits Program, employers in the Bay Area with at least 50 full-time employees are required to provide workers with the option of tax-free transit and vanpool benefits. Project consistency with applicable control measures and Bay Area Commuter Benefits Program is discussed below, based in part, on the implementation expectations stated in the Clean Air Plan (Bay Area Air Quality Management District 2017).

Clean Air Plan Control measures potentially applicable to the proposed project are presented below in Table 1, Potentially Applicable Control Measures (2017 Clean Air Plan) along with a brief consistency analysis to determine how the project either does or does not implement the measure.

Table 1 Potentially Applicable Control Measures (2017 Clean Air Plan)

Control Measure Number and Name	Consistency Analysis
SS21 – New Source Review for Toxics	This policy is implemented by the air district as part of its permitting procedures for stationary sources of emissions. A construction health risk assessment has been prepared, which concluded that the project's construction emissions would not result in increased health risks that exceed the air district single-source or cumulative thresholds. The proposed project's operations may create new stationary sources of $PM_{2.5}$ emissions, which would be subject to compliance with air district regulations for permitted stationary sources, including requirements to use of Best Available Control Technology to minimize emissions. As a result, the proposed project would be consistent with this measure.
SS36 – Particulate Matter from Trackout	The proposed project shall implement dust control measures, which are standard conditions of approval for the city. Implementation of this standard condition will address mud and dirt that could be "tracked out" from the project construction site.
SS38 – Fugitive Dust	Compliance with the city's standard conditions of approval regarding dust control measures is required, consistent with this measure.
TR2 – Trip Reduction Programs	The proposed project is a use that can facilitate ride sharing or van shuttle services for its employees. The proposed project does not include operational information in detail sufficient to identify proposed trip reduction programs. The proposed project would be subject to compliance with the Bay Area Commuter Benefits Program. The Commuter Benefit Program requires these employers to provide one of four alternative commute friendly strategies: 1) establish the option for employees to set aside pre-tax salary to pay for their transit or vanpool costs, 2) provide up to $75/month transit subsidy to all employees, 3) provide a shuttle service from a transit hub to the work location, or 4) provide another approved alternative. The applicant shall be required to implement a mitigation measure (AQ-1), listed below, that will utilize regional and voluntary trip reduction programs for future employees. This measure will reduce emissions of the key ozone precursors, ROG and NOx by reducing commute trips, vehicle miles traveled, and vehicle emissions. In addition, the measure will reduce emissions of particulate matter, air toxics and greenhouse gases. Compliance with the Bay Area Commuter Benefits Program, required by the air district, will require the proposed project employer to provide workers with the option of tax-free transit and vanpool benefits which would be consistent with this measure.
TR8 – Ridesharing and Last-Mile Connections	There are currently no transit routes in the vicinity of the project site. The Gilroy Transit Center is located approximately 1.7 miles northwest of the project site, which exceeds a reasonable walking distance between the site and available transit. To promote further reductions in commuter trips to the site and comply with the Bay Area Commuter Benefits Program, the project proponents could also provide rideshare program information and participate in the Santa Clara County: EcoPass Transit annual transit pass on South Bay transit systems. Implementation of mitigation measure AQ-1 will be consistent with control measure TR8.
TR9 – Bicycle and Pedestrian Access and Facilities	The proposed project includes a Class I bike trail along Miller Slough adjacent to the project site, as well as a 12-foot-wide paved trail at the northwest corner of the site to connect to Class I trail. Sidewalks to building entrances are shown on the site plans. This will ensure access for pedestrians from the commercial shopping center to the west and to the Class I trail along Miller Slough. The project plans do not identify bike racks, changing rooms or lockers on site, which would facilitate the use of bicycles instead of vehicles

Control Measure Number and Name	Consistency Analysis
	by project employees. Implementation of mitigation measure AQ-2 would require the provision of these amenities to encourage the use of bicycles by employees instead of vehicles. With the provision of bicycle access and facilities, the proposed project would be consistent with this measure.
TR14 – Cars and Light Trucks	This measure promotes the use of electric vehicles or alternative fuels to reduce emissions. In addition to vehicle buy-back programs and other funding incentives, the air district continues to partner with private, local, state and federal programs to install and expand public charging infrastructure, and promote existing charging infrastructure. The proposed project plans do not include charging stations for electric or hybrid vehicles. The city could consider requiring the proposed project to include on-site charging stations to promote the use of zero emissions and hybrid electric vehicles in conformance with this measure.
TR18 – Goods Movement	This policy seeks to reduce emissions and exposures to them from freight movement. The measure includes incentive programs offered through the district to provide emission reductions that go beyond reductions required by CARB. Since 2009, the air district has invested approximately $100 million to reduce air pollution emissions and health risk from freight movement along California's priority trade corridors. These funds have reduced truck emissions from thousands of heavy-duty diesel trucks (via retrofit or replacement) (BAAQMD 2017a), This measure reduces emissions of ROG and NOx, and diesel particulate matter associated with goods movement by providing incentive funding for diesel equipment owners to purchase cleaner-than-required vehicles and equipment. In addition, some projects implemented through this measure will reduce emissions of greenhouse gases. Regulations require upgrades to equipment in future years; the air district incentive programs offer funds for engine owners to upgrade equipment in advance of these regulations, thereby funding emission reductions that are not yet mandated. Incentive programs can also offer funds for reduction of pollutants that are not required, for example, NOx and ROG reductions, when only PM reductions are required. Best practices for increasing fleet efficiencies and emissions reductions include purchasing low emission vehicles, properly maintaining vehicles, minimizing fleet size, reducing reliance on petroleum-based transportation fuels, increasing use of locally produced renewable fuels, and encouraging efficient driving habits. This policy targets public and private vehicle fleets that include on-road light, medium and heavy-duty vehicles. Voluntary conformance with this policy would result in co-benefit reductions in mobile sources of ozone precursors and diesel particulate matter. Details on whether the proposed project would implement green fleet operations are not known at this time. This measure could be implemented by the proposed project to the extent that it contracts with certified green fleets, and with other certified businesses that implement green fleets. The proposed project may qualify for these incentive programs.
TR19 – Medium and Heavy-Duty Trucks	This policy includes incentive programs offered through the air district to provide emission reductions that go beyond reductions required by CARB. This measure will reduce emissions of ROG and NOx, and diesel particulate matter associated with goods movement by providing incentive funding for diesel equipment owners to purchase cleaner-than-required vehicles and equipment. In addition, some projects implemented through this measure will reduce emissions of greenhouse gases. Regulations require upgrades to equipment in future years; the air district incentive programs offer funds for engine owners to upgrade equipment in advance of these regulations, thereby funding emission reductions that are not yet mandated. Incentive programs

Control Measure Number and Name	Consistency Analysis
	can also offer funds for reduction of pollutants that are not required, for example, NOx and ROG reductions, when only PM reductions are required. This policy includes an air district program for the direct provision of incentives for the purchase of new trucks that meet CARB emission standards for heavy-duty engines. This policy also meets CARB's 2008 adopted regulation that requires truck fleets to meet progressively more stringent emission limits as calculated on a fleet-average basis. The proposed project may qualify for these incentive programs. If the project operator qualifies for and participates in the incentive program, ozone precursor and diesel particulate matter emissions from truck fleets would be reduced.
BL1 – Green Buildings	The proposed project would construct the structures in accordance with the most current version of the California Building Code's Energy Efficiency Standards for Nonresidential Buildings (California Code of Regulations, Title 24, Part 6).
NW2 – Urban Tree Planting	Landscaping plans for the proposed project show 391 new trees of various species to be planted onsite.

SOURCE: BAAQMD 2017 (see Tables 5-1 through 5-10)

The proposed project would create jobs and introduce new mobile sources of criteria pollutant and GHG emissions from employee vehicles. Increased vehicle trips associated with the project would increase the number of vehicles and related emissions at the site and on area roadways. The proposed project does not include a trip reduction program required by the Clean Air Plan Policy TR2 and does not include features such as bike racks, changing rooms or lockers on the site consistent with Clean Air Plan policy TR9, which would facilitate the use of bicycles instead of vehicles by project employees. As a result, the project is not consistent with the Clean Air Plan, and related employee vehicle emissions would be a significant impact.

Implementation of mitigation measure AQ-1 requires the preparation and implementation of trip reduction programs for future employees consistent with Policy TR2, which would reduce vehicle emissions of criteria air pollutants, air toxics and greenhouse gases by reducing commute trips and vehicle miles traveled. Implementation of mitigation measure AQ-2 requires the provision of on-site amenities to encourage the use of bicycles by employees instead of vehicles consistent with policy TR9, which would also reduce employee vehicle emissions.

Mitigation Measures

AQ-1 Prior to issuance of building permits, subject to review and approval by the City Planning Division, the applicant shall provide to the city details of a proposed vehicle reduction program for future employees of the project utilizing the Bay Area Commuter Benefits Program, 511.org rideshare program, or other local commuter benefits program.

AQ-2 Prior to issuance of building permits, subject to review and approval by the City Planning Division, the applicant for any phase shall include on the project plans the number of electric vehicle (EV) charging stations, dedicated vanpool and other high-occupancy vehicle (HOV) carpool spaces, bike racks, changing rooms and/or lockers on site, which would facilitate the use of ride-sharing and bicycles.

Implementation of these measures ensures that the proposed project, as mitigated, is consistent with the 2017 Clean Air Plan. The proposed project, therefore, does not have aspects that would interfere with or hinder implementation of the 2017 Clean Air Plan. Plan consistency related to GHG emissions is discussed in Section D.7, Greenhouse Gas Emissions, of this initial study.

b, c. The six most common and widespread air pollutants of concern, or "criteria pollutants," are ground-level ozone, nitrogen dioxide, particulate matter, carbon monoxide, sulfur dioxide, and lead. In addition, reactive organic gases are a key contributor to the criteria air pollutants because they react with other substances to form ground-level ozone. Health effects of criteria air pollutants include asthma, bronchitis, chest pain, coughing, and heart diseases.

The air district is the agency with the primary responsibility for assuring that national and state ambient air quality standards are attained and maintained in the air basin. Depending on whether or not the standards are met or exceeded, the air basin is classified as being in "attainment" or "nonattainment." Table 2, San Francisco Bay Area Air Basin Attainment Status, identifies the current attainment status within the air basin for each criteria pollutant.

Table 2 San Francisco Bay Area Air Basin Attainment Status

Criteria Air Pollutants	State Standards	National Standards
Ozone	Non-attainment	Non-attainment
Respirable Particulate Matter	Non-attainment	Unclassified
Fine Particulate Matter	Non-attainment	Non-attainment
Carbon Monoxide	Attainment	Attainment
Nitrogen Dioxide	Attainment	Unclassified/Attainment
Sulfur Dioxide	Attainment	Unclassified/Attainment
Lead	-	Attainment

SOURCE: Bay Area Air Quality Management District 2017a

The air district has developed thresholds of significance that are used to determine whether or not the proposed project would result in a cumulatively considerable net increase of criteria air pollutants during operations and/or construction. The thresholds of significance for determining air quality impacts are contained in the 2017 CEQA Guidelines and are presented in Table 3, Thresholds of Significance for Criteria Air Pollutants.

Table 3 Thresholds of Significance for Criteria Air Pollutants

Criteria Air Pollutants	Construction Thresholds	Operational Thresholds	
	Average Daily Emissions (lb./day)	Average Daily Emissions (lb./day)	Annual Emissions (tons/year)
Reactive Organic Gases (ROG)	54	54	10
Nitrogen Oxides (NO_X)	54	54	10
Respirable Particulate Matter (PM_{10})	82 (exhaust)[1]	82	15
Fine Particulate Matter ($PM_{2.5}$)	54 (exhaust)[1]	54	10

SOURCE: Bay Area Air Quality Management District 2017b
NOTE: The thresholds of significance for particulate matter emissions from project construction apply to exhaust emissions only. The air district recommends implementation of best management practices to reduce fugitive dust emissions.

Operation of the proposed project would result in new mobile, area, stationary, and energy source criteria air pollutant emissions. The criteria air pollutant emissions generated during operation of the proposed project were estimated using the California Emissions Estimator Model (CalEEMod) version 2016.3.2. The results include emissions reductions from compliance with State's Title 24 2019 Building Energy Efficiency Standards (BEES). Refer to Appendix C for the CalEEMod results.

The unmitigated operational emissions from buildout of the proposed project are summarized in Table 4, Operational Criteria Air Pollutant Emissions.

The proposed project would generate operational criteria air pollutant emissions that do not exceed the air district thresholds, resulting in a less-than-significant impact to regional air quality; the project's contribution of operational criteria air pollutant emissions to regional air quality conditions are less than cumulatively considerable.

Construction emissions include equipment exhaust emissions, emissions generated during the application of asphalt paving material and architectural coatings, as well as emissions of fugitive dust during demolition and grading. The criteria air pollutants generated during construction of the proposed project were estimated using CalEEMod. Refer to Appendix C for project-specific construction data and

detailed results. The model was run prior to the understanding that the PG&E transmissions poles needed to be replaced. The consultant determined that rerunning the model would result in a very small increase in emissions due to the relatively small increase in construction vehicles. Although the numbers of workers on site would vary, there would typically be 10 vehicles, including personal vehicles for two crews, inspectors, and heavy machinery. Typical equipment would include one crane, one line truck, one boom truck, two haul trucks. Because the project construction emissions without the pole replacement are significantly below the thresholds, as presented below, the model was not rerun to account for pole replacement emissions.

Table 4 Operational Criteria Air Pollutant Emissions

Emissions	ROG	NO_X	PM_{10}	$PM_{2.5}$
Total Annual Emissions (tons/year)[1]	2.5	1.63	2.55	0.70
Exceeds Annual Threshold?	*NO*	*NO*	*NO*	*NO*
Average Daily Emissions (pounds/day)[1,2,3]	13.70	8.93	13.97	3.84
Exceeds Daily Threshold?	*NO*	*NO*	*NO*	*NO*

SOURCE: EMC Planning Group 2021

NOTES:

1. Results may vary due to rounding.
2. CalEEMod estimates operational criteria air pollutant emissions in tons per year. A U.S. ton is equal to 2,000 pounds. The emissions estimates in ton per year are multiped by 2,000 pounds to arrive at emissions volume in pounds per year. Average daily emissions (in pounds per day) are computed by dividing the annual operational emissions (in pounds per year) by the number of operational days (conservatively assuming 365 days of operation).
3. Includes reductions from compliance with the State's 2019 Title 24 Building Efficiency Energy Standards (BEES).

Table 5, Unmitigated Construction Criteria Air Pollutant Emissions, summarizes unmitigated criteria air pollutant emissions resulting from project construction and compares them against the air district thresholds.

As summarized in Table 5, construction of the proposed project would not result in criteria air emissions during construction or operations that exceed the air district thresholds, resulting in a less-than-significant air quality impact; the contribution of the project's construction criteria pollutant emissions to regional air quality conditions is less than cumulatively considerable.

Table 5 Construction Criteria Air Pollutant Emissions

Emissions	ROG	NO_X	Exhaust PM_{10}[1]	$PM_{2.5}$
Phase 1				
Maximum Annual Emissions (tons/year)[2]	1.50	4.07	0.12	0.25
Average Daily Emissions (pounds/day)[2,3]	0.01	0.02	<0.001	0.001
Exceeds Daily Threshold?	*NO*	*NO*	*NO*	*NO*
Phase 2				
Maximum Annual Emissions (tons/year)[2]	1.68	2.23	0.08	0.18
Average Daily Emissions (pounds/day)[2,3]	0.01	0.01	<0.001	<0.001
Exceeds Daily Threshold?	*NO*	*NO*	*NO*	*NO*
Total Construction (pounds/day) [2,3]	*0.01*	*0.01*	<0.001	<0.001
Exceeds Daily Threshold?	*NO*	*NO*	*NO*	*NO*

SOURCE: EMC Planning Group 2021

NOTES:

1. Exhaust PM_{10} emissions are assumed to be Diesel Particulate Matter (DPM).
2. Results may vary due to rounding.
3. CalEEMod estimates construction criteria air pollutant emissions in tons per year. A U.S. ton is equal to 2,000 pounds. The emissions estimates in ton per year are multiped by 2,000 pounds to arrive at emissions volume in pounds per year. CalEEMod estimates a total of 245 construction days per phase. Average daily emissions (in pounds per day) are computed by dividing the annual construction emissions (in pounds per year) by the number of construction days.

d. Toxic air contaminants (TACs) are pollutants that may be expected to result in an increase in mortality or serious illness or may pose a present or potential hazard to human health. Health effects include cancer, birth defects, neurological damage, damage to the body's natural defense system, and diseases that lead to death. TACs are found in ambient air, especially in urban areas, and are caused by industry, agriculture, fuel combustion, and commercial operations (e.g., dry cleaners). Diesel exhaust is the predominant TAC in urban air and is estimated to represent about two-thirds of the cancer risk from TACs.

Although air pollution can affect all segments of the population, certain groups are more susceptible to its adverse effects than others. Children, the elderly, and the chronically or acutely ill are the most sensitive population groups. These sensitive receptors are commonly associated with specific land uses such as residential areas, schools, retirement homes, and hospitals. In addition, certain air pollutants, such as carbon monoxide, only have significant effects if they directly affect a sensitive population.

The *Project Garlic Health Risk Assessment* (EMC Planning Group 2021) (HRA) was prepared to analyze the single-source (direct) and cumulative effects of DPM and

$PM_{2.5}$ exposures and related cancer risks at MEI that could occur during project construction and operations. Community risk impacts were addressed by predicting increased lifetime cancer risk, the increase in annual $PM_{2.5}$ concentrations, and computing the Hazard Index (HI) for non-cancer health risks. Existing sources of TACs (refer to Figure 2-1 of the HRA) were identified including mobiles sources from vehicles on State Route 152. The HRA is included in Appendix D.

Construction Impacts

Construction health risks for both phases are discussed in the HRA Section 4.1. Construction equipment and associated heavy-duty truck traffic generates diesel exhaust and fugitive dust ($PM_{2.5}$) that poses health risks for sensitive receptors. Diesel particulate matter (DPM), which is a known TAC, is a component of diesel exhaust. The air district requires an analysis of construction emissions exposures when construction activity would occur within 1,000 feet of sensitive receptors. There is one sensitive receptor, a single-family residence located to the east within 1,000 feet of the project site. The home is the location of the Maximally Exposed Individual (MEI) and would be exposed to dust and equipment exhaust emissions during construction. The primary community risk impact issues associated with construction emissions are cancer risk and exposure to $PM_{2.5}$.

CalEEMod was used to estimate PM_{10} exhaust emissions (assumed to be DPM) and $PM_{2.5}$ fugitive emissions from construction activities. The AERMOD dispersion model was used to predict concentrations of DPM and $PM_{2.5}$ concentrations at sensitive receptors in the vicinity of the project site. The maximum increased cancer risks at the MEI were calculated using the modeled TAC concentrations combined with the Office of Environmental Health Hazard Assessment guidance for age sensitivity factors and exposure parameters as recommended by the air district.

The AERMOD model results show that unmitigated construction emissions would not exceed the air district single-source or cumulative thresholds for child/adult cancer risks, $PM_{2.5}$ exposures, or chronic DPM exposures at the MEI. Table 6, Unmitigated Health Risks During Construction, presents a comparison of the project's unmitigated cancer risks, $PM_{2.5}$ exposures, and chronic exposures (hazard index) with the air district single-source thresholds.

Operational Impacts

Operational health risks are analyzed in the HRA Section 4.2. Operational emissions on- and off-site would be generated by employee vehicles, fleet activities and larger delivery vehicles transporting materials to the site. Operational emissions volumes were modeled for employee vehicles, fleet operations, and delivery trucks moving

about the site and their contributions to mobile source emissions exposures on State Route 152 and Renz lane in the vicinity of the project site. Health risks from exposures to emissions were identified at the MEI.

Table 6 Unmitigated Health Risks During Construction

Construction Year	Infant/Child Cancer Risk (per million)[1]	Adult Cancer Risk (per million)[1]	Average $PM_{2.5}$ Concentrations (ug/m^3)[1]	Chronic Exposures (Hazard Index)[1]
Air District Single-Source Thresholds	10.0	10.0	0.30	1.0
Phase 1				
2021 (0.25 years during pregnancy)[3]	0.04	-	-	-
2021[3]	0.53	0.01	0.02	0.01
2022	1.03	0.02	0.03	0.02
Total Phase 1	1.61	0.03	0.05	0.03
Exceeds Thresholds (Unmitigated)?	*NO*	*NO*	*NO*	*NO*
Phase 2				
2022 (0.25 years during pregnancy)[3]	0.18	-	-	-
2022[3]	2.14	0.04	0.01	0.01
2023	2.42	0.04	0.02	0.01
Total Phase 2	4.74	0.08	0.03	0.02
Exceeds Thresholds (Unmitigated)?	*NO*	*NO*	*NO*	*NO*
Total Phase 1 and Phase 2				
Combined Phase 1 and Phase 2	6.35	0.11	0.08	0.07
Exceeds Thresholds (Unmitigated)?	*NO*	*NO*	*NO*	*NO*

SOURCE: EMC Planning Group 2021 and Bay Area Air Quality Management District 2017
NOTES:
1. Results have been rounded, and may, therefore, vary slightly.
2. The MEI is located at a house located east of the project site. The UTM coordinates are approximately 630033 meters Easting and 4096517 meters Northing (Refer to Figure 4-1).
3. Per OEHHA and air district direction, pregnancies are included in the first-year calculations

Project operations during each phase would increase sensitive receptors' lifetime cancer risk (cancer risk) and health risks from exposures to vehicle DPM, TOG, emissions associated with the project operations on and off the site. DPM and gasoline exhaust total organic gas emissions were modeled and their combined risks are reported as total cancer risk in Table 4-4 of the HRA. The HRA found that operational health risks of both phases at buildout would not to exceed air district single-source thresholds and are less than significant; subsequently the operational health risks of each phase would be less than significant.

The overall increase in health risks during operations of Phase 1 and Phase 2 at buildout are presented in Table 7 Combined Phase 1 and Phase 2 Unmitigated Operational Health Risks at the MEI.

Table 7 Combined Phase 1 and Phase 2 Unmitigated Operational Health Risks at the MEI

Category	Cancer Risk[1]	Average $PM_{2.5}$ Concentrations (ug/m^3)[1,2]	Chronic Exposures (Hazard Index)[1,2]
Air District Threshold	10.0	0.30	1.0
Operational Emissions[3]	0.034	<0.001	<0.001
Exceeds Thresholds (Unmitigated)?	*NO*	*NO*	*NO*

SOURCE: EMC Planning Group 2021 and Bay Area Air Quality Management District 2017

NOTES:

1. Results have been rounded, and may, therefore, vary slightly.
2. The MEI is located at a house located east of the project site. The UTM coordinates are approximately 630033 meters Easting and 4096517 meters Northing (Refer to Figure 4-1).
3. Full buildout of Phase 1 and Phase 2.

Cumulative Impacts

Cumulative community health risks are analyzed in HRA Section 4.3. Cumulative health risks at the MEI and the project's contribution to them during construction and operations were modeled. The HRA analysis determined that emissions generated by construction and operations of both phases of the proposed project would contribute to less than cumulatively considerable cancer and non-cancer health risks. Existing sources include permitted stationary sources and mobile sources on State Route 152, which has average daily traffic volumes that are greater than 10,000 vehicles per day. The cumulative community health risk impacts at the MEI and the project's contribution to them are summarized in Table 8, Cumulative Heath Risks at the Construction MEI.

The cumulative health risks associated with construction-related cancer risk, $PM_{2.5}$ emissions, and chronic toxicity levels with and without the project are below air district cumulative health risk thresholds and are less than cumulatively considerable. The project's contribution to the cumulative health risk impacts during construction and operations are less than cumulatively considerable. No additional mitigation is required.

Table 8 Cumulative Health Risks at Construction MEI

Emissions Source[1]	Cancer Risk (per million)[1]	Max Year $PM_{2.5}$ Concentration ($\mu g/m^3$)[1]	Max Year Hazard Index[1]
Air District Cumulative-Source Threshold	100.0	0.80	10.0
Highway 152 (28,400 AADT)	5.62	0.09	0.02
Permitted sources within 1,000 feet	57.58	0.00	0.25
Cumulative without the Project	63.20	0.09	0.27
Project Construction (Unmitigated)	6.35	0.04	0.01
Project Operations (Unmitigated)	0.034	<0.001	<0.001
Cumulative with Project	69.58	0.13	0.28
Exceeds Thresholds?	*NO*	*NO*	*NO*

SOURCE: EMC Planning Group 2021

NOTES:

1. Results have been rounded, and may, therefore, vary slightly.

e. Land uses creating objectionable odors include heavy industrial and some agricultural practices. The proposed project is an industrial project consisting of a delivery station, warehouse, and offices and therefore, would not create objectionable odors affecting a substantial number of people.

4. BIOLOGICAL RESOURCES

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, regulations, or by the California Department of Fish and Wildlife or US Fish and Wildlife Service? (2,3,23,24,25,26,28,29,30,31,32)	☐	☒	☐	☐
b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or US Fish and Wildlife Service? (23,24,26,27,30)	☐	☐	☒	☐
c. Have a substantial adverse effect on federally protected wetlands, as defined by section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.), through direct removal, filling, hydrological interruption, or other means? (23,24,29)	☐	☒	☐	☐
d. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites? (23,24)	☐	☐	☐	☒
e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance? (2,3,23)	☐	☐	☐	☒
f. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan? (2,3,33,34)	☐	☐	☒	☐

Comments:

Two biological resource reports were prepared by the applicant for the project: *Biological Resources Report, Project Garlic, Gilroy, California* (Huffman-Broadway Group, Inc. 2020a) and *Aquatic Resources Delineation Report, Project Garlic, Gilroy, California (*Huffman-Broadway Group, Inc. 2020b). A peer review of these documents was conducted by EMC Planning Group to determine if the reports provided were conducted according to professional standards, comprehensively address biological and aquatic resources with the potential to occur on or in the vicinity of the project site and are adequate for inclusion in a legally defensible environmental document (EMC Planning Group 2021). All three of these documents are included in Appendix E.

A reconnaissance-level biological field survey was conducted by EMC Planning Group biologist Patrick Furtado on February 9, 2021, to verify conditions described in the biological reports, document existing plant communities/wildlife habitats and evaluate the potential for special-status species to occur on the project site. Biological resources were documented in field notes, including species observed, dominant plant communities, and significant wildlife habitat characteristics. Qualitative estimations of plant cover, structure, and spatial changes in species composition were used to determine plant communities and wildlife habitats, and habitat quality and disturbance level were described.

Prior to conducting the survey, Mr. Furtado reviewed site plans, aerial photographs, natural resource database accounts, and other relevant scientific literature. This included searching the U.S. Fish and Wildlife Service (USFWS) Endangered Species Database (USFWS 2021), California Department of Fish and Wildlife (CDFW) California Natural Diversity Database (CDFW 2021), and California Native Plant Society (CNPS) Inventory of Rare and Endangered Plants (CNPS 2021) to identify special-status plants, wildlife, and habitats known to occur in the vicinity of the project site. Special-status species in this report are those listed as Endangered, Threatened, or Rare, or as Candidates for listing by the USFWS and/or CDFW; as Species of Special Concern or Fully Protected species by the CDFW; or as Rare Plant Rank 1B or 2B species by the CNPS.

The project site is located within the city of Gilroy approximately 0.3 mile east of U.S. Highway 101 along Pacheco Pass Highway (Highway 152). State Route 152 borders the project to the south with Miller Slough forming the northern boundary. Miller Slough is a channelized riparian corridor with a limited number of trees and shrubs planted on its levee.

Commercial and industrial development borders the project site to the west and east, respectively. The 59.7-acre site consists entirely of active agricultural fields along with drainage ditches and dirt access roads. No buildings or trees exist on the project site.

Five potentially jurisdictional aquatic features were identified in the Biological Resources Report (Huffman-Broadway Group, Inc. 2020a) and were further investigated in the Aquatic Resources Delineation Report (Huffman-Broadway Group, Inc. 2020b). The features include a farm road crossing culvert, highway road culvert, agricultural ditch, roadside ditch, and agricultural drainage ditch/ephemeral stream.

Wildlife habitat quality on the project site is considered low due to the high level of disturbance from agricultural activities. The borders of the agricultural fields contain scattered ruderal (weedy) plants, such as non-native cheeseweed (*Malva parviflora*), fennel (*Foeniculum vulgare*), and milk thistle (*Silybum marianum*). Plant cover required by many animal species is intensively managed through the regular application of herbicides.

Common mammal species that could possibly occur include raccoon (*Procyon lotor*), striped skunk (*Mephitis mephitis*), Virginia opossum (*Didelphis virginiana*), and California ground squirrel (*Spermophilus beecheyi*); common reptiles may include western fence lizard (*Sceloporus occidentalis*) and common garter snake (*Thamnophis sirtalis*). Species of small rodents including mice (*Mus musculus*, *Reithrodontomys megalotis*, and *Peromyscus maniculatus*). California vole (*Microtus californicus*) may also occur. No mammal, reptile, or amphibian species were observed during the February 2021 site visit.

a. **Special-Status Species**. The Biological Resources Report included a search of the California Department of Fish and Wildlife (CDFW) California Natural Diversity Database (CNDDB) was conducted for the Gilroy, Morgan Hill, Mt. Sizer, Mississippi Creek, Mt. Madonna, Gilroy Hot Springs, Watsonville East, Chittenden, and San Felipe USGS quadrangles to generate a list of potentially occurring special-status species in the project vicinity (Appendix E, Huffman-Broadway Group, Inc. 2020a). Records of occurrence for special-status plants were reviewed for those nine USGS quadrangles in the California Native Plant Society (CNPS) Inventory of Rare and Endangered Plants (CNPS 2021). A U.S Fish and Wildlife Service (USFWS) Endangered Species Program threatened and endangered species list was also generated for Santa Clara County (USFWS 2021).

   Critical habitat is a designation used by the USFWS for specific geographic areas that contain features essential to the conservation of an endangered or threatened species and that may require special management and protection. The project site is not within a critical habitat area.

   No special-status plant species were observed during surveys conducted during preparation of the Biological Resources Report or during the reconnaissance-level survey conducted in February 2021. Given the existing level of disturbance on the project site, special-status plants are not expected to occur on the site due to lack of suitable habitat.

Special-status wildlife species recorded as occurring in the vicinity of the project site but are not likely to occur due to lack of suitable habitat include San Joaquin kit fox (*Vulpes macrotis mutica*), California tiger salamander (*Ambystoma californiense*), California red-legged frog (*Rana draytonii*), tricolored blackbird (*Agelaius tricolor*), least Bell's vireo (*Vireo bellii pusillus*), and hoary bat (*Lasiurus cinereus*). Burrowing owl (*Athene cunicularia*), a California Species of Special Concern, and nesting birds protected under the federal Migratory Bird Treaty Act and the California Fish and Game Code have low potential to occur on the project site and are discussed further below.

Burrowing Owl. Burrowing owl (*Athene cunicularia*) is a California Species of Special Concern. Burrowing owls live and breed in burrows in the ground, especially in abandoned California ground squirrel burrows. Optimal habitat conditions include large open, dry and nearly level grasslands or prairies with short to moderate vegetation height and cover, areas of bare ground, and populations of burrowing mammals. This species is known to occur approximately 5.1 miles southeast of the site (CNDDB 2021).

Signs of burrowing owl were not observed during surveys conducted during preparation of the Biological Resources Report or during the reconnaissance-level survey conducted in February 2021. However, this species is highly mobile, and the project site contains agricultural fields that provide marginally suitable foraging habitat for burrowing owl, and a few scattered small mammal burrows on the Miller Slough levee could be utilized for nesting habitat. If burrowing owl is present on or adjacent to the project site, construction activities could result in the loss or disturbance of individual animals. This would be a significant adverse environmental impact. Implementation of the following mitigation measure would reduce this potential, significant impact to less than significant.

Mitigation Measure

BIO-1 To avoid/minimize impacts to burrowing owls potentially occurring within the project site, the project applicant shall retain a biologist qualified in ornithology to conduct surveys for burrowing owl. The approved biologist shall conduct a two-visit (i.e., morning and evening) presence/absence survey at areas of suitable habitat on and adjacent to the project site boundary no less than 14 days prior to the start of construction or ground disturbance activities. Surveys shall be conducted according to methods described in the Burrowing Owl Survey Protocol and Mitigation Guidelines (California Burrowing Owl Consortium 1993) and the Staff Report on Burrowing Owl Mitigation (CDFW 2012). The applicant shall submit evidence of completion of the preconstruction survey to the City of

Gilroy Planning Department prior to issuance of a grading permit. Because burrowing owls occupy habitat year-round, seasonal no-disturbance buffers, as outlined in the *Burrowing Owl Survey Protocol and Mitigation Guidelines* (CBOC 1993) and the *Staff Report on Burrowing Owl Mitigation* (CDFW 2012), shall be in place around occupied habitat prior to and during any ground disturbance activities. The following table includes buffer areas based on the time of year and level of disturbance (CDFW 2012), unless a qualified biologist approved by the CDFW verifies through non-invasive measures that either: 1) birds have not begun egg laying and incubation; or 2) that juveniles from the occupied burrows are foraging independently and are capable of independent survival.

Location	Time of Year	Level of Disturbance Buffers (meters)		
		Low	Med	High
Nesting Sites	April 1 – Aug 15	200 m	500 m	500 m
Nesting Sites	Aug 16 – Oct 15	200 m	200 m	500 m
Nesting Sites	Oct 16 – Mar 31	50 m	100 m	500 m

If burrowing owl is found and avoidance is not possible, burrow exclusion may be conducted by qualified biologists only during the non-breeding season, before breeding behavior is exhibited and after the burrow is confirmed empty through non-invasive methods, such as surveillance. Occupied burrows shall be replaced with artificial burrows at a ratio of one collapsed burrow to one constructed artificial burrow (1:1). Evicted burrowing owls may attempt to colonize or re-colonize an area that would be impacted, thus ongoing surveillance during project activities shall be conducted at a rate sufficient to detect burrowing owls if they return.

If surveys locate occupied burrows in or near construction areas, consultation with the CDFW shall occur to interpret survey results and develop a project-specific avoidance and minimization approach.

Nesting Birds. Various bird species, including California scrub-jay (*Aphelocoma californica*), may nest in the native trees and shrubs growing on the Miller Slough levee bordering the project site on the north. Future construction activities may impact nesting birds protected under the federal Migratory Bird Treaty Act and California Fish and Game Code, should nesting birds be present during construction. If protected bird species are nesting adjacent to the project site during the bird nesting season (January 15 through September 15), then noise-generating construction activities could result in the loss of fertile eggs, nestlings, or otherwise

lead to the abandonment of nests. Implementation of the following mitigation measure would reduce potential, significant impacts to nesting birds to less than significant.

Mitigation Measure

BIO-2 To avoid impacts to nesting birds during the nesting season (January 15 through September 15), to the extent feasible, construction activities that include any vegetation removal or ground disturbance (such as grading or grubbing) shall be conducted between September 16 and January 14, which is outside of the bird nesting season. If construction activities commence during the bird nesting season, then a qualified biologist shall conduct a pre-construction survey for nesting birds to ensure that no nests would be disturbed during project construction.

If construction activities are scheduled during the nesting season (February 15 to August 30 for small bird species such as passerines; January 15 to September 15 for owls; and February 15 to September 15 for other raptors), a qualified biologist shall conduct nesting bird surveys. Two surveys for active nests of such birds shall occur within 10 days prior to start of construction, with the second survey conducted with 48 hours prior to start of construction. Appropriate minimum survey radius surrounding the work area is typically 250 feet for passerines, 500 feet for smaller raptors, and 1,000 feet for larger raptors. Surveys shall be conducted at the appropriate times of day to observe nesting activities.

If the qualified biologist documents active nests within the project site or in nearby surrounding areas, an appropriate buffer between each nest and active construction shall be established. The buffer shall be clearly marked and maintained until the young have fledged and are foraging independently. Prior to construction, the qualified biologist shall conduct baseline monitoring of each nest to characterize "normal" bird behavior and establish a buffer distance, which allows the birds to exhibit normal behavior. The qualified biologist shall monitor the nesting birds daily, or as otherwise required by the California Department of Fish and Wildlife, during construction activities and increase the buffer if birds show signs of unusual or distressed behavior (e.g., defensive flights and vocalizations, standing up from a brooding position, and/or flying away from the nest). If buffer establishment is not possible, the qualified biologist or construction foreman shall have the authority to cease all construction work in the area until the young have fledged and the nest is no longer active. This measure shall be implemented by the developer prior to start of construction activities.

b. **Riparian Habitat or Sensitive Natural Communities.** There were no riparian habitat or sensitive natural communities observed at the project site. The project site is bordered on the north by Miller Slough, a tributary of Llagas Creek channelized within a constructed levee. However, proposed project construction would not occur within the riparian setback. Impacts to riparian habitat or sensitive natural communities within the project site are not anticipated.

c. **Wetlands and Waters of the U.S.** A review of the National Wetlands Inventory online database was conducted to identify the closest jurisdictional aquatic features on or adjacent to the project site (USFWS 2021). In addition to Miller Slough (discussed above), an agricultural ditch along the historical alignment of Miller Slough bisects the project site. The agricultural ditch was investigated along with four other potentially jurisdictional features in the Aquatic Resources Delineation Report. Because these features were constructed and lack connectivity to tributaries or natural streams, they are considered excluded from USACE jurisdiction under the CWA (Huffman-Broadway Group, Inc. 2020b). However, all of these drainages would likely be subject to the Central Coast Regional Water Quality Control Board (CCRWQCB) Porter-Cologne Act jurisdiction and CDFW Section 1602 jurisdiction.

The proposed project includes improvements for stormwater management within the agricultural ditch transecting the site and removal/enhancement of the four remaining features identified in the Aquatic Resources Delineation Report. In addition, a tentative plan to cross the agricultural ditch parallel to State Route 152 to provide additional fire access/circulation has been proposed. The loss of wetlands/waterways under CDFW and/or RWQCB regulatory agency jurisdiction due to project implementation would be a significant impact. Implementation of the mitigation measures below would reduce this impact to a less-than-significant level.

Mitigation Measure

BIO-3 Based on the current proposed plans, if the aquatic features shown in the Biological Resources Report and Aquatic Resource Delineation Report (Huffman-Broadway Group, Inc. 2020a, 2020b) are considered jurisdictional by the CDFW and/or RWQCB, the project may require one or more regulatory permits. To determine whether the drainage is considered jurisdictional, the applicant shall retain a qualified biologist/wetland regulatory specialist to initiate discussions with the RWQCB and CDFW for this purpose.

If impacts to a feature subject to state jurisdiction may occur, fill authorization will be sought from the RWQCB and/or the CDFW if determined necessary through the regulatory agency consultation process.

d. **Wildlife Movement.** Terrestrial species must navigate a habitat landscape that meets their needs for breeding, feeding and shelter. Natural and semi-natural components of the landscape must be large enough and connected enough to meet the needs of all species that use them. Wildlife movement corridors provide connectivity between habitat areas, enhancing species richness and diversity, and usually also provide cover, water, food, and breeding sites.

The project site is located adjacent to the Miller Slough riparian corridor, which is likely an important means of local wildlife movement. However, adherence to development setbacks from the riparian corridor would reduce or eliminate impacts to wildlife movement. The project site is not located within any previously defined essential connectivity areas and is also adjacent to existing developed areas. The project site is not likely to facilitate major wildlife movement due to current active disturbance. As such, the proposed project would have a less-than-significant impact on wildlife movement.

e. **Local Biological Resource Policies/Ordinances.** The *City of Gilroy 2040 General Plan* has goals in place for conserving natural resources. The Natural and Cultural Resources Element establishes goals, policies, and programs to preserve and enhance Gilroy's natural areas, plant and wildlife habitats, wetlands and streams, scenic views, and historic or culturally significant resources.

Mitigation measures contained in this section will mitigate impacts to biological resources to a less than significant level. With these considerations, the proposed project would not conflict with local regulations related to biological resources.

Trees. The proposed project does not include the removal of any trees; therefore, the proposed project would not conflict with local regulations related to protected trees.

f. **Conservation Plans.** The Santa Clara Valley Habitat Plan (SCVHP) is a 50-year regional plan to protect endangered species and natural resources while allowing for future development in southern Santa Clara Valley. It is both a habitat conservation plan and natural community conservation plan, or HCP/NCCP. The SCVHP is a regional partnership between six local partners (the County of Santa Clara, Santa Clara Valley Transportation Authority, Santa Clara Valley Water District, and the cities of San Jose, Gilroy, and Morgan Hill) and two Wildlife Agencies (the CDFW and the USFWS).

According to the *Geobrowser* (Santa Clara Valley Habitat Agency 2021), the project site is located within the Habitat Plan permit area, Fee Zone B (agricultural and valley floor lands), and is designated "grain, row-crop, hay and pasture, disked / short-term fallowed". The corridor along Miller Slough is designated as a required survey area

for tricolored blackbird (*Agelaius tricolor*); however, surveys conducted during preparation of the Biological Resources Report and the reconnaissance-level survey conducted in February 2021 did not identify potential habitat for tricolored blackbird near the project boundary and no impacts to Miller Slough are proposed. No additional surveys are required. A SCVHP permit application and associated fees will be processed at the time of application for planning approvals and grading and/or building permits from the City of Gilroy. Obtaining the permit will comply with the requirements of the SCVHP and no further measures are necessary.

5. CULTURAL RESOURCES

Would the project:

		Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a.	Cause a substantial adverse change in the significance of a historical resource as defined in section 15064.5? (1,3)	☐	☐	☒	☐
b.	Cause a substantial adverse change in the significance of an archaeological resource pursuant to section 15064.5? (1,3)	☐	☐	☒	☐
c.	Disturb any human remains, including those interred outside of dedicated cemeteries? (1,3)	☐	☐	☒	☐

Comments:

a. The project site has been intensively used for agricultural production for more than 50 years (ATC Group Services LLC 2020). Although there are no structures onsite, there is the possibility of an accidental discovery or recognition of historic below-ground resources during grading activities. The following City of Gilroy Standard Condition of Approval would reduce the potential impact to a less-than-significant level.

Standard Condition of Approval

In the event of an accidental discovery of archaeological resources during grading or construction activities, Developer shall include the following language on any grading, site work, and construction plans issued for the project site:

"If archaeological or cultural resources are discovered during earth-moving, grading, or construction activities, all work shall be halted within at least 50 meters (165 feet) of the find and the area shall be staked off immediately. The monitoring professional archaeologist, if one is onsite, shall be notified and evaluate the find. If a monitoring professional archaeologist is not onsite, the City shall be notified immediately and a qualified professional archaeologist shall be retained (at Developer's expense) to evaluate the find and report to the City. If the find is determined to be significant, appropriate mitigation measures shall be formulated by the professional archaeologist and implemented by the responsible party."

b. According to the General Plan EIR, Figure 3.5-1, Archaeological Sensitivity, the project site is located in a low to moderate archaeological sensitivity zone. Although the project site has been in agricultural production for more than 50 years, there is always the possibility of an accidental discovery or recognition of unique archaeological resources during grading activities. Implementation of the above-mentioned Standard Condition of Approval would be required to reduce potential impacts to unique archaeological resources to a less-than-significant level.

c. Development of the project site would involve construction activities that could result in the disturbance of undiscovered human remains. Disturbance of Native American human remains is a significant, adverse environmental impact. The following Standard Condition of Approval would reduce the potential impact to a less-than-significant level.

Standard Condition of Approval

In the event of an accidental discovery or recognition of any human remains, Developer shall include the following language in all grading, site work, and construction plans:

"If human remains are found during earth-moving, grading, or construction activities, there shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent human remains until the coroner of Santa Clara County is contacted to determine that no investigation of the cause of death is required. If the coroner determines the remains to be Native American the coroner shall contact the Native American Heritage Commission within 24 hours. The Native American Heritage Commission shall identify the person or persons it believes to be the most likely descendent (MLD) from the deceased Native American. The MLD may then make recommendations to the landowner or the person responsible for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and associated grave goods as provided in Public Resources Code Section 5097.98. The landowner or his authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity on the property in a location not subject to further disturbance if: a) the Native American Heritage Commission is unable to identify a MLD or the MLD failed to make a recommendation within 24 hours after being notified by the commission; b) the descendent identified fails to make a recommendation; or c) the landowner or his authorized representative rejects the recommendation of the descendent, and the mediation by the Native American Heritage Commission fails to provide measures acceptable to the landowner."

6. ENERGY

Would the project:

		Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a.	Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation? (1,2,42,43,44,45,46)	☐	☐	☒	☐
b.	Conflict with or obstruct a state or local plan for renewable energy or energy efficiency? (1,2,46)	☐	☐	☐	☒

Comments:

a. Energy impacts are assessed based on the proposed project energy demand profile and on its relationship to the state's energy efficiency regulations and the City's land use planning regulations, as described below.

Projected Energy Demand

The proposed project would result in increased demand for electricity, natural gas and transportation fuel. A summary of projected energy demand is provided below.

Electricity. According to the According to the California Energy Commission Energy Consumption Data Management System (2021a), in 2019, total electricity consumption in Santa Clara County was 16,664,460,569 kilowatt-hours (kWh). Section 5.3, Energy by Land Use – Electricity, in the CalEEMod results included in Appendix C show projected electricity demand (Phase 1 and Phase 2 combined) would be approximately 2,046,610.9 kWh per year. Projected electricity demand would be less than 0.001percent of the total 2019 Santa Clara County electricity demand.

Natural Gas. According to the California Energy Commission Energy Consumption Data Management System (2021b), in 2019, total natural gas consumption in total natural gas consumption in Santa Clara County was 459,720,764 therms. Section 5.2, Energy by Land Use – Natural Gas, in the CalEEMod results included in Appendix C show that projected natural gas demand (Phase 1 and Phase 2 combined) would be about 1,240,687 British Thermal Unit (BTU) per year or approximately 12 therms per year (1 therm = 100,000 BTU). Projected natural gas demand would be less than 0.001 percent of the total 2019 Santa Clara County natural gas demand.

Transportation Fuel. The proposed project would generate new traffic trips that would increase vehicle miles traveled. New vehicle trips would result in increased demand for and consumption of transportation fuel. CalEEMod results included in Appendix C show that the projected annual vehicle miles traveled for Phase 1 and Phase 2 would be 6,775,784 miles. The 2021Emissions Factor Model version 1.01, which uses vehicle miles traveled as an input, was used to estimate the projected transportation fuel use. Projected transportation fuel (diesel and gas) demand would be about 14,586,960 gallons of diesel and 53,183,521 gallons of gasoline per year.

Regulatory Requirements

A multitude of state regulations and legislative acts are aimed at improving vehicle fuel efficiency, energy efficiency, and enhancing energy conservation. For example, the Pavley I standards focus on transportation fuel efficiency. The gradual increased use of electric cars powered with cleaner electricity will reduce consumption of fossil fuel. Vehicle miles traveled are expected to decline with the continuing implementation of Senate Bill (SB) 743, resulting in less vehicle travel and less fuel consumption. In the renewable energy use sector, representative legislation for the use of renewable energy includes, but is not limited to SB 350 and Executive Order B-16-12. In the building energy use sector, representative legislation and standards for reducing natural gas and electricity consumption include, but are not limited to Assembly Bill 2021, CALGreen, and the California Building Standards Code.

The California Building Standards Code is enforceable at the project-level. The California Energy Code (California Code of Regulations, Title 24, Part 6), which is incorporated into the California Building Standards Code, was first established in 1978 in response to a legislative mandate to reduce California's energy consumption. The California Energy Code is updated every three years by the California Energy Commission as the Building Energy Efficiency Standards to allow consideration and possible incorporation of new energy efficiency technologies and construction methods. The Green Building Standards Code (also known as CALGreen), which requires all new buildings in the state to be more energy efficient and environmentally responsible, was most recently updated in July 2019. These comprehensive regulations are intended to achieve major reductions in interior and exterior building energy consumption.

Conclusion

The proposed project could have significant impacts due to wasteful, inefficient, or unnecessary consumption of energy if its energy demand is extraordinary relative to common land use types, its gross energy demand is excessive relative to total demand in Santa Clara County, and/or it fails to comply with California energy efficiency/conservation regulations that are within the applicant’s control.

The project is a common land use type whose electricity and natural gas demand would not be excessive. As presented above, projected electricity and natural gas demand would not be excessive relative to cumulative electricity and natural gas demand in Santa Clara County. Further, the City of Gilroy enforces the California Building Standards Code through the development review process. That enforcement is the primary mechanism through which the applicant would be required to implement energy efficiency/conservation measures.

The proposed project would consume energy, but it would not be inefficient, wasteful, or unnecessary. Therefore, the impact would be less than significant.

b. There are no regulations at the state or local level that would mandate that the proposed project must include on-site renewable energy sources. The California Building Standards Code requires the proposed project to be built to the Building Energy Efficiency Standards in effect at the time the building permit is issued. By incorporating energy efficient measures per the Building Energy Efficiency Standards, the project would comply with existing state and local energy standards and would not conflict with or obstruct a state or local plan for energy efficiency.

7. GEOLOGY AND SOILS

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
(1) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42. (1,16)	☐	☐	☐	☒
(2) Strong seismic ground shaking? (1,3,16)	☐	☒	☐	☐
(3) Seismic-related ground failure, including liquefaction? (1,3,16)	☐	☐	☒	☐
(4) Landslides? (1,3,16)	☐	☐	☒	☐
b. Result in substantial soil erosion or the loss of topsoil? (1,3,16)	☐	☒	☐	☐
c. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse? (1,3,16)	☐	☒	☐	☐
d. Be located on expansive soil, as defined in Table 18-1-B of the California Building Code (2001), creating substantial risks to life or property? (1,3,16)	☐	☒	☐	☐

Comments:

Much of the analysis in this section is from the *Geotechnical Engineering Study, Gilroy Site – Proposed New Building and Site Improvements, 1445 Pacheco Pass Highway [APN: 841-18-02] Gilroy, California* ("geotechnical study") prepared by Condor Earth in July 2020 for the proposed project. The full geotechnical study can be found in Appendix F of this initial study.

a. **Rupture of Known Earthquake Fault**. No known fault crosses the subject site, and the site is not located in a Fault-Rupture Hazard Zone as established by the Alquist-Priolo Earthquake Zoning Act (Condor Earth 2020, p. 3). The nearest fault line is the Calaveras Fault Zone located approximately 2.75 miles east of the site. Therefore, the proposed project is not expected to expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving a known earthquake fault.

Seismic Ground Shaking. The General Plan EIR states that existing and future development associated with buildout of the General Plan would be exposed to seismic ground shaking to the extent that human harm and/or property damage could occur, which would be considered a significant, adverse environmental impact.

The project geotechnical study discusses the results of the general seismic analysis for the design of the proposed structures, and concludes that the site should be suitable from a geotechnical standpoint for construction of the proposed site improvements provided the geotechnical recommendations contained herein are incorporated into the project design. The report author recommended that a ground motion hazard analysis was not necessary for this project, as allowed by the 2019 California Building Code. With implementation of the following mitigation measure, the proposed project is not expected to expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving seismic ground shaking.

Mitigation Measure

GEO-1 Prior to issuance of a grading permit, the Developer shall incorporate all of the geotechnical engineer's recommendations into the project design, subject to review and approval by the City's Public Works Department.

Liquefaction. The project site is not in an area covered by the Seismic Hazard Mapping Act, which includes liquefaction hazards (Condor Earth 2020, p. 3). However, the potential for an earthquake with the intensity and duration characteristics capable of promoting liquefaction is a possibility during the design life of the project (Condor Earth 2020, p. 5). The upper 15 feet of the site soils consist of stiff clay that will not liquefy. Therefore, the geotechnical engineer does not recommend specific mitigation for the proposed structures, as the seismically induced settlement is within an acceptable value for shallow or mat foundations (Condor Earth 2020, p. 5). Therefore, the proposed project is not expected to expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving liquefaction.

Landslides. The project site is generally level and not in an area covered by the Seismic Hazard Mapping Act, which includes landslide hazards (Condor Earth 2020, p. 3). Therefore, the proposed project is not expected to expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving a landslide.

b. The General Plan EIR states that the potential for soil erosion within the northern, central, and eastern portions of the Urban Growth Boundary varies from none to slight in areas with slopes of less than ten percent. The project site is in the eastern portion of the Urban Growth Boundary and city limits and is relatively flat). The General Plan EIR determines that the majority of construction activities, consistent with the General Plan, will likely occur on relatively flat slopes where soil erosion potential ranges from none to slight and, therefore, impacts from soil erosion will likely be limited.

The preliminary grading plan, Sheet 5 of the Tentative Map, indicates that grading will consist of 14,300 cubic yards of cut and 283,700 cubic yards of fill, for a net fill (soil import) of 269,400 cubic yards. Development of the proposed project has the potential to result in soil erosion, which could be a significant impact, especially if the soil erodes into Miller Slough.

Due to the amount of disturbance on the site (54.8 acres) during grading activities, soil erosion could be considered a significant impact. Implementation of the following mitigation measure would reduce this potential impact to a less-than-significant level.

Mitigation Measure

GEO-2 The developer shall prepare an erosion control plan that details appropriate methods to prevent and/or minimize erosion. The erosion control plan is subject to the review and approval of the City of Gilroy Public Works Department prior to the issuance of a grading permit.

In addition to the mitigation above, the proposed project would be required to comply with the General Plan Policy PH 2.6 with its Preliminary Grading and Drainage Plan, which requires all new development proposals to include a site plan detailing appropriate methods of erosion and deposition control during site development and subsequent use; and General Plan Policy PH 3.6, which requires new development to include landscaped areas for reducing runoff and increasing runoff absorption capacities and encourages the use of permeable paving materials, which would minimize the erosive effects of storm water (refer to Sheets C300, C600, and L100 illustrating the drainage management and landscaped areas proposed on the site).

c. As noted in the above-mentioned checklist question responses, the soils onsite have some unstable qualities that could result in geologic hazards that have the potential to damage property and in extreme circumstances, could result in human harm or loss of life, which would be considered a significant, adverse environmental impact. The proposed project would be required to comply with the General Plan policies identified previously (PH 1.3, -2.5, -2.6, and -3.6) and would implement Mitigation Measure GEO-2 as provided on checklist question b). Implementation of these policies and mitigation would reduce potential impacts related to unstable soils to a less-than-significant level.

d. The geotechnical study concluded that the near-surface soils at the project site are potentially expansive, which could result in a significant, adverse environmental impact. The major consideration in foundation design at the site is the post-construction swell potential of the near-surface soils (Condor Earth 2020, p. 9). Therefore, the following mitigation would be required, in compliance with the geotechnical study's recommendations for safety of the proposed project's design in order to reduce the effects of the potentially-expansive soils to a less-than-significant level.

Mitigation Measure

GEO-3 Pursuant to the Geotechnical Engineering Study prepared by Condor Earth on July 8, 2020 for the project, the following recommendation shall be implemented in order to reduce impacts related to the potential for expansive soils onsite:

The foundation should extend below much of the zone of seasonal moisture variation or be constructed sufficiently stiff to move as rigid units with differential movement of foundations from heaving or settlement reduced to a value compatible with the proposed superstructure type and architectural finishes. The project structural engineer should take this into account when designing the foundations. Provided that the site is graded and all building pads are prepared in accordance with the recommendations provided in the geotechnical study, the conventional shallow foundation system would be appropriate for the proposed building foundations.

This recommendation shall be implemented prior to issuance of a grading permit subject to the review and approval by the City of Gilroy Public Works Department.

8. GREENHOUSE GAS EMISSIONS

Would the project:

		Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a.	Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment? (1,40,47,48,49,50,51)	☐	☒	☐	☐
b.	Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases? (1,40,47,48,49,50,51)	☐	☒	☐	☐

Comments:

a. Construction and operation of the proposed project will generate greenhouse gas emissions (GHG) that contribute to global warming. The primary sources of GHGs will be from combustion of fuel in vehicles and use of electricity generated by fossil fuels. This section of the initial study identifies fundamental legislation regarding state GHG reduction targets, applicable thresholds of significance, sources and projected volume of GHG emissions from the proposed project, GHG emissions impacts in light of applicable thresholds of significance, and mitigation measures to lessen project impacts on climate change.

Assembly Bill 32. In September 2006, the California State Legislature enacted the California Global Warming Solutions Act of 2006, also known as AB 32. AB 32 requires that statewide GHG emissions be reduced to 1990 levels by 2020.

Senate Bill 32. Effective January 1, 2017, Senate Bill (SB) 32 added a new section to the Health and Safety Code. It requires that the California Air Resources Board ensure that statewide greenhouse gas emissions are reduced to at least 40 percent below those that occurred in 1990 no later than December 31, 2030.

Thresholds of Significance. The City of Gilroy thresholds of significance currently do not address GHG emissions. State CEQA Guidelines Section 15064.4 addresses the approach for evaluating the significance of GHG emissions effects. Lead agencies are encouraged to use a model or models to estimate GHG emissions volumes then determine whether the emissions exceed a threshold that the lead agency determines to be significant. State CEQA Guidelines Section 15064.7(c) states that when adopting thresholds of significance, a lead agency may consider thresholds of significance previously adopted or recommended by other public agencies, or recommended by experts.

The air district's 2017 CEQA Air Quality Guidelines include guidance on evaluating, determining significance of, and mitigating GHG impacts of projects and plans. The guidelines include thresholds of significance that are based on AB 32 GHG emission reduction goals for the year 2020. The proposed project is expected to be operational by 2022. Therefore, the thresholds do not address GHG emissions reductions needed after 2020 to keep statewide emissions on a path toward meeting the 2030 SB 32 emissions reduction target.

The City of Gilroy does not have an adopted plan for reducing GHG emissions, nor is there an adopted regional plan for reducing GHG emissions that is applicable to the proposed project. Consequently, a GHG threshold of significance for the anticipated project operational year of 2022 has been developed that is based on the GHG emission reduction goals codified in SB 32, which is considered to be the applicable plan for reducing GHG emissions. The threshold is a GHG efficiency metric that represents the rate of emissions generation that must be achieved by the project in 2022 for it to be consistent with the statewide emissions trajectory required to achieve the 2030 SB 32 emissions target. The threshold is the year 2022 ratio of total statewide GHG emissions to statewide service population, where service population is the sum of the number of jobs and the number of residents. If the proposed project rate of emissions in 2022 is equal to or below the 2022 threshold, project emissions would not conflict with the state's ability to achieve the SB 32 GHG reduction target of 40 percent below 1990 levels by 2030.

The California Air Resources Board stated in the *First Update to the Climate Change Scoping Plan* that an average statewide GHG reduction of 5.2 percent per year from the projected statewide year 2020 GHG emissions inventory volume will be needed to stay on a trajectory to achieve state reduction targets for 2030. The first step in deriving an applicable efficiency metric threshold for the project is to determine the projected volume of statewide GHG emissions from land use driven sectors in 2022 that must be achieved to stay on trajectory towards meeting the statewide 2030 reduction target of 40 percent below 1990 levels. Land use driven emissions are those from sources that function to support population and employment growth.

Land use driven GHG emissions can be isolated out of the 2020 projected statewide emissions inventory by eliminating emissions sources that are not land use driven and that would not accommodate projected new population or employment growth. For example, emissions associated with ocean transport or agriculture are not related to new land use driven emissions. Conversely, emissions associated with on-road transportation, electricity production, natural gas combustion, wastewater treatment, and solid waste are land use driven as they contribute to accommodating new

population and employment growth. The threshold of significance derived is, therefore, specific to evaluating the significance of GHG emissions generated solely from land use projects.

Individual land use projects across the state commonly generate GHG emissions from similar sources: mobile, energy, area, water, and solid waste. The emissions profiles of common land use projects (e.g., residential, commercial, mixed use, etc.) generally do not vary substantially in terms of the proportions of emissions generated from each of these sources. This is true for land use projects as a class, regardless of their locations within the state. Since climate change is a global phenomenon, the specific location at which GHG emissions are emitted by a land use project within the state and climate change conditions in that location are not highly informative as a measure a project's potential to contribute to adverse climate change effects. Consequently, the threshold determination methodology focuses on the level of GHG emissions reduction an individual land use project should achieve to comply with statewide goals.

The threshold of significance is represented as a GHG efficiency metric – a rate of emissions the proposed (land use) project must achieve to contribute its fair share for meeting statewide goals. The threshold defines the "fair share" of required statewide reductions needed for the project to have a less-than-significant impact.

Table 9, 2020 California Greenhouse Gas Inventory for Land Use Driven Emissions, shows the 2020 state emissions inventory for land use driven GHG emissions. Total land use driven emissions are projected at 286.70 million metric tons (MMT) of carbon dioxide equivalent (CO_2e).

Applying the California Air Resources Board's 5.2 percent annual emissions reduction rate to the 2020 projected state inventory volume of 286.70 MMT CO_2e for two consecutive years yields an emissions volume of 257.53 MMT CO_2e in 2022 that must be achieved statewide.

The 2022 statewide service population is the sum of the projected 2022 population and projected 2022 employment. The projected 2022 population is 40,146,003 (California Department of Finance 2021a). The California Employment Development Department, California Occupational Employment Projections 2018-2028, show that the 2028 employment projection is 20,412,500 jobs (California Employment Development Department 2021). Projected 2022 employment is equivalent to the 2028 projection of 20,412,500 jobs minus the annual average rate of employment during the period 2018 to 2028, which equals 158,660 jobs per year or 951,960 for the six-year period 2022 to 2028. Therefore, 2022 employment is estimated at 19,460,540 jobs. The 2022 service population is 40,146,003 (population) plus 19,460,540 (jobs), for a total of 59,606,543.

Table 9 2020 California Greenhouse Gas Inventory for Land Use Driven Emissions

Land Use Type	Emissions (MMT CO_2e)
On-Road Transportation	
Passenger Cars	63.77
Light Duty Trucks	44.75
Motorcycles	0.43
Heavy Duty Trucks	29.03
Freight	0.02
Subtotal	138.00
Electricity Generation In-State	
Commercial Cogeneration	0.70
Merchant Owned	2.33
Transmission and Distribution	1.56
Utility Owned	29.92
Subtotal	34.51
Electricity Generation In-State	
Specified Imports	29.61
Transmission and Distribution	1.02
Unspecified Imports	30.96
Subtotal	61.59
Commercial	
CHP: Commercial	0.40
Communication	0.07
Domestic Utilities	0.34
Education	1.42
Food Services	1.89
Healthcare	1.32
Hotels	0.67
Not Specified Commercial	5.58
Offices	1.46
Retail & Wholesale	0.68
Transportation Services	0.03
Subtotal	13.86
Residential	
Household Use	29.66
Subtotal	29.66

Land Use Type	Emissions (MMT CO_2e)
Industrial	
Landfills	6.26
Domestic Wastewater Treatment	2.83
Subtotal	9.09
Total Emissions	286.70

SOURCE: California Air Resources Board. No date.

Given the data above, the 2022 GHG efficiency threshold for the proposed project is 257.53 MMT CO_2e per year (state emissions volume reduction trajectory target in 2022) / 59,606,543 or 4.32 MT CO_2e per year per service population.

Project Emissions. Construction GHG emissions would be generated by equipment used during site preparation, grading, paving, and building construction. Operational GHG emissions would be generated primarily from mobile sources including trucks and employee vehicle trips. Use of electricity and natural gas would be the second leading sources of GHG emissions. Other sources would include diesel-powered stationary equipment, use of electricity to pump water supply and treat wastewater, and decomposition of solid waste generated by the project when disposed at a landfill.

Annual operational GHG emissions have been estimated using the California Emissions Estimator Model (CalEEMod) Version 2016.3.2 software. For a detailed discussion of the modeling methodology and CalEEMod inputs and results please refer to the *Project Garlic Industrial Project – Emissions Modeling Methodology, Assumptions, and Results* memorandum ("GHG/AQ memo") and results included in Appendix C.

CalEEMod also estimates the changes in the carbon sequestration potential of the project site based on changes in natural vegetation communities and the net number of new trees that would be planted as part of the proposed project.

Construction Emissions. As discussed in the project description, the project would be developed in two phases: Phase 1 - delivery station, and Phase 2 - industrial building. A Phase 3 is defined as future development of the remainder 5.2-acre lot, but that development is not a part of the current project. Only Phase 1 and Phase 2 are evaluated in this initial study. Based on construction schedule and equipment usage information submitted by the applicant, CalEEMod estimated emissions over 245 construction workdays for each of two planned construction phases.

Construction activity would generate a Phase 1 and Phase 2 total of 2,014.86 metric tons (MT) CO_2e of unmitigated GHG emissions. An annual construction emissions volume is obtained by amortizing construction GHG emissions over a 30-year time period. Annual construction emissions would be approximately 67.16 MT CO_2e per year (2,014.86 MT CO_2e / 30 years).

Operational Emissions. Operations of Phases 1 and 2 combined would generate an estimated 3,104.05 MT CO_2e of GHGs annually. This emissions volume includes reductions from required compliance with state requirements for the Model Water Efficient Landscape Ordinance and the 2019 Building Energy Efficient Standards. Of this total, mobile transportation sources would generate approximately 2,476 MT CO_2e, or 80 percent. GHG emissions from electricity use would be about 8 percent. The operational emissions inventory for the project is shown in Table 3 of the Project Garlic Industrial Project – Emissions Modeling Methodology, Assumptions, and Results Memo found in Appendix C.

Carbon Sequestration Potential. Phase 1 would result in a loss of 211.61 MT CO_2e; Phase 2 would result in a gain of 144.33 MT CO_2e in sequestration potential. Therefore, a net loss in carbon sequestration potential of 67.28 MT CO_2e is projected over the lifetime of the project. Averaged over a 30-year lifetime, the annual loss in carbon sequestration potential would be 67.28 MT CO_2e / 30 years, or 2.24 MT CO_2e per year.

Baseline Emissions. The current agricultural uses on the site generate GHG emissions from electricity used for irrigation water pumping and farm equipment. To be conservative, baseline emissions have not been calculated or subtracted from the projected project emissions to arrive at the net change in emissions.

Service Population. The project service population is the sum of the new population and employment it generates. The delivery station (Phase 1) would result in approximately 197 full-time employees and the industrial building (Phase 2) would result in approximately 333 employees (Gicela Del Rio, email message, May 11, 2021). Therefore, the proposed project would result in approximately 530 employees.

Table 10, Project Greenhouse Gas Emissions Summary, summarizes the projected GHG emissions at buildout and indicates whether the emissions meet the threshold of significance.

Conclusion. As summarized in Table 9, at buildout, the proposed project would generate approximately 5.99 MT CO_2e per year per service population (3,173.45 MT CO_2e per year / 530 service population). This is above the threshold of significance of 4.32 MT CO_2e per year per service population for the year 2022. Therefore, the project would generate GHG emissions that have a significant effect on the environment.

Table 10 Project Greenhouse Gas Emissions Summary

Emission Source	Annual GHG Emissions
Amortized Construction	67.16
Annual Operational	3,104.05
Annual Project GHG Emissions[2]	3,171.21
Annual Carbon Sequestration Potential (loss)	2.24
Net Project Emissions	3,173.45
Service Population	530
Net GHG Emissions Per Service Population	5.99
Threshold of Significance	4.32
Project Emissions Exceed Threshold?	Yes

SOURCES: EMC Planning Group 2021
NOTES:
1. Expressed in MT CO_2e per year.
2. Sum of amortized construction and unmitigated operational emissions.

Mitigation Measures

GHG-1 If the City of Gilroy has adopted a qualified GHG reduction strategy prior to the time building permits are issued for the project, the applicant shall have the option to incorporate applicable GHG reduction measures identified in the GHG reduction strategy into the proposed project. Applicable measures from the reduction strategy shall be confirmed by the City of Gilroy. If the Planning Division finds that the project is consistent with the GHG reduction strategy, the significant project GHG impact would be reduced to less than significant and no further mitigation would be required.

If City has not adopted a qualified GHG reduction strategy prior to the time building permits are issued for the project, the applicant shall implement mitigation measure GHG-2.

GHG-2 Prior to issuance of building permits for the project proposed the applicant shall prepare a Greenhouse Gas (GHG) Reduction Plan. The GHG Reduction Plan shall demonstrate, with substantial evidence, that GHG emissions will be reduced to the year 2022 service population threshold of significance of 4.32 MT CO_2e per year per service population. This would require that the unmitigated project emissions of 3,173 MT CO2e per year be reduced by 884 MT CO_2e per year [3,173 MT CO_2e – (4.32 MT CO_2e x 530 service population)] to 2,289 MT CO_2e.

The GHG Reduction Plan shall prioritize on-site GHG reduction design features. At a minimum, the Reduction Plan should include the GHG reduction measures listed below. Other feasible reduction measures may be substituted for the

measures listed below provided that the City of Gilroy Planning Division Manager finds, based on substantial evidence provided by the applicant, that the substitute measures achieve an equal or greater volume of emissions reduction. Additional measures may be added by the applicant. A combination of the following measures can be included in the Reduction Plan:

- Implement the Transportation Demand Management Program strategies identified in mitigation measure TR-1 in this initial study to reduce VMT and associated mobile source GHG emissions from employee travel.
- Include sufficient plug-in capabilities for transport refrigeration units, if any, to eliminate the time that a transportation refrigeration system is powered by a fossil-fueled internal combustion engine while at the site.
- Exceed minimum CALGreen Code standards for bicycle parking and bicycle lockers; parking spaces dedicated for low-emitting, fuel efficient vehicles; and electric vehicle charging stations.
- Design buildings to exceed the current 2019 Title 24 energy efficiency standards by a minimum of five percent.
- All appliances installed in all buildings shall be Energy Star rated.
- Exceed higher than mandated parking lot lighting and area lighting energy efficient standards.
- Electrify truck loading docks.

In lieu of or in addition to one or more of the on-site measures above, the applicant may include in the Reduction Plan and take credit for GHG reductions resulting from making direct investments in off-site GHG reduction activities/programs in the vicinity. Examples of direct investments include building retrofit programs that pay for cool roofs, solar panels, solar water heaters, smart meters, energy efficient lighting energy efficient windows, and insulation. Other examples include financing programs for installing electric vehicle charging stations, electrifying school buses, or planting local urban forests.

The applicant may choose to retain a qualified air quality / GHG professional to quantify the GHG reductions that would result from implementing the Reduction Plan based on substantial evidence to be included in the Reduction Plan. The GHG reduction measures should be implemented even if their implementation would result in a GHG reduction, but the reduction cannot be reliably quantified. The GHG emissions reduction volume resulting from implementing the

Reduction Plan measures may then be subtracted from the required 884 MT CO_2e per year reduction volume in order to reduce or avoid the significant GHG impact.

If the applicant elects to quantify the GHG emissions reductions from on-site measures and investments in off-site reduction programs and the reductions are insufficient to reduce project emissions by a minimum of 884 MT CO_2e per year or more, the applicant may then secure the balance of the required GHG emissions reduction volume by purchasing and retiring carbon offset credits. The carbon offset credits shall meet the following performance standards:

- Carbon offset credits shall be issued by a recognized, reputable and accredited registry that mandates the use of established protocols for quantifying and issuing the offset credits. Credits issued based on protocols approved by CARB should be prioritized. Examples of such registries include the Climate Action Reserve, American Carbon Registry, and Vierra.
- The carbon offset credits should be generated from projects developed in the United States. Credits from projects developed internationally should not be used unless the applicant demonstrates with substantial evidence that sufficient carbon offsets from projects in the United States are unavailable. International offsets must be quantified and issued using established protocols that are recognized in the United States and that are issued by recognized, reputable and accredited registries.
- All carbon offset credits purchased to reduce GHG emissions, must meet the criteria of being real, quantifiable, permanent, verifiable, enforceable, and additional, consistent with the standards set forth in Health and Safety Code section 38562, subdivisions (d)(1) and (d)(2).

Prior to issuing building permits for the proposed project, the applicant shall submit the GHG Reduction Plan for review and approval of the City of Gilroy Planning Division Manager. The Reduction Plan shall demonstrate that GHG emissions from the project will be substantially reduced. If on-site design and off-site program investments do not result in reducing the GHG impact to less than significant, the applicant shall, prior to approval of occupancy permits, provide documentation in the form of an executed contract or other certification that the balance of emissions reduction required to reduce the GHG impact to less than significant has been obtained through purchase of carbon offset credits, subject to the performance standards listed above.

b. There are no current local or regional plans for reducing GHG emissions that are applicable to the proposed project. SB 32 is considered to be the plan for reducing GHG emissions that is applicable to the proposed project. The GHG threshold of significance derived for the project is based on the rate of project emissions below which the project would not impede attainment of the SB 32 statewide emissions reduction goal for 2030. Since project emissions would be reduced to less than significant with mitigation (see "a" above), as mitigated the proposed project would not conflict with SB 32 emissions reduction goals.

9. HAZARDS AND HAZARDOUS MATERIALS

Would the project:

		Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a.	Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials? (1,3,18)	☐	☐	☒	☐
b.	Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment? (1,3,18)	☐	☐	☐	☒
c.	Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school? (1,5,6)	☐	☐	☐	☒
d.	Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, as a result, create a significant hazard to the public or the environment? (1,15)	☐	☐	☐	☒
e.	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan? (1,3)	☐	☐	☐	☒
f.	Expose people or structures to a significant risk of loss, injury, or death involving wildland fires, including where wildlands area adjacent to urbanized areas or where residences are intermixed with wildlands? (1,3,5)	☐	☐	☐	☒

Comments:

Much of the information used in the preparation of this section is based on the *Revised Draft Phase I Environmental Site Assessment of Project Garlic – 59.87 acres 1445 Pacheco Pass Highway Gilroy, California 95020* ("Phase I ESA") prepared by ATC Group Services LLC on May 15, 2020 for the proposed project. The Phase I ESA can be found in Appendix G.

a. The proposed project is an industrial warehouse that does not include the routine use, storage, transport and disposal of hazardous materials; therefore, the project would not create a significant hazard to the public or environment.

b. The project site is currently in agricultural use and given this history, potential concern is noted regarding the use of pesticides, herbicides, and fertilizers. The Phase I ESA identified that fungicides, insecticides, and fertilizer have been applied to the property on a monthly basis and in accordance with local regulatory standards and the manufacturer's application guidelines. Based on the type of crops grown on the site and small-scale use of reported fungicides, insecticides, and fertilizer enhancers, the long-term agricultural use of the property represents a de minimis condition to the property (i.e., an environmental condition which generally does not present a threat to human health or the environment) (ATC Group Services LLC 2020). No recognized environmental conditions, controlled recognized environmental conditions, or historical recognized environmental conditions associated with the property were identified during preparation of the Phase I ESA. Therefore, the proposed project would not create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment.

c. The nearest school to the project site is the Eliot Elementary School located at 475 Old Gilroy Street about 0.63 miles to the west. The proposed project would not emit or handle hazardous materials that would substantially increase students' exposure risks.

d. The project is not located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, as a result, would not create a significant hazard to the public or the environment.

e. The adopted *Santa Clara County Operational Area Emergency Operations Plan* serves the City of Gilroy and the *Regional Catastrophic Earthquake Mass Transportation/Evacuation Plan* contains the evacuation maps within the region. The General Plan EIR concludes that future development associated with buildout of the General Plan would not impact implementation of or physically interfere with the adopted local and regional emergency response plans and evacuation plans. Development of the project site with industrial uses is consistent with the General Plan and does not involve any changes to the street system. Therefore, the proposed project would result in no impact to the implementation of an adopted emergency plan or evacuation plan.

f. The General Plan EIR Figure 3.8-1 identifies the project site as being within a "non-wildland/non-urban" zone. The nearest "high fire hazard zone" is located approximately 3.5 miles west of the project site (Santa Clara County 2021). Therefore, it is not likely that the proposed project would expose people or structures to a significant risk of loss, injury, or death involving wildland fires.

10. HYDROLOGY AND WATER QUALITY

Would the project:

		Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a.	Violate any water quality standards or waste discharge requirements? (1,2,3,8,11,12)	☐	☐	☐	☒
b.	Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., would the production rate of preexisting nearby wells drop to a level which would not support existing land uses or planned uses for which permits have been granted)? (1,2,3,7,11,12)	☐	☐	☒	☐
c.	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river in a manner that would result in *substantial erosion or siltation on- or off-site*? (1,2,3,8,19)	☐	☒	☐	☐
d.	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface run-off in a manner that would result in *flooding on- or off-site*? (1,2,3,8)	☐	☒	☐	☐
e.	Create or contribute run-off water, which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted run-off? (1)	☐	☐	☒	☐
f.	Otherwise substantially degrade water quality? (1,2,3,8,11,12)	☐	☐	☐	☒
g.	Place housing within a 100-year flood hazard area as mapped on Federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map? (1)	☐	☐	☐	☒

h.	Place within a 100-year flood hazard area structures, which would impede or redirect flood flows? (1,2,3)	☐	☐	☐	☒
i.	Expose people or structures to a significant risk of loss, injury, or death involving flooding, including flooding as a result of the failure of a levee or dam? (1,2,3)	☐	☐	☐	☒

Comments:

a, f. The proposed project would meet all storm water management requirements adopted by the Central Coast Regional Water Quality Control Board to ensure that no water quality standards are violated. See the responses in checklist questions "c" through "e" described below.

b. **Groundwater Supplies.** The City's General Plan EIR concludes that buildout of the General Plan may increase water demand on the groundwater basin, but not beyond that identified in the *City of Gilroy 2015 Urban Water Management Plan* (urban water management plan). The urban water management plan utilizes the data provided by the *City of Gilroy Water System Master Plan* (water master plan) for its preparation. The proposed project is consistent with the General Plan and, therefore, is not expected to require more water than what has already been evaluated and identified in the urban water management plan and would be consistent with the water master plan.

The proposed project includes the development of industrial uses, consistent with the General Plan. The amount of water required from the Llagas Subbasin (the City's main source of water) to serve the site with industrial uses would be less than the amount of water required to serve the site as it exists today with agricultural uses.

Based on the Phase I ESA, the property has grown row crops such as lettuce, peppers, garlic, broccoli, and celery over the past 50 years; during the site reconnaissance, lettuce was observed planted on the eastern side of the property. Water uptake for many vegetables is typically at 7,000 to 10,000 gallons per day (gpd) per acre (0.30 inches to 0.40 inches per day) (Water Well Journal 2019). Based on this estimate, Table 11, Existing and Proposed Water Use Demand, provides the approximate amount of existing water use compared to the amount of proposed water use.

Table 11 Existing and Proposed Water Use Demand

Land Use	Water Use Factors	Water Demand	Decrease
Agriculture (Existing)	7,000 gpd/acre	378,700 gpd	<335,420 gpd>
Industrial (Proposed)	800 gpd/acre	43,280 gpd	

SOURCES: (Water Well Journal 2019), (City of Gilroy 2004)
NOTE: These totals are estimates and are based on 54.1 acres

As shown above, the proposed project would use approximately 335,420 gallons of water per day less than the amount of water used on the project site with its existing agricultural uses. Therefore, the development of the proposed project would result in less use of the groundwater supplies than existing conditions resulting in a less than significant impact on the depletion of the Llagas Subbasin groundwater supplies.

Groundwater Recharge. Development of the proposed project could potentially interfere with groundwater recharge by increasing the area covered by impervious surfaces. However, the proposed project includes five (5) stormwater basins provided along the front of the project site facing Pacheco Pass Highway. The project is required to provide 166,237 square feet of bioretention area and is proposing to provide 235,658 square feet of bioretention area, exceeding the City's requirements (refer to Sheet C600, Conceptual Stormwater Control Plan, of the project plans). These proposed stormwater basins would detain stormwater runoff onsite and drain into the Llagas Subbasin and to the City's existing storm drain system located in Pacheco Pass Highway, thereby allowing for groundwater recharge. In addition, the project site would retain the existing three-foot agricultural ditch that bisects the project site. This agricultural ditch would continue to support groundwater rechange during rainfall events, with stormwater overflow being directed south towards the outfall location that connects into the City's existing storm drain system. The proposed project would thereby comply with General Plan Policy NCR 4.8, which requires protection of natural drainage systems through site design, source controls, runoff reduction measures, best management practices, and low impact development.

c. The General Plan EIR analyzed the impact associated with build out of the General Plan on water quality from future construction, grading, and excavation that would cause temporary disturbances to surface soil and removal of vegetative cover. The exposure of disturbed soil to runoff would cause erosion and sediment in the runoff. The General Plan EIR concludes that without appropriate controls, the volume of storm water runoff generated by buildout conditions would substantially increase (p. 3-295), which is considered a significant, adverse environmental impact. To control erosion during grading and construction phases of a project, developers are required to prepare erosion control plans that detail appropriate methods to prevent and/or minimize erosion. (City of Gilroy 2020, p. 3-191).

The project site does not contain any streams or rivers; however, there is an agricultural ditch bisecting the project site in a north-south direction. The project site is currently under agriculture use where stormwater percolates into the soil. The project proposes to replace existing pervious vegetation with impervious surfaces, resulting in 68 percent impervious surfaces onsite (Kimley Horn 2021). As a result, development of the site may lead to siltation and/or erosion on- and offsite during construction activities. Implementation of the following mitigation measure would reduce this potential impact to a less-than-significant level.

Mitigation Measure

HYDRO-1 The project proponent shall prepare and submit Erosion Control Plans to the City of Public Works Department prior to the issuance of a grading permit. The Erosion Control Plans shall illustrate how the project's grading phases would prevent or minimize erosion and siltation on- and off-site, such as the inclusion of Best Management Practices.

Erosion impacts could also occur post-construction as well. The City is located in Regional Water Quality Control Board Region 3 (Central Coast Region) and is subject to the Central Coast Post-Construction Requirements per Provision E.12.k of the Phase II Permit (also known as California's Phase II Small MS4 General Permit). The Central Coast Post-Construction Requirements were adopted in Resolution R3-2013-0032 and are specific to the Central Coast Region (City of Gilroy, City of Morgan Hill and County of Santa Clara 2015). The project would create more than 2,500 square feet of impervious surfaces on the project site and, therefore, the proposed project is subject to the Central Coast Post-Construction Requirements. The project is also required to comply with the City's Municipal Code Chapter 30.38, which discusses soil erosion control, enhancing onsite stormwater management, and ensuring the ongoing maintenance of landscaped areas. Further, the project would be required to comply with General Plan Policy PH 2.6, which requires all new development proposals to include a site plan detailing appropriate methods of erosion and deposition control during site development and subsequent us.

With compliance of the City's General Plan policies, City Municipal Code, and the Central Coast Post-Construction Requirements, the project would not result in substantial erosion or siltation on- or offsite post-construction.

d. Development of the site, consistent with General Industrial zoning, would result in an increase in impervious surface area. As a result, stormwater runoff volume from the site would increase relative to existing conditions.

The proposed project would be required to comply with General Plan Policies PFS-5.3 and PFS-5.5, which requires new development to incorporate green infrastructure and low impact development techniques to reduce stormwater runoff. The project also includes a Conceptual Stormwater Control Plan (refer to Sheet C600 of the project plans), which identifies the five (5) stormwater basins located along Pacheco Pass Highway. The site design measures implemented for the project (i.e., stormwater basins) would minimize runoff by conveying runoff to the self-treating areas and limiting disturbances of natural drainage features (Kimley Horn 2021).

The project is also required to implement a Storm Water Management Program to prevent the pollution in storm water and urban runoff from entering the storm drain system. All new qualifying development, such as the proposed project, must submit a Storm Water Pollution Prevention Plan (SWPPP). The SWPPP must identify construction and post-construction Best Management Practices to prevent water pollution at the source. Pursuant to the mitigation presented below, the project proponent would be required to submit a SWPPP for review and approval of the City of Gilroy Public Works Department to demonstrate that best management practices are incorporated into the project. Implementation of this mitigation would ensure that impacts on surface water quality would be less than significant.

Mitigation Measure

HYDRO-2 The project proponent shall prepare and submit a Storm Water Pollution Prevention Plan for review and approval by the City of Gilroy Public Works Department prior to issuance of a grading permit. The Storm Water Pollution Prevention Plan shall identify construction and post-construction Best Management Practices to prevent water pollution at the source.

Compliance with the above mitigation in addition to a site design that implements best management practices for storm water treatment would ensure that the project site would not increase the rate or amount of surface run-off in a manner that would result in flooding on- or off-site.

e. The project's Conceptual Stormwater Control Plan (Sheet C600 of the project plans) indicates that stormwater from the proposed project would drain into the drainage management areas (nine of which are proposed at the site), which direct the stormwater into the nearest stormwater basin (five of which are proposed at the southern border of the site). Each of the stormwater basins would be connected, and direct stormwater flow, into the existing City storm drain system located in Pacheco Pass Highway. The proposed project would use onsite best management practices for treatment and infiltration, and overflow would be directed to the drainage treatment areas, which flow into the City's existing storm drain system. The source control measures implemented at the site include (Kimley Horn 2021):

- Fire sprinkler test water/condensate drain lines drain to landscape/sanitary sewer;
- Interior floor drains/boiler drain lines plumbed to sanitary sewer;
- Beneficial landscaping/IPM (minimize irrigation, runoff, pesticides, and fertilizers: promotes treatment);
- Maintenance (pavement sweeping, catch basin cleaning, good housekeeping); and
- Storm drain labeling.

These identified best management practices and treatment control measures would reduce the potential for the project's contribution to runoff water that could exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff to a less-than-significant level.

g. The proposed project does not involve housing and, therefore, would not place housing within a 100-year flood hazard area as mapped on Federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map.

h. The proposed project would not place structures within a 100-year flood hazard area as a result of being located within the FEMA Flood Zone X-unshaded, pursuant to the General Plan EIR's Figure 3.9-1.

i. According to the General Plan EIR's Figure 3.9-2, the project site is located within the Anderson Dam Flood Inundation Area 2009. However, the General Plan EIR concludes that the overall risk of dam failure from the Anderson Dam is low and, therefore, risks to future development within the Urban Growth Boundary would likewise be low (City of Gilroy 2020, p. 3-300). Therefore, the proposed project would not expose people or structures to a significant risk of loss, injury, or death involving flooding, including flooding as a result of the failure of a levee or dam.

11. LAND USE AND PLANNING

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Physically divide an established community? (1,5,6)	☐	☐	☐	☒
b. Conflict with any applicable land-use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to, the general plan, specific plan, zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect? (1,2,13,41)	☐	☐	☒	☐

Comments:

a. The proposed project involves the construction of industrial uses at a site zoned for industrial uses. Therefore, the proposed project would not physically divide an established community.

b. The proposed project involves the construction of industrial uses at a site zoned, and designated in the General Plan, for General Industrial. However, the proposed project involves a general plan amendment to eliminate the extension of Cameron Boulevard through the project site to connect with Marcella Avenue (refer to Figure M-1, Planned Roadway Network, of the General Plan). Although the proposed project includes this change in the General Plan, this does not constitute a significant impact unless the change may result in physical impacts that have a significant impact. This initial study demonstrates that the General Plan change would not have significant effects. See section 16, Transportation and Traffic.

Although the project site is considered irrigated agriculture under the existing Santa Clara Valley Habitat Plan, the proposed project is subject to the conditions of an approved permit issued by the City. Once an approved project-specific habitat conservation plan permit is issued, the proposed project would be deemed consistent with the habitat conservation plan and would not conflict with its conservation strategies. The project applicant would be required to comply with all applicable permit conditions of approval and fee requirements. The proposed project is consistent with the General Plan and, therefore, would not result in a significant impact on the habitat conservation plan.

As discussed in Section 13.0, Noise, the proposed project, as mitigated, would not conflict with general plan policies or municipal code requirements for reducing exposures to unacceptable noise due to construction.

As discussed in Section 16.0, Transportation, as mitigated, the proposed project would not conflict with the City's adopted policies or plans regarding the roadway network, public transit, bicycle, or pedestrian facilities.

For these reasons, the proposed project would not result in significant physical environmental impacts due to conflicts with land use plans, policies, or regulations adopted for the purpose of avoiding or mitigating an environmental effect.

12. MINERAL RESOURCES

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Result in loss of availability of a known mineral resource that would be of value to the region and the residents of the state? (1,3)	☐	☐	☐	☒

Comments:

a. Development of the proposed project would not result in loss of availability of a known mineral resource that would be of value to the region and the residents of the state because no mineral resource area of importance is located within the City's Urban Growth Boundary (City of Gilroy 2020, p. 322).

13. NOISE

Would the project:

		Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a.	Result in exposure of persons to or generation of noise levels in excess of standards established in the general plan? (1,2,3,4,5)	☐	☐	☒	☐
b.	Result in exposure of persons to or generation of excessive ground-borne vibration or ground borne noise levels? (1,2,3,4,5)	☐	☐	☒	☐
c.	Result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project? (1,2,3,4,5)	☐	☐	☒	☐

Comments:

a. Industrial operations are the primary stationary noise sources that makes a significant local contribution to community noise levels in Gilroy (City of Gilroy 2020, p. 3-323). As identified in the General Plan EIR, these industrial stationary noise sources are often located in primarily commercial and industrial areas and are isolated from noise-sensitive land uses (p. 3-323). The proposed project would result in an increase in noise levels at the project site compared to the existing noise levels associated with agricultural uses. However, the proposed project is located within an existing commercial and industrial area and as far as 900 feet from the nearest noise-sensitive land use (residences on the other side of the Miller Slough and Holsclaw Road to the east).

In addition, the General Plan EIR states that the General Plan's permissible maximum outdoor noise level for industrial uses is 76 L_{DN} (DBA) (City of Gilroy 2020, p. 3-336). The General Plan EIR evaluated existing noise levels throughout the City and compared those noise levels to the General Plan's noise levels at buildout. The General Plan EIR's Table 3.12-1 concludes that noise level on Pacheco Pass Highway between Camino Arroyo and Cameron Boulevard, which would be the frontage of the delivery station portion of the proposed project, is currently 72 L_{DN} (DBA). At buildout of the General Plan, which plans for industrial uses at the project site, the noise level would be 73 L_{DN} (DBA). This noise level is below the City's maximum noise level for industrial uses (76 L_{DN} (DBA)) and, therefore, the proposed project would not result in exposure of persons to or generation of noise levels in excess of standards established in the General Plan.

The proposed project would be required to comply with the General Plan policy PH-6.3, which establishes maximum permissible outdoor and indoor noise levels; policy PH-6.5, which requires the consideration of the acoustical design of projects in the development review process to reduce noise to an acceptable level and ensures that noise mitigation features are designed and implemented in an aesthetically pleasing and consistent manner; and policy PH-6.6, which requires landscaped setback and earth berms as noise mitigation alternatives to sound walls, when required. The General Plan EIR concluded that buildout of the General Plan would implement General Plan policies to reduce potentially significant impacts associated with new noise-sensitive land use exposure to stationary noise sources to a less-than-significant level (p. 3-344).

The proposed project was evaluated with industrial uses by the General Plan EIR and is consistent with the General Plan. Therefore, with implementation of the above-mentioned General Plan policies, impacts associated with noise level exposure to nearby noise-sensitive land uses would be reduced to a less-than-significant level.

b. Construction of the proposed project may generate vibration levels when heavy equipment or impact tools. The General Plan EIR states that heavy tracked vehicles (e.g., bulldozers or excavators) can generate distinctly perceptible ground-borne vibration levels when this equipment operates within approximately 25 feet of sensitive land uses. Impact pile drivers can generate distinctly perceptible ground-borne vibration levels at distances up to about 100 feet, and may exceed building damage thresholds within 25 feet of any building, and within 50 to 100 feet of a historical building, or building in poor condition (City of Gilroy 2020, p. 3-346).

   The nearest sensitive land use to the project site is the residence approximately 900 feet to the east across Miller Slough and the nearest existing building to the site is approximately 60 feet to the west (the existing commercial shopping area). Therefore, the proposed project would not result in significant exposure of persons to or generation of excessive ground-borne vibration or ground borne noise levels.

c. Temporary construction-related noise would be considered significant if noise levels would exceed 70 dBA L_{eq} at industrial land uses for a period of more than one construction season (City of Gilroy 2020, p. 3-344). Construction of the proposed project would include the use of equipment that would generate high noise levels, likely exceeding 70 dBA, for a period of more than one construction season, which could be considered a significant impact. However, the project site is located in an urban transition area between commercial/industrial uses and agricultural land, with very few farm residences in the vicinity.

   Construction noise shall be limited in compliance with the City noise ordinance. Therefore, construction noise impacts will be less-than-significant level.

14. POPULATION AND HOUSING

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Induce substantial population growth in an area, either directly (e.g., by proposing new homes and businesses) or indirectly (e.g., through extension of roads or other infrastructure)? (1)	☐	☐	☐	☒
b. Displace substantial numbers of existing housing or people, necessitating the construction of replacement housing elsewhere? (1)	☐	☐	☐	☒

Comments:

a. The proposed project does increase population, propose new homes, or extend roads or other infrastructure. Therefore, the proposed project would not induce population growth directly or indirectly.

b. The project site does include any residences. Therefore, the project would not displace existing housing or people necessitating the construction of replace housing elsewhere.

15. PUBLIC SERVICES

Would the project result in substantial adverse physical impacts associated with the provision of or need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for any of the following public services:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Fire protection? (1)	☐	☐	☐	☒
b. Police protection? (1)	☐	☐	☐	☒
c. Schools? (1)	☐	☐	☒	☐
d. Parks? (1)	☐	☐	☐	☒
e. Other Public Facilities? (1)	☐	☐	☐	☒

Comments:

a, b. The proposed project involves industrial uses at the site and would not result in adverse environmental impacts associated with the need for construction of new, or alteration of the existing, fire or police protection facilities in order to maintain acceptable service ratios, response times, or other performance objectives. However, General Plan Policy PFS 1.11 requires applicants for new developments to pay Development Impact Fees for public facilities to offset its cumulative impact and costs of expanding its facilities. Therefore, the project is required to pay its fair share of the development impact fees for public facilities, which mitigates the project's contribution to cumulative impacts to public service facilities. As a result, the proposed project would not result in the need to construct new police or fire facilities.

c. The proposed project does not involve residential uses and would not result in the addition of student-age children to Gilroy. Therefore, the proposed industrial uses would not result in adverse environmental impacts associated with the need for construction of new or alteration of the existing school facilities.

However, industrial projects are considered to indirectly result in an increase in new school-aged children through new job creation. Senate Bill 50 established standard fees for mitigation of impacts on schools. The payment of the development fees authorized by Education Code section 17620 fully mitigates the impacts of providing adequate school facilities resulting from any legislative or adjudicative act. California

Education Code section 17620 et seq. authorizes the collection of developer fees, California Government Code section 65995 et seq. establishes the types of fees and rates, California Government Code section 66000 sets the process for justifying fees and appealing or challenging fees. California Government Code sections 65995.5 – 65995.7 establish the procedures for the adoption of Level 2 fees.

The proposed project would be required to pay the applicable development fees to the school district, to mitigate the project's cumulative impact on school facilities and the environmental impacts associated with them.

d, e. The proposed project involves industrial uses at the site and, therefore, would not result in adverse environmental impacts associated with the need for construction of new or alteration of the existing parks or other public facilities. However, the project is required to pay into the city's public facilities impact fee, which mitigates the project's contribution to cumulative impacts to public service facilities (such as parks and recreational facilities). Therefore, the proposed project would not result in the need to construct new parks or any other type of recreational facilities.

16. TRANSPORTATION/TRAFFIC

Would the project:

		Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a.	Conflict with a program, plan, ordinance, or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities? (1,41)	☐	☐	☐	☒
b.	Conflict or be inconsistent with CEQA guidelines section 15064.3, subdivision (b)? (1,41)	☐	☒	☐	☐
c.	Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)? (1,41)	☐	☐	☐	☒
d.	Result in inadequate emergency access? (1,41)	☐	☐	☐	☒

Comments:

Hexagon Transportation Consultants prepared the *Project Garlic Delivery Station Transportation Analysis* (Hexagon Transportation Consultants 2021) ("transportation analysis") in June 2021 to evaluate the potential transportation impacts associated with the proposed project in conformance with the requirements of CEQA and the City of Gilroy. This section is largely based on the information found in the transportation analysis; refer to Appendix H for the full transportation analysis.

a. The level of service ("LOS") analysis was performed to determine whether the proposed project would conflict with a program, plan, ordinance, or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities.

Project Trip Generation

Project trip estimates for the proposed industrial uses are based on the Institute of Transportation Engineers trip generations rates. The Institute of Transportation Engineers manual, however, does not include trip generation rates for last-mile delivery stations, such as the proposed project. Therefore, new trip generation count information collected at four existing last-mile delivery stations in California as well as project information, both provided by the project applicant, were utilized to estimate the amount of traffic generated by the proposed delivery station.

Delivery Station Trip Generation

The proposed delivery station (Phase 1) would generate an estimated 1,711 new daily vehicle trips, with 95 tips (81 inbound and 14 outbound) occurring during the AM peak-hour, 132 trips (63 inbound and 69 outbound) occurring during the PM peak-hour, and 173 trips (71 inbound and 102 outbound) occurring during the Saturday peak-hour.

Industrial Land Use Trip Generation

The proposed industrial warehouse (Phase 2) would generate 1,320 new daily vehicle trips, with 186 trips (164 inbound and 22 outbound) occurring during the AM peak-hour and 168 trips (22 inbound and 146 outbound) occurring during the PM peak-hour. It is assumed that the industrial warehouse would not generate a measurable amount of traffic during the Saturday peak-hour.

Total Project Trip Generation

Based on the above trip generation estimates, the proposed project is estimated to generate a total of 3,031 new daily vehicle trips, with 281 trips (245 inbound and 36 outbound) occurring during the AM peak-hour, 300 trips (85 inbound and 215 outbound) occurring during the PM peak-hour, and 173 trips (71 inbound and 102 outbound) occurring during the Saturday peak-hour.

Level of Service Policies (Intersection Analysis)

Based on the City of Gilroy definition of operational deficiencies at signalized intersection, the proposed project would have an operational deficiency at the following intersection under background plus project conditions: Camino Arroyo and Pacheco Pass Highway/State Route 152. The remaining study intersections would continue to operate at acceptable levels of service during all three peak hours analyzed under background plus project conditions.

The transportation analysis also analyzed intersections under 2040 General Plan conditions. The following intersections are projected to operate deficiently:

- Camino Arroyo and Pacheco Pass Highway/SR 152; and
- Silacci Way and Pacheco Pass Highway/SR 152.

The project would not conflict with a program, plan, ordinance, or policy addressing the circulation system with implementation of the following improvements. City staff will determine which of the improvements are addressed by the applicant's payment

of the city-wide traffic impact fee program and which improvements will need to be funded by the applicant as conditions of project approval and are subject to further review and revision by the City as part of the entitlement process.

a. Camino Arroyo and Pacheco Pass Highway/State Route 152 – Level of Service Deficiency

Implement a second southbound right-turn lane, providing the additional capacity needed to serve the projected southbound right-turn movement volumes. This requires widening of the north side of Pacheco Pass Highway, west of Camino Arroyo (and potentially the west side of Camino Arroyo north of State Route 152) to provide the necessary right-of-way for the second receiving lane. Adequate margining distance must also be provided for westbound through traffic and southbound right-turn traffic to merge in and out of the second receiving lane while accessing the U.S. Highway 101 northbound on ramp and westbound through lanes. The southbound right-turn lanes would begin south of the Best Buy driveway along Camino Arroyo, similar to the existing right-turn lane.

Additional analysis would be required to verify the feasibility of these improvements, including drawings of the potential improvements and a more detailed evaluation of the intersection's operations with the use of a simulation software. If the additional analysis shows that implementing the second southbound right-turn lane is not feasible, additional or alternative improvements would be required, such as extending the westbound merging distance by reconfiguring the US 101 northbound on-ramp/interchange or by grade separation of the intersection.

Implementation of these improvements would improve the intersection level of serve to acceptable LOS D.

b. Silacci Way and Pacheco Pass Highway/State Route 152 – Level of Service Deficiency

Installation of a traffic signal or restrict left-turn access to and from Silacci Way. The project is required to pay the applicable traffic impact fee (TIF) as a fair-share contribution toward future improvements that would restore operations at the intersection to acceptable levels.

Implementation of these improvements would mitigate the deficiency at this intersection.

c. Camino Arroyo and Pacheco Pass Highway/State Route 152 – Queue Deficiency (Southbound Right-Turn)

Implement a second southbound right-turn lane. This would also mitigate projected level of service deficiencies at this intersection and has been identified above as a potential improvement for the level of service deficiency. This improvement would require widening of the north side of Pacheco Pass Highway, west of Camino Arroyo, (and potentially the west side of Camino Arroyo north of State Route 152) to provide the necessary right-of-way for the second receiving lane.

Implementation of this improvement would mitigate the queue deficiency for the southbound right-turn lane.

d. Camino Arroyo and Pacheco Pass Highway/State Route 152 – Queue Deficiency (Eastbound Left-Turn)

Implement a third eastbound left-turn lane. This would require the widening of Pacheco Pass Highway/State Route 152 and Camino Arroyo to accommodate a third eastbound left-turn lane and the corresponding receiving lane in the northbound direction of Camino Arroyo. If the addition of a third eastbound left-turn lane is not feasible, additional or alternative improvements would be required, such as the extension of the existing eastbound left-turn pockets (to the maximum extent possible), reconfiguration of the U.S. Highway 101/Tenth Street/State Route 152 interchange and Camino Arroyo/State Route 152 intersection, or grade separation of the intersection.

This improvement would mitigate the queue deficiency for the eastbound left-turn lane.

Freeway Segment Level of Service

The results of the freeway segment level of service analysis shows that the following two study freeway segments currently operate at an unacceptable LOS F during at least one of the peak hours:

- U.S. Highway 101, Northbound from Masten Avenue to San Martin Avenue; and
- U.S. Highway 101, Southbound from Monterey Road to Bloomingfield Avenue (SR 25).

The proposed project is not projected to add traffic representing one percent or more of the segments' capacity to the deficient study freeway segments; therefore, the proposed project would not create a level of service deficiency at any of the study freeway segments.

Other Transportation Policy Issues

The following other transportation issues were evaluated in the transportation analysis report: site access, sight distance, emergency vehicle access, on-site circulation, pedestrian on-site circulation, bicycle facilities, off-site pedestrian facilities, transit services, vehicle parking, and bicycle parking. In order to be consistent with City of Gilroy policies, the following improvements are required by the applicant and are subject to further review and revision by the City as part of the entitlement process:

1. Subject to the review and approval by the Public Works Director and prior to issuance of a grading permit, the applicant shall design the driveway across from Cameron Boulevard to align with Cameron Boulevard to the south. The alignment of the two north and south legs of the intersection must ensure there is no conflict between the various movements at the intersection. A few of the intersection characteristics to consider during the design of this intersection include:

    - The lane configuration and overall width of the driveway should be such that the northbound and southbound through lanes through the intersection line up from the approach side of the intersection to the departure side of the intersection.

    - Left-turn movement out of the driveway across from Cameron Boulevard should not be in conflict with the left-turn movements from Cameron Boulevard so that these two movements can run simultaneously, if needed.

    - Although the projected traffic volumes at this driveway during the peak hours are relatively low, it is recommended that the driveway lane configuration does not include a shared through and left-turn lane. Providing three outbound lanes (including an exclusive left-turn lane) at the driveway across from Cameron Boulevard should be considered in order to align the lanes at the driveway with the lanes on Cameron Boulevard better and be able to run the intersection traffic signal as an 8-phase signal.

- In order to accommodate pedestrian access across State Route 152 at this intersection, it is recommended that the north and south corners of the intersection line up to be able to provide a straight crosswalk along State Route 152.

2. Subject to the review and approval by the Public Works Director and prior to issuance of a grading permit, the applicant shall design the site to ensure that design features, such as the landscaping and signage along the project site frontage and at the project site driveways, would not interfere with the sight distance at the proposed site driveways.

3. Subject to the review and approval by the Public Works Director and prior to issuance of a grading permit, the applicant shall investigate the feasibility of providing emergency vehicle only left-turn inbound access from eastbound SR 152 to the industrial site.

4. Subject to the review and approval by the Public Works Director and prior to issuance of an occupancy permit, the applicant shall provide appropriate traffic control devices and pavement markings, including crosswalks connecting the project site to the existing sidewalks on Renz Lane, at the new four-legged intersection as the existing cul-de-sac on Renz Lane connects with the main on-site access road.

5. Subject to the review and approval by the Public Works Director and prior to issuance of a grading permit, the applicant shall provide a defined pedestrian connection between the delivery station's western parking lot and the existing sidewalks on Renz Lane and proposed multi-use trail. This shall include crosswalks along the east and west legs of the Renz Lane intersection with the main access road. This connection would provide a direct pedestrian connection between the project site and the adjacent shopping centers located northwest of the project site.

6. Subject to the review and approval by the Public Works Director and prior to issuance of an occupancy permit, the applicant for each phase shall provide adequate bicycle parking supply on site, based on VTA's recommends bicycle-parking rates, to serve the potential demand of the project. Based on VTA's bicycle parking supply recommendations for industrial land use, the proposed delivery station should provide 9-12 Class I (bike lockers) bicycle parking spaces while the industrial site should provide 18 Class I bicycle parking spaces.

7. Subject to the review and approval by the Public Works Director and prior to issuance of a building permit, the applicant shall upgrade curbs ramps to ADA standards at all corners of the Camino Arroyo/SR 152 intersection.

8. Subject to the review and approval by the Public Works Director and prior to issuance of a building permit, the applicant shall install the following improvements at the Cameron Boulevard/SR152 intersection:

    a. Crosswalks at the intersection;

    b. Traffic signal to include the north leg (project driveway across from Cameron Boulevard) of the intersection;

    c. Crosswalk and pedestrian signal phase along the west leg of the intersection, providing pedestrian access between the project site and the existing shopping center at the southwest corner of this intersection; and

    d. ADA-compliant curb ramps.

b. **Baseline**. The Gilroy Travel Demand Forecasting model is typically used to calculate daily vehicle miles traveled ("VMT") for the evaluation of projects in Gilroy. The project site is currently vacant; therefore, the citywide average daily VMT per capita and per job serves as the baseline from which the project is evaluated.

Project Generation. The City of Gilroy's Draft VMT guidelines have established an impact threshold of 15 percent below the citywide average employment VMT of 20.14 miles per job. Therefore, the impacts of the proposed project would be considered significant if it results in VMT that exceeds daily employment VMT of 17.12 miles per job. Additionally, the citywide average employment VMT per job under 2040 General Plan conditions is projected to be 21.94 miles per job, resulting in a VMT threshold of 18.65 miles per job under 2040 General Plan conditions.

The proposed project is projected to have an average employment VMT of 19.23 miles per job. Although the average employment VMT is projected to be lower than the citywide average (20.14), the average VMT per job would exceed the established threshold of 17.12 VMT per job resulting in a significant impact.

Under 2040 General Plan conditions, the proposed project is projected to have an average employment VMT of 19.27 miles per job. The project average VMT per job would exceed the established threshold of 18.65 miles per job under 2040 General Plan conditions, resulting in a significant impact.

Implementation of the following applicant-proposed mitigation would reduce the project VMT by approximately 3.93 miles per job (at least), reducing the project VMT from 19.23 to 15.3 miles per job, which is below the established impact threshold of 17.12 miles per job, and therefore, resulting in a less than significant impact.

Mitigation Measure (Applicant Proposed)

TR-1 The applicant shall prepare and implement a Transportation Demand Management (TDM) program to reduce the project's VMT impact to a less-than-significant level. The TDM measures shall include, but not be limited to, any combination of the following components, as necessary to reduce the project's VMT impact to less than significant:

a. Telecommuting and Alternative Work Schedule Program (VTA TP08). This program (compressed work week) allows and encourages employees to telecommute from home when possible, or to shift work schedules to reduce vehicle miles traveled.

   i. 80% of employees shall be assigned a four day/40-hour work shift.

b. Ridesharing Program and Commuter Benefits (VTA TP11, TP13). This program matches employees interested in carpooling who have similar commute patterns. This TDM strategy encourages the use of carpooling, which reduces the number of vehicle trips and thereby reduces VMT.

   i. Employers shall strive to have 20 percent of eligible employees participate in this program through regular communications and incentives.

   ii. Incentives shall include, but not be limited to, pre-tax benefits.

   iii. The applicant shall provide dedicated carpool/vanpool parking spaces commensurate with the number of employees participating in this program.

   iv. Employers shall provide "Guaranteed Ride Home Services," which provides employees who regularly (twice a week) carpool, vanpool, bike, walk or take transit to work with a free and reliable ride home when one of life's unexpected emergencies arise. Commuters may take advantage of this service up to four times per year to get home for unexpected emergencies such as a personal illness or a sick child. This service can also be used for unscheduled overtime when the employer mandates working late.

c. Provide transit passes to employees interested in public transit.

   i. Transit passes shall off-set at least 25 percent in the participating employees' transit costs from home to work and back.

d. The applicant shall provide a minimum of 10 bike racks (in a secure area) each, for both the phases of the project.

The applicant shall be required to provide evidence that the final program reduces the VMT impact to a less-than-significant level. The TDM program shall be prepared prior to issuance of an occupancy permit, subject to review and approval by the Planning Division and the Public Works Department.

c. **Site Access**. Access to the delivery station portion of the project site would be provided via two driveways along Pacheco Pass Highway/State Route 152 and via Renz Lane. The easternmost driveway would be located at the existing signalized intersection of Cameron Boulevard/State Route 152, providing full access to the delivery station site. The westernmost driveway would be located west of Cameron Boulevard and would provide right-in and out access only. Renz Lane is proposed to provide direct access to the project site's main access road, which provides direct access to the semi-truck docks located north of the delivery station building and the parking areas both east and west of the delivery station building. Additionally, the access road is proposed to be extended over the existing agricultural ditch currently dividing the delivery station and industrial sites to provide access to the industrial site area. On the west side of the delivery station site, the access road would extend along the perimeter of the site providing access to the van and associated parking areas.

Access to the industrial building portion of the project site is provided via two right-in and out access driveways along Pacheco Pass Highway/State Route 152 in addition to the proposed Renz Lane/access road extension at the western border of the project site.

Sight Distance. Based on the posted speed limit on Pacheco Pass Highway/State Route 152 along the project site frontage, the minimum required stopping sight distance for this roadway is 300 feet. According to the transportation analysis, the available sight distance at the project site driveways would be adequate and meet Caltrans requirements.

Delivery Station Onsite Circulation. The site includes 30-foot-wide drive aisles providing access to all the parking areas and continuous circulation throughout the site would be provided with no dead-end aisles. Overall, onsite circulation within the delivery station site is anticipated to be adequate.

Industrial Building Onsite Circulation. Traffic circulation within the industrial site would be simple with a single drive aisle running around the building. Onsite circulation within the industrial site is anticipated to be adequate.

Pedestrian Onsite Circulation. The site plan shows pedestrian pathways connecting the parking areas to the proposed buildings and proposed sidewalks along the project site frontage on Pacheco Pass Highway/State Route 152. In addition, the project also includes a bike trail (Class I bike trail) connection to Renz Lane at the northwest corner of the project site, to connect with a future bike trail to be constructed by others on the Miller Slough levee.

The only pedestrian connection between the delivery station and the industrial site would be provided by the proposed sidewalks along the project site frontage on Pacheco Pass Highway/State Route 152.

All circulation and access points on the project site would be designed to adhere to the City of Gilroy design guidelines and standards and would be subject to approval by the City of Gilroy Community Development Department Planning Division and Fire Department. Additionally, the mitigation measures presented in "a" above, would ensure the project is consistent with applicable City policies and standards. This would ensure that the proposed project is adequately designed to minimize hazards associated with design. Therefore, the proposed project would not increase hazards due to a design feature or result in inadequate emergency access.

d. Pursuant to City of Gilroy design guidelines, a fire access roadway greater than or equal to 20 feet in width is applicable to all commercial, industrial, and residential buildings. The fire access roadway should be provided within 150 feet of structures.

An emergency vehicle access plan was prepared as part of the site design (see Sheet C700, Fire Truck Circulation Plan, in the project plans). The fire truck circulation plan shows the wheel travel path of a 44-foot-long fire truck accessing the site from all project site driveways and traveling through all parts of the site. The project driveways and all drive aisles within the site are shown on the site plan to be 26 to 30 feet wide, providing the minimum width requirement for emergency vehicle access and circulation. Therefore, the proposed site plan layout and driveway/drive aisle width dimensions would be adequate for a 44-foot long or smaller emergency vehicle to access and circulate the project site, subject to the provision of the secondary access to the industrial building site as discussed previously (refer to COA-4), and the project would not result in inadequate emergency.

17. TRIBAL CULTURAL RESOURCES

Would the project:

		Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a.	Cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, or cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:				
	(1) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources code section 5020.1(k), or (1)	☐	☐	☐	☒
	(2) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe. (1)	☐	☐	☐	☒

Comments:

a. No tribes have contacted the City pursuant to Public Resources Code section 21080.3.1; however, the City has conducted tribal consultation pursuant to Senate Bill 18 because of the proposed general plan amendment. The City received a response from the Amah Mutsun Tribal Band on April 12, 2021 requesting additional information about the project. On June 3, 2021 the City and Chairperson for the Tribe discussed the project via telephone and the Chairperson confirmed that the proposed general plan amendment (eliminating the planned future road segment through the project site and across the Llagas Creek) was not of concern to the Tribe and no further consultation was requested.

18. UTILITIES AND SERVICE SYSTEMS

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board? (1,2,3,10)	☐	☐	☐	☒
b. Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects? (1,2,3,10,11)	☐	☐	☒	☐
c. Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects? (1,2,3,9,19)	☐	☐	☒	☐
d. Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed? (1,3,11,12)	☐	☐	☐	☒
e. Result in a determination by the wastewater treatment provider, which serves or may serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments? (1,3,10)	☐	☐	☒	☐
f. Be served by a landfill with sufficient permitted capacity to accommodate the project's solid-waste disposal needs? (1,2,14,20,21,22,40)	☐	☐	☐	☒

Comments:

a, b. **Wastewater Treatment Facilities (Less than Significant)**. Wastewater generated onsite would be collected via the City's existing system located in Pacheco Pass Highway and conveyed to the treatment plant south of Gilroy. The General Plan EIR determined that development consistent with the General Plan, such as the proposed project, could result in an increase in the demand for wastewater services that exceeds the capacity of the existing and planned sanitary sewer system and treatment plant, and result in the need for new infrastructure, the construction of which could result in significant environmental impacts.

However, the proposed project would comply with General Plan Policy PFS 1.11, which requires that applicants for new development to pay Development Impact Fees for traffic circulation, water, wastewater, storm water and public facilities to offset the costs of expanding these as detailed by the impact fee nexus study; Policies PFS 4.1 and 4.2, which states that the City will provide ongoing maintenance of the wastewater collection and treatment system to accommodate wastewater generated through buildout conditions consistent with the city's sewer master plan, as it is periodically amended or updated; Policy PFS 4.3, which requires that adequate wastewater treatment capacity is funded and in place prior to approval of new development; and Policies PFS 4.4 - PFS 4.7, which require continued provision of effective wastewater treatment consistent with state and federal standards, coordination with Santa Clara Valley Water District for the production of recycled water, and maintenance of adequate wastewater treatment capacity and infrastructure to keep pace with increased demand generated by implementation of the General Plan.

With implementation of the above-mentioned General Plan policies, the project would not exceed the wastewater treatment requirements of the Regional Water Quality Control Board. The General Plan EIR also concludes that implementation of the General Plan will require new or expanded wastewater facilities, but not beyond those identified in the *City of Gilroy Sewer System Master Plan* as a result of the 2016 Urban Growth Boundary Initiative. The project site is designated industrial, consistent with the General Plan and the *City of Gilroy Sewer System Master Plan* (Figure ES.1). Based on its consistency with these plans and the implementation of the above-mentioned General Plan policies, the proposed project would result in less than significant impacts in relation to the demand on wastewater facilities and would not require the expansion or new City wastewater facilities.

Water Facilities (No Impact). The General Plan EIR concludes that implementation of the General Plan may require new or expanded water facilities to serve development within the Urban Growth Boundary, but not beyond those identified in the *2004 Water System Master Plan*. Any increase in water demand resulting from buildout of the General Plan would be less than required in the *2004 Water System Master Plan* (City of Gilroy 2020, p. 3-443). The project site is proposed for industrial uses, consistent with the General Plan designation and the *2004 Water System Master Plan* (Figure ES.1). Based on this consistency, the project would not result in the need for new or expanded water facilities as a result of its development.

c. The project includes site design measures to reduce the runoff generated from the site; these site design measures include minimizing runoff by conveying runoff to

self-treating areas and limiting disturbances of natural drainage features. Due to the relatively flat topography of the site, the proposed development would introduce a series of low points onsite; runoff would be captured and conveyed into several biofiltration treatment systems (five proposed) located along the project frontage (Kimley Horn 2021) (refer to Sheet C600 of the project plans for the Conceptual Stormwater Control Plan). The proposed project would also implement several source controls throughout the site to reduce pollutants generated throughout the site such as beneficial landscaping, maintenance (pavement sweeping, catch basin cleaning, good housekeeping), and storm drain labeling (Kimley Horn 2021).

According to the project's *Stormwater Control Plan, Hydrology, and Hydraulic Report*, the project site is subject to meet all four Performance Requirements: PR-1 is met through implementing multiple site design measures, minimizing the runoff generated from the project site; PR-2 is met with the proposed biofiltration treatment system which will treat the designed storm event of 0.2 in/hr; PR-3 is technically infeasible due to limited infiltration; and PR-4 is met through the proposed biofiltration treatment system, which has an underdrain located in the subgrade of the proposed system. This will mitigate post development flows in the 2- and 10-year storm event (Kimley Horn 2021).

The proposed project would comply with General Plan Policies PFS 5.3 and PFS 5.5, which require new development or modifications to existing improvements to incorporate green infrastructure and low impact development techniques to reduce storm water runoff which may result in flooding within and downstream from the Urban Growth Boundary. The project site is proposed for industrial uses, consistent with the General Plan designation and the *City of Gilroy Storm Drainage Master Plan* (Figure ES.1). Based on this consistency and compliance with the above General Plan policies, the proposed project would result in less than significant impacts in relation to the demand on the City's storm drainage facilities, but would not require the expansion or new City storm drainage facilities.

d. Development of the site with industrial uses would be consistent with the General Plan and the *2004 Water System Master Plan*. According to the General Plan EIR, implementation of the General Plan may increase water demand for new and existing development within the Urban Growth Boundary, but not beyond the demand identified in the City's *2015 Urban Water Management Plan*. Further, any increase in water demand resulting from buildout of the General Plan would be less than required in the *2004 Water System Master Plan* (City of Gilroy 2020, p. 3-443). Therefore, the City of Gilroy would have sufficient water supplies available to serve the project from existing entitlements and resources.

e. According to the *City of Gilroy Sewer System Master Plan*, General Industrial land uses generate 500 gallons per day per acre of wastewater (p. ES-9). Therefore, development of the 54.1-acre General Industrial development would result in generation of approximately 27,050 gallons per day of wastewater. Development of the project with General Industrial uses was anticipated in the General Plan and the *City of Gilroy Sewer System Master Plan*. The proposed project is consistent with the *City of Gilroy Sewer System Master Plan* and would not require the construction of wastewater infrastructure beyond that identified in the *City of Gilroy Sewer System Master Plan*.

f. Although the proposed project would result in the generation of solid waste at operation, the site was evaluated with industrial uses by the General Plan EIR and is consistent with the General Plan.

The delivery station would result in 197 full-time employees and the industrial building would result in 333 employees (Gicela Del Rio, email message, May 11, 2021). Therefore, the proposed project would result in a total of 530 employees.

The City of Gilroy generated approximately 45,850 tons of solid waste that was disposed of in landfills (CalRecycle 2020a). Solid waste generated by Gilroy is taken to the John Smith Road Landfill, a county-owned facility located approximately five miles southeast of the City of Hollister on John Smith Road.

The John Smith Road Landfill has a cease operation date of January 1, 2032. Total capacity of the landfill is 9.3 million cubic yards. The remaining capacity, as of March 31, 2018, was 3.5 million cubic yards. The maximum permitted tonnage per day at the landfill is 1,000 tons (CalRecycle 2020b).

According to California Department of Resources Recycling and Recovery (CalRecycle), the city's average disposal rate is 12.9 pounds per day per employee. The proposed project would involve approximately 530 employees; therefore, the proposed project could generate approximately 6,837 pounds of employee solid waste per day (12.9 pounds per person per day x 530 employees) or 3.42 tons of employee solid waste per day.

The proposed project's contribution of 3.42 tons of solid waste per day would not exceed the landfill's maximum permitted tonnage per day at the landfill of 1,000 tons per day. Therefore, the proposed project would not generate solid waste that would exceed landfill capacity.

19. MANDATORY FINDINGS OF SIGNIFICANCE

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Does the project have the potential to degrade the quality of the environment; substantially reduce the habitat of a fish or wildlife species; cause a fish or wildlife population to drop below self-sustaining levels; threaten to eliminate a plant or animal community; substantially reduce the number or restrict the range of an endangered, rare, or threatened species; or eliminate important examples of the major periods of California history or prehistory? (1,2,3,23,24,25,26,28,29,30,31,32)	☐	☒	☐	☐
b. Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.) (1,36,37,38)	☐	☐	☒	☐
c. Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly? (1, 2,3,8,16,19,35,39,40,41,47,48,49,50,51)	☐	☒	☐	☐

Comments:

a. As discussed in Section 4, Biological Resources, special-status species are not expected to occur on the site due to lack of suitable habitat. However, the project site contains agricultural fields that provide marginally suitable foraging habitat for burrowing owl, and a few scattered small mammal burrows on the Miller Slough levee could be utilized for nesting habitat protected under the Migratory Bird Treaty Act. Implementation of Mitigation Measure BIO-1 would protect nesting birds and reduce the impact to a less-than-significant level.

As described in Section 5, Cultural Resources, the project site does not consist of historic structures on-site and is not known to contain any historic or prehistoric resources. However, it is possible that these resources could be accidentally uncovered during grading and construction activities. In the event this should occur, standard permit conditions would ensure that the potential impacts would not be significant.

b. Proposed project impacts that contribute to cumulative project impacts are required to be mitigated per the measures presented in this initial study. With implementation of the mitigation measures identified herein, the project's contribution to cumulative project impacts would not be considerable.

c. Based on the analysis provided in this initial study, the proposed project could indirectly cause substantial adverse effects to human beings through hazardous air emissions exposure to sensitive receptors, greenhouse gas emissions, seismic ground shaking, and flooding. However, with implementation of the mitigation measures presented in this initial study, the proposed project would not result in environmental effects that would cause substantial adverse effects on human beings, either directly or indirectly.

E. SOURCES

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5. Santa Clara County. "SCCMap." Accessed on January 15,2021. https://ges.sccgov.org/discovergis/sccmap
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