PROPOSED MITIGATED NEGATIVE DECLARATION

HECKER PASS COMMERCIAL
ARCHITECTURAL AND SITE REVIEW

AS 17-02

PREPARED FOR
City of Gilroy
August 30, 2017
PROPOSED MITIGATED NEGATIVE DECLARATION

HECKER PASS COMMERCIAL ARCHITECTURAL AND SITE REVIEW

AS 17-02

PREPARED FOR
City of Gilroy, Planning Division
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August 30, 2017

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MITIGATED NEGATIVE DECLARATION

City of Gilroy
7351 Rosanna St.
Gilroy, CA 95020

City File Number: AS 17-02

Project Description:

Name of Project: Hecker Pass Commercial Architectural and Site Review
Nature of Project: The proposed project includes three buildings with the following proposed uses: a winery building and two mixed use buildings with restaurant/retail on the ground floor and 22 one- and two-bedroom residential units on the second floor. These 22 residential units will function as “live/work units,” which is permitted by the Hecker Pass Specific Plan under the Agri-tourist Commercial designation. Proposed commercial uses total 32,758 square feet and are anticipated to consist of a wine tasting room, wine warehouse, and outdoor crush area; a small retail store; and several eateries (coffee, sushi, tap n taco, breakfast/lunch restaurant, upscale lunch/dinner restaurant), and a deli and wine store.

Project Location:

Location: Hecker Pass Specific Plan area (Hecker Pass Highway – State Route 152/Two Oaks Lane)
Assessor’s Parcel Number: 810-20-006

Entity or Person(s) Undertaking Project:

Name: Hecker Pass Commercial LLC (c/o Skip Spiering)
Address: 1550 The Alameda, Suite 100, San Jose, CA 95126
Staff Planner: Stuart Poulter, Contract 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 and the Hecker Pass Specific Plan.
- 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: Hecker Pass Commercial LLC

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 shall provide to the city details of a proposed green waste diversion program, which will include on-site composting, for the Agri-tourist Commercial development consistent with the 2017 BAAQMD Clean Air Plan control measure WA3.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Planning Division
AQ-3. The following construction equipment parameters shall be included on all grading and building plans, subject to review and approval by the Building Division:

a. All mobile diesel-powered off-road equipment larger than 25 horsepower and operating on the site for more than two consecutive days shall meet, at a minimum, U.S. EPA particulate matter emissions standards for Tier 2 engines or equivalent that also includes CARB-certified Level 3 Verified Diesel Emission Control Strategies (VDECS) or Diesel Particulate Filters meeting these requirements. Note that U.S. EPA Tier 4 equipment is considered to meet this measure. Applicant and/or construction contractor shall be responsible for submitting an equipment data list and operations timeframes to the Building Division prior to commencement of grading operations, and updating the information each week that there is a change. For each piece of equipment, the list shall include: CARB identification number, type of equipment (grader, dozer, etc.), emissions classification of equipment (Tier 2, filter type, etc.), compliance or non-compliance with emissions requirements above, and proposed operation schedule.

b. Include conspicuous signage at the construction site entry and on-site construction office reiterating idle time limits on all diesel-fueled off-road vehicles to five minutes, as required by Title 23, Section 2449, of the California Code of Regulations (“CARB Off-Road Diesel Regulations”).

c. Eliminate the use of portable diesel equipment (e.g., generators) within 200 feet of project boundaries by providing electrical service at the site during the initial construction phase. Alternatively, use propane or natural gas powered equipment if electricity is not available.

Weekly monitoring reports detailing compliance with the measures described above shall be submitted by the applicant to the Building Division during all phases of construction. The Building Division shall ensure this has occurred prior to issuance of an occupancy permit.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Building Division

**Biological Resources**

BIO-1. (HPSP Policy 5-44) Pre-construction surveys for protected birds shall be conducted for improvements or development proposed in or adjacent to potential nesting habitat (i.e., riparian woodland) if development is proposed during the nesting and/or breeding season of raptors (generally March through August). If any active nests are found within the survey area, at the discretion of the biologist, clearing and construction within 250 feet shall be postponed or halted until nests are vacated and juveniles have fledged, and there is no evidence of a second attempt at nesting.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Planning Division
BIO-2.  (Consolidated Landscaping Policy) Prior to issuance of a grading permit, the applicant shall submit a final tree replacement plan to mitigate for proposed tree removals. The final plan shall identify the species, size, numbers, and locations for the replacement trees, and will be subject to review and approval by the Planning Manager. The tree replacement plan shall be implemented with construction of the project.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Planning Division

BIO-3.  (HPSP Policy 7-9) Prior to the commencement of grading or construction activities, the protected zone of any tree or group of trees to be retained should be fenced to prevent injury to the trees during construction under the supervision of an arborist. Soil compaction, parking of vehicles or heavy equipment, stockpiling of construction materials, and/or dumping of materials shall not be allowed within the protected zone. The fencing shall remain in place until all construction activities are complete.

Party Responsible for Implementation: Hecker Pass Commercial, LLC

Party Responsible for Monitoring: Gilroy Planning Division

Geology and Soils

GEO-1.  Prior to issuance of a grading permit, the applicant shall have a supplemental geotechnical report prepared and shall have additional boring samples taken within the current project footprint on the site. All recommendations shall be incorporated into the grading and building plans as appropriate, subject to review and approval by the Building Division.

Party Responsible for Implementation: Hecker Pass Commercial, LLC

Party Responsible for Monitoring: Gilroy Building Division

GEO-2.  Prior to issuance of a grading permit for the Agri-tourist Commercial site, the project applicant shall prepare an erosion control plan consistent with the City’s erosion control ordinance. The plan shall be subject to review and approval of the City of Gilroy Engineering Division and its implementation by project applicant shall be monitored by the City.

Party Responsible for Implementation: Hecker Pass Commercial, LLC

Party Responsible for Monitoring: Gilroy Engineering Division
Noise

N-1. The bocce ball court shall be located within an area with acceptable noise levels, which is 65 DB L_{dn} or less.

a. Prior to approval of the Architectural and Site Review application, the applicant shall prepare an alternative site plan that locates the bocce ball court a minimum of 165 feet from the centerline of Hecker Pass Highway;

b. Should the applicant decide to move the bocce ball court to an alternate location onsite after construction and operation of the Hecker Pass Highway/Third Street roundabout, the applicant shall submit an application to modify the Architectural and Site Review approval.

In order to move the bocce ball court closer than 165 feet from the centerline of Hecker Pass Highway, the applicant shall pay for the City to prepare an updated noise analysis to determine whether the roundabout will reduce projected traffic noise on the highway to the level that the bocce ball court would not need to be setback 165 feet. Based on the findings of the noise analysis, the bocce ball court could be relocated to an alternate area with acceptable noise levels, subject to the review and approval of the Planning Division.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Planning Division

N-2. The developer shall design all residential live-work units with air conditioning or mechanical ventilation, which shall be included on the building plans, prior to issuance of a building permit, subject to review and approval by the Building Division and the Planning Division.

Party Responsible for Implementation: Hecker Pass Commercial, LLC

Party Responsible for Monitoring: Gilroy Building Division

Transportation/Traffic

T-1. HPSP EIR Mitigation Measure #18. Prior to issuance of the 75th building permit within the Specific Plan area, applicants for projects within the specific plan area shall be responsible for improving Hecker Pass Highway immediately west of Santa Teresa Boulevard to include a second westbound travel lane. The second westbound travel lane on Hecker Pass Highway, and the appropriate lane-drop taper consistent with Caltrans’ Standards, should extend as far as possible beyond (west of) Santa Teresa Boulevard as can be accommodated within the existing public right-of-way, with the design subject to approval by the City Engineer in his/her reasonable discretion. Applicants shall coordinate with the City of Gilroy Engineering Division to design and implement the widening project. Removal of deodar cedar trees along the highway must be avoided wherever possible and improvements must be consistent with State scenic highway guidelines. Traffic signal modifications should be made to the intersection of Santa Teresa Boulevard
and First Street/Hecker Pass Highway to add vehicle detection for the second eastbound through lane.

However, implementation of this measure may not be feasible without either a) removal of deodar cedar trees within the Caltrans right-of-way along the southern side of the highway, which is an historic resource listed on both the national and state registers, or b) significantly cut into the hillside on the northern side of the highway, which would require construction of a retaining wall.

The City of Gilroy is currently processing a request from the specific plan property owners to amend the Hecker Pass Specific Plan, which includes among other changes, elimination of this mitigation measure. If the proposed project is approved, building permits for the residential units could not be issued until the mitigation measure is implemented, or the specific plan amendment request that includes elimination and/or modification of the measure, is approved.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Engineering Division

T-2. HPSP EIR Mitigation Measure #19. Prior to issuance of the 75th building permit within the Specific Plan area, applicants for projects within the specific plan area shall be responsible for shoulder improvements to Hecker Pass Highway, per Caltrans’ standards, between Santa Teresa Boulevard and the easterly limits of the planned Caltrans Uvas Creek Bridge Improvement project. Applicants shall coordinate with the City of Gilroy Engineering Division to design and implement the shoulder improvements. Removal of deodar cedar trees along the highway must be avoided wherever possible and improvements must be consistent with State scenic highway guidelines.

However, implementation of this measure may not be feasible without either a) removal of deodar cedar trees within the Caltrans right-of-way along the southern side of the highway, which is an historic resource listed on both the national and state registers, or b) significantly cut into the hillside on the northern side of the highway, which would require construction of a retaining wall.

The City of Gilroy is currently processing a request from the specific plan property owners to amend the Hecker Pass Specific Plan, which includes among other changes, elimination of this mitigation measure. If the proposed project is approved, building permits for the residential units could not be issued until the mitigation measure is implemented, or the specific plan amendment request that includes elimination and/or modification of the measure, is approved.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Engineering Division
Utilities and Service Systems

U-1. Storm water detention shall be designed to prevent an increase in the 2-year, 10-year and 100-year peak discharge for the project area (refinement of existing HPSP policy 8-6), and consistent with the *City of Gilroy Storm Water Management Guidance Manual For Low Impact Development & Post-Construction Requirements* (March 6, 2014). The design is subject to review and approval by the Engineering Division, prior to issuance of a grading permit.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Engineering Division

Date Prepared: August 30, 2017
End of Review Period: October 9, 2017
Date Adopted by City Council:

----------------------------------------
Rebecca Tolentino
Interim Planning Division Manager
Rebecca.tolentino@ci.gilroy.ca.us
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## A. BACKGROUND

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Hecker Pass Commercial Architectural and Site Review (AS 17-02)</th>
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<tbody>
<tr>
<td>Lead Agency Contact Person</td>
<td>Rebecca Tolentino</td>
</tr>
<tr>
<td>and Phone Number</td>
<td>Interim Planning Manager</td>
</tr>
<tr>
<td></td>
<td>City of Gilroy Community Development Department, Planning Division</td>
</tr>
<tr>
<td></td>
<td>(408) 846-0218</td>
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<tr>
<td>Date Prepared</td>
<td>August 30, 2017</td>
</tr>
<tr>
<td>Study Prepared by</td>
<td>EMC Planning Group Inc.</td>
</tr>
<tr>
<td></td>
<td>301 Lighthouse Avenue Suite C</td>
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<tr>
<td></td>
<td>Monterey, CA 93940</td>
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<td></td>
<td>(831) 649-1799</td>
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<tr>
<td></td>
<td>Teri Wissler Adam, Senior Principal</td>
</tr>
<tr>
<td></td>
<td>Stuart Poulter, Associate Planner</td>
</tr>
<tr>
<td>Project Location</td>
<td>2740 Hecker Pass Road (Hecker Pass Highway – State Route 152), Gilroy</td>
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<tr>
<td>Project Sponsor Name and Address</td>
<td>Skip Spiering</td>
</tr>
<tr>
<td></td>
<td>Hecker Pass Commercial, LLC</td>
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<tr>
<td></td>
<td>1550 The Alameda, Suite 100</td>
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<tr>
<td></td>
<td>San Jose, CA 95126</td>
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<tr>
<td>General Plan Designation</td>
<td>Hecker Pass Special Use District</td>
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<td>Zoning</td>
<td>Hecker Pass Special Use District</td>
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<td>AT (Agri-tourist Commercial)</td>
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**Setting**

The six-acre project site is located in the Hecker Pass Specific Plan area, which covers approximately 423 acres and is generally bounded by Uvas Creek to the west and south, and the Village Green development (located on the west side of Santa Teresa Boulevard) to the east. Hecker Pass Highway forms the northern boundary for a majority of the specific plan area with the exception of approximately 123 acres located north of Hecker Pass Highway. The Hecker Pass Specific plan area and project vicinity are presented below in Figure 1, Regional Location and Project Vicinity.
The project site is located on the south side of Hecker Pass Highway, north of Lone Oak Lane, and west of Two Oaks Lane. Existing uses on the project site include a single family residence and associated outbuildings at the northwest corner of the site and fallow agricultural land. Figure 2, Aerial Photograph, includes a superimposed site plan onto the project site and the project and surrounding Assessor’s parcel numbers. Figure 3, Site Photographs, present the existing conditions at the project site. The site is located in an area designated “Agri-tourist Commercial” by the Hecker Pass Specific Plan. The intent of the Agri-tourist Commercial designation, per Section 3.43 of the specific plan, is to “preserve the rural character of the Hecker Pass Area and at the same time capitalize on local tourism” and “only small-scale commercial uses associated with rural tourism, agricultural uses and some limited recreational services will be allowed. Agri-tourist uses may also include small-scale commercial uses serving local residents and visitors” (HPSP pg. 3-12). Figure 4, Hecker Pass Specific Plan Land Use Map shows the current land use designations of the specific plan area (including the Agri-tourist Commercial areas in red).

Specific Plan, Amendments and CEQA Compliance Background

In 2004, the Gilroy City Council certified the original program EIR for the Hecker Pass Specific Plan (Hecker Pass Specific Plan/South Valley Community Church EIR) hereinafter known as the “HPSP EIR.” The Hecker Pass Specific Plan was adopted by the City Council in January 2005. Since the original specific plan was adopted, three amendments to the specific plan have been approved by the City Council which eliminated the “east intersection” on Hecker Pass Highway and allowed limited transfer of residential units among Residential Cluster (Amendment #1 – 2007); reduced the Community Facility Designation acreage and increased the acreage and number of dwellings in the Residential East Cluster (Amendment #2 – 2008); and changed the remaining land designated Community Facilities to Residential East Cluster (Amendment #3 – 2015).

In 2006, the City Council adopted the Hecker Pass Special Use District Backbone Infrastructure Master Plan (AS 05-54), for which a mitigated negative declaration was prepared and adopted. A development agreement between the City of Gilroy and the property owners was executed on February 5, 2007.

The City of Gilroy is currently processing a 4th amendment to the specific plan, which includes changing the planned standard intersection at Hecker Pass Highway and Third Street to a roundabout, the addition of a Class I bike path south of the Hecker Pass Highway right-of-way, elimination of two mitigation measures, and modification of fencing restrictions. City approval of this proposed 4th amendment is not necessary in order to consider this proposed agri-tourist commercial project.
Figure 1
Regional Location and Project Vicinity
Hecker Pass Commercial Initial Study
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Figure 2

Aerial Photograph

Hecker Pass Commercial Initial Study

Source: ESRI 2014
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Figure 3
Site Photographs
Hecker Pass Commercial Initial Study
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Description of Project

In January 2017, Hecker Pass Commercial, LLC submitted an architectural and site review (AS 17-02) application to the Gilroy Planning Division, along with supplementary information to support its application, to develop the project site. The proposed project includes three buildings with the following proposed uses: a winery building and two mixed use buildings with restaurant/retail on the ground floor and 22 one- and two-bedroom residential units on the second floor. These 22 residential units will function as “live/work units” which as defined by the specific plan (see Table 3-2, “Agricultural Use Table” of the specific plan under Footnote 5, p. 3-14) are units that function as both living quarters and work studios for artists or other professionals. This use is permitted under the Agri-tourist Commercial designation.

Proposed commercial uses total 32,758 square feet and are anticipated to consist of a wine tasting room, wine warehouse, and outdoor crush area; a small retail store; and several eateries (coffee, sushi, tap n taco, breakfast/lunch restaurant, upscale lunch/dinner restaurant), and a deli and wine store. The mixed use development is anticipated to create approximately 55 employees (10 for the winery facility and 45 for the retail and restaurants) and house approximately 75 new residents in the live/work units (at 3.4 persons per household). The project includes 225 parking spaces (eight more than required), and landscaping throughout the project, including grapevines along the project’s frontage with Hecker Pass Highway. Table 1, Proposed Hecker Pass Commercial Site Uses, provides a breakdown of each of the proposed uses on the site and the square footage associated with the uses.

Table 1  Proposed Hecker Pass Commercial Site Uses

<table>
<thead>
<tr>
<th>Use</th>
<th>Square Footage</th>
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<tbody>
<tr>
<td>Commercial/Retail Uses</td>
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<tr>
<td>Wine Warehouse</td>
<td>6,829</td>
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<tr>
<td>Wine Tasting Room</td>
<td>1,677</td>
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<tr>
<td>Wine Outdoor Crush Area</td>
<td>1,458</td>
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<tr>
<td>East Building Retail/Restaurants</td>
<td>11,397</td>
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<tr>
<td>West Building Retail/Restaurants</td>
<td>11,397</td>
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<tr>
<td>Commercial/Retail Total</td>
<td>32,758</td>
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<tr>
<td>Residential Uses</td>
<td></td>
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<tr>
<td>East Building 2nd Floor Live/Work Units</td>
<td>10,807</td>
</tr>
<tr>
<td>West Building 2nd Floor Live/Work Units</td>
<td>10,807</td>
</tr>
<tr>
<td>Residential Total</td>
<td>21,614</td>
</tr>
<tr>
<td>Total Floor Area Square Footage for Site</td>
<td>54,372</td>
</tr>
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</table>

SOURCE: RJA 2017
Access to the site is proposed via the extension of Third Street at Hecker Pass Highway from two, new driveways on Lone Oak Lane. Proposed grading consists of 2,602 cubic yards of cut, 5,395 cubic yards of fill, with 2,793 cubic yards of import material. Figure 5, Site Plan provides a comprehensive site overview for the proposed uses on the site and the layout of each of the buildings, parking areas, landscaping, and access and exit points to the site. A complete set of the project plans are included in Appendix A.

Other Public Agencies Whose Approval is Required

1. Regional Water Quality Control Board (NPDES Permit)
2. Santa Clara Valley Habitat Agency, Implementing Entity (HCP permit)

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?

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.

The city has not received any requests for consultation from tribes that are traditionally or culturally affiliated with the specific plan project area, including the proposed commercial site. Therefore no additional consultation was required under Assembly Bill (AB) 52.
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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
- Agriculture and Forestry Resources
- Air Quality
- Biological Resources
- Cultural Resources
- Geology/Soils
- Greenhouse Gas Emissions
- Hazards & Hazardous Materials
- Hydrology/Water Quality
- Land Use/Planning
- Mineral Resources
- Noise
- Population/Housing
- Public Services
- Transportation/Traffic
- Tribal Cultural Resources
- Utilities/Service Systems
- Mandatory Findings of Significance
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.

Rebecca Tolentino, Interim Planning Manager

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:

<table>
<thead>
<tr>
<th>Potential Impact</th>
<th>Less-than-Significant Impact with Mitigation Measures Incorporated</th>
<th>Less-Than-Significant Impact</th>
<th>No Impact</th>
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a. Have a substantial adverse effect on a scenic vista or degrade the existing visual character in the Hecker Pass Specific Plan Area (GP Policy 1.07) or the hillside areas (GP Policy 1.16, GP Policy 12.04)? (1, 17, 18, 19)

b. Substantially damage scenic resources viewed from Hecker Pass Highway or Pacheco Pass Highway (GP Policy 6.01, GP Policy 12.04)? (1, 17, 18, 19)

c. Substantially damage scenic resources viewed from Uvas Park Drive, Santa Teresa Boulevard, or Miller Avenue from First Street to Mesa Road (GP Policy 6.02)? (17, 18, 19)

d. Substantially damage scenic resources (farmland and surrounding hills) viewed from Highway 101 (GP Policy 6.03, Action 1-H)? (17, 18, 19)

f. 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) (GP Policy 1.10 and Action 1-H)? (1, 17, 18, 19)

f. Create a new source of substantial light or glare, which would adversely affect day or nighttime views in the area? (17, 18, 19)

g. Include or require a wall or fence higher than seven feet above the existing grade at the property line? (17, 18, 19)
Comments:

a.,b.,e. **Scenic Resources & Vistas.** The HPSP EIR concluded that projects consistent with the land use and design controls in the HPSP would result in a less than significant impact to scenic resources viewed from Hecker Pass Highway. Each of the potential impacts were found to have a less than significant impact through the utilization of the HPSP's policies and land use and design controls.

The proposed Agri-tourist Commercial development would implement the intended use of the site as envisioned in the specific plan and alter the visual quality of the site, as seen from Hecker Pass Highway, replacing the existing residential home site and fallow agricultural land currently found there. One of the primary goals of the specific plan is to preserve the rural character of Hecker Pass while encouraging limited Agri-tourist and Agricultural Commercial development that is rural in scale (see Policy 7-1). As noted in Section 7.3 of the specific plan, Agri-tourist Commercial sites should be designed “to reflect the agricultural and viticultural heritage of the Hecker Pass Area. Site design should complement the orchards and vineyards existing in the Hecker Pass Area and the surrounding county area” (HPSP, p. 7-16). Policy 3-13 of the specific plan also emphasizes “small pedestrian scale” for Agri-tourist Commercial uses with an additional emphasis on “pedestrian access, comfort, and visual interest” (HPSP, p. 3-13).

**Architecture.** The proposed project would include two mixed use buildings with a wine building to accommodate wine tasting, warehousing, and limited production. Their design is intended to reflect the agricultural and viticultural heritage of the Hecker Pass area through the utilization of design elements and themes recommended in the specific plan (Section 7.3.3). These include articulation in the overall building mass and roof form through the repetition of similar details and elements throughout the entire development as well as utilizing building materials and colors that are harmonious with the surrounding landscape and reduce the visual impact of the built structures.

The proposed design of the buildings largely accomplishes this by utilizing harmonious building materials that reflect agricultural and viticultural themes, namely corrugated metal vertical siding and horizontal wood siding with earth toned stone columns and composite wood trusses at prominent entrances. Clustering the buildings together at the center of the property and creating separation between the various buildings also helps to maintain an open feeling and preserve views of the surrounding area. **Figure 6, Mixed-Use Building Elevations** and **Figure 7, Wine Building Elevations**, provide elevations for the proposed buildings on the site.
While certain design elements of the proposal differ from some of the specific plan design guidelines, including the use of largely flat roof ridgelines and utilizing stone veneer columns instead of wood columns, the proposed design of the commercial building and wine facility as a whole largely meets the intent of the guidelines and is therefore consistent with the specific plan.

**Landscaping.** The proposed project also calls for landscaping that incorporates an agricultural theme and preservation of a large valley oak tree that would complement the overall site design. The area fronting Hecker Pass Highway would a small vineyard as a transition from the highway to the commercial buildings. The large valley oak near the existing residence will also be retained and incorporated as part of the patio/open space area separating the wine building from the mixed-use buildings. The existing deodar cedar tree row will not be disturbed and little to no further development of this frontage is proposed beyond connections to the planned Class I bike trail along the highway. These connections to the bike path are in line with the stated goal of Agri-tourist Commercial to provide pedestrian connections to adjacent public sidewalks and other uses throughout the specific plan area. All access to the site will be provided via Lone Oak Lane and not directly from the highway.

**Visibility/Attractiveness.** Hecker Pass Highway serves as the city’s western gateway, and, as noted in the Gilroy 2020 General Plan, as well as the specific plan, is valued for its rural qualities and scenic views, agricultural lands, open spaces, and limited residential and commercial development. The specific plan explicitly notes that Agri-tourist Commercial uses are intended to be located along Hecker Pass Highway to make them more visible for travelers and should therefore be designed carefully so as not to impact the rural character of the scenic highway. Construction of a Agri-tourist Commercial development on the project site, would alter the existing viewshed from Hecker Pass Highway (looking south) to some degree; however, the existing deodar cedar tree row prohibits extended views into and/or through the project site. Additionally, the project design largely adheres to and implements the specific plan’s design guidelines required for Agri-tourist Commercial development, an attractive and visually appealing design which respects the area’s rural character has been ensured.

In addition, the project would adhere to specific site and building requirements outlined in Table 7-2 of the specific plan, including adhering to a minimum 115 foot setback from Hecker Pass Highway (also included in HPSP Policy 3-14), with the exception of trellises on the mixed-use buildings, which are located within the setback; maximum building height limits (no higher than 35 feet for a two story structure); and site coverage maximum proposed at 12.5 percent (32,758 SF) of the
total site area with a maximum 25 percent (65,340 SF) allowed for Agri-tourist Commercial land uses per Policy 3-13. The project would also incorporate the existing large valley oak tree at the center of the property. Therefore, the proposed project would comply with policies and requirements established in the specific plan regarding Agri-tourist Commercial development and would not result in an unattractive entrance to Gilroy.

c.-d. The proposed project would not be visible from Uvas Park Drive, Santa Teresa Boulevard, Miller Avenue, or U.S. Highway 101 and therefore, would have no impact on scenic resources visible from these roadways.

f. The proposed project includes outdoor lighting for night time safety purposes located primarily to the rear of the project in the parking area. Limited outdoor lighting would be located to the front of the property (facing Hecker Pass Highway). No other lighting and no reflective materials that would result in substantial sources of daytime glare are proposed.

The Hecker Pass Specific Plan EIR concluded that light and glare impacts would be less than significant with implementation of applicable Hecker Pass Specific Plan policies limiting lighting adjacent to Uvas Creek. Compliance with Hecker Pass Specific Plan policies that call for shielding and orienting light fixtures downward to prevent light splay off the site would reduce effects of new sources of lighting to the extent that the impact of new lighting to visual quality is less than significant. The exterior lighting proposed for the project would comply with this sort of shielded lighting and would focus the lighting towards the rear of the development away from Hecker Pass Highway. The proposed lighting will be at the lowest level that meets safety requirements. No mitigation is required.

g. No fencing or solid walls are proposed for the project.
Figure 6
Mixed-Use Building Elevations
Hecker Pass Commercial Initial Study

Source: Seshat Design 2017
Hecker Pass Commercial Initial Study

Wine Building Elevations

Figure 7

Source: Seshat Design 2017
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:

<table>
<thead>
<tr>
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</tr>
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<tbody>
<tr>
<td>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, 16, 17, 18, 19, 34)</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>b. Conflict with a Williamson Act contract? (16, 17, 18, 19, 30)</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
</tr>
<tr>
<td>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, 16, 17, 18, 19, 34)</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
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</tbody>
</table>

**Comments:**

a, c. Based on the analysis conducted in the HPSP EIR, it was determined that build out of the specific plan area would have a less-than-significant impact associated with the conversion of agricultural land, less-than-significant impacts associated with potential land use conflicts with residential uses (noise, dust, etc.), and a less than significant impact associated with the conversion of land in a Williamson Act contract. The project site was identified as Prime Farmland when the specific plan EIR was prepared and the specific plan adopted. The property was listed as “Other Land” on the 2014 Santa Clara County Important Farmland Map. The proposed project includes implementing the originally intended uses for this site associated with Agri-tourist Commercial development as outlined in the specific plan. The proposed development would therefore still result in a conversion of the agricultural land existing on the site and would not result in any new impacts associated with the conversion of agricultural land. No mitigation measures are required.
b. The subject property is not in a Williamson Act contract. The property is currently listed as “Non-Williamson Act Land” (Non-Enrolled Land) on the 2015-2016 Williamson Act Map for Santa Clara County. Therefore, the proposed project would have no effect on property in a Williamson Act contract.
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:

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</tr>
</thead>
<tbody>
<tr>
<td>a. Conflict with the Bay Area Air Quality Management District Clean Air Plan (BAAQMD CAP)? (13, 19, 31)</td>
<td>❌</td>
<td>✓</td>
<td>❌</td>
</tr>
<tr>
<td>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. (13, 16, 18, 19, 31)</td>
<td>❌</td>
<td>❌</td>
<td>✓</td>
</tr>
<tr>
<td>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)? (13, 16, 18, 19, 31)</td>
<td>❌</td>
<td>❌</td>
<td>✓</td>
</tr>
<tr>
<td>d. Expose sensitive receptors (residential areas, schools, hospitals, nursing homes) to substantial pollutant concentrations (CO and PM₁₀), as determined in b. above? (13, 16, 18, 19, 31)</td>
<td>❌</td>
<td>✓</td>
<td>❌</td>
</tr>
<tr>
<td>e. Create objectionable odors affecting a substantial number of people? (13, 18, 19, 31)</td>
<td>❌</td>
<td>❌</td>
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</table>

**Comments:**

a. **Clean Air Plan Consistency.** 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). Air quality impacts with regard to implementation of the Hecker Pass Specific Plan were evaluated in the HPSP EIR. The 2004 HPSP EIR concluded, at that time, that the HPSP was inconsistent with the population projections and vehicle miles traveled projections used in preparing the Clean Air Plan. The City adopted a statement of overriding considerations when adopting the HPSP. The air district
recently adopted the current version of the Clean Air Plan on April 19, 2017. In this 2017 version of the Clean Air Plan, the air district adopted a new methodology for assessing consistency with the Clean Air Plan. The air district’s Air Quality CEQA Guidelines (“air district CEQA guidelines”) Section 9.1 provides guidance on determining if a development project is consistent with the Clean Air Plan. Consistency with the Clean Air Plan is based on three inter-related criteria: support for the primary goals of the Clean Air Plan, inclusion of applicable Clean Air Plan air quality control measures, and absence of hindrances to implementation of the Clean Air Plan.

The primary goals of the 2017 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 below, the proposed project would generate criteria air pollutant and toxic air contaminant emissions, but not to the extent that significant impacts would occur. Therefore, the proposed project, as mitigated, does not result in significant air quality impacts, and therefore, supports the primary goals of the 2017 Clean Air Plan.

Most of the 81 control measures in the 2017 Clean Air Plan are applicable to industrial stationary sources, or are implemented at a regional level, and not applicable to the proposed project. Control measures potentially applicable to the proposed project are included below in Table 2, 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 2 Potentially Applicable Control Measures (2017 Clean Air Plan)

<table>
<thead>
<tr>
<th>Control Measure Number and Name</th>
<th>Consistency Analysis</th>
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<tr>
<td>SS36 – Particulate Matter from Trackout</td>
<td>The proposed project shall implement dust control measures which are standard conditions of approval for the city. See “Short-Term Construction Impacts” discussion below. Implementation of this standard condition will address mud and dirt that could be “tracked out” from the project construction site.</td>
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<tr>
<td>SS38 – Fugitive Dust</td>
<td>See above regarding implementation of the city’s standard condition of approval regarding dust control measures.</td>
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<tr>
<td>TR2 – Trip Reduction Programs</td>
<td>As currently proposed, the project plans and information available to the city does not include information on any proposed implementation of a trip reduction program for the Agri-tourist Commercial development. However, because the Agri-tourist Commercial development will create approximately 55 new employees, the project will be subject to the Bay Area Commuter Benefits Program currently being implemented by the air district. The city shall require the applicant to implement a mitigation measure (AQ-1), listed below, that will utilize regional and voluntary trip reduction programs for future employees.</td>
</tr>
<tr>
<td>Control Measure Number and Name</td>
<td>Consistency Analysis</td>
</tr>
<tr>
<td>------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
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<tr>
<td>TR8 – Ridesharing and Last-Mile Connections</td>
<td>See above regarding implementation of a mitigation measure requiring the project to implement a rideshare or commuter benefits program for the project. Implementation of this mitigation measure will ensure compliance with control measure TR8.</td>
</tr>
<tr>
<td>TR9 – Bicycle and Pedestrian Access and Facilities</td>
<td>The Agri-tourist Commercial site will include a connection to the planned Class I bike path along the south side of Hecker Pass Highway. This will ensure access to the site for bicyclists and pedestrians. The project also proposes bicycle racks near this connection point along the north side of the project site.</td>
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<tr>
<td>NW2 – Urban Tree Planting</td>
<td>Landscaping plans for the proposed project show approximately 109 new trees of three species (Cork oak, olive, and English oak) on site. While not an urban setting, the construction of a Agri-tourist Commercial development on a presently vacant parcel, as well as ongoing development within the Hecker Pass Specific Plan, will necessitate replacement of any existing trees to be removed as a result (per the city’s Consolidated Landscape Policy and the Hecker Pass Specific Plan EIR requiring mitigation for trees to be removed).</td>
</tr>
<tr>
<td>WA3 – Green Waste Diversion</td>
<td>As currently proposed, the project plans and information available to the city does not include information on any proposed implementation of a green waste diversion program for the Agri-tourist Commercial development. The air district has identified benefits as a result of diverting green waste away from landfills by reducing the number of truck hauling miles while yielding valuable compost that can be used in place of artificial fertilizers and pesticides. In addition, compost applications can reduce the amount of water needed in agricultural operations and landscaping, reducing the amount of energy required to pump water for irrigation. Implementation measures include developing a zero waste goal for a development or requiring large commercial facilities to use compost in their landscaping operations rather than employ artificial fertilizers. In order to ensure compliance with this control measure, the city shall require the applicant to implement a mitigation measure (AQ-2), listed below, that will ensure implementation of such a program for the restaurant, wine facilities, and residential uses on site.</td>
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<td>WR2 – Support Water Conservation</td>
<td>This measure is intended to promote water conservation, including reduced water consumption and increased on-site water recycling, in residential, commercial and industrial buildings for the purpose of reducing greenhouse gas (GHG) emissions. The project will utilize various stormwater control measures such as bioswales and vegetated channels along roadways and parking lots to retain water on site.</td>
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**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.

Party Responsible for Implementation: Hecker Pass Commercial LLC

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 shall provide to the city details of a proposed green waste diversion program, which will include on-site composting, for the Agri-tourist Commercial development consistent with the 2017 BAAQMD Clean Air Plan control measure WA3.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Planning Division

The proposed project, as mitigated, implements these control measures, and 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 proposed project would generate criteria air pollutant emissions during construction and operations. Ambient air quality is monitored by the air district at eight locations in Santa Clara County. Air pollutants of concern in the air basin are ozone, particulate matter (PM10 and PM2.5), and toxic air contaminants (Bay Area Air Quality Management District 2017). The ozone attainment status is currently “non-attainment” and the suspended and fine particulate matter (PM10) attainment status is currently “non-attainment,” for both state and federal standards. On January 9, 2013, Environmental Protection Agency (EPA) determined that the air district had attained the annual PM2.5 national standard. However, the air basin continues to be designated as “non-attainment” for the national 24-hour PM2.5 standard until such time as the air district submits a “re-designation request” and a “maintenance plan” to the EPA and the EPA approves the proposed re-designation (Bay Area Air Quality Management District 2017). The air district remains in non-attainment of the state standard for PM2.5.

The air district has published comprehensive guidance on evaluating, determining significance of, and mitigating air quality impacts of projects and plans in its air district CEQA guidelines, which were initially adopted in 1999 and subsequently updated in 2010, 2011, 2012, and 2017.

The 2017 air district CEQA guidelines, Table 3-1 Criteria Air Pollutants and Precursors and GHG Screening Level Sizes, identifies land uses by size that are typically not expected to result in criteria pollutant emissions that would exceed the air district’s thresholds. Table 3-1 provides an indication of when a project’s construction and operational emissions should be quantified based on identified size
criteria. The proposed project’s long-term operational and short-term construction air quality impacts are discussed below.

**Long-term Operational Impacts.** The proposed project includes components that would have long-term operational air quality impacts that were not previously identified for Agri-tourist Commercial development in the HPSP EIR. These include stationary sources, the 22 residential work/units incorporated into the second floor of the mixed use development, and the long-term impacts associated with residential uses. Other long-term operational air quality impacts include emissions generated by vehicles coming to and from the Agri-tourist Commercial site.

The proposed project is below the air district’s screening levels of 451 dwelling units for “Apartment, low-rise”, 99,000 square feet for a “Strip Mall”, and 864,000 for a “Warehouse” for criteria air pollutant emissions including PM10 and ozone precursors. Each of these land use types are the closest related types associated with the three proposed components of this project (retail/restaurant, residential live/work units, and winery/crush facility). As such, either or both phases of the proposed project would not be expected to generate criteria air pollutant emissions that would exceed air district standards. Emissions modeling conducted for the purposes of estimating greenhouse gas emissions (refer to Section D.7, Greenhouse Gas Emissions, of this initial study) confirms that the proposed project would not exceed air district thresholds. The modeling results are presented in Table 3, Operational Criteria Pollutant Emissions.

### Table 3 Operational Criteria Pollutant Emissions

<table>
<thead>
<tr>
<th>Emissions</th>
<th>Reactive Organic Gases (ROG)</th>
<th>Nitrogen Oxides (NOx)</th>
<th>Suspended Particulate Matter (PM10)</th>
<th>Fine Particulate Matter (PM2.5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thresholds (Pounds Per Day)</td>
<td>54</td>
<td>54</td>
<td>82</td>
<td>54</td>
</tr>
<tr>
<td>Winter (unmitigated)</td>
<td>12.36</td>
<td>9.12</td>
<td>6.20</td>
<td>34.94</td>
</tr>
<tr>
<td>Summer (unmitigated)</td>
<td>12.66</td>
<td>8.71</td>
<td>6.20</td>
<td>33.87</td>
</tr>
</tbody>
</table>

**SOURCE:** CalEEMod Results, EMC Planning Group 2017; Bay Area Air Quality Management District 2017

**NOTE:** Results may vary due to rounding.
The modeling results confirm that the proposed project would not exceed air district thresholds for ROG, NO\textsubscript{x}, PM\textsubscript{10}, and PM\textsubscript{2.5} and therefore, would not result in significant emissions impacts during operations. Operational criteria air pollutants generated by the proposed project would therefore be less than cumulatively considerable and less than significant.

**Short-term Construction Impacts.** The HPSP identified potentially significant short-term construction-related air quality impacts and provided a mitigation measure (HPSP EIR Mitigation Measure 4) to reduce these impacts to a less-than-significant level. This mitigation measure reflects the air district’s approach to reducing construction impacts through “Best Management Practices” and is now reflected in the City’s standard conditions of approval for reducing short-term construction air quality impacts. These standard conditions are as follows:

- All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day.
- All haul trucks transporting soil, sand, or other loose material off-site shall be covered.
- All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited.
- All vehicle speeds on unpaved roads shall be limited to 15 mph.
- All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.
- Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]). Clear signage shall be provided for construction workers at all access points.
- All construction equipment shall be maintained and properly tuned in accordance with manufacturer’s specifications. All equipment shall be checked by a certified visible emissions evaluator.
- Post a publicly visible sign with the telephone number and person to contact at the lead agency regarding dust complaints. This person shall respond and take corrective action within 48 hours.
The Air District’s phone number shall also be visible to ensure compliance with applicable regulations.

Compliance with these standard conditions of approval would reduce project-related construction emissions impacts to a less than significant level. No mitigation is required. The proposed commercial development would not violate any air quality standards and would not result in a cumulatively considerable net increase of any criteria pollutants.

d. Sensitive receptors are defined as residential uses, schools; daycares, and health care facilities such as hospitals or retirement and nursing homes. The nearest sensitive receptors to the project site are the occupants of the existing houses located to the south of the project site. Additional residential subdivisions are currently under construction to the south and east of the project site and the Gilroy Municipal Golf Course is located directly across Hecker Pass Highway to the north. The existing homes, and potentially new homes now under construction, could be exposed to dust and equipment exhaust during construction which would be a significant impact. However, compliance with the city’s standard conditions of approval for the control of dust during construction would reduce exposures to construction dust to a less-than-significant level.

In addition, diesel equipment exhaust during construction has the potential to expose nearby sensitive receptors to high levels of toxic air contaminants. The closest sensitive receptors (existing residences) are approximately 150 feet from the south side of the project site. Implementation of the following mitigation measure would reduce this risk to a less than significant level.

**Mitigation Measure**

**AQ-3.** The following construction equipment parameters shall be included on all grading and building plans, subject to review and approval by the Building Division:

a. All mobile diesel-powered off-road equipment larger than 25 horsepower and operating on the site for more than two consecutive days shall meet, at a minimum, U.S. EPA particulate matter emissions standards for Tier 2 engines or equivalent that also includes CARB-certified Level 3 Verified Diesel Emission Control Strategies (VDECS) or Diesel Particulate Filters meeting these requirements. Note that U.S. EPA Tier 4 equipment is considered to meet this measure. Applicant and/or construction contractor shall be responsible for submitting an equipment data list and operations timeframes to the Building Division prior to commencement of grading operations, and updating the information each week that there is a change.
For each piece of equipment, the list shall include: CARB identification number, type of equipment (grader, dozer, etc.), emissions classification of equipment (Tier 2, filter type, etc.), compliance or non-compliance with emissions requirements above, and proposed operation schedule.

b. Include conspicuous signage at the construction site entry and on-site construction office reiterating idle time limits on all diesel-fueled off-road vehicles to five minutes, as required by Title 23, Section 2449, of the California Code of Regulations (“CARB Off-Road Diesel Regulations”).

c. Eliminate the use of portable diesel equipment (e.g., generators) within 200 feet of project boundaries by providing electrical service at the site during the initial construction phase. Alternatively, use propane or natural gas powered equipment if electricity is not available.

Weekly monitoring reports detailing compliance with the measures described above shall be submitted by the applicant to the Building Division during all phases of construction. The Building Division shall ensure this has occurred prior to issuance of an occupancy permit.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Building Division

e. **Odors.** Operations of the proposed project would not result in any objectionable odors. While the grape-crushing activities at the wine facility (which tend to occur seasonally in the fall) would create some odors during active crushing, the odors would be short-term and not considered significant. However, construction equipment has the potential to emit objectionable odors during the project construction phase. Because of the small size of the project area, and the limited number of sensitive receptors within the project vicinity, objectionable odors that may occur during the construction process would be less than significant.
4. **BIOLOGICAL RESOURCES**

Would the project:

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<th></th>
<th>Potentially Significant Impact</th>
<th>Less-than-Significant Impact with Mitigation Measures Incorporated</th>
<th>Less-Than-Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>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? (15, 17, 18, 24, 25, 26)</td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>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 Wildlife or US Fish and Wildlife Service? (15, 17, 18, 24)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>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? (15, 17, 18)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>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? (15, 17, 18)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance? (15, 17, 18, 19, 27, 28)</td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>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? (15, 17, 18, 29)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
</tbody>
</table>
Comments:

EMC Planning Group senior biologist and certified arborist, Andrea Edwards, conducted a biological reconnaissance field survey on June 6, 2017 to document existing plant communities and wildlife habitats, and to evaluate the potential for special-status species occurrence at the proposed project site. Prior to conducting the site visit, Ms. Edwards reviewed site plans, aerial photographs, biological resources database accounts, and scientific literature/project reports describing natural resources in the project vicinity.

The project site is located on the Gilroy U.S. Geological Survey (USGS) quadrangle map. It is relatively flat with an approximate elevation range of 240-250 feet. The project site contains mainly non-native grassland, along with disturbed, developed, and ornamental areas. Disturbed areas include an active construction area across the southern portion of the site associated with installation of utilities for adjacent residential development and extension of Lone Oak Lane. Rural residential structures with associated non-native ornamental vegetation are also present on the site.

Many trees are present on the site as documented in the arborist report, most notably native coast live oaks (Quercus agrifolia), valley oaks (Quercus lobata), and western sycamores (Platanus racemosa); some of these trees are massive in size and provide valuable wildlife habitat. Vegetation along the southern side of Hecker Pass Highway is dominated by a row of sizable non-native ornamental trees [mainly deodar cedar (Cedrus deodara)] with a sparse and patchy understory of non-native plants (see below) and thick leaf litter.

The non-native grassland is dominated by non-native slender wild oat (Avena barbata), ripgut grass (Bromus diandrus), soft chess (Bromus hordeaceus), barley (Hordeum murinum), and rye grass (Festuca perennis). Other prevalent non-native species include radish (Raphanus sativus), Italian thistle (Carduus pycnocephalus), shortpod mustard (Hirschfeldia incana), curly dock (Rumex crispus), white-stemmed filaree (Erodium moschatum), English plantain (Plantago lanceolata), California burclover (Medicago polymorpha), yellow star-thistle (Centaurea solstitialis), and bindweed (Convolvulus arvensis).

As explained below, the proposed project is consistent with the biological resource protection policies identified in the Specific Plan (with incorporation of the associated EIR mitigation measures) and with the Santa Clara Valley Habitat Plan.

a. **Special-Status Species.** A search of the California Department of Fish and Wildlife (CDFW) California Natural Diversity Database was conducted for the Morgan Hill, Mount Sizer, Mississippi Creek, Mount Madonna, Gilroy, 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. Records of occurrence for special-status plants were reviewed for those USGS quadrangles in the
California Native Plant Society (CNPS) *Inventory of Rare and Endangered Plants*. A U.S. Fish and Wildlife Service (USFWS) *Endangered Species Program* threatened and endangered species list was also generated for Santa Clara County. Special-status species in this report are those listed as Endangered, Threatened, Rare, or Candidates for listing by the USFWS and/or CDFW; as Species of Special Concern or Fully Protected species by the CDFW; or as special-status (Rare Plant Rank 1B or 2B) by the CNPS.

The Specific Plan contains several natural resource protection policies that apply to special-status species:

Policy 5-27: Impacts to sensitive wildlife species and habitats that occur in the Specific Plan Area shall be avoided whenever possible. Mitigation measures shall be implemented as necessary to reduce or eliminate impacts to special-status species and their habitats.

Policy 5-30: As a means of preserving wildlife corridors and habitat areas, development should be clustered on lands with less valuable habitat.

Policy 5-31: Developments should be designated in a manner that will minimize adverse impacts to native trees and habitats.

Due to the absence of suitable habitat, no special-status species are expected to occur on the proposed project site, with the exception of one species addressed separately in section (f) below, and protected nesting birds that may occur in trees and other vegetation on the site and in adjacent areas.

The following discussion regarding potential impacts to nesting birds is based on the June 2017 survey and the certified Specific Plan EIR (Section 2.4 Biological Resources). Implementation of the policy indicated below will reduce potentially significant project impacts to nesting birds to a less-than-significant level.

**Nesting Birds.** The project site and adjacent areas have potential to provide nesting habitat for birds (including raptors) protected under the federal Migratory Bird Treaty Act and California Fish and Game Code, should they be present during project construction. If protected species are nesting in or adjacent to the project site during the bird nesting season, then noise-generating construction activities and/or vegetation removal, including tree removal, could result in the loss of fertile eggs or nestlings, or otherwise lead to abandonment of nests.

A Specific Plan policy (see below) requires pre-construction surveys for protected nesting birds when development would occur in or adjacent to potential nesting habitat during the bird nesting season. The policy provides guidance to postpone construction activities and vegetation removal within 250 feet of any active bird nest until the nest is vacated.
Policy 5-44: Pre-construction surveys for protected birds shall be conducted for improvements or development proposed in or adjacent to potential nesting habitat (i.e., riparian woodland) if development is proposed during the nesting and/or breeding season of raptors (generally March through August). If any active nests are found within the survey area, at the discretion of the biologist, clearing and construction within 250 feet shall be postponed or halted until nests are vacated and juveniles have fledged, and there is no evidence of a second attempt at nesting.

Mitigation Measure

BIO-1. (HPSP Policy 5-44) Pre-construction surveys for protected birds shall be conducted for improvements or development proposed in or adjacent to potential nesting habitat (i.e., riparian woodland) if development is proposed during the nesting and/or breeding season of raptors (generally March through August). If any active nests are found within the survey area, at the discretion of the biologist, clearing and construction within 250 feet shall be postponed or halted until nests are vacated and juveniles have fledged, and there is no evidence of a second attempt at nesting.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Planning Division

b. Sensitive Natural Communities. No sensitive natural communities or riparian habitats occur on the project site, and therefore, no impacts would occur.

c. Wetlands and Waterways. The site contains three minor drainage culverts that allow water to flow under Hecker Pass Highway from north to south and under Two Oaks Lane from west to east during rain events, following a short, shallow, and poorly defined on-site ditch between these two roads. The drainage features flow into a more defined off-site drainage ditch positioned along/immediately adjacent to the eastern edge of the site. The proposed project does not include any changes to on-site or off-site culverts or ditches. No impacts to wetland/waterway resources potentially under the jurisdiction of the U.S. Army Corps of Engineers (USACE), CDFW, or Regional Water Quality Control Board (RWQCB) are expected.

d. Wildlife Movement. Wildlife movement corridors generally provide connectivity between habitat areas, enhancing species richness and diversity, and usually also provide cover, water, food, and breeding sites. The site is bordered by Hecker Pass Highway, which is subject to high volume and high velocity vehicular traffic, and by residential development. These factors greatly limit possible wildlife movement.
across the site. The proposed project would have no adverse impacts on wildlife movement and would not impede the use of native wildlife nursery sites.

e. **Local Biological Resource Policies/Ordinances.** As stated in the certified Specific Plan EIR, Section 6.0 of the City’s *Consolidated Landscaping Policy* states that the following trees are designated significant: existing native trees (naturally occurring species in Gilroy) six inches or more in diameter, measured at four and one half (4.5) feet above the ground. In addition, trees important to the historical or visual aspect of Gilroy (such as hillside tree stands) are also considered significant.

The project arborist report includes information on each surveyed tree with a recommendation to either retain or remove the tree, along with general recommendations to protect retained trees during and after construction activities. Removal of four trees is recommended due to the proposed project: one dead black walnut (*Juglans nigra*) with 21-inch DBH (diameter at breast height); two western sycamores in poor/hazardous condition with 48 and 60-inch DBH; and one valley oak in fair condition with 29-inch DBH. The arborist report recommends preservation of the exceptionally large on-site native valley oak with 62-inch DBH, 80-foot height, and 110-foot canopy spread, noting that this important tree is in need of corrective structural pruning, root crown excavation, and fungicide treatment to promote its long-term health.

The loss of significant trees per the City’s *Consolidated Landscaping Policy* due to the proposed project is a significant impact. Implementation of the policies and mitigation measures presented below will reduce this significant impact to a less-than-significant level.

The specific plan includes several policies that would minimize adverse impacts to significant trees. Natural Resource Protection Policy 5-31 is a provision to design projects in a manner that will minimize adverse impacts to native trees and habitats. Landscaping Policy 7-8 requires a certified arborist to prepare a written report that identifies the trees to be removed and the specifications for replacing trees. Landscaping Policy 7-9 requires a tree protection zone to be established and fenced for trees to be retained prior to construction. A tree removal permit and tree replacement mitigation will be required as a condition of project approval, consistent with the City’s *Consolidated Landscaping Policy*.

Policy 5-31: Development should be designated in a manner that will minimize adverse impacts to native trees and habitats.

Policy 7-8: Prior to the removal of any significant tree(s), a field survey shall be conducted by a certified arborist to determine the number and location of each significant tree to be removed, the type and approximate
size of each significant tree, and the reason for removal. These findings shall be included in a written report that contains specifications for replacing significant trees to be removed and submitted to the Gilroy Planning Division for review and approval.

Policy 7-9: Prior to the commencement of construction activities, the protected zone of any tree or group of trees to be retained should be fenced to prevent injury to the trees during construction under the supervision of an arborist. Soil compaction, parking of vehicles or heavy equipment, stockpiling of construction materials, and/or dumping of materials shall not be allowed within the protected zone. The fencing shall remain in place until all construction activities are complete.

The following specific plan policy and the requirements of the City’s Consolidated Landscaping Policy would apply to the proposed project and therefore are included as mitigation measures:

**Mitigation Measures**

**BIO-2.** (Consolidated Landscaping Policy) Prior to issuance of a grading permit, the applicant shall submit a final tree replacement plan to mitigate for proposed tree removals. The final plan shall identify the species, size, numbers, and locations for the replacement trees, and will be subject to review and approval by the Planning Manager. The tree replacement plan shall be implemented with construction of the project.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Planning Division

**BIO-3.** (HPSP Policy 7-9) Prior to the commencement of grading or construction activities, the protected zone of any tree or group of trees to be retained should be fenced to prevent injury to the trees during construction under the supervision of an arborist. Soil compaction, parking of vehicles or heavy equipment, stockpiling of construction materials, and/or dumping of materials shall not be allowed within the protected zone. The fencing shall remain in place until all construction activities are complete.

Party Responsible for Implementation: Hecker Pass Commercial, LLC

Party Responsible for Monitoring: Gilroy Planning Division

**f. Conservation Plans.** The project site is located within the boundaries of the Santa Clara Valley Habitat Plan, a combined Habitat Conservation Plan and Natural Community Conservation Plan incorporating the southern portion of Santa Clara
County. The Habitat Plan regulates and protects biological resources within its permit area in order to contribute to the recovery of special-status species. It contains a wealth of biological resource background information for the region, and its detailed conditions and requirements apply to covered activities to protect covered species and create new habitat reserves that are larger in scale, more ecologically valuable, and easier to manage than numerous individual mitigation sites. The City of Gilroy is an active partner in the Santa Clara Valley Habitat Agency, which is a Joint Powers Authority responsible for executing the requirements of the Habitat Plan.

The Habitat Plan was developed in association with the USFWS and CDFW. It is intended to provide an effective framework to protect, enhance, and restore natural resources in specific areas of Santa Clara County, while improving and streamlining the environmental permitting process for impacts to 18 covered special-status species. Through this comprehensive program, the USFWS issues the six partner agencies a 50-year permit that authorizes incidental take of covered species listed under the federal Endangered Species Act, while the CDFW issues a 50-year permit that authorizes take of covered species under the Natural Community Conservation Planning Act.

The Habitat Plan partner agencies include Gilroy, Morgan Hill, and San Jose; County of Santa Clara; Santa Clara Valley Transportation Authority; and Santa Clara Valley Water District. Partner agencies began implementing the Habitat Plan in October 2013. The Habitat Plan allows the partner agencies to receive endangered species take authorization permits for activities and projects they conduct and to extend this take authorization to project applicants under their jurisdiction.

The Habitat Plan includes nine covered plant species: Tiburon [Indian] paintbrush (Castilleja affinis var. neglecta), coyote ceanothus (Ceanothus ferrisiae), Mount Hamilton [fountain] thistle (Cirsium fontinale var. campylon), Santa Clara Valley dudleya (Dudleya abramsii ssp. setchellii), fragrant fritillary (Fritillaria liliacea), Loma Prieta hoita (Hoita strobilina), smooth lessingia (Lessingia micadenia var. glabrata), Metcalf Canyon jewel-flower (Streptanthus albidos ssp. albidos), and most beautiful jewel-flower (Streptanthus albidos ssp. peramoenus). It also includes nine covered wildlife species: Bay checkerspot butterfly (Euphydryas editha bayensis), California tiger salamander (Ambystoma californiense), California red-legged frog (Rana draytonii), foothill yellow-legged frog (Rana boylii), western pond turtle (Emys marmorata), [western] burrowing owl (Athene cunicularia), Least Bell’s vireo (Vireo bellii pusillus), tricolored blackbird (Agelaius tricolor), and San Joaquin kit fox (Vulpes macrotis mutica).

According to the Habitat Plan “Geobrowser” data available online, the project site does not require focused special-status species surveys for any plants or wildlife, and
is not located in a priority reserve area or special fee zone. Only one special-status species has the potential to occur on or adjacent to the project site, and the potential is very low: the California Species of Special Concern burrowing owl. Although this species has very low potential to occur, this species is fully covered by the Habitat Plan, and no project mitigation or focused surveys for burrowing owl are required.

Regarding land cover, though the Geobrowser shows the portion of the site located along Hecker Pass Highway as “coast live oak forest and woodland”, the vegetation is more accurately classified as a strip of ornamental woodland (though containing some native oak trees). The majority of the site is mapped as “agriculture developed”; it currently contains developed residential structures and an open field of non-native grassland that may have previously been used for agricultural production.

The specific plan includes urban (residential) and rural (agricultural and park/recreational) land uses. Specifically, the City of Gilroy has clarified that “the Hecker Pass Specific Plan is an urban development that incorporates rural features”. The proposed project is a “Covered Activity” pursuant to the Habitat Plan, Chapter 2 (page 2-39), and is located inside the planning limits of urban growth pursuant to Figure 2-2 of the Habitat Plan. As a covered activity, a Habitat Plan permit, compliance with all permit conditions, and payment of applicable fees will be required, but the proposed project does not conflict with the Habitat Plan reserve system or conservation strategies.
5. **Cultural Resources**

Would the project:

<table>
<thead>
<tr>
<th>Impact Category</th>
<th>Potentially Significant Impact</th>
<th>Less-than-Significant Impact with Mitigation Measures Incorporated</th>
<th>Less-than-Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Cause a substantial adverse change in the significance of a historical resource as defined in section 15064.5? (1, 2, 17, 18, 19, 20, 21, 32)</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>b. Cause a substantial adverse change in the significance of an archaeological resource pursuant to section 15064.5? (1, 2, 17, 18, 19, 20, 21, 32)</td>
<td>✗</td>
<td>✓</td>
<td>✗</td>
<td>✗</td>
</tr>
<tr>
<td>c. Disturb any human remains, including those interred outside of dedicated cemeteries? (1, 2, 17, 18, 19, 20, 21, 32)</td>
<td>✗</td>
<td>✓</td>
<td>✗</td>
<td>✗</td>
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</tbody>
</table>

**Comments:**

This section addresses potential impacts of the proposed project on cultural resources. Information contained within this section is based on a variety of sources including several reports prepared by William Self Associates, Inc. (WSA) in connection with the proposed project, as well as the pending specific plan amendment (Z 16-02) addressing the proposed traffic roundabout at the Hecker Pass Highway and Third Street intersection (immediately to the northeast of the project site), the Class I bike trail proposed on the south side of Hecker Pass Highway, changes to specific plan language related to fencing, and elimination/modification of two specific plan EIR traffic mitigation measures.

a. There are two historic resources in the immediately vicinity of the project site: The Highway 152 Tree Row, which consists of 115 deodar cedar trees stretching 1.39 miles along the southern right of way of Hecker Pass Highway and immediately fronts the project site, and the Ousley Farm/Hoey Ranch, which sits approximately 0.15 miles to the northeast of the project site across of Hecker Pass Highway. While the project calls for the demolition of the four standing structures associated with the existing home site on the project site, an architectural survey of the site conducted by WSA determined that these structures were not associated with the Ousley Farm/Hoey Ranch site and were not eligible for inclusion on the California Register of Historical Resources (CRHR). The proposed project would not involve the removal of any historic deodar cedar tree and would not impact the Ousley Farm site across Hecker Pass Highway. Therefore, no impact would occur to above-ground historic resources as a result of the proposed project.
b. WSA conducted an intensive record search and pedestrian archeological survey of
the exposed and accessible ground surface within the project area. Two isolated
fragments of possible groundstone were found on the surface, but no other cultural
indicators or cultural soil was encountered and a record search did not uncover any
known archeological resources on the site. Although there is no evidence of
significant prehistoric cultural resources at the project site, the possibility of finding
significant cultural (historic or pre-historic) resources during earth moving activities
always exists. Adherence to the city standard condition of approval regarding
consultation with a professional archaeologist if archeological or cultural resources
are discovered during grading, earth-moving, or construction activities would ensure
potential impacts to resources accidentally discovered during grading activities
would be reduced to a less-than-significant impact. This city standard condition of
approval was included as a mitigation measure in the specific plan EIR. Condition
language is as follows:

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) at 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
on site, 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.

c. The project site is not known to contain any human remains; however, the possibility
of accidentally discovering human remains during earth moving activities always
exists. As a standard condition of approval, the following language is included on
city-issued permits, including, but not limited to building permits for future
development, subject to the review and approval of the Gilroy Planning Division. It is
also a mitigation measure in the specific plan EIR:

In the event of an accidental discovery or recognition of any human remains
in any location other than a dedicated cemetery, the City shall ensure that
this language is included in all permits in accordance with CEQA
Guidelines section 15064.5(e):

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 48 hours after being notified by the commission; b) the descendant 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. **GEOLOGY AND SOILS**

Would the project:

<table>
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<tr>
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<th>Potentially Significant Impact</th>
<th>Less-than-Significant Impact with Mitigation Measures Incorporated</th>
<th>Less-Than-Significant Impact</th>
<th>No Impact</th>
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<tbody>
<tr>
<td>a.</td>
<td>Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:</td>
<td>![ ]</td>
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<td>(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. (16, 17, 18, 19, 37)</td>
<td>![ ]</td>
<td>![ ]</td>
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<td>(2) Strong seismic ground shaking? (1, 2, 17, 18, 19, 37)</td>
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<td>(3) Seismic-related ground failure, including liquefaction? (17, 18, 19, 37)</td>
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<td></td>
<td>(4) Landslides? (17, 18, 19, 37)</td>
<td>![ ]</td>
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</table>
b. Result in substantial soil erosion or the loss of topsoil? (14, 17, 18, 19, 37) | ![ ] | ![ ] | ![ ] | ![ ] |
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? (14, 17, 18, 19, 37) | ![ ] | ![ ] | ![ ] | ![ ] |
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? (14, 17, 18, 19, 37) | ![ ] | ![ ] | ![ ] | ![ ] |

Comments:

a. (1) The HPSP EIR noted the specific plan area was located within a seismically active area with three notable regional faults (Sargent, San Andreas, and Calaveras) running approximately 2, 4.5, and 6 miles, respectively, from the specific plan area. The specific plan area, however, is not located within a State of California Fault Hazard
Zone and no known faults underlying the project site or within the specific plan area have been identified.

(2) City of Gilroy General Plan Policy 25.03 requires appropriate studies for all developments to assess potential hazards and assure that they are adequately mitigated. This requirement has been satisfied through the preparation of a series of preliminary geotechnical studies for the specific plan area and evaluated in the HPSP EIR. In addition, a geotechnical study was prepared by ENGEO for the site in 2015 for a previous application to develop the site with residential uses. The study concluded that from a geotechnical standpoint, the project site was suitable for the then proposed residential development. However, because the current project is a largely commercial development the recommendations for the site will need to be updated to ensure proper preparation of the site. The city’s Engineering Division has required a supplement geotechnical survey be conducted to capture more accurate soil data and geotechnical information for the site as reflect in the following mitigation measure:

**Mitigation Measure**

GEO-1. Prior to issuance of a grading permit, the applicant shall have a supplemental geotechnical report prepared and shall have additional boring samples taken within the current project footprint on the site. All recommendations shall be incorporated into the grading and building plans as appropriate, subject to review and approval by the Building Division.

   **Party Responsible for Implementation:** Hecker Pass Commercial, LLC

   **Party Responsible for Monitoring:** Gilroy Building Division

(3) Potential hazards due to liquefaction, lateral spreading, and/or lurching were considered to be less than significant impacts according to the HPSP EIR. The 2015 geotechnical report prepared for the site noted that the soil conditions of the site some minor liquefaction-induced ground settlement may occur at the site (up to one inch). The report also noted that the site is not mapped within a Santa Clara County Liquefaction Hazard Zone (2006, Figure 5), but mapping prepared by the Association of Bay Area Governments (ABAG, 2001, Figure 6) maps the site as moderately susceptible to liquefaction. However, the risk of liquefaction-induced surface rupture and later spreading for the site was considered low. The report included some recommendations for design and construction for a predominately residential project. The supplemental geotechnical report referenced in GEO-1 will need to update these site preparation recommendations for the design and construction of the current commercial development.
(4) The entirety of the project is almost entirely flat and is not subject to landslides.

b. The HPSP EIR identified one geology related impact of the original HPSP project – potential soil erosion that could impact sensitive biological habitat within Uvas Creek. While the site is located approximately 900 feet north of Uvas Creek and almost entirely flat, as noted in Section D.4 “Biological Resources” three minor drainage culverts that allow water to flow under Hecker Pass Highway from north to south and under Two Oaks Lane from west to east are located at the north end of the site and help facilitate the movement of stormwater during rain events towards Uvas Creek along the property’s eastern boundary along Two Oaks Lane. Site grading and construction has the potential to introduce soil runoff into these culverts. Preparation and implementation of an erosion control plan (Policy 5-24), which is included below as mitigation measure and required for any proposed project by the specific plan, would reduce this impact to a less-than-significant level.

Mitigation Measure

GEO-2. Prior to issuance of a grading permit for the Agri-tourist Commercial site, the project applicant shall prepare an erosion control plan consistent with the City’s erosion control ordinance. The plan shall be subject to review and approval of the City of Gilroy Engineering Division and its implementation by project applicant shall be monitored by the City.

Party Responsible for Implementation: Hecker Pass Commercial, LLC

Party Responsible for Monitoring: Gilroy Engineering Division

The proposed project includes grading and improvement plans to accommodate the commercial development. According to the HPSP EIR, the soils within the specific plan area do not have a high erosion potential. However, during grading and construction activities, when soils are loosened and bare of vegetation, the risk of erosion would be increased over normal circumstances. Compliance with Policy 5-24 in the adopted and amended HPSP and mitigation measure GEO-2 would reduce this impact to a less than significant level.

c. As noted in the specific plan, the specific plan area contains alluvial soils near Uvas Creek (approximately 820 feet south and 1,200 feet west of the project site), which is less cohesive and more susceptible to liquefaction, lurching, and lateral spreading. However, based on geological testing conducting at the time, it was determined that the risk of liquefaction was unlikely within the specific plan area beyond the immediate area of Uvas Creek (50 feet). The project site is not located within 50 feet of Uvas Creek and would not be susceptible to these less cohesive soils. The 2015
geotechnical report for the project site confirmed that the area was underlain with alluvial deposits but that the risk of liquefaction-induced surface rupture and lateral spreading for the site was considered low. However, as previously noted, the soil conditions of the site increased the likelihood of some minor liquefaction-induced ground settlement. Design and construction recommendations included that all building pads be supported on uniform engineered fill to provide relatively uniform soil conditions at pad grade and reduce risk of differential soil movements. In addition, it was recommended the construction of relatively rigid mat foundations, such as post-tensioned structural mats. Adherence to these recommendations during grading and construction of the currently proposed project would reduce the minor risk of liquefaction-induced ground settlement to a less than significant level.

d. According to the HPSP EIR, soils within the specific plan do not represent a hazard or limitation to development. The moderately expansive character of some of the soils can be addressed through standard foundation, grading, and excavation procedures. The 2015 geotechnical report and the soil samples taken at the site confirmed that expansive soils pose a low risk for any potential development.
7. **GREENHOUSE GAS EMISSIONS**

Would the project:

<table>
<thead>
<tr>
<th>Potentially Significant Impact</th>
<th>Less-than-Significant Impact with Mitigation Measures Incorporated</th>
<th>Less-Than-Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment? (35, 36)</td>
<td>❌</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>b. Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases? (35, 36)</td>
<td>☒</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>

**Comments:**

The proposed project is located within the San Francisco Bay Air Basin. The Bay Area Air Quality Management District (air district) is charged with managing air quality within the basin. The air district implements policies and programs designed to ensure that air quality meets standards established under federal and state laws.

**California Assembly Bill 32 (Global Warming Solutions Act).** In September 2006, the Governor signed Assembly Bill (AB) 32, the California Global Warming Solutions Act of 2006. AB 32 establishes regulatory, reporting, and market mechanisms to achieve quantifiable reductions in greenhouse gas (GHG) emissions. AB 32 requires that statewide GHG emissions be reduced to 1990 levels by 2020. AB 32 is the statewide framework for evaluating the contribution of individual development projects located within the boundaries of individual lead agencies to achieving or hindering the statewide reduction goal. The strategies the state is to implement to achieve the 2020 goal are embedded in scoping plans. The scoping plan was first approved by the CARB Board in 2008 and the first update was approved in 2014. With the adoption of AB 32, local and regional agencies began to align their CEQA processes and craft GHG thresholds of significance to be consistent with the year 2020 reduction goal.

**Thresholds of Significance.** 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 is the only agency that, to date, has developed a plan for GHG emissions reductions that can be utilized by the city. The air district published comprehensive guidance on evaluating, determining significance of, and mitigating GHG impacts of projects and plans. The initial guidance was contained in the California Environmental Quality Act Air Quality Guidelines (Bay Area Air Quality Management District 2017) (air quality guidelines). The 2010 version of the air quality guidelines was the first to include draft thresholds of significance for GHG emissions and to include screening criteria designed to assess project types and intensities whose GHG emissions would not exceed project-specific GHG standards of significance. These thresholds are included in the most recent update to the air quality guidelines (May 2017).

The air district thresholds are based on GHG reductions needed within the air district by 2020, including from new land development projects, for development within the district to contribute its fair share to the statewide GHG reductions identified in AB 32 and the 2014 scoping plan. The air district’s thresholds of significance for the operations of individual projects are as follows:

- Compliance with a qualified GHG Reduction Strategy or
- Meet one of the following thresholds:
  - 1,100 metric tons or less of CO2e per year; or
  - 4.6 metric tons CO2e or less per service population (residents and employees) per year.

Either threshold may be utilized to evaluate the significance of GHG emissions from an individual project. If annual operational emissions exceed the selected threshold, the proposed project would result in a cumulatively considerable contribution of GHG emissions and a cumulatively significant impact to global climate change.

The air district does not consider GHG emissions generated during construction of a project to be a component of the project’s emissions profile. Therefore, construction emissions are not considered in determining whether emissions from a project exceed a threshold of significance.

**Methodology.** Since the proposed project will be operational prior to 2020, AB 32 is the applicable GHG reduction plan and the air district’s adopted thresholds are applicable.

GHG emissions from the annual operations of the proposed project have been estimated using the California Emissions Estimator Model (CalEEMod) Version 2016.3.1 software. For a detailed discussion of the modeling methodology and CalEEMod inputs and results please refer to the Hecker Pass Commercial Project Gilroy: Operational AQ/GHG Emissions Assessment memorandum (“GHG/AQ memo”) and results included in Appendix B.
a. **Greenhouse Gas Emissions.** The project site contains existing uses that generate GHG emissions, although minimal, and the proposed project would generate GHG emissions during its long-term operation. The total annual net project GHG emissions volume is the projected project volume less the existing GHG emissions. These emissions are discussed individually below.

**Existing Operational GHG Emissions.** As identified in Section A, Background of this initial study, the project site contains existing uses whose operation results in GHG emissions. Existing uses include one single-family residence and associated outbuildings at the northwest corner of the site and fallow agricultural land. According to the CalEEMod modeling results, GHG emissions under existing conditions are estimated to be 15.08 metric tons (MT) carbon dioxide equivalent (CO2e) per year.

**Operational Emissions Estimate.** Unmitigated operational GHG emissions are reported in Table 3, Unmitigated Operational GHG Emissions (MT CO2e per year) of the GHG/AQ memo, included in Appendix B. The proposed project would generate an estimated 1,031.73 MT CO2e per year.

CalEEMod incorporates GHG emissions reductions that accrue from two key state legislative programs - the Pavley standards and Low Carbon Fuel Standard. GHG emissions reductions will also result statewide from implementation of other state legislation and regulations enacted to implement the 2008 and 2014 Scoping Plans. These reductions are not captured through CalEEMod. GHG emissions from operation of the project would be reduced as a result. Therefore, the projected annual emissions volume of 1,031.73 MT CO2e per year for the project is conservative; the total annual volume would be lower.

**Annual Carbon Sequestration Offset.** Modeled emissions associated with the changes in vegetation and change in sequestration value would reduce lifetime emissions associated with the proposed project by 31.55 MT CO2e. For ease of reporting, this amount is averaged over thirty-years to yield an annual carbon sequestration offset of 1.05 MT CO2e, which is deducted from the annual project emissions.

**GHG Emissions Attributable to the Proposed Project.** The total unmitigated GHG emission volume attributable to the proposed project is determined by comparing existing emissions with proposed unmitigated operational emissions, and any carbon offsets applicable to the project. The net annual GHG emissions volume is 1,015.60 MT CO2e (1,031.73 MT CO2e operational emissions - 1.05 MT CO2e sequestration
offset - 15.08 MT CO₂e existing emissions). A summary of the net project GHG emissions are presented in Table 4, Annual Net Unmitigated GHG Emissions (MT CO₂e per Year) of the GHG/AQ memo.

**Conclusion.** As indicated in the discussion above, the total GHG emissions attributable to the project are 1,015.60 MT CO₂e per year. This is below the air district threshold of significance of 1,100 MT of CO₂e per year; therefore, the proposed project would have a less-than-significant GHG emissions impact. No mitigation measures are required.

b. **Conflict with AB 32 – the Applicable GHG Reduction Plan.** The proposed project would conflict with AB 32 if the GHG emissions it generates interfere with the state’s ability to achieve GHG emissions reduction targets set forth in the scoping plan for the 2020 target year. As described in section “a” above, the thresholds of significance are designed to determine whether GHG emissions from a specific project located within the air district would hinder the state’s ability to achieve the statewide 2020 emissions reduction goal embodied in AB 32. Project emissions would be below the thresholds. Therefore, the proposed would not conflict with AB 32.
8. **HAZARDS AND HAZARDOUS MATERIALS**

Would the project:

<table>
<thead>
<tr>
<th>Comments:</th>
<th>Potentially Significant Impact</th>
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<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials? (16, 17, 18, 19, 38)</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>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? (16, 17, 18, 19, 38)</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
<td>✗</td>
</tr>
<tr>
<td>c. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school? (12, 16, 17, 18, 19, 38)</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>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? (10, 12, 16, 17, 19, 38)</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>e. Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan? (1, 2, 16, 17, 18, 19, 38)</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>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, 2, 17, 19, 22, 38, 43)</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
<td>✗</td>
</tr>
</tbody>
</table>

**Comments:**

a. The proposed project would not create a hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials.

b. A 2015 modified Phase I environmental site assessment was conducted for the project site related to a previous application for the property. This assessment did not
identify any potential hazards that would pose a risk to the public on or adjacent to the site as no documentation of hazardous materials violations, discharge, or soil and groundwater contamination was found. As relates to the current project, only nominal amounts of hazardous material in the form of fuels and other construction materials would be used during construction processes of the commercial development. These materials do not pose an elevated risk to the public.

c. The closest school to the project site is located approximately 1.5 miles to the southeast (Solorsano Middle School) and therefore would not emit hazardous emissions within one-quarter mile of school.

d. The previous modified Phase I environmental site assessment conducted for a previous application for the site found no documentation of hazardous materials violations or discharge on the subject property. A review of the Department of Toxic Substances Control’s Envirostor database confirmed that there are no sites within the specific plan area, including the project site, on the Hazardous Waste and Substances (Cortese) List pursuant to Government Code section 65962.5.

e. The proposed project includes the construction of a commercial development south of Hecker Pass Highway. The site would be accessed via the Third Street and Lone Oak Lane roundabout intersection. The proposed project would therefore not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan.

f. Current fire hazard maps for Santa Clara County and the City of Gilroy do show portions of the specific plan area in “Moderate” to “High” Fire Hazard Safety Zones (Santa Clara County Fire Department 2016). However, the project site is not included within these zones as these zones are entirely located to the north of Hecker Pass Highway. Therefore, the proposed project would not 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.
9. **HYDROLOGY AND WATER QUALITY**

Would the project:

<table>
<thead>
<tr>
<th></th>
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<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Violate any water quality standards or waste discharge requirements? (4, 5, 6, 7, 16, 17, 18, 19)</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>b.</td>
<td>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)? (4, 5, 6, 7, 16, 17, 18, 19)</td>
<td>☑</td>
<td>☑</td>
<td>✓</td>
</tr>
<tr>
<td>c.</td>
<td>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 <em>substantial erosion or siltation on- or off-site</em>? (4, 5, 6, 7, 16, 17, 18, 19, 41, 42, 43)</td>
<td>☑</td>
<td>☑</td>
<td>✓</td>
</tr>
<tr>
<td>d.</td>
<td>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 <em>flooding on- or off-site</em>? (4, 5, 6, 7, 16, 17, 18, 19, 41, 42, 43)</td>
<td>☑</td>
<td>☑</td>
<td>✓</td>
</tr>
<tr>
<td>e.</td>
<td>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? (4, 5, 6, 7, 16, 17, 18, 19, 41, 42, 43)</td>
<td>☑</td>
<td>☑</td>
<td>✓</td>
</tr>
<tr>
<td>f.</td>
<td>Otherwise substantially degrade water quality? (4, 5, 6, 7, 16, 17, 18, 19)</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>g.</td>
<td>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? (2, 4, 5, 6, 7, 12, 16, 17, 18, 19)</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
</tbody>
</table>
h. Place within a 100-year flood hazard area structures, which would impede or redirect flood flows? (2, 4, 5, 6, 7, 12, 16, 17, 18, 19)  

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? (2, 4, 5, 6, 7, 12, 16, 17, 18, 19)  

Comments:  

a. The proposed project would connect to the city sewer system and would not violate any water quality standards or waste discharge requirements.  

b. Groundwater capacity at the time of the HPSP EIR for the specific plan area was projected to be more than adequate to serve the needs of the future land uses within the specific plan area, including the proposed Agri-tourist Commercial site. In addition, as noted in Section D.17. Utilities, of this initial study, the projected water demand for the Agri-tourist commercial site (6,000 gallons per day) would be under the estimated demand analyzed for Agri-tourist Commercial uses in the HPSP EIR. Therefore, the proposed project would not result in a substantial depletion of 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.  

c. Several potentially significant hydrology and water quality impacts of specific plan area build out were identified in the HPSP EIR. These included erosion of Uvas Creek banks from storm water runoff resulting in increased bank instability, short-term and long-term water quality degradation and exposure to Uvas Creek flood hazards. The project site is located approximately 900 feet north of Uvas Creek on an almost entirely flat site. A preliminary hydrologic report was prepared by the applicant’s engineer, Ruggeri-Jensen-Azar, in July 2017 to address hydrologic and hydraulic conditions on the site both before and after implementation of the project. The report determined that impervious surface area would be increased by approximately 3.1 acres (or approximately 135,000 square feet) which will increase run-off and peak flow. Various storm water control measures will be implemented to mitigate post-construction storm water in the form of bioretention areas and underground storm water chambers. The report determined that the preliminary storm drain system hydrologic and hydraulic design meets the city’s and the county’s design criteria.  

In addition, the project would be required to implement an erosion control mitigation measure identified in Section D.6 “Geology and Soils” of this initial study. This
mitigation measure would ensure potential impacts as a result of storm water runoff from the site towards Uvas Creek would be mitigated to a less than significant level. Therefore, the proposed project would not 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.

As previously noted, the construction of the buildings and parking surfaces on the site would result in an increase in impervious surfaces on the site by approximately 135,000 square feet. The specific plan provides design guidelines (under 8.2.1 “Best Management Practices”) which encourage parking areas to utilize pervious materials and other storm water management design features. In addition the city now requires that all new projects be design in accordance with the city’s “Stormwater Management Guidance Manual for Low Impact Development and Post-Construction Requirements.”

In order to determine whether the project would comply with both the city’s and the Central Coast Regional Water Quality Control Board’s (“Regional Water Quality Control Board”) current storm water requirements, the applicant’s engineer, Ruggeri-Jensen-Azar, prepared a preliminary post-construction storm water control plan for the project. Per the project plans and the applicant’s preliminary post-construction storm water control plan, the proposed project would implement several low impact development (LID) elements including a bioretention basin at the center of rear the parking lot as well as a roadside bioswale along Lone Oak Lane to offset and mitigate additional run-off due to the increase in impervious surfaces on the site. The applicant’s report determined that the project met all four performance requirements mandated by the Regional Water Quality Control Board. These include implementation of LID site design and runoff reduction strategies (No. 1); implementation of onsite storm water quality treatment measures that promote infiltration, harvesting and use, and/or evapotranspiration for the runoff generated by the 85th percent 24-hour storm (No. 2); prevention of offsite discharge from events up to the 95th percent 24-hour storm event (No. 3); and demonstration that post-development storm water runoff peak flows discharged from the site do not exceed pre-project peak flows for the 2 through 10 year events (No. 4).

Therefore, the proposed project would not 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. Nor would it 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.
The proposed project would not otherwise degrade water quality.

The proposed project would not place housing or structures within the 100-year flood hazard area.

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.
10. LAND USE AND PLANNING

Would the project:

<table>
<thead>
<tr>
<th></th>
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<th>Less-than-Significant Impact with Mitigation Measures Incorporated</th>
<th>Less-Than-Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Physically divide an established community? (17, 18, 19, 22)</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>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? (17, 18, 19, 22)</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
<td>✗</td>
</tr>
</tbody>
</table>

Comments:

a. The proposed project would not divide an established community.

b. The proposed project is to develop an agri-tourist commercial project consistent with the site’s Agri-tourist Commercial designation under the Hecker Pass Specific Plan. Key goals and policies from the Hecker Pass Specific Plan, which were adopted for the purpose of avoiding or mitigating an environmental effect which also pertain to the proposed project, are discussed and briefly analyzed for consistency below in Table 4, Project Consistency – Hecker Pass Specific Plan Goals and Policies:

Table 4 Project Consistency - Hecker Pass Specific Plan Goals and Policies

<table>
<thead>
<tr>
<th>HPSP Goal/Policy Number</th>
<th>Goal/Policy Summary</th>
<th>Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Section 3. Land Use</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goal 3-2</td>
<td>Integrate rural style urban development and agricultural uses in a manner that preserves and protects the rural agricultural character of the Hecker Pass Area.</td>
<td>The proposed project is an agri-tourist commercial use, with live-work apartment units, and is intended to integrate a mixed use development with architectural styles and themes indicative of the region’s agricultural identity. The proposed project is consistent with this goal.</td>
</tr>
<tr>
<td>Goal 3-6</td>
<td>Provide for limited small-scale Agri-Tourist commercial uses that support and enhance rural tourism in the Hecker Pass Area.</td>
<td>The project implements the site’s intended Agri-tourist Commercial designation and would further enhance the city and region’s tourism appeal and therefore, is consistent with this goal.</td>
</tr>
<tr>
<td>Policy 3-13</td>
<td>All Agri-tourist commercial uses shall maintain a relatively small pedestrian scale and shall be, limited to a maximum</td>
<td>The proposed building coverage for the site is approximately 12.5% and would therefore comply with the 25% maximum.</td>
</tr>
<tr>
<td>HPSP Goal/Policy Number</td>
<td>Goal/Policy Summary</td>
<td>Analysis</td>
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<tr>
<td>-------------------------</td>
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<tr>
<td>of 25% gross site area building coverage...</td>
<td>The development accommodates pedestrians and bicyclists and features a two-story mixed use building and a winery building with sitting and walking areas around and between the buildings. Architectural elements for the mixed use building include wood awnings and trellises supported by stone columns. Therefore, the project is consistent with this policy.</td>
<td></td>
</tr>
<tr>
<td>Policy 3-14</td>
<td>Agri-tourist buildings shall be setback a minimum of 115 feet from the existing centerline of Hecker Pass Highway.</td>
<td>All proposed buildings on the site would be setback a minimum of 115 feet from the highway. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>Policy 3-15</td>
<td>The design of Agri-tourist facilities shall be consistent with the rural character of the area and with the Community Design Guidelines (Chapter 7) of this Specific Plan.</td>
<td>The buildings for the proposed development utilize and comply with the design guidelines for Agri-tourist Commercial development. These include articulation in the overall building mass and roof form through the repetition of similar details and elements throughout the entire development as well as utilizing building materials and colors that are harmonious with the surrounding landscape and reduce the visual impact of the built structures. The proposed design of the buildings largely accomplishes this by utilizing harmonious building materials that reflect agricultural and viticultural themes, namely corrugated metal vertical siding and horizontal wood siding with earth toned stone columns and composite wood trusses at prominent entrances. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>Policy 3-16</td>
<td>No chain or franchise type convenience markets (i.e. 7-11, Stop and Go, etc.) shall be permitted within the Specific Plan Area.</td>
<td>No chain or franchise convenience stores are proposed, or allowed, for the site. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>Policy 4-4 (see also Policy 3-14)</td>
<td>No Development shall be allowed within 115 feet of the existing centerline of Hecker Pass Highway with the exception of future roadway improvements necessary to maintain adequate levels of service through the Specific Plan Area. Agricultural crops, landscaping, roads, and limited pedestrian paths are allowed within the setback corridor. Limited signage may also be located within this setback corridor.</td>
<td>The applicant proposes the following improvements within the 115-foot setback: landscaping, a bicycle path connection to the future Class I bike path along the south side of Hecker Pass Highway, a detention basin, a temporary E.V.A. easement at the eastern edge of the property, portions of two trellises attached to the proposed mixed-use buildings, and an entry sign. City staff has requested that the trellises be moved outside of the 115-foot setback. Therefore, the project is consistent with</td>
</tr>
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Section 4. Circulation and Transportation
<table>
<thead>
<tr>
<th>HPSP Goal/Policy Number</th>
<th>Goal/Policy Summary</th>
<th>Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy 4-5</td>
<td>Soundwalls to attenuate sound generated by traffic on Hecker Pass Highway or any other roadway in the Specific Plan Area are strictly prohibited.</td>
<td>The proposed project does not include soundwalls. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>Policy 4-13</td>
<td>Primary access to all new agricultural commercial and agri-tourist commercial uses should be directed to the west intersection or Third Street.</td>
<td>The site will be primarily accessed via the Third Street and Lone Oak Lane intersection. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>Goal 5-3</td>
<td>Preserve the unique agricultural character of the Hecker Pass Area by establishing historical and agricultural project features.</td>
<td>The project would include features that connect to the area’s agricultural and viticultural past through the inclusion of a wine tasting room and warehouse, vineyard landscaping at the north (facing Hecker Pass Highway), and through the use of agricultural themed architecture. Therefore, the project is consistent with this goal.</td>
</tr>
<tr>
<td>Policy 5-27</td>
<td>Impacts to sensitive wildlife species and habitats that occur in the Specific Plan Area shall be avoided whenever possible. Mitigation measures shall be implemented as necessary to reduce or eliminate impacts to special status species and their habitats.</td>
<td>As noted in Section D.4 “Biological Resources” of this initial study, sensitive wildlife habitats and species have been identified for the immediate area through the Habitat Conservation Plan and applicable mitigation measures have been required to mitigate any potential impacts. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>Policy 5-31</td>
<td>Development should be designated in a manner that will minimize adverse impacts to native trees and habitats.</td>
<td>The existing site is a fallow agricultural field and residential site. Two large oak trees will be retained on site and incorporated into the design of project. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>Policy 5-54</td>
<td>Pre-construction surveys for protected birds shall be conducted for improvements or development proposed in or adjacent to potential nesting habitat within oak woodlands if development is proposed during the nesting and/or breeding season of loggerhead shrike (generally February through June) or raptors (generally March through August). If active nests are found within survey area, at the discretion of the biologist, clearing and construction within 250 feet shall be postponed or halted until nests are vacated and juveniles have fledged and there is no evidence of a second attempt at nesting.</td>
<td>Mitigation measure BIO-1 listed in Section D.4 “Biological Resources” of this initial study will require the pre-construction surveys mandated in HPSP Policy 5-44. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>Policy 5-61</td>
<td>Improvements and permitted uses within the Hecker Pass Setback Corridor are</td>
<td>The applicant proposes the following improvements within the 115-foot</td>
</tr>
<tr>
<td>HPSP Goal/Policy Number</td>
<td>Goal/Policy Summary</td>
<td>Analysis</td>
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</tr>
<tr>
<td>Policy 5-68</td>
<td>To eliminate the use of soundwalls along Hecker Pass Highway, all residential and commercial development shall mitigate noise by employing City approved mitigation measures such as setbacks, building, orientation, landscape berming, architectural sound attenuation, etc.</td>
<td>The project does not include soundwalls. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>Policy 5-96</td>
<td>All proposed residential development should be setback a minimum of 250 feet from Hecker Pass Highway Centerline. If 250 feet cannot be accomplished, lesser setbacks that still meet the City of Gilroy noise policies may be implemented or alternative sound attenuation measures may be utilized. Mitigation measures must not interfere with views over the site and must be consistent with the scenic highway criteria and design standards.</td>
<td>While the 2nd story residential live/work units will be located just beyond the 115 foot Hecker Pass Setback Corridor, they are not at the required 250 foot setback for residential development in the specific plan area. The noise study conducted for the project determined that interior traffic noise exposure to these residences would be accomplished through the implementation of mitigation measure N-2 listed in Section D.12 “Noise” which would require air conditioning or mechanical ventilation be installed in each unit to allow windows and doors to be closed for sound insulation purposes. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>Policy 5-97</td>
<td>All proposed agri-tourist and agricultural commercial development should be setback a minimum of 115 feet from the existing centerline of Hecker Pass Highway. Proposed Agri-tourist and Agricultural Commercial projects where outdoor uses are proposed within 115 feet of the existing centerline of Hecker Pass Highway shall prepare a project noise study. The study shall define mitigation measures needed to ensure that exterior and interior noise levels do not exceed city noise standards. Mitigation measures shall be included in proposed projects subject to review and approval of the City of Gilroy Engineering Division. Mitigation actions must not interfere with views over the site and would be consistent with scenic highway designation criteria and specific plan design guidelines.</td>
<td>The project would be setback the minimum 115 feet from the centerline of Hecker Pass Highway. As required by this policy, the project was reviewed and analyzed for potential noise impacts in a noise study (included in Appendix C) prepared by WJV Acoustics, Inc. Recommendations were provided to ensure exterior and interior noise levels did not exceed city noise standards. All mitigation measures included in Section D.12 “Noise” would not interfere with views over the site and would be consistent with scenic highway designation criteria and specific plan design guidelines. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>HPSP Goal/Policy Number</td>
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<tr>
<td></td>
<td>interfere with views over the site and must be consistent with scenic highway designation criteria and design standards contained in the Specific Plan.</td>
<td></td>
</tr>
<tr>
<td>Policy 5-98</td>
<td>Sound walls shall not be permitted along the Hecker Pass Highway Corridor.</td>
<td>No soundwalls are proposed for the project. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>Policy 5-99</td>
<td>No sensitive noise receptors should be located within 115- feet of the existing centerline of Hecker Pass Highway unless adequately mitigated.</td>
<td>All sensitive noise receptors on the site are setback the minimum 115 feet. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>Section 7. Community Design</td>
<td></td>
<td></td>
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<tr>
<td>Policy 7-1</td>
<td>New residential development shall emphasize “Livable Community” principles as discussed further in Section 7.1.4. New commercial development shall encourage rural scale Agri-tourist and Agricultural Commercial businesses.</td>
<td>The live/work units proposed as part of the project would encourage a complete integrated community for employees of the commercial shops, winery, and restaurants. The “Livable Community” principles outlined in Section 7.1.4 encourage such integrated communities as well as encouraging pedestrian and bicycle use, preserving open space and vegetation, promoting efficient use of water, and using materials and methods of construction exhibiting continuity of history and culture. The proposed project largely accomplishes these principles. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>Policy 7-8</td>
<td>Prior to the removal of any significant tree(s), a field survey shall be conducted by a certified arborist to determine the number and location of each significant tree to be removed, the type and approximate size of each significant tree, and the reason for removal. These findings shall be included in a written report that contains specifications for replacing significant trees to be removed and submitted to the Gilroy Planning Division for review and approval.</td>
<td>Section D.4 “Biological Resources” of this initial study includes a mitigation measure (BIO-2) requiring a final tree replacement plan prior to the issuance of a grading permit. The final plan shall identify the species, size, numbers, and locations for the replacement trees, and will be subject to review and approval by the Planning Manager. The tree replacement plan shall be implemented with construction of the project. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>Policy 7-9</td>
<td>Prior to the commencement of construction activities, the protected zone of any tree or group of trees to be retained should be fenced to prevent injury to the trees during construction under the supervision of an arborist. Soil compaction, parking of vehicles or heavy equipment, stockpiling of construction materials, and/or dumping of materials shall not be allowed within the protected zone. The fencing shall remain in place until all construction activities are complete.</td>
<td>Section D.4 “Biological Resources” of this initial study includes a mitigation measure (BIO-3) that will require the protected zone of any tree or group of trees to be retained should be fenced to prevent injury to the trees during construction under the supervision of an arborist. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>HPSP Goal/Policy Number</td>
<td>Goal/Policy Summary</td>
<td>Analysis</td>
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<tr>
<td><strong>Policy 8-5</strong></td>
<td>Where practical, recycled water should be used to irrigate landscaping within the Specific Plan open space areas.</td>
<td>Project landscape plans call for the use of recycled water for landscape irrigation of project site landscaping. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td><strong>Policy 8-7</strong></td>
<td>Stormwater detention shall be designed to mitigate an increase in the 10-year and 100-year peak discharge for the project area, as determined by permitting agencies.</td>
<td>Per the applicant’s engineer, the Hecker Pass Commercial area was accounted for in the HPSP West Regional Detention Basin designed as part of the Tract 10220 (Hecker Pass East Cluster) improvements. The basin is designed to restrict post-project flows to pre-project levels for the 2-year, 10-year, and 100-year 24-hour storm events. This meets the Region Water Quality Control Board peak flow and city flood control mitigation requirements; no additional peak flow management is required. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td><strong>Policy 8-8</strong></td>
<td>Preserve water quality by implementing the latest Best Management Practices (BMPs) for storm drainage into the design and construction of the Specific Plan Area and detention facilities.</td>
<td>The proposed project would implement several landscape design elements including a bioretention basin at the center of rear the parking lot as well as a roadside bioswale along Lone Oak Lane to offset and mitigate additional run-off due to the increase in impervious surfaces on the site. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td><strong>Goal 8-3</strong></td>
<td>Maintain pre-development levels of storm water runoff and provide pretreatment methods to reduce the amount of pollutants entering the storm drain system.</td>
<td>In addition to the bioswale and vegetated retention basin, an underground retention facility is proposed at the southeast corner of the site to provide additional onsite storm water treatment. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td><strong>Goal 8-4</strong></td>
<td>Minimize the amount of impervious surfaces within the Specific Plan Area.</td>
<td>The construction of the buildings and parking surfaces on the site would result in an increase in impervious surfaces on the site by approximately 147,240 SF. However, the project would utilize extensive landscaping (approx. 33.5% of the site) and permeable coverage where feasible (approx. 44% of the site). Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td><strong>Policy 8-12</strong></td>
<td>Whenever feasible, developments should use impervious [sic] materials to decrease the amount of storm water runoff and increase infiltration for groundwater recharge.</td>
<td>Pervious materials are used throughout the project resulting in permeable coverage of about 44% of the project site, allowing for increased infiltration for groundwater recharge. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td><strong>Policy 8-13</strong></td>
<td>All rural roads and driveways shall utilize vegetated swales for infiltration and biologic uptake of pollutants whenever</td>
<td>A vegetated bioretention basin and bioswale are proposed along Lone Oak Lane and at the center of the parking lot</td>
</tr>
<tr>
<td>HPSP Goal/Policy Number</td>
<td>Goal/Policy Summary</td>
<td>Analysis</td>
</tr>
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</tr>
<tr>
<td>Policy 8-14</td>
<td>Break up expansive paved parking areas and patios with landscaped areas.</td>
<td>Most of the paved parking and patio areas are sufficiently broken up by landscaping and low impact development storm water treatment basins. Therefore, the project is consistent with this policy.</td>
</tr>
<tr>
<td>Policy 8-15</td>
<td>Incorporate vegetated swales around parking areas to provide pretreatment of storm water runoff before entering the storm drain system.</td>
<td>A vegetated bioretention basin and bioswale is proposed along Lone Oak Lane and at the center of the parking lot to help in capturing storm water runoff. Therefore, the project is consistent with this policy.</td>
</tr>
</tbody>
</table>

**SOURCE:** City of Gilroy (Hecker Pass Specific Plan) 2015

Based on the consistency analysis above, the proposed project would be consistent with the specific plan and its relevant environmental policies. All of the environmental effects associated with the proposed project are discussed throughout this initial study.
11. **MINERAL RESOURCES**

Would the project:

<table>
<thead>
<tr>
<th></th>
<th>Potentially Significant Impact</th>
<th>Less-than-Significant Impact with Mitigation Measures Incorporated</th>
<th>Less-Than-Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>✓</td>
</tr>
</tbody>
</table>

Result in loss of availability of a known mineral resource that would be of value to the region and the residents of the state? (17, 18, 19)

**Comments:**

a. According to the HPSP EIR, there are no known mineral resources on the project site. Therefore, the proposed project would have no effect on mineral resources.
12. **Noise**

Would the project:

<table>
<thead>
<tr>
<th>Potential Significant Impact</th>
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<th>Less-Than-Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Result in exposure of persons to or generation of noise levels in excess of standards established in the general plan? (1, 2, 17, 18, 19, 33)</td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
</tr>
<tr>
<td>b. Result in exposure of persons to or generation of excessive ground-borne vibration or ground borne noise levels? (1, 2, 17, 18, 19, 33)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>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, 17, 18, 19, 33)</td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
</tr>
</tbody>
</table>

This section addresses potential noise impacts as a result of the proposed project, as well as traffic noise impacts from Hecker Pass Highway on the project. Information contained within this section is based on an environmental noise assessment prepared by WJV Acoustics, Inc. in connection with the Agri-tourist Commercial site development. The full report is included as Appendix C - *Environmental Noise Assessment, Hecker Pass Commercial Development – Gilroy, CA* (Prepared by WJV Acoustics, Inc., dated August 15, 2017).

**Comments:**

a. **City of Gilroy Noise Standards.** Section 8 (Community Resources and Potential Hazards) of the City of Gilroy General Plan (adopted June 2002) establishes land use compatibility criteria in terms of the Day-Night Average Level (DNL or Ldn). The Ldn is the time-weighted energy average noise level for a 24-hour day, with a 10 dB penalty added to noise levels occurring during the nighttime hours (10:00 p.m.-7:00 a.m.). The Ldn represents cumulative exposure to noise over an extended period of time and is therefore calculated based upon annual average conditions.

The exterior noise exposure criterion of the General Plan is 60 dB Ldn for residential land uses and 65 dB Ldn for commercial land uses. The 2002 General Plan provides a description of where the outdoor noise level standards should be applied for residential land uses (i.e., 15 feet outside the rear wall, 20 feet outside front wall, etc.). Outdoor activity areas generally include backyards of single-family residences, individual patios or decks of multi-family developments and common outdoor recreation areas of multi-family developments. This modification as to where the
exterior noise level standards are to be applied is consistent with most contemporary noise standards and will therefore be applied in the determination of potential noise impacts for this project. The intent of the exterior noise level requirement is to provide an acceptable noise environment for outdoor activities and recreation.

The General Plan also requires that interior noise levels attributable to exterior sources not exceed 45 dB Ldn. This standard is consistent with interior noise level criteria applied by the State of California and the U.S. Department of Housing and Urban Development. The intent of the interior noise level standard is to provide an acceptable noise environment for indoor communication and sleep. Additionally, Section 30.41.31 (Specific Provisions-Noise) of the City of Gilroy Zoning Ordinance establishes noise level standards for non-transportation noise sources (fixed sources). For residential noise sources, the ordinance establishes an Lmax (maximum) noise level criterion of 60 dB and an L10 statistical performance standard of 70 dB. For commercial noise sources (impacting residential properties), the ordinance establishes an L10 statistical performance standard of 70 dB between the hours of 7:00 a.m. and 10:00 p.m.

**Traffic Noise.** The city’s noise consultant quantified expected project-related increase in traffic noise exposure along Hecker Pass Highway utilizing the Federal Highway Administration (FHWA) Traffic Noise Model. Traffic noise exposure for Existing and Existing Plus Project traffic conditions was calculated based upon the FHWA Model, Hecker Pass Highway (SR 152) traffic volumes and truck percentages provided by Caltrans and potential project-related traffic volumes estimated based upon the Hecker Pass Specific Plan Traffic Impact Study (January 19, 2004). The posted vehicle speed limit on Hecker Pass Highway in the vicinity of the project site is 55 miles per hour (mph). The modeling determined that traffic noise exposure along Hecker Pass Highway would be expected to increase by approximately 0.3 dB as a result of the project. Traffic noise exposure at the reference setback of 150 feet from the roadway already exceed the City’s applicable 60 dB Ldn noise level standard, without the project. Additionally, project-related increase in traffic noise exposure do not result in a significant increase over existing (no project) ambient noise levels. Therefore, it can be determined that the project-related increases in traffic noise exposure would not result in any significant impacts.

**Operational Noise from On-Site Sources.** Sources of operational noise from the proposed multi-use development would typically be limited to parking lot vehicle movements, outdoor human activity, and mechanical/HVAC systems. Additionally, the winery building proposes to incorporate a grape crusher/destemmer that would be located along the south side of the building. The crusher area would be covered
but open to the south while in operation. The project design does not include any loading docks or trash compactors. In order to assess noise levels associated with a typical grape crusher/destemmer, the city’s noise consultant measured noise levels of a comparable piece of equipment and determined that noise levels would be expected to be approximately 42-44 dB at the closest residential land uses. Such noise levels would not be audible over existing ambient noise levels, and would not exceed any applicable noise level standards.

Vehicles accessing the project site would enter and exit via Lone Oak Lane, along the south side of the project site. The project includes 186 parking spaces. Noise due to traffic in parking lots is typically limited by low speeds and is not usually considered significant. Human activity in parking lots that can produce noise includes voices, stereo systems and the opening and closing of car doors and trunk lids. Such activities can occur at any time during regular hours of operation. Existing ambient noise levels at the residential land uses adjacent to the project site and areas surrounding the project site already exceed noise levels that would be expected to occur as a result of on-site vehicle movements. Parking lot vehicle movement and human activity noise would not be considered a significant impact.

**Project Site Noise Exposure.** The proposed 22 “live-work” residential uses associated with the project will not incorporate any outdoor activity areas, common use outdoor areas or exterior decks and balconies. Therefore, no exterior noise level standards apply to the residential uses. However, the proposed winery building will incorporate an exterior bocce court and outdoor area for its patrons. The projected noise levels at the proposed bocce ball court would be approximately 67 DB Ldn. This is greater than the maximum allowed, which is 65 DB Ldn and therefore, the impact would be adverse and significant. Implementation of the following mitigation measure would reduce the impact to a less-than-significant level.

**Mitigation Measure**

N-1. The bocce ball court shall be located within an area with acceptable noise levels, which is 65 DB Ldn or less.

a. Prior to approval of the Architectural and Site Review application, the applicant shall revise the site plan to locate the bocce ball court a minimum of 165 feet from the centerline of Hecker Pass Highway.

b. Should the applicant decide to move the bocce ball court to an alternate location onsite after construction and operation of the Hecker Pass Highway/Third Street roundabout, the applicant shall submit an application to modify the Architectural and Site Review approval.
In order to move the bocce ball court closer than 165 feet from the centerline of Hecker Pass Highway, the applicant shall pay for the City to prepare an updated noise analysis to determine whether the roundabout will reduce projected traffic noise on the highway to the level that the bocce ball court would not need to be setback 165 feet. Based on the findings of the noise analysis, the bocce ball court could be relocated to an alternate area with acceptable noise levels, subject to the review and approval of the Planning Division.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Planning Division

In addition, based upon the exterior noise measures and project future exterior noise levels, the indoor noise level at the live-work units may exceed the maximum allowable of 45 dB Ldn. This would be a significant adverse environmental impact. Implementation of the following mitigation measure would reduce the impact to a less-than-significant level.

**Mitigation Measure**

N-2. The developer shall design all residential live-work units with air conditioning or mechanical ventilation, which shall be included on the building plans, prior to issuance of a building permit, subject to review and approval by the Building Division and the Planning Division.

Party Responsible for Implementation: Hecker Pass Commercial, LLC

Party Responsible for Monitoring: Gilroy Building Division

b. The proposed Agri-tourist Commercial development would not be exposed to excessive groundbourne vibration and no sources of such vibration are located within the project vicinity.

c. Existing noise levels in the project vicinity are dominated by traffic noise along Hecker Pass Highway. Noise measurements were conducted by the city’s noise consultant during a site inspection in June 2017 in order to determine existing ambient noise levels. The overall noise measurement data indicate that noise in the project vicinity is highly influenced by vehicular traffic on Hecker Pass Highway. Lmax values were in the range of 60-77 dBA, and were typically the result of a loud vehicle. Additional sources of noise observed during site inspection included nearby construction activities and aircraft overflights. As previously noted above, project-related increase in traffic noise exposure would not result in a significant increase over existing (no project) ambient noise levels. In addition, short-term noise increases
as a result of parking lot vehicle movement and human activity noise, along with the use of HVAC units and the grape crusher/destemmer, would not result in a significant increase over existing ambient noise levels.

Short-term demolition and construction activities associated with implementation of the proposed project, including grading and preparation of the site and construction of the Agri-tourist Commercial development, could generate significant temporary noise impacts in keeping with the findings of the HPSP EIR. The Gilroy Zoning Ordinance (Section 16.38 - Hours of Construction) limits hours of construction to be between 7:00 a.m. and 7:00 p.m., Monday through Friday and 9:00 a.m. to 7:00 p.m. on Saturdays. The city’s standard condition of approval below reflects the Zoning Ordinance requirements and would apply to the proposed project. Implementation of this standard condition would reduce any construction-related noise impacts to a less-than-significant level.

To minimize potential construction-related impacts to noise, Developer shall include the following language on any grading, site work, and construction plans issued for the subject site (PL/BL, PL-10):

“During earth-moving, grading, and construction activities, Developer shall implement the following measures at the construction site:

a. Limit construction activity to weekdays between 7:00 a.m. and 7:00 p.m., and on Saturdays between 9:00 a.m. and 7:00 p.m. Construction noise is prohibited on Sundays and City-observed holidays;

b. Locate stationary noise-generating equipment as far as possible from sensitive receptors when sensitive receptors adjoin or are near a construction project area;

c. Equip all internal combustion engine driven equipment with intake and exhaust mufflers that are in good condition and appropriate for the equipment;

d. Prohibit all unnecessary idling of internal combustion engines;

e. Utilize “quiet” models of air compressors and other stationary noise sources where technology exists; and

f. Designate a “disturbance coordinator” who would be responsible for responding to any complaints about construction noise. The disturbance coordinator will determine the cause of the noise complaint (e.g. bad muffler, etc.) and will require that reasonable measures be implemented to correct the problem.”


13. **POPULATION AND HOUSING**

Would the project:

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<thead>
<tr>
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<th>Potentially Significant Impact</th>
<th>Less-than-Significant Impact with Mitigation Measures Incorporated</th>
<th>Less-Than-Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>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)? (17, 18, 19, 22, 39)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>✓</td>
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</tbody>
</table>

b. Displace substantial numbers of existing housing or people, necessitating the construction of replacement housing elsewhere? (17, 18, 19, 22)

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<tr>
<th></th>
<th>Potentially Significant Impact</th>
<th>Less-than-Significant Impact with Mitigation Measures Incorporated</th>
<th>Less-Than-Significant Impact</th>
<th>No Impact</th>
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</thead>
<tbody>
<tr>
<td>b.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>✓</td>
</tr>
</tbody>
</table>

**Comments:**

a. Based upon 3.41 persons per household, the project would generate approximately 75 new residents in the 22 live/work units on the second floor of the mixed use building. The specific plan EIR originally anticipated and analyzed 530 residential units to be allocated across the specific plan area. The specific plan was adopted and this number was limited to 521 residential units. 259 units were allocated to the East Residential Cluster and 205 to the West Residential Cluster (with an additional 57 to the North Cluster). The project site falls within the West Cluster and accounts for 22 of 198 residential units (after implementation of the proposed project) in the West Cluster. This falls within the allocated 205 units for the West Cluster. Therefore, the project would not induce substantial population growth in the specific plan area and would be no more than what was allowed by the specific plan.

b. The proposed project would result in the demolition of an existing single-family residence which would require the relocation of the current occupants. However this would not represent a displacement of substantial numbers of existing people. The proposed project includes construction of 22 new residential units.
14. 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:

<table>
<thead>
<tr>
<th>Public Services</th>
<th>Potentially Significant Impact</th>
<th>Less-than-Significant Impact with Mitigation Measures Incorporated</th>
<th>Less-Than-Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Fire protection? (1, 18, 19, 22)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>✓</td>
</tr>
<tr>
<td>b. Police protection? (1, 18, 19, 22)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>✓</td>
</tr>
<tr>
<td>c. Schools? (1, 18, 19, 22, 40)</td>
<td>☐</td>
<td>☐</td>
<td>✓</td>
<td>☐</td>
</tr>
<tr>
<td>d. Parks? (1, 18, 19, 22)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>✓</td>
</tr>
<tr>
<td>e. Other Public Facilities? (1, 18, 19, 22)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>✓</td>
</tr>
</tbody>
</table>

Comments:

a,b. With the inclusion of 22 residential live/work units, as well as commercial and wine facilities, the Agri-tourist Commercial development would incrementally increase the demand of fire and police protection at the site. 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. Therefore, the proposed project would not result in the need to construct new police or fire facilities.

c. Using student generation rates established by the Gilroy Unified School District and provided by Assistant Superintendent Alvaro Meza (email message, August 30, 2017), each new multi-family residential unit generates an average of 0.20 Kindergarten through 12th grade students. Table 5, Estimated Project Student Generation, presents an estimate of the number of students, broken down by grade range using the associated rate multiplier in parentheses, that would attend public schools from within the project site at buildout of the 22 residential live/work units.

<table>
<thead>
<tr>
<th>Table 5 Estimated Project Student Generation</th>
</tr>
</thead>
<tbody>
<tr>
<td>K-5 students (0.10)</td>
</tr>
<tr>
<td>2</td>
</tr>
</tbody>
</table>

**SOURCE:** Alvaro Meza, Gilroy Unified School District, email message August 30, 2017
School impact fees are required as a standard condition of approval to offset the increased demand on school services and for construction of new facilities required to meet demands. Therefore, the addition of four students would not change this requirement and the impact to public schools would be less than significant.

d,e. The proposed Agri-tourist Commercial development would include some outdoor areas with seating and bocce ball court, as well as a connector to the planned Class I bike path fronting Hecker Pass Highway, though no formal recreation facilities are planned as part of the project. 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. Therefore, the proposed project would not result in the need to construct new recreation or any other type of public facilities.
15. TRANSPORTATION/TRAFFIC

Would the project:

<table>
<thead>
<tr>
<th>Comment</th>
<th>Potentially Significant Impact</th>
<th>Less-than-Significant Impact with Mitigation Measures Incorporated</th>
<th>Less-Than-Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit? (1, 2, 3, 16, 17, 18, 19)</td>
<td>❑</td>
<td>❑</td>
<td>❑</td>
<td>❑</td>
</tr>
<tr>
<td>b. Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways? (16, 17, 18, 19)</td>
<td>❑</td>
<td>❑</td>
<td>❑</td>
<td>❑</td>
</tr>
<tr>
<td>c. Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)? (16, 17, 18, 19)</td>
<td>❑</td>
<td>❑</td>
<td>❑</td>
<td>❑</td>
</tr>
<tr>
<td>d. Result in inadequate emergency access? (16, 17, 18, 19)</td>
<td>❑</td>
<td>❑</td>
<td>❑</td>
<td>❑</td>
</tr>
<tr>
<td>e. Result in inadequate parking capacity? (16, 17, 18, 19)</td>
<td>❑</td>
<td>❑</td>
<td>❑</td>
<td>❑</td>
</tr>
<tr>
<td>f. Conflict with any City of Gilroy General Plan Transportation and Circulation Element policies? (1, 2, 16, 17, 18, 19)</td>
<td>❑</td>
<td>❑</td>
<td>❑</td>
<td>❑</td>
</tr>
</tbody>
</table>

Comments:

a,b. The HPSP EIR identified a range of circulation impacts that would result from build out of the HPSP area. The circulation impacts of the buildout of the Hecker Pass Specific Plan were evaluated by Higgins Associates in 2004 in a report entitled Hecker Pass Specific Plan, Gilroy, California, Traffic Analysis Report for Proposed New Residential Development and Agri-Commercial Development. The report was included in a technical appendix to the HPSP EIR. The most significant of these impacts was generation of
traffic that results in the City’s level of service standards being exceeded at several intersections and on several road segments. These impacts were mitigated to a less-than-significant level in the HPSP EIR through improvements proposed as part of the HPSP project and/or by payment of traffic impact fees.

As determined in the HPSP EIR, total trip generation from build out of the specific plan area was estimated at 13,030 daily trips. Approximately 3,738 of these daily trips are estimated to be a result of Agri-tourist Commercial land uses and 5,072 daily trips as a result of Residential land uses. According to the traffic impact study report prepared by Higgins Associates for the HPSP EIR in 2004 (Exhibit 7A), daily trip rates for Agri-tourist Commercial were calculated using a 40.67 daily trip generation rate per 1,000 square feet. Table 6, Trip Generation, presents the proposed land uses, the trip generation evaluated in the specific plan EIR, the proposed project trip generation, and the difference between the two.

Table 6  Trip Generation

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Specific Plan EIR</th>
<th>Proposed Project</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Trip Generation Rates</td>
<td>Average Daily Trip Generation</td>
</tr>
<tr>
<td>Agri-tourist Commercial (32,758 SF)</td>
<td>40.67 per KSF</td>
<td>1,334</td>
</tr>
<tr>
<td>Residential (22 Apts)</td>
<td>9.57 per single-family unit</td>
<td>211</td>
</tr>
<tr>
<td>Totals</td>
<td>1,545</td>
<td>1,480</td>
</tr>
</tbody>
</table>

NOTES:
1. The project site accounts for about 35.3 percent of the specific plan’s Agri-tourist Commercial acreage (6 divided by 17). The proposed project’s square footage is about 35.6 percent of the total Agri-tourist Commercial square footage evaluated in the specific plan EIR traffic analysis (32,758 divided by 91,912).
2. The 22 units do not exceed the number of residential units evaluated in the specific plan EIR traffic analysis; however, the specific plan EIR traffic analysis evaluated these units as single-family units, not multi-family units.

Agri-tourist Commercial. This component of the proposed project is expected to generate about 1,334 average daily trips. The project site accounts for about 35.3 percent of the specific plan’s Agri-tourist Commercial acreage, and about 35.6 percent of the Agri-tourist Commercial square footage evaluated in the specific plan EIR. Therefore, the size of the proposed project is relative to the assumptions in the specific plan EIR traffic analysis and therefore, consistent. No additional traffic analysis is required to evaluate the Agri-tourist Commercial portion of the proposed project.
Residential. The proposed project also includes 22 live/work residential units, which are allowed by the specific plan. The HPSP EIR evaluated all residential units as single-family, using the ITE trip generation rate of 9.57. However, the proposed residential units are not single-family units and a trip generation rate of 6.65 trips per unit was applied. Therefore, the project would result in 65 fewer trips generation than were evaluated in the specific plan EIR. No additional traffic analysis is required to evaluate the residential portion of the proposed project.

In addition to paying into the city’s traffic impact fee program, the proposed project is subject to the following specific plan EIR mitigation measures:

Mitigation Measures

T-1 HPSP EIR Mitigation Measure #18. Prior to issuance of the 75th building permit within the Specific Plan area, applicants for projects within the specific plan area shall be responsible for improving Hecker Pass Highway immediately west of Santa Teresa Boulevard to include a second westbound travel lane. The second westbound travel lane on Hecker Pass Highway, and the appropriate lane-drop taper consistent with Caltrans’ Standards, should extend as far as possible beyond (west of) Santa Teresa Boulevard as can be accommodated within the existing public right-of-way, with the design subject to approval by the City Engineer in his/her reasonable discretion. Applicants shall coordinate with the City of Gilroy Engineering Division to design and implement the widening project. Removal of deodar cedar trees along the highway must be avoided wherever possible and improvements must be consistent with State scenic highway guidelines. Traffic signal modifications should be made to the intersection of Santa Teresa Boulevard and First Street/Hecker Pass Highway to add vehicle detection for the second eastbound through lane.

However, implementation of this measure may not be feasible without either a) removal of deodar cedar trees within the Caltrans right-of-way along the southern side of the highway, which is an historic resource listed on both the national and state registers, or b) significantly cut into the hillside on the northern side of the highway, which would require construction of a retaining wall.

The City of Gilroy is currently processing a request from the specific plan property owners to amend the Hecker Pass Specific Plan, which includes among other changes, elimination of this mitigation measure. If the proposed project is approved, building permits for the residential units could not be issued until the mitigation measure is implemented, or the specific plan amendment request that includes elimination and/or modification of the measure, is approved.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Engineering Division
T-2  HPSP EIR Mitigation Measure #19. Prior to issuance of the 75th building permit within the Specific Plan area, applicants for projects within the specific plan area shall be responsible for shoulder improvements to Hecker Pass Highway, per Caltrans’ standards, between Santa Teresa Boulevard and the easterly limits of the planned Caltrans Uvas Creek Bridge Improvement project. Applicants shall coordinate with the City of Gilroy Engineering Division to design and implement the shoulder improvements. Removal of deodar cedar trees along the highway must be avoided wherever possible and improvements must be consistent with State scenic highway guidelines.

However, implementation of this measure may not be feasible without either a) removal of deodar cedar trees within the Caltrans right-of-way along the southern side of the highway, which is an historic resource listed on both the national and state registers, or b) significantly cut into the hillside on the northern side of the highway, which would require construction of a retaining wall.

The City of Gilroy is currently processing a request from the specific plan property owners to amend the Hecker Pass Specific Plan, which includes among other changes, elimination of this mitigation measure. If the proposed project is approved, building permits for the residential units could not be issued until the mitigation measure is implemented, or the specific plan amendment request that includes elimination and/or modification of the measure, is approved.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Engineering Division

c. Access to the project site would be from Lone Oak Lane via two driveways, which will be constructed to city standards. Therefore, the proposed Agri-tourist Commercial development would not increase hazards due to design features.

d. The proposed project includes access via two driveways, with a temporary emergency vehicle access on Highway 152. Therefore, the proposed project would not result in inadequate emergency access.

e. The project proposes to provide eight more parking spaces than are required by city code. Therefore, the proposed project would not result in inadequate parking capacity.

f. The proposed project was reviewed for consistency with City of Gilroy General Plan Transportation and Circulation Element policies. No inconsistencies were identified.
16. Tribal Cultural Resources
Would the project:

<table>
<thead>
<tr>
<th>Potential Significant Impact</th>
<th>Less-than-Significant Impact with Mitigation Measures Incorporated</th>
<th>Less-Than-Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
</table>

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 (20, 21)

(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. (20, 21)

Comments:

a. (1 & 2) As discussed in the Section A, Background, the City of Gilroy did not receive any requests for consultation from tribes traditionally or culturally affiliated with the specific plan project area. Therefore, no additional consultation was required under AB 52, which requires lead agencies to conduct tribal consultation if specifically contacted by traditionally or culturally affiliated tribes in the project area.
## 17. **Utilities and Service Systems**

Would the project:

<table>
<thead>
<tr>
<th></th>
<th>Potentially Significant Impact</th>
<th>Less-Than-Significant Impact with Mitigation Measures Incorporated</th>
<th>Less-Than-Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board? (6, 7, 16, 17, 18, 19, 22, 41, 42, 43)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>b.</td>
<td>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? (6, 7, 16, 17, 18, 19, 22, 41, 42, 43)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>c.</td>
<td>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? (4, 16, 17, 18, 19, 22, 41, 42, 43)</td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
</tr>
<tr>
<td>d.</td>
<td>Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed? (6, 16, 17, 18, 19, 22, 41, 42, 43)</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>e.</td>
<td>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? (5, 16, 17, 18, 19, 22, 41, 42, 43)</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>f.</td>
<td>Be served by a landfill with sufficient permitted capacity to accommodate the project’s solid-waste disposal needs? (16, 17, 18, 19, 22)</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
</tbody>
</table>

**Comments:**

a. Development at the project site would connect to the city sewer system and therefore, would not exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board.

b. The HPSP EIR identified that build out of the specific plan area, including the proposed Agri-tourist Commercial site, would not result in significant impacts related to water and wastewater utility systems. The project’s engineer, Ruggeri-
Jensen-Azar, prepared a preliminary sanitary sewer system report for the project in order to demonstrate that the existing 8 inch sewer line within Lone Oak Lane has adequate capacity to meet the Agri-tourist Commercial and residential demands of the proposed development. The report determined that the existing sanitary sewer system met all city design criteria and would be able to provide adequate sewer service for the project. Therefore, build out of the Agri-tourist Commercial site would not require new off-site water or wastewater treatment infrastructure whose construction might otherwise create adverse environmental effects.

c. The HPSP identified potentially significant impacts from expansion of storm drainage facilities needed to serve the entire specific plan area, including the Agri-tourist Commercial project site. Construction of storm drainage outfalls on the banks of Uvas Creek was determined to have potentially significant impacts on riparian habitat quality and water quality within the creek. Implementation storm drainage improvements consistent with policies contained in the HPSP, and measures referenced in the applicant’s preliminary post-construction storm water control plan referenced in Section D.9 “Hydrology and Water Quality” of this initial study, would reduce this impact to a less-than-significant level. The project would not require changes in storm drainage infrastructure needs as identified for the entire specific plan area. Therefore, it would not result in storm drainage related impacts that were not already identified in the HPSP EIR and mitigated to a less-than-significant level. HPSP EIR Mitigation Measure 22, reflected in Mitigation Measure U-1 below, would apply to the proposed project.

**Mitigation Measure**

**U-1.** Storm water detention shall be designed to prevent an increase in the 2-year, 10-year and 100-year peak discharge for the project area (refinement of existing HPSP policy 8-6), and consistent with the City of Gilroy Storm Water Management Guidance Manual For Low Impact Development & Post-Construction Requirements (March 6, 2014). The design is subject to review and approval by the Engineering Division, prior to issuance of a grading permit.

Party Responsible for Implementation: Hecker Pass Commercial LLC

Party Responsible for Monitoring: Gilroy Engineering Division

d. As identified in the HPSP EIR, median Agri-tourist Commercial water demand was anticipated at 1,000 gallons per day per acre (17 acres allocated) for a total of 17,000 gallons per day. In addition, median residential water demand was anticipated at 180 gallons per day per person for a maximum of 1,855 residents (530 residential units) for a total of 333,900 gallons per day. A comparison of the originally projected water
use for Agri-tourist Commercial and Residential land uses from the HPSP EIR and the projected water demand for the current project is reflected in Table 7, Projected Water Use for Hecker Pass Specific Plan Land Uses and Current Project.

Table 7  Projected Water Use for Hecker Pass Specific Plan Land Uses and Current Project

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Specific Plan Projection (HPSP EIR)</th>
<th>Current Project Projection</th>
<th>Percentage of Specific Plan Total Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agri-tourist Commercial</td>
<td>17,000 gpd</td>
<td>6 acres (1,000 gpd)¹ = 6,000 gpd</td>
<td>35%</td>
</tr>
<tr>
<td>Residential</td>
<td>333,900 gpd</td>
<td>75 new residents (180 gpd)² = 13,500 gpd</td>
<td>4%</td>
</tr>
</tbody>
</table>

**SOURCE:** City of Gilroy (Hecker Pass Specific Plan EIR) 2004  
**NOTE:** gpd – gallons per day  
1. Use rate (gpd/unit – acres for Agri-tourist Commercial and residents for Residential)

The project site accounts for about 35.3 percent of the specific plan’s Agri-tourist Commercial acreage, and about 35.6 percent of the Agri-tourist Commercial square footage evaluated in the specific plan EIR. The size of the proposed project is relative to the assumptions in the specific plan EIR water analysis and consistent with the EIR’s conclusions. Therefore, the development of six acres of Agri-tourist Commercial development and 22 live/work residential units (which does not exceed the allowed 521 residential units for the HPSP) does not change the HPSP EIR impact conclusions regarding water use.

e. The original HPSP EIR determined that the sewer generation rate for Agri-tourist Commercial uses was approximately 5,100 gpd. Residential uses were anticipated to have an estimated flow of 129,850 gpd. The total HPSP area was anticipated to generate 144,718 gpd of wastewater which increased the city’s overall demand to 3,244,718 gpd but was still below the then existing city capacity of 4,400,000. A comparison of the originally projected wastewater flow demand for Agri-tourist Commercial and Residential land uses from the HPSP EIR and the projected wastewater demand for the current project is reflected in Table 8, Projected Wastewater Use for Hecker Pass Specific Plan Land Uses and Current Project.
The project site accounts for about 35 percent of the specific plan’s Agri-tourist Commercial wastewater usage, and about 4 percent of the residential wastewater use evaluated in the specific plan EIR. The size of the proposed project is relative to the assumptions in the specific plan EIR wastewater analysis and consistent with the EIR’s conclusions. As previously noted above, the applicant’s preliminary sanitary sewer report determined that the existing sewer system under Lone Oak Lane had adequate capacity to serve the proposed project. Therefore, the development of six acres of Agri-tourist Commercial development and 22 live/work residential units does not change the HPSP EIR impact conclusions regarding wastewater generation.

f. The HPSP EIR concluded that build out of the specific plan, including the proposed project site, would not require extension of gas, electric or telecommunications services that could adversely impact the environment. The same was true for solid waste disposal. The proposed Agri-tourist Commercial project would not result in a change in demand for gas, electric, telecommunications or solid waste services that would result in significant impacts.

Table 8  Projected Wastewater Flow for Hecker Pass Specific Plan Land Uses and Current Project

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Specific Plan Projection (HPSP EIR)</th>
<th>Current Project Projection</th>
<th>Percentage of Specific Plan Total Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agri-tourist Commercial</td>
<td>5,100 gpd (per 17 acres)</td>
<td>6 acres (300 gpd) = 1,800 gpd</td>
<td>35%</td>
</tr>
<tr>
<td>Residential</td>
<td>129,850 gpd (per 1,855 people)</td>
<td>75 new residents (70 gpd) = 5,250 gpd</td>
<td>4%</td>
</tr>
</tbody>
</table>

NOTE: gpd – gallons per day
1. Generation rate (gpd/unit - acres for Agri-tourist Commercial and residents for Residential)
18. **Mandatory Findings of Significance**

<table>
<thead>
<tr>
<th></th>
<th>Potentially Significant Impact</th>
<th>Less-than-Significant Impact with Mitigation Measures Incorporated</th>
<th>Less-Than-Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>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, 15, 16, 17, 18, 19, 20, 21, 24, 25, 26, 32)</td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>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, 2, 3, 16, 17, 18, 19, 31, 37)</td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>c. Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly? (1, 2, 16, 17, 18, 19, 33)</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
</tr>
</tbody>
</table>

**Comments:**

a. The project site is currently fallow agricultural land and an existing single-family residential home site. The site is surrounded by ongoing residential development (south), fallow agricultural land (west and east), and Hecker Pass Highway (north) and contains no habitat for special-status plants or wildlife. Therefore, the proposed project does not 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. Tree removal and limited impacts to nesting birds may occur; however, mitigation measures have been presented in this initial study and will be incorporated into the proposed project that will reduce the impacts to a less-than-significant level.
In addition, the proposed project would not eliminate important examples of the major periods of California history or prehistory. The proposed project has the potential to have adverse impacts on archaeological resources should they be present in the area and accidentally discovered during grading activities. However, the city’s standard conditions of approval will be incorporated into project plans to ensure any such impacts would be less than significant.

b. The proposed project would not have impacts that are individually limited, but cumulatively considerable. The Agri-tourist Commercial project would generate new residents and jobs and therefore would have long term effects on air quality, greenhouse gas emissions, noise, vehicle trip generation, water demand, and wastewater generation. Mitigation measures have been identified for significant or potentially significant impacts in the areas of air quality, biological resources, geology and soils, noise, transportation/traffic, and utilities. Implementation of the mitigation measures identified in this initial study will minimize the effects and ensure they are not cumulatively considerable.

c. The proposed project has the potential to result in short-term air quality and noise impacts to adjacent residents associated with construction activity. However, with implementation of the city’s standard conditions of approvals regarding minimizing short-term construction impacts presented in this initial study, as well as mitigation measure AQ-3, the project will not have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly.
E. SOURCES


20. WSA, Inc. *Historical Resources Compliance Report (HRCR) and Archaeological Survey Report (ASR) (Hecker Pass Roundabout Project, Gilroy, Santa Clara County, California/Project # 04-4J290/EFIS 0415000318)*. March 2017. (Not for Public Review)


2017 at: http://scv-habitatagency.org/250/Private-Applicant and
http://www.hcpmaps.com/habitat/


https://www.census.gov/quickfacts/fact/table/gilroycitycalifornia/PST045216

40. Meza, Alvaro, Assistant Superintendent, Gilroy Unified School District. E-mail message to consultant, 30 August 2017.


All documents indicated in bold are available for review at the City of Gilroy, 7351 Rosanna Street, Gilroy, (408) 846-0451 during normal business hours.

All documents listed above are available for review at EMC Planning Group Inc., 301 Lighthouse Avenue, Suite C, Monterey, California 93940, (831) 649-1799 during normal business hours.