



# Nissan of Santa Cruz Project

## FINAL ENVIRONMENTAL IMPACT REPORT, VOLUME 2

State Clearinghouse #2017072002

*Prepared by:*

**County of Santa Cruz  
Planning Department**

701 Ocean Street, 4<sup>th</sup> Floor  
Santa Cruz, CA 95060



October 2019

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### **County of Santa Cruz Planning Department**

701 Ocean Street, 4<sup>th</sup> Floor  
Santa Cruz, CA 95060

With Assistance From

**DUDEK**

October 2019

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# Section 1.0 Introduction

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This document constitutes Volume 2 of the Final Environmental Impact Report (FEIR, Volume 2), prepared for Nissan of Santa Cruz Project (hereinafter “Project”). This document has been prepared by the County of Santa Cruz (County), as lead agency, in accordance with the requirements of the California Environmental Quality Act (CEQA) and the State CEQA Guidelines (CCR Section 15132). This Final EIR, Volume 2 contains responses to significant environmental issues raised in comments received on the Recirculated Partial Draft Environmental Impact Report (RPDEIR) during the public review period of the recirculated EIR sections. The Final EIR, Volume 2 also will include text changes and additions to the Recirculated Partial Draft EIR that become necessary after consideration of public comments.

The Project EIR includes four volumes: 1) the Draft EIR (December 2017); 2) the Final EIR (April 2018); 3) the Recirculated Partial Draft EIR (July 2019); and 4) the Final EIR, Volume 2 (October 2019), the latter of which includes responses to comments on the recirculated EIR sections.

The Nissan of Santa Cruz Project consists of a proposed General Plan Amendment to amend the land use designation from Community Commercial (C-C) to C-S Service Commercial, a proposed rezoning from Community Commercial (C-2) to Service Commercial (C-4), the combination of eight parcels totaling approximately 2.6 acres into a single parcel, an encroachment permit for frontage improvements, and a Commercial Development Permit and associated sign exception, roadway/roadside exception and grading permit for construction of an approximately 12,551 square foot car dealership and 9,996 square foot automobile service area with six service bays, totaling 22,547 square feet. The roadway and roadside exception is with respect to the adopted Soquel Drive and 41<sup>st</sup> Avenue plan lines. See Draft EIR (December 2017) and Final EIR (April 2018) documents for additional information about the Project and site conditions.

## 1.1 BACKGROUND

An Environmental Impact Report (EIR) was prepared by the County of Santa Cruz (hereinafter “County”) for the proposed Project. The Project consists of construction of a new 22,547 square foot Nissan automobile dealership on an approximate 2.568-acre site located at the southwest corner of the intersection of Soquel Drive and 41<sup>st</sup> Avenue in the unincorporated community of Soquel in Santa Cruz County. The County of Santa Cruz is the lead agency for the preparation of the EIR and consideration of the Project.

A Draft Environmental Impact Report (DEIR) was prepared and circulated for a 45-day public review period between December 27, 2017 and February 12, 2018, which was later extended to February 20, 2018. After the close of the public review period, a Final EIR consisting of responses to comments and changes to the Draft EIR was completed and was released to the public on April 13, 2018. The Planning Commission held a public hearing on April 25, 2018 and recommended certification of the



EIR and Project approval to the Santa Cruz County Board of Supervisors. The Board of Supervisors held a public hearing on May 22, 2018 at which time it certified the EIR and approved the Project.

Subsequent to the certification of the EIR by the County, a lawsuit was filed challenging the adequacy of the EIR and its certification. On March 8, 2019, the Superior Court of the State of California for the County of Santa Cruz (hereinafter “Court”) ruled that the EIR adequately discussed and analyzed the Project’s impacts on traffic and noise; that the methodology and baseline used to analyze traffic impacts is supported by substantial evidence; that the EIR was not required to respond to the comments cited by the Petitioner as they did not include facts or expert opinion and therefore did not raise a significant environmental effect; that the EIR was not legally required to analyze the Project’s consistency with the Sustainable Santa Cruz County Plan (SSCCP); that with augmentation of the Administrative Record and the lodging of a certified addendum to the Administrative Record, the Administrative Record is sufficiently complete; and that the Petitioner’s argument that staff was “working behind the scene” to facilitate approval of the Project was not properly before the court.

The Court did find that the EIR failed to discuss and analyze a reasonable range of feasible alternatives that could avoid or lessen the Project’s significant environmental impact on traffic. The Court found that the EIR failed to satisfy the informational purpose of CEQA with regard to this issue, and that the County as Respondent committed a prejudicial abuse of discretion by certifying an EIR that failed to comply with 14 CCR 15126.6(a) and (f) with regard to this issue.

On March 25, 2019, the Court issued a stipulation and peremptory writ of mandate in which the County was commanded to vacate and set aside the Board of Supervisors’ approval of Resolution 129-2018 certifying the Final EIR and related Project approvals until the County “has complied with CEQA by analyzing a reasonable range of feasible alternatives to the Project which could avoid or lessen one or more of the Project’s identified significant impacts (i.e. impacts on traffic)”.

On April 23, 2019, the County Board of Supervisors took action to set aside, invalidate and void Board approvals of Application 171179, Resolution 129-2018 and Ordinance 5274, pursuant to the directive of the writ issued by the Court. This action directed the County to rescind all final approvals related to the Project, to set aside the certification of the EIR, and to take corrective action as necessary to address the CEQA violation identified by the Court. The County has undertaken revisions to the EIR in response to the Court’s mandate.

On July 29, 2019, the County recirculated part of the Draft EIR. The “Recirculated Partial Draft EIR” (RPDEIR) revised the Alternatives section of the Draft EIR (Section 5.0) in accordance with the Court order. The conclusion of impact significance with implementation of Mitigation Measure TRA-1 also was revised to reflect new information that had been provided since preparation of the 2017 Draft EIR and 2018 Final EIR documents. Specifically, the County has established a schedule and funding method for signalization of the Soquel Drive/Robertson Street intersection (County of Santa Cruz Department of Public Works, July 2019). Minor revisions were made in other sections of the EIR document to reflect the revisions to Alternatives and Mitigation Measure TRA-1. All other



sections of the Draft EIR dated December 2017 and Final EIR dated April 2018 remain unchanged. In accordance with State CEQA Guidelines, the RPDEIR was available for public review for 45 days from July 29, 2019 through September 11, 2019. During this period, the County indicated that reviewers may submit written comments on the Recirculated Partial Draft EIR related only to the revised EIR sections included in the RPDEIR as all other sections of the Draft EIR, dated December 2017 and Final EIR, dated August 2018, remain unchanged and are not subject to recirculation or additional public comment.

## 1.2 ENVIRONMENTAL REVIEW AND PROJECT APPROVAL PROCESS

### 1.2.1 Final EIR / Project Approval

The Project EIR, which includes the four aforementioned volumes will be presented to the Board of Supervisors for independent review and consideration of certification. The Board of Supervisors must ultimately certify that it has reviewed and considered the information in the EIR, that the EIR has been completed in conformity with the requirements of CEQA, and that the document reflects the County's independent judgment. The Board of Supervisors also will make the final decision on the proposed General Plan amendment, rezoning and development permit application requests. Changes to the proposed Project, whether proposed by the Project proponent or upon direction of the Board of Supervisors, may be required to be referred to the Planning Commission for recommendation.

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

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



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

## 1.2.2 Adoption of Mitigation Monitoring & Reporting Program

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

## 1.3 ORGANIZATION OF FINAL EIR, VOLUME 2

This Final EIR, Volume 2, is organized into the following chapters:

- **Section 1.0 - Introduction**

This section provides an introduction and overview of the Final EIR Volume 2, an overview of the EIR and Project approval process, and describes the background and organization of the Final EIR.

- **Section 2.0 – Comments on the Draft EIR and Responses**

This section lists all parties who submitted comments on the Draft EIR, includes copies of the comment letters received during the public review period, and provides responses to those comments.

- **Section 3.0 – Addenda and Errata to the Draft EIR**

This section presents revisions to the RPDEIR text made in response to comments, or by the lead agency to amplify, clarify or make minor modifications or corrections. Changes in the text are signified by ~~strikeouts~~ where text is removed and by underline where text is added.

- **Appendices**

Additional information provided by the County of Santa Cruz regarding the Soquel Drive/Robertson Street intersection has been added to Appendix R and is included in this document. The MMRP is included in Appendix S of this document.



# Comments on the RPDEIR and Responses

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## 2.1 INTRODUCTION

This chapter provides responses to individual comments that were submitted by agencies, organizations, and individuals on the Recirculated Partial DEIR (RPDEIR). Section 2.2 identifies the agencies, organizations and individuals that submitted comments. Responses to comments on the Recirculated Partial DEIR (RPDEIR) are included in Section 2.3. Each comment letter is provided, which is followed by responses to environmental comments. Appropriate changes that have been made to the RPDEIR text based on these comments and responses are provided in Chapter 3, Changes to RPDEIR.

As set forth in the RPDEIR, reviewers were asked to submit written comments related only to the revised EIR sections included in the RPDEIR document. All other sections of the Draft EIR dated December 2017 and Final EIR dated August 2018 remain unchanged and were not subject to recirculation or additional public comment. When an EIR is revised only in part and the lead agency is recirculating only the revised chapters or portions of the EIR, the lead agency may request that reviewers limit their comments to the revised chapters or portions of the recirculated EIR. Therefore, the County of Santa Cruz, as the lead agency, requested that reviewers limit the scope of their comments to the revised sections in the RPDEIR, which are revisions to conclusions of Impact TRA-1 with implementation of Mitigation Measure TRA-1 and the revised alternatives analyses. The County will only respond to comments provided on the RPDEIR sections in the Final EIR Volume 2.

## 2.2 LIST OF COMMENTERS

The RPDEIR was published and circulated for review and comment by the public and other interested parties, agencies, and organizations for a 45-day public review period from July 29, 2019 through September 11, 2019. Seven letters of comment and two emails were received. Agencies, organizations, and individuals that submitted written comments on the RPDEIR are identified in Table 2-1.

## 2.3 COMMENTS AND RESPONSES ON THE DRAFT EIR

Each letter of comment is included in this section, and individual comments are coded. A response to each comment is provided in this subsection following the written comment. As indicated in subsection 2.1 above, responses are provided only to comments on the revised EIR sections included in the RPDEIR. Revisions that have been made to the RPDEIR text based on these comments and responses are provided in Chapter 3, Changes to EIR.



**Table 2-1: Comment Letters Received for the Nissan of Santa Cruz Project Draft EIR**

<b>Number</b>	<b>Commenter</b>	<b>Date of Comment</b>
<b>R</b>	<b>Federal Agencies</b>	
	No comments submitted.	Not Applicable
	<b>State Agencies</b>	
1.	California Department of Transportation	September 11, 2019
2.	State Clearinghouse, Governor's Office of Planning and Research	September 12, 2019
	<b>Local Agencies</b>	
	No comments submitted.	Not Applicable
	<b>Private Organizations</b>	
3.	Sustainable Soquel	September 11, 2019
	<b>Individuals</b>	
4.	Applicant: Miles J. Dolinger, Don Groppetti, Kimley-Horn	September 11, 2019
5.	Jean Brocklebank	September 11, 2019
6.	Lisa Sheridan	September 11, 2019
7.	Katherine Sweet	September 11, 2019
8.	Becky Steinbruner	July 31, 2019
9.	Dick Zscheile	September 11, 2019

**DEPARTMENT OF TRANSPORTATION**

CALTRANS DISTRICT 5

50 HIGUERA STREET

SAN LUIS OBISPO, CA 93401-5415

PHONE (805) 549-3101

FAX (805) 549-3329

TTY 711

[www.dot.ca.gov/dist05/](http://www.dot.ca.gov/dist05/)

Making Conservation  
a California Way of Life.

September 11, 2019

SCr-1-13:621

SCH#2017072002

Nathan MacBeth  
Development Review Planner  
County of Santa Cruz Planning Department  
701 Ocean Street, Suite 400  
Santa Cruz, CA 95060

Dear Mr. MacBeth:

**COMMENTS FOR THE RECIRCULATED PARTIAL DRAFT ENVIRONMENTAL IMPACT REPORT  
(DEIR)-NISSAN OF SANTA CRUZ PROJECT, SANTA CRUZ COUNTY, CA**

The California Department of Transportation (Caltrans), District 5, Development Review, has reviewed the Nissan of Santa Cruz Project that proposes a 22,547 square foot automobile dealership car dealership. Caltrans offers the following comments in response to the DEIR:

- R1-1 1. Caltrans recognizes some impacts to the State highway system are significant and unavoidable due to the project location. However, we believe in addition to the Santa Cruz County Regional Transportation Commission's (SCCRTC) Highway Corridor Investment Program, opportunity still may exist for Vehicle Miles Traveled (VMT) reducing mitigations. Caltrans would like to work with the County in the future on VMT reducing strategies such as transit stops on the project parcel for employees and local residents, and investigating the addition of Intelligent Transportation System (ITS) elements for monitoring traffic demand.
- R1-2 2. Notwithstanding the above, we did note some technical inconsistencies between the environmental document and traffic impact study. Specifically, there are Level of Service (LOS) designations on State facilities that do not reflect current operational characteristics of traffic. Please correct Page 2-10 of the EIR. Caltrans acceptable LOS threshold is the cusp of LOS C and LOS D for any intersections or interchanges. Please revise the relevant sections to reflect this requirement and propose mitigations as necessary. Again, we look forward to working with you to correct these errors.
- R1-3 3. Caltrans usually requires that Transportation Impaction Analysis (TIA) reports be updated with the most current Highway Capacity Manual (HCM) methodology (6<sup>th</sup> edition not HCM 200) and analysis with traffic counts less than two years old. Given

Nathan MacBeth  
September 11, 2019  
Page 2

this TIA is over two years old, it may not reflect the most current traffic volumes and LOS at the existing Highway 1 and 41<sup>st</sup> Avenue ramps to base the project impacts upon.

Thank you for the opportunity to review and comment on the proposed project. If you have any questions, or need further clarification on items discussed above, please contact me at (805) 549-3157 or email [christopher.bjornstad@dot.ca.gov](mailto:christopher.bjornstad@dot.ca.gov).

Sincerely,



Chris Bjornstad  
Associate Transportation Planner  
District 5 Development Review



## **Responses to Comments from Public Agencies**

### **LETTER R1 – California Department of Transportation (Caltrans)**

- R1-1 VMT Measures. The comment indicates that an opportunity may exist for Vehicle Miles Traveled (VMT) reducing mitigations, and Caltrans would like to work with the County in the future on VMT reducing strategies. Comment is noted, but does not address analyses in the RPDEIR, and no response is required. However, the County Department of Public Works looks forward to working with Caltrans on strategies to reduce VMT.
- R1-2 Level of Service Designations. The comment states that some Level of Service (LOS) designations on State facilities do not reflect current operational characteristics of traffic and asks that page 2-10 and relevant sections be revised to reflect Caltrans' acceptable LOS threshold is LOS C to LOS D with proposed mitigation measures as necessary. The reference on page 2-10 is to the impact analyzed in the Draft EIR. The RPDEIR did not include revisions to the traffic analysis or traffic impacts, only to the conclusion of impact regarding implementation of Mitigation Measure TRA-1 and feasibility of the measure. Thus, other portions of the traffic analysis were not subject to recirculation or comments. However, it is acknowledged and noted that Caltrans guidelines indicate that Caltrans endeavors to maintain a target LOS at the transition between LOS "C" and LOS "D",<sup>1</sup> and the clarification has been made; see Chapter 3.0.
- R1-3 Traffic Counts. The comment indicates that Caltrans usually requires transportation impact analysis (TIA) reports to be updated with most current methodologies and traffic counts less than two years old and indicates that the project Traffic Impact Analysis (TIA) is over two years old and may not reflect the most current traffic volumes. The comment is noted, although as indicated in section 2.1, only revised portions of the DEIR included in the RPDEIR are subject to comment. The traffic impact analysis was not part of the revised or recirculated EIR sections, and thus, no response is required.

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<sup>1</sup> December 2002. "Guide for the Preparation of Traffic Impact Studies." Online at: [https://nacto.org/docs/usdg/guide\\_preparation\\_traffic\\_impact\\_studies\\_caltrans.pdf](https://nacto.org/docs/usdg/guide_preparation_traffic_impact_studies_caltrans.pdf)



Gavin Newsom  
Governor

STATE OF CALIFORNIA  
Governor's Office of Planning and Research  
State Clearinghouse and Planning Unit

LETTER 22



Kate Gordon  
Director

September 12, 2019

Nathan MacBeth  
Santa Cruz County  
701 Ocean Street 4th Floor  
2017072002  
Santa Cruz, CA 95060



Subject: Nissan of Santa Cruz Project  
SCH#: 2017072002

Dear Nathan MacBeth

2-1

The State Clearinghouse submitted the above named EIR to selected state agencies for review. The review period closed on 9/11/2019, and no state agencies submitted comments by that date. This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act, <https://ceqanet.opr.ca.gov/2017072002/4>.

Please call the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process. If you have a question about the above-named project, please refer to the ten-digit State Clearinghouse number when contacting this office.

Sincerely,

Scott Morgan  
Director, State Clearinghouse



## **LETTER R2 – California Governor’s Office of Planning and Research, State Clearinghouse**

R2-1 Compliance with State Clearinghouse Review. The letter acknowledges that the County of Santa Cruz complied with the State Clearinghouse review requirements for review of draft environmental documents pursuant to the California Environmental Quality Act and that no state agencies submitted comments through the Clearinghouse. The comment is acknowledged and no response is necessary. However, it is noted that Caltrans did submit a comment letter directly to the County; see Letter R1 comments and responses.

**From:** Babak Naficy [mailto:babaknaficy@sbcglobal.net]  
**Sent:** Wednesday, September 11, 2019 4:52 PM  
**To:** Nathan MacBeth  
**Subject:** Nissan Dealership DSEIR comments

Dear Mr. MacBeth

Enclosed please find my comments on the Nissan DSEIR on behalf of Sustainable Soquel.

R3-1 In the Notice of Availability of the DSEIR, the County's claims that comments on the DSEIR must be received by the County by 5:00 pm on 9/11/19, and that "late comments will be considered only at the County's discretion." (Citing CEQA Guideline §15088a). This contention is false, and misstates the law. §15088(a) provides: a) The lead agency shall evaluate comments on environmental issues received from persons who reviewed the draft EIR and shall prepare a written response. The Lead Agency shall respond to comments received during the noticed comment period and any extensions and may respond to late comments.

Section 15088a does not give the County discretion to ignore late comments, as the Notice of Availability suggests.

Please acknowledge receipt of this email and the attached comments

thank you

Babak Naficy

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Babak Naficy  
Law Offices of Babak Naficy  
1540 Marsh Street, Suite 110  
San Luis Obispo, Ca 93401  
[babaknaficy@sbcglobal.net](mailto:babaknaficy@sbcglobal.net)  
[www.naficylaw.com](http://www.naficylaw.com)  
805-593-0926 phone  
805-593-0946 fax

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September 11, 2019

**Via E-mail**

Nathan MacBeth  
 County of Santa Cruz Planning Dept.  
 Nathan.MacBeth@santacruzcounty.us

**RE: Nissan Dealership Draft Supplemental EIR**

I submit these comments on behalf of Sustainable Soquel in connection with the above-referenced document.

1. Revisions to Impact TRA-1.

The Draft Supplemental EIR (“DSEIR”) states that based on the Board of Supervisors’ directive, the County is now certain that a traffic signal would be installed at the intersection of Soquel Drive and Robertson Street within two years. Based on this assertion, the DSEIR concludes that Mitigation TRA-1 is now considered “feasible” and therefore the Project’s traffic impacts at that intersection would be reduced to a less than significant level.

The DSEIR’s analysis and conclusions in this regard are not adequately established and are not supported by substantial evidence. To wit, the DSEIR claims the Board directed staff to complete the installation of the traffic signal and associated right of way improvements. However, without any concrete design development plans in hand, there is no evidence to suggest the County’s estimated cost of \$1,094,113 is accurate.

Likewise, the DSEIR does not include any discussion of the right of way requirements. There is no evidence to show, for example, that the signal could be installed entirely within the County owned right of way, or whether private parties would have to be compensated for the right of way. In his letter to the Planning Department, Steve Wiesner, Assistant Director of Public Works (Wiesner letter, included in Appendix R to the DSEIR) explained “it is **estimated** that the finished project will lie wholly within the existing County right-of-way” (emphasis added), but did not identify substantial evidence establishing that the signal would be wholly within the County right-of-way.

Moreover, the DSEIR does not include any discussion of the environmental review process required for the approval of the traffic light design and improvements. The Wiesner letter claims that “it is anticipated that a CEQA review will determine to be categorically exempt.” Mr. Wiesner’s anticipation (i.e. speculation) does not amount to substantial evidence that the signal would be exempt from CEQA. The burden is on the County to establish this proposed mitigation measure is actually exempt. *Davidon Homes v. City of San Jose* (1997) 54 Cal.App.4th 106, 114. (“[T]he agency's exemption determination must [rely on] evidence in the record demonstrating that the agency

R3-2

1540 Marsh Street  
 Suite 110  
 San Luis Obispo  
 California 93401 ph:  
 805-593-0926 fax:  
 805-593-0946

babaknaficy@sbcglobal.net

R3-3

considered possible environmental impacts in reaching its decision.”) CEQA requires lead agencies to consider the environmental impacts of the “whole of the project”, including mitigation measures. The DSEIR here is deficient to the extent that it fails to consider the environmental impacts of the proposed traffic signal based on Public Works’ assertion that the County’s approval of the traffic signal may be exempt.

2. The DSEIR’s analysis Project Objectives is based on invalid and legally objectionable objectives.

R3-4

The DSEIR bases its analysis of Alternatives on Project objectives that are inherently invalid and are transparently intended to artificially narrow the scope of potentially feasible alternatives. See, DSEIR p. 2-10. 1. These objectives, which remain unchanged from the Final EIR, are

1. To provide a conveniently located, attractively designed automotive dealership and service center that will offer a full range of automotive models and services that satisfy the demand for new car buying opportunities within unincorporated Santa Cruz County.
2. To provide Service Commercial development within an area currently designated as Community Commercial.
3. To combine multiple small parcels into one large parcel that can be developed to provide a greater community benefit.
4. To provide for the efficient redevelopment of an existing community commercial area that is currently underutilized with blighted properties, outdated commercial uses, and non-conforming uses.
5. To provide commercial tax revenues to the unincorporated County of Santa Cruz.

Ibid.

Of these ostensible Project Objectives, only Objective No. 1 is a legitimate and bona fide project objective in that it articulates the Project applicant’s true purpose, which is to build and operate a Nissan dealership. The rest of the objectives have no rational connection with the purpose of the Project and appear to be narrowly drawn to artificially limit the EIR’s alternatives analysis.

Objective 2 makes no sense because there is no legitimate reason for the applicant to be specifically intent on building a dealership at a location that would require a General Plan Amendment and zone change from Community Commercial to Service Commercial. Likewise, Objective 3 is clearly not a legitimate Project objective because there simply is no rational reason why the Project applicant would actively seek and acquire smaller contiguous parcels. Objective No. 4 is similar to Objective 2 in that it would necessitate a more complicated and cumbersome approval process for without any discernable benefit to the applicant. Finally, Objective No. 5 amounts to a complete *non sequitur* in that there is no evidence to support the conclusion Project applicant would favor paying taxes to Santa Cruz County as opposed to any surrounding incorporated cities. The record shows the applicant owns multiple dealerships in the City of Visalia and Gilroy, and last operated a Nissan dealership in the City of Santa Cruz since 2016. AR 7:3947.

Nathan MacBeth  
September 11, 2019

R3-5 The evidence in the record shows the County itself did not use the “Project objectives” as criteria for identifying alternative locations. According to the County Administrative Office’s May 28, 2019 letter to the Planning Director (App. R), the County used to the following objective as the defining criteria for the DSEIR.

To provide a conveniently located, attractively designed automotive dealership and service center that will offer a full range of automotive models and services that satisfy the demand for new car buying opportunities within unincorporated Santa Cruz County.”

The letter goes on to explain that the County also used the following additional “feasibility criteria,” which were provided by the applicant:

- A. Located within the Primary Market Area (PMA) for Santa Cruz County that includes the Cities of Scotts Valley, Santa Cruz, Capitola and Watsonville.
- B. A total site area of not less than 2.5 acres (based on franchisor’s and industry standards).
- C. A customer convenient location, which was defined as ease of access from the freeway, and preferably, proximity to other dealership locations.

The DSEIR discloses that the alternative locations were selected based on the “overall project objectives”, which is DSEIR Objective No.1. DSEIR at 2-27. The DSEIR also discloses that other criteria used to identify potentially suitable sites included size (2.5-3 acres), location (close to freeway and within primary markets, including neighboring cities), appropriate general plan/zoning designation and topography, and site availability.

The DSEIR’s analysis of the potential feasibility of the alternative locations relies on “objectives” (i.e. criteria) that patently have nothing to do with the applicant’s true objective, which is to build a Nissan dealership at a suitable location. The criteria listed by the County Administrative Office appear more in line with the applicant’s true objective, yet, as previously mentioned, the DSEIR eschewed these criteria in favor objectives/criteria that have no logical connection with the applicant’s only objective and are clearly intended to artificially limit the range of potential alternatives.

Some of the criteria the County used to identify alternative locations are inconsistent with the Project objectives listed in the DSEIR. For example, the County considered locations outside of the Santa Cruz County, such as the Cities of Scotts Valley, Santa Cruz, Capitola and Santa Cruz, despite the fact that a stated Project Objective is to provide “commercial tax revenues to the unincorporated County of Santa Cruz.”

Likewise, the DSEIR opted to identify alternative sites based on “appropriate general plan/zoning designation.” It is not clear what is meant by “appropriate” because the DSEIR apparently considered sites that would require both general plan amendments and zoning change.

Nathan MacBeth  
September 11, 2019

R3-6 3. The DSEIR does not include a reasonable range of potentially feasible alternatives locations.

The DSEIR proposes a number of alternative locations, however, it ultimately concludes that none of these locations are potentially feasible. Does the County truly believe, and is there evidence to suggest, there is not a single potentially feasible alternative location for a dealership in Santa Cruz County? Will there never again be a new car dealership in Santa Cruz? Without any potentially feasible alternatives in the mix, the County will have failed to consider a reasonable range of alternatives.

4. The DSEIR's analysis of Alternative 3 is fatally flawed.

R3-7 The DSEIR concludes Site #3 would avoid the Project's significant traffic impact but concluded this site is not a feasible alternative site because it is not currently for sale and "may not be available to the applicant...". The DSEIR does not explain what efforts, if any, the County made to inquire whether the owner of this site would be willing to sell the property, even if the site is not currently not for sale. The speculation that the site "may not be available" to the applicant is not substantial evidence establishing the owner would not be willing to sell the site at the right price.

R3-8 The DSEIR's analysis of Site #3 is flawed also because the DSEIR concludes "other identified significant impacts would not be substantially reduced." DSEIR at 2-37. The DSEIR claims the development of the Project at this location could result in potentially significant noise impacts that would require sound mitigation. DSEIR at 2-35. According to the DSEIR, "overall, noise impacts under this alternative would increase compared to the proposed Project, including a potential new operational noise impact." *Ibid.* This analysis is fatally flawed, however, because it completely ignores the current noise baseline at this site, which is currently fully occupied by an auto-body shop called Kraft Body Shop. See DSEIR at p.2-35, <http://www.kraftsbodyshop.com/contact-us.php>. Just as it did with in connection with its analysis of this Alternative's noise impact, the DSEIR's analysis of Site #3's noise impacts must begin with a measurement of the existing noise levels generated by the auto body shop. By comparing the existing noise levels in comparison to the noise expected from the dealership can the noise impacts of this Alternative location be assessed. The DSEIR's analysis of the potential noise impact for Alternative 3 is, therefore, fatally flawed; the DSEIR must be revised accordingly and recirculated.

R3-9 The DSEIR concluded that Alternative 3, despite reducing the Project's significant traffic impact to a less than significant level, is not considered the environmentally superior alternative because "the severity of other significant impacts would increase, and this alternative could result in significant new impacts and more severe-less than significant aesthetic impacts." DSEIR at p. 1-38. This conclusion is not supported by substantial evidence or sound legal reasoning. To begin, with, as discussed above, the DSEIR's conclusion that the implementation of the Project at this site could result in a significant noise impact is not supported by substantial evidence, as this conclusion ignores the existing environmental baseline for the site, which consists of a fully operational auto body shop. Likewise, the DSEIR's contention that Project construction could result in significant biological impacts is purely speculative. This contention ignores the

Nathan MacBeth  
September 11, 2019

environmental baseline of the site, which consists of a fully operational auto body shop. Moreover, the DSEIR does not include any biological surveys, botanical reports or any other investigation as to the current condition of the site or the ongoing impacts of the auto body shop. Likewise, the DSEIR does not include a meaningful analysis of the extent to which, the Project would result in tree removal or any other direct or indirect physical impacts on the site's biological resources. Because it is not clear any trees would have to be removed, the assumption that the Project could result in any aesthetic impacts is speculative<sup>1</sup>. As such, the DSEIR's contention that the Nissan Project could result in any additional or potentially significant biological impacts is purely speculative and does not support the conclusion Alternative 3 should not be considered environmentally superior.

## CONCLUSION

- R3-10 The DSEIR is legally inadequate and must be revised. The claim that potentially suitable sites may not be available because they are not currently actively offered for sale must be explained. Before reaching the conclusion that the site is not available, the County should explain whether the owner was directly approached. Moreover, Project objectives 2-5 must be eliminated, and the analysis of alternatives must be revised accordingly. The current analysis, which evaluates alternatives relative to these objectives, is patently misleading, which in turn renders the Supplemental Alternatives Analysis worthless as an informational document. Finally, the DSEIR's analysis of Alternative 3 must be revised, to include an adequate analysis of potential noise, biological and aesthetic impacts.

Sincerely,

*Babak Naficy*

Babak Naficy, For Sustainable Soquel

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<sup>1</sup> / There is no legal authority for the DSEIR's implicit assumption that an alternative's potential increase in the severity of a less than significant impact could be grounds for ruling that alternative as "environmentally superior"



## **Responses to Comments from Organizations**

### **LETTER R3 – Sustainable Soquel (Email and Letter from Babak Naficy)**

R3-1 Late Comments. The comment states that the County’s Notice of Availability states that “late comments will be considered only at the County’s discretion,” but CEQA Guidelines Section 15088a does not give the County the discretion to ignore late comments. The comment does not pertain to analyses in the RPDEIR, and no response is required. It is noted, however, that the referenced section as cited in the letter indicates that the lead agency “may respond to late comments;” the County did not receive any comments on the EIR after the close of the public review period.

It is noted that the comment letter repeatedly refers to the environmental document as a “Draft Supplement EIR (DSEIR)”, which is incorrect. The document is a “Recirculated Partial Draft EIR (RPDEIR)” as noticed in the Notice of Availability and described in the RPDEIR document. Although the comments mistakenly reference a DSEIR, the following responses reference the correct RPDEIR document.

R3-2 Traffic Signal Feasibility. The comment states that EIR’s conclusion regarding feasibility of the signal installation at Soquel Drive and Robertson Street is not supported by substantial evidence, that there is no evidence to suggest the County’s estimated cost is accurate, and there is no evidence that the signal could be installed in the County right-of-way. As explained on page 2-5 of the RPDEIR, intersection signalization with the estimated cost is included in the County’s Capital Improvement Program (CIP). The RPDEIR also indicates that installation of the signal was directed by the County Board of Supervisors to be completed within three years of issuance of building permit for the Project. An itemized cost estimate and a conceptual plan have been developed by the County’s Department of Public Works based on professional engineering standards. The conceptual engineering plan shows all work can be completed within the County right-of-way. The cost estimate and conceptual plan have been added in Appendix R. As indicated on page 2-6 of the RPDEIR and Appendix R, the County expects that project plans and permitting requirements for the new traffic signal will be completed by June 2020 with construction commencing either in the 2020/2021 or 2021/2022 fiscal year. The engineering design phase is underway.

R3-3 Traffic Signal Impacts and CEQA Review. The comment states that the EIR does not include discussion of the environmental impacts of or environmental review process required for approval of the traffic light design and improvements and that the County indicates that the anticipated CEQA review is a categorical exemption. The RPDEIR did not include revisions to Mitigation Measure TRA-1 or to the traffic analysis, only to conclusion on feasibility of the mitigation measure and revised impact significance with implementation of this measure. Thus, other parts of the DEIR regarding traffic analyses



and mitigation were not subject to recirculation or comments. However, it is noted that the State CEQA Guidelines (15126.4) do not require discussion of future environmental review processes; subsection (d) indicates that if a mitigation measure would cause one or more significant effects in addition to those that would be caused by the project as proposed, the effects of the mitigation measure shall be discussed but in less detail than the significant effects of the project as proposed. No significant impacts were identified in the Draft EIR related to signal installation, and that portion of the EIR was not revised or recirculated. While County staff indicated what might be expected for the CEQA document for the signal based on other similar projects in the County, the final CEQA determination will be made when design plans are finalized.

R3-4 Project Objectives. The comment states that the EIR's analyses are based on Project objectives that are invalid, intended to artificially narrow the scope of potentially feasible alternatives, and are objectionable. The RPDEIR did not include revisions to Project objectives. Thus, Project objectives were not subject to recirculation or comments, although the objectives were summarized in the revised Alternatives section based on the Project Description included in Section 2.0 of the Draft EIR, which also was not revised. The basis for EIR revisions as a result of legal challenge to the Draft EIR and Final EIR are explained on pages 1-1 to 1-2 of the RPDEIR. The Santa Cruz County Superior Court found the Project objectives adequate to aid the County in developing alternatives. Since this topic is not part of the RPDEIR, no response is required. As explained in Section 2.1 and on page 1-3 of the RPDEIR, the County need only respond to comments on recirculated chapters.

R3-5 Criteria for Identification of Alternative Locations. The comment states that the County did not use the Project objectives as criteria for identifying alternative locations and that some of the criteria are inconsistent with the Project objectives. The process for identifying alternative sites is explained on pages 2-27 to 2-32 of the RPDEIR. As indicated, the County identified alternative sites taking Project objectives into consideration, as well as considering other criteria related to site suitability and feasibility based on criteria set forth in the State CEQA Guidelines Section 15126(f)(1). While the objectives provided a framework for identification of the alternate sites, the other site suitability criteria provided more details regarding site requirements, including site size, location, suitability and availability. The site criteria also considered criteria suggested by the applicant to the County in order to meet Nissan guidelines and approval, including proximity to other dealerships that is related to providing a convenient location as set forth in Objective 1.

The intent was to identify potential alternative site locations and then further review and screen those sites based on the guidance and directives provided in the CEQA Guidelines regarding the potential to avoid or substantially lessen significant impacts, as well as feasibility. In this regard, two sites were identified that were located within in the cities of Capitola and Watsonville because they met some of the other site suitability criteria and



were included to provide a comprehensive review of potential alternative site locations, although these sites were ultimately screened out from further review. Therefore, the process and identified site locations are not inconsistent with the Project objective to provide commercial tax revenue in the unincorporated County of Santa Cruz as claimed by the commenter as subsequent steps in the process screened out these sites. It is also noted that the CEQA Guidelines require the discussion of alternatives to include those that could feasibly accomplish most of the basic objectives of the project and avoid or reduce one or more significant effects. Attainment of all Project objectives is not required for an alternatives analysis under CEQA. The objectives and site criteria are not mutually exclusive and were reviewed through a site screening process as explained on pages 2-27 to 2-32 of the RPDEIR. Revisions to this text have been provided to provide further clarification of this process; see Chapter 3.0.

The comment also questioned what is meant by the “appropriate general plan/zoning designation” criteria since some sites would require a General Plan or zoning amendment. The review considered commercial or industrial designations to be appropriate, although in some cases an amendment to a different commercial or land use designation or zone district was needed for the proposed use as is needed for the proposed Project itself. Properties with other designations, such as parks, open space or residential, were not considered appropriate for the proposed commercial use.

R3-6 Range of Alternatives. The comment states that the EIR does not include and failed to consider a reasonable range of potentially feasible alternative locations. As discussed on pages 2-8 to 2-9 of the RPDEIR, the State CEQA Guidelines Section 15126.6 requires that an EIR describe a range of reasonable alternatives to the project or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project. The guidelines require that the discussion focus on alternatives to the project or its location, which are capable of avoiding or substantially lessening any significant effects of the project, even if these alternatives would impede to some degree the attainment of the project objectives or would be more costly. The Guidelines do not require an EIR to consider alternatives which are infeasible. The Guidelines also indicate that an EIR need not consider every conceivable alternative to a project, but, it must consider a reasonable range of potentially feasible alternatives that will foster informed decision-making and public participation. The range of alternatives is governed by a “rule of reason” that requires the EIR to set forth only those potentially feasible alternatives necessary to permit a reasoned choice. There is no ironclad rule governing the nature or scope of the alternatives to be discussed other than the rule of reason.

The RPDEIR considered all possible alternatives to the Project that could potentially avoid or substantially lessen the identified significant impacts. The RPDEIR examines a reduced



project size and alternative site location. The RPDEIR also considered and rejected two other alternatives. One was a project with uses consistent with the existing General Plan and zoning ordinances to avoid the amendments proposed by the Project. However, the existing designations do not permit an auto dealership, and therefore, this alternative would fail to meet the most basic of the Project objectives. Thus this alternative was eliminated from further consideration as a Project alternative, but two other potential development scenarios were reviewed as part of the No Project alternative. An expanded site alternative also was considered to include an adjacent property, but was eliminated from further consideration because there would be no change in the Project size or Project impacts.

Another potential alternative that was considered and eliminated was a modified site plan alternative. This alternative could include modification of the proposed site plan to relocate the showroom and/or service building. Such a modification typically would be considered to avoid sensitive resources on the site, such as a sensitive habitat area. However, no sensitive resources have been identified on the site nor have any significant impacts been identified that would be lessened with a modification site plan configuration. The RPDEIR text has been revised to provide clarification regarding this potential alternative; see Chapter 3.0.

- R3-7 Alternative 3. The comment states that the EIR concluded that Site #3 is not a feasible alternative because it is not for sale and may not be available to the applicant, but the EIR does not explain efforts the County made to make this conclusion. It was the intent of the RPDEIR to indicate that the alternative potentially may not be feasible; text on page 2-32 has been revised consistent with text on page 2-38 that the site is potentially not feasible. Subsequent to the release of the RPDEIR, County staff made further outreach to the property owner and was informed that the property is not for sale nor would it be available for sale in the foreseeable future. Therefore, it is now concluded that this alternative is not feasible. As indicated on page 2-27 of the RPDEIR, if the lead agency concludes that no feasible alternative locations exist, it must disclose the reasons for this conclusion and include them in the EIR, which the County has done in the RPDEIR and in this Final EIR, Volume 2.
- R3-8 Alternative 3 Impacts. The comment states that the analysis for Alternative 3 did not consider existing noise sources generated on the site (auto body shop) to reach a conclusion that identified Project noise impacts would not be substantially reduced. The comment suggests that noise measurements be taken. The Project noise impact relates to construction noise, not operational noise, and as indicated on page 2-35 of the RPDEIR, construction noise impacts would be greater at the alternative site due to proximity of sensitive receptors (residential uses) to the south of site. These uses are approximately 150-250 feet from the southern boundary of the alternate site, compared to 600 feet to the nearest sensitive



receptor (to the north) from the proposed Project site. Therefore, the impact could be potentially more significant due to sensitive receptors being closer to the alternative site.

The RPDEIR noted that operational noise at the Alternative 3 site location could be greater than at the proposed Project location due to proximity to sensitive receptors and depending on the layout of the Project facility. It is acknowledged that the alternative site has an existing use that may generate noise so that the overall operational noise levels may not significantly increase or change. Measurements to determine existing noise levels are not warranted for an alternatives discussion. The CEQA Guidelines indicate that significant impacts resulting from an alternative be discussed, but in less detail than the significant effect of the proposed project. However, as indicated above, the potential increase in impact severity identified for Alternative 3 was due primarily to construction noise, although operational noise could be greater depending on the site layout.

R3-9 Environmentally Superior Alternative. The comment states that the conclusion that Alternative 3 is not the environmentally superior alternative is not supported by substantial evidence, and the comment references noise, biological resource and aesthetics impacts. The comment states that the analysis for Alternative 3 did not consider existing noise sources generated on the site to reach a conclusion that identified Project noise impacts would not be substantially reduced. See Response to Comment R3-8 regarding noise.

The consideration of biological resources was based on the designation of the adjacent Rodeo Gulch area as riparian habitat in the County's General Plan and the County's knowledge of the area. Review of existing studies in the area, most recently conducted by Caltrans for Highway 1 planned improvements, indicate that the eastern portion of the Alternative 3 site location contains sensitive habitat and potentially sensitive species. Text has been clarified to document existing information. As explained on pages 2-36 to 2-37 of the RPDEIR, potential indirect impacts to this adjacent habitat could occur as a result of erosion, stormwater runoff water quality, or lighting depending on siting of facilities, which would be potentially significant impacts given the presence of sensitive habitat and potential sensitive species within the adjacent Rodeo Gulch riparian area.

The comment also states that the assumption that the Project at the Alternative 3 site location could result in aesthetic impacts is speculative because it is not clear any trees would have to be removed. However, as discussed on page 2-36 of the RPDEIR, aesthetics impacts were identified due to the site location along Highway 1 that is a County-designated scenic highway, although it was not identified as a potentially significant impact. Tree removal was reviewed in the context of potential impact to scenic resources, which also was not identified as a potentially significant impact. Introduction of lighting also was considered given proximity of residents. Thus, the RPDEIR explains potential



impacts with supporting evidence that was used to determine the environmentally superior alternative for the purpose of the CEQA review.

- R3-10 Summary Comment. The comment states that the RPDEIR is legally inadequate and must be revised citing the following reasons: 1) the claim that potentially suitable sites may not be available because they are not currently actively offered for sale must be explained and whether the owner was approached; 2) Project objectives 2 through 5 must be eliminated with a revised alternatives analysis; and 3) the EIR's analysis of Alternative 3 must be revised, to include an adequate analysis of potential noise, biological and aesthetic impacts. County staff made contacts with property owners of the alternative sites, but the outcome for Site #3 was not known until after the release of the RPDEIR; see Response to Comment R3-7 regarding availability of Site #3. See Response to Comment R3-4 regarding Project objectives, and see Response to Comments R3-8 and R3-9 regarding impacts of the Alternative Project Site Location alternative.

# MILES J. DOLINGER

ATTORNEY AT LAW, APC

Real Estate | Land Use | Litigation

314 Capitola Avenue, Capitola, CA 95010

OFFICE (831) 477-9193

FAX (831) 477-9196

miles@dolingerlaw.com

September 11, 2019

Kathleen Molloy, Planning Director  
 Nathan MacBeth, Development Review Planner  
 Santa Cruz County Planning Dept.  
 701 Ocean Street, 4<sup>th</sup> Floor  
 Santa Cruz, CA 95060

BY EMAIL ONLY:

*Kathy.Molloy@santacruzcounty.us; Nathan.Macbeth@santacruzcounty.us*

Re: Recirculated Partial Draft EIR for Nissan of Santa Cruz Project;  
 Application No. 171179

Dear Ms. Molloy and Mr. MacBeth:

R4-1 I am writing on behalf of Don Groppetti<sup>1</sup>, the owner of the proposed Nissan of Santa Cruz Project referenced above (hereafter, "Project"), with some comments on the Recirculated Partial Draft EIR for the Project ("RPDEIR"). Please include this letter in the administrative record for the Project and distribute it to the members of the County Board of Supervisors prior to its next scheduled public hearing on the Project and the RPDEIR.

Section 1.1. Although the Superior Court hearing on the Petition for Writ of Mandamus was on March 8, 2019, the Court issued its Order and Judgment Granting Peremptory Writ of Mandamus ("Order") on March 27, 2019.

R4-2 Section 2.2.1. It is inappropriate and contrary to the Superior Court's March 27, 2019 Order for the RPDEIR to include any discussion of either the No Project/Future Commercial Development Alternative (1B) or the No Project/Future Mixed-Use Development Alternative (1C). The Court's Order adopted its Tentative Ruling (attached as Exhibit "A" to the Order). The Tentative Ruling held that Alternative 3 (Commercial Use Development) and Alternative 4 (Mixed Use Development) were "not meaningful alternatives as they would not meet any of the Project's legitimate objectives." Including this analysis in the RPDEIR will cause public and decision-maker confusion and invite more litigation. All of this analysis should be eliminated.

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<sup>1</sup> Although I represented both Mr. Groppetti and Santa Cruz County in the Sustainable Soquel writ of mandate litigation challenging the County's approval of the Project and certification of the Project EIR, I have not represented the County regarding the RPDEIR since the time that the County rescinded Project approvals.

Kathleen Molloy  
 Nathan MacBeth  
 September 11, 2019  
 Page 2

- R4-3 Section 5.2. The Court's Tentative Ruling held that only Objective No. 1 satisfied CEQA and that all of the other ones did not. Thus, in the Summary of Project Objectives section on pages 2-10 and 2-11, Objectives 2, 3, 4, and 5 should be eliminated.
- R4-4 Section 5.4. Alternatives 1B and 1C. For the reasons explained above, the discussions of Alternative No.1B and of Alternative No. 1C on page 2-14 through the top of 2-24 should be eliminated in their entirety.
- R4-5 Section 5.4. Alternative 2: Reduced Project. Regarding the discussion of Transportation/Traffic issue on pages 2-25 and 2-26, we disagree that the Reduced Project Alternative would be "substantially less" than the significant traffic impacts of the proposed alternative. The DEIR concluded that,

[a]lthough the addition of two net new northbound trips and four net new southbound trips in the AM peak hour, and one net new northbound trip and seven net new southbound trips in the PM peak hour is minimal and would not reduce the level of service any further, any new trips added to Highway at these segments is considered to be a significant impact requiring mitigation due to the existing unacceptable LOS F condition.

DEIR 3.8-30 (AR 2:707) (emphasis added).

Therefore, even though the Reduced Project Alternative would reduce the number of trips on Highway 1 during peak hours from 7 or 8 down to 5 or 6, a difference of two (2) trips will have neither a substantial nor significant reduction in this traffic impact because Highway 1 already operates at LOS F. The RPDEIR's statement that this difference "represents a 25-30% reduction" is misleading given the existing, severely congested traffic conditions of that section of Highway 1 during peak hours. It would be more accurate to conclude that the difference in actual traffic impacts to Highway 1 between the proposed Project and Alternative 2 is negligible. (See letter from Kimley-Horn and Associates to Kathy Molloy / Nathan MacBeth, dated 9/11/19, which is submitted concurrently herewith).

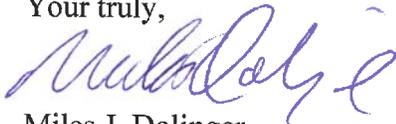
- R4-6 Section 5.5. For the reasons discussed above, the last sentence in the first full paragraph on page 2-38, regarding Alternatives 1B and 1C, should be eliminated.
- R4-7 In addition, we disagree with the conclusion in the last two paragraphs on page 2-38 that Alternative 2 (Reduced Project) would "substantially" reduce significant traffic impacts. As argued above, this difference is negligible. (See letter from Kimley-Horn and Associates to Kathy Molloy / Nathan MacBeth, dated 9/11/19, which is submitted concurrently herewith).

Kathleen Molloy  
Nathan MacBeth  
September 11, 2019  
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R4-8 Furthermore, we disagree with the conclusion in the last two paragraphs on page 2-38 that Alternative 2 (Reduced Project) would meet all Project objectives. On the contrary, a project with total combined building sizes that is 15% smaller than the proposed Project would not meet the project objectives to develop a full-service Nissan car dealership because it will most likely not be approved by Nissan, as it would be significantly smaller than Nissan's design standards for a full-service new car dealership in the Santa Cruz Area. (See September 11, 2019 letter submitted by Don Groppetti, and letter from Kimley-Horn and Associates to Kathy Molloy / Nathan MacBeth, dated 9/11/19, both of which are submitted concurrently herewith).

Thank you for your time and consideration.

Your truly,



Miles J. Dolinger  
Attorney at law

CC (by email only): Don Groppetti  
Bill Wiseman



P.O.Box 1431 Visalia, CA 93279-1431  
www.groppettiauto.com

LETTER RA	
Nissan of Visalia 559.734.3333	Visalia Toyota 559.627.4777
Visalia Honda 559.627.4444	Visalia Ford 559.625.1000
Visalia Buick-GMC 559.802.1700	Visalia Hyundai 559.733.3325
Santa Cruz Nissan 831.621.2600	GA Motorsports 559.635.8544
Nissan of Gilroy 408.842.1777	

September 11, 2019

Kathleen Molloy, Planning Director  
Nathan MacBeth, Development Review Planner  
Santa Cruz County Planning Dept.  
701 Ocean Street, 4<sup>th</sup> Floor  
Santa Cruz, CA 95060

**BY EMAIL ONLY:**

*Kathy.Molloy@santacruzcounty.us; Nathan.Macbeth@santacruzcounty.us*

Re: Recirculated Partial Draft EIR for Nissan of Santa Cruz Project;  
Application No. 171179

Dear Ms. Molloy and Mr. MacBeth:

R\$\_9 As you know, I am the applicant for the Nissan of Santa Cruz new car dealership project (the “Project”), and I am submitting these comments on the Recirculated Partial Draft EIR for the Project, dated July, 2019 (“RPDEIR”).

I have been in the automotive retail business for over 33 years. I began my auto dealership management career 31 years ago managing a multi-franchise dealership group in Santa Maria. In March, 1994, I purchased my first dealership, and I currently own seven (7) new vehicle franchise dealerships: I own Nissan, Honda, Toyota, Ford, Buick-GMC and Hyundai dealerships in Visalia, California and a Nissan dealership in Gilroy, California. I also own the exclusive franchise rights for a Nissan dealership in Santa Cruz County. I was a member of the National Dealer Advisory Board for Nissan North America for many years, and I have held numerous other Board positions in the automotive business over the course of my career as a new vehicle dealer. Based on this experience, I am familiar with both automobile franchisor requirements and the actual practicalities and economics of operating a new car dealership successfully.

There are several factors that must be considered when planning a new, full-service auto dealership. Building size, lot size, customer convenience and location are all interrelated market factors that determine project feasibility. In addition, every new Nissan dealership franchise in the United States is required to obtain the prior approval of Nissan North America, Inc. (“Nissan”). This is not exclusive to Nissan. To my knowledge, all vehicle manufacturers that are represented by franchise dealers in the United States have the same requirement. Thus, for the purposes of the County’s analysis of potentially feasible project alternatives, as a practical matter, no alternative project size or project site is feasible if it will not be approved by Nissan.

As the franchisor, Nissan will only approve new Nissan dealerships that are consistent with Nissan’s “Guides” (that is, guidelines), for minimum building sizes, minimum site area and with its design guidelines. The building sizes



P.O.Box 1431 Visalia, CA 93279-1431  
www.groppettiauto.com

LETTER RA

Nissan of Visalia 559.734.3333	Visalia Toyota 559.627.4777
Visalia Honda 559.627.4444	Visalia Ford 559.625.1000
Visalia Buick-GMC 559.802.1700	Visalia Hyundai 559.733.3325
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Nissan of Gilroy 408.842.1777	

for a new dealership need to accommodate new vehicle sales (according to Nissan’s estimates). Building sizes also need to accommodate parts and service needs for new and used cars, including the number of service bays, and administrative needs. The total site area needs to be large enough to satisfy Nissan’s guidelines for building sizes, plus parking for new and used car inventory, service vehicles, employees, and customers. Nissan bases these minimum building and total site area guidelines on: projected sales targets (that is, “Planning Volumes” or “PVs”, which are based on national averages), for a given Primary Market Area (“PMA”); Nissan’s estimates for the number of used vehicles in operation in the PMA that a new dealership must be able to service in order to be a “full-service dealership” (which informs the minimum size of the parts and service area); and national architectural design standards for franchise dealers (“NREDI”).

Attached hereto as **Exhibit A** is a true and correct copy of an April 22, 2019 letter I submitted to Planning Director Kathleen Molloy, including exhibits. As explained in that letter, Nissan has calculated the total minimum square footage of the necessary buildings for a new, full-service Nissan car dealership in the Santa Cruz PMA. Attached as **Exhibit 2** to my April 22 letter (also attached here), is a true and correct copy of a March 13, 2019 letter to me from Kevin Wagstaff, Nissan’s Regional Vice President for the West Region, which sets forth Nissan’s Guides for the minimum areas for the different buildings in a full-service Nissan car dealership in the Santa Cruz PMA. According to the Wagstaff letter, the minimum total building square footage for a dealership that Nissan will approve is 22,111 square feet.

I have reviewed RPDEIR. The RPDEIR discusses a Reduced Project Alternative (Alternative 2), which would reduce the total, combined building size by 15% to 19,165 square feet. However, because a 15% reduction in total building area for the Project results in a total building size that is 13% short of Nissan’s standards ((22,111 – 19,165) ÷ 22,111), it is very unlikely Nissan will approve this reduced-size alternative, and thus, the Reduced Project Alternative is not practically feasible and will not attain the essential Project objective to build a full-service Nissan new car dealership.

I am thus requesting that Planning Department staff not recommend the Reduced Project Alternative to the County Board of Supervisors.

Respectfully,

DON GROPPETTI

# EXHIBIT A



P.O.Box 1431 Visalia, CA 93279-1431

[www.groppettiauto.com](http://www.groppettiauto.com)

Nissan Of Visalia 559.734.3333	Visalia Toyota 559.627.4777
Visalia Honda 559.627.4444	Visalia Ford 559.625.1000
Visalia Buick-GMC 559.802.1700	Visalia Hyundai 559.733.3325
Santa Cruz Nissan 831.621.2600	GA Motorsports 559.635.8544
Nissan of Gilroy 408.842.1777	

April 22, 2019

Kathy Malloy  
 Planning Director  
 County of Santa Cruz  
 701 Ocean Street  
 Santa Cruz, CA 95060  
 BY EMAIL ONLY: (Kathy.Molloy@santacruzcounty.us)

RE: Nissan of Santa Cruz Project – Supplemental DEIR Alternatives Analysis

Dear Ms. Molloy:

As you know, I am the applicant for the Nissan of Santa Cruz new car dealership project (the Project) that was approved by the County Board of Supervisors in May, 2018. The purpose of this letter is to provide some information and analysis in support of the County's preparation of a revised Section 5, "Project Alternatives", in the Draft Environmental Impact Report (Draft EIR) prepared for the Project pursuant to the Writ of Mandate issued by the Superior Court in the *Sustainable Soquel v. County of Santa Cruz* case.

This letter summarizes various factors that would need to be considered before developing a new, full-service, Nissan automobile dealership in Santa Cruz County. Please consider this information when considering alternative locations as part of your analysis of Project alternatives to the Project pursuant to Section 15126.6(a) of the CEQA Guidelines.

I have been in the Automotive Retail business for over 33 years. I began my auto dealership management career 31 years ago managing a multi-franchise dealership group in Santa Maria. In March, 1994, I purchased my first dealership, and I currently own seven (7) new vehicle franchises dealerships: I own Nissan, Honda, Toyota, Ford, Buick-GMC and Hyundai dealerships in Visalia, California and a Nissan dealership in Gilroy, California. I also own the exclusive franchise rights for a Nissan dealership in Santa Cruz County. I am a member of the National Dealer Advisory Board for Nissan North America and have held numerous other Board positions in the Automotive Business over the course of my 25 years as a new vehicle dealer. Based on this experience, I am familiar with both automobile franchisor requirements and the actual practicalities and economics of operating a new car dealership successfully.

There are several factors that are taken into consideration when planning a new, full-service auto dealership. Building size, lot size, customer convenience and location are all interrelated market



P.O.Box 1431 Visalia, CA 93279-1431

[www.groppetti-auto.com](http://www.groppetti-auto.com)

Nissan Of Visalia 559.734.3333	Visalia Toyota 559.627.4777
Visalia Honda 559.627.4444	Visalia Ford 559.625.1000
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Santa Cruz Nissan 831.621.2600	GA Motorsports 559.635.8544
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factors that determine project feasibility. Lot size, building size and other location factors are discussed below.

### Lot Size

Every new Nissan dealership franchise in the United States is required to obtain the prior approval of Nissan North America, Inc. (Nissan). This policy is not exclusive to Nissan. To my knowledge all vehicle manufacturers that are represented by franchise dealers in the United States have the same requirement. Thus, for the purposes of the County's analysis of potentially feasible project alternatives, as a practical matter, no alternative project size or site is feasible if not approved by Nissan.

As the franchisor, Nissan will only approve new Nissan dealerships that are consistent with Nissan's "guides" (that is, guidelines), for minimum building sizes total site area, and its design guidelines. The building sizes for a new dealership needs to accommodate Nissan's estimates for new vehicle sales, and for parts and service needs for new and used cars (including the number of service bays, and administrative needs). The total site area needs to be large enough to satisfy Nissan's guidelines for building sizes, plus parking for new and used car inventory, service vehicles, employees, and customers. Nissan bases these minimum building and total site area guidelines on its projected sales targets, that is, "Planning Volumes" (PVs) (which are based on national averages), for a given Primary Market Area (PMA).

Nissan defined a PMA for Santa Cruz County that includes the Cities of Scotts Valley, Santa Cruz, Capitola and Watsonville and the unincorporated communities of Live Oak, Pasatiempo, Soquel, Aptos, Rio Del Mar/Seascape, La Selva Beach, and Corralitos. (See Nissan PMA map, attached hereto as **Exhibit 1**.) For the Santa Cruz County PMA, Nissan has determined a 2019 PV of 863 units (vehicles) per year, or 72 per month, which equates to an optimal stocking level of new inventory of approximately 144 to 180 new vehicles for a 60 to 75-day supply. (See letter from K. Wagstaff, Nissan North America, Inc., to D. Groppetti, dated March 13, 2019, attached hereto as **Exhibit 2**.) These numbers are consistent with national averages. The national average for all new vehicles sold in the U.S., per dealer, in the past five years has steadily increased from 69 vehicles in 2015 to 78 vehicles in 2019, and on average dealers maintain a 60 to 75 day supply. Conservatively, this equates to an average of 144 new cars on a dealership lot at any given time. (See article from *Automotive News*, March 11, 2019, page 41, regarding U.S. car and light truck lot inventory average by manufacturer and vehicle type, attached hereto as **Exhibit 3**).



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Nissan Of Visalia 559.734.3333	Visalia Toyota 559.627.4777
Visalia Honda 559.627.4444	Visalia Ford 559.625.1000
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Santa Cruz Nissan 831.621.2600	GA Motorsports 559.635.8544
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Used vehicle sales vary from 0.5:1 of new vehicle sales to upwards of 1.5:1. Using the most conservative of these ratios based on the Santa Cruz PMA of 72 per month, used vehicle sales for the Santa Cruz PMA are estimated at 36 per month. Assuming a very conservative 30-day supply, the Project would need to maintain a used vehicle inventory of at least 36 vehicles at any given time.

Thus, in order to be consistent with Nissan guidelines for parking lot capacity for new and used inventory, a full-service Nissan dealership in the Santa Cruz PMA should have parking lot space for approximately 180 new and used vehicles ([72 new vehicles/month x 2 months] + [36 used vehicles/month x 1 month]). The Project description in the Draft EIR identifies a total of 154 parking spaces for new and used vehicles, employees, customers and service vehicles combined, which is significantly fewer than under Nissan's guidelines.

One of the Project Objectives is for the dealership to "offer a full range of automotive models and services that satisfy the demand for new buying opportunities..." Nissan has 21 different models and each of those models has three different trim levels, multiple packages within each trim level, and multiple colors. Thus, even a 3.0-acre lot with 200 spaces for new and used vehicles could not accommodate all of the available options. I have determined that the preferred Project site at 41<sup>st</sup> Avenue and Soquel will be large enough to accommodate most or all of the new models and a representative selection of trim levels and colors for each model, and I will take the business risk of not being able to maintain sufficient new car inventory on site. However, in my opinion, if the parking area for new and used vehicles is reduced to significantly fewer than 154 spaces, then the Project will not be feasible and will not meet the Project Objective of offering a full range of models.

Even though the preferred Project has fewer spaces for new and used vehicles than the 180 spaces generally called for under Nissan's guidelines, and even though the 2.458-acre total acreage size of the 41<sup>st</sup> Avenue/Soquel Drive site is smaller than the 3.0 acres generally called for in Nissan's guides, Nissan reluctantly consented to the fewer number of spaces and smaller lot size because of the Project's close proximity to both a Honda and a Toyota dealership, which is Nissan's preference for siting new dealerships. Nissan, Toyota and Honda are close competitors which sell many similar model types, with similar trim levels and price points, and as discussed in more detail below, there are large sales advantages in locating a new Nissan dealership next to a Honda or Toyota dealership. Because Nissan has already approved, albeit reluctantly, an undersized total acreage area for the 41<sup>st</sup> Avenue/Soquel Avenue Project site location with fewer parking spaces than prescribed in its guidelines, it is very unlikely that Nissan would approve the Project at the same location if the total area is reduced by a significant amount and/or if the parking area



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is significantly smaller than 154 spaces. Furthermore, it is very unlikely that Nissan would approve an alternative location for the Project that is substantially smaller than 3.0 acres with fewer than 180 spaces for new and used vehicles unless the location is in close proximity to a Toyota and/or Honda dealer.

### New Vehicle Sales Building

Based on the market factors discussed above, Nissan has identified the need for a total building size of 22,111 sf. for a new NREDI<sup>1</sup>-compliant auto dealership in the Santa Cruz PMA. (Exhibit 2, 3/13/19 Wagstaff letter). Design standards for new dealerships are not unique to Nissan. For example, all new Toyota and Honda dealerships built in the last 10 to 15 years have the same exterior and interior architectural features intended to create a familiar size, look and feel. And franchise design standards are not unique to just the auto industry. The same is true for coffee franchises (e.g., Starbucks), grocery stores (e.g., Whole Foods), restaurants (e.g., Denny's, Burger King), and et cetera.

Nissan determined that an NREDI-compliant new vehicle sales building for the Santa Cruz PMA should be approximately 7,625 sf. (Exhibit 2, 3/13/19 Wagstaff letter). It is very unlikely that Nissan would approve a new vehicle sales building that was substantially smaller than 7,625 sf (plus 1,515 sf for admin), because it would not have the same size and spacious feel provided by the NREDI design standards.

### Number of Service Bays and Parts Sales Area

Nissan's 22,111 total building square footage referenced above includes a parts building/area and a service building. To determine space guidelines for these areas of a full-service auto dealership, Nissan estimates the number of "Units in Operation" (UIO) within a given PMA. The UIO is a measurement of how many Nissan vehicles from the last five model years are circulating in the relevant market, based on registration information available to Nissan. Nissan uses this number to determine the potential service work and parts sales that a full-service dealership should provide, and from this analysis Nissan estimates the number of service bays and the size of parts space required to service those customers. Nissan has established the current UIO of 3,815 vehicles for the Santa Cruz PMA, which equates to a need for a 9,996-sf service building/area (including 11 service bays), and a 2,975-sf parts building/area. (Exhibit 2, 3/13/19 Wagstaff letter).

<sup>1</sup> NREDI stands for Nissan Retail Environment Design Initiative (NREDI 2.0), which is Nissan's current standard for new dealership architectural design that all new dealerships must conform to.



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The Project will not be able to achieve the object of being a “full-service” dealership if it does not have large enough parts and service areas to service the Nissan vehicles counted in the PMA.

The 22,547-sf building space total identified in the Project Description of the Draft EIR, which includes a total of eight service bays (six service bays for repair, plus an oil change bay, and car wash bay), is generally consistent with these numbers. Again, it is very unlikely that Nissan will approve the Project if the parts and service areas are substantially smaller than what Nissan has already been approved because Nissan already agreed, reluctantly, to a total building size that was smaller than that prescribed in its guidelines and to fewer service bays than are prescribed in its guidelines.

#### Exposure and Proximity to Other Dealerships

One of the Project Objectives is that the new Nissan dealership be “conveniently located”. In this context, “conveniently located” means both easily accessible to potential buyers and located near other dealers that sell similar types of vehicles. To be commercially feasible, auto dealerships need to be located along or very near to high-volume (> 10,000 daily vehicles) arterial roadways. Suitable sites are almost always near a significant demand generator, such as a regionally-serving commercial area, and are convenient to commercial consumer amenities such as restaurants, banks, etc. Proximity to other dealerships is also vital. Auto dealers prefer to be clustered with other auto dealers, as they feed off each other’s customer traffic. Conversely, auto buying customers are more likely to visit dealers that are clustered together with or located close to other dealers because the proximity makes shopping more time-efficient and easier to compare brands. This is why Nissan prefers new dealers to be located near its chief competitors – Honda and Toyota. Having auto dealerships located in clusters has the added benefit of minimizing street and highway traffic because the one customer may now visit multiple dealerships with a single trip to a single, central location.

#### Conclusion

Based on my experience and on the 3/13/19 Wagstaff letter from Nissan, any alternative to the Project with a total building area substantially smaller than 22,111 sf or with fewer than 8 total service bays would not meet Project objectives of providing a full range of automobile services and is it would be very unlikely that Nissan would approve it.



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Furthermore, based on my experience and on Nissan's Planning Volume (PV) and Units in Operation (UIO) estimates for the Santa Cruz, CA PMA, any alternative location for the Project must be a minimum of 3.0 acres (or possibly as small as 2.5 acres if located close to other new car dealers), and must be conveniently located, that is, it must be located near Highway One or on a major thoroughfare.

Please feel free to contact me if I can provide you with any additional information.

Yours truly,

*for*   
Don Groppetti

CC (by email only): Miles J. Dolinger, Bill Wiseman, T. Brooke Miller

# EXHIBIT 1



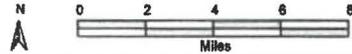
NISSAN

Santa Cruz CA

PMA Map

Dealers

- 1 OP Santa Cruz Santa Cruz



# Santa Cruz, CA

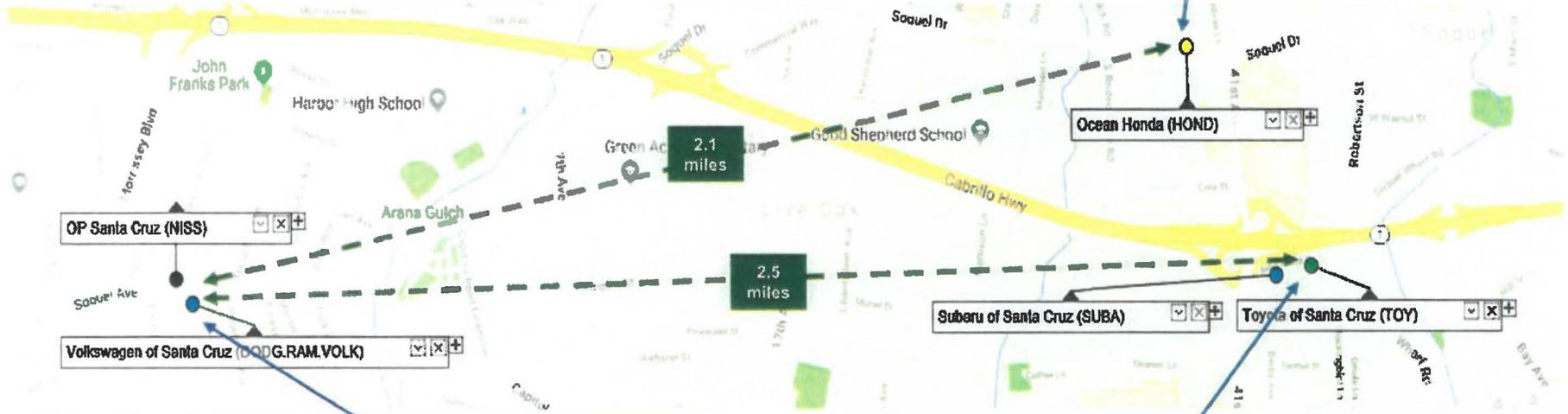




# Current Recommendation: OP Santa Cruz

## OP Santa Cruz

Nissan Division should establish representation in Santa Cruz to provide exclusive stand alone Nissan sales, service and parts facilities, which meet or exceed all established Nissan Division guidelines and/or future operational requirements, comply with the Nissan Retail Environmental Design Initiative (NREDI), currently NREDI 2.0, and are competitive with dealerships in the area. The preferred location is in close proximity to Toyota or Honda.



## EXHIBIT 2


**Nissan North America, Inc.**


---

West Region  
 20 Pacifica, Suite 1200  
 Irvine, CA 92618

**PERSONAL AND CONFIDENTIAL**

March 13, 2019

Mr. Donald J. Groppetti  
 Dealer Principal  
 GAV-GRO, INC.  
 dba Santa Cruz Nissan  
 C/O Nissan of Visalia  
 PO Box 1431  
 Visalia, CA 93279

RE: Nissan Dealership Facilities Requirements – Santa Cruz, CA

Dear Mr. Groppetti:

In order to operate a Nissan dealership in the Santa Cruz, CA Primary Market Area (PMA), exclusive, separate and distinct stand-alone Nissan dealership facilities of a size, appearance and layout meeting Nissan's approval, in accordance with Guides established by Nissan, including the Nissan Retail Environmental Design Initiative or NREDI, need to be provided and all in accordance with final architectural plans to be submitted to Nissan.

Current Guides for an NREDI compliant facility in the Santa Cruz, CA Primary Market Area (PMA) are as follows:

New Vehicle Sales Building/Area	7,625 sq. ft.
Parts Building/Area	2,975 sq. ft.
Service Building/Area	9,996 sq. ft.
Administrative Building/Area	1,515 sq. ft.
Service Bays	11 bays
Total Building	22,111 sq. ft.
Site Area	3.00 acres

Guides are based on projected 2019 annual Planning Volume (PV) of 863 units and five-year Units in Operation (UIO) of 3,815. PV and UIO are subject to change.

Regards,

Kevin Wagstaff  
 Regional Vice President  
 West Region

cc: Dealer File

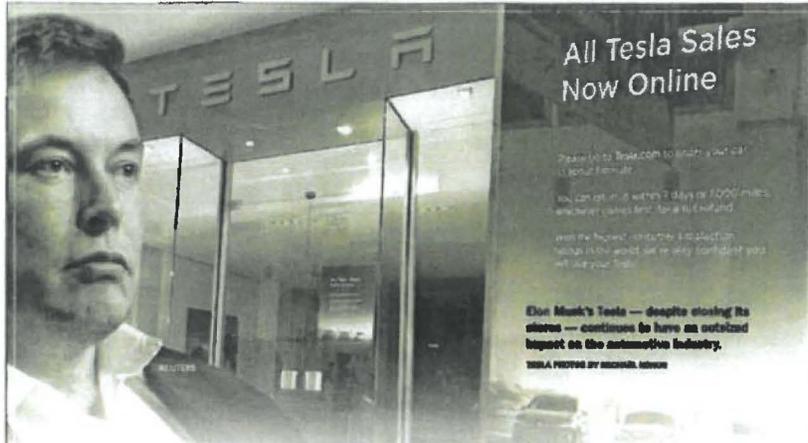
# EXHIBIT 3

# Automotive News

MARCH 11, 2010

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\$1.50/YEAR; 96/COPY



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Now Online

Visit [tesla.com](http://tesla.com) to shop your car online. You can now shop with 3 days of 100% miles, no-haggle prices and a no-hold-back policy. With the highest customer satisfaction rating in the world, we're confident you will love your drive.

Elon Musk's Tesla — despite closing its stores — continues to have an outsized impact on the automotive industry.

TESLA PHOTOS BY MICHAEL WATSON

What the company's new online focus means for consumers, dealers and other automakers

## THE TESLA EFFECT

**W**hen most companies say they're closing brick-and-mortar shops and focusing efforts online, the decision is seen as a natural byproduct of the Internet age. But when Tesla does it — and does it abruptly — it sends ripples through an industry still struggling to define the disruptive electric-car market.

Some consider Tesla's pivot, announced Feb. 28, as a sign that its direct-to-consumer model has failed. Others see it as a natural evolution for a company unafraid to do things differ-

■ **Big questions:** What are the legal implications? Is bankruptcy a possibility? Are Americans ready for this? And more. | PAGES 38-39 |

■ **Editorial:** Tesla's sales model deserves to be watched | PAGE 12 |

■ **Op-ed:** Disruption? More like desperation | PAGE 14 |

ently. Still others point to the EV maker's financial struggles.

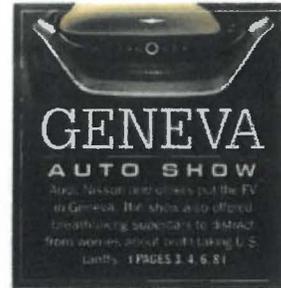
The unexpected nature of the move — Tesla had announced a retail expansion late last year — further fuels speculation that the company, under CEO Elon Musk, is at best impulsive and at worst still fac-

ing the specter of failure that loomed last year as it ramped up Model S production.

Either way, Tesla's decisions have consequences for consumers, franchised dealers and other automakers. Dealer groups are raising new legal questions about Tesla's sales model, while traditional automakers might wonder whether they can follow in Tesla's footsteps.

One thing is clear: The 16-year-old company that now has bona fide automaker production numbers continues to rattle the automotive retail landscape well beyond the walls of its shuttered sales studios.

Beginning on Page 38, we examine some of the questions Tesla and the industry face. ■■



GENEVA  
AUTO SHOW

Auto, Nissan and others put the EV in Geneva. The show also offered breathtaking spectacles to attract fans across the world. | PAGES 4, 6, 8 |

## Ghost of Teamsters takeover haunts UAW

Some concerned federal inquiry could use RICO

Michael Wayland  
[mwayland@crain.com](mailto:mwayland@crain.com)

**DETROIT** — As hundreds of UAW members from across the nation gather here this week to set priorities for upcoming negotiations with the Detroit automakers, there's an undercurrent of fear that a dark episode of labor history could repeat itself.

It was 30 years ago this week that the federal government seized temporary operational control of the Teamsters union under a consent decree to settle racketeering and corruption charges brought by then-U.S. Attorney Rudy Giuliani.

The action placed the once-powerful union in receivership under the watch of federal officials. It wasn't until 2015, 26 years later, that the feds partly let go and agreed to end the consent decree. Even now, the union remains under some oversight as part of a five-year "transition period."

see UAW, Page 40

## Debt-saddled drivers lean on Mom, Dad

Fewer young adults can afford auto payments

Jacelin Cherniga  
[jcherniga@crain.com](mailto:jcherniga@crain.com)

In a township outside Akron, Ohio, where Gregory DeLuzio and his wife raised five children, there are few sidewalks and sparse public transportation. Getting their children behind the wheel of a car wasn't optional.

At the Bureau of Motor Vehicles, DeLuzio once joked that he should apply for a dealer's license because of how many registrations he was renewing for

his teenagers. "I got two insurance bills every month," he recalled. "Three cars on one, four cars on the other."

Even with four of the five children out of the house, DeLuzio, 55, is still doing business as the "dealer of dad." The software engineer and adjunct professor

see PARENTS, Page 26



Gregory DeLuzio, right, with kids Christopher and Rebecca. He says in the last six months, he has paid over \$25,000 in car expenses for his kids and their spouses.



Rising debt and escalating prices fuel vehicle-payment pinch | PAGES 15-20 |

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September 11, 2019

Kathy Molloy, Planning Director  
 Nathan MacBeth, Development Review Planner  
 Santa Cruz County Planning Dept.  
 701 Ocean Street, 4th Floor  
 Santa Cruz, CA 95060

**RE: Recirculated Partial Draft EIR for Nissan of Santa Cruz Project;  
 Application No. 171179**

Dear Ms. Molloy and Mr. MacBeth:

I am writing on behalf of Don Groppetti, the owner of the proposed Nissan of Santa Cruz Project referenced above (hereafter, "Project"), with comments on the Recirculated Partial Draft EIR for the Project ("RPDEIR"). Please include this letter in the administrative record for the Project and distribute it to the members of the County Board of Supervisors prior to its next scheduled public hearing on the Project and the RPDEIR.

Kimley-Horn has reviewed the RPDEIR and have the following comments:

**Alternative 2: Reduced Project; Transportation/Traffic (page 2-25)**

R4-10

The conclusion regarding significant impacts 1, particularly if taken in isolation, could be misleading to the public. In addition, it is Kimley-Horn's opinion that the reduction of trips to Highway 1 during peak hours is not significant. Therefore, we recommend the following edits:

- *Transportation/Traffic.* This alternative would generate approximately 59 net new trips with 17 new PM peak hour trips and a reduction of 11 AM peak hour trips, as summarized on Table 5-3. Compared to the proposed Project, Alternative 2 would result in 109 fewer daily trips, nine<sup>9</sup> fewer PM peak hour trips, and six fewer AM peak hour trips ~~than would occur with the proposed Project. Additionally, reduced trips in the AM peak hour would be greater with this alternative than with the Project.~~

\_\_\_\_ Impacts to the significantly impacted intersections of Soquel Drive at Robertson Street and Soquel Drive at Porter Street ~~and along Highway 1 segments~~ would be reduced by one or fewer trips during both the AM and PM peak hours, as compared to the proposed Project. This reduction in the number of trips is less than one percent and is therefore considered insignificant.

\_\_\_\_ PM Peak hour trips along Highway 1 would be reduced by approximately two<sup>2</sup> trips

Kathy Molloy  
 Nate MacBeth  
 September 11, 2019  
 Page 2

from the estimated 7-8 trips generated by the proposed Project, which represents a 25-35% reduction. Of these two additional trips, the traffic analysis assumes one trip in each direction (north and south) on Highway 1. This reduction in the number of trips is less than one percent and is therefore considered insignificant.

In conclusion, Alternative 2 impacts While, the significant traffic impact would not be eliminated, Alternative 2 would reduce impacts at the affected intersections and along Highway 1 would be substantially similar to the proposed Project and . However, Mitigation Measures TRA-1 and TRA-2 would continue to be required.

Regarding Table 5-3: Alternative 2 – Reduced Project Trip Generation (Page 2-25), the bottom line left column should read:

Difference (Alternative No ~~32~~ to Proposed Project).

### Alternative 3: Alternative Project Site Location; Transportation/Traffic (page 2-35)

R4-11 To provide better clarification as to the impact analysis, Kimley-Horn recommends the following edits:

- *Transportation/Traffic.* This alternative would generate approximately 386 net new trips, ~~and approximately 218 more daily trips than the proposed Project. Because of~~ After accounting for trip credits for the existing uses, net traffic under this alternative would ~~not~~ result in a net increase-decrease of five trips in the AM peak hour and a net increase of 26 trips in the PM peak periodshour.

As compared to the proposed Project, Alternative 3 would result in a net increase of 218 daily trips. However, due to the trip credits for the existing use, AM and PM peak hour trips would be reduced by one trip and 20 trips, respectively, as compared to the proposed Project (see Table 5-6). Given this reduction in peak hour trips but would result in a reduction of trips during these periods as summarized on Table 5-6. As compared to the proposed Project, Alternative 3 would eliminate significant intersection and highway traffic impacts. PM Peak hour trips along Highway 1 would be reduced by approximately ~~two~~2 trips compared to the estimated 7-8 PM peak trips generated by the Project along Highway 1. However, this reduction is less than one percent and is therefore considered insignificant. Furthermore, daily traffic throughout the transportation network would more than double from 168 to 386 net daily trips ~~the daily traffic generated by as compared~~ the proposed Project

Kathy Molloy  
Nate MacBeth  
September 11, 2019  
Page 3

**5.5 Environmentally Superior Alternative (page 2-38)**

R4-12 To provide better clarification as to the analysis, Kimley-Horn recommends the following edits to the fourth complete paragraph:

Alternative 2 is considered the environmentally superior alternative of the alternatives considered. Although it would not eliminate significant impacts, it would substantially reduce significant traffic impacts (although not significantly as compared to the proposed Project) and attain (albeit in a compromised manner) all the Project objectives. While, Alternative 3 would avoid significant traffic impacts, the severity of other significant impacts would increase, and this alternative could result in new significant impacts and more severe less-than-significant aesthetics impacts. Additionally, it would not fully meet Project objectives and may be potentially infeasible.

We appreciate your consideration of our comments.

Sincerely,

KIMLEY-HORN & ASSOCIATES, INC.



Bill Wiseman  
Planning Practice Leader



Frederik Venter  
Senior Traffic Engineer



## **Responses to Comments from Individuals**

### **LETTER R4 – Applicant: Miles J. Dolinger, Don Gropetti, Kimley Horn**

- R4-1 Introductory Comments. The comment states that the commenter is writing on behalf of the owner of the proposed Project, requests that the letter be included in the administrative record, and notes the Superior Court dates of hearing and order and judgment. Comment is noted, but does not address analyses in the RPDEIR and no response is required.
- R4-2 No Project Alternatives 1B and 1C. The comment states that it is inappropriate and contrary to the Superior Court’s Order for the RPDEIR to include discussion of Alternatives 1B and 1C, and the analysis should be eliminated. The RPDEIR did not analyze these scenarios as project alternatives, but reviewed these scenarios in accordance with State CEQA Guidelines Section 15126.6(e) as summarized on pages 2-12 to 2-13 of the RPDEIR. The CEQA Guidelines indicate that the discussion of the “no project” alternative will usually proceed along one of two lines. If the project is the revision of an existing land use or regulatory plan, policy or ongoing operation, the “no project” alternative will be the continuation of the existing plan, policy or operation into the future. For a development project on identifiable property, the “no project” alternative is the circumstance under which the project does not proceed. For a development project alone, the discussion would compare the environmental effects of the property remaining in its existing state against environmental effects which would occur if the project is approved. If disapproval of the project under consideration would result in predictable actions by others, such as the proposal of some other project, this “no project” consequence should be discussed. In certain instances, the no project alternative means “no build” wherein the existing environmental setting is maintained. However, where failure to proceed with the project will not result in preservation of existing environmental conditions, the analysis should identify the practical result of the project’s non-approval and not create and analyze a set of artificial assumptions that would be required to preserve the existing physical environment. The Guidelines further indicate that after defining the no project alternative using one of these approaches, the lead agency should proceed to analyze the impacts of the no project alternative by projecting what would reasonably be expected to occur in the foreseeable future if the project were not approved, based on current plans and consistent with available infrastructure and community services. The proposed Project includes both a General Plan and zoning land use designation amendment and a development project, which supports the inclusion of the range of No Project Alternative scenarios that are included in the EIR.

The discussion of No Project Alternatives 1B and 1C provide two potential scenarios of potential development if the Project is not approved and site General Plan and zoning designations are not changed, consistent with the CEQA Guidelines. However, these scenarios are discussed for the purpose of evaluating the No Project Alternative, are not



considered alternatives to the proposed Project, and were eliminated from consideration as a Project alternative as explained on page 2-11 of the RPDEIR. The RPDEIR text has been revised to provide these clarifications; see Chapter 3.0.

- R4-3 Project Objectives. The comment states that the Court’s Tentative Ruling held that only Objective 1 satisfied CEQA and that others did not, and Objectives 2, 3, 4 and 5 should be eliminated. The RPDEIR did not include revisions to Project objectives, and thus, they were not subject to recirculation or comments. See Response to Comment R3-4. It is noted that the Tentative Ruling issued by the Court indicates that although only Objective 1 stated the underlying purpose of the project, “taken as a whole, the objectives were adequate to serve as an aid to the County in developing a reasonable range of alternatives.”
- R4-4 Alternatives 1B and 1C. The comment states that discussion of Alternatives 1B and 1C on pages 2-14 to 2-24 should be eliminated. See Response to Comment R4-2.
- R4-5 Alternative 2 Traffic Impact. Commenter disagrees that Alternative 2 would substantially lessen significant traffic impacts on Highway 1 because there would only be a difference of two trips and that the RPDEIR’s statement that this difference represents a 25-30% reduction is misleading given congested traffic conditions on Highway 1. It is agreed that the number of reduced trips is not significant when compared to total traffic volumes on Highway 1, but the alternative does reduce the Project trips by 25-30%, which from a CEQA perspective would be considered a substantial Project trip reduction when the Project alternative is compared to the proposed Project. Text has been clarified. See also Response to Comment R4-10.
- R4-6 Alternatives 1B and 1C. The comment states that the last sentence on page 2-38 regarding Alternatives 1B and 1C should be eliminated. See Response to Comment R4-2.
- R4-7 Alternative 2. Commenter disagrees with the conclusion on page 2-38 that Alternative 2 (Reduced Project) would “substantially reduce significant impacts as the difference is “negligible”. The comment references an attached letter from the applicant’s traffic consultant. Comments from this letter are included in Response to Comments R4-10, R4-11, and R4-12. See responses to these comments as well as Response to Comment R4-5.
- R4-8 Reduced Alternative. The comment disagrees with the conclusion on page 2-39 that Alternative 2 (Reduced Project) would meet all Project objectives because a smaller Project would not meet the objective to develop a full-service Nissan car dealership because it would most likely not be approved by Nissan. The comment is acknowledged. However, the review for CEQA includes alternatives that can avoid or substantially lessen significant effects, even if these alternatives would “impede to some degree the attainment of the project objectives, or would be costly.” It is acknowledged, however, that the applicant does



not believe Alternative 2 would be feasible from a practical and economic standpoint due to industry standards.

- R4-9 Alternative 2 - Nissan Dealership Approval. The comment states that every new Nissan dealership franchise must be approved by Nissan North America (Nissan), and Nissan will only approve new Nissan dealerships that are consistent with Nissan's guidelines, including building sizes. The comment references attachments of other correspondence that the commenter submitted to the County of Santa Cruz on this subject, which are acknowledged. The comment states that for the purposes of the County's analysis of potentially feasible project alternatives, as a practical matter, no alternative project size or project site is feasible if it will not be approved by Nissan. The comment states that the building square footage that Nissan will approve for the proposed Project is 22,111 square feet. This comment provided by the applicant is acknowledged. The proposed Project is essentially at the minimum size, being only 436 square feet more than the stated 22,111 square foot minimum, which will be considered by County staff and decision-makers. However, the RPDEIR has reviewed alternatives within the definition of feasibility established in the State CEQA Guidelines set forth in Section 15126.6(f)(1) as indicated on page 2-9 of the RPDEIR.
- R4-10 Alternative 2 Trip Reduction. The commenter indicates that reduction of trips to Highway 1 during peak hours is not significant and suggests edits to the RPDEIR text and Table 5-3. Alternative 2 would result in fewer daily and peak hour Project trips than the proposed Project as explained on page 2-25 of the RPDEIR. The traffic impact analysis included in the Draft EIR (and not part of the revisions in the RPDEIR) indicates that the Project would result in approximately 7-8 trips on Highway 1 during the PM peak hour. Alternative 2 would result in 5-6 trips during the PM peak hour. Although the actual change in the number of trips (2-3) is not significant in terms of total traffic volumes on the highway, the reduction represents a 25-35% reduction in Project trips, which was the basis for determining whether the impact would be substantially lessened under this alternative. The RPDEIR text has been clarified taking into consideration the commenter's suggestions.
- R4-11 Alternative 3. The comment suggests edits to the RPDEIR text to provide clarification on traffic impacts associated with Alternative 3. The RPDEIR text has been clarified taking into consideration the commenter's suggestions.
- R4-12 Environmentally Superior Alternative. The comment suggests edits to the RPDEIR text to provide clarification regarding the environmentally superior alternative. The RPDEIR text has been clarified taking into consideration the commenter's suggestions.

**From:** Jean Brocklebank [mailto:jeanbean@baymoon.com]  
**Sent:** Wednesday, September 11, 2019 11:13 AM  
**To:** Nathan MacBeth; Kathy Molloy  
**Cc:** John Leopold  
**Subject:** Nissan Project Recirculated EIR comments

Dear Mr. MacBeth ~

On page 1-1 of the Recirculated Partial Draft EIR, the following is stated:

R5-1 *"The Court did find that the EIR failed to discuss and analyze a reasonable range of feasible alternatives that could avoid or lessen the Project's significant environmental impact on traffic. The Court found that the EIR failed to satisfy the informational purpose of CEQA, and that the County as Respondent committed a prejudicial abuse of discretion by certifying an EIR that fails to comply with 14 CCR 15126.6(a) and (f)."*

I take issue with the County's insistence that only comments about traffic (TR-1) will be considered, because the court did not limit consideration to only traffic. It said the EIR failed to satisfy the "informational purpose of CEQA." Therefore, my comments about **biological resources** should be seriously considered, addressed and included in the record of the Recirculated Partial Draft EIR.

R5-2 On page 2-36 and 2-38 of the recirculated EIR biological impacts associated with Alternative Site 3 were considered. Yet on page 2-39 ***Biological Resources is missing*** from Table 5-7 Comparison of Environmental impacts of the Alternatives in Relation to the Proposed Project. It matters not that Site 3 "*may be potentially infeasible.*" The impacts to biological resources were not included in the analysis of the any of the alternatives of the Recirculated Partial Draft EIR.

R5-3 My concern is that the proposed Nissan building itself, if built as shown on the Recirculated Partial Draft EIR, will have a huge impact on both **migratory and resident avian species**. The reflection of the building glass mirrors the sky and trees, enticing birds to fly through. This is a potentially significant impact that must be considered.

- Millions of houses and buildings, with their billions of windows, pose a significant threat to birds. <https://www.sibleyguides.com/conservation/causes-of-bird-mortality/>
- Between 365 and 988 million birds die from crashing into windows in the United States each year. Low rise buildings are included in that total. [https://www.washingtonpost.com/national/health-science/stop-blaming-cats-as-many-as-988-million-birds-die-annually-in-window-collisions/2014/02/03/9837fe80-8866-11e3-916e-e01534b1e132\\_story.html?noredirect=on](https://www.washingtonpost.com/national/health-science/stop-blaming-cats-as-many-as-988-million-birds-die-annually-in-window-collisions/2014/02/03/9837fe80-8866-11e3-916e-e01534b1e132_story.html?noredirect=on)

Recently California's 20th District Congressman Jimmy Panetta became the 39th co-sponsor of H.R. 919, the Bird-Safe Building Act. Although the Nissan Building would not be a public building (as addressed in H.R.919), birds don't know the difference between public and private buildings. It's all death to them.

Should this Nissan project be built, there must be a requirement to design the building differently, greatly reducing glazing and recognizing that Santa Cruz is an integral part of the Pacific Flyway (<https://www.audubon.org/pacific-flyway>).

Jean Brocklebank  
Santa Cruz, CA 95062





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**LETTER R5 – Jean Brocklebank**

- R5-1 Biological Impacts. The comment states that the Court “said the EIR failed to satisfy the ‘informational purpose of CEQA,’” and therefore commenter’s comments about biological resources should be considered and addressed in the RPDEIR. The referenced statement from the Court Ruling is specifically in regards to the range of alternatives evaluated in the EIR. The RPDEIR did not include revisions to the EIR discussions of biological resources (DEIR section 1.4.2), and thus, this topic is not subject to recirculation or comments. The basis for EIR revisions as a result of legal challenge to the Draft and Final EIR are explained on pages 1-1 to 1-2 of the RPDEIR. As explained on page 1-3 of the RPDEIR, the County need only respond to comments on recirculated chapters.
- R5-2 Alternative 3 Biological Impacts. The comment states that biological impacts associated with Alternative Site 3 were considered, but Table 5-7 does not include biological resources; the comment claims that impacts to biological resources were not included in the analysis of any alternatives in the RPDEIR. As explained on pages 2-8 to 2-10 of the RPDEIR, the alternatives analyses focus on avoiding or lessening identified significant impacts. The Draft EIR did not identify biological resources as a significant impact, and thus, these were not addressed in the alternatives analysis in the RPDEIR or on Table 5-7 unless an alternative would potentially result in a significant biological impact as with Alternative 3.
- R5-3 Impacts to Migratory and Resident Avian Species. Comment states concern for impacts on migratory and resident avian species due to reflection of the building glass mirrors. The RPDEIR did not include revisions to the EIR discussions of biological resources (DEIR section 1.4.2), and thus, this topic is not subject to recirculation or comments. As explained on page 1-3 of the RPDEIR and in Response to Comment R5-1, the County need only respond to comments on recirculated chapters.

September 11, 2019

To: Nathan McBeth, Planner

County of Santa Cruz Planning Department, 701 Ocean Street, 4<sup>th</sup> Floor  
Santa Cruz, CA 95060

[Nathan.McBeth@santacruzcounty.us](mailto:Nathan.McBeth@santacruzcounty.us),

From: Lisa Sheridan

R6-1 **RE: Response to Nissan Project, Recirculated Partial Draft Environmental Impact Report Dated July 2019.**

1). Prior to the court decision on March 8, 2019, the Nissan Dealer stated in his “Objectives” he only wanted to consider “New car buying opportunities within unincorporated areas of Santa Cruz County. “ The Memorandum in Appendix “R”, dated May 28, 2019, from Economic Development Manager Andy Constable item #2A (see below), provides new parameters for consideration in the location of the Nissan franchise.

“The additional Feasibility criteria were provided by applicant Don Groppetti, the Santa Cruz Nissan franchisee (enclosing information Nissan North America, Inc. the franchisor). And the applicant’s consultant, Kimley Horn (Attachments 1 and 2). The additional feasibility criteria included the following:

A. Located within the Primary Market Area (PMA) for Santa Cruz County that included the cities of Scotts Valley, Santa Cruz, Capitola and Watsonville.”

The ruling from the court references the need for some explanation as to why an alternative site is chosen. In this recirculated EIR there is no explanation or discussion to provide context for how any potential site in Watsonville, Scotts Valley or Capitola general areas would substantially lessen or impede the attainment of the project objectives.

Questions:

- Why was there no discussion included in this EIR on the positive or negative benefits of Watsonville, Capitola or Scotts Valley region being a viable alternative for a dealership?
- Were the Planning Departments and City Managers of Scotts Valley, Capitola and Watsonville Cities approached and given any indicator that their cities might be a viable alternative by the Dealer for a project? If so, which ones were contacted? What was their response?

R6-2 2). Alternative Site #3 at 6100 Soquel Avenue showed that this site offered a substantial reduction in traffic impacts. It appears to be a very good alternative site. It meets the General

Plan consistency, meets size criteria, is a convenient location and would have substantial reduction in traffic impacts. Yet, the document also states this property is not for sale.

Questions:

- Did the Economic Development team make contact with the owner and encourage cooperation with the Nissan Dealer, like they did on the 41<sup>st</sup> Avenue properties?
- What evidence and documentation can be provided to confirm this property owner is not interested in selling the property? Was this a phone call or Letter?

- R6-3 3). Alternative Site #3 Conclusion states: It would not meet “Objective 2” related to providing a “Service Commercial” use on a “Community Commercial site as the property is already designated for “Service Commercial uses.” Page 2-37.

Claiming that a correctly zoned property is not where the builder should place his project contradicts the instructions of the court! The court found that the “EIR failed to discuss and analyze a reasonable range of feasible alternatives...” The inclusion of this “Objective” also suggests that the auto dealer is trying to “help” the County by providing a “Community Commercial” site to place his Dealership in because changing zoning from “Community commercial “ to a “Service Commercial” use would magically benefit the community more than by actually locating it on a site that is zoned for its use.

Question:

Given the above reference why would this information be used to count against the site? This seems to stretch the concept of “reasonable.”

- R6-4 4). The Alternatives #1-#7 are all not for sale properties therefor not feasible.

Questions:

- If they are not for sale how can they be considered and Alternatives?
- Why are there no alternative properties included from the Watsonville or Scotts Valley areas, even if they are not for sale?

- R6-5 5). Many cities have moved their auto dealership locations to the outer edges of the cities or to currently zoned “light industrial C-4” zones to reduce impacts within city centers. These impacts include transport truck deliveries and test-driving issues.

Question:

- Why are these factors not included in analyzing and providing a meaningful discussion and comparison of the overall impacts between locations such as Watsonville or Scotts Valley area or existing properly zoned areas?

- R6-6 6). Under Alternative No. 1B. No Project/Future Commercial Development. Page 2-14 The Description paragraph states “County staff identified a potential commercial use development concept, prepared with the assistance of a local design consultant, which consists

of approximately 36,100 square feet of commercial space in three buildings...” “County Staff indicated that a commercial use development alternative could likely support a 4,000 square foot restaurant within the total 36,100 square feet of commercial retail uses.”

County Code parking requirements state that the following:

Restaurants =1 space per 100SF of gross floor area.

Business offices =1 space per 300sF,

Retail = 1 per 300 SF

Medical = 1 per 225SF.

The county code also states this about Elderly housing:

(C) “Housing for the Elderly. The total number of automobile spaces may be reduced by as much as 75 percent when, in the judgment of the approving..”13.10.552

Questions:

-Since Restaurants have one of the highest parking requirements per square feet, explain why did the planners chose to compare the parking scenario of the Nissan Project with a restaurant of 4,000 S.F. vs. other types of business which require less parking and less traffic?

-Why did the alternative scenario leave out comparisons to senior housing, office buildings, work-flex building or a convenient store? All of which presumably (from county parking standards) cut the number of parking requirements down to smaller numbers and daily traffic trips? What would those comparisons look like?

R6-7 8). The Soquel Village Plan was adopted May 15, 1990 and approved May 22, 1990. Throughout the document references are made to Robertson Road and the interest in signalizing it as a safety mechanism for pedestrians not as a thoroughfare for regional traffic. Some quotes from the Soquel Village Plan:

“Reestablishing a pedestrian -oriented village environment...limit traffic improvements to accommodate existing, not future regional traffic”

“Participants in the village plan were “(1) ...the extent to which automobile traffic passing through the village was destroying the identity of Soquel as a “place”....”

“Signalizing signal timing in order to allow pedestrian “gaps” at non-signalized crossing areas,..”

The letter dated July 9<sup>th</sup> from Director of Public Works Mathew Machado Appendix “R”, “Signalization of the Intersection at Soquel Drive and Robertson” Street states: “It is anticipated that a CEQA review will determine the project to be categorically exempt.”

Questions:

- Why has this re-circulated EIR document referenced the Robertson Road light only in the context of a mitigation for the Nissan and not included the historical context of the Soquel Village Plan?
- Where is the inclusion of the Soquel Village Plan document described in the process for review of this light?
- What determining factors were considered to suggest that a light at Robertson Road be exempt from CEQA review and be categorically exempt?
- What steps have been taken to determine that a light at Robertson Road will not impact this historical village?
- A light at Robertson Road will cause substantial changes in the traffic flow and speed of cars into and through Soquel Village. What studies have been done to conclude what the total number of cars will be diverted from Hwy 1 and increase from Soquel drive, through the intersection of Robertson Road and Porter Street and Soquel Drive after a light is installed?
- Has the required application process already begun for the Robertson Road light?



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## LETTER R6 – Lisa Sheridan

- R6-1 Alternative Site Location Criteria. The comment asks why there is no discussion of positive or negative benefits of a dealership in Watsonville, Capitola or Scotts Valley and whether the Planning Departments and City Managers of these agencies were contacted regarding potential viability of a dealership in those jurisdictions. The process and criteria for analyzing alternative Project site locations are explained on pages 2-27 to 2-33 of the RPDEIR. As indicated, the criteria took into account Project objectives and other siting criteria as explained in Response to Comment R3-5. Project objective #5 is to provide commercial tax revenues to the unincorporated County of Santa Cruz, and thus, the emphasis was on suitable sites within the unincorporated County, although the alternative site location review process identified two sites in other jurisdictions (#7 and #8); see also Response to Comment R6-4. The purpose of an EIR is to analyze adverse environmental impacts of a Project on the physical environment, and as explained on page 2-27, CEQA and the State CEQA Guidelines provide specific guidance for how to evaluate alternative site locations. The EIR does not need to discuss “positive or negative benefits” of locations in other jurisdictions.
- R6-2 Alternative 3. The comment asks whether the County made contact with the owner of the Alternative 3 site and what evidence exists that the owner is not a willing seller. See Responses to Comments R3-7 and R3-10.
- R6-3 Alternative 3 – Objectives. The comment questions Project Objective 2 and use in the alternatives discussion. It is agreed that correct zoning of an alternative site location would not be a detrimental consideration and text has been clarified; see Chapter 3.0.
- R6-4 Alternative Site Locations. The commenter asks why Alternatives 1-7 were considered if they are not for sale and why no sites from Watsonville or Scotts Valley were included. As explained on page 1-17 of the RPDEIR, the County identified a range of sites taking into account sites that would meet Project objectives with strongest consideration to commercial or industrial sites that would be suitable for an auto dealership. The review also considered criteria in the State CEQA Guidelines and other criteria used for locating an auto dealership. The list did include a site in Capitola (#7) and Watsonville (#8), but no potentially suitable sites were identified in Scotts Valley. The sites were then screened based on the guidance provided in the CEQA Guidelines, which indicates that the first step is to determine whether a site would avoid or substantially lessen Project impacts, and if not, no further consideration is required. Each of the sites were first reviewed for potential to reduce significant impacts, particularly traffic on Highway 1. The second step is to determine feasibility. See also Responses to Comments R3-5 and R6-1.
- R6-5 Auto Dealership Locations. The comment states that many cities have moved their auto dealership locations to the outer edges of cities or light industrial zones and asks why these



factors are not included in analyzing locations such as Watsonville or Scotts Valley or existing properly zoned areas. See Responses to Comments R6-4, R6-1, and R3-5.

- R6-6 Alternative 1B. The comment asks why the County included a restaurant in Alternative 1B instead of other types of businesses which have less parking. The comment also questions why this scenario did not include senior housing, office buildings, work-flex building or a convenience store. The No Project scenario included one potential development concept that was developed by County staff and a consulting professional architect, and was intended to be illustrative of the type of project that could occur on the project site based on existing and recent commercial developments in the area. Restaurants or food establishments are typical components of commercial developments. It was not the intent to analyze every possible combination of uses. However, even without a restaurant, commercial development would still result in a greater number of daily and peak hour trips than the proposed project. Based on the trip rates shown on Table 5-1 (page 2-17) of the RPDEIR, a commercial project without a restaurant (25,472 square feet for retail commercial and 10,628 square feet for office) would result in approximately 336 new net daily trips and approximately 50 new net PM peak hour trips. This scenario did include some office use on the second floor, but due to the site location along two major arterial streets, retail commercial uses would be expected rather than office buildings. The No Project 1C scenario (mixed use) includes a housing component.
- R6-7 Signalization of the Soquel/Robertson Intersection. The comment asks why the RPDEIR does not consider the historical context of the Soquel Village Plan regarding the signal. The comment also questions the CEQA determination for the signal, potential impacts of the signal on “historical” Soquel village, and process for the signal. As indicated in Responses to Comment R3-2 and R3-3, the RPDEIR did not include revisions to Mitigation Measure TRA-1, only to conclusions on feasibility, and thus, was not subject to recirculation or comments. However, it is noted that signalization of the Soquel/Robertson intersection is recommended/included in the Soquel Village Plan (see page 27). See Responses to Comments R3-2 regarding feasibility of the traffic signal mitigation and R3-3 regarding questions about a CEQA determination for the future signal.

September 11, 2019

To: Nathan McBeth, Planner  
County of Santa Cruz Planning Department,  
701 Ocean Street,  
Santa Cruz, CA 95060

From: Katherine Sweet

**Re: Response to Nissan Recirculated EIR July 2019**

R7-1 The Santa Cruz County Office of Economic Development prepared the following for the Alternative Site Analysis of Nissan of Santa Cruz EIR:

*May 28, 2109*

*To: Kathy Molloy, Planning Director*

*From: Andy Constable, Economic Development Manager*

*Subject: Alternative Site Analysis for Nissan of Santa Cruz EIR*

*At your request, the Office for Economic Development has generated the attached spreadsheet, aerials and collateral information regarding potentially feasible alternative sites for location of the proposed Nissan of Santa Cruz project, for use in preparing the EIR analysis. We arrived at our findings by applying the following methodology:*

*1)The alternative site criteria were defined using the Project Objectives in the EIR, in particular: "To provide a conveniently located, attractively designed automotive dealership and service center that will offer a full range of automotive models and services that satisfy the demand for new car buying opportunities within unincorporated Santa Cruz County."*

*2) Additional feasibility criteria were provided by applicant Don Groppetti, the Santa Cruz Nissan franchisee (enclosing information from Nissan North America, Inc. the franchisor), and applicant's consultant, Kimley Horn (Attachments 1 and 2). The additional feasibility criteria included the following;*

*A. Located within the Primary Market Area (PMA) for Santa Cruz County that includes the Cities of Scotts Valley, Santa Cruz, Capitola and Watsonville.*

*B. A total site area of not less than 2.5 acres (based on franchisor's and industry standards).*

*C. A customer convenient location, which was defined as ease of access from the freeway, and preferably, proximity to other dealership locations.*

*3) Alternative sites were identified through a combination of the County's geographic information system (GIS), physically driving the target market area or PMA, and conversations with local commercial real estate brokers and owners.*

4) Information about alternative sites was drawn from the on-line commercial real estate information websites known as Co-Star <https://www.costar.com/> and Loopnet <https://www.loopnet.com/>, including the County's GIS.

5) Confirmation of each site's existing use and availability was conducted through telephone or in-person interviews with property owners.

6) Initial assessment of potential suitability was drawn from each property's zoning, general plan designation, topography, configuration, availability of services including water, freeway access, adjacent uses, proximity to other dealerships, leaseholds of existing businesses, and potential impact from planned infrastructure improvements.

#### *Alternative Project Locations for Nissan*

##### *# Location/Address*

- 1) 2776 & 2808 Soquel Drive 2.60 acres\* C-4, Commercial Services Not For Sale  
Santa Cruz, CA
- 2) 5960 Soquel Avenue 2.68 acres M-1, Light Industrial Not For Sale  
Santa Cruz, CA
- 3) 6100 Soquel Avenue 6.09 acres\* M-1, Light Industrial Not For Sale  
Santa Cruz, CA
- 4) 4 2505 Chanticleer Avenue 1.92 acres M-1, Light Industrial Not For Sale, but could be acquired from estate of owner.  
Santa Cruz, CA
- 5) 5 NE Corner of Soquel Drive and 6.26 acres C-1, Neighborhood Commercial Not For Sale, but owner Thurber Lane, might consider offers.  
Santa Cruz, CA
- 6) 6 3845 Soquel Drive, 2.22 acres C-4, Commercial Services Not For Sale.  
Soquel, CA
- 7) 7 835 Bay Street, 3.28 acres Commercial Zoning/Capitola Not For Sale  
Capitola, CA
- 8) 8 220 Westgate Drive 3.6 acres CD/IP, Commercial/Industrial Park For Sale  
Watsonville, CA

This recirculated EIR considers these possible outcomes:

**Alternative 1A (No Project/No Development)**  
**Alternative 1B (No Project/Commercial Use Development)**  
**Alternative 1C (No Project/Future Mixed Use Development)**

The three scenarios are: 1) no development; 2) future development consistent with existing General Plan and zoning designations; and 3) future development of a mixed use commercial/residential project consistent with the existing General Plan and zoning designations.

The **1A no development** alternative, while satisfying a CEQA guideline, is essentially a non-starter. There is no way that this critical situated commercially zoned property will remain undeveloped in the near future.

It is a semantical shell game to offer alternatives **1B** and **1C** as legitimate alternatives because they both ignore what was developed during the 16-month public process that developed the 2015 Santa Cruz County Sustainable Plan. The Sustainable Plan was mandated so Santa Cruz County would be in compliance with various new California state laws. That plan is now moving through legal processes to eventually be incorporated into the General Plan. It considered this particular area at length in a number of different chapters.

This is from FOCUS AREA 3: *“UPPER 41ST AVENUE Figure 7-8 presents a concept plan for the Upper 41st Avenue Focus Area (Focus Area 3). This concept envisions upper 41st Avenue as a modern employment district with a variety of commercial, office, light industrial, and live/work uses. Retail uses that support a pedestrianfriendly environment front 41st Avenue. The interior of the focus area accommodates a diversity of uses, with well designed buildings supporting a walkable and inviting urban environment. Some new streets improve access to properties, and establish a connected grid block pattern that supports human-scale development. This concept balances desires for revenue-generating commercial uses with employment and housing opportunities to serve county residents. Figures 7-9 and 7-10 show possible General Plan land use designations and specific transportation improvements for this area.”*

Both alternatives **1B** and **1C** choose to paint worst-case scenarios – showing uses such as large restaurants, residential buildings fronting on both 41<sup>st</sup> Avenue and Soquel Drive and uses words such as “could” and “massive.”

With just speculation and absolutely no data, both scenarios predict 2 to 4 times more traffic than for the car dealership. **This is part of a continuing concerted effort to paint a car dealership as the best possible use of this commercial corner despite the very different vision of usage depicted in the Sustainable Plan.**

**Alternative 3 Reduced Project**

R7-2 This alternative proposes reducing the project’s building size by 15% or 3,382 square feet. The conclusion is reached that this will reduce “significant traffic and noise impacts.” There is absolutely no explanation given or nexus made to explain how reducing the size of an automotive showroom or business offices will result in fewer auto sales or auto repairs.

In fact, the aesthetics of the project could be changed if the additional 3,382 square feet is used to display more cars or increase the need for outdoor lighting.

- **Specifically explain how a 15% smaller building will lessen traffic impacts.**

### **Alternative 3: Alternative Project Site Location**

R7-3 This minimum size for an alternative is 2.5 acres. Page 2-27 of the Recirculated Partial EIR states that criteria for an alternative site includes Availability “Site is for sale or potentially available to the Project applicant.”

An alternative can be “located within the Primary Market Area (PMA) for Santa Cruz County that includes the Cities of Scotts Valley, Santa Cruz, Capitola and Watsonville.”

Items 2C and 6 on the May 28 memo add the provision that an alternative site should be in “proximity to other dealerships. This was not part of the original Project Objectives and was not part of the Judge’s ruling that found for Sustainable Soquel in its Petition for Writ of Mandate. This is part of why site **Eight** was eliminated from further consideration.

- **How was the determination made that an alternative has to have “proximity to other dealerships” for it to be potentially suitable?**

R7-4 **Table 5-5** summarizes the screening results for these eight selected sites.

Sites **One** and **Two** are eliminated from further consideration because they are **not for sale or potentially available to the project applicant.**

Even though Site **One** does not meet the criteria and is **not for sale**, this document chose to further review it. The same thing was done for Site **Three**, also **not for sale or potentially available to the project applicant**

- **If these sites are not available, why were they further reviewed?**

Site **Four** was eliminated because another party already has a Purchase option on the property (*Update – The Soquel Creek Water District has finalized plans for the use of this property*) so this property is **not for sale or potentially available to the project applicant.**

R7-5 Site **Five** was eliminated because it would require General Plan amendments and rezoning and is also **not for sale** but does note that the owner “may consider offers.” Note that the proposed Nissan project also requires General Plan amendments and rezoning from C-2 to C-4.

- **Who made the determination that a property that would require General Plan amendments and rezoning should be eliminated from consideration as an alternative?**

R7-6 Site **Six** was eliminated from further consideration because it is considerably smaller than the site size required for the proposed project and is **not for sale.**

- **Why was a site that is not the minimum required 2.5 acres selected as an alternative?**

- R7-7 Both sites **Seven** and **Eight**, one located in Capitola and the other in Watsonville (*There is a misprint as to location in this section of Table 5-5, are not for sale or potentially available to the project applicant.*

Additionally, site **Eight** is, in part, eliminated because it is not near other dealerships.

- **Why are eight Alternative sites that are each considered infeasible alternatives being presented as alternatives?**
- **Why are there no alternative sites listed in either Scotts Valley or the City of Santa Cruz?**

### **Additional Notes on Appendix R**

- R7-8 The first element of Appendix R is a July 9 letter from Public Works that acknowledges that signalization at Robertson Street and Soquel Drive is a required traffic mitigation for the Nissan project. This letter also states that this department assumes that the proposed signal will likely be categorically exempt from additional CEQA review and it will be fully funded within the next three years with public monies.

- **What studies, traffic counts or other methodologies have been done to determine the efficacy of this traffic signal to either mitigate Nissan dealership traffic or improve traffic operations?**  
*Sustainable Soquel has inquired at Public Works and been told there are no records or documentation regarding this intersection. Actual planning for this intersection is only in beginning stages yet it is one of the three named mitigation for the car dealership.*
- **What State laws or County ordinances are used to determine that a traffic signal is required at a particular intersection?**
- **How do the Santa Cruz Planning and Public Works Departments incorporate local observation and testimony in making a decision about the merits of any particular new traffic signal?**

### **July 16, 2019 Dudek Memorandum**

- R7-9 It's difficult to give a lot of reliance on the validity of the Dudek evaluation of Alternative sites when in the following Memorandum they make a series of major errors.

Item 5 states that Sites **5** and **6** “will add the most net new peak hour trips to Soquel Drive/Robertson Street and Soquel Drive/Porter Street compared to the proposed project.” Note that Site **5** is located on the corner of Thurber lane, almost 2 miles away from Robertson Street.

This memo also claims that Sites **1-4** and Site **7-8** will add net AM peak hour trips to Soquel Drive/Robertson Street and Soquel Drive/Porter Street compared to the proposed project. Site **1** is more than two miles away; Site **3** is across the freeway from Soquel Drive and nowhere near Robertson or Porter. Site **4** is almost 2 miles away. Site **7** is located in the neighboring City of Capitola. Site **8** is in the City of Watsonville.



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## LETTER R7 – Katherine Sweet

- R7-1 Alternative Sites and No Project Alternatives. The comment summarizes alternative site criteria and sites identified in the EIR and states the EIR “considers three possible outcomes” and references the three No Project scenarios included in the RPDEIR and references the Santa Cruz County Sustainable Plan (SCCSP) focus area for upper 41<sup>st</sup> Avenue. The comment claims that the Alternatives 1B and 1C paint worst-case scenarios showing uses such as “large” restaurants and housing, which is part of an effort to make an auto dealership look like the best use. Comment states an opinion and is so noted. As indicated in Response to Comment R6-6, Alternatives 1B and 1C were developed by County staff with assistance from a consulting professional architect, as examples of the types of projects that could be developed on the site under existing General Plan and zoning designations. Alternative 1C reflects a mixed-use project. As explained in Response to Comment R6-6 a retail commercial project without a restaurant would generate a higher trip generation than the proposed Project.
- R7-2 Reduced Project Alternative. The comment states that there is no explanation as to how a reduced size would result in fewer auto sales and auto repairs and claims that aesthetic impacts could change if additional square footage is used for more auto display with lighting. Trip generation and traffic impacts for Alternative 2, Reduced Project (mistakenly referenced as Alternative 3 in the comment) are explained on page 2-25 of the RPDEIR. Table 5-3 identifies the trip rate, which is the standard trip rate applied to the Project building square footage. Thus, a reduced size would result in a reduction of trips, the impacts of which are explained. The alternative does not include increased square footage of parking or auto display areas.
- R7-3 Alternative 3. The comment questions criteria regarding proximity to other dealerships and how that was determined. As indicated on page 2-27 of the RPDEIR and Responses to Comments R3-5 and R6-6, the County identified alternative site locations taking into account project objectives, but also considered other criteria related to site suitability and feasibility based on criteria set forth in the State CEQA Guidelines Section 15126(f)(1) and some criteria provided by the applicant to meet Nissan guidelines. Proximity to other auto dealerships is related to the Project Objective 1 that the facility be conveniently located. Proximity to other dealerships provides the consumer convenience related to shopping for and comparing different vehicles from different manufacturers.
- R7-4 Alternative Sites Table 5-5. The comment asks why Alternative Sites #1 and 3 were evaluated if they were not available. As explained on page 2 of the RPDEIR, these two sites were the only sites that would avoid or substantially lessen significant impacts and were carried to the next level of screening for feasibility. See Responses to Comments R3-5, R3-7 and R6-4 regarding the alternative site screening process.



- R7-5 Alternative Sites Screening. The comment asks who made the determination that a property that would require General Plan and rezoning amendments would be eliminated. The General Plan and zoning designations and permitted uses were identified for each of the sites from the jurisdictions websites. The review considered commercial or industrial designations to be appropriate, although in some cases an amendment to a different commercial or land use designation or zone district was needed. Properties with other designations, such as parks, open space or residential, were not considered appropriate by County staff for consideration of the proposed commercial use.
- R7-6 Alternative Site 6. The comment asks why Alternative Site #6 was considered if it did not meet the 2.5-acre size. The Alternative Site #6 size is about one-quarter acre below the standard. Since the alternative location is across the street from the Project site, it was included for informational purposes and in the event a smaller site could potentially be feasible to accommodate 22,500 square feet of building and sufficient vehicular parking.
- R7-7 Alternative Sites. The comment asks why eight sites that are “considered infeasible” are presented as alternatives and why there are no alternative sites in Scotts Valley or Watsonville. As explained on pages 2-27 to 2-32 of the RPDEIR and in Responses to Comments R3-5, R3-7, and R6-1 the County identified potential sites that were then screened to determine whether significant impacts would be avoided or lessened, and then whether they could be considered feasible sites according to the identified criteria. As a result of this process, one site (#3) was analyzed as a project site location alternative. See Response to Comment R6-4 regarding location of the Project within cities.
- R7-8 Signal at Soquel Drive/Robertson Street. The comment questions what studies or traffic counts have been done to determine the “efficacy” of the traffic signal and generally how it is determined that a traffic signal is required at a particular location. The comment pertains to the traffic impact analysis and resulting mitigation measures. As indicated in section 2.1, only revised portions of the DEIR included in the RPDEIR are subject to comment. The traffic impact analysis was not part of the revised or recirculated EIR sections, and thus, no response is required. That said, standard traffic modeling, analysis and warrant protocols were used by the traffic consultant and peer reviewed and accepted by Dudek traffic consultants.
- R7-9 Appendix R Traffic Memo. The comment states that the Dudek Memorandum (in Appendix R) indicates that Alternative Sites 5 and 6 will add the most net new peak hour trips at the Soquel intersections at Robertson Street and Porter Street, but Site #5 is located on Thurber Street almost 2 miles from Robertson. While Site #5 is further from the Project site and the cited intersections, it is along the Soquel Drive corridor, which would be expected to be used to access the site for some local trips. The estimated trips assume a reduced trip distribution rate than used for the proposed Project. The comment also questions trips to the cited intersections from Sites #3, 4, 7, and 8 due to distance from the intersections. As shown on



the supporting figures in Appendix R, Site #3 was not predicted to generate trips at the affected intersections, and only one trip was assigned to these intersections for trips from Sites #7 and 8, which would reflect some local traffic use to get to these sites. Site #7 is in proximity to these intersections. The trip distribution for Site #4 was the same as other alternative site locations along Soquel Avenue as some local traffic could be expected to use these intersections, but the trip distribution was less than with the proposed Project.

**From:** Becky Steinbruner [mailto:ki6tkb@yahoo.com]  
**Sent:** Wednesday, July 31, 2019 11:28 PM  
**To:** Nathan MacBeth  
**Cc:** Sustainable Soquel  
**Subject:** Re: Available Locations for Public Access to Recirculated Partial DEIR for Nissan of Santa Cruz Project, Application #171179

Dear Mr. MacBeth,  
I neglected to mention that the paid advertisement I saw was in the July 31, 2019 Santa Cruz Sentinel on page B9.

Sincerely,  
Becky Steinbruner

On Thursday, August 1, 2019, 6:25:54 AM UTC, Becky Steinbruner <ki6tkb@yahoo.com> wrote:

R8-1 Dear Mr. MacBeth,  
Thank you for making copies of the Recirculated Partial DEIR for the Nissan of Santa Cruz Project available in hard copy at local libraries. I noted the paid advertisement announcing this public access opportunity, and see that the Capitola Library is listed as one location to review the document. I would like to make you aware that the Capitola Library is under construction, and there is no facility available for public access to materials there.

Perhaps you could place the document in the Aptos Library, where many of the Capitola Library book discussion groups have relocated?

R8-2 I have reviewed some of the documents in the recirculated DEIR for this Project. Did County staff perform the work on this document, or did an outside contractor?

Sincerely,  
Becky Steinbruner



**LETTER R8 – Becky Steinbruner**

- R8-1 RPDEIR Availability. The comment notes that the Capitola Library is under construction and asked whether a copy of the document could be placed at the Aptos Library. Both the RPDEIR and the Final EIR Volume 2 have been placed at the Aptos Library.
- R8-2 RPDEIR Preparation. The comment asks whether County staff or an outside contractor performed the EIR work. County staff with assistance from Dudek, prepared the document as indicated on the RPDEIR title page and on page 3-2 of the RPDEIR.

**From:** DickZ225@Comcast.net [mailto:DickZ225@Comcast.net]  
**Sent:** Wednesday, September 11, 2019 9:27 PM  
**To:** Nathan MacBeth  
**Subject:** Proposed Nissan Dealership

Hi, Nathan:

R9-1 Would you please clarify the total cost and the amount the applicant will pay towards the traffic signal at Soquel Drive and Robertson?

Thank you.

*Dick Zscheile*



## LETTER R9 – Dick Zscheile

R9-1 Applicant Payment to Traffic Signal. The comment asks what the total cost of the signal at Soquel Drive and Robertson Street is estimated to be, and what amount the applicant will pay. The total estimated cost is \$1,094,113 as discussed on pages 2-5 to 2-6 of the RPDEIR. See also Response to Comment R3-2. The applicant would be responsible for the Project's fair share contribution as set forth in Mitigation Measure TRA-1, which would be 2.84% of \$1,094,113, or \$31,073. The applicant may voluntarily decide to increase the contribution to \$200,000, as previously was offered in May 2018, but is not required to make that increased contribution to mitigate Project impacts.



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## Section 3.0 Errata and Changes to RPDEIR

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This section of the Final EIR, Volume 2, for the Nissan of Santa Cruz Project presents specific text changes made to the Recirculated Partial Draft EIR (RPDEIR) based on upon review of public comments received on the RPDEIR. The changes are presented in the order in which they appear in the RPDEIR. Text deletions are shown in ~~striketrough~~ typeface, and text additions are shown in underline typeface. The changes correct minor errors or clarify information.

### 3.1 REVISIONS TO CHAPTER 1.0

Page 1-3 Correct typographical error and references to Impact and mitigation measure TRA-1.

### 3.2 REVISIONS TO CHAPTER 2.0

#### Executive Summary

Page 2-1 Correct typographical error and references to Impact and mitigation measure TRA-1.

Page 2-3 Revise Mitigation Measure TRA-1 to include updated fair share contribution of \$30,073.

Page 2-4 Revise the first full sentence in the Impact column to read:

LOS D or better is acceptable under Caltrans significance criteria, and LOS E and F is considered unacceptable; Caltrans endeavors to maintain a target LOS at the transition between LOS C and LOS D.

#### Alternatives - Summary of Significant Impacts

Page 2-10 Revise the third sentence of the first full paragraph to read:

LOS D or better is acceptable under Caltrans significance criteria, and LOS E and F is considered unacceptable; Caltrans endeavors to maintain a target LOS at the transition between LOS C and LOS D.

#### Alternatives Eliminated from Consideration

Page 2-11 Revise the *Development Under Existing General Plan and Zoning Designations* subsection as shown below to clarify that these scenarios are not Project alternatives, but versions of the No Project Alternative.

The proposed Project would require a General Plan amendment to change the site designation from Community Commercial (C-C) to Service Commercial (C-S) and a



zoning amendment to change the existing Community Commercial (C-2) zoning to Service Commercial (C-4). The amendments are required because auto dealerships are not permitted in the Community Commercial land use and zone districts. Development under existing General Plan and zoning designations was considered, but this alternative does not represent a feasible alternative as none of the Project objectives would be met as an auto dealership is not a permitted use. Therefore, this alternative was eliminated from further consideration as a feasible Project alternative.

However, development pursuant to existing designations would be a potential, foreseeable development scenario under the No Project alternative. Development in accordance with existing designations could include either development of commercial uses or a mixed-use development consistent with the existing C-C zoning. Either type of development would be consistent with the existing General Plan and zoning designations, and therefore, no amendments would be needed. Potential development scenarios under existing designations are reviewed below in the No Project Alternative, but are not considered Project alternatives.

Page 2-12 Add the following alternative considered, but eliminated.

Modified Site Plan

Another potential alternative that was considered and eliminated from further consideration was a Modified Site Plan. This alternative would include modification of the proposed site plan to relocate the showroom and/or service building. A modified site plan alternative typically would be considered to avoid sensitive resources on the site, such as a sensitive habitat area. However, no sensitive resources have been identified on the site nor have any significant impacts been identified that would be lessened with a modified site plan configuration. Therefore, none of the identified impacts would be avoided or reduced, and this potential alternative was eliminated from further consideration.

Alternative 2: Reduced Project

Page 2-25 Revise discussion of Alternative 2 traffic impacts as follows:

- *Transportation/Traffic.* This alternative would generate approximately 59 net new trips with 17 new PM peak hour trips and a reduction of 11 AM peak hour trips as summarized on Table 5-3. Alternative 2 would result in 109 fewer daily trips, ~~and 9 fewer PM peak hour trips, and 6 fewer AM peak hour trips~~ than would occur with the proposed Project. ~~Additionally, reduced trips in the AM peak hour would be greater with this alternative than with the Project.~~ Impacts to the significantly impacted intersections on Soquel Drive at Robertson Street and Porter Street ~~and along Highway 1 segments~~ would be reduced during both the AM and PM peak



hours, but only by approximately 2 trips. PM Peak hour trips along Highway 1 would be reduced by approximately 2 trips from the estimated 7-8 trips generated by the Project, which represents a 25-35% reduction in Project trips. This would be considered a “substantial” lessening of Project trips and impacts for the purpose of CEQA, although the actual number of trips reduced would not be substantial in comparison to the total trip volume on Highway 1. While the significant traffic impact would not be eliminated, Alternative 2 would reduce impacts at the affected intersections and along Highway 1. However, Mitigation Measures TRA-1 and TRA-2 would continue to be required.

Page 2-25 Correct the second to last row of Table 5-3 to read:

Difference (Alternative No ~~2~~3 to Proposed Project)

### Alternative 3: Alternative Project Site Location

Page 2-27 Revise the first paragraph under Alternative Project Site Selection and Screening Process section as follows.

Alternative site locations were identified by the County of Santa Cruz Office of Economic Development. Eight potentially feasible alternative sites were identified based on general site selection criteria identified for the type of use proposed, taking into account overall project objectives, in particular: *“To provide a conveniently located, attractively designed automotive dealership and service center that will offer a full range of automotive models and services that satisfy the demand for new car buying opportunities within unincorporated Santa Cruz County.”* The County also considered other criteria related to site suitability and feasibility based on criteria set forth in the State CEQA Guidelines Section 15126(f)(1). While the objectives provided a framework for identification of the alternate sites, the other site suitability criteria provided more details regarding site requirements, including site size, location, suitability and availability. The site criteria also included consideration of criteria suggested by the applicant to the County in order to meet Nissan guidelines and approval, including proximity to other dealerships that is related to providing a convenient location as set forth in Objective 1. The site selection criteria included:...

Page 2-32 Revise first full paragraph as shown below.

Alternative Site #3 would result in avoidance of significant traffic impacts along Highway 1 and at the Soquel Avenue intersections at Robertson and Porter Streets, but no changes to other significant impacts would occur. The site is not for sale and may not be available to the applicant, thus rendering this site as potentially infeasible. However, because the significant traffic impact and cumulative traffic impacts are avoided, this site was selected for further evaluation. Subsequent to the release of this



document of public review. County staff determined that the property owner was not interested in selling, and therefore, the property would not be available to the applicant. The County now concludes that this alternative is not feasible.

Page 2-35 Revise discussion of Alternative 3 traffic impacts as follows:

- *Transportation/Traffic.* This alternative would generate approximately 386 net new trips, ~~and which represents~~ approximately 218 more daily trips than the proposed Project. ~~Because of~~ After accounting for trip credits for the existing uses, net traffic under this alternative would not result in a net increase in trips during the AM and PM peak periods, but would result in a reduction of trips during these periods as summarized on Table 5-6. As compared to the proposed Project, Alternative 3 would result in a reduction of 1 AM and 20 PM peak hour trips. Given this reduction in peak hour trips generated by the Project, Alternative 3 would eliminate significant intersection and highway traffic and Soquel Avenue intersection impacts. PM Peak hour trips along Highway 1 would be reduced by approximately 2 trips compared to the estimated 7-8 PM peak trips generated by the Project along Highway 1. However, daily traffic would more than double the daily traffic generated by the proposed Project from 168 to 386 trips that would lead to potential impacts at other intersections not studied for the proposed Project, such as the Soquel Avenue/Gross Road intersection.

Page 2-37 Revise the second to last sentence under the Conclusion subsection regarding Alternative 3's attainment of Project Objective 3 as follows:

While Alternative 3 ~~It~~ would not meet Objective 2 related to providing a service commercial use on a community commercial site as the property is already designated for service commercial uses, it is acknowledged that a correctly designated property would not be considered detrimental in terms of consistency with Project objectives.

Page 2-38 Revise the last sentence of the second full paragraph as follows:

However, the site ~~potentially~~ is not feasible as it is not for sale or currently available to the applicant.

Page 2-38 Add new text to the beginning of the Biological Resources section of the Alternative 3 discussion as follows.

Natural habitats (riverine/freshwater marsh, riparian forest, and coast live oak woodland) are found primarily along Rodeo Gulch, a perennial stream that is on the eastern edge of the alternative site. This area is also designated as a riparian corridor and sensitive habitat in the County General Plan. Four federally listed species have



potential to occur in the project area: tidewater goby (*Eucyclogobius newberryi*), California red-legged frog (*Rana draytonii*), least Bell's vireo (*Vireo bellii pusillus*), and southwestern willow flycatcher (*Empidonax traillii extimus*) (Caltrans, 2018).

### 3.3 REVISIONS TO CHAPTER 3.0

Page 3-1 Add the following references:

Caltrans. February 2018. State Route 1 HOV Lanes – Tier II Project Biological Assessment.

City of Capitola. Adopted June 26, 2014. *Capitola General Plan*.

City of Watsonville. Adopted June 24, 1994. *Watsonville 2005 General Plan*.

### 3.4 REVISIONS TO APPENDIX R

Add County cost and conceptual design provided by the Public Works Department.



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# Appendix R

Additions to Additions to County Traffic Memo and Alternative Sites Evaluation



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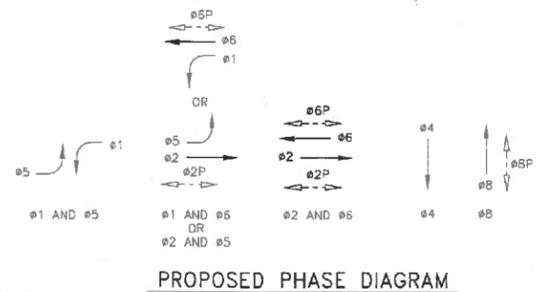
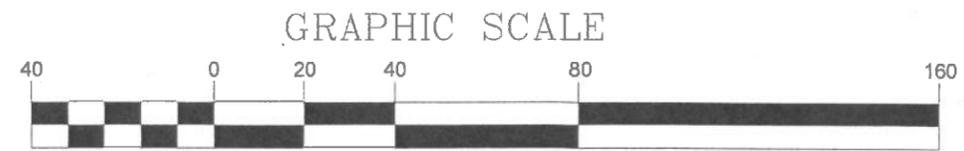
<b>COUNTY OF SANTA CRUZ DEPARTMENT OF PUBLIC WORKS PRELIMINARY ESTIMATE OF COST</b>		INITIAL	DATE	
		Made by KTD	4/6/18	
Job #			Revised by TN	4/11/18
- Bid Opening			Revised by	
LOCATION	<b>ROBERTSON STREET @ SOQUEL DRIVE</b>		Revised by	
PROJECT:	<b>SIGNAL PROJECT</b>		Checked by	
DESCRIPTION:	Install Traffic Signal, Traffic Control, Thermo Striping, Curb Ramps		App. By	

ITEM NO	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
<b>Section 10-2 Civil Improvements / Signage and Striping Improvements</b>					
1	Mobilization	LS	1	\$75,000	\$75,000
2	Traffic Control	LS	1	\$100,000	\$100,000
3	Construction Staking	LS	1	\$15,000	\$15,000
4	Clearing & Grubbing	LS	1	\$25,000	\$25,000
5	Aggregate Base Class 2	TON	4	\$100	\$400
6	Asphalt Concrete (Type B, 1/2" Max., Med)	TON	5	\$600	\$3,000
7	Remove Existing Striping	LS	1	\$4,000	\$4,000
8	Remove Existing Sign & Post	EA	6	\$417	\$2,500
9	Remove Existing Pavement Legend	SF	125	\$16	\$2,000
10	Remove Existing Median	SF	50	\$100	\$5,000
11	(S) Thermoplastic Striping - Detail 22	LF	250	\$3	\$750
12	(S) Thermoplastic Striping - Detail 38	LF	170	\$3	\$510
13	(S) Thermoplastic Striping - 12" White	LF	50	\$5	\$250
14	(S) Pavement Legend	SF	220	\$10	\$2,200
15	Install New Sign & Post	EA	2	\$400	\$800
16	Curb Ramp Construction	EA	4	\$6,000	\$24,000
17	Slurry Seal (Type II)	SY	2400	\$8	\$19,200
<b>SUBTOTAL</b>					<b>\$279,610</b>

<b>Section 10-3 Signal and Lighting</b>					
	New LED Luminair (90W)	EA	4		
	Type III-AF Service Equipment & Cabinet & BBS	EA	1		
	Type III-AF Foundation	EA	1		
	New Signal Controller & Cabinet	EA	1		
	Controller Foundation	EA	1		
	Numbering Electrical Equipment	LS	1		
	Conductors & Conduit (Jack/Drill or Pavement Fill)	LF	310		
	Video Detection System (all equipment)	LF	1		
	3M Opticom Model 721 Emergency Vehicle Detector	EA	3		
	Pedestrian Push Button Post	EA	1		
	Pole (Type 17-2-100-15)	EA	1		
	Pole (Type 17-3-100-20)	EA	1		
	Pole (Type 19-4-100-25)	EA	1		
	Pole (Type 29-5-100-50)	EA	1		
	Pedestrian Push Button Post Foundation	EA	1		
	Pole Foundation (Type 17-2-100)	EA	1		
	Pole Foundation (Type 17-23100)	EA	1		
	Pole Foundation (Type 19-4-100)	EA	1		
	Pole Foundation (Type 29-5-100)	EA	1		
	Pull Box #5	EA	5		
	Pull Box #6	EA	1		
	Ped Head Mounts	EA	4		
	Ped Head (LED)	EA	6		
	Pedestrian Push Button & Sign	EA	6		
	12" Signal Head Backplates	EA	17		
	Signal Head Mounts	EA	10		
	Signal Heads 12"-3 Sec (LED)	EA	15		
	Signal Heads 12"-4 Sec (LED)	EA	2		
	Sign (Mast-arm Mounted)	EA	7		
	PG&E Electrical Coordination	EA	1		
	Concrete Work Pad	SF	120		
18	<b>Install Traffic Signal with Controller and Safety Lighting (Lump Sum)</b>				<b>\$350,000</b>

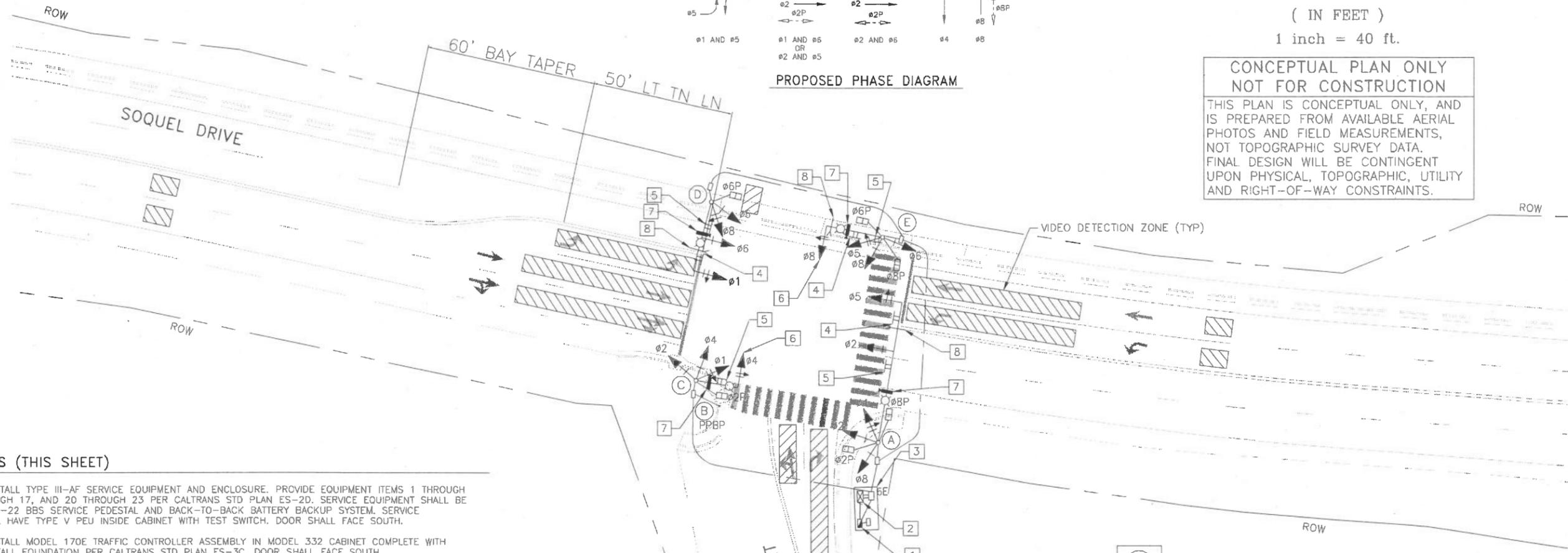
FUNDING INFORMATION			TOTAL	
			<b>SUBTOTAL:</b>	<b>\$629,610</b>
			Contingencies 15%	\$94,442
			<b>SUBTOTAL (with Contingencies):</b>	<b>\$724,052</b>
			Design Engineering 15%	\$108,608
			R/W Engineering	\$15,000
			Construction Inspection 15%	\$108,608
			Geotechnical Engineering	\$15,000
			Environmental Mitigation	\$10,000
			<b>SUBTOTAL:</b>	<b>\$981,267</b>
			Overhead 11.5%	\$112,846
<b>TOTAL FUNDING</b>			<b>PROJECT TOTAL:</b>	<b>\$1,094,113</b>

DRAFT



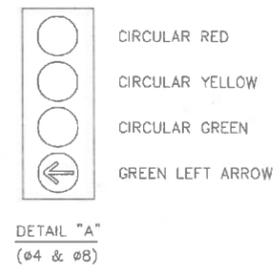
**CONCEPTUAL PLAN ONLY  
NOT FOR CONSTRUCTION**

THIS PLAN IS CONCEPTUAL ONLY, AND IS PREPARED FROM AVAILABLE AERIAL PHOTOS AND FIELD MEASUREMENTS, NOT TOPOGRAPHIC SURVEY DATA. FINAL DESIGN WILL BE CONTINGENT UPON PHYSICAL, TOPOGRAPHIC, UTILITY AND RIGHT-OF-WAY CONSTRAINTS.



**PROJECT NOTES (THIS SHEET)**

- 1 FURNISH AND INSTALL TYPE III-AF SERVICE EQUIPMENT AND ENCLOSURE. PROVIDE EQUIPMENT ITEMS 1 THROUGH 8, 13, 15 THROUGH 17, AND 20 THROUGH 23 PER CALTRANS STD PLAN ES-2D. SERVICE EQUIPMENT SHALL BE TESCO MODEL 27-22 BBS SERVICE PEDESTAL AND BACK-TO-BACK BATTERY BACKUP SYSTEM. SERVICE EQUIPMENT SHALL HAVE TYPE V PEU INSIDE CABINET WITH TEST SWITCH. DOOR SHALL FACE SOUTH.
- 2 FURNISH AND INSTALL MODEL 170E TRAFFIC CONTROLLER ASSEMBLY IN MODEL 332 CABINET COMPLETE WITH FOUNDATION. INSTALL FOUNDATION PER CALTRANS STD PLAN ES-3C. DOOR SHALL FACE SOUTH.
- 3 CONSTRUCT 8'x15' CONTROLLER CABINET PCC WORK PAD PER SANTA CRUZ COUNTY STD SIDEWALK DETAIL SHOWN ON FIGURE ST-4A. REFER TO CALTRANS STD PLAN ES-3C FOR CONTROLLER CABINET FOUNDATION REQUIREMENTS.
- 4 FURNISH AND INSTALL NEW 36"x36" R73-3(CA) SIGN ON SIGNAL MAST ARM. REFER TO CALTRANS STD PLAN ES-7N "DETAIL U" FOR INSTALLATION DETAILS.
- 5 FURNISH AND INSTALL G7-1 REFLECTIVE STREET NAME SIGN (RSNS) PER CALTRANS STD PLAN ES-7N "DETAIL U", REFER TO "POLE AND EQUIPMENT" SCHEDULE ON SHEET E4 FOR SIGN LEGENDS.
- 6 FURNISH AND INSTALL 4-SECTION SIGNAL HEAD PER DETAIL "A" ON THIS SHEET
- 7 FURNISH AND INSTALL VIDEO DETECTOR CAMERA AND MOUNTING HARDWARE ON LUMINAIRE MAST ARM. REFER TO THE PROJECT SPECIAL PROVISIONS FOR EQUIPMENT SPECIFICATIONS.
- 8 FURNISH AND INSTALL 3M OPTICOM MODEL NO. 721 EMERGENCY VEHICLE, COMPLETE WITH CABLE AND MOUNTING HARDWARE. MOUNT ON SIGNAL HEAD OR SIGNAL MAST ARM AS SHOWN ON THE PLAN.



- LEGEND**
- CIRCULAR RED
  - CIRCULAR YELLOW
  - CIRCULAR GREEN
  - GREEN LEFT ARROW
  - = EXISTING ROADWAY STRIPING
  - = EXISTING ROADWAY STRIPING
  - = EXISTING EDGE OF PAVEMENT
  - = NEW ROADWAY STRIPING
  - = NEW PAVEMENT ARROWS

**POLE AND EQUIPMENT SCHEDULE  
(SOQUEL DRIVE AND ROBERTSON STREET)**

TYPE	STANDARD		VEH. SIGNAL MOUNTING		PED. SIGNAL MOUNTING	PPB	LED LUMINAIRE (NO.)	SPECIAL REMARKS	
	SIG. MAST (FEET)	LUM. MAST (FEET)	MAST ARM	POLE					
(A)	29-5-100	50	15	MAS MAS(F=16')	SV-3-TB	SP-2-T	8 2	90	[4] [5] [7] [8]
(B)	PPBP						2		
(C)	17-2-100	15	12	MAS	SV-3-TB	SP-1-T		90	[5] [6] [7]
(D)	19-4-100	25	15	MAS MAS(F=12')	SV-2-TB	SP-1-T	6 2	90	[4] [5] [7] [8]
(E)	17-3-100	20	15	MAS	SV-3-TB	SP-2-T	6 2	90	[4] [5] [6] [7] [8]

NOTES: "F" DIMENSION IS SIGNAL HEAD MOUNTING DISTANCE FROM END OF MAST ARM.  
ALL EQUIPMENT SHOWN ON THIS SCHEDULE IS NEW.

**M M**  
MOTT  
MACDONALD

2077 GATEWAY PLACE, SUITE 550  
SAN JOSE, CA 95110  
(408)572-8800  
WWW.MOTTMAC.COM

**SOQUEL DRIVE / ROBERTSON STREET  
CONCEPTUAL TRAFFIC  
SIGNAL IMPROVEMENTS  
TRAFFIC SIGNAL LAYOUT**

Designed By: LT      Checked By: LT  
Drawn By: JO

DATE: 3-28-18      SCALE: 1"=40'  
ACAD FILE NO: 319248 C1

SANTA CRUZ COUNTY CALIFORNIA

**E-1**  
SHEET 3 OF 3

Drawing: J:\2018\319248 - Soquel Dr - Robertson St ITS\14.0 Drawings\14.1 Conceptual\319248 C1.dwg  
Apr 11, 2018, 11:20am



# Appendix S

## Mitigation Monitoring and Reporting Program



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## County of Santa Cruz

### PLANNING DEPARTMENT

701 OCEAN STREET, 4<sup>TH</sup> FLOOR, SANTA CRUZ, CA 95060  
 (831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123  
 KATHLEEN MOLLOY, PLANNING DIRECTOR

## MITIGATION MONITORING AND REPORTING PROGRAM for the NISSAN OF SANTA CRUZ PROJECT Application No. 171179, October 2019

No.	Environmental Impact	Mitigation Measures	Responsibility for Compliance	Method of Compliance	Timing of Compliance
<b>Cultural Resources</b>					
<b>CUL-1</b>	<i>Cause a substantial adverse change in the significance of an archaeological resource pursuant to Section 15064.5.</i>	<b>Extended Phase I Testing in Areas Covered in Asphalt.</b> For Extended Phase I surveys, all portions of a survey area shall be examined by systematic shovel testing whenever possible, in combination with systematic pedestrian survey, and/or additional techniques such as augering, coring, soil probes, or mechanically excavated trenching, depending upon the surface conditions and potential for deeply buried archaeological sites. If extended testing reveals potential for archaeological resources to occur on site, Mitigation Measures CUL-2(a) and CUL-2(b) shall be implemented.	Project applicant and contractor.	To be conducted by a qualified archaeologist meeting the Secretary of the Interior's Standards for archaeology.	To be implemented during construction.
<b>CUL-2a</b>		<b>Archaeological Resource Construction Monitoring.</b> At the commencement of construction within the project area, an orientation meeting shall be conducted by an archaeologist for construction workers associated with earth disturbing procedures. The orientation meeting shall describe the possibility of exposing unexpected archaeological resources and directions as to what steps are to be taken if such a find is encountered.  A qualified archaeologist and Ohlone/Costanoan representative shall monitor all earth moving activities conducted within native soil. In the event that archaeological and historic artifacts are encountered during project construction, all work in the vicinity of the find shall be halted until such time as the find is evaluated by a qualified archaeologist and appropriate mitigation (e.g., curation, preservation in place, etc.), if necessary, is implemented.	Project applicant and contractor.	To be conducted by a qualified archaeologist meeting the Secretary of the Interior's Standards for archaeology and Ohlone/Costanoan representative.	To be implemented during construction.
<b>CUL-2b</b>		<b>Unanticipated Discovery of Cultural Resources.</b> Pursuant to Section 16.40.040 of the Santa Cruz County Code, and consistent with State Health and Safety Code §7050.5 and Public Resources Code Section 5097.98, if at any time during site preparation, excavation, or other ground disturbance associated with the project, human remains are discovered, the responsible person shall immediately cease and desist from all further site excavation and notify the sheriff-coroner and Planning Director. If the coroner determines that the remains are not of recent origin, the applicant shall implement a Phase 2 subsurface testing program to determine the resource boundaries, assess the integrity of the resource, and evaluate the site's significance through a study of its features and artifacts. The results and	Project applicant and contractor.	Compliance monitored by the County Planning Department and qualified archeologist.	To be implemented during construction.

No.	Environmental Impact	Mitigation Measures	Responsibility for Compliance	Method of Compliance	Timing of Compliance
		<p>recommendations of the Phase 2 study shall determine the need for additional construction monitoring. If the site is determined insignificant, no further archaeological investigation or mitigation would be required.</p> <p>If the discovered cultural resources are deemed significant, the County will work with the applicant to determine the appropriate extent of further mitigation. Examples of mitigation include, but are not limited to, capping of the resource with culturally sterile and chemically neutral fill material or Phase 3 data recovery.</p>			
<b>Hazards and Hazardous Materials</b>					
<b>HAZ-1</b>	<i>Create a significant hazard to the public or the environment through routine transport, use, or disposal of hazardous materials.</i>	Pursuant to Cal OSHA regulations, project applicants shall have each structure within the planning area within Assessor Parcel numbers 030-121-08, 030-121-12, and 030-121-13 inspected by a qualified environmental specialist for the presence of ACMs in compliance with 40CFR Part 61M and LBPs prior to obtaining a demolition permit from the County of Santa Cruz Planning Department. If ACMs and LBPs are found during the investigations, project applicants with the planning area shall develop a remediation program to ensure that these materials are removed and disposed of by a licensed contractor in accordance with all federal, state and local laws and regulation, subject to approval by the MBARD, and the Santa Cruz County Environmental Health Department, as applicable. Any hazardous materials that are removed from the structures shall be disposed of at an approved landfill facility in accordance with federal, state and local laws and regulations.	Project Applicant and Contractor	To be monitored by the County Planning and the Contractor.	To be implemented during project design and construction.
<b>HAZ-2</b>		Project applicants within the planning area shall have the interior of all on-site structures within Assessor Parcel Numbers: 030-121-08, 030-121-12, and 030-121-13 visually inspected by a qualified environmental specialist to determine the presence of hazardous materials prior to obtaining a demolition permit from the County of Santa Cruz Planning Department. Should any hazardous materials be encountered with any of the structures, the materials shall be tested and properly disposed of in accordance with federal, state and local regulatory requirements. Any stained soils or surfaces underneath the removed materials shall be sampled. Subsequent testing shall indicate the appropriate level of remediation necessary and a work plan shall be prepared in order to remediate the soil in accordance with all applicable federal, state and local regulations prior to issuance of a grading permit.	Project Applicant and Contractor	To be monitored by the County Planning and the Contractor.	To be implemented during project design and construction.
<b>Noise</b>					
<b>NOI-1</b>	<i>A substantial temporary or periodic increase in ambient noise levels in the project vicinity above</i>	<b>Construction Hours.</b> The project shall comply with the Santa Cruz County Noise Ordinance and prohibition on offensive noise. Hours of construction for the project shall be limited to the hours of between 8:00 AM and 6:00 PM, unless otherwise authorized by the Building Official.	Project Applicant and Contractor	To be monitored by the County Planning and the Contractor.	To be implemented during project design and construction.

No.	Environmental Impact	Mitigation Measures	Responsibility for Compliance	Method of Compliance	Timing of Compliance
NOI-2	<i>levels existing without the project.</i>	<b>Construction Equipment.</b> All construction equipment shall be properly maintained and all exhaust mufflers and engine shrouds shall be in good condition and appropriate for the equipment. Equipment engine shrouds shall be closed during equipment operation. Whenever feasible, electrical power shall be used to run air compressors and similar power tools rather than diesel equipment.	Project Applicant and Contractor	To be monitored by the County Planning and the Contractor.	To be implemented during project design and construction.
NOI-3		<b>Vehicle and Equipment Idling.</b> Construction vehicles and equipment shall not be left idling for longer than five minutes when not in use.	Project Applicant and Contractor	To be monitored by the County Planning and the Contractor.	To be implemented during project design and construction.
NOI-4		<b>Stationary Equipment.</b> Stationary construction equipment that generates noise exceeding 75 dB at the property line of the project site shall be shielded. Temporary noise barriers used during construction activity shall be made of noise-resistant material sufficient to achieve a Sound Transmission Class (STC) rating of STC 40 or greater, based on sound transmission loss data taken according to ASTM Test Method E90. Such a barrier may provide as much as a 10 dB insertion loss, provided it is positioned as close as possible to the noise source or to the receptors. To be effective, the barrier must be long and tall enough (a minimum height of eight feet) to completely block the line-of-sight between the source and the receptors. The gaps between adjacent panels must be filled-in to avoid having noise penetrate directly through the barrier. The recommended minimum noise barrier or sound blanket requirements would reduce construction noise levels by at least 10 dB.	Project Applicant and Contractor	To be monitored by the County Planning and the Contractor.	To be implemented during project design and construction.
<b>Transportation/Traffic</b>					
TRA-1	<i>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.</i>	<b>Soquel Drive/Robertson Street (Intersection #4)</b> Traffic at the Soquel Drive / Robertson Street intersection, which is currently operating at an unacceptable LOS E during the AM and PM peak hour, will continue to operate at LOS E or worse during future conditions. To mitigate these significant impacts, the project applicant shall, prior to issuance of a building occupancy permit, pay \$31,072 (2.84% of the total improvement costs) toward the cost of construction of the following improvements: <ul style="list-style-type: none"> <li>• Install a traffic signal control.</li> <li>• On Soquel Drive, restripe the westbound approach to one left turn lane and one thru lane, consolidate north driveways and close the north leg (southbound approach), converting the intersection to a signalized, three-directional intersection. Until north driveways are consolidated, the north leg will remain open to provide access to the building(s) using the existing driveway. The analysis evaluated this intersection with three approaches (i.e., a signalized "T" intersection with east, west, and south legs). Existing traffic volumes on the north approach are very low at (0 vehicles in the AM peak and 3 vehicles in the PM peak). The intersection would also operate acceptably should the County decide to construct a signalized four-way intersection instead (i.e., with east, west, south, and</li> </ul>	Project Applicant pays fees; County of Santa Cruz responsible for construction of improvements	Applicant payment of pro-rata fair share fees prior to issuance of Building Permit.	To be implemented by County of Santa Cruz within 3 years of Building Permit issuance.

No.	Environmental Impact	Mitigation Measures	Responsibility for Compliance	Method of Compliance	Timing of Compliance
	<p><i>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.</i></p>	<p>north legs).</p> <ul style="list-style-type: none"> <li>On Robertson Street, restripe the northbound approach from one lane to one left- and one right-turn lane. Limit the restriping to approximately 25 feet, due to the close spacing of the mobile home park driveway southwest of the intersection. The design for this improvement will be challenging and the designer should exercise care to ensure that northbound and southbound traffic can be safely accommodated. Analysis conservatively analyzed this intersection with one shared thru, left, and right lane.</li> </ul>			
TRA-2		<p><b>Soquel Drive/Porter Street (Intersection #6)</b>  On Soquel Drive, the area on the south side west of Porter Street (adjacent to the curb) is currently signed as a loading zone from 8am to 5pm, Monday through Friday. When not in use as loading zone, this area currently operates as a de facto right-turn pocket. To mitigate AM and PM peak hour traffic impacts, the project applicant shall, prior to building occupancy permit, pay \$20,000 to the County of Santa Cruz to construct the following improvements:</p> <ul style="list-style-type: none"> <li>Through signage and restriping, convert the on-street loading zone on the south side of west leg (eastbound approach) into an eastbound right-turn pocket lane during peak hours, and optimize the signal phasing, cycle length, and splits.</li> <li>Restripe the existing bike lane to provide a right-turn with bike access, the lane should be combined into a 12-foot shared bike lane and right turn lane. The combined bike lane/turn lane treatment will include signage advising motorists and bicyclists of proper positioning within the lane.</li> </ul>	Project Applicant pays fees; County of Santa Cruz responsible for construction of improvements	Applicant payment of pro-rata fair share fees prior to issuance of Building Permit.	To be implemented by County of Santa Cruz within 5 years of project completion.