

FINAL ENVIRONMENTAL IMPACT REPORT

FOR THE

COCHRANE ROAD PLANNED UNIT DEVELOPMENT

SCH# 2004112060

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1.0 INTRODUCTION

PURPOSE OF THE EIR PROCESS

This Environmental Impact Report (EIR) is an informational document prepared by the City of Morgan Hill to evaluate the environmental impacts of the Cochrane Road Planned Unit Development (PUD). The primary objectives of the EIR process under the California Environmental Quality Act (CEQA) are to inform decision makers and the public about a project's potential significant environmental effects, identify possible ways to minimize significant effects and consider reasonable alternatives to the project. This EIR has been prepared with assistance from the City's consultant, Pacific Municipal Consultants, and reviewed by City staff for completeness and adequacy in accordance with Public Resources Code (PRC) Sections 21000-21177 and the State CEQA Guidelines.

The purpose of an EIR is to identify a project's significant effects on the environment, to identify alternatives to the project, and to indicate the manner in which those significant effects can be mitigated or avoided (PRC sec. 21002.1[a]). Comments from the public and public agencies on the environmental effects of a project must be made to lead agencies as soon as possible in the review of environmental documents, including, but not limited to, draft EIRs and negative declarations in order to allow the lead agency to identify, at the earliest possible time in the environmental review process, potential significant effects of a project, alternatives, and mitigation measures which would substantially reduce the effects. (PRC sec. 21003.1[a]).

As prescribed by the State CEQA Guidelines Sections 15088 and 15132, the Lead Agency, the City of Morgan Hill, is required to evaluate comments on environmental issues received from persons who have reviewed the Draft EIR (DEIR) and prepare written responses to these comments. This document, together with the DEIR (incorporated by reference in accordance with State CEQA Guidelines Section 15150) will comprise the Final Environmental Impact Report (FEIR) for this project. Pursuant to the requirements of the CEQA, the City of Morgan Hill must certify the FEIR as complete and adequate prior to approval of the project.

This FEIR contains individual responses to each written and verbal comment received during the public review period for the DEIR. In accordance with State CEQA Guidelines Section 15088(b), the written responses describe the disposition of significant environmental issues raised (e.g., revisions to the proposed project to mitigate anticipated impacts or objections). The City of Morgan Hill and its consultants have provided a good faith effort to respond in detail to all significant environmental issues raised by the comments.

1.0 INTRODUCTION

EIR CERTIFICATION PROCESS AND PROJECT APPROVAL

In accordance with the requirements of CEQA and the procedures of the City of Morgan Hill, the City Council must certify the FEIR as complete and adequate prior to taking action on the proposed project. Once the EIR is certified and all information considered, using its independent judgment, the City can take action to go forward with the proposed project, make changes, or select an alternative to the proposed project. While the information in the EIR does not control the City's ultimate decision, the agency must respond to each significant effect and mitigation measure identified in the EIR by making findings supporting its decision.

2.0 RESPONSE TO COMMENTS

Planning Commission Meeting Minutes

Comment Letter #1

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Commissioner Acevedo again spoke in favor of 'some type of deed restriction' and suggesting that to be important if the developers have an artificial cap or ceiling on their selling prices. Commissioner Acevedo led the discussion, saying, "So if there is a limited deed restriction, which could be something like 'no equity accrued until the buyer has lived in the house for at least two years, the ceiling might not be forced too low."

Commissioner Escobar commented that the Planning Commissioners probably don't have enough information at this point to make a firm statement, but need to explore many issues including discussion with residential builders. "A two-year residency may be feasible," Commissioner Escobar stated as he cited Federal government rules for capital gains.

Chair Lyle noted that for the developers with final maps in process, it may be better to consider having smaller units for allotments, and the developers should look at other options, as well.

Staff was directed to continue work on the matter with further reporting in the future.

The regular order of the agenda was resumed.

Commissioners noted the recent promotion of Rebecca Tolentino to Senior Planner and offered congratulations to her.

NEW BUSINESS:

2) ZA-04-12: COCHRANE - DINAPOLI/ BROWMAN

The Planning Commission is requested to provide comments on the Draft Environmental Impact Report for the 657,250-sf sub-regional commercial shopping center proposed at the northeast quadrant of Cochrane Rd. and Hwy 101. The subject site is 66.49 acres in size and is zoned PUD (HC), Planned Unit Development (Highway Commercial).

SP Tolentino gave the staff report, noting this item is not for definitive action, but Commissioners are requested to present comments on the draft EIR for the project. SP Tolentino provided a brief project overview of the matter, advising that the applicant proposes five general categories of use for the project: large anchor stores, majors, retail shops, pads (commercial and restaurants) and a multi-plex cinema. The entitlements requested include a zoning amendment (PUD), general plan amendment, subdivision map, conditional use permit, architectural and site plan review, development agreement and tree removal plan. With such entitlements, SP Tolentino said, the Planning Commission and Architectural Review Board (ARB) are advisory. Explaining the process for this meeting, SP Tolentino reiterated that there would no voting but comments from the Commissioners would be placed in the record. For the benefit of the public, SP Tolentino said that the City would accept comments on the draft EIR until August 29, 2005. SP Tolentino noted the consultants for the City were present: Erika Spencer, Pacific Municipal Consultants, 585 Cannery Row, #304, Monterey; Jason Nesdahl, 775 Chapman St., San Jose; and Raymond Kennedy, 2239 Oregon, Berkley.

Chair Lyle opened the public hearing.

Leigh Prince, 255 W. Julian St., San Jose, representative of Cochrane Plaza, spoke to the

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Commissioners in opposition to the proposed project and raised the following objections to the content of the EIR:

- urban decay: even with mitigation measures, impacts on Cochrane Plaza will be significant as the mall will lose an anchor store [Target] and others may leave as well since those stores can/will break leases
- remaining stores may not be enough to keep Cochrane Plaza in business [Ms. Prince told of the hesitancy of other businesses to remain in business at that location if Target is not there to 'draw']
- if Cochrane Plaza goes dark, it will be detrimental to city
- disagreement with the economic report that there will be limited mitigation needed
- one interesting fact: if Target is committed to the new center, it is unknown what other impacts will be on Cochrane Plaza
- loss of 66.49 acres of prime ag land [Ms. Prince noted this is against City stated purposes]
- potential for air quality detriment
- increase in the number of car trips will reduce air quality and increase traffic

In view of what he termed 'face value' statements, Commissioner Mueller asked Ms. Prince to further comment on her declaration that 'Target was happy where they are and don't want to move'. "Why is there an implication that if Target leaves, other store would move also. You appear to imply that Target wants to move just because the new center would be there and not expand at the present location."

Ms. Prince responded that if Target goes, there is no guarantee they have a draw for others at the current location plus there are clauses in some of the contracts, that if Target leaves, they could void the leases. Ms. Prince cautioned that dependent on what happens in association with this project, Cochrane Plaza may 'go dark'.

Commissioners Escobar questioned the volume of business on daily basis at Cochrane Plaza? Ms. Prince could not provide the exact numbers.

Commissioner Koepp-Baker noted Ms. Prince spoke about Target being an anchor store and each store (52.8% of the others) can 'opt out' while others are renewing leases expressing suspicion the possibility of those leaving may be overstated. "Plus you can have new people (businesses) coming in," Commissioner Koepp-Baker stated. She continued by asking about the types of stores Ms. Prince referred to as a possibility of leaving. Ms. Prince and the owner of Cochrane Plaza responded, "Retail and food service."

Commissioner Escobar inquired as to how much square footage is under discussion at Cochrane Plaza? Mike LaBarbera was present and identified himself as a former owner of Cochrane Plaza, and stating that there is about 270,000 – 300,000 sf total.

It was noted in discussion that Big 5 Sporting Goods lease is up later this year.

Mike LaBarbera, 1765 Lucca Place, San Jose, spoke to the Commissioners, admitting to 'mixed emotions' as a former owner of Cochrane Plaza. He said that even though there are issues with the proposed project, he was present to speak on potential impacts to Tenant Station. Mr. LaBarbera commented that Target was grossly undersized at the

Comment Letter #1 continued

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present location and had previously identified about 6,000 sf needed for growth. He went on to identify other businesses that were tied to Target. Mr. LaBarbera then turned to 'underlying impacts not in the EIR but which needs to be discussed'. Mr. LaBarbera told of the Tennant Station development and the impacts that the proposed development will have on the movie theater and the bowling alley. "We have worked hard to bring the movie theater which the City said was needed. The local operators have spent \$4 million to get the movie theater underway and another \$1.5 million to develop it," Mr. LaBarbera stated. "Now as to my concern: according to the EIR, I believe the movie multi-plex will put the Tennant Station movie theater out of business and this says something about the values of Morgan Hill. It needs to be considered that the City asked us to put in the movie theater at Tennant." Mr. LaBarbera stated that he agreed with the impacts to other centers in the City.

1-4

Commissioner Acevedo asked if, according to EIR, is there a projection that the movie theater at Tennant Station will fail, noting he had not seen that. Mr. LaBarbera said that the City can't have workshops for business growth and encourage business owners to bring in a theater, then program to have that business fail. "As far as the EIR goes, if the theater fails, would Tennant Station go into disrepair, no," Mr. LaBarbera said.

Commissioner Mueller asked Mr. LaBarbera why he had not worked on expanding Target? Mr. LaBarbera responded that he had, as a center owner, had been in talks with Target 'causally' and at that time Target officials were exploring looking at possibly Mervyn's. "The ball was definitely in their court," he said, noting that he 'only had a couple of conversations with Target' when he was working at the Cochrane Plaza, but then we sold it.

Chair Lyle inquired of Mr. LaBarbera as to the status of going from eight to eleven theaters at the Tennant Station site? Mr. LaBarbera replied they anticipated opening within a year.

1-5

John DiNapoli, 99 Almaden Blvd, #5, San Jose, and Darryl Brownman, 100 Swan Way #206, Oakland, were present to speak to the Commissioners as developers of the center. Mr. DiNapoli told the Commissioners, that as additional background Target was unhappy with the space confinement of the current store and said, "If they can't do something, they will close the store and leave the community. There is a certain amount of corporate image involved. We thought that the current owner of Cochrane Plaza knew of the issues with Target. Target has told the City about their concerns at the present location. We believe it is important for the City to look at the image perception issue. That image that the City wants quality development is certainly there." Mr. DiNapoli stated that an EIR presents a 'worst case scenario' adding he believes if Target goes from the City, worse blight may result. Mr. DiNapoli told the Commissioners that a regional shopping center on the gateway corner would be beneficial as he spoke of the residential growth in the area and the residents could benefit from the shopping center. Mr. DiNapoli stated that Target did not think either Mervyn's location or the current location [in Cochrane Plaza] is feasible for an expanded location.

Commissioner Escobar asked what the trade area for the proposed center is? Mr. DiNapoli said it is expected it will draw from South San Jose through Gilroy south. He assured the center will be 'different from those in Gilroy today'. Mr. DiNapoli spoke at length on the issues of disposable income of the residents in Morgan Hill and the

Comment Letter #1 continued

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creation of a destination to draw trade from outside areas. "It makes a more viable community," he avowed.

Commissioner Escobar called attention that the EIR was "brief on the downtown area" and suggests the downtown would be better suited to "a niche clientele". Commissioner Escobar asked clarification on the "lifestyle clientele" and how it would differ. Mr. Brownman said the best example was the City of Lodi. He indicated that ten years ago he had worked with City officials in Lodi in a concerted effort to take care for bringing in businesses. City leaders were supportive of his ideas, he said, and now the City has service/commercial uses which are successful. Mr. Brownman also spoke to the issues of involvement with the Downtown Merchant's Association and having limited kiosks in the new center for referral to downtown business.

Commissioner Escobar said he was glad the developer had some understanding of and a willingness to work on trying to enhance the downtown as a component of the project. "My biggest concern is that the EIR is not broad on comment on retail," Commissioner Escobar stated.

Mr. Brownman said Lodi uses cross-advertising which has helped business to succeed. He again assured that representatives from his group would want to sit on the Downtown Association Board and that by getting this in front of a lot of people all would benefit.

Mr. Brownman further stated this could be a real opportunity for Cochrane Plaza to go for a new type of retail. Mr. Brownman stressed that the developers had put together a team of "long term investors" who are not trying to buy, put in the development, and leave. "We are committed to the long term," he underlined. Mr. Brownman provided several examples of community work with various downtown associations. "We are committed to this project and to the community," he said.

With no others present to address the matter, the public hearing was closed.

Commissioners engaged in discussion on procedures for investigating the EIR. The following raised issues as indicated:

Commissioner Mueller:

1-6 |

- clarification of classification of business
- need for consistent sequential numbering of store types and pad locations
- some testimony suggests Target stays regardless of whether this project goes; EIR should address issue of having target move or stay where is [SP Tolentino clarified that Target's letter to the City indicates the current location doesn't meet corporate lifestyle vision and therefore a different location is necessary.]

Chair Lyle:

Acsthetics

1-7 |

- need to identify how high berms will be (section 3)
- parking lots appear massive; need for more specificity of screening (how many cars can be seen when observations are completed from other areas)

Air quality

1-8 |

- significant concern that a lot of the presented data is past history
- failure to notice the effects of Calpine Metcalf station coming on

Comment Letter #1 continued

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- 1-8
 - need for prediction and how the Calpine Metcalf station drives numbers at estimates of potential pollutants
 - ④ discussion ensued regarding a report from BAAQMD and others on monitoring and projections from the tables presented indicates 'no effect'
- Geology
 - request for investigation of permeable concrete potential viability; question if such installation could be beneficial in mitigating flooding, bank instability, etc.
- 1-9
 - such installation could possibly keep water in the community where it could be investigated for effectiveness and further the effect of current mitigation under the water section of EIR
 - ④ responding to a question, DDPW Bjarke agreed this technology is growing while cautioning the City wants to be very careful in a parking lot this size, such treatment could work but would like to further investigate; Chair Lyle said the EIR should investigate the matter
 - possibility of having looking at wells in the area for City/municipal use;
 - ④ DDPW Bjarke said that was not being looked at for municipal use because of perchlorate issues; Commissioner Mueller said it might be possible to use the wells for landscaping; Chair Lyle said it could mean less strain on city resources
- Water
 - possible use of permeable concrete for enhanced water provision
- 1-11
 - Land Use And Planning
 - 'lifestyle' dining and entertainment objectives overlap those of the downtown
 - need for assessing the potential for a grocery at the Cochrane Plaza Target location – need to have voters approval
 - errors in population estimates for 2020 and 2030
 - basis for 'capture of percentages' in table 9
 - need to revisit pages 23 and 24, including the referenced tables – as well as projection of effects on the Downtown
 - need to revisit pages 23 – 28 and 40, relative to projected effects on the planned Downtown services
- 1-12
 - Noise
 - need to address assisted living facility (sensitive receptor) proposed south of site
- 1-13
 - Public Services
 - fire and emergency medical response assessments requires more detail
 - concerns about fire, emergency medical and police: all the added usage requires more service, but the City is still staffing at the levels of 1991; the increase in retail would have impact on the need for more fire, emergency medical and police - not just runs but inspections, etc.
 - disquiet that the police zone is limited on the east side of Monterey; this project would be adding a big area needing service
 - EIR addresses estimates for the number of police calls but not the number of calls for fire or inspections
 - when the General Plan was developed it called for looping of the road to Burnett for secondary emergency access
- 1-14
 - Transportation & Circulation
 - shifting of designated 4-lane arterial south of Cochrane from DePaul to Mission View – Is adequate right-of-way on Mission View available?; need discussion of how four lanes will bridge to two lanes north of Cochrane
- 1-15
 - a
 - shifting of designated 4-lane arterial south of Cochrane from DePaul to Mission View – Is adequate right-of-way on Mission View available?; need discussion of how four lanes will bridge to two lanes north of Cochrane

Comment Letter #1 continued

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b | incompleteness of the assessment of public transit facilities; service is inadequate

c | transportation section assumes diversion at Cochrane with 25% of the traffic

d | coming from Cochrane and 25% off the freeway

e | inconsistent analysis for intersection; furthermore, report not clear regarding additional lanes

f | counts noted in the EIR were taken from a 2004 list of projects from the City [obsolete figures/projects] -- resultant problem loss of years of development causing understatement

1-15 f | need to include new courthouse in background analysis

g | baseline development - cutoff dates

g | recent housing developments on Cochrane not reflected in analysis; need cumulative numbers

h | General Plan change must include impact of development

i | impact of traffic if Target site is changed to a large grocery; what is delta for vehicle trips?; could alter trip patterns of the area -- also need to have economic report of such installation have consistency

j | need to address queue depth and weaving movements of people exiting freeway and entering project site

k | traffic analysis should identify areas where thresholds marginally met

l | traffic analysis does not account for housing units allotted to Year 2010

m | substandard streets will be impacted (e.g., Half Road)

Utilities

1-16 | - evaluate use of wells for landscape irrigation

Project Alternatives

1-17 |

- consideration of a supermarket instead of movie theaters
- need to revisit the City's General Plan Goals and policies for consistency
- discuss how well planned project meets objectives; does it address how City's goals for General Plan and economic growth met
- identify 'best mix' for the City while still achieving project goals
- citizens concerns about the proliferation of fast food restaurants; several more proposed here

Commissioners then focused discussion on:

1-18 |

- potential increase in Target sales
- increase in services for the public
- concern about the downtown lifestyle; it was noticed that dining and entertainment issues for the Downtown should be expanded in the EIR
- ABAG numbers listed in the EIR are faulted with the 'wrong impression' presented
- impact of development of Coyote Valley [will be great and should be considered]
- regarding the table business for the center, it seems the methodology is not consistent (table 9 page 22)
- noise issues

Commissioner Acevedo asked Mr. Kennedy the objective of page 57 appendix H was? Mr. Kennedy responded the table breaks out by detail various categories of retail (data obtained from the CA Board of Equalization. Mr. Kennedy explained he used the Santa Clara County per capita for retail sales and extrapolated a conservative projection for

Comment Letter #1 continued

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Morgan Hill then explained the methodology taking into consideration an increase in population and sales through 2010.

Discussion followed regarding an analysis of square footages and sales establishments. Mr. Kennedy explained that Morgan Hill could have more higher end restaurants with the project as he told of what (revenue and sales tax) can be captured from existing sales.

Chair Lyle stressed the Commissioners are not negative, but have concerns with especially the mix appearing to have dependency on Coyote Valley development.

SP Tolentino explained that the City Council will review all entitlements requested on project.

Ms. Spencer thanked the Commissioners for their comments, promising the consultants will come back with responses to those observations.

4) REQUEST TO SCHEDULE A SPECIAL JOINT PLANNING COMMISSION & ARCHITECTURAL REVIEW BOARD MEETING CDD Molloy Previsich presented the request to schedule a special joint meeting with the Architectural Review Board (ARB) on September 1, 2005 for consideration of approval of plans for the relocation of the Morgan Hill Historical Museum building. CDD Molloy Previsich explained the museum building needs to be moved off the Civic Center site before the end of August so that survey work can begin for new library site improvement drawings. She stressed the Planning Commissioners need to be involved in the discussion/possible action of this item only.

BY UNANIMOUS CONSENSUS OF ALL COMMISSIONERS PRESENT, WITH BENICH ABSENT, THE MORGAN HILL PLANNING COMMISSION WILL HAVE A JOINT MEETING WITH THE ARB FOR THE PURPOSE OF CONSIDERATION OF APPROVAL OF PLANS FOR THE RELOCATION OF THE MORGAN HILL HISTORICAL MUSEUM BUILDING.

ANNOUNCEMENTS: CDD Molloy Previsich reported the following actions from the recent City Council meeting;

Sunsweet PUD

- approved with the first reading of the Ordinance and adoption of changes to the General Plan
- 40 units to the acre; and also no public parking areas would be included in the calculations for the General Plan determinations
- reduced the requirement for commercial space from 10,000 sf. to 8000 sf., plus additional changes to retail guidelines
- Conditional Use Permits for office space
- not 25% for all retail

Holiday Lakes - Unit One to LAFCO for inclusion into the Urban Service Area - Council directed staff to work on eliminating Urban Islands with LAFCO through annexation; Commissioner Mueller and Chair Lyle spoke about an issue with the annexing of the urban islands as related to Measure C requirements. CDD Molloy Previsich advised that LAFCO is offering to do surveys, legal description, waive fees, etc. in an effort to achieve the goal of urban island inclusion.

Chair Lyle asked for staff to further investigate ABAG issues regarding undeveloped lands.

2.0 RESPONSE TO COMMENTS

Response to Letter 1 – Planning Commission Public Hearing

Public Hearing

Leigh Price, Representative of Cochrane Plaza

Response to Comment 1-1

The economic impact report prepared by Bay Area Economics (BAE) predicted what impacts would occur to Cochrane Plaza when the Target store relocated to the proposed project. The Draft EIR assumed that even with implementation of Mitigation Measures 3.9-1, 3.9-2, and 3.9-3, the proposed project has the potential to contribute to closure of existing businesses in the City of Morgan Hill and would result in a high likelihood of urban decay at the Cochrane Plaza shopping center, which would be considered a significant and unavoidable impact.

The City Council would be required to adopt a 'statement of overriding consideration' in which they find that the benefits of the proposed project overcome the environmental burdens created by the significant environmental impacts, such as the significant and unavoidable impact at the Cochrane Plaza shopping center. If the City can't make this finding, then the proposed project would not be approved.

Response to Comment 1-2

Comment noted. Section 3.2, Agricultural Resources in the EIR evaluated the value of the existing agricultural land at the project site. The loss of prime farmland at the project site was found to be significant and unavoidable. The project site is designated 'Commercial' in the *City of Morgan Hill General Plan*. As discussed on page 3.2-9 of the Draft EIR, the project's significant and unavoidable impact to agricultural resources could be avoided by denying the project or by requiring a reduced project, which would prevent the conversion of all or part of the project site to urban uses (A reduction in the size of the proposed project was considered in the Section 4, Alternatives to the Project).

However, this action would not meet the objective of the City of Morgan Hill of developing the project site for a commercial retail center in conformance with the *City of Morgan Hill General Plan*. The *City of Morgan Hill General Plan* contains no policies or implementation programs, which require mitigation or offsets for conversion of prime farmland. As discussed above, the City Council would be required to adopt a 'statement of overriding consideration' in which they find that the benefits of the proposed project overcome the environmental burdens created by the significant environmental impacts, such as the significant and unavoidable impact of converting the farmland to urban use. If the City can't make this finding, then the proposed project would not be approved.

2.0 RESPONSE TO COMMENTS

Response to Comment 1-3

The EIR evaluated the air quality and traffic impacts of the proposed project in Section 3.3, Air Quality and in Section 3.12, Transportation and Circulation. As noted in the Draft EIR, the proposed project would generate approximately 22,009 daily weekday automobile trips at full build out of the proposed project. This would subsequently result in weekend emissions of 189 lbs/day of Reactive Organic Gases (ROG), 177 lbs/day of Nitrogen Oxides (NO_x), and 146 lbs/day of Carbon Monoxide (CO). As discussed on page 3.3, air quality emissions associated with the proposed project would exceed the thresholds established by the Bay Area Air Quality Management District (BAAQMD). Even with implementation of Mitigation Measure 3.3-3, which would require the project applicant to prepare a 'facilities trip reduction plan' to reduce single occupant commute trips by employees and promote non-auto travel by employees and patrons, this impact would remain significant and unavoidable.

Mike LaBarbera

Response to Comment 1-4

Commenter spoke regarding the potential impacts to Tennant Station and the movie theatre. An EIR is an informational document. As such the impacts to the movie theatre were evaluated in the Draft EIR and economic impact analysis prepared by Bay Area Economics (BAE) included in Appendix I of the Draft EIR. Section 15131(a) of the California Environmental Quality Act states that "economic or social effects of a project shall not be treated as significant effects on the environment. An EIR may trace a chain of cause and effect from on a project through anticipated economic or social changes to a physical change caused in turn by the economic or social changes. The intermediate or social changes need not be analyzed in any detail greater than necessary to trace the chain of cause and effect. The focus of the analysis shall be on the physical changes." Secondary economic impacts that would cause a subsequent physical impact, or have the potential for urban decay were identified in Section 3.9, Land Use in the EIR. Based on the economic impact analysis prepared by BAE, the proposed project would not result in urban decay at the Tennant Station shopping center if the existing movie theatre were to close.

John DiNapoli and Darryl Brownman

Response to Comment 1-5

Comment noted. The project applicant presented information to the Commissioners about the project. No environmental issue was raised and therefore no response is necessary.

2.0 RESPONSE TO COMMENTS

End of Public Hearing

Commissioner Mueller

Response to Comment 1-6

Comment noted. Commissioner Mueller requested clarification on the type of businesses at the project and the need for consistent sequential numbering of store types and pad locations. These items do not raise an environmental issue and therefore no response is necessary.

According to a letter provided by the Target Corporation, the existing Cochrane Plaza location does not meet Target's corporate lifestyle vision and therefore does not meet the objectives of the proposed project. The Draft EIR did not address expansion of the Target store at its existing location, as the proposed project not only consists of the expansion of the Target store, but the construction of approximately 533,450 additional square feet of commercial space. Therefore, expansion of the Target at its existing location was not evaluated as viable alternative in the Draft EIR that met the project objectives discussed on page 2-17 and 2-18 of the Draft EIR.

Chair Lyle

Response to Comment 1-7

The proposed landscaping plan presented in Figure 2-10 of the Draft EIR includes installation of a berm and planting of shrubs and trees adjacent to Cochrane Road to screen the parking lot from adjacent roadways and land uses. Since publication of the Draft EIR, the landscaping plan has been modified and is included in Section 3.0, Amendments to the EIR. According to the landscape architect, the height of the berm along Cochrane Road will depend on how much fill is generated from grading at the project site, but the intent of the berm and proposed landscaping is to create a buffer between the project site and Cochrane Road.

Response to Comment 1-8

Comment noted. The Metcalf Energy Center, which opened on June 3, 2005, is a 600-megawatt power generation facility built by the San José-based Calpine Corporation located near the intersection of Monterey Road and Santa Teresa Blvd in south San José, approximately ten miles from the project site. The Metcalf Energy Center utilizes natural gas for fuel and delivers approximately 600 megawatts of power to northern California. According to the Bay Area Air Quality Management District (BAAQMD), an air quality impact analysis was performed for the Metcalf Energy Center, which indicated that the attainment or maintenance of applicable Ambient Air Quality Standards (AAQS) for NO₂,

2.0 RESPONSE TO COMMENTS

CO and PM₁₀, which was based on the EPA approved models and calculation procedures and performed in accordance with Section 414 of the District's NSR Rule was met. The effects to the ambient air quality by the Metcalf Energy Center, as measured by the monitoring stations by the BAAQMD, have not been published by the BAAQMD and therefore were not included in the air quality monitoring statistics included in the air quality impact assessment.

Response to Comment 1-9

Comment noted. Installation of permeable concrete may reduce the amount of impervious surfaces at the project site, which would consecutively increase groundwater infiltration and decrease the amount of stormwater runoff from the project site. However, City staff does not support the use of permeable concrete at the proposed parking lot as it is not an established or widely accepted method for addressing stormwater runoff. The long-term reliability of permeable concrete as a pavement surface is not a proven technology. Therefore, City staff does not support introducing a new technology to a project of this magnitude and scale.

Response to Comment 1-10

Comment noted. City staff does not support the use of the existing wells at the project site for municipal use (including for irrigation purposes), due to uncertainties with well reliability and water quality and quantity at the well sites. All city wells are connected to the distribution grid and the system cannot differentiate an irrigation well from a municipal production well. Therefore, in order to protect the integrity of the water system, City staff does not support the use of the existing wells. As discussed in Section 3.7, Hazards and Hazardous Materials in the Draft EIR, these wells would be destroyed prior to commencement of site clearing and general demolition activities pursuant to Mitigation Measure 3.7-3.

Response to Comment 1-11

Please see Response to Comment #1-9 above.

Response to Comment 1-12

As stated in the economic impact analysis, Appendix I of the Draft EIR, prepared by Bay Area Economics, the downtown represents a different market niche, with a focus on locally-owned small businesses rather than national chains, which are not likely candidates for location in downtown Morgan Hill regardless of whether the proposed project is approved and constructed. It offers a location with lower rents and start-up costs for local entrepreneurs. While some of the store types might be duplicative in a general way, downtown Morgan Hill will continue to offer smaller local merchants business locations

2.0 RESPONSE TO COMMENTS

that they could not afford at the shopping centers as well as offering a place to go for Morgan Hill residents who wish to shop at locally-owned businesses or for unique offerings of services or goods not found at chain stores.

Alternatives evaluated in the Draft EIR included those that met the objectives of the proposed project, but reduced environmental impacts identified as significant impacts in the analysis of environmental resources. The objective of the proposed project is to construct a new 123,800 square foot Target store and an additional 533,450 square feet of commercial space, including a mix of retail uses and restaurants. An alternative to place a large grocery store at the location of the existing Target was not considered in the Draft EIR based on the fact that it did not meet the project objectives and that due to the significant hurdles, including voter approval and the large size of the existing Target store relative to what most supermarkets require, would be speculative.

Bay Area Economics first considered short-term population numbers from a private vendor (such as those used by site locators for national retail chains) that were considerably lower than those used in the Draft EIR. In fact, the marketing site for Terranomics, the brokerage leasing space in the proposed project, uses even lower numbers, showing a population decrease for the center's trade area from 2000 through 2013. An examination of housing construction trends in the City of Morgan Hill indicated that these assumptions of population decline or very limited growth were likely incorrect, and at that time BAE, in consultation with City staff, selected the Association of Bay Area Governments (ABAG) projections as the baseline source for population estimates and projections. While the City of Morgan Hill has historically shown an ability to build to its annual cap, there is no guarantee that this will continue into the future, or that household sizes will be maintained at current levels to generate population growth at present rates. While it is very possible that the City of Morgan Hill will show greater growth than projected by ABAG, it is better for the EIR to err on the conservative side, and use a published projection from a respected government source of data. However, the provision of numbers out to 2030 is unnecessarily speculative (and simply unnecessary) and these numbers should be struck from the analysis.

Response to Comment 1-13

According to the noise impact analysis and discussions with Illingworth and Rodkin, Inc., exterior noise levels at this site are currently above the City thresholds for noise sensitive uses such as the approved assisted living facility. A childcare facility would be located at the corner of Mission View Drive and Cochrane Road and a commercial use would be located at the corner of De Paul Drive and Cochrane Road with the assisted living facility located in the center between those two uses. The passive 'outdoor' recreation area for the assisted living facility is located within an enclosed courtyard with a transparent (e.g. glass roof); therefore, most of the exterior uses for this assisted living facility are located indoors.

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The project applicant for this facility does propose a wandering path secured by walls. These walls do not function as a soundwall, but would likely attenuate noise at the exterior walkways of the assisted living facility. Based on the features incorporated into the approved assisted living facility, the increase in noise levels at the approved assisted living facility would not be considered significant.

Response to Comment 1-14

The key consideration under CEQA is whether or not a project would result in substantial adverse physical impacts associated with the provision of new or physically altered government facilities of which could cause significant environmental impacts in order to maintain acceptable service ratios, response times, or other objectives. The EIR addresses the need for increased police patrols within implementation of the proposed project. As stated on page 3.11-6 of the Draft EIR, the proposed project would generate an additional eight to twelve additional calls per day (approximately ten percent above existing city-wide demand) and the possible need to hire an additional patrol officer or officers to the police force. However, the increase in service demand would not require the provision of new or physically altered government facilities as the newly constructed police station could accommodate the increased demand.

The project applicant would be subject to development impact fees for public safety facilities, equipment, and training collected by the City of Morgan Hill (Section 3.56.030 of the City of Morgan Hill Municipal Code). Payment of standard development impact fees would provide funds for the maintenance of acquisition of equipment such as patrol cars. However, the use of specific security features, as required by Mitigation Measure 3.11-1 will be sufficient to augment existing police services to reduce service calls to the project site and would reduce this potentially significant impact to a less than significant level.

The Santa Clara County Fire Department was contacted and information was solicited regarding the adequacy of response times, anticipated service/facility demand, and regional emergency vehicle access during preparation of the Draft EIR and Final EIR. Individuals contacted include Ryan Rucker, William Ferguson, Assistant Chief Dirk Mattern (Fire Prevention Division), and Deputy Chief Steve Staump (Operations Division). As of September 29, 2005 the County of Santa Clara Fire Department has not submitted an official response. During the environmental review process, the County of Santa Clara Fire Department received copies of the Notice of Preparation (NOP) and the Draft EIR, and neither commented on these specific issues, however based on discussions with Ryan Rucker in March of 2005, the proposed project would not result in substantial adverse physical impacts associated with the provision of new or physically altered government facilities of which could cause significant environmental impacts in order to maintain acceptable service ratios, response times, or other objectives. As discussed in Section 3.11 of the Draft EIR, a third fire station is planned and will be located adjacent to the new

2.0 RESPONSE TO COMMENTS

South County Courthouse located on Butterfield Avenue. The project applicant would be subject to development impact fees for public safety facilities, equipment, and training collected by the City of Morgan Hill. In addition, the project applicant would be charged for fire inspection services and would be required to install fire suppression system at the project site, subject to review and approval by the City of Morgan Hill.

Response to Comment 1-15

Response to Comment 1-15a

The proposed project shifts the arterial north of Cochrane Road from De Paul Drive to Mission View Drive. De Paul Drive would remain as an arterial south of Cochrane Road, as designated under the General Plan Buildout scenario. General Plan Buildout Conditions, addressing this change in the circulation network, were analyzed in the traffic impact analysis conducted by Fehr & Peers, Inc., which was subsequently included in the Draft EIR.

Response to Comment 1-15b

The EIR identified a potentially significant impact with respect to transit facilities that serve the project site. Mitigation Measure 3.12-7 in Section 3.12, Transportation and Circulation, in the EIR requires that the project applicant construct a new bus stop along the project frontage, including transit amenities, such as a bus turnout, a shelter, and benches. Based on demand, more frequent transit service may be extended to the project area by the Valley Transportation Authority. This mitigation measure has been revised to ensure that the City of Morgan Hill work with the project applicant, Caltrain, and the VTA on ways to increase the frequency and coverage of transit service serving the project area and the nearest Caltrain station.

Response to Comment 1-15c

Comment noted regarding the distribution of traffic. The traffic impact analysis assumed a reduction of 25 percent from diverted link trips from U.S. Highway 101 and pass-by trips from residents located east of the project site along Cochrane Road. The majority of this percentage was comprised of diverted link trips that are traveling along U.S. Highway 101 to use the services at the project site, rather than pass-by trips based on the density of residential uses located east and southeast of the project site.

Response to Comment 1-15d

It is not clear from the commenter, which intersection is inconsistently analyzed and which part of the report was not clear on the number of lanes.

Response to Comment 1-15e

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According to Section 15125(a) of the CEQA Guidelines, the description of the physical environmental conditions of the project site and its surroundings under existing conditions is "as it exists" when the notice of preparation (NOP) is published. The NOP for the proposed project was distributed on November 12, 2004. The environmental setting is therefore based on publication of this notice and a list of cumulative projects supplied by City staff at this time.

Response to Comment 1-15f

The approved project list for the traffic impact analysis was developed in conjunction with City staff. The commenter is concerned about whether or not the South Santa Clara County Courthouse, which would be located at the corner of Diana Avenue and Butterfield Boulevard, was included in the background analysis. This project was not included in the background list. However, based on an analysis of the background plus project conditions, with the South County Courthouse included in the analysis, the proposed project would not have an impact on the Main Avenue/Monterey Road; Main Avenue/Butterfield Boulevard; and the Dunne Avenue/Butterfield intersections with the addition of the trips generated by the proposed project (Personal Communication with Jason Nesdahl, Fehr & Peers, Inc. on September 28, 2005). In addition, according to Jason Nesdahl with Fehr & Peers, the proposed project would not have a significant impact under cumulative conditions at these three intersections. The Dunne Avenue/Butterfield Boulevard intersection would operate at unacceptable conditions at LOS D with the addition of the South County Courthouse under the Cumulative No Project conditions. The proposed project would add additional traffic to this intersection, however, the proposed project would not exacerbate unacceptable operations at this intersection by increasing the delay by 0.01 or more at this intersection. Therefore, the effects of the proposed project at this intersection would not be considered significant according to the standards of significance for signalized intersections presented on page 3.12-10 of the Draft EIR.

Response to Comment 1-15g

As noted in Response to Comment 1-15e, the description of the physical environmental conditions of the project site and its surroundings under existing conditions is "as it exists" when the notice of preparation (NOP) is published, which in the case of the Draft EIR was on November 12, 2004. The environmental setting is therefore based on publication of this notice and a list of cumulative and background projects supplied by City staff at publication and submittal of this notice to the State Office of Planning and Research.

Response to Comment 1-15h

Comment noted. General Plan Buildout Conditions are discussed on page 3.12-30 through 3.12-31 of the Draft EIR.

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Response to Comment 1-15i

Comment noted. Alternatives evaluated in the Draft EIR included those that met the objectives of the proposed project, but reduced environmental impacts identified as significant impacts in the analysis of environmental resources. The objective of the proposed project is to construct a new 123,800 square foot Target store and an additional 533,450 square feet of commercial space, including a mix of retail uses and restaurants. An alternative to place a large grocery store at the location of the existing Target was not considered in the Draft EIR based on the fact that it did not meet the project objectives and that due to the significant hurdles, including voter approval and the large size of the existing Target store relative to what most supermarkets require, would be speculative.

Response to Comment 1-15j

Queuing along Cochrane Road is presented in the traffic impact analysis included in Appendix K and discussed on page 3.12-8 of the Draft EIR. Based on the results presented in the traffic impact analysis, the queuing along Cochrane Road in the vicinity of the project site was determined to be adequate for the proposed project.

As discussed in the traffic impact analysis, with the recommended lane improvements and traffic signal at Cochrane Road/Mission View Drive, only one eastbound left-turn lane would be provided to serve approximately 470 vehicles during the Saturday midday peak-hour. According to the queuing analysis calculations (included as Appendix E in the traffic impact analysis), a queue of 10 vehicles is estimated. This translates into a queue of 250 feet assuming an average spacing of 25 feet per vehicle. The westbound left-turn movement at the Cochrane Road/De Paul Drive intersection during the Saturday peak hour is projected to be less than 10 vehicles per hour. This would result in very short queue lengths (less than two vehicles). Based on queuing for the westbound left-turn at De Paul Drive, the eastbound left-turn at Mission View Drive could accommodate the 250 feet of storage length.

The turn pockets at the Cochrane Road/De Paul Drive intersection were analyzed to estimate the lengths needed to accommodate 'Project Conditions' traffic volumes. The 95th percentile queue was used in determining these estimates. According to the queuing analysis calculations (see Appendix E of the traffic impact analysis), a queue of ten vehicles for each lane is estimated for the eastbound left-turn lane into the project site. This translates into a queue of 250 feet assuming an average spacing of 25 feet per vehicle. The southbound leg of the intersection (on the project site), including left and right-turning vehicles is projected to have a queue of 7 vehicles. This translates into a queue of 175 feet. The volume in the westbound left-turn at Cochrane Road and De Paul Drive has less than ten vehicles per hour under 'Project Conditions.' The estimated queue for this movement is one vehicle length or 25 feet under Project Conditions. This pocket length should be designed in such a way that it could be extended in the future when the Murphy

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Avenue extension is connected to De Paul Drive to the south and Mission View Drive is also connected to Burnett Avenue to the north. According to Fehr & Peers, Inc. queuing distances at the Cochrane Road intersection with U.S. Highway 101 were determined to be adequate with implementation of the proposed project.

Response to Comment 1-15k

The traffic impact analysis and the Draft EIR present the levels of service, as well as the change in the critical volume-to-capacity ratio and the change in the critical delay associated with the proposed project, which would identify how close the proposed project came to the thresholds.

Response to Comment 1-15l

The background and cumulative project list was developed in conjunction with City staff, as discussed in Response to Comment #1-15f.

Response to Comment 1-15m

City staff will need to re-evaluate the designation of Half Road to see if an arterial designation is 'warranted.' City staff will need to evaluate the right-of-way needs and existing improvements. However this will not be done as part of the proposed project.

Response to Comment 1-16

Please see Response to Comment #1-10 above.

Response to Comment 1-17

Comment noted. Section 4.0, Alternatives to the Project, evaluated alternatives to the proposed project. Alternatives evaluated included those that met the objectives of the proposed project, but reduced environmental impacts that were identified as significant environmental impacts. Consistency of the proposed project with the *City of Morgan Hill General Plan* is evaluated within each section of the EIR. According to the project applicant and City staff, the proposed project was designed to meet the project objectives described on page 2-17 and 2-18 of the Draft EIR.

The commenter makes comments about the mix of land uses (e.g. fast food restaurants). Policy 10b in the *City of Morgan Hill General Plan* states "limit repetitive ancillary commercial uses, such as fast-food restaurants and service stations, on lands around all interchanges." The specific fast food restaurants have not been defined by the project applicant. However, the fast food restaurants would be integrated into the overall shopping center and would not consist of stand-alone restaurants. As part of the PUD, the City would limit the number of fast food restaurants within the shopping center. As the

2.0 RESPONSE TO COMMENTS

precise mix of fast food versus sit-down restaurants is not known at this time, as each specific use is proposed at the project site, additional review by the City would be required.

Response to Comment 1-18

The economic impact analysis analyzed the effects of the proposed project on downtown Morgan Hill. Specific comments regarding the downtown are addressed in Response to Comment Letter #2 and Responses to Comment Letter #12.

A specific response to concerns regarding the Association of Bay Area Governments (ABAG) numbers is addressed in Response to Comment 2-15. The impact of Coyote Valley was addressed in Response to Comment Letter #2.

Noise issues associated with the proposed project are addressed in Section 3.10, Noise in the Draft EIR.

Comment Letter #2

R. J. Lyle's Comments on the DiNapoli/Brownman EIR

Following are my comments, questions, etc. for the Cochrane – DiNapoli/Brownman EIR. To reduce redundancy, I will only comment on the more detailed portions of the EIR. A number of my comments for those sections also apply to similar EIR statements in the Executive Summary and Sections 1 and 2.

Items that I consider to be the most significant are preceded by an "S".

Section 3.1 – Aesthetics:

2-1 "S" - Pgs 3.1-11 -13 do not sufficiently address the MH gateway impact of the massive parking lots. Bemning is mentioned for the Cochrane Road frontage, but there is no indication of its height & ability to screen unsightly parking. Four to five foot evergreen shrubs are also mentioned, but no indication is given as to whether this is their ultimate height & whether it is sufficient for screening. It is true that the ARB will ultimately provide a review, but I don't believe that the Impact 3.1-1 "less than significant" can be supported without additional screening commitment/assessment now.

2-2 3.1-14 should also address the flashing of car lights from parking lots and intersections on the planned medical-related facilities just south of the project site & north of the existing DePaul medical facility.

Section 3.3 – Air:

2-3 "S" - This section needs to incorporate the polluting effects of the newly online Calpine Metcalf power plant, Table 3.3-5 for example. The power plant's pollutants need to be added to existing levels to estimate air quality in the project time frame. Tables may need to be updated & then mitigations reassessed, including adding in the values in Table 3.3-4 to assess air quality with the project.

2-4 MM 3.3-3 on 3.3-18 is overly optimistic with respect to trip reductions. The existing bus service is far too infrequent (hourly service & no evenings or week-ends) to attract many riders and there are too few homes within walking or biking distance.

2-5 Pg 3.3-5 (nit). Watsonville's distance & location on the other side of the mountains preclude it from being a valid air reference point for MH. Also, the reference to prior ozone levels in San Martin may no longer be pertinent because of the new power plant.

2-6 Pg 3.3-19 needs to add an assessment for additional sensitive receptors in the area. An assisted living project is about to get under way north of the DePaul Health Center, and other health-related facilities are planned there.

2-7 Section 3.4 – Biology: No comment other than the 250 foot radius in MM3.4-2 seems high.

2-8 Section 3.5 – Culture: No comment other than the nit that pg 3.5-4 figure references are incorrect.

Section 3.6 – Geology:

2-9 "S" – This section needs to assess the use of permeable concrete as a viable mitigation since most of the site is moderately permeable. It could potentially reduce parking lot flooding and the size & depth & bank instability of the detention basins. It would also help preserve the local water table.

Section 3.7 – Hazards:

2-10 The wells should be assessed for City use and especially project irrigation. This could change/reduce project mitigation & also beneficially affect the City's water system.

Section 3.8 – Water:

2-11 "S" - Again, this section should address the feasibility of permeable concrete. It could significantly help with the mitigations & regulatory/permitting issues addressed in this chapter. It would also be beneficial to the local water table.

Section 3.9 – Land Use & Planning:

2-12 "S" – Pg 3.9-11-16. This "lifestyle" center's dining and entertainment objectives are the same as for MH's downtown. The downtown is currently not doing well. It seems incorrect to assume that a project with similar objectives will not potentially have a negative, and possibly devastating, effect on the downtown. Even some of the secondary stores mentioned as possibilities for the project duplicate those currently located in the downtown. More assessment is warranted.

2-13 "S" 3.9-12. The discussion on restaurant impact should be broadened to include an assessment of community-wide impact if the 6 new fast food establishments overly duplicate existing chains, versus the impact should they be for underrepresented chains. The Cochrane Road restaurant discussion should also specifically address the 2 new restaurants now under construction there.

2-14 "S" – Pgs 3.9-13-15. Even though MH voters would have to approve it, the EIR should evaluate the feasibility of replacing most of the Target space with a grocery store and assess what effect this would have on Cochrane Plaza & its mitigations. A grocery here is now more feasible since the first 64 of 230+ housing units have now been approved on Cochrane east of Monterey, and many more east of Mission View.

Appendix for Land Use and Planning:

2-15 "S" - Pgs 6 bottom, & Table 3. The population estimates for 2020 & 2030 are erroneous (too low), distort long term analysis, & could dissuade stores from locating in the project or elsewhere in MH. ABAG appears to have NOT yet reflected MH's new General Plan or its new RDCS. The GP & RDCS are driving towards an easily achievable 48,000 population in 2020. Adding about 4500 (the typical recent historical value) for SOI residents not included in the City's pop would yield a 2020 SOI pop of 52,500, NOT the 48,900 shown. The 2030 numbers in Table 3 should be struck, 2030 is too far out for any reasonable estimate. If a number has to be used, a reasonable one for MH would be 55,500 +4500 = 60,000. Gilroy probably should also have higher numbers. (Some communities in SC County may see such a drop-off in pop growth in the 2010 to 2030 time frame because of insufficient new residential land to develop or because of a drop in persons/household, but this is NOT the case for MH.) The

Comment Letter #2 continued

target trade area pop numbers should also be included in Table 3 to show long range potential market pop, even though it would mean estimating how much Coyote Valley would develop by 2020 (& 2030 if that year is kept in the table).

2-16 Pgs 14, 17 etc. (nit) The drop in merchandise sales could also reflect the closure of K-Mart.

2-17 Pgs 20 & 21. The page 20 narrative mentions the opening of Home Depot. Since Building Materials is a key component of the project, Figure 10 should be updated to reflect more recent data if it is now available, or estimated if it is not. Figure 10 also has an incorrectly-labeled axis (nit).

2-18 "S" - Pg 22 Table 9. What is the basis for the "capture" percentages? Some appear to be rounded assumptions (25, 50, 90), others appear to be mathematically determined (74.7, 56.3 etc.). More importantly, what store mix (including restaurants) would provide a greater capture & how would that mix affect the project's potential for urban decay in MH's existing shopping areas & the downtown? This optimal capture store mix should also address what would likely attract the most business from Coyote Valley development, an area that many consider likely to start developing not long after this project completes.

2-19 "S" - Pgs 23 & 24 & Tables. Using a 100% capture ratio allows for the calculation of POTENTIAL, but it seems unrealistic to calculate supportable SF on any percentage higher than the sum of the current rates plus the additional capture info in Table 9. One example that belies the use of 100% is the narrative on pg 23 which indicates a strong demand for eating & drinking places, but NOT the fast food establishments which dominate this project. How would using a lesser percentage affect the economic conclusions?

2-20 "S" - Pgs 23 - 28, 40, 42. As mentioned earlier, many of the retail store types mentioned on these pages are already represented in the downtown, & the "lifestyle center" objectives largely overlap with those for MH's downtown. It seems reasonable that such a center would impact the downtown. The analysis on pg 40 implies that downtown restaurants are "coexisting" well. This assumption is NOT generally valid. Pg 40 also states that the project tenants are unknown & it would be "speculative" to assess their impact on the downtown, but the potential project stores mentioned & the similarity of objectives argue for a stronger analysis of the impact on downtown MH & its hoped-for growth. Downtown should also be included in the urban decay assessment which starts on pg 42.

2-21 Pg 30. The issue of this project potentially overserving existing MH restaurant chains should be addressed.

2-22 Pg 31 (nit): It would be more accurate to say that trade area population will be gradual until the Coyote Valley develops.

2-23 Pg 38. There are 2 additional restaurants under construction in Cochrane which should be included in this analysis. Lyons has been replaced (nit).

Section 3.10 – Noise:

2-24 Table 3.10-1 (nit): There are duplicate entries in this Table.

2-25 3.10-3, 4, 13, 14, & 17. There are additional sensitive receptors that need to be evaluated for noise impacts (see 3.3-19 above).

Section 3.11 – Public Services:

2-26 "S" - 3.11-2, 6, & 7. The fire/emergency medical unit response assessment needs more detail to support its conclusions, particularly Impact 3.11-2. What is the expected number of fire/EMU calls for this project? Would the extra load significantly accelerate the date for the 3rd MH station? Is the expected fire/EMU response time within City goals, and for more than one station? (El Toro is closest, but it is also the busiest & this could result in the project being serviced by a station which does not meet the City's response standard). How strong is the need to extend Mission View Dr. north of the project to make a Burnett connection for backup fire support from San Jose in case Cochrane is blocked? This northerly connection was included in the General Plan & there was discussion at the time indicating that when this area was developed that that would be the appropriate time for such a northerly connection.

2-27 3.11.3. (nit) Sobrato is also a nearby school.

Section 3.12 – Transportation & Circulation:

2-28 "S" - General comment on the traffic analysis. Traffic counts for "existing" conditions were based in 2004 (Pg 8 of Appendix K). The first phase of the project completes 9/07. This is 3 years from the 2004 traffic counts so 3 years of home completions should be used to establish "background" conditions, but only 2 were used. "Cumulative" analysis should reflect the final build-out of the project in 2010. This is 6 years from the base traffic count year, but only 3 years of additional housing was used for the analysis. I believe the disparities are largely because the City's list did not yet reflect the allotments awarded on 3/1/05. In past traffic reports large time lapses from measurements were resolved through adjustments & this is particularly easy to do for housing. The very large Courthouse (2006 completion) also needs to be included in the analysis. My primary concern is updating the Cochrane area numbers since this area received many recent residential allotments & is the area closest to the project. Mitigations could be affected. Estimating additional non-residential development should also be done.

2-29 3.12-8 (nit). It's a stretch to say that any route other than 16 is "in the project vicinity".

2-30 "S" - 3.12-14 top of page, and MM 3.12-1b. This project shifts the designated 4-lane arterial south of Cochrane from DePaul to Mission View. Is there adequate right of way on Mission View for a 4 lane configuration? The number of lanes and their configuration needs to be set up to accommodate a 4 lane arterial. The pavement width north of Cochrane also needs to be evaluated for the initial and ultimate time frames, including the pavement width needed for transitioning from 4 lanes down to 2 north of Cochrane. Changing this alignment may also shift more of the traffic south of Cochrane in the project vicinity to some very substandard roads such as Half Road & require mitigation.

2-31 "S" - Pg 3.12-22 Impact 3.12-7. The assessment of public transit facilities is incomplete. The current service is inadequate for this project. There is no evening or week-end service & most City residents would require transfers from other low-service lines to reach the site. For transit to be effective (& get the 2% reduction claimed on 3.3-18) the service would have to be substantially enhanced & this would then violate the first impact listed under Transit Facilities on 3.12-11. It's not just a function of whether the buses have sufficient capacity, it's also a function of whether they run sufficient hours & with sufficient frequency & other-line connectivity to effectively attract passengers. Either Public Transit needs additional mitigation or it is NOT reduced to a less than significant impact.

Appendix K. for Transportation & Circulation:

Comment Letter #2 continued

2-32 — Pg 8. The peak hours mentioned here may not be correct for MH.

2-33 — Pg 18. The Monterey Road/Main Ave. storage pocket plugs in the p.m. The 2006 Courthouse will exacerbate "pocket-plugging" in both the a.m. & p.m.

2-34 Pg 32 Table 8. Note 7 for Cochrane Road/Mission View indicates the addition of lanes, but no signal. Why isn't it signalized to remove the "F" level service? Pg 34 says it is. Perhaps the note & the service level in the table are in error.

Appendix E. Queuing Analysis:
What stacking distances are being supplied & how often are they likely to be exceeded? This is an area that was not really discussed. The table for Cochrane/DePaul Saturday eastbound in particular appears to indicate a potential problem. Even though the lineal distance is greater here than at Dunne/Condit/101, does DePaul/Cochrane/101 have a similar lane crossing & plugging problem?

2-35 Section 3.13 – Utilities: Were downstream wastewater trunk capacities analyzed & found to be sufficiently-sized?

Section 4.4 – Project Alternatives:
"S" - There is another alternative worth evaluating: a supermarket INSTEAD of movie theatres. This alternative has several advantages: 1) It satisfies a General Plan & community need. 2) It eliminates 657 (857 – 200 per pg 4-12) parking spaces! (This substantial parking reduction could be used to have a smaller, more environmentally friendly project; or the space could be used for additional retail which hopefully would help with the recapture problem.) 3) It would eliminate the impact on Tennant Station.
"S" – Table 4-3 is incomplete without a substantive analysis of how well the proposed project meets the project's objectives on pgs 2-17 & 18, and the City's General Plan Goals and Policies on pgs 3.9-4 & 5. The projected store mix does not appear to meet a number of the economic objectives and General Plan Goals as well as a more complementary mix would. The current mix is also substantially at odds with Policy 10b with respect to fast food restaurants. Many people feel MH is oversaturated with fast food establishments & this project is contemplating SIX more, and potentially even the same chains currently well-represented in the community.

Ralph J. Lyle

2.0 RESPONSE TO COMMENTS

Response to Letter 2 – Commissioner Ralph J. Lyle – August 11, 2005

Response to Comment 2-1

Analysis of aesthetics under the California Environmental Quality Act (CEQA) focuses on adverse impacts to a designated scenic vista and/or degradation of the visual character of the project site and its surroundings. As discussed in Response to Comment 1-7, the proposed landscaping plan presented in Figure 2-10 of the Draft EIR includes installation of a berm and planting of shrubs and trees adjacent to Cochrane Road to screen the parking lot from adjacent roadways and land uses. Since publication of the Draft EIR, the landscaping plan has been modified and is included in Section 3.0, Amendments to the EIR. According to the landscape architect, the height of the berm along Cochrane Road will depend on how much fill is generated from grading at the project site, but the intent of the berm and proposed landscaping is to create a buffer between the project site and Cochrane Road.

Response to Comment 2-2

The majority of the traffic would enter and exit the project site from the main entrance at the intersection of De Paul Drive/Cochrane Road, however access to the project site would also be provided by the proposed Mission View Drive/Cochrane Road intersection. According to the site plan for the assisted living facility, a commercial/office use would be located at the southeast corner of the De Paul Drive/Cochrane Road intersection and a day care facility would be located at the southwest corner of the Mission View Drive/Cochrane Road intersection. The approved assisted living facility would be located between these two uses. The flashing of car lights from cars entering and exiting the project site would primarily occur during the evening hours as cars are waiting at these two intersections for the traffic signal to change. The day-care facility and the commercial/office use would likely be closed during the evening hours. The assisted living facility is set back from Cochrane Road away from the intersections and would be removed from the flashing of headlights along the roadway. Therefore, the flashing of headlights would be considered less than significant at these uses.

Response to Comment 2-3

See Response to Comment 1-8 regarding the effects of the Calpine Metcalf power plant on the ambient air quality.

Response to Comment 2-4

Mitigation Measure 3.3-3 estimates the total reduction in emissions with implementation of the trip reduction plan. However, even with a slight reduction in the amount of air pollution with incorporation of these mitigation measures, the increase in the long-term

2.0 RESPONSE TO COMMENTS

operational air emissions associated with the proposed project would be significant and unavoidable. The Draft EIR identified a potentially significant impact with respect to transit facilities that serve the project site.

As discussed in Response to Comment #1-15, Mitigation Measure 3.12-7 in Section 3.12, Transportation and Circulation, in the EIR requires the project applicant to construct a new bus stop along the project frontage, including transit amenities, such as a bus turnout, a shelter, and benches. Based on demand, more frequent transit service may be extended to the project area by the Valley Transportation Authority. Mitigation Measure 3.12-7 has been amended to ensure that the City of Morgan Hill work with the project applicant, Caltrain, and the VTA on ways to increase the frequency and coverage of transit serving the project area.

Response to Comment 2-5

Comment noted. The Watsonville and Hollister monitoring station mentioned on page 3.3-5 of the Draft EIR were referenced as the two closest stations which monitor respirable particulate matter (PM₁₀), as the air quality monitoring stations closest to the project site do not monitor respirable particulate matter. See Response to Comment #1-8 regarding the Calpine Power Plant.

Response to Comment 2-6

The assisted living facility noted by the commenter would be located south of the project site along Cochrane Road between De Paul Drive and Mission View Drive. The assisted living facility is discussed in Response to Comment 1-13.

Localized concentrations of Carbon Monoxide (CO) are the primary concern for sensitive receptors as noted on page 3.3-19 of the Draft EIR. Typically areas of high CO concentrations or "hot spots" are associated with signalized intersections operating at poor levels of service (LOS E or worse). The two intersections, Mission View Drive/Cochrane Road and the De Paul Drive/Cochrane Road intersections located in the vicinity of the project site would operate at acceptable levels of service with the installation of traffic signals at these two intersections. Predicted 8-hour worst-case CO levels were measured at the intersections of Cochrane Road with U.S. Highway 101 and impacts were found to be less than significant.

Response to Comment 2-7

Comment noted. Based on a personal communication with Jessica Nadolski, Conservation Biologist with PMC who prepared the biological resource analysis for the propose project, the 250 feet distance may be reduced to 100 feet in consultation with the project biologist

2.0 RESPONSE TO COMMENTS

to meet the requirements described in Mitigation Measure 3.4-2. This mitigation measure has been revised to reflect this reduction.

Mitigation Measure 3.4-2 on page 4.3-29 of the Draft EIR has been revised as follows:

MM 3.4-2 If proposed construction activities are planned to occur during the nesting seasons for local avian species (typically February 1st through August 31st), the project applicant shall retain a qualified biologist approved by the City to conduct a focused survey for active nests of raptors and migratory birds within and in the vicinity (i.e., any suitable breeding habitat in accessible parcels adjacent to the project area that the biologist deems could be disturbed by construction activities) of the construction area no more than 30 days prior to ground disturbance. If active nests are located during preconstruction surveys, construction activities shall be restricted as deemed necessary by the qualified biologist to avoid disturbance of the nest until it is abandoned or the biologist deems disturbance potential to be minimal. Restrictions may include establishment of exclusion zones (no ingress of personnel or equipment at a minimum radius of 250-100-feet or as determined by a qualified biologist around the nest) or alteration of the construction schedule. No action is necessary if construction will occur during the nonbreeding season (generally September 1st through January 31st).

Response to Comment 2-8

Comment noted. Figures noted on page 3.5-4 of the Cultural Resources section of the EIR should be 3.5-2A, 3.5-2B and 3.5-2C. The second paragraph on page 3.5-4 of the Draft EIR has been modified as follows:

The primary structure is similar to the previously mentioned primary residence, however, it was built in 1912 and has a side entrance and square bay window in the rear. There are six structures associated with this residence, including two wood-sided barns, a wood-sided shed, a metal-framed hay barn, a pump house and a restroom. The hay barn and restroom were constructed in the 1970's or 1980's when the property was an equestrian boarding facility. The age of the other structures is uncertain and did not consist of any unique design or construction. All buildings lacked maintenance. Photographs of this residence and associated outbuildings are shown in **Figures 23.5-2A, 23.5-2B, and 23.5-2C**.

Response to Comment 2-9

Commenter requests that Section 3.6, Geology and Soils, of the Draft EIR assess the use of permeable concrete within the parking lots of the proposed project. City staff does not

2.0 RESPONSE TO COMMENTS

support the use of permeable concrete at the proposed parking lot as it is not an established or widely accepted method for addressing stormwater runoff. The long-term reliability of permeable concrete as a pavement surface is not a proven technology. Therefore, City staff does not support introducing a new technology to a project of this magnitude and scale.

Response to Comment 2-10

Please see Response to Comment #1-10.

Response to Comment 2-11

Commenter notes that Section 3.6, Geology of the Draft EIR assess the use of permeable concrete within the parking lots of the proposed project. As discussed in Response to Comment 1-9, City staff does not support the use of permeable concrete at the proposed parking lot.

Response to Comment 2-12

See Response to Comment #1-12 and Response to Comment #13-1.

Response to Comment 2-13

Further clarification from the project applicant and the City of Morgan Hill on the types of restaurants under consideration, would be necessary to determine the community-wide impacts if the six new fast food establishments duplicate existing chains that are located in the City. This information has not currently been provided by the project applicant and was not available at the time of preparation of the economic impact analysis conducted by BAE and is not anticipated to create a secondary economic impact.

Response to Comment 2-14

Alternatives evaluated in the Draft EIR included those that met the objectives of the proposed project, but reduced environmental impacts identified as significant impacts in the analysis of environmental resources. The objective of the proposed project is to construct a new 123,800 square foot Target store and an additional 533,450 square feet of commercial space, including a mix of retail uses and restaurants. An alternative to place a large grocery store at the location of the existing Target was not considered in the Draft EIR based on the fact that it did not meet the project objectives and that due to the significant hurdles, including voter approval and the large size of the existing Target store relative to what most supermarkets require, would be speculative.

2.0 RESPONSE TO COMMENTS

Response to Comment 2-15

Since the Draft EIR is an informational document and not a marketing document, it is not likely that the low population estimates will dissuade retailers seeking a Morgan Hill location. In fact, these estimates are high relative to what many retail site locators might see. Bay Area Economics first considered short-term population numbers from a private vendor (such as those used by site locators for national retail chains) that were considerably lower than those used in the Draft EIR. In fact, the marketing site for Terranomics, the brokerage leasing space in the proposed project, uses even lower numbers, showing a population decrease for the center's trade area from 2000 through 2013. An examination of housing construction trends in Morgan Hill indicated that these assumptions of population decline or very limited growth were likely incorrect, and at that time BAE, in consultation with City staff, selected the Association of Bay Area Governments (ABAG) projections as the baseline source for population estimates and projections. While the City of Morgan Hill has historically shown an ability to build to its annual cap, there is no guarantee that this will continue into the future, or that household sizes will be maintained at current levels to generate population growth at present rates. While it is very possible that the City of Morgan Hill will show greater growth than projected by ABAG, it is better for the EIR to err on the conservative side, and use a published projection from a respected government source of data. Even using higher population estimates would only marginally increase the leakage analysis and would not change the basic premise of this analysis. However, the provision of numbers out to 2030 is probably too speculative and simply unnecessary and these numbers should be struck from the analysis.

It was decided not to attempt to estimate the Target trade area numbers long-term, precisely because it would be "guesstimating" given the high factor of unpredictability regarding Coyote Valley. While a policy change by the City of San José might lead to earlier construction of new housing, the City of San José, in looking out for its own fiscal interests, could also change its policies regarding the construction of region-serving retail, and thus capture a significant portion of the retail expenditures that might otherwise go to the City of Morgan Hill. Additionally, the production of a large number of housing units directly north of the City of Morgan Hill could have unpredicted effects on housing demand in Morgan Hill itself, leading to lower rates of population growth.

Response to Comment 2-16

Comment noted. The closure of the K-Mart should have been noted in the economic impact analysis as being a factor, along with the new stores opening in the City of Gilroy, although the beginning of the decline predates its closure. Almost as interesting is the limited level of decline in 2003, although the store closed early that year. There was likely good reason this store was selected for closure, and the Morgan Hill Target probably captured a good portion of their sales.

Response to Comment 2-17

More recent data in a comparable form is not available. In doing its supportable square footage analysis, however, Bay Area Economics reviewed more recent sales tax data from the city (in a different format so trending was not possible), and noted that sales had increased dramatically in this category following the opening of the Home Depot store and expansion of Johnson Lumber; it should also be noted that sales tax reporting data lags by approximately four to six months. The demand analysis, as shown in Table 9 of the economic impact analysis (Appendix I in the Draft EIR) and elsewhere, takes into account the opening of the Home Depot. The y-axis label in Figure 10 in the economic impact analysis should read "Taxable Building Improvement Store Sales" rather than "Taxable Restaurant Sales."

Response to Comment 2-18

The "mathematically determined" percentages are based on rounded percentages from Appendix G, where due to data disclosure rules from the State Board of Equalization not all capture rates can be presented. Table 9 in the economic impact analysis presents the data in a more summarized form, where the weighted averages calculated from Appendix G can be presented. The more rounded numbers are percentages that come directly from Appendix G where aggregation of categories was not done.

Bay Area Economics used a capture rate of existing sales based on the types of tenants typical of a new, high-quality retail center of the type proposed. Many of the specific tenants are unknown, so it would be highly speculative to do more than this general set of assumptions regarding capture of existing retail potential. Also, Bay Area Economics uses industry benchmark to estimate demand without taking into consideration consumer buying patterns or the sales goal for a particular retail store.

Response to Comment 2-19

The capture of additional existing sales in Table 9 (p.22) of the economic impact report is based on the presence of new or improved store types allowing the City of Morgan Hill to capture sales that would "leak" out of the city under current conditions (i.e., without the new center); capture of additional sales from population growth is a separate analysis and represents an overall capture rate and thus can be higher than the capture of leakage only or current capture rates. For some categories, it is not an unreasonable assumption that the City of Morgan Hill should capture 100 percent of new sales, for instance, for fast food restaurants, most of the demand is going to be local, and to the extent that some local resident sales occur elsewhere, this will be replaced by sales to non-residents driving on Highway 101. For some other categories, 100 percent capture of the increment of new sales might seem high, but as the population grows and reaches "critical mass" for new

2.0 RESPONSE TO COMMENTS

store types, and the City of Morgan Hill can capture sales from outside the trade area, it may achieve capture rates of 100 percent or even higher.

Response to Comment 2-20

While based on similar objectives, it may seem possible that the opening of the proposed project may preclude certain opportunities. However, in reality it is extremely unlikely that the types of tenants that will be attracted to this new center would choose to locate in downtown Morgan Hill in the absence of this center. This center will attract national and regional chain tenants able to pay higher rents, as contrasted to downtown with lower rents affordable to local and start-up businesses. Furthermore, the analysis considers impacts on existing conditions for downtown or future projects that are currently foreseen, not those that may merely be indicated by objectives by the City. As a result, Bay Area Economics does not believe that the potential for urban decay resulting from the proposed project is considered significant.

Response to Comment 2-21

See Response to Comment #2-19 regarding the proposed project's impact on Morgan Hill's restaurant chains.

Response to Comment 2-22

Relative to the "lumpy" nature of big-box retail additions, the effect of Coyote Valley development will still be gradual as not all units will be constructed and occupied simultaneously. Furthermore, if residential development in Coyote Valley remains tied to achievement of various job thresholds, growth may still be more "gradual."

Response to Comment 2-23

See Response to Comment 2-19 and Response to Comment 2-20 above regarding restaurants. The economic impact of the additional restaurants would have a minimal impact on the overall analysis. The development of the two restaurants off Cochrane Road began after the EIR work was started.

Response to Comment 2-24

Comment noted. The duplicate entry for Frequency, HZ has been stricken from Table 3.10-1 by reference.

2.0 RESPONSE TO COMMENTS

Response to Comment 2-25

Comment noted. See Response to Comment 1-13 regarding the assisted living facility. The first paragraph on page 3.10-4 has been modified to address the approved assisted living facility.

Sensitive receptors in the vicinity of the project site include two single-family homes located south of the project site along Cochrane Road; single family homes at the corner of Cochrane Road and Mission View Drive located approximately 100 feet from the southeast corner of the project site; several rural residential homes located approximately 1,000 feet north of the project site on Peebles Avenue; an approved assisted living facility and day care center located approximately 100 feet south of the southern border of the project site; and residential homes located 1,300 feet east of the project site along Peet Road.

Response to Comment 2-26

See Response to Comment #1-14 regarding police and fire service impacts. During the update of the *City of Morgan Hill General Plan*, there were discussions regarding the connection of Burnett Avenue to Mission View Drive. However, no policies or action statements were added to the General Plan to address this issue. The traffic impact analysis and Section 3.7, Hazards and Hazardous Material in the Draft EIR did not indicate that the proposed project would impair or physically interfere with an adopted emergency response plan or emergency evacuation plan. Therefore, the proposed project would not require extension of Mission View Drive for emergency access.

Response to Comment 2-27

Comment noted. Sobrato High School is located at 401 Burnett Avenue approximately two miles northwest of the project site across U.S. Highway 101.

Response to Comment 2-28

See Response to Comment #1-15g.

Response to Comment 2-29

Comment noted. No response is necessary.

Response to Comment 2-30

Comment noted. See Response to Comment #1-15a.

2.0 RESPONSE TO COMMENTS

Response to Comment 2-31

The impact of the proposed project on public transit facilities is discussed in Impact 3.12-7 not in Impact 3.12-11 as noted by the commenter. See response to Comment 1-15.

Response to Comment 2-32

The analysis of peak hour traffic conditions were evaluated based on standard practice in consultation with the City of Morgan Hill Public Works Department.

Response to Comment 2-33

The commenter notes that the Monterey Road/Main Avenue operates at unacceptable levels of service in the PM peak hour and notes that the County of Santa Clara Courthouse would, in his opinion, exacerbate this condition. Under Background Plus Project, the Main Avenue/Monterey Road intersection would operate at LOS C during the AM and PM peak hour and at LOS C+ during the Saturday peak hour. The impact of the South County Courthouse would add 50 trips to this intersection during the AM peak hour and 37 trips during the PM peak hour. With the addition of these trips, this intersection is not anticipated to operate at an unacceptable level of service (Personal Communication with Jason Nesdahl with Fehr & Peers, Inc. on September 27, 2005).

Response to Comment 2-34

Comment noted. Mitigation Measure 3.12-1b would require the project applicant to install a traffic signal with proposed left-turn phasing on all approaches in order to increase the level of service within acceptable levels of service.

Response to Comment 2-35

The commenter is concerned about what stacking distances were being supplied and how often they are likely to be exceeded. Queuing along Cochrane Road is presented in the traffic impact analysis included on page 39 of Appendix K and discussed on page 3.12-8 of the Draft EIR. This issue is also addressed in Response to Comment #1-15j.

Response to Comment 2-36

The proposed project would be consistent with the *City of Morgan Hill Sewer System Master Plan* and based upon discussions with City staff, the downstream wastewater trunk capacities were found to be sufficient for the proposed project.

Response to Comment 2-37

Alternatives to the proposed project were selected that met the project objectives, but that avoiding or reduced subsequent impacts associated with the proposed project. As one of the objectives of the proposed project was "to create an atmosphere of fun, entertainment, and relaxation for customers in addition to a shopping experience" the proposed cinema was included in the project description, as well as in the alternatives, as it met the project applicants objectives, as well as presenting a "worst case" analysis for the purposes of the environmental review.

Response to Comment 2-38

Table 4-3, Comparison of Alternatives to the Proposed Project describes the consistency with the project's objectives under "Consistency with Project Objectives," the last row on the table on page 4-23 of Section 4.0, Alternatives to the Project. Consistency with the *City of Morgan Hill General Plan* is discussed within this section. The proposed project has been designed to meet the objectives described on pages 2-17 and 2-18 of the Draft EIR.

Policy 10b in the *City of Morgan Hill General Plan* states "limit repetitive ancillary commercial uses, such as fast-food restaurants and service stations, on lands around all interchanges." The specific fast food restaurants have not been defined by the project applicant at this time. However, the fast food restaurants would be integrated into the overall shopping center and would not consist of stand-alone restaurants. As part of the PUD, the City would limit the number of fast food restaurants within the shopping center.

Comment Letter # 3

1455 Sherbrooke Street West, Suite 2703
Montréal, Québec H3G 1L2
August 16, 2005

Rebecca Tolentino, Associate Planner
City of Morgan Hill
17555 Peak Avenue
Morgan Hill, California 95037-4128

Re: Cochrane Road Planned Unit Development
Environmental Impact Report

Dear Ms. Tolentino:

I read with great interest and attention the entire Environmental Impact Report. My enumerated comments and suggestions that follow relate to the plan in general; then there is a brief discussion of the negative impact on my 20 acres located directly east of and adjacent to the site, APN 728-36-006 and APN 728-36-001. The extension of Mission View Drive north of Cochrane is of the greatest significance to me since it will have the most immediate effect. I have, therefore, included a list of requests that will mitigate damages to me.

- 3-1** 1. Though I understand why the City, the owners of the site and its developers want the project, I have empathy for the owners and tenants of existing shopping centers in Morgan Hill who may subsequently suffer from the competition. I also have questions about the future status of Downtown.
- 3-2** 2. The concept of a "pedestrian-oriented lifestyle design" is trendy. I don't see, however, how the project as presented will meet that goal. Shoppers want both efficiency and a pleasurable experience. Unless the Center is distinctive and inviting, it will not appeal to customers who already have many choices available to them in Gilroy and San José, and those choices will soon increase. People travel from San Francisco and the Peninsula to Gilroy for discount shopping and to the Stanford Shopping Center for high-end merchandise. What will be Morgan Hill's attraction?
- 3-3** 3. The selection of anchors will influence the decisions of retailers and other tenants to locate there. Duplicating what is already nearby will not create a Destination Center.
- 3-4** 4. I was deeply disappointed by the Site Plan [Figure 2-8] and the Conceptual Elevations [Figure 2-9]. The overall impression is of a park for automobiles. The architectural style is derivative and does not reflect the new spirit of Morgan Hill as an aspiring, progressive community. Morgan Hill deserves better. When I visited in July, I was pleasantly surprised by the imaginative plan and look of the Industrial Park and by the quality of the recently built homes and those under construction on both sides of Cochrane. Surely the Shopping Center could be more innovative.
- 3-5** 5. When Mission View Drive is extended farther north, the northeastern Gateway to Morgan Hill will be uninviting and visually unattractive unless special attention is devoted to the screening wall and landscaping behind the anchors.

Comment Letter # 3 continued

3-6 6. Instead of a large supermarket, a smaller grocery such as Whole Foods or Trader Joe's will be more suitable.

3-7 7. Space allocated for parking could be reduced by a multi-level garage, thereby allowing greater areas for plazas, shady spaces and cultural programs that would achieve the City's goal of enhancing "fun, entertainment, and relaxation".

3-8 As planned, the extension of Mission View Drive will occupy about 10% of my property and remove income-producing vines. I am apprehensive that additional land may be necessary for the reconfiguration of the intersection of Mission and Cochrane, for a traffic signal, and possibly for a bus stop and shelter. Years ago, as part of the Cochrane Road Assessment District, I was assessed when a sewage line was installed, though no hook-ups have been permitted. In 1998, when Mission Ranch was developed, the City required a portion of my property to widen Cochrane Road. As yet, I've derived no benefit from any of those projects.

3-10 The EIR proposes a zoning change and General Plan Amendment for the PUD but its construction will adversely affect my adjoining parcels with their designation of R-1 for both the City land and for the County land within the City's sphere of influence. With that zoning, my land will be devalued. Single-Family medium density will become a less desirable location because of the proximity to a Regional Shopping Center that, as cited in the EIR, will increase traffic, noise and spillover lighting. When the General Plan will be reviewed in the future, a transitional zone with R-2 or mixed commercial-residential would be more appropriate.

3-11 Having spoken to real estate developers, the tax assessor, insurance agents and LAFCO, I request mitigation measures that:

- ❖ Mission View Road be extended on the property that will profit from it -- the 66.49 acres of the project in contrast to my diminishing vacant and agricultural acres;
- 3-12 ❖ the land for the road and other improvements be purchased at a fair price;
- 3-13 ❖ the City annex the County portion without my making a formal application;
- 3-14 ❖ the City accept the dedication of the road.

Thank you for the opportunity to comment. I hope that my suggestions will be useful and that my requests will meet with your approval.

Respectfully submitted,



Miriam Roland

2.0 RESPONSE TO COMMENTS

RESPONSE TO LETTER 3 – MIRIAM ROLAND – AUGUST 19, 2005

Response to Comment 3-1

Comment noted. The impact of the proposed project on downtown Morgan Hill is discussed in the Draft EIR and in Response to Comment #2-12.

Response to Comment 3-2

Comment noted. The commenter is concerned about the proposed project design and does not raise an environmental issue. No response is necessary.

Response to Comment 3-3

Comment noted. The commenter is concerned about the retail anchor stores and does not raise an environmental issue. No response is necessary.

Response to Comment 3-4

Comment noted. The commenter is concerned about the project design and does not raise an environmental issue. No response is necessary. New elevations have been prepared since publication of the Draft EIR and are available for review at the City of Morgan Hill Community Development Department.

Response to Comment 3-5

Comment noted. The proposed project would include a screening wall and landscaping along the eastern border of the project site adjacent to the Mission View Drive extension. Since publication of the Draft EIR, the landscaping plan has been modified and is included in Section 3.0, Amendments to the EIR. According to the conceptual landscaping plan, trees and shrubs are proposed along the northern border of the project site at the edge of the detention pond and the large anchor stores (Major #1 and #8).

Response to Comment 3-6

Comment noted. A supermarket is not included in the proposed project, but included as a project alternative “Alternative 2 – Supermarket Alternative.” If this alternative is selected, two in-line major stores would be replaced with a 50,000 square foot supermarket. A specific tenant for this supermarket has not been identified, however the proposed project would not preclude a smaller grocery store.

2.0 RESPONSE TO COMMENTS

Response to Comment 3-7

Comment noted. Construction of a multi-level garage at the project site was not included in the project description. A parking garage would allow for additional landscaping, etc. If this were considered as part of the proposed project, construction of a multi-level parking garage could create additional visual impacts that would require additional environmental review under the California Environmental Quality Act. In addition, construction of a parking structure could render the project financially infeasible.

Response to Comment 3-8

Land will be required for intersection improvements and a traffic signal at Mission View and Cochrane; however, the exact amount of land needed for the improvements has not yet been determined. A bus stop is required for the proposed project as discussed in Response to Comment #1-15, however, it is not anticipated to be located along Mission View Drive.

Response to Comment 3-9

The property owner will benefit from the Cochrane Road Assessment District (CRAD) at the time the site is annexed into the City and developed, as utilities will be available to serve the site. With respect to the widening of Cochrane Road, Mrs. Roland was not "compensated" for the land required for the roadway widening with monetary compensation. Instead, the developer of Mission Ranch agreed to accept full burden for the cost to construct the full width of Cochrane Road. Typically, property owners are required to provide 'half-street' improvements along their project frontage at time of development. Mrs. Roland benefited from the Cochrane Road widening in that she will not need to widen the street when she develops her property.

Response to Comment 3-10

The project site and adjacent county land (Roland property) have been designated as Commercial and Single-family Medium in the *City of Morgan Hill General Plan*, respectively, for at least 15 years. The project site has also been identified as a location for regional commercial development since that time. The proposed shopping center would be consistent with the existing commercial land use designation.

At this time, the City of Morgan Hill does not have plans to change the land use designation of the Roland property from Single-family Medium to Multi-family or Mixed Use. However, should the property owner wish to pursue this change, she could file a General Plan Amendment application with the City. It should be noted that the City is initiating the annexation of 17 sites/areas that have been identified as unincorporated 'islands' within the Morgan Hill Urban Service Boundary, including the Roland property. It

2.0 RESPONSE TO COMMENTS

is anticipated that the Roland property will receive a zoning designation of either R-1(7,000) or R-1(9,000) upon annexation into the City, consistent with the Single-family Medium land use designation. Should the commenter pursue a General Plan Amendment to change the current land use designation to Multi-family or Mixed Use, she will also need to apply for a Zoning Amendment to ensure the zoning is consistent with the General Plan. The City would evaluate General Plan Amendment and Zoning Amendment requests at time of application.

Response to Comment 3-11

When a roadway is planned between two properties, it has been the policy and practice of the City to straddle the roadway evenly between the adjoining parcels, as both properties will benefit from the new road. The Roland property will benefit from the Mission View Road extension at the time the site is developed. In addition, it is the City's policy to minimize offsets in the design of new roadways. The proposed Mission View extension will need to connect with the existing Mission View/Cochrane intersection to the south and Vista de Lomas Avenue to the north. If the extension is constructed entirely on the 66.49-acre site, then an offset in the road would be created.

Response to Comment 3-12

Compensation for any required right-of-way and land dedication will be negotiated between the project applicant and the property owner.

Response to Comment 3-13

The Roland property has been identified as one of 17 sites/areas that are unincorporated 'islands' located within the Morgan Hill Urban Service Boundary. The City of Morgan Hill is currently in the process of annexing these 'islands', including the Roland property. As discussed above, it is anticipated that the zoning for the Roland property will be either R-1 (7,000) or R-1(9,000) upon annexation into the City, consistent with the Single-family Medium land use designation.

Response to Comment 3-14

Mission View Road will be a public street. Therefore, after the roadway has been constructed and inspected to the satisfaction of the Public Works Department, the City would accept the roadway dedication.

Comment Letter # 4

County of Santa Clara

Roads and Airports Department

Land Development and Permits

101 Skyport Drive

San Jose, California 95110-1302

(408) 573-2460 FAX (408) 441-0275



August 22, 2005

Ms. Erika Spencer
Senior Planner
Pacific Municipal Consultants
585 Cannery Road, Suite 304
Monterey, CA 93940

Subject: Draft Environmental Impact Report(DEIR) for Cochrane Road Planned Unit
Development (PUD)
City of Morgan Hill

Dear Ms. Spencer,

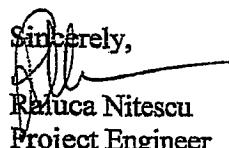
Your July 15, 2005 letter along with the Draft Environmental Report for the subject project was received on August 2, 2005 and reviewed. Our comments are as follows:

4-1 1. Improve Condit, Half, and Peet Roads to accommodate two way traffic and shoulders for bicycle use.

4-2 2. The intersection of Main Avenue and Condit Road is impacted by the proposed project and needs geometric and traffic signal upgrade.

Thank you for the opportunity to review and comment on is project.
If you have any questions, please call me at (408)-573-2464.

Sincerely,


Raduca Nitescu
Project Engineer

Cc: City of Morgan Hill, Community Development Department
RJM,DEC, MA, WRL, File

2.0 RESPONSE TO COMMENTS

Response to Letter 4 – County of Santa Clara Department of Roads and Airports – August 22, 2005

Response to Comment 4-1

Comment noted. No specific impacts to these roadways were identified by the traffic impact analysis. The project applicant would be required to contribute development impact fees to the City of Morgan Hill for roadway improvements in the City of Morgan Hill.

Response to Comment 4-2

Comment noted. The traffic impact analysis evaluated the intersection of Main Avenue and Condit Road. The level of service under background conditions with project and cumulative plus project conditions would have a level of service (LOS) of B during the AM peak hour and LOS B+ during the PM peak hour and the Saturday peak hour. Therefore, the proposed project would have a less than significant impact on this intersection. No mitigation measures are necessary.



DEPARTMENT OF TRANSPORTATION

P. O. BOX 23660
OAKLAND, CA 94628-0660
(510) 286-4444
(510) 286-4454 TDD

Comment Letter # 5

Flex your power!
Be energy efficient!

August 22, 2005

SCL-101-R17.82
SCL101787
SCH2004112060

Ms. Rebecca Tolentino
City of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037-4128

Dear Ms. Tolentino:

Cochrane Road Planned Unit Development – Draft Environmental Impact Report (DEIR)

Thank you for continuing to include the California Department of Transportation (Department) in the environmental review process for the proposed project. We have reviewed the DEIR and have the following comments to offer.

Forecasting

5-1 1. Table 3.12-3, page 3.12-15: The trip generation rate for Saturday Peak Hour Movie Theater is too low when compared with the ITE, 7th Edition, #443.

5-2 2. Percentage reduction for Shopping Center ranges from 20% to 49%. The ranges should be from 20% for Daily and 25% for the rest as stated on page 3.12-14.

5-3 3. Percentage reduction for Theater ranges from 17% to 35%. This differs from what is stated on page 3.12-14.

Highway Operations

5-4 1. Under mitigation measures, the DEIR identifies the impact to US-101 as significant and unavoidable. Therefore, the developers should pay their fair share fee contribution towards any future improvements to the impacted US-101 freeway system.

5-5 2. Explain why the DEIR does not list the impacts and mitigation measures that have been evaluated in the traffic report for the intersections of Cochrane Road/northbound US-101 ramp.

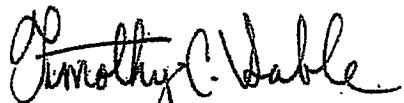
5-6 3. Provide a queue analysis for intersection #6 (US-101(N)/ Cochrane Road) mitigated scenario.

Comment Letter # 5 continued

Ms. Rebecca Tolentino
August 22, 2005
Page 2

Should you require further information or have any questions regarding this letter, please call José L. Olveda of my staff at (510) 286-5535.

Sincerely,



TIMOTHY C. SABLE
District Branch Chief
IGR/CEQA

c: Scott Morgan (State Clearinghouse)

2.0 RESPONSE TO COMMENTS

Response to Letter 5 – California Department of Transportation – August 22, 2005

Response to Comment 5-1

Comment noted. As stated on page 3.12-14 of the Draft EIR, the rate for the proposed movie theatre was the Institute of Traffic Engineers (ITE) rate for multi-plex movie theatres, number #445. The rate noted by the commenter was for a movie theatre without a matinee, number #443.

Response to Comment 5-2

Comment noted. The percentage reductions for the proposed project fall within the ranges noted by the commenter.

Response to Comment 5-3

Comment noted regarding the range in the percentage reduction for trips associated with movie theatres. The traffic impact analysis for the proposed project used a 20 percent reduction for the peak hour trip generation and a lower internalization reduction of 10 percent for daily trips to reflect the lower volume of traffic on roadways during non-peak hours, which falls within the range noted by the commenter.

Response to Comment 5-4

Comment noted. The project applicant would be required to pay their fair share of traffic impact fees to the City of Morgan Hill. Regardless of the payment of development impact fees for roadway improvements, the impact to U.S. Highway 101 would be considered significant and unavoidable. The City Council would be required to adopt a document called a 'statement of overriding consideration' for each significant and unavoidable impact identified in the Draft EIR, if they find that the benefits of the proposed project overcome the environmental burdens created by the significant environmental impacts. If the City can't make this finding, then the proposed project would not be approved.

Response to Comment 5-5

The traffic impact analysis evaluated the Cochrane Road/Northbound U.S. Highway 101 ramp. The level of service (LOS) for this intersection would operate at LOS B during the AM peak hour, LOS C during the PM peak hour, and LOS E during the Saturday peak hour under background plus project conditions. Intersection operations at signalized freeway ramp intersections, as discussed in the standards of significance in the Draft EIR on page 3.12-10 are considered unacceptable when they deteriorate from an acceptable level of service (LOS E or better) to an unacceptable level (LOS F). Therefore, the proposed project

2.0 RESPONSE TO COMMENTS

is not operating at an unacceptable level of service and no impact was identified. No mitigation measures are necessary.

Response to Comment 5-6

Queuing along Cochrane Road is discussed in Response to Comment #2-35.

Comment Letter # 6

Robert J. Benich
2435 Fountain Oaks Drive
Morgan Hill, CA 95037

August 24, 2005

Ms. Rebecca Tolentino
Associate Planner
City of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037

Subject: Comments Regarding Draft EIR for Cochrane Road PUD

Dear Ms. Tolentino:

This letter contains my comments regarding the subject draft EIR. Overall, this EIR lacks three important features for a large project PUD:

- 6-1 • Lack of a Water Conservation plan
- 6-2 • Lack of an Energy Management plan
- 6-3 • Lack of a Public Art plan

As we diminish scarce resources, it is increasingly important for large-scale projects to be aware of and to address how they will reduce their impact on the environment. It is necessary for large projects to use currently available technology for mitigating their use of energy for lighting, heating, cooling, airflow, and supplying hot water. An Energy Management Plan needs to be developed to show a comparison in energy needs between similar projects and this Cochrane Road PUD. The plan should have a goal for reducing its energy requirements through innovative energy saving methods and discussing each in detail.

It is also necessary for these types of projects to reduce their needs for precious water supplies. A large scale project such as this one should have a plan for:

- 6-5 1) Recycling wastewater from dishwashers, showers and other "grey water" sources to be used for landscape requirements.
- 6-6 2) Using one or more of the four wells currently on the property for landscape needs.
- 6-5 3) Planning to use low flow toilets, urinals, showers and other water saving devises in all stores and restaurants.

Comment Letter # 6 continued

August 24, 2005
Page 2

There is an existing operating irrigation well on the Millerd-Low property and this should be part of a water conservation plan for this project.

Finally, this project needs to specifically address how public art will be integrated into the overall project. The Morgan Hill General Plan encourages the use of public art and this large scale PUD should have a specific plan for what and how it intends to provide that enhancement for the public good.

The present draft EIR needs to have the above three plans added in order for this document to be comprehensive and complete. More detailed comments follow.

6-7

3.2.2. Regulatory Setting

3.1 Aesthetics

Community Development

Policy 12h in the Morgan Hill General Plan encourages installation of public art in new non-residential projects. This large scale PUD should specifically address how it will enhance the beauty and add to the delight and enjoyment of patrons to this massive shopping complex. A visit to many new shopping complexes throughout the state of California readily shows how developers have added public art for the benefit of residents and visitors. This is a Potentially Significant Impact and must be addressed by a mitigating Public Art Plan.

3.9 Land Use

Impact 3.9-3b

Assisting locally owned small businesses

Specifically, how will the City of Morgan Hill "... fund programs aimed at assisting locally owned small retailers"? There are no specific programs listed in the EIR; yet, this will have a potentially significant impact on local business owners.

6-8

Mitigation Measures MM 3.9-4, -5 & -6 I disagree with the conclusion that the listed mitigation measures will reduce the potential for shopping center "urban decay" to less than significant. Maintaining cleanliness, providing seminars for local retailers, and applying for RDA programs will not prevent a decline in business for local retailers. I maintain that this is still a Potentially Significant impact; it may be unavoidable, but it is still potentially significant.

3.11 Transportation & Circulation

Impacts 3.12-2 & 3.12-12 Traffic Impacts

These two items look identical. Suggest they be merged.

6-9

Comment Letter # 6 continued

3.13 Utilities

	<u>Impact 3.13-1</u>	<u>Waste Products</u>
6-10	It is unacceptable to have such a broad estimate for waste products. The report lists a range or 0.8 to 8.3 tons/day – a <u>factor of ten</u> difference. Based on the types of stores in this proposed center the engineering estimate should be closer to a <u>factor of two</u> difference. There should be more accurate numbers available from other similar projects.	
	<u>Impact 3.13-3</u>	<u>Demand for Potable Water</u>
6-11	For this large scale project there needs to be well calculated numbers for the estimated daily demand for water, including: 1) landscaping needs 2) drinking & cooking water 3) washing, cleaning & sanitary needs	
6-12	The water use estimate should take into account the options for a supermarket (with & without) and multi-screen theatre complex (with & without). There should be a comparison to similar projects and a plan for <u>reducing</u> the amount of water estimated to be needed. For example, there is an existing operating irrigation well on the Millerd-Low property and this should be part of a water conservation plan for this project. This well could be used for irrigation for this project.	

Sincerely,



Robert J. Benich, P.E.

2.0 RESPONSE TO COMMENTS

Response to Letter 6 – Robert Benich – August 24, 2005

Response to Comment 6-1

As discussed in Section 3.11, Utilities, the proposed project would increase the demand for potable water. However, the existing water system can accommodate the proposed project and the proposed project would not deplete groundwater supplies and/or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the groundwater table as is required to be analyzed under the California Environmental Quality Act. Water conservation measures may be incorporated as conditions of project approval, but would not reduce a potentially significant impact due to water consumption at the project site under the California Environmental Quality Act.

Response to Comment 6-2

Energy demands associated with the proposed project are addressed in Section 6.1, Irreversible Environmental Changes. The proposed project would result in an increased intensity of development with the conversion of the project site to a commercial center. A variety of nonrenewable and limited resources would be irretrievably committed for project construction and maintenance, including energy. These energy resource demands relate to initial project construction, transport of people and goods, and lighting, heating and cooling of buildings. In response to Letter #15 received by the Bay Area Air Quality Management District, a mitigation measure has been incorporated into the EIR that requires the project applicant to incorporate a number of design features into the project design to reduce area source emissions and energy demands associated with the proposed project. These measures include: carefully selecting and locating trees to provide shade for structures and pathways within the project site during the summer months; incorporation of as many energy conservation features as possible into the project design and construction of new buildings at the project site (e.g. increased wall and ceiling insulation beyond code requirements, super insulated windows, and maximum energy efficient lighting); installation of super efficient heating, ventilation, and air conditioning systems; and incorporation of light colored and reflective roofing materials into the project design. With implementation of this mitigation measure, the proposed project would not involve the wasteful use of energy.

Response to Comment 6-3

The commenter notes that Policy 12h in the *City of Morgan Hill General Plan* encourages installation of public art in new non-residential projects. Appendix G, in the California Environmental Quality Act requires that under 'aesthetics/visual resources' an EIR address whether or not a project will have a substantial adverse effect on scenic resources or a scenic vista, scenic resources within a State Scenic Highway or substantially degrade the visual character of the project site and its surroundings. Incorporation of public art as

2.0 RESPONSE TO COMMENTS

required by Policy 12h in the *City of Morgan Hill General Plan* would enhance the project site. City staff indicates that the project applicant is open to the concept of providing public art and would be willing to consider requests/proposals for the installation of public art at the proposed project. However, this is not considered a significant impact under visual resources per the California Environmental Quality Act.

Response to Comment 6-4

See Response to Comment #6-2.

Response to Comment 6-5

See Response to Comment #6-1.

Response to Comment 6-6

See Response to Comment #1-10.

Response to Comment 6-7

See Response to Comment #6-3.

Response to Comment 6-8

The commenter requests more information on specific programs the City of Morgan Hill will fund that will assist locally owned small retailers as indicated in Mitigation Measure 3.9-5. Impact 3.9-3b seems to be with respect to major tenants, not small locally owned retailers. However, Mitigation Measure MM 3.9-5 includes some examples of programs for small businesses are listed. As noted in this mitigation measure, programs that would assist locally owned small retailers include: business seminars sponsored by Target and the project developers to educate local retailers, or other programs geared towards small business assistance, such as a kiosk at the proposed project providing information on shopping opportunities in Downtown Morgan Hill or other centers. These programs could be financed using a percentage of the sales tax revenue generated by the proposed project. Also see Response to Comment #13.

The less than significant impact is with respect to Lawrence Oaks and Tennant Station. Cochrane Plaza, the other center relevant to this section, may result in a secondary significant and unavoidable impact from urban decay. These impacts are related to actual physical decay resulting from a decline in business, not a decline in business itself, which alone is not considered a potentially significant impact under the California Environmental Quality Act.

2.0 RESPONSE TO COMMENTS

Response to Comment 6-9

Comment noted. Impact 3.12-2 addresses project related impacts to the segment of U.S. Highway 101 between Tennant Avenue and Dunne Avenue and Impact 3.12-12 addresses cumulative impacts to this segment as required by the California Environmental Quality Act.

Response to Comment 6-10

Comment noted. The commenter believes that waste generation rates obtained for similar commercial projects are considered too wide. As discussed on page 3.13-6 of the Draft EIR, neither the City of Morgan Hill nor the South Valley Waste and Disposal have adopted waste generation rates for purposes of evaluating impacts to city services. Although the waste generation rates anticipated for the proposed project vary, the waste management provider has sufficient capacity to accommodate the waste disposal needs of the proposed project within the Pacheco Pass Landfill currently serving the City of Morgan Hill.

Response to Comment 6-11

Comment noted. The estimated water demand is based on the *City of Morgan Hill Water Master Plan* for commercial uses at the project site. The *City of Morgan Hill Water Master Plan* estimates the total water demand for commercial uses based on a variety of uses and for landscaping associated with these uses. As the range of specific 'commercial' uses proposed at the project site is not known at this time, it is difficult to predict the specific water use requirements for each retail establishment.

Response to Comment 6-12

According to Section 15126.6, Consideration and Discussion of Alternatives to the Proposed Project, the range of alternatives required in an EIR is governed by a "rule of reason" that requires the EIR to set forth only those alternatives necessary to permit a reasoned choice. Alternatives shall be limited to ones that would avoid or substantially lessen any of the significant effects of the project. Of those alternatives, the EIR need examine in detail only the ones that could feasibly attain most of the basic objectives of the project. Elimination of the theatre was not an alternative evaluated in the Draft EIR as it did not meet the objectives of the proposed project and therefore was not addressed in the Draft EIR. Water use associated with the alternatives, including the 'Supermarket' Alternative are evaluated in Section 4.0, Alternatives to the Project, however water use associated with this alternative would not vary substantially from the proposed project.

Please see Response to Comment #1-10 as to the reasons why City staff does not support using the on-site well for municipal use.

Comment Letter # 7

DangKhoa T. Vo
18610 Serra Avenida
Morgan Hill, CA 95037
August 26, 2005

City of Morgan Hill
Community Development Department
17555 Peak Avenue
Morgan Hill, CA 95037-4128
Attn: Rebecca Tolentino, Associate Planner

RE: COMMENTS REGARDING THE COCHRANE ROAD PLANNED UNIT DEVELOPMENT

Dear Miss Tolentino,

Thank you for the opportunity to review the Draft Environmental Impact Report (DEIR) prepared for the aforementioned development. As homeowners in the Mission Ranch Development, my wife and I are in support of the Development and very pleased to have had the opportunities to meet and to discuss the project with the developers. We believe the developers are upfront with the residents on the issues and want to do what is best for all parties. With that said, we have some comments after reviewing the DEIR and want to make sure they are addressed as part of the EIR process prior to the City granting project approval to the developer.

Comments:

I. Section S-2 Project Alternatives Considered, page S-2.
7-1 In the middle of this paragraph, "From the remaining options, Alternative 2, the "Reduced Density Alternative," would be the environmentally superior alternative and would result in a lesser degree of environmental impact as compared to the proposed project.

This is inconsistent with the Alternatives listed in Section 1.0 on page 1.9, where Alternative 2 is listed as the Supermarket Alternative. What is the correct alternative identified in Section S-2?

II. Executive Summary table, Noise Impact 3.10-2 – It lists an additional 22,009 daily weekday automobile trips on the existing roadway network, it lists this as a "Significant Project Impact" but there are no mitigation measures identified for this impact. It states that it is a short-term significant and unavoidable project impact. This is highly unusual in that a new development that can generate a new 22,000 daily trips per weekday is identified as a "short-term significant unavoidable project impact". How is the term "short-term" defined? If the noise level is generated/increased due to this project and on a daily and continual basis, it cannot be short-term. This is a project induced/created noise level and it must be addressed and mitigated. Saying that the increase noise level is short-term and unavoidable is unacceptable.

7-2

III. The majority of noise generated will come on the weekend. Was there an analysis on the additional trips generated on a Saturday or Sunday? And if so, were there any mitigation measures proposed? There have to be some mitigation measures to address this noise issue on the weekend.

7-3

IV. Executive Summary table, Noise Impact 3.10-5 – the proposed project would contribute to cumulative traffic noise at sensitive receptors along Cochrane Road – it is a "Significant Cumulative Impact" but no mitigation measures were identified. It states that it is a.

7-4

Comment Letter #7 continued

7-4 "Significant Unavoidable Cumulative Impact". This cumulative impact would not be significant if it wasn't for the added traffic generated by the project. It must be addressed and mitigated. Saying that it is unavoidable is unacceptable.

V. The proposed lane configurations described in various locations in the DEIR don't match up with what is shown in Figure 2-8 and Figure 2-10 at both new proposed intersections. It described 1 through lane in the EB direction at Cochrane and De Paul but the figures show 3 through lanes. It also described 1 shared left-turn/through lane and 1 right-turn lane at Mission View and Cochrane but the figures show 3 through lanes, a left-only, and a right-only. This makes it difficult to comment on the lane configurations of the proposed intersections.

7-5

VI. Section 2.0 – Site Access and On-Site Circulation. Mission View/Cochrane Rd intersection: On the proposed southbound Mission View Drive – instead of a shared through/right-turn lane and a left-only; change to left-only, 1 through, and a right-turn only lane, this right-turn only lane would allow drivers to get onto Cochrane Rd faster and avoid a stacking of cars at this intersection, avoiding exhaust fumes and noise from getting to the residents immediately across from the intersection.

7-6

VII. Section 2.0 – Site Access and On-Site Circulation. Mission View/Cochrane Rd intersection: On the proposed eastbound Cochrane Rd – instead of a shared through/left-turn lane and a right-only; change to left-only (with a long stacking lane), and a wide through/right-turn lane. This will allow delivery trucks to wait at the left turn-only lane and not delaying residential traffic from coming into the subdivisions.

7-7

VIII. Traffic will increase on Mission View Drive between Cochrane Rd and E. Dunne Ave due to this development but there are no mitigation measures along Cochrane Rd to address the increase in traffic and potential for accidents. There are two entry points to the Mission Ranch Development along Mission View Drive and when traffic is increased, the potential for accidents will increase with it. There have to be some kind of mitigation measures in place to mitigate this significant impact.

7-8

IX. Would like to see a different type of usage for the pad at the corner of Mission View and Cochrane instead of a restaurant because the smell from the kitchen will be over the residential area all the time and it is not something we want to smell all the time (no matter how good it may be), not 7 days a week and 365 days of the year.

7-9

We would like to have a response to our comments as part of the EIR process.

Sincerely,
Dangkhoa T. Vo
(by e-mail)

Comment Letter # 7 continued

DangKhoa T. Vo
18610 Serra Avenida
Morgan Hill, CA 95037
August 26, 2005

City of Morgan Hill
Community Development Department
17555 Peak Avenue
Morgan Hill, CA 95037-4128
Attn: Rebecca Tolentino, Associate Planner

RE: COMMENTS REGARDING THE COCHRANE ROAD PLANNED UNIT DEVELOPMENT - 2nd LETTER

Dear Miss Tolentino,

Please include this letter as a follow-up to my first letter, my first letter may not have been very clear on these points:

Comments:

7-10 My various comments regarding lane configurations at the two new signalized intersections should be minimum, there should be more additional through lanes in all directions at both intersections, similar to what is shown on Figure 2-8 and Figure 2-10.

All the infrastructure improvements and street/lighting/sidewalk improvements should be done as part of Phase I.

7-11 III. The majority of noise generated will come on the weekend. Was there an analysis on the additional trips generated on a Saturday or Sunday? And if so, were there any mitigation measures proposed? There have to be some mitigation measures to address this noise issue on the weekend.

I believe the DEIR mentioned that the Institute of Transportation Engineers (ITE) does not require an analysis for the weekends and none was made. If this is the case, I disagree with this assumption. This will be a shopping center next to residential developments, traffic will be heavy mostly on the weekend (and holidays) and this impact should be determined. They only have to look at Gilroy to see how much traffic it has generated at the various interchanges due to the developments. If this was an analysis for an expressway, a street, etc. I'd agree with their assessment for weekdays traffic impact but the usage proposed is completely different and a traffic analysis and traffic forecasts should be done for the weekends also. Mitigation measures then should be based on the traffic impacts on weekends and weekdays traffic forecasts.

We would like to have a response to our comments as part of the EIR process.

Sincerely,
Dangkhoa T. Vo
(by e-mail)

2.0 RESPONSE TO COMMENTS

Response to Letter 7 – DangKhoa T. Vo – August 26, 2005

Response to Comment 7-1

Comment noted. The 'Reduced Density Alternative' was incorrectly noted as 'Alternative #2' in Section 4.5, Environmentally Superior Alternative on page 4-22 of the Draft EIR. The third paragraph on page 4-22 of the Draft EIR has been revised to reflect the correct alternative:

CEQA Guidelines Section 15126.6(e)(2) requires that the environmentally superior alternative be identified. If the environmentally superior alternative is the 'No Project' Alternative, the EIR shall also identify an environmentally superior alternative among other alternatives. In this case, Alternative 1, 'No Project/No Development,' represents the environmentally superior alternative because, as determined from the above analysis, most impacts would be reduced relative to the proposed project. However, the 'No Project/No Development' meets none of the project objectives and is inconsistent with the General Plan and zoning land use designations. From the remaining options, Alternative 2, the 'Reduced Density Alternative,' would be the environmentally superior alternative and would result in a lesser degree of environmental impact as compared to the proposed project. This is due primarily to the reduced impacts related to traffic, parking and circulation and associated reduction in noise and air quality impacts that would result from the reduced square footage. However, this scenario would not be financially feasible to the project applicant and would not meet the applicant's project objectives or the City's objectives to provide commercial retail shopping center that serves the local and regional market, results in a net fiscal benefit to the City, reduces sales dollar leakage, and creates new jobs for the City of Morgan Hill. **Table 4-3** compares each considered alternative with the proposed project.

Response to Comment 7-2

As discussed in Impact 3.10-2, Operational Noise Impacts – Increases in Traffic Noise, on pages 3.10-13 and 3.10-14 of the Draft EIR, exterior noise levels at the two residences located south of Cochrane Road currently exceed the City of Morgan Hill's maximum "normally acceptable exterior noise levels" of 60 dBA L_{dn} for residential uses at an L_{dn} of 64 dBA. With the addition of traffic from the proposed project, exterior noise levels at these residences would increase by approximately 4 dBA to 68 dBA L_{dn} . To reduce the proposed project's contribution to the existing and projected traffic noise levels in excess of 60 dBA L_{dn} at these existing residences, a noise barrier fronting these uses (e.g. wall or a berm, or combination of the two) would attenuate the noise sufficiently to meet the City of Morgan Hill standards for residential uses. However, the noise impact analysis prepared by Illingworth and Rodkin, Inc. determined that constructing a noise barrier would not be feasible along Cochrane Road because driveways and De Paul Drive would require

2.0 RESPONSE TO COMMENTS

openings in the barrier that would not effectively block the noise. In addition, such a barrier would create a subsequent traffic safety hazard related to inadequate sight distances for vehicle ingress and egress at the openings for the driveways. Therefore, it was determined that construction of a noise attenuation barrier at this location would be considered infeasible.

This impact was considered a short-term significant and unavoidable impact based on the fact that the properties where these two structures are located is designated for commercial uses in the *City of Morgan Hill General Plan* and one of the single family homes is currently vacant. Due to the planned urbanization in the project vicinity, it is likely that these homes may be developed for commercial uses in the future. Therefore, the Draft EIR determined that this impact would be considered a short-term significant and unavoidable impact in the interim until these properties are developed for commercial uses. Future development on these properties would likely occur after build out of the proposed project.

Response to Comment 7-3

The traffic impact analysis included in Appendix K of the Draft EIR analyzed the number of trips during the AM and PM peak hour during the weekday and on the Saturday peak hour. As discussed in the traffic impact analysis, although the project's peak trip generation occurs on Saturday, the combination of project traffic and other cumulative traffic is lower on weekends than during the weekday commute hours. Therefore, noise levels from traffic on the weekends would not vary significantly over noise levels during the weekday and would result in a significant and unavoidable impact as discussed above.

Response to Comment 7-4

As discussed in Impact 3.10-5 in Section 3.10, Noise, project generated traffic and traffic associated with cumulative development would increase the L_{dn} at the two homes located south of the project site across Cochrane Road to 70 dBA under cumulative conditions with project-generated traffic. As discussed in the traffic impact analysis, although the project's peak trip generation occurs on Saturday, the combination of project traffic and other cumulative traffic is lower on weekends than during the weekday commute hours. As discussed in Response to Comment #7-2, to reduce the proposed project's contribution to the existing and projected traffic noise levels in excess of 60 dBA L_{dn} at these existing residences, a noise barrier fronting these uses (e.g. wall or a berm, or combination of the two) would attenuate the noise sufficiently to meet the City of Morgan Hill standards for residential uses. However, the noise impact analysis prepared by Illingworth and Rodkin, Inc. determined that constructing a noise barrier would not be feasible along Cochrane Road because driveways and De Paul Drive would require openings in the barrier that would not effectively block the noise. In addition, such a barrier would create a subsequent traffic safety hazard related to inadequate sight distances for vehicle ingress and

2.0 RESPONSE TO COMMENTS

egress at the openings for the driveways. Therefore, it was determined that construction of a noise attenuation barrier would be considered infeasible.

This impact was considered a short-term significant and unavoidable impact based on the fact that the properties where these two structures are located is designated for commercial uses in the *City of Morgan Hill General Plan* and one of the single family homes has been vacated. Due to the urbanization in the project vicinity, it is likely that these homes may be developed for commercial uses in the future. Therefore, the Draft EIR determined that this impact would be considered a short-term significant and unavoidable cumulative impact in the interim until these properties are developed for commercial uses. Future development on these properties would likely occur after build out of the proposed project.

Response to Comment 7-5

Comment noted. The lane configuration was not clearly designated on the site plan in Figure 2-8 of the Draft EIR, however the site plan shown in the traffic impact analysis (dated June 2005) assumed the lane geometry for the Cochrane Road/De Paul Drive intersection is assumed as follows:

- Northbound (De Paul Drive): one shared left/through lane and one right-turn lane.
- Westbound (Cochrane Road): one left-turn lane, two through lanes, and one right-turn lane.
- Southbound (project driveway): one shared left/through lane and two right-turn lanes with a separate overlap phase.
- Eastbound (Cochrane Road): two left-turn lanes, one through lane, and one shared through/right-turn lane.

The following lane configuration is assumed for the unsignalized intersection at Cochrane Road/Mission View Drive:

- Northbound and Southbound (Mission View): one left-turn lane and one shared through/right-turn lane.
- Westbound (Cochrane Road): one left-turn lane and one shared through/right-turn lane.
- Eastbound (Cochrane Road): one shared left-turn/through lane and one right-turn lane.

2.0 RESPONSE TO COMMENTS

The site plan is attached to Section 3.0, Amendments to the Draft EIR.

Response to Comment 7-6

Based on the analysis conducted by Fehr & Peers, Inc. the signalization and lane geometry of Mission View Drive/Cochrane Road intersection, as required by Mitigation Measure 3.12-1b, would ensure that this intersection operate at acceptable levels of service at LOS C.

Response to Comment 7-7

See Response to Comment #7-6 above.

Response to Comment 7-8

Comment noted. Traffic safety and site access was evaluated for the proposed project. No safety hazards were identified along Mission View Drive south of Cochrane Road. As discussed in Section 3.12, Transportation and Circulation and in Appendix K (Volume III) of the Draft EIR, the proposed project includes two additional driveways on Mission View Drive to provide access to the project site. As part of the traffic impact analysis, Fehr & Peers, Inc. evaluated the driveways and determined that the two driveways behind the movie theatre complex on Mission View Drive should be eliminated in order to eliminate the potential for vehicle conflicts with pedestrians, as required by Mitigation Measure 3.12-3. Mitigation Measure 3.12-3 has been revised to require the project applicant to work with the City to incorporate traffic calming improvements at the driveways located along Mission View Drive to minimize pedestrian and vehicle conflicts at the project site. The traffic impact analysis also evaluated southernmost driveway on Mission View Drive (i.e. the first driveway north of the Cochrane Road intersection), which showed no left-turn restrictions. Fehr & Peers, Inc. determined that given the proximity of this project driveway to Cochrane Road that this driveway should be designated a right-turn in and out driveway (i.e. signs should be posted prohibiting left turn movements into and out of the project site at this driveway).

Response to Comment 7-9

Comment noted. The commenter notes that they disagree with the restaurant pad at the corner of Mission View Drive and Cochrane Road due to odors that may be generated by this type of use. The project applicant has not identified a specific restaurant for this pad.

The Bay Area Air Quality Management District (BAAQMD) monitors odors through its Regulation 7, which requires the BAAQMD to take certain enforcement actions after receiving ten or more complainants over a 90-day period. Once review under Regulation 7 is initiated, the BAAQMD would collect air samples and determine the dilution threshold necessary to render the odor to an undetectable level. If the measured dilution rate

2.0 RESPONSE TO COMMENTS

exceeds a 4:1 ratio at the property line or the standard for the given height of the emission source, then the operator must reduce odor emissions to below the threshold.

Response to Comment 7-10

See Response to Comment #7-3 above.

Response to Comment 7-11

As discussed in the traffic impact analysis, although the project's peak trip generation occurs on Saturday, the combination of project traffic and other cumulative traffic is lower on weekends than during the weekday commute hours. Therefore, noise levels from traffic on the weekends would not vary significantly over noise levels during the weekday and would result in a significant and unavoidable impact as discussed above.

As discussed in Section 3.12, Transportation and Circulation and in Appendix K (Volume III) of the Draft EIR, an analysis of the weekday AM and PM peak hour traffic and Saturday peak hour traffic was evaluated in the EIR. Mitigation measures were included to mitigate traffic impacts during all peak hours. With respect to the analysis of freeway level of service impacts, evaluation of peak Saturday conditions is not required under the CMP guidelines and Caltrans' data indicates that weekend peak hour volumes are approximately 25 percent lower than weekday peak hour volumes in the project vicinity. Therefore, an analysis of Saturday peak hour traffic was not conducted for the proposed project.

Comment Letter # 8

From: Rebecca Tolentino
To: Ashley Trewman
Date: 8/26/05 6:21PM
Subject: RE: Comments on Draft EIR for proposed Development at CochraneRd and 101

Hi Ashley -

I want to make sure that I address all of your concerns, so I've formatted my response by first copying an excerpt from your e-mail (**bold text**) and then following up with a reply (*italics*). If there is something you think that I've missed, please let me know. Also, if you have specific concerns regarding the environmental impact report (EIR), I would highly encourage you to submit your specific comments in writing so that it can be included in the final EIR. I also encourage you to attend the upcoming public hearings so that you can voice your concerns directly to the Planning Commission and City Council.

Can you describe what you mean by "wholesale store" or can you give an example. I was wondering if this meant a grocery store of some kind. Personally our neighbors and I are hoping for a Whole Foods or Nob Hill and certainly a Trader Joes would be wonderful.

An example of a wholesale store could be Smart & Final. It is not intended to mean a grocery store. One of the alternatives that the EIR evaluates is the possibility of replacing two of the in-line major buildings with a grocery store approximately 50,000 sf in size. We completely agree with you and your neighbors that it would be WONDERFUL to have a Whole Foods or Trader Joes in Morgan Hill!

I notice that some of the "plazas" if you will, don't seem to be doing so well on the whole. I certainly don't have numbers of study or anything so I could be very wrong but just based on my observation and things I read in the paper it seems there is some depression.

It is the City's understanding that the overall vacancy rate for the larger shopping centers in Morgan Hill (including Vineyard Town Center, Tennant Station, Cochrane Plaza and Lawrence Oaks Center) is approximately 5 percent, which is considered very low. Excluding the bowling alley in Tennant Station, only a few smaller lease spaces are vacant.

As part of the Cochrane Road PUD EIR, an economic study was completed to see what impact, if any, the proposed project would have on the existing shopping centers. The report states that the proposed project would compete with the other shopping centers. However, it is not anticipated to create significant physical impacts to the other shopping centers (meaning, it would not result in a situation where tenant spaces become vacant, cannot be leased out to new tenants and would consequently create physical decay or blight within the shopping center), with the exception of Cochrane Plaza. There is concern that with the loss of Target, Cochrane Plaza may be impacted significantly. The EIR proposes mitigation measures to reduce some of the impacts, and the City will work with Target to backfill their space in Cochrane Plaza. However, even with these mitigation measures, the EIR states that the loss of Target in Cochrane Plaza would result in a significant and unavoidable impact.

What is the theory or understanding about how a new shopping development will do well? Trust me, I'm all for keeping MH dollars in MH rather than down in Gilroy but I think the idea with the Cochrane / 101 project (and hopefully so) is to create a "neighborhood" / "town" shopping experience only with an up to date look and feel. I don't know how it can give Gilroy a run for its money unless it is planned BIG. Which of course I don't think we all want to see happen to the extreme.

The Morgan Hill General Plan designates the project site as a 'Sub-Regional Commercial Site'. Therefore, this project is intended to have a sub-regional draw, meaning it is intended to attract customers from outside of Morgan Hill in addition to Morgan Hill residents. The design of the shopping center is intended to be pedestrian friendly and inviting, but still attract a larger customer base.

Comment Letter # 8 continued

... where are the new tenants customers expected to come from?

The developers have stated that they are working hard to attract businesses that will not duplicate those already in Gilroy. However, as you know, we do not know yet who the other tenants will be.

Is there a ratio understanding of population per square mile to square footage of grocery store space that may have been studied? Likewise with the other types of retail?

I am personally not aware of an exact ratio for either a grocery store or retail use. However, I can tell you that a few years back a study was completed that showed a need for an additional grocery store in Morgan Hill. There is also a General Plan policy that calls for a grocery store on the east side of the freeway along Cochrane Road. Therefore, if the project were approved with a grocery store, it would be consistent with the General Plan.

To be honest, if I may vent one unrelated but possibly relevant frustration. We are already dealing with speeding cars and SUV's containing people taking their test drive from Morgan Hill Ford Store, utilizing Cochrane Road and onto Peet Road directly behind our house. This is one example of how a neighborhood can be negatively impacted literally overnight.

According to the conditions of The Ford Store's approval, test driving is restricted to the freeway and Condit Road only. Therefore, if people are test-driving vehicles on Peet Road, The Ford Store would be in violation of their conditions of approval. If you'd like, you could file a code enforcement complaint, and the City's Code Enforcement Officer will look into the matter. Complaint forms can be found on the city's website.

Again, thank you for your comments Ashley.

Rebecca

>>> "Ashley Trewman" <Atrewman@legacytsi.com> 08/26/05 03:14PM >>>
Hello again Rebecca -

Thank you for your time and explanation. I realize it's still a bit nebulous in regard to tenant occupancy so I can appreciate how this may be speculative at this point. However, I am sure there is a science to planning something of this magnitude especially in this day and age so there has probably been a great deal of consideration on the Developers side as to who and what they can expect to lease to. Not just a "build it and they will come" mentality. I can certainly see a target (no pun intended) of up to two anchors as being a good goal.

Can you describe what you mean by "wholesale store" or can you give an example. I was wondering if this meant a grocery store of some kind. Personally our neighbors and I are hoping for a Whole Foods or Nob Hill and certainly a Trader Joes would be wonderful. But I'm sure this is the sentiment of allot of people including the Developer.

If I may play devils advocate for just a moment. I have a question that I'm curious what the City's view is on as I've only seen the question asked or alluded to but never answered. We are new residents to Morgan Hill having moved here just over 1 year ago now. I notice that some of the "plazas" if you will, don't seem to be doing so well on the whole. I certainly don't have numbers of study or anything so I could be very

Comment Letter # 8 continued

wrong but just based on my observation and things I read in the paper it seems there is some depression.

What is the theory or understanding about how a new shopping development will do well? Trust me, I'm all for keeping MH dollars in MH rather than down in Gilroy but I think the idea with the Cochrane / 101 project (and hopefully so) is to create a "neighborhood" / "town" shopping experience only with an up to date look and feel. I don't know how it can give Gilroy a run for its money unless it is planned BIG. Which of course I don't think we all want to see happen to the extreme.

Frankly with only a Target having come forward thus far - a store which already exists only a quarter of a mile away - I'm a bit worried this is all premature. Probably if the Developer is offering a "commit early" deal or discount to entice additional anchors then perhaps they will come more eagerly but where are the new tenants customers expected to come from?

I don't know that Morgan Hill is growing that quickly - actually I hope not. For example, already with 2 Safeway's an Albertsons and a Nob Hill, I think grocery stores may be covered I'm afraid. Is there a ratio understanding of population per square mile to square footage of grocery store space that may have been studied? Likewise with the other types of retail?

I realize Rome wasn't built in a day and I understand neither are they intending to do with this project. So fortunately there are probably inherent growth safety valves in place. Probably they can pull the "keep building" plug at various stages but I'm sure they hope not to have to.

As I mentioned, I'm for this plan (I hope...),, and am looking forward to a more local coffee shop, I just hope we don't end up with a beached whale that they end up having to lease space to a strip of car dealers and fast food restaurants in order to make money. We as neighbors may have a small say or be entitled to our opinion regarding building design, parking lot lights, etc., but where we won't have any say I'm sure is on tenant occupancy and lease agreements once they get going. Or will we do you know?

To be honest, if I may vent one unrelated but possibly relevant frustration. We are already dealing with speeding cars and SUV's containing people taking their test drive from Morgan Hill Ford Store, utilizing Cochrane Road and onto Peet Road directly behind our house. This is one example of how a neighborhood can be negatively impacted literally overnight.

Thanks again Rebecca I do appreciate you giving your time to consider my comments as well as many others I'm sure.

Sincerely,
Ashley Trewman.

-----Original Message-----

Comment Letter # 8 continued

From: Rebecca Tolentino [<mailto:Rebecca.Tolentino@morganhill.ca.gov>]
Sent: Friday, August 26, 2005 1:43 PM
To: Ashley Trewman
Subject: Re: Comments on Draft EIR for proposed Development at Cochrane Rd and 101

Good Afternoon Ashley -

Thank you for your e-mail regarding the proposed shopping center. We always welcome comments from the public because it lets us know what concerns people have, so thank you for that.

With respect to the proposed tenants of the shopping center, it is my understanding that the only confirmed tenant is Target. All other uses are speculative at this time. To the best of my knowledge, Costco is not proposed to locate within the Cochrane Road PUD shopping center.

The project site plan identifies two large anchors within the shopping center, one of which will be Target. The user for the second large anchor is unknown at this time, but could be a home improvement store, department store, wholesale store, or other retail store. Based on the size of the second large anchor (140,000 square feet), it is not likely that a Costco would want to locate within that space. However, it would not preclude other wholesale stores from occupying the space.

I hope this answers your questions. If not, or if you have any additional questions, please feel free to e-mail me, or call me at (408) 779-7247.

Respectfully,
Rebecca Tolentino
Senior Planner

>>> "Ashley Trewman" <Atrewman@legacytsi.com> 08/26/05 12:37PM >>>
Dear Rebecca -

Thank you for receiving comments and concerns regarding the Cochrane and 101 development project. First I would like to mention that I am not against the plan. I believe it will enhance the area as well as bring an added benefit and appeal to Morgan Hill. Additionally I sincerely appreciate how the Developer has reached out not only to the community and the City but also to the local area residents for their input and questions prior to moving forward. I think this shows a tremendous sense of responsibility and "good neighbor" appeal and have been very impressed by this.

I do have one significant concern however and that is in regard to "big

Comment Letter # 8 continued

hoping this will remain the largest of stores in the plan. There are a host of concerns I believe a store such as Costco would lend to the immediate neighborhood so I won't outline them all.

Can you tell me if there has been any discussion on such a customer. My biggest concern is that geographically I can see how Costco may find that an ideal location for filling the gap between San Jose and Gilroy. Especially if the new Coyote (City?) becomes a reality. And after reading the article in the Pinnacle last week I'm afraid Morgan Hill might welcome just such a tax base entity.

In addition to the above specific concern I would like to point out that I am also concerned about issues such as environment, traffic, noise, visual, safety, lights, architectural, etc. but do hope and trust that the Developer is doing as much as possible to mitigate any negative impact in any of those specific areas.

Thank you and kind regards,

Ashley Trewman
Cell: 1-408-591-8796
www.legacytsi.com

2.0 RESPONSE TO COMMENTS

Response to Letter 8 – Ashley Trewman – August 26, 2005

Responses to comments provided in two emails on the proposed project were provided in the email correspondence by City staff.

Comment Letter # 9

From: "Jim Arthur" <jim.arthur@charter.net>
To: <rebecca.tolentino@morganhill.ca.gov>
Date: 8/27/05 9:19AM
Subject: Issues with EIR on proposed development at Cochrane/101

Rebecca-

Here is my list of concerns and comments regarding the proposed development at the SE.corner of Cochrane and 101. Please add these to the list to be addressed with the EIR.

9-1 1) I have a concern about the amount of traffic that will be generated by this project coming into the surrounding neighborhood. The main assumption is that the bulk of the traffic will come off of 101 onto Cochrane and into the development. I fear that with the heavy traffic that will present, other traffic routes to the development will be used that are not designed to handle the increased traffic, namely, Mission View and Peet from the south. The idea of extending Condit from the south and connecting to DePaul Drive as a frontage approach to the development I feel is a sound one, and will direct increased traffic away from the Mission Ranch and Alcante (sp?) neighborhoods.

9-2 2) Please fix, as part of the improvements of this project, the northbound ramp off of Cochrane onto 101. This ramp presently is coned and striped for non-stop traffic onto 1010, but since it does not have a light like on the other side south bound ramp it causes a great amount of confusion for commuters in the morning, with some people stopping and some not. This needs to be examined as it will be a major artery of not only commute traffic but also the development's customers.

9-3 3) I do not want to see a gas station in the complex. I think it is contradictory to the high end "theme" of the project, it will bring unwelcomed and unnecessary traffic into the development, and it opens the issue of ground water contamination to the wells that are very nearby and the service Morgan Hill.

9-4 4) My last concern is the increased noise from the project to the neighborhoods. I think this can be managed with strict store delivery schedules and design practices that the architect has acknowledged, but I want to make clear that items such as outdoor PA systems and speakers at restraunts and the theatre complex, etc. be severely curtailed or not allowed. The idea raised by the architect and developer that we will not notice any noise increase is not realistic.

9-5 5) Although I now agree that maybe the economical impact to the other Morgan Hill businesses may not be a severe as reported or in the EIR, I still believe there will be repurcussions. I am concerned about Cochrane Plaza and it's long term viability. I do not want to trade one shopping center for another and then have a dead eye sore on one side with a new center that could have been used for other productive purposes.

9-6 I do approve of the project's architectural design, and I feel very comfortable with the developer and principals. That said, I do wonder at the shear size of the project. I would strongly like to see that no work be done on the phase 2 side of the project until the phase 1 part is fully or at most 90% done and occupied. I do not want to see buildings going in piecemeal (i.e. the theatres) and having vast parking lots and construction done and seating around. I'd rather see the vinyards and cows.

Thank you for your time and help on this project,

Jim Arthur

CC: <toyg@morgan-hill.ca.gov>

2.0 RESPONSE TO COMMENTS

Response to Letter 9 – Jim Arthur – August 27, 2005

Response to Comment 9-1

The commenter is concerned about traffic entering the project site from Mission View Drive and Peet Road from the south, which are unable to handle the additional traffic. The commenter prefers that the City direct traffic from the south and connect De Paul Drive as a frontage approach to the development in order to decrease the amount of traffic away from the surrounding neighborhoods. According to the project trip distribution analysis conducted by Fehr & Peers, Inc., approximately 25 trips during the AM peak hour; 119 trips during the PM peak hour; and 127 trips during the Saturday peak hour would travel south on Mission View Drive from Cochrane Road. As discussed in the traffic impact analysis under General Plan Buildout Conditions, the extension of De Paul Drive is assumed to the south linking De Paul Drive with Murphy Avenue. The De Paul Drive/Murphy Avenue extension is designated to be an arterial from Cochrane Road to East Middle Avenue.

Response to Comment 9-2

The traffic impact analysis evaluated the Cochrane Road/Northbound U.S. Highway 101 ramp. The level of service (LOS) for this intersection would operate at LOS B during the AM peak hour, LOS C during the PM peak hour, and LOS E during the Saturday peak hour. The impact at this intersection is therefore considered less than significant based as it would not decrease the LOS from an acceptable level of service (LOS E or better) to an unacceptable level (LOS F) at a freeway ramp intersection. A safety impact at this intersection was not noted by Fehr & Peers, Inc. and City staff.

Response to Comment 9-3

Comment noted. Comments regarding the type of land use do not raise an environmental issue and therefore no response is necessary. However, potential hazards associated with the planned fuel station are addressed in Section 3.7, Hazards and Hazardous Materials. As discussed on page 3.7-9, the operator of the gas station will be required to obtain a Hazardous Materials Storage Permit, which includes preparation of a Hazardous Materials Management Plan (HMMP), which is to include a Hazardous Materials Inventory Statement provisions for emergency response, double containment, monitoring and financial responsibility. The City of Morgan Hill will also require a separate permit for underground storage tank installation, and the County Fire Department will conduct a series of inspections at various stages of tank installation and construction to ensure compliance with all standards and requirements. Operation of a gas station will also require a conditional use permit from the City of Morgan Hill.

Response to Comment 9-4

The commenter is concerned about the increase in noise levels with implementation of the proposed project including outdoor public address systems associated with restaurants. Operational noise impacts are addressed in Section 3.10, Noise, starting on page 3.10-14. Public address systems would be typically associated with outdoor garden centers at the proposed large anchor stores and for restaurant uses noted by the commenter. The typical noise level of a restaurant public address system is similar to those used in outdoor garden centers, which is approximately 60 dBA at 50 feet due to the higher existing noise levels measured in the vicinity of the project site as part of the noise impact analysis. This noise level range would be similar to those used for outdoor public address systems.

As discussed in the noise impact analysis and in Section 3.10 of the Draft EIR, based on the layout of the proposed retail development, the relative distances from surrounding noise sensitive land-uses, and the use of line source (for truck passbys) and point source (for loading and unloading trucks, mechanical equipment, trash compactors, and parking lot noises) sound attenuation models, the noise levels generated by the operation of the proposed project would be at or below the existing average (L_{eq}) noise levels at the residential uses, including the operation of public address systems used at proposed restaurants, located north and east of the project site, and the residential uses located south and east of Cochrane Road.

Response to Comment 9-5

Cochrane Plaza may still result in a significant and unavoidable impact to urban decay due to secondary economic effects. These impacts are related to actual physical decay resulting from a decline in business, not a decline in business itself, which alone is not a potentially significant impact per the California Environmental Quality Act.

The City Council would be required to adopt a document called a 'statement of overriding consideration' for each significant and unavoidable impact identified in the Draft EIR, if they find that the benefits of the proposed project overcome the environmental burdens created by the significant environmental impacts. If the City can't make this finding, then the proposed project would not be approved.

Response to Comment 9-6

The commenter is providing comments regarding the project design and size. No specific environmental issue is raised and therefore no response is necessary.

Comment Letter # 10

August 28, 2005

Joseph Moran
1491 Santa Ines Way
Morgan Hill, CA 95037

Ms. Rebecca Tolentino
Associate Planner
City Of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037-4128

Dear Ms Tolentino,

Following are my comments on the draft Environmental Impact Report for the proposed shopping center at the corner of Cochrane Road and US highway 101. All comments are intended to address the adequacy of the DEIR rather than the merits of the proposed project. My concerns regarding the proposed project are as follows:

Concerns:

10-1

(1) The proposed project presents significant impacts to air quality in the immediate area, in particular the Mission Ranch residential area. Pollutant emissions, especially considering the close proximity to this residential area, present potential long-term health impacts including increased likelihood of developing leukemia and other forms of cancer, cardiopulmonary disease and asthma. Reduction in scope and an increase in the physical space (i.e. increase in the current buffer space planned by the applicant) between the proposed project and the current residential area would provide a direct reduction in these significant impacts to the community. The city should request that the applicant develop an alternate project plan, which is reduced in scope by at least 30%.

10-2

(2) The tremendous increase in traffic (estimated at 22,009 car trips) and sound levels (estimated to be almost a 4X increase) to the adjacent community of Mission Ranch will have a significant negative impact on the quality of life for this community. It is recommended that the proposed project in its current form be rejected. If the applicant wishes to continue pursuing development of a shopping center at the current site, a reduction in project scope should be requested or directed by the city as this is the best and most direct way of reducing significant traffic and noise impacts to the surrounding community.

10-3

(3) While the proposed project is perceived to increase the revenue for the city, there are a number of negative offsets that may significantly decrease or eliminate this perceived benefit, such as the impact to existing malls, increased need for police patrols, etc. This would also include any current negotiations between the city and the developer for offsets by the city, which the public is currently not privy too. A detailed economic analysis for the proposed project should be performed including a cost-benefit trade off for the proposed project and for a reduced project size as identified in the DEIR.

Comment Letter # 10 continued

Comments:

10-4 (1) Section 3 describes the use of the URBEMIS-2002 and Caline4 source dispersion model for predicting air quality. No information is given to substantiate the validity of the model and its application to the local geographical area being modeled. The bay area is noted for its various microclimates, where areas located within approximately 25 miles of each other may vary greatly in temperature, cloud/fog cover and humidity levels. Furthermore, no uncertainty values and confidence factors are given for each predicted pollutant level. For example while a predicted ozone level of 0.11 ppm may be below a required standard of 0.12 ppm, a predicted value of 0.11 ppm \pm 20% with a 95% confidence would exceed the required standard. While any given pollutant level may be shown to be below a required threshold, without stating the accuracy or uncertainty of the prediction, it is difficult to assess the predicted levels as a whole. Without this information it is difficult for informed decision-making and public participation regarding the assessment of pollution related impacts for the proposed project. An explanation of why these specific models apply to the proposed project site should be given, an explanation as to how the models were validated for use in this region and predictions for pollutant levels should be revised to include the uncertainties associated with each estimated level.

10-5 (2) Section 3 incorrectly identifies the typical summer maximum temperature in the region as the mid 80's (deg F). The summer time maximum typically reaches the 90's at the proposed project site (which is the region of concern). If temperature was used as an input in modeling pollution content and dispersal at the proposed project site and adjacent areas, the resultant predictions may be in error and may possibly predict lower levels than will actually be experienced. The modeling performed in the EIR should be reviewed by a 2nd party to insure its accuracy, especially due to the significant air quality impacts identified.

10-6 (3) Impact 3.3-4 is described as a less than significant impact based on the rapid dispersal of CO emissions from the estimated 22,009 car trips each day. The analysis and the determination of its associated impact is believed to be flawed, as it does not take into account the collection and build-up of CO or other pollutant emissions or associated by-products within each residential or commercial dwelling adjacent to the proposed project from the estimated 22,009 car trips. The dispersion model used likely applies to an open area and does not take into account build-up of CO emissions within vehicles immersed in the CO hot spots or dwellings directly adjacent to the source(s). Road-side emissions are believed to be a contributor to some cases of childhood leukemia and cancer (reference "Childhood Leukemia and Road-Traffic: A population-based Case-Control Study." Crosignani P.; Bianchi N; Tagliabue G; Fissi R; Rossitto F; Berrino F. International Journal of Cancer, 2004, V108, N4 (FEB 10), P 596-599 2004-02-10) and therefore would result in a significant impact. Without a thorough and valid analysis it is difficult for informed decision-making and public participation regarding the assessment of pollution related impacts. The analysis should be revised to take into account these effects.

10-7 (4) Mitigation measure 3.3-3 identifies a facilities trip reduction plan as the recommended approach to the mitigation of impact 3.3-3, described as a significant impact to long-term air quality. As described in appendix D, this mitigation impact may result in a decrease in emissions of only 6%. The EIR fails to recommend the mitigation measure that best reduces this particular impact – reduction in the proposed project scope, which would result in a direction reduction in the estimated 22,009 car trips. Furthermore,

Comment Letter # 10 continued

the EIR rejects this measure as a recommended mitigation measure for impact 3.3-3 as it claims it does not make the project economically feasible for the applicant, yet no substantiation has been given to this assertion. The mitigation measure for impact 3.3-3 should be correctly identified as a reduction in project scope/size. All statements regarding economic feasibility of the proposed project should be quantified. Without either a correction to the recommended mitigation measure or a substantiation of the assertion that a reduction in scope of the proposed project is not economically feasible for the applicant, it is difficult for informed decision-making and public participation in assessing this impact and its recommended mitigation measure.

10-7

(5) Section 6 of the EIR fails to include and assess the need for the addition of a cell tower in the area that may be required to increase channel capacity to accommodate the increased use of cell phones by a percentage of the 22,009 users per day (conservatively assumes 1 person per car per day and the EIR estimate of 22,009 trips per day) produced by the proposed project. Furthermore, a RF hazard analysis for the surrounding area should be performed given the potentially large number of RF radiating devices (cell phone transmissions) concentrated at the proposed site, and compared to federal, state and/or local laws, rules, regulations and/or standards. Without this assessment informed decision-making and public participation in assessing this impact cannot be made.

10-8

(6) The mitigation measure for impact 3.3-6 is incorrectly identified as ".... no feasible mitigation measures available...." and is believed to result in a faulty analysis. A clear and direct mitigation measure is a reduction in the project scope, which would directly reduce the number of estimated car trips and consequently pollutant emissions. An alternative mitigation measure could be a re-location along with a reduction in the scope of the proposed project to areas along Monterey Highway near the railway system. Relocation closer to the railway system might allow workers and patrons an alternative method to travel to and from such a project. The mitigation measure for impact 3.3-6 should be revised as such.

10-9

(7) The resulting level of significance for impact 3.9-3b after implementation of mitigation measures 3.9-4, 3.9-5 and 3.9-6 may be incorrectly identified as "less than significant project impact" and may result in a faulty analysis. To determine the actual impact and resulting impact(s) after implementing the proposed mitigation measures, an economic analysis is required that conservatively estimates the generated revenue (for example sales tax) from the proposed project vs. the loss of revenue from the closure of major tenants in the Cochrane, Lawrence Oaks and Tennant Station shopping centers, the loss of revenue from lower tier businesses that would be indirectly impacted from the loss of these tenants and any expenditures the City may make to mitigate these impacts or offset the costs for implementation of the proposed project (for example road improvements). Without this analysis it is difficult for informed decision-making and public participation in assessing this impact and its recommended mitigation measures.

10-10

(8) The summary of mitigation measures to reduce the impact from noise (an almost 4x increase in the current noise levels in the surrounding area) from the proposed project (reference impact 3.10-2) may be incorrectly identified as "There are no feasible mitigation measures available.....". There is in fact a feasible method and that is to reduce the scope of the proposed project and increase the physical space (create a buffer) between the proposed project and the adjacent areas, in particular the existing residential areas. The EIR dismisses this option as it deemed not economically viable to the applicant.

10-11

Comment Letter # 10 continued

10-11 | No quantitative substantiation or analysis is given to support this claim and/or conclusion. Without this information it is difficult for informed decision-making and public participation in assessing this impact and its recommended mitigation measures.

10-12 | (9) The resulting level of significance from mitigation measure MM 3.11-1 identified for impact 3.11-1 is incorrectly identified as less than significant. The analysis fails to take into the account the need for increased police patrols and potential action in the surrounding areas as a result of potential spill over effects caused by the draw of 22,009 cars per day. Without including this within the analysis it is difficult for informed decision-making and public participation in assessing this impact and its recommended mitigation measures.

10-13 | (10) In assessing transportation and circulation (impacts 3.12-1 and 3.12-2), the analysis fails to account for the potential need for the City of Morgan Hill to modify the corner of Condit and Half Roads. With potentially a large number of vehicles traveling along Mission View Road, the majority will be coming from or going to either Main or Dunne Avenues. Currently the corner of Condit and Half Roads presents a sharp 90-degree turn in either direction, with a utility pole at the corner of the turn. With the very large increase in traffic during both day and night times, the likelihood of head-on collisions would be expected to increase dramatically. As a matter of public safety, the City Of Morgan Hill would be compelled to modify that intersection. Without including this within the analysis and its associated impacts it is difficult for informed decision-making and public participation in assessing this impact and its recommended mitigation measures.

10-14 | (11) In assessing transportation and circulation (impacts 3.12-1 and 3.12-2), the analysis fails to account for the potential need for the City of Morgan Hill to modify or require modifications to the intersection of Mission View Drive and Half Road. Currently that intersection has a large row of trees along the North-East corner which results in a visual blockage to drivers heading south on Mission View Drive and attempting to turn left or right onto Half Road. Possible mitigation measures include removal of all trees at the corner that block the drivers line of sight when stopped at the intersection and allowing them to clearly see southwest bound vehicles on Half Road or addition of a signal light at that intersection. Without including this within the analysis and its associated impacts it is difficult for informed decision-making and public participation in assessing this impact and its recommended mitigation measures.

10-15 | (12) During winter and spring seasons, Mission View Drive, near Half Road floods. With the projected increase in traffic, this condition poses a significant safety hazard for the public as vehicles attempt to avoid the flooded area by driving in the opposing lane. This impact should be included within the analysis, including all proposed mitigation measures.

Thank you for your time and consideration.

Sincerely

Joseph Moran

2.0 RESPONSE TO COMMENTS

Response to Letter 10 – Joseph Moran – August 28, 2005

Response to Comment 10-1

Localized concentrations of Carbon Monoxide (CO) are the primary concern for sensitive receptors as noted on page 3.3-19 of the Draft EIR. Typically areas of high CO concentrations or "hot spots" are associated with signalized intersections operating at poor levels of service (LOS E or worse). Predicted 8-hour worst-case CO levels was measured at the intersections of Cochrane Road with U.S. Highway 101 and the impacts were found to be less than significant. The two intersections, Mission View Drive/Cochrane Road and the De Paul Drive/Cochrane Road intersections located in the vicinity of sensitive receptors (e.g. residential uses located east of the project site) would operate at acceptable levels of service with the installation of traffic signals at these two intersections. Therefore, no further analysis of localized CO emissions was conducted.

A reduced density site plan, which assumes a 40 percent reduction in the square footage of the proposed project, is discussed in Section 4.0, Alternatives to the Project. This alternative would essentially provide a buffer around the project site. A reduction in the square footage to 394,350 square feet would reduce the amount of emissions associated with the project, however as noted on page 4-15 of the Draft EIR, the reduced density alternative would also result in a significant and unavoidable air quality impact as the air quality emissions would exceed the thresholds established by the Bay Area Air Quality Management District (BAAQMD).

Response to Comment 10-2

As noted on page 3.10-13 of the Draft EIR, single family homes located at the southeast corner of the Cochrane Road/Mission View Drive intersection would experience a 1 dBA increase along the Cochrane Road frontage and a 4 dBA increase along Mission View Drive frontage with implementation of the proposed project. Illingworth and Rodkin, Inc. estimated that the current L_{dn} at the frontage of the homes along Cochrane Road and Mission View Drive southeast of the Cochrane Road/Mission View Drive intersection is 60 dBA. Considering these homes include a typical six-foot high noise attenuation barrier, the L_{dn} at the homes is estimated at 54 dBA.

Traffic generated by the proposed project would increase the L_{dn} at the homes along the Cochrane Road frontage to 55 dBA and to 58 dBA at the homes along Mission View Drive. According to the Noise Element in the *City of Morgan Hill General Plan*, exterior noise levels up to 60 dBA L_{dn} are considered 'normally acceptable' for single-family residential development. Therefore, increases in the noise levels due to the proposed project would be considered less than significant.

Response to Comment 10-3

An economic impact analysis was performed for the proposed project by Bay Area Economics and is included in Appendix I of the Draft EIR. Section 15131(a) of the California Environmental Quality Act states that "economic or social effects of a project shall not be treated as significant effects on the environment. An EIR may trace a chain of cause and effect from a proposed decision on a project through anticipated economic or social changes resulting from the project to physical changes caused in turn by the economic or social changes. The intermediate or social changes need not be analyzed in any detail greater than necessary to trace the chain of cause and effect. The focus of the analysis shall be on the physical changes." Secondary economic impacts that would cause a subsequent physical impact, or have the potential for urban decay were identified in Section 3.9, Land Use in the EIR.

The case can be made that a 'reduced density' alternative could have less of a potential to create urban decay depending on the uses to occupy the center. However, CEQA does not require alternatives to be examined in as great a detail as the project (e.g., an alternatives analysis is a means of avoiding or reducing the impacts associated with the project). Therefore, an economic impact analysis was not prepared for the reduced density alternative evaluated in Section 4.0, Alternatives to the Project in the Draft EIR.

Response to Comment 10-4

The URBEMIS-2002 model and the Caline4 source dispersion model are recommended by the California Air Resources Board and the Bay Area Air Quality Management District to model long-term operational and localized Carbon Monoxide (CO) air quality emissions associated with a development project. Appendix D of the Draft EIR includes the modeling results in the attachment, which explain the modifications to these models that were used to account for conditions in the vicinity of the project site and to determine the long-term operational air quality emissions and the localized CO emissions associated with the proposed project. The recommended inputs in the *Bay Area Air Quality Management District (BAAQMD) CEQA Guidelines* were used in order to ensure adequacy of the results and reduce any uncertainties associated with each estimated pollutant level. Regardless, the long-term operational air quality emissions associated with the proposed project were found to be above the air quality thresholds established by the BAAQMD and not below the thresholds as noted by the commenter. Therefore, the proposed project would result in a significant and unavoidable air quality impact. As discussed in Response to Comment #12-5, the City Council would be required to adopt a document called a 'statement of overriding consideration' for each significant and unavoidable impact identified in the Draft EIR, if they find that the benefits of the proposed project overcome the environmental burdens created by the significant environmental impacts. If the City can't make this finding, then the proposed project would not be approved.

2.0 RESPONSE TO COMMENTS

Response to Comment 10-5

The commenter is concerned that the summer time temperature noted in the Draft EIR is incorrect. Although the temperature at the project site may reach the 90s, the "average" summer high temperature in the City of Morgan Hill is approximately 85 degrees. This temperature value was used in the air quality modeling to evaluate the long-term operational air quality emissions associated with the proposed project. The air quality modeling performed by Illingworth and Rodkin was a conservative analysis of predicated long-term operational air quality emissions and was prepared under contract to the City of Morgan Hill.

Response to Comment 10-6

See response to Comment #10-1.

Response to Comment 10-7

A reduced density site plan, which assumes a 40 percent reduction in the square footage of the proposed project, is discussed in Section 4.0, Alternatives to the Project. This alternative would essentially provide a reduction in the square footage of the proposed project to 394,350 square feet, which would subsequently reduce the amount of emissions associated with the proposed project. However as noted on page 4-15 of the Draft EIR the reduced density alternative would also result in a significant and unavoidable air quality impact as the air quality emissions would exceed the thresholds established by the Bay Area Air Quality Management District (BAAQMD), even with a 40 percent reduction in the density of the proposed project. Additional recommended measures, provided by the BAAQMD, have been added to Mitigation Measure 3.3-3 to reduce long-term operational emissions associated with the proposed project. Please see Response to Comment Letter #15.

Response to Comment 10-8

A cellular tower is not included in the project description and it would be speculative to assume that a cell tower would be considered necessary once the proposed project is constructed. Therefore, a radio frequency (RF) hazard analysis is not required. Any future cell tower would require a special permit from the City of Morgan Hill.

Response to Comment 10-9

Comment noted. Impact 3.3-6, Cumulative Air Quality Emissions evaluates emissions associated with the proposed project. Emissions associated with a 'reduced density' alternative are evaluated in Section 4, Alternatives to the Project as discussed in Response to Comment #10-1.

Response to Comment 10-10

This comment seems to be requesting a fiscal analysis as opposed to the economic impact analysis that was prepared for the Draft EIR. This analysis is not related to physical impacts and urban decay, and is therefore beyond the scope of the economic impact analysis in the Draft EIR. The California Environmental Quality Act requires that the Draft EIR evaluate the potential for urban decay due to secondary economic impacts. Based on the economic impact analysis prepared by Bay Area Economics, the proposed project would likely lead to a significant and unavoidable impact with respect to urban decay and physical deterioration at the Cochrane Plaza shopping center.

Response to Comment 10-11

The Draft EIR evaluated the potential impacts of the project as proposed. As discussed in Response to Comment #10-7, a reduced density site plan, which assumes a 40 percent reduction in the square footage of the proposed project, is discussed in Section 4.0, Alternatives to the Project. This alternative would essentially provide a reduction in the square footage of the proposed project to 394,350 square feet, which would subsequently decrease the amount of noise in comparison to the proposed project.

Response to Comment 10-12

Comment noted. The EIR does address the need for increased police patrols within implementation of the proposed project. As stated on page 3.11-6 of the Draft EIR, the proposed project would generate an additional eight to twelve additional calls per day (approximately ten percent above existing city-wide demand) and the possible need to hire an additional patrol officer or officers to the police force. However, the increase in service demand would not require the provision of new or physically altered government facilities as the newly constructed Police Station could accommodate the increased demand. The project applicant would be subject to development impact fees for public safety facilities, equipment, and training collected by the City of Morgan Hill (Section 3.56.030 of the City of Morgan Hill Municipal Code). Payment of standard development impact fees would provide funds for the maintenance of acquisition of equipment such as patrol cars. However, the use of specific security features, as required by Mitigation Measure 3.11-1, will be sufficient to augment existing police services and would reduce this impact to a less than significant level.

Response to Comment 10-13

The commenter is concerned about the safety impacts at the intersection of Condit Road and Half Road with an increase in traffic associated with the proposed project. The traffic impact analysis did not evaluate the intersection of Half Road and Condit Road based on the distribution of project traffic as shown in Figure 9A, Project Trip Assignment in the

2.0 RESPONSE TO COMMENTS

traffic impact analysis. A potential safety hazard at this intersection was not identified by City staff. The City of Morgan Hill will continue to monitor this intersection for potential traffic safety hazards.

Response to Comment 10-14

The commenter is concerned about the potential safety hazards at the intersection of Mission View Drive and Half Road. A potential safety hazard at this intersection was not identified by Fehr & Peers, Inc. and City staff. The City of Morgan Hill will continue to monitor this intersection for potential traffic safety hazards.

Response to Comment 10-15

Comment noted. The commenter states that there is an existing safety problem during the winter and spring seasons on Mission View Drive near Half Road due to flooding. The proposed project would not contribute to the flooding along Half Road and therefore is not responsible for finding a solution to the flooding issues along Half Road. According to the project trip distribution analysis conducted by Fehr & Peers, Inc., approximately 25 trips during the AM peak hour; 119 trips during the PM peak hour; and 127 trips during the Saturday peak hour would use Mission View Drive. A potential safety hazard at this intersection was not identified by Fehr & Peers, Inc. and City staff during preparation of the Draft EIR. The City of Morgan Hill will continue to monitor this intersection for potential traffic safety hazards.

Comment Letter # 11

From: Cherie Bourlard <cbourlard@yahoo.com>
To: <Rebecca.Tolentino@morganhill.ca.gov>
Date: 8/29/05 1:28PM
Subject: Development at Cochrane & 101 Comment

Hi

This comment concerns the proposed new commercial development at Cochrane and HWY 101 and the Environmental Impact it may have.

11-1

I have heard from the developer that Mission View Drive will be extended alongside the mall and serve as the east boundary. It is ONLY from this road, towards the northern edge of the mall, of which large, loud, smelly, (speeding?) delivery trucks will have access for their deliveries. I am concerned since this access road will be adjacent to other houses and small children in the area, as well as the County Park. It would be much better to design the mall so the delivery trucks can make access from a road adjacent to hwy 101, and be DENIED access on Mission View Drive.

Please pass this along to the Planning Committee.

Thank you.
Cherie Bourlard
cbourlard@yahoo.com

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2.0 RESPONSE TO COMMENTS

Response to Letter 11 – Cherie Bourlard – August 29, 2005

Response to Comment 11-1

Comment noted. The commenter is concerned about delivery trucks using Mission View Drive to deliver merchandise to the proposed commercial/retail center. Based on the current site plan, trucks would be allowed to enter the project site from both Cochrane Road and Mission View Drive. Placing a roadway with access to Cochrane Road adjacent to U.S. Highway 101 would be considered a traffic safety hazard based on the distance of a roadway at this location in proximity to the U.S. Highway 101 Northbound Ramp/Cochrane Road intersection.

Comment Letter # 12



LOGAN & POWELL LLP
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Sent Facsimile and U.S. Mail
August 29, 2005

Ms. Rebecca Tolentino
City of Morgan Hill
Community Development Department
17555 Peak Avenue
Morgan Hill, CA 95037-4128

**Re: Opposition to Draft Environmental Impact Report
Cochrane Road Planned Unit Development**

Dear Ms. Tolentino:

The following comments relate to the draft Environmental Impact Report ("EIR") for the Cochrane Road Planned Unit Development. These comments are prepared on behalf of the Morris Family, which owns all of Cochrane Plaza except Mervyns and Target, the existing shopping center which is most dramatically impacted by this development. The Morris Family is also responsible for managing the common areas in the Cochrane Plaza for Mervyns and Target.

I. INTRODUCTION

The Cochrane Road Planned Unit Development is proposed on a 66.49 acre site located at the northeast corner of Cochrane Road and U.S. Highway 101. The development would create approximately 657,250 square feet of new commercial retail space. The proposed uses for that space include two (2) large anchor stores, retail shops, fast food restaurants and a multiplex cinema ("Project"). The Project hopes to be a "lifestyle" center with a regional draw; however, as proposed, the Project is more like a conventional shopping center than a "lifestyle" center. As currently configured, the proposed Project includes uses atypical of a conventionally defined lifestyle center, and the site plan appears to be more conventional. (Appendix I, pg. 26) Given the current and proposed amount of retail space in the City of Morgan Hill ("City") and the population forecasts for the area, the Project is unnecessary and will result in detrimental impacts on existing retail centers which will have deep ramifications throughout the City.

The significant environmental and economic impacts of this Project should not be ignored merely to approve another shopping center in the City. The EIR fails to adequately address the environmental impacts caused by the Project and fails to produce evidence to support a finding of overriding consideration. Based on the deficiencies in the document, failure to comply with the requirements of the California Environmental Quality Act ("CEQA")

Comment Letter # 12 continued

Ms. Tolentino:

Re: Opposition to Draft Environmental Impact Report

Cochrane Road Planned Unit Development

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and the potential for significant impacts on the environment caused by the Project, the EIR is legally inadequate and the Project should not be approved.

II. ADEQUACY OF THE EIR

A. An Inadequate Analysis Of All The Environmental Impacts Associated With The Urban Decay Caused By The Project Makes The EIR inadequate.

The EIR's discussion of a project should encompass "the whole of an action, which has potential for resulting in either direct physical change in the environment, or a reasonably foreseeable indirect physical change on the environment...." (California Code of Regulations section 15378) The EIR must consider the "direct physical changes caused by and immediately related to the project." (California Code of Regulations section 15604(d) This Project, as a whole, has a high likelihood of causing direct physical changes to existing shopping centers. As required by *Bakersfield Citizens for Local Control v. City of Bakersfield* (2004) 124 Cal.App.4th 1184, 1195, the EIR, in the Retail Market Impact Analysis, found at Appendix I, undertook an analysis of whether the Project could trigger a series of events that would ultimately result in urban decay and deterioration.

Even with mitigation measures, the negative impact of this Project on existing shopping centers, especially Cochrane Plaza, is significant and unavoidable. The Retail Market Impact Analysis concludes that there is a high likelihood that the Cochrane Plaza will enter into a cycle leading to deterioration and urban decay. (Appendix I, pg. 47) This is especially true, since Cochrane Plaza will lose its anchor store, Target, which plans to move to the Project site¹. Other retail and dining establishments at Cochrane Plaza which compliment Target will likely be lost if this Project is approved. At least 52.8% of the tenants at Cochrane Plaza have lease provisions which allow them to cancel their leases and move out if Target or a comparable store is not located at Cochrane Plaza² and other conditions

12-1

¹Although Target has indicated that even in the absence of the Project, it is likely to leave Cochrane Plaza, there is no economic incentive for Target to work with the owners of Cochrane Plaza to find a mutually agreeable solution for staying in its current location if this Project is approved. Since the Project proposes more retail space than the market will bear now or in the future, it appears to be simply a vehicle for Target's expansion, and has significant and unavoidable impacts on the economic conditions in the City, the EIR should consider expanding the existing Target at its current location as a feasible and superior project alternative.

²Although the current Cochrane Plaza tenants may not be the "lifestyle" tenants sought after by Project developers, they are uses compatible with Target. Consequently,

Comment Letter # 12 continued

Ms. Tolentino

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12-1
cont'd

are not met. Other tenants have expressed hesitancy to renew their leases. Still others are unwilling to begin leasing space without assurance that Target will remain on site. It is highly likely that if this Project is approved Cochrane Plaza will "go dark" or "enter[]" a cycle leading to urban decay and physical deterioration resulting from long-term vacancies, secondary business closures, and the inability to retain existing stores." (Appendix I, pg. vi) In addition, other retail centers in the City have experienced difficulties in leasing and renewing leases in the light of the Project. Specifically, the eight (8) acre parcel proposed for a neighborhood commercial center of 72,000 square feet on the corner of Cochrane Road and Madrone Parkway has experienced such problems. Due to difficulties in obtaining tenants and the uncertainty in the market caused by the Project, the center has yet to be constructed.

12-2

The likelihood of Cochrane Plaza going dark as predicted by the Retail Market Impact Analysis is all to real in the City. Several years ago, a similar situation occurred at Tenant Station when Safeway moved to another center. Safeway's relocation resulted in other tenants being forced out of the center because they could not survive without the anchor. Ultimately, the center went dark. To further exacerbate the problem, Safeway owned and controlled its own parcel, so it was unwilling to sell or lease to another supermarket for fear of competition. This is precisely what will happen to the Cochrane Plaza if Target is permitted to relocate on the other side of U.S. Highway 101.

12-3

Although the EIR studies the potential for urban decay, it does not purport to analyze the impact of the significant and unavoidable urban decay on other environmental concerns. The EIR does not take into consideration the impact that this unavoidable urban decay will have on aesthetics. The City has a policy to "enhance the visual integrity of the gateways to the City..." (Policy 14a, EIR, pg. 3.1-9) One of those gateways is Cochrane Road where both the Project and Cochrane Plaza are located. The EIR does not discuss the aesthetic impact of the deterioration of Cochrane Plaza caused by the Project.

The EIR also does not discuss the impact that urban decay on the number of police, fire and medical services needed at other shopping centers, like the Cochrane Plaza, which are negatively affected by the Project. (EIR, pg. 3.11-5) As the Planning Commissioners correctly pointed out, there is already an insufficient estimate of the increase in call volume for fire, police and emergency medical services in the EIR. This deficiency is only

If the Project is unable to lease its enormous proposed retail and restaurant space, if the Project is unable to lease its enormous proposed retail and restaurant space, Cochrane Plaza tenants may, desirous of being close to the Target, simply move to the Project leaving Cochrane Plaza vacant. This will result in no net benefit to the City. In fact, there will be a detrimental impact: significant and unavoidable urban decay. The EIR fails to adequately consider this likely result.

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exacerbated by the failure to consider whether the presence of urban decay will increase the need for fire, police and emergency services in the community.

12-3

The EIR does not account for the loss of jobs at existing centers in its determination that overall the Project will generate employment opportunities and attract residents to the City. (EIR, pg. 3.11-7) It does not examine the impact of the urban decay with respect to the City's policy to encourage retention and expansion of existing businesses. (EIR, pg. 3.9-5) Because the EIR fails to assess the impact of urban decay caused by the Project on other areas of environmental concern such as aesthetics, public services, and land use, the EIR is inadequate.

B. There Are Mitigation Measures Which Could Reduce The Impact Of The Project On Economics To A Less Than Significant Level.

12-4

Currently, the only retailer committed to the Project is Target. Rather than developing a large mass of retail space in an area where the projected population density does not support increased retail square footage, an alternative would be to expand Target at its current location. This will avoid drawing attention away from the downtown area that the City is currently attempting to revitalize. This will reduce the economic impacts on existing shopping centers. This will reduce the traffic, noise and air quality impacts that are sure to come with this large retail development and its large parking. Expanding Target in its existing location or by possibly adding a second story is an appropriate mitigation measure to be considered.

A second mitigation measure which should be considered would be changing the restriction on the Cochrane Plaza to allow a supermarket to fill the space left vacant by Target. Only the market for a supermarket is strong enough to add another competitor. (Appendix I, pg. IV) Although it is likely desired by the voters, the delay in getting such an item to the ballot may start the decent into urban decay before the Cochrane Plaza has an opportunity to retool and retenant in a way that is beneficial for the community, thereby avoiding the detrimental impact the Project will have on the community.

C. The City Cannot Make The Findings Of Overriding Consideration To Approve This Project In Light Of The Significant Impacts This Project Will Have On The Economic Vitality Of The City.

12-5

Pursuant to California Code of Regulations section 15042, the City should disapprove a project to avoid significant environmental impacts. If, despite the significant unavoidable environmental impacts, the City still wishes to approve the project, the City must make findings of overriding considerations. (California Public Resources Code section 21081) A

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statement of overriding considerations is intended to demonstrate the balance struck by the body in weighing the benefits of a proposed project against its unavoidable environmental risks. (California Code of Regulations section 15093) The statement must describe the economic, legal, social, technological or other benefits of the project and must be supported by substantial information in the record. (California Public Resources Code section 21081; California Code of Regulations section 15042; see also *Sierra Club v. Contra Costa County* (1992) 10 Cal.App.4th 1212, 1223).

As detailed in the EIR and the economic analysis, the Project will have a significant impact on existing retail in the City of Morgan Hill. In fact, the impact on the Cochrane Plaza is significant and unavoidable. Although the EIR attempts to mitigate the impacts of the Project by requiring the provision of redevelopment funds and small business loans to assist retail establishments in the City, these measures are inadequate to mitigate the devastating impact this project will have on retail centers in the City.

12-5

The benefits of the Project do not outweigh the devastating impacts the Project may have. As detailed in the retail analysis report, the Project is unnecessary. Currently, the status of retail in the City is good. "...the potential for additional dollars to be captured with an increase in retail is extremely limited." (Appendix, pg. iii) There is no urban decay or physical deterioration resulting from deferred maintenance or disinvestment. (Appendix I, pg. 43) The Project is proposing approximately 590,000 square feet of retail space when the market in Morgan Hill can only support 378,000. (Appendix, pg. 24) The Project proposes fast food restaurants when the City needs sit-down restaurants. (Appendix, pg. 23) The Project proposes a new movie theater when the theater in the City, which currently has eight (8) screens was recently approved for renovation and the addition of three (3) new screens which adequately meets the needs of the City. (Appendix, pg. v, 36) At this time and given the projections for population growth within the City, there is no reason to approve this Project which will lead the existing retail market in the City on a path to significant unavoidable urban decay. This Project is unnecessary. As such, the findings of overriding consideration cannot be made to ignore the detrimental economic impacts this Project will have on surrounding retail centers and ultimately the City.

D. EIR Inadequately Assess Economic Impacts On Downtown.

12-6

The City has a policy in place that seeks to "[e]nsure the viability of downtown...." (Policy 9a, EIR, pg. 3.9-4). The EIR dismisses any potential impact of the Project on the downtown area restaurants and retailers and by saying that downtown serves a "different market niche." The EIR does not define what market niche downtown serves. In *Whitman v. Board of Supervisors* (1979) 88 Cal.App.3d 397, 411, the deficient EIR relied on undefined phrases such as "increased traffic" and "minor increase in air emissions" without defining or

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explaining the terms. Failing to define what "different market niche" the downtown serves makes the EIR inadequate.

E. A Potentially Unstable Project Description Makes The EIR Inadequate.

Courts recognize that "[a] curtailed or distorted project description may stultify the objectives of the reporting process. Only through an accurate view of the project may affected outsiders and public decision-makers balance the proposal's benefit against its environmental cost, consider mitigation measures, assess the advantage of terminating the proposal...and weigh other alternatives in the balance. An accurate, stable and finite project description is the *sine qua non* of an informative and legally sufficient EIR." (*Berkeley Keeps Jets Over the Bay Committee v. Board of Power Com's* (2001) 111 Cal.Rptr.2d 589, 608)

The Project description is based on assumptions and conjecture which may not come to fruition. Specifically, the developers are proposing the Project as a "lifestyle" center. Based on that proposal, assumptions are made that this Project will result in additional tax revenue³ to the City because it will be a regional draw bringing in people from north and south of Morgan Hill. However, the Project, as proposed, is not a lifestyle center. It is proposing two (2) large anchors and other retail pads. With the exception of the movie theater, which is "speculative at this time", there are no lifestyle elements in the Project. (EIR, pg. 2-19)

12-7

The Project's only apparently committed tenant is Target which will occupy approximately 19% of the entire square footage proposed. The Project proposes to house a large home improvement retailer, but has no committed tenant. The Project has allotted 140,000 square feet of space for a home improvement store, but this enormous amount of space is more than double what the home improvement market will bear. (Appendix I, pg. 35) Consequently, the home improvement use also appears speculative at best and may need to be changed in response to market forces. In addition, it is difficult to attract other "lifestyle" national retailers to the City due to the current and projected population of the City.

In general, this Project provides more commercial retail square footage than can be supported by the current or projected population in the City. (Appendix I, pgs. 23-24) If the Project is approved, developed and then unable to interest the movie, home improvement, and other lifestyle tenants it hopes to have on site, the character and the corresponding environmental impacts of Project may vary significantly from those which are projected based on the current project description. Without more tenants committed to the Project, the project

³ The EIR fails to consider the loss of tax revenue that will result if other retail centers in the City go dark as predicted in Appendix I.

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description cannot be considered finite. The EIR fails to consider this potential for instability in any fashion. Consequently, the EIR is legally inadequate.

Interestingly, as an exclamation point to the potential for instability in this Project, there was a lot of discussion at the Planning Commission hearing on August 9, 2005, about "betting" on Coyote Valley being developed and its residents coming to this Project to shop. The EIR does not, but should, consider what impact the Project will have on the City if Coyote Valley is not developed or is developed in such a way that there is no need for its residents to come to the Project*. The City's acceptance of the EIR would be an abuse of discretion if it remained based upon an uneducated and unstable "bet" as to the environmental outcome. It would not be in the best interest of the community for the Planning Commission to gamble with the City's future.

E. Air Quality Projections Not Based On Anticipated Conditions.

12-8

The air quality impacts are inadequately assessed as they fail to accurately reflect the situation which will exist when the Project is completed. The Calpine Power Plant has recently come online in the City of San Jose. This changed circumstance should be considered in the EIR. Also, there are other housing and development projects which were excluded from the EIR analysis that will increase vehicle emissions and lower air quality in the area. An analysis in the absence of an accurate understanding of the air quality existing at the time the Project is complete, minimizes the level of impact the Project will have and does not provide an accurate projection. It would be an abuse of discretion to certify an EIR in the absence of adequate air quality information.

12-9

F. The Findings For Overriding Considerations For The Conversion Of Prime Agricultural Land Cannot Be Made.

The Project will convert 66.49 acres of prime agricultural land which is considered a significant impact. Development of the Project removes the land from agricultural production and the land cannot be recreated or reproduced elsewhere. There are no feasible mitigation measures to reduce this impact. As such, the Project will result in a significant and unavoidable impact. (EIR, pg. 3.2-9) As outlined in detailed in Section II (B) above, the findings for overriding consideration cannot be made for this Project. As such, the Project should be denied.

*Coyote Valley is being designed as a self-contained community based on smart-growth principles. (Coyote Valley Specific Plan, Requests for Proposals, pg. 1)

Comment Letter # 12 continued

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G. The Traffic Analysis Is Flawed.

As proposed, the Project is expected to bring 22,009 new daily car trips to the Project area. However, this number was reduced by 25% to account for pass-by and diverted link trips during the peak hours. Pass-by trips are trips to the project site made by vehicles already traveling by the project site on the adjacent street. Diverted link trips are trips made by vehicles that make a detour to access the project site. Given the location of the Project site and the limited development on the east side of U.S. Highway 101, this reduction is severe and therefore, skews the traffic analysis.

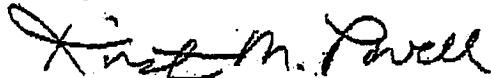
12-10

The Project will result in a significant and unavoidable impact to traffic on U.S. Highway 101. (EIR, pg. 3:12-19) As outlined in detailed in Section II (B) above, the findings for overriding consideration cannot be made for this Project. As such, the Project should be denied.

III. CONCLUSION

The Project is proposing to develop almost 70% more retail space than the market can bear in Morgan Hill. This proposal will have detrimental impacts on the existing retail centers that will most likely result in urban decay which will have a ripple effect on the environment throughout the community. Any proposed benefits from the Project are greatly outweighed by the likelihood of urban decay in the City. In addition, the Project will result in significant and unavoidable impacts to traffic and agricultural land. As such, the Morris Family urges the Planning Commission not to certify the EIR or approve this Project.

Very truly yours,



Kirsten M. Powell

KMP:sw
cc: client

2.0 RESPONSE TO COMMENTS

Response to Letter 12 – Kristen M. Powell, Logan and Powell LLP – August 29, 2005

Response to Comment 12-1

Comment noted. The economic impact report that was prepared by Bay Area Economics (BAE) predicted the secondary economic impacts that may result due to blight in the City as required by the California Environmental Quality Act. These secondary economic impacts are discussed in Section 3.9, Land Use in the Draft EIR. The Draft EIR acknowledges a significant and unavoidable impact on Cochrane Plaza even with implementation of mitigation measures incorporated within the EIR.

Expanding the existing Target store at Cochrane Plaza would be an alternative for the Target Corporation/, however the project site is zoned for 'Commercial' uses under the *City of Morgan Hill General Plan*, therefore whether or not the Target store relocated to the project site, this alternative would not meet the objective of the City of Morgan Hill of developing the project site for a commercial retail center in conformance with the *City of Morgan Hill General Plan*. In addition, the objective of the proposed project is to construct a new 123,800 square foot Target store and an additional 533,450 square feet of commercial space, including a mix of retail uses and restaurants.

Viable alternatives to the proposed project that were considered in the Draft EIR, were those alternatives that met the objectives of the proposed project, but reduced environmental impacts that were identified as significant environmental impacts. According to Section 15126.6, Consideration and Discussion of Alternatives to the Proposed Project, the range of alternatives required in an EIR is governed by a "rule of reason" that requires the EIR to set forth only those alternatives necessary to permit a reasoned choice. Alternatives shall be limited to ones that would avoid or substantially lessen any of the significant effects of the project. Of those alternatives, the EIR need examine in detail only the ones that could feasibly attain most of the basic objectives of the project.

Response to Comment 12-2

Tenant Station is not currently dark. Therefore, secondary economics impacts on this center have not resulted in urban decay as noted by the commenter.

Response to Comment 12-3

Appendix G, in the California Environmental Quality Act requires that under 'aesthetics/visual resources' an EIR address whether or not a project will have a substantial adverse effect on scenic resources or a scenic vista, scenic resources within a State Scenic Highway or substantially degrade the visual character of the project site and its surroundings. Implementation of Mitigation Measure 3.9-1 and 3.9-2 would ensure that

2.0 RESPONSE TO COMMENTS

the Target Corporation make a written commitment to maintain their vacated store per the guidelines set out in the economic impact report, which will include but not be limited to prompt removal of trash and graffiti and upkeep of the vacant building to standards for a modern community shopping center and provide the City of Morgan Hill with a façade easement on the existing Target store. With implementation of these measures the secondary effects to aesthetics due to urban decay are anticipated to be less than significant.

See Response to Comment #1-14 regarding police and fire service impacts.

It is speculative to estimate the total net loss of jobs due to secondary impacts from urban decay associated with the proposed project. The focus of the analysis in the Draft EIR under the California Environmental Quality Act shall be on the physical changes to the environment, the physical effects of urban decay. The intermediate or social changes associated with a proposed project need not be analyzed in any detail greater than necessary to trace the chain of cause and effect.

Response to Comment 12-4

Section 4.0, Alternatives to the Project, evaluated alternatives to the proposed project. Alternatives evaluated included those that met the objectives of the proposed project, but reduced environmental impacts that were identified as significant environmental impacts. According to a letter provided by the Target Corporation, the existing Cochrane Plaza location does not meet Target's corporate lifestyle vision and therefore does not meet the objectives of the proposed project. In addition, the proposed project not only consists of the expansion of the Target store, but the construction of approximately 533,450 square feet of additional commercial space. Based on this information, expansion of the existing Target was not evaluated as a viable alternative in the Draft EIR that met the project objectives discussed on page 2-17 and 2-18 of the Draft EIR. In addition, construction of a supermarket at the existing Target location was not considered in the Draft EIR due to the significant hurdles, including voter approval and the large size of the existing Target store relative to what most supermarkets require.

Response to Comment 12-5

Comment noted. As discussed by the commenter, the City Council would be required to adopt a document called a 'statement of overriding consideration' if they find that the benefits of the proposed project overcome the environmental burdens created by the significant environmental impacts. If the City can't make this finding, then the proposed project would not be approved.

Response to Comment 12-6

As stated in the economic impact analysis, Appendix I of the Draft EIR, prepared by Bay Area Economics, the downtown represents a different market niche, with a focus on locally-owned small businesses rather than national chains, which are not likely candidates for location in downtown Morgan Hill regardless of whether the proposed project is approved and constructed. It offers a location with lower rents and start-up costs for local entrepreneurs. While some of the store types might be duplicative in a general way, downtown Morgan Hill will continue to offer smaller local merchants business locations that they could not afford at the shopping centers as well as offering a place to go for Morgan Hill residents who wish to shop at locally-owned businesses or for unique offerings of services or goods not found at chain stores. Also refer to Comment Letter #13.

Response to Comment 12-7

According to Section 15378 of the California Environmental Quality Act, a project means the whole of the action, which has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The concept of a "lifestyle center" and/or a description of the specific tenants as mentioned by the commenter is not discussed in the project description of the Draft EIR and is not a required component of a project description under the California Environmental Quality Act. The Draft EIR analyzes a "worst-case" analysis under the California Environmental Quality Act with respect to the physical environmental changes associated with the proposed project.

The economic impact analysis conducted by Bay Area Economics discusses the concept of a lifestyle center; however, the economic impact analysis does not rely on the center being a lifestyle center, but rather assumes a more generic center. As noted in the BAE Executive Summary included in Appendix I, "this economic impact analysis assumes a more generic tenant mix" and thus the analysis is more conservative than if we had assumed a lifestyle center. Additionally, the economic impact analysis does not assume accelerated buildout of Coyote Valley and the proposed Coyote Valley plans do not include any regional-serving commercial.

Response to Comment 12-8

According to Section 15125(a) of the CEQA Guidelines, the description of the physical environmental conditions of the project site and its surroundings under existing conditions is "as it exists" when the notice of preparation (NOP) is published. The NOP for the proposed project was distributed on November 12, 2004. The environmental setting is therefore based on publication of this notice and a list of cumulative projects supplied by City staff at this time. Therefore, the analysis of the air quality is at the time the NOP was published. See Response to Comment #1-8 regarding the Calpine Power Plant.

2.0 RESPONSE TO COMMENTS

Response to Comment 12-9

See Response to Comment #1-2.

Response to Comment 12-10

Comment noted. The traffic impact analysis assumed a 25 percent reduction to account for pass-by and diverted link trips. The diverted link trips were those trips that would make a detour off U.S. Highway 101 to the project site and the pass-by trips were those trips that would be traveling in the vicinity of the project site (e.g. residential development located east of the project site) that make an interim stop between their primary origin and destination. The traffic impact analysis assumed that a greater number of trips would be diverted link trips than pass-by trips and to reflect the lower volume of traffic on roadways during the non-peak hours, a lower pass-by/diverted link reduction of 20 percent was applied to daily trips.

As discussed in Response to Comment #1.2-5, the City Council would be required to adopt a document called a 'statement of overriding consideration' for each significant and unavoidable impact identified in the Draft EIR, if they find that the benefits of the proposed project overcome the environmental burdens created by the significant environmental impacts. If the City can't make this finding, then the proposed project would not be approved.

Comment Letter # 13

Sent via email to:
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mhd@garlic.com

August 29, 2005

Ms. Rebecca Tolentino, Associate Planner
City of Morgan Hill
Community Development Department
17555 Peak Ave.
Morgan Hill, CA 95037

Subject: Cochrane Road PUD Draft EIR

The Morgan Hill Downtown Association (MHDA) has reviewed the Draft Environmental Impact Report for the Cochrane Road Planned Unit Development and respectfully submits the following comments.

13-1

1. The MHDA does not believe that the Draft EIR adequately addresses the economic impacts of the proposed Cochrane Road retail center on the downtown shopping district: It is stated on page i of the Executive Summary of Appendix I, Land Use and Planning, that the proposed project will be developed as a 'lifestyle center' with an emphasis on higher-end stores, dining and entertainment (as indicated by the movie theater complex), creating a destination retail experience... and on page v it states, with respect to downtown, the Proposed Project serves a different niche for both consumers and retailers in Morgan Hill, and as such, should not see major impacts from the Proposed Project. The Morgan Hill Downtown Plan (MHDP) adopted by the City Council states parallel goals for specialty retail, dining and entertainment (including restoration of the historic Granada Theatre) and a destination for all Morgan Hill residents and visitors. While it is our understanding that the Draft EIR was referring to "decay" in its analysis of downtown it is our position that the center is competing with the downtown vision and will impact it economically and could eventually lead to decay without substantive mitigations. (See item 3 below.)

13-2

2. MHDA does not oppose the proposed project: Even in light of the direct competition stated above, the MHDA understands the City's need to capture sales tax leakage and does not oppose the proposed retail center but urges the City to exercise caution in what uses are approved for the center so that the economic benefit of the proposed center is not at the expense of established Morgan Hill businesses.

13-3

3. EIR mitigations fall short: If the downtown shopping district is expected to compete with the proposed Cochrane retail center, the downtown revitalization effort must be accelerated. The only mitigations stated in the EIR, a kiosk with

Comment Letter # 13 continued

Ms. Rebecca Tolentino, Associate Planner
City of Morgan Hill

Page 2

4. downtown information and a retail advisor from Target, will fall short of the mitigations necessary for downtown to compete. Following are mitigations we propose be implemented:

a. **Granada Theatre restoration:** The retention and enhancement of the Granada Theatre is identified as a key component of downtown's revitalization in the MHDp yet it remains vacant with no solid plan. To its credit the City has set aside restoration funds, but it must take a more proactive role in facilitating the restoration of the historic theatre.

b. **New Development**

i. **Mixed use High Density Housing:** The downtown needs more residents with neighborhood serving commercial space on the ground floor. However, mixed use is expensive and downtown's current lease rates make financing difficult to impossible. The City needs to waive fees and ease parking requirements to encourage developers to take the leap. No fees will be collected if no one develops.

ii. **Commercial Development:** Infill commercial along Monterey Road and on 3rd Street will create retail continuity and the critical mass that will bring vibrant sidewalks and higher-end specialty retailers, restaurants and entertainment uses. Fee waivers are a mitigation that will accelerate downtown development and its ability to compete with the proposed center.

c. **Retail Consultant:** A retail consultant should be provided exclusively to downtown who understands mixed use retail centers such as Santana Row. Employing the same strategies as a shopping center, such a consultant could analyze the existing retail mix and make recommendations on types of uses needed to round out the mix, map out where these uses should be located to compliment existing uses and develop a retail recruitment strategy. This would give the City and MHDA the needed tools to attract the targeted commercial tenants.

d. **Co-funding of Morgan Hill Downtown Association:** The Morgan Hill Downtown Association understands the urgency in creating a self assessment district downtown. The City should be prepared to fill the gaps not met by the assessment district.

Sincerely,

Dan Craig, Executive Director
Morgan Hill Downtown Association

Response to Letter 13 – Dan Craig, Morgan Hill Downtown Association – August 29, 2005

Response to Comment 13-1

As discussed in Response to Comment #12-7 above, the BAE analysis did not assume that the center would be a lifestyle center in analyzing potential impacts on other retailers in the City of Morgan Hill. As discussed in Response to Comment #2-12, the downtown market represents a different market niche, with a focus on locally-owned small businesses rather than national chains, which are not likely candidates for location in downtown Morgan Hill regardless of whether the proposed project is approved and constructed. It offers a location with lower rents and start-up costs for local entrepreneurs. While some of the store types might be duplicative in a general way, downtown Morgan Hill will continue to offer smaller local merchants business locations that they could not afford at the shopping centers as well as offering a place to go for Morgan Hill residents who wish to shop at locally-owned businesses or for unique offerings of services or goods not found at chain stores. The economic impact analysis did not analyze downtown in terms of the "vision" but with respect to current actual and expected conditions.

The Draft EIR indicates that the proposed project will have a minimal impact on downtown with respect to causing urban decay. The Draft EIR is not stating that there will not be any economic impact on downtown as some businesses may close due to competition from the proposed project. However, the Draft EIR finds that the proposed project will not cause downtown buildings to fall into a blighted condition because property owners are unable to maintain or lease the space. Over the past years, the downtown has suffered vacancies without the competition from the Proposed Project. Currently, many businesses in the downtown are considering relocation options not related to the Proposed Project. However, because lease rates in downtown are lower than other areas of town, property owners have demonstrated the ability to lease the space after a short period time. The uses that occupy the space may not be the most desirable businesses (e.g., retail) for the downtown, but the properties have been occupied and maintained. In addition, for those properties that remain vacant for a longer period of time, owners have shown the propensity to maintain their properties or that the impact of the property on the downtown has not led to a spiraling decay of adjacent properties. It should also be noted that the Redevelopment Agency has over 30 façade easements for properties in the downtown area which allows the Agency to step in and maintain the property should it fall into a state of disrepair. The DEIR does provide mitigations measures that are sufficient to address the potential impacts on downtown.

Response to Comment 13-2

Comment noted. City staff appreciates the Morgan Hill Downtown Association's position on the proposed project and is working with the project applicant to ensure that the

2.0 RESPONSE TO COMMENTS

proposed project best meets the community's needs. The Draft EIR indicates the City experiences \$100 million per year in retail sales leakage. While the proposed project is trying to position itself to capture a majority of that leakage, there will always be an impact on existing businesses as retailers cannot tell its customers where to shop. However, the City estimates the net sales tax gain to the community will exceed \$1 million in net new sales tax revenue from the proposed project which can be used to pay for a variety of City services and projects some of which downtown would benefit from.

Response to Comment 13-3

The City of Morgan Hill and its Redevelopment Agency have been very active in the revitalization efforts of downtown. The Redevelopment Agency has invested/committed over \$30 million in the downtown over the past five years. The Agency has constructed/assisted such projects as the Community and Cultural Center with the Playhouse and Gavilan College, the County Courthouse, Depot Street Improvements, traffic calming improvements, issuing a Request for Proposal (RFP) for \$3 million to encourage development downtown, and assisting various downtown developments in the downtown area (e.g., Granary, Gunter Bros, brew pub).

Response to Comment 13-4

The Redevelopment Agency has committed over \$1 million for the restoration of the Granada Theater. While the Redevelopment Agency took a proactive role in trying to help the parties reach an agreement, the proposed operator and lessee of the theater could not come to business terms. The Redevelopment Agency continues to have interest in seeing the Granada remain a theater but there are many factors beyond its control. The Redevelopment Agency is more than willing to consider any recommendations the Morgan Hill Downtown Association may have with regard to the specific proactive role of the Redevelopment Agency and Morgan Hill Downtown Association in facilitating the restoration of the theater.

Response to Comment 13-5

The City of Morgan Hill has rezoned properties in downtown to encourage higher densities and mixed uses. Recently, the City of Morgan Hill amended its parking code to exempt commercial projects from providing on-site parking and residential projects from providing on-site guest parking in the downtown area. The Redevelopment Agency provides financing programs to finance fees for commercial development, but the City/Agency is also exploring other options for encouraging mixed-use development in the downtown area including exempting projects downtown from the payment of impact fees. However, the waiver of fees is not a simple process and requires analysis to determine if such a waiver will have a de-minimus impact on the respective impact fee funds because the

City's policy is that new development must pay for its fair share of regional improvements. If a determination is made that this is feasible, then the ordinance must be amended.

Response to Comment 13-6

Last year, the City of Morgan Hill amended its ordinance to allow conversions from residential to commercial uses and expansions of existing commercial uses not exceeding 1,500 sq. ft. to be exempt from paying impact fees. The Redevelopment Agency also provides financing programs to finance fees for commercial development, but the City of Morgan Hill/Redevelopment Agency is also exploring other options for encouraging commercial development in the downtown area including exempting projects from the payment of impact fees. However, the waiver of fees is not a simple process and requires analysis to determine if such an exemption would have a de minimus impact on the respective impact fee funds because the City of Morgan Hill policy is that new development must pay for its fair share of regional improvements. If a determination is made that this is feasible, then the ordinance must be amended.

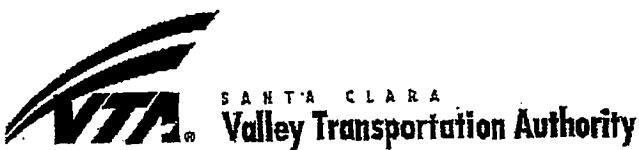
Response to Comment 13-7

The development of a business mix/recruitment strategy is a very good idea for any downtown area. It would seem that the Morgan Hill Downtown Association (MHDA) should be undertaking such a study regardless of the development of the Proposed Project. However, the DEIR does state that the City or developer/businesses would fund programs aimed at assisting small businesses. The resources dedicated to these programs could be reallocated towards the costs of preparing a business mix/recruitment strategy for downtown.

Response to Comment 13-8

Over the past four years, the Redevelopment Agency has provided \$385,000 to the Morgan Hill Downtown Association to fund its operations. One of the key requirements for funding this FY05-06 is that the Morgan Hill Downtown Association must create a mechanism to become self-funding after this fiscal year. To meet this goal, the Morgan Hill Downtown Association has been pursuing the formation of a property based improvement district (PBID). The City of Morgan Hill has indicated in the past that it would be supportive of the formation of a PBID and would pay its fair share of the assessment. It would be premature at this time for the City of Morgan Hill to commit to fill any gaps not met by the assessment district since it is unknown what the amount of the gap would be, if any. In addition, the City of Morgan Hill would need to evaluate the benefits to the community of filling such a gap as well as evaluating the financial resources of the City of Morgan Hill to fill such a gap if warranted.

Comment Letter #14



August 29, 2005

City of Morgan Hill
Community Development Department
17555 Peak Avenue
Morgan Hill, CA 95037-4128

Attention: Development Review Committee

Subject: Cochrane Planned Unit Development

Dear Sir or Madam:

Santa Clara Valley Transportation Authority (VTA) staff have reviewed the Draft EIR for a 657,250-square foot shopping center on 66.49 acres at the northeast corner of Cochrane Road and US 101. We have the following comments.

On-Site Planning and Design

Vehicular Parking

14-1 14-1 Parking reductions to account for shared parking among integrated on-site land uses should be considered for this project where appropriate. VTA supports the consideration of these potential reductions so that the number of parking spaces provided is less than that established by City of Morgan Hill code.

Bicycle Parking

14-2 14-2 The Draft EIR reports that bicycle parking would be provided as part of this project. Please refer to the VTA *Bicycle Technical Guidelines* for additional guidance on accommodating bicycles on roadways and on estimating supply, siting and design for bicycle storage facilities. This document may be downloaded from www.vta.org/news/vtacmp/Bikes. For more information on bicycle systems and parking, please contact Michelle DeRobertis, Development & Congestion Management Division, at 408-321-5716.

The VTA *Community Design & Transportation (CDT) Guidelines* and the VTA *Pedestrian Technical Guidelines* should be used when designing developments at this site. These documents provide guidance on site planning, building design, street design, preferred pedestrian environment, intersection design and parking requirements. Both documents are available upon request to agency staff. For more information, please call Chris Augenstein, Development & Congestion Management Division, at 408-321-5725.

Comment Letter # 14 continued

City of Morgan Hill
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Bus Service

VTA staff recommend that the project establish a new bus stop on southbound Cochrane Road, south of Mission View Drive, with the following improvements:

14-3

- A 22-foot curb lane or bus duckout, consistent with VTA standards.
- A passenger waiting pad, adjacent to the stop
- Pedestrian access from the new shopping center to the sidewalk.
- A PCC Bus Stop Pavement Pad, consistent with VTA standards
- No trees should be located in the bus stop loading area.

Transportation System Planning and Design

Proposed Mitigation at Monterey and Dunne

14-4

It is not acceptable to VTA to eliminate an existing bicycle lane to mitigate vehicular traffic impacts. This and future developments should result in the incremental implementation of the bicycle lane network rather than any degradation to the network. In the mitigated striping scenario, where the right-turn only lane becomes a shared through/right-turn lane, the bicycle lane would be adjacent to the curb and delineated with the dashed bike lane marking (Detail 39A). If the existing bicycle lane is carried through to the limit line, and located in between the right-turn only lane and the through lane, this striping would not require any additional roadway pavement width.

Freeway Impact Analysis

14-5

The Draft EIR states that the project will cause significant freeway impact on US 101 between Tennant Avenue and Dunne Avenue. It is documented that the project will have impacts that cannot be feasibly mitigated to CMP standards. The project should undertake Transportation Demand Management (TDM) measures aimed at reducing the number of vehicle trips generated such as:

- Parking Cash-Out
- Direct or Indirect Payments for Taking Alternate Modes
- Transit Fare Incentives such as Eco Pass and Commuter Checks
- Employee Carpool Matching
- Vanpool Program
- Preferentially Located Carpool Parking
- Bicycle Lockers and Bicycle Racks
- Showers and Clothes Lockers for Bicycle Commuters

Comment Letter #14 Continued

City of Morgan Hill
August 29, 2005
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14-5

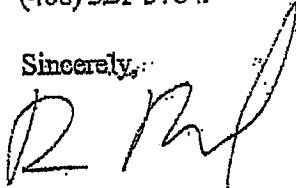
- On-site or Walk-Accessible Employee Services (day-care, dry-cleaning, fitness, banking, convenience store)
- On-site or Walk-Accessible Restaurants
- Guaranteed Ride Home Program
- Carsharing

VTA Support Services

For more information, general questions, technical support, or to arrange a meeting with VTA staff to discuss On-Site Planning and Design of this or any other development projects, please contact George Tacké, Development & Congestion Management Division, at 408-321-5865 or via email at george.tacke@vta.org. VTA staff looks forward to assisting you.

Thank you for the opportunity to review this project. If you have any questions, please call me at (408) 321-5784.

Sincerely,



Roy Molseed
Senior Environmental Planner

RM:kh

cc: Samantha Swan, VTA

Response to Letter 14 – Santa Clara Valley Transportation Authority (VTA) – August 29, 2005

Response to Comment 14-1

The commenter supports the use of a shared parking analysis, which was conducted for the proposed project, so that the number of parking spaces is less than was established by the City of Morgan Hill. No response is necessary.

Response to Comment 14-2

The commenter suggests that the project applicant use the VTA *Bicycle Technical Guidelines* for additional guidance on accommodating bicycles on roadways and on estimating supply, siting, and design for bicycle storage facilities, as well as the VTA *Community Design and Transportation Guidelines* and the VTA *Pedestrian Technical Guidelines*. Mitigation measure 3.12-9 has been revised to incorporate this information.

MM 3.12-9 The following bicycle facilities shall be incorporated into the project:

- a) Bicycle racks and/or lockers to accommodate bicycle travel by customers and employees. Bicycle parking facilities should be located in high visibility areas in order to encourage bicycle travel and discourage theft and vandalism.
- b) Class II bicycle lanes along the project street frontages.

The Santa Clara Valley Transportation Authority (VTA) *Bicycle Technical Guidelines*, VTA *Community Design and Transportation Guidelines* and the VTA *Pedestrian Technical Guidelines* shall be used in design of the proposed bicycle facilities associated with the proposed project.

Response to Comment 14-3

The EIR identified a potentially significant impact with respect to transit facilities that serve the project site. Mitigation Measure 3.12-7 in Section 3.12, Transportation and Circulation, in the EIR requires the project applicant to construct a new bus stop along the project frontage, including transit amenities, such as a bus turnout, a shelter, and benches. Mitigation Measure 3.12-7 has been modified to ensure that the proposed bus stop is constructed to VTA standards, with the exception of planting trees at the bus stop in order to provide a more comfortable and aesthetically pleasing environment, and require that the City of Morgan Hill work with the project applicant, Caltrain, and the VTA on ways to

2.0 RESPONSE TO COMMENTS

increase the frequency and coverage of transit service serving the project area and the nearest Caltrain station.

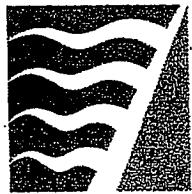
Response to Comment 14-4

Commenter states that elimination of the bicycle lane at Monterey Road and Dunne is unacceptable in order to mitigate vehicular traffic impacts. Mitigation Measure 3.12-7 does not require elimination of the bicycle lane. As noted on page 3.12-17, elimination of the bicycle lane would only occur if no additional widening occurred to implement this mitigation measure. City staff will take the recommendations of VTA in consideration when implementing this mitigation measure to ensure consistency with the *City of Morgan Hill General Plan*.

Response to Comment 14-5

Mitigation Measure 3.12-2 would require that the project applicant implement the applicable actions listed in the Immediate Implementation Action List contained in the Deficiency Plan Guidelines of the County's Congestion Management Program, which are intended to encourage the use of non-automobile transportation modes and to help maximize the efficiency of the existing transportation system, such as those noted by the commenter to reduce the number of vehicle trips.

Comment Letter #15



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT



Rebecca Tolentino
City of Morgan Hill
Community Development Department
17555 Peak Avenue
Morgan Hill, CA 95037-4128

August 26, 2005

Subject: Cochrane Road Planned Unit Development Project

Dear Ms. Tolentino:

Bay Area Air Quality Management District (District) staff have reviewed your agency's Draft Environmental Impact Report (DEIR) for the Cochrane Road Planned Unit Development Project (project). The project consists of an approximately 657,250 square feet shopping center to be built on approximately 66 acres of land.

ALAMEDA COUNTY
Roberta Cooper
Scott Haggerty
Nate Miley
Sheila Young
15-1

CONTRA COSTA COUNTY
Mark DeSaulnier
Mark Ross
(Secretary)
Michael Shimansky
Gayle B. Uilkema
(Vice-Chairperson)

MARIN COUNTY
Harold C. Brown, Jr.

NAPA COUNTY
Brad Wagenknecht

SAN FRANCISCO COUNTY
Chris Daly
Jake McGoldrick
Gavin Newsom
15-1

SAN MATEO COUNTY
Jerry Hill
Marland Townsend
(Chairperson)
15-2

SANTA CLARA COUNTY
Erin Garner
Liz Kniss
Patrick Kwok
Julia Miller
15-2

SOLANO COUNTY
John F. Silva

SONOMA COUNTY
Tim Smith
Pamela Torliatt

Jack P. Broadbent
EXECUTIVE OFFICER/APCO

Based on the analysis contained in the DEIR, the proposed project will result in significant air quality impacts from the project alone and cumulatively. The DEIR includes Mitigation Measure 3.3-3 that recommends implementing "a trip reduction plan" to reduce single occupant vehicle trips by employees and promote non-auto travel by both employees and patrons. We support the control measures currently identified in Mitigation Measure 3.3-3 and recommend including additional feasible mitigation measures to further reduce the project's significant air quality impacts. These measures could include, but are not limited to: extending the proposed Class II bicycle lanes beyond the project's street frontages so as to connect with existing residential neighborhoods and regional bicycle routes; providing a Class I path between buildings Major 1 and Major 8 to connect the project with the adjacent residentially zoned area just north of the project; providing employees with a parking cash-out incentive to reduce the likelihood of driving alone; providing public service Spare the Air advertising and public service announcements at the project's cinema (District will provide video); and utilizing only electric forklifts and landscaping equipment in the project operations and the operations of tenants.

Since motor vehicles constitute the largest source of air pollution in the Bay Area, the District has a strong interest in promoting transit and other alternative modes of transportation that reduce single occupant vehicle use. We recommend that the FEIR include a description of the existing transit service that serves this project as well as how it connects with regional transportation service such as Caltrain. Further, we support the transit-related control measures included in Mitigation Measure 3.3, such as posting transit rates and scheduling information on bulletin boards and the provision of one bus shelter with pedestrian access to the project site. We recommend including additional transit measures to help further reduce the significant air quality impacts resulting from project operations. For

Comment Letter #15 Continued

Ms. Rebecca Tolentino

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August 26, 2005

example, we encourage the City to work with the project sponsors, Caltrain and the Santa Clara Valley Transportation Authority (VTA) on ways to increase the frequency and coverage of transit service (shuttle or bus) serving the project area and the nearest Caltrain stations as well as nearby residential areas. We also recommend providing subsidized transit passes to employees at the project site (e.g. VTA's EcoPass program).

15-3 Requiring more parking to satisfy the demand for free or under-priced parking can spread out land uses and increase development costs. We recommend that the FEIR conduct an analysis of what the parking demand would be if modest parking charges were implemented during the peak periods and consider reducing the required parking accordingly. We commend the City for including in Mitigation Measure 3.3-3 a control measure that will "designate a portion of the parking lot for weekday 'park-and-ride' parking spaces," thereby allowing some of the project's 3,025 proposed parking spaces to be used as a daytime regional park-and-ride facility on weekdays. The required parking supply is 2,956 spaces, resulting in a 69 space surplus beyond the City's requirements. Further, the peak parking demand on a weekday is estimated in the DEIR to be 1,712 parking spaces. Permitting carpoolers to use the development's excess parking capacity could reduce emissions in the region, and help off-set emissions from project patrons and employees. We recommend that the project dedicate a minimum of 100 parking spaces for weekday carpoolers located adjacent to Cochrane Road, and that the area be well signed so that carpoolers know where they may park. This element of Mitigation Measure 3.3-3 can also be cross-referenced with Mitigation Measure 3.12-2 as it could help reduce freeway level of service impacts. We understand that the project sponsors have concerns about this element of Mitigation Measure 3.3-3, and we recommend requiring its implementation as a condition of project approval. We also recommend that the City continue to work with the project sponsors, Caltrans District 4, and VTA to develop appropriate policies and siting requirements for the park-and-ride spaces.

15-4 We recommend that the Final Environmental Impact Report (FEIR) evaluate the effectiveness of each of the recommended measures both qualitatively and quantitatively (when possible). Any mitigation measures considered infeasible should be identified in the FEIR as well as the justification for that determination. To ensure the implementation of measures to mitigate significant air quality impacts, we recommend changing wording in Mitigation Measure 3.3-3 from "should" to "shall" and make implementing this mitigation measure part of the project's Conditions of Approval.

15-5 We recommend that the FEIR address the project's potential to increase the demand for energy and generate area source emissions from project operations. Increasing the demand for electricity, natural gas, and gasoline may result in an increase of criteria air pollutant emissions from combustion, as well as an increase in greenhouse gas emissions, which can impact regional air quality. We recommend that the FEIR discuss energy demand of the project at build-out, including any cumulative impacts on energy use from this project and other planned projects in the area, such as the need to build "peaker power plants" to provide power during peak demand. We also recommend including all feasible strategies that will reduce energy consumption and the severity of air quality impacts, including but not limited to the use of: super-efficient heating, ventilation, and air conditioning (HVAC) systems; light-colored and reflective roofing materials,

Comment Letter #15 continued

15-5

pavement treatments and other energy efficient building materials; the most mature, viable shade trees adjacent to buildings and in parking lots; photovoltaic panels on buildings; and natural light and energy-efficient lighting. We also recommend that the FEIR quantify and list the area source emissions associated with the project separately from the mobile source emissions. This was done for the optional gas station, but there are other sources such as furnaces, gas water heaters, and solvent use. Some of the energy-saving strategies listed above could also reduce area source emissions.

15-6

District staff note that the project is located immediately south of an area zoned for residential development and that the project's buildings Major 1 and Major 8 have loading docks that are adjacent to this area. Given the potential for sensitive receptors to locate next to the loading docks in the future, we recommend providing 110 and 220 volt outlets at the loading docks and require all trucks to connect with these outlets to power their auxiliary equipment. We also recommend limiting the idling of trucks in this location to three minutes.

15-7

We commend the City for implementing all feasible control measures in Mitigation Measure 3.3-2 for fugitive dust emissions from grading and construction. The District does not typically recommend quantification of construction emissions associated with construction activities, but instead bases its threshold of significance for fugitive dust on implementation of all feasible control measures listed in Table 2 of the *BAAQMD CEQA Guidelines*. Further, the kinds of construction equipment commonly used in development projects are primarily diesel-powered, and with continuous use, can lead to significant diesel particulate matter and ozone precursor emissions. The California Air Resources Board (ARB) has identified diesel engine particulate matter as a toxic air contaminant and known carcinogen. Diesel emissions have also been shown to cause coughs, headaches, lightheadedness, and nausea. Acrolein, an air pollutant found in diesel exhaust, has been shown to cause irritation to the eyes, nose, throat and lungs, thereby exacerbating asthma symptoms. Diesel particulate matter could therefore have acute short-term impacts and a disproportionate effect on sensitive receptors (such as the elderly, children, people with illnesses, or others who are especially sensitive to the effects of air pollutants). The project is located adjacent to a residential area and the De Paul Health Center.

To minimize construction impacts from diesel emissions on adjacent sensitive receptors, we recommend implementation of additional measures to reduce combustion emissions from construction equipment – particularly diesel emissions. Such measures could include but are not limited to: maintaining properly tuned engines; minimizing the idling time of diesel powered construction equipment to five minutes; using alternative fueled construction equipment (CNG, biodiesel, water emulsion fuel, electric); using add-on control devices such as diesel oxidation catalysts or particulate filters; using diesel construction equipment that meets the ARB's 1996 or newer certification standard for off-road heavy-duty diesel engines; phasing the construction of the project; and limiting the hours of operation of heavy duty equipment. We recommend that the Final Environmental Impact Report (FEIR) evaluate the effectiveness of each of the recommended measures both qualitatively and quantitatively (when possible). Any mitigation measures considered infeasible should be identified in the FEIR as well as the justification for that determination.

Comment Letter # 15 continued

Ms. Rebecca Tolentino

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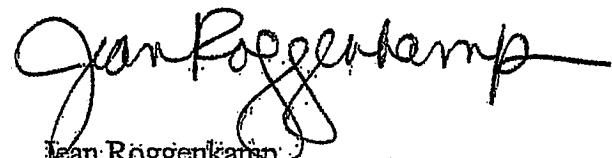
August 26, 2005

15-8

For more details on our agency's guidance regarding environmental review, we recommend that the City refer to the *BAAQMD CEQA Guidelines*. This document provides information on best practices for assessing and mitigating air quality impacts related to projects and plans, including construction emissions, land use/design measures, project operations, motor vehicles, and nuisance impacts. If you do not already have a copy of our *BAAQMD CEQA Guidelines*, we recommend that you obtain a copy by calling our Public Information Division at (415) 749-4900 or downloading the online version from the District's web site at <http://www.baaqmd.gov/pln/ceqa/index.asp>.

If you have any questions regarding these comments, please contact Douglas Kolozsvari, Environmental Planner, at (415) 749-4602.

Sincerely,


Jean Rögggenkamp
Deputy Air Pollution Control Officer

JR:DK

cc: BAAQMD Director Erin Garner
BAAQMD Director Liz Kniss
BAAQMD Director Patrick Kwok
BAAQMD Director Julia Miller

Response to Letter 15 – Bay Area Air Quality Management District – August 29, 2005

Response to Comment 15-1

The commenter supports the measures included in Mitigation Measure 3.3-3, but requests that the mitigation measure include extending the proposed Class II bicycle lanes beyond the project street frontages to connect with existing residential neighborhoods and regional bike routes; provide a Class I bike path between Major 1 and Major 8 to connect the project with the adjacent residential zoned area just north of the proposed project, provide employees with parking cash-out incentive to reduce the likelihood of driving alone, provide public service Spare the Air advertising and public service announcements at the project's cinema, and utilize only electric forklifts and landscaping equipment in the project operations and the operations of tenants.

Mitigation Measure 3.12-9 would require the project applicant to incorporate Class II bicycle lanes along the project street frontages consistent with the City of Morgan Hill General Plan. As the surrounding properties are developed they would also be required to comply with the City of Morgan Hill General Plan and incorporate planned bicycle lanes identified in the General Plan. Please note that until the Roland property is developed, bicycle lanes will be provided up to the main driveway off Mission View Drive. Once the Roland property develops, bike lanes will be installed on both sides for the full length of Mission View Drive.

Recommendations, such as providing employees with a cash-out incentive to reduce the likelihood of driving alone, provisions for providing public service announcements that would assist in reducing mobile source air emissions associated with the proposed project have been incorporated as recommendations for the trip reduction plan incorporated in the EIR as Mitigation Measure 3.3-3.

Mitigation Measure 3.3-3 has been revised as follows:

MM 3.3-3a A facilities 'trip reduction plan' shall be implemented by the project applicant to reduce single occupant vehicle commute trips by employees and promote non-auto travel by both employees and patrons. The facilities trip reduction plan shall may include, but not be limited to elements that would reduce traffic, and thus air pollutant emissions as described below:

- Provide one bus stop/shelter with pedestrian access to the project site. Implementation of this measure could reduce project emissions by approximately two percent.
- Bicycle amenities should be provided at the project site once the proposed project is in operation. Bicycle amenities could include

2.0 RESPONSE TO COMMENTS

secure bicycle parking for employees, bicycle racks for customers, and bike lane connections. This vehicle trip reduction measure may reduce emissions associated with the proposed project by approximately two percent.

- Pedestrian facilities should link the future transit stop and access roadways to the major sites uses. This trip reduction measure may reduce emissions by approximately one percent.
- Designate a portion of the parking lot for weekday 'park-and-ride' parking spaces (the excess between weekday peak and weekend peak), which would reduce emissions from traffic to the project site by allowing commuters to park their car and carpool or take transit.
- Require employers at the project site to post transit rates and scheduling information on bulletin boards. This vehicle trip reduction measure may reduce emissions by one percent.

The project applicant shall incorporate as many BAAQMD recommended reduction measures, as reasonably possible, into the trip reduction plan including the following: providing public service announcements including the 'Spare the Air' advertisement at the project's cinema and provisions to provide employees with a parking cash-out incentive to reduce the likelihood of driving alone.

Preparation and implementation of a trip reduction plan designed to reduce traffic congestion in the project area could result in lower emissions from vehicle travel. The amount of congestion relief and related total emission reduction is unknown. Therefore long-term operational emissions associated with the proposed project would remain **significant and unavoidable**, even with full effectiveness of the mitigation measure.

Response to Comment 15-2

Section 3.12, Transportation and Circulation and the traffic impact analysis (TIA), included as Appendix K in the Draft EIR includes a discussion of the existing transit service that serves the project site. Direct transit service is not currently provided between the project site and the Caltrain station, however the station can be accessed via Bus Route 16 to the Main Avenue/Butterfield Boulevard intersection and then walking a quarter mile to the Caltrain station.

The commenter supports Mitigation Measure 3.3, but recommends additional transit measures to help further reduce the significant air quality impacts resulting from project operations, including recommendations that the City of Morgan Hill work with the project sponsors, Caltrain, and the Santa Clara Valley Transportation Authority on ways to increase the frequency and coverage of transit service serving the project area and the nearest Caltrain stations, as well as nearby residential areas and providing subsidized transit passes

to employees at the project site. Mitigation measure 3.3 has been revised to ensure that the City of Morgan Hill coordinates with the project applicant, Caltrain, and the VTA on ways to increase the frequency and coverage of transit service to the project site and to the nearest Caltrain station.

Response to Comment 15-3

The commenter recommends that the FEIR conduct an analysis of what the parking demands would be if modest parking charges were implemented during the peak periods and consider reducing the required parking accordingly. Development projects in the City of Morgan Hill are required to meet the city's parking code requirements. The City's parking code does not include a broader 'shopping center' category, which anticipates a mix of retail and commercial uses. Therefore, City staff determined that it would be appropriate to use the Institute of Traffic Engineers (ITE) parking supply rate for 'shopping center,' an action that is provided for in the City's municipal code for situations where the code does not include a particular land use category. The recommendation of charging for parking in order to encourage carpooling or the use of public transit is not accounted for in the City's Municipal Code.

As noted in Mitigation Measure 3.3-3, a portion of the project site may include designating a portion of the project site as a parking lot for weekday 'park-and-ride' parking spaces, which would reduce emissions from traffic to the project site by allowing commuters to park their car and carpool or take transit. The amount that will be reserved for the park and ride shall be the excess between weekday peak and weekend peak as described in the mitigation measure. All mitigation measures become conditions of approval once the EIR is certified.

Response to Comment 15-4

According to the air quality assessment prepared by Illingworth and Rodkin, Mitigation Measure 3.3-3 would result in a six percent reduction in long-term operational emissions if all of the measures were incorporated into the proposed project. The commenter recommends that Mitigation Measure 3.3-3 is incorporated as part of the project's Conditions of Approval. When the EIR is certified by the City Council, each mitigation measure would become a condition of project approval. Mitigation Measure 3.3-3 has been revised to strike 'should' and replaced with shall in two of the bullet points describing the 'trip reduction plan.'

Response to Comment 15-5

Daily regional air pollutant emissions for the proposed project are presented in Table 3.3-4 of the Draft EIR. This table includes both mobile source and area source emissions associated with the proposed project as shown in the URBEMIS modeling included in

2.0 RESPONSE TO COMMENTS

Appendix D. The major source of emissions associated with the proposed project would be from mobile sources, including vehicles traveling to and from the project site. The proposed project would however result in a slight increase in area source emissions from sources mentioned in the commenters letter, including sources such as heating, air conditioning, and the operation of landscaping equipment. Area source emissions associated with the proposed project would be approximately .54 pounds per day of reactive organic gases (ROG), 6.36 pounds per day of nitrogen oxides (NO_x), 3.13 pounds per day of Carbon Monoxide (CO), and 0.01 pounds per day of fine particulate matter (PM₁₀).

To reduce area source emissions associated with the proposed project, the following mitigation measure has been incorporated into the Draft EIR:

MM 3.3-3b Subject to review and approval by the City of Morgan Hill, the proposed project shall integrate the following design features into the proposed project to reduce area source air quality emissions:

- Carefully select and locate trees to provide shade for structures and pathways within the project site during the summer months. Deciduous trees should be favored since they provide shade in the summer and allow sun to reach residences during cold and winter months. This measure should be focused on southern and western exposures of buildings;
- Incorporate as many energy conserving features as financially feasible into the design and construction of new buildings at the project site. Examples include, but are not limited to, increased wall and ceiling insulation (beyond code requirements), super insulated windows (triple pane) and maximum use of energy efficient lighting;
- Install super-efficient heating, ventilation, and air conditioning (HVAC) systems; and
- Incorporate light colored and reflective roofing materials into the project design.

Response to Comment 15-6

The area north of the project site is designated 'Rural County' in the *City of Morgan Hill General Plan*. Two residential homes are located north of the project site, approximately 250 and 500 feet respectively, from the northern boundary of the project site. As shown in Figure 2-8, detention basins would be located on the northern boundary of the project site providing a 150-foot buffer from these large anchor stores to the northern property line.

2.0 RESPONSE TO COMMENTS

Due to the distance of these sensitive receptors to the loading docks behind these large anchor stores, the idling of delivery trucks at the project site would not be considered significant.

Response to Comment 15-7

The emission of diesel exhaust during construction activities is evaluated on page 3.3-15 of the Draft EIR. As the approved assisted living facility, would likely be completed prior to construction of the proposed project, the emission of diesel exhaust on this sensitive receptor is considered a potentially significant impact. Page 3.3-15 of the Draft EIR has been amended to address this approved sensitive receptor and the following mitigation measure has been incorporated in the EIR to reduce the emission of diesel exhaust to a less than significant level during construction activities associated with the proposed project.

MM-3.3-2b Subject to approval by the City of Morgan Hill, the project applicant shall limit the pieces of diesel-powered construction equipment used at any one time, and limit the idling and hours of operation for heavy-duty equipment as feasible during construction of the proposed project to limit the emission of diesel exhaust. Gasoline-powered equipment shall be used as an alternative to diesel to the extent feasible and when comparable equipment and technology is available.

Response to Comment 15-8

Comment noted. The *BAAQMD CEQA Guidelines* were used to evaluate the air quality impacts of the proposed project. Please see Response to Comment #15-7.

Comment Letter #16



BROWMAN DEVELOPMENT COMPANY, INC.
Development • Leasing • Management

August 29, 2005

City of Morgan Hill
Community Development Department
17555 Peak Avenue
Morgan Hill, CA 95037-4128

Attention: Rebecca Tolentino – Senior Planner

Re: Developer Comments on Draft EIR dated July, 2005
Cochrane Road Planned Unit Development
SCH# 2004112060

Ladies and Gentlemen:

The following are the Developer's comments with respect to the content of the Draft EIR for the subject project, as follows:

16-1 MM 3.4-2: I have researched the length of the nesting season for raptors and migratory birds. It runs from February 1 through June 30 rather than through August 31 as stated in the EIR.

16-2 MM 3.5-1a: The automatic 150 foot (50 yards) distance for cessation of work in the event of an archeological or similar finding is excessive. I suggest that if such a finding should occur, a 30 foot cessation of work distance be used. If necessary, within 10 days of identifying such finding, a licensed archeologist or other qualified expert could be called in to determine whether this is the appropriate distance or if a larger or smaller cessation area is necessary.

16-3 MM 3.11-1: It is not in our current plans to include video surveillance and full time security. Instead, we will prepare a comprehensive shopping center security plan that may or may not include partial video surveillance and security personnel (as necessary) depending upon actual circumstances. This plan should change with circumstances and issues, if any which arise. The plan must remain flexible. We will confer with the Morgan Hill Police Department in the preparation of this plan. Such full time security and video surveillance measures are not presently operational in other shopping center projects in Morgan Hill.

Comment Letter # 16 Continued

16-4

MM 3.12-3: We wish to retain the two Mission View Drive driveways located behind the Cinema. These driveways are right turn only and necessary for truck deliveries. They will be used infrequently. Removal of these driveways and installation of a drive aisle behind the Cinema building, as suggested, would also cause the loss of a substantial landscape area along Mission View Drive behind the Cinema.

16-5

MM 3.12-9: There will not be adequate roadway width for a bicycle lane on Mission View Drive upon initial project development. A bicycle lane is included in the City of Morgan Hill's ultimate design for this roadway.

MM 3.12-10: This mitigation measure needs to be deleted. The project provides more than adequate parking as evidenced in the EIR. First, the project exceeds the City of Morgan Hill parking requirements by 69 stalls. Second, the project exceeds the latest Institute of Transportation Engineers (ITE) Parking Generation (3rd Edition) parking requirements for the peak period on the busiest day (weekend 1:00pm) by over 20% or approximately 550 stalls (including 10% circulation factor). At all other times, there are significantly more vacant parking spaces than the 20% safety factor set forth above. ITE and City of Morgan Hill parking requirements include a significant amount of food service, restaurants & quick service food operations in their parking demand analysis. The ITE rates are intended already to be very conservative. The same conservative ITE rates are used in heavy metropolitan areas and light populated trade areas like Morgan Hill without adjustment. Therefore it is inappropriate to make undocumented assumptions as to an underlying mix of restaurants and/or food services uses in ITE Rates. The project needs to be looked at as a whole and no additional parking or limitations on building uses and/or square footage is appropriate.

16-6

* The existing Tenant Station (Safeway, Cinelux) and the Lawrence Oaks Center (Safeway, Home Depot, Longs Drugstore) in Morgan Hill provide parking at 4.0 stalls/1,000 sf of building area.

* Many other Bay Area shopping centers recently developed or currently under development have been approved for development in their communities with parking ratios inferior to ours without the imposition of overly restrictive restaurant and food service uses as proposed in the EIR. Some examples are as follows:

** Rivermark Shopping Center (Under Development)
Agnew Parkway (De La Cruz) and Montague Expressway
Santa Clara, CA

Major Tenants: Safeway, Piatti's, Baja Fresh, Pick up Stix, Jamba, Starbucks
13.77 acres; 191,000 sf Building Area
On-site Parking Stalls: 719 spaces; Parking Ratio: 3.76 stalls/1,000 sf of building area

Note. An additional 150 room hotel is approved for this location without the addition of any surface parking.

Comment Letter #16 Continued

** Main Street Santa Teresa Shopping Center (Existing)

Blossom Hill and Santa Teresa
San Jose, CA

Major Tenants: Albertson's plus 87,858 sf of shops including 24,484 sf of restaurants: Armadillo Willys, Una Mas Taqueria, Le Boulanger, Johnny Rockets, Pick Up Stix Chinese, Kang Nam Korean Restaurant, Chaat Café, Wasabi Restaurant, Camille's Sidewalk Café, Pizza My Heart.

138,043 sf Building Area

On-site Parking Stalls: 561; Parking Ratio: 4.06 stalls/1,000 sf of Building Area.

**) South Shore Shopping Center (Renovation)

Otis Drive and Park Street
Alameda, CA

Major Tenants: Safeway, Albertson's, Mervyn's, Trader Joe's, Walgreens, Office Max, Ross, Big 5, Petco, Applebee's

600,000 sf Building Area

On-site Parking Stalls: 2,400; Parking Ratio: 4.00 stalls/1,000 sf of Building Area.

**) Stevens Creek Central Shopping Center (Existing)

Stevens Creek Blvd. and Lawrence Expressway
San Jose, CA

Major Tenants: Safeway, Linens N' Things, Marshalls, K.B. Toys

195,698 sf Building Area

On-site Parking Stalls: 868; Parking Ratio: 4.44 stalls/1,000 sf of Building Area.

16-6

**) Mercado Shopping Center (Existing)

Highway 101 & Great America Parkway
Santa Clara, CA

Major Tenants: AMC Cinema (20 screens), Tomatínas, Mexicali Grill, Sushi Lovers.

210,000 sf Building Area

On-site Parking: 783 stalls; Parking Ratio: 3.73 stalls/1,000 sf of Building Area.

**) Target Shopping Center (Under Development)

NEC Hesperian Blvd. and A Street
Hayward, CA

Major Tenant: Target (140,850 sf), Junior Major, Shops and Restaurants

190,000 sf Building Area

On-site Parking: 650 stalls; Parking Ratio: 3.53 stalls/1,000 sf of Building Area

Project approved for development by the City of Hayward on July 26, 2005.

Comment Letter #16 Continued

16-6

Overall, the proposed shopping center will provide substantial parking for its customers. This proposed mitigation measure is unnecessary and very burdensome.

The foregoing is a list of our EIR comments to date. We reserve the right to provide additional comments as circumstances evolve and responses from other entities, both verbal and written, are received.

Sincerely,



Gary Ward
Project Manager

2.0 RESPONSE TO COMMENTS

Response to Letter 16 – Browman Development Company Inc. – August 29, 2005

Response to Comment 16-1

The project applicant notes that the length of time of the nesting season for raptors and migratory birds in Mitigation Measure 3.4-2 is incorrect. The length of time noted for the nesting season in Mitigation Measure 3.4-2 is based on the nesting season for the migratory birds that nest in the vicinity of the project site as discussed in Section 3.4, Biological Resources of the Draft EIR (pages 3.4-12 through 3.4-18). For example, the breeding season for the Vaux's Swift occurs from May to mid-August and the breeding season for the Long-billed Curlew occurs from mid-April to September. Therefore, the nesting period included in Mitigation Measure 3.4-2 is appropriate to ensure that local avian species that nest at the project site are not affected by construction activities at the project site.

Response to Comment 16-2

The project applicant notes the distance for cessation of work in the event of discovery of an archaeological find is excessive. Based on a personal communication with John Nadolski, Cultural Resource Specialist with PMC who prepared the cultural resource analysis, the 150 feet distance may be reduced to 50 feet due to the low archaeological sensitivity of the project site and based on standard archaeological practice. Mitigation Measure 3.5-1a has been revised as follows:

MM 3.5-1a Should any previously undisturbed cultural, historic, or archaeological resources be uncovered in the course of site preparation, clearing or grading activities, all operations within 150 50 feet of the discovery shall be halted until such time as a qualified professional archaeologist can be consulted to evaluate the find and recommend appropriate action. If the find is determined to be significant, appropriate mitigation measures shall be formulated by the City of Morgan Hill and implemented by the project applicant.

Response to Comment 16-3

Comment noted. As discussed on page 3.11-6 of the Draft EIR, Mitigation Measure 3.11-1 was incorporated into the EIR to reduce the number of service calls anticipated by the City of Morgan Hill Police Department due to the proposed project.

Response to Comment 16-4

Although they are proposed by the project applicant for deliveries, as discussed on page 3.12-20 of the Draft EIR, the six driveways shown on the site plan along Mission View Drive create the potential for increased vehicle conflicts with pedestrians walking along

2.0 RESPONSE TO COMMENTS

Mission View Drive. This is considered a potentially significant impact under the California Environmental Quality Act as it creates a hazardous condition for bicyclists and pedestrians. Mitigation Measure 3.12-3 has been revised to incorporate traffic calming improvements at the driveways located along Mission View Drive to minimize pedestrian and vehicle conflicts at the project site as follows:

MM 3.12-3 The two driveways shown directly behind the movie theater complex on Mission View Drive (i.e., the second and third driveways north of the Cochrane Road intersection) should be eliminated from the proposed project, and a circulation aisle should be provided behind the movie theater complex. The project applicant shall work with the City to incorporate traffic calming improvements at the driveways located along Mission View Drive to minimize pedestrian and vehicle conflicts at the project site.

Response to Comment 16-5

Implementation of Mitigation Measure 3.12-9 would be required to ensure consistency with Policy 71 in the *City of Morgan Hill General Plan*. Please note that until the Roland property is developed, bike lanes will be provided up to the main driveway off Mission View Drive. Once the Roland property develops, bike lanes will be installed on both sides from the full length of Mission View Drive.

Response to Comment 16-6

Since release of the Draft EIR, City staff has researched the parking requirement for shopping centers in various jurisdictions. Based on the information City staff gathered, it appears that most cities have a general shopping center rate and, for the most part, do not look at individual uses within the shopping centers (e.g. restaurants). The cities that were contacted include Concord, Gilroy, Union City, Fremont, Hayward and Walnut Creek. Provided below is a condensed summary of the information that was obtained:

- City of Concord: 4.5 spaces / 1,000 square feet of gross floor area for shopping centers over 50,000 square feet in size; also, "if at least 25 percent of the gross floor area is to be occupied by uses which require substantially more or less parking than that identified above, the approving body may allow the parking standard for each specific use to be used to calculate the parking requirements."
- City of Gilroy: 1 space / 200 square feet of gross floor area (regardless of use) for regional retail commercial centers.
- City of Fremont: 1 space / 250 square feet of gross leasable area, exclusive of bowling alleys, movie theaters and skating rinks, for shopping centers.

2.0 RESPONSE TO COMMENTS

- City of Hayward: 1 space / 250 square feet of gross floor area (regardless of use) for shopping centers over 40,000 square feet in size.
- City of Walnut Creek: 1 space / 250 square feet of rentable floor area for shopping centers over 50,000 square feet in size in the Community Commercial Zone. In all other commercial zones parking is based on each individual use. (Note: The Pedestrian Retail Zone requires 1 space / 300 square feet regardless of use. However, staff determined that the Pedestrian Retail Zone does not apply since it encompasses the downtown area where parking structures are provided.)
- Union City: At the Union Landing shopping center, initially, the parking requirements for each individual use was calculated, and then a shared parking analysis was prepared to determine the final parking requirement. It should be noted that use permits were partly required to ensure that adequate parking was available; however, Union Landing has a large number of restaurants.

Based on the above information, City staff feels the City parking requirements discussed in the Draft EIR (1 space / 3.5 cinema seats plus 1 space / 283 square feet for the rest of the shopping center), are consistent with the parking requirements of other jurisdictions. This supports our earlier assertions that the proportion of restaurants contemplated in the ITE rates in general is not 'minor'. Furthermore, as noted in the EIR, the City's parking requirement is actually more conservative than the shared parking analysis prepared for the proposed project. For these reasons, City staff has revised MM 3.12-10 to ensure that the overall number of parking spaces included in the proposed project meets the City parking requirement as follows: the cinema shall be parked at 1 space for every 3.5 seats, and the remainder of the shopping center shall be parked at one space for every 283 square feet. Also, in order to ensure adequate parking is available on-site, eating establishments shall occupy no more than 20 percent of the overall shopping center building square footage.

Mitigation Measure #3.12-10 has been revised as follows:

MM 3.12-10 The overall number of parking spaces included in the project shall be required to meet the aggregate parking demand of the various land uses proposed within the project, to be determined as follows:

~~At the time of subsequent discretionary approval (e.g., use permit, design review) for each individual restaurant pad or space, the parking supply provided for each such pad or space shall meet the peak parking demand for the specific type of restaurant proposed (e.g., sit-down, fast food), as determined through either the applicable City code parking requirement as follows: the cinema shall be parked at 1 space for every 3.5 seats, and the remainder of the shopping center shall be parked at one space for~~

2.0 RESPONSE TO COMMENTS

every 283 square feet. Also, in order to ensure adequate parking is available on-site, restaurants shall occupy no more than 20 percent of the overall shopping center building square footage (If the cinema is not included in the proposed project then this restriction would no longer apply). or through application of the ITE shared parking rates for 1 PM on a weekend day (plus 10 percent). After the center is 75-20 percent built out on the basis of floor area (assuming the cinemas have been completed), the calculation of parking requirements for new restaurant uses may be adjusted based on the results of physical parking surveys conducted at the center by a qualified transportation consultant during the peak usage period. (If the cinemas have not been completed upon 20 percent project completion, then the buildout threshold for such calculations shall be 85 percent of project buildout.) As a guide to the approximate maximum floor area of restaurant that can be constructed without resulting in a parking deficiency for the project, the maximum floor area can range from 25,000 square feet (assuming 100 percent sit-down restaurant) to 41,000 square feet (assuming 100 percent fast food restaurant), although the actual maximum will fall between these numbers if the project ultimately includes a mix of the two restaurant types. (These maximum figures assume floor areas for all other project uses will remain as proposed on the May 2, 2005 project site plan.)

Comment Letter #17

Santa Clara Valley
Water District



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AN EQUAL OPPORTUNITY EMPLOYER

File: 19473
Cochran Channel

August 30, 2005

Ms. Rebecca Tolentino, Associate Planner
City of Morgan Hill
Community Development Department
17555 Peak Avenue
Morgan Hill, CA 95037-4128

Subject: Cochrane Road Planned Unit Development

Dear Ms. Tolentino:

The Santa Clara Valley Water District (District) has reviewed Volume I and Appendix H of the Draft Environmental Impact Report (DEIR) for the subject project, received on July 20, 2005. The District has the following comments on the DEIR:

17-1

Page 3.4-20, Jurisdictional Waters—The text states that "Current construction plans do not include any fill, alteration, or disturbance of either the channel or the creek." However, the DEIR states that water from the detention ponds will be pumped to Cochran Channel. In order to pump water into Cochran Channel from the project site, disturbance of Cochran Channel will need to take place. Any proposed outfall into Cochran Channel must be designed such that it does not impact the District's maintenance access road or the District's Cross Valley Pipeline which is located adjacent and parallel to the east bank of Cochran Channel. Additionally, the San Francisco Bay Regional Water Quality Control Board and California State Department of Fish and Game may need to approve the proposed discharge in conjunction with the District's required permit.

17-2

Page 3.7-3, Imported Fill Soil—The text states "The imported soil was generated by the Santa Clara Valley Water District pipeline which was installed about one mile north of the project site." However, the nearest District pipeline to the project site is located adjacent to and within the project site along the southerly and westerly property lines.

17-3

Appendix H—The District's Hydrologic Engineering Unit reviewed Schaaf & Wheeler's technical report and found it to be incomplete in addressing the hydrology issues. The following items need to be provided and properly addressed:

A clear watershed map which shows watershed boundaries, the location of the project, existing hydrologic structures, etc. Calculations of peak flows and volumes for pre- and post-development conditions showing the induced flooding due to the proposed development. The District's Hydrologic Engineering Unit should be consulted. The District's Hydrograph method should be used for this hydrology study. The calculations must show that development of the site will not increase the peak flow of Coyote Creek particularly during a 10-year



Comment Letter # 17 continued

and 100-year flood event or increase the duration of the peak flows. Adequate information must be provided regarding the operational guidelines for the detention facilities,

The increased flows between the existing and proposed conditions are quite significant, as re-summarized in the table below. The applicability of the rational method should be checked.

	2-Yr (cfs)	10-Yr (cfs)	25-Yr (cfs)	100-Yr (cfs)
Existing	5.9	9.3	10.9	13.2
Proposed	43.3	69.5	82.0	99.8

17-3

The text indicates that increased flow volumes and erosion is not a concern due to the fact that Cochran Channel is a concrete lined channel. However, Coyote Creek is not a hardened channel and increased volumes into Coyote Creek need to be addressed.

17-4

Section 3.8, Surface Water Hydrology and Water Quality—This section does not include any mention of potential impacts to groundwater quality. The text does not appear to state whether the detention basins will be lined to prevent infiltration into the groundwater. If the detention basins are to be designed to provide post-construction water quality mitigation by infiltration, then resulting impacts to groundwater quality must be addressed.

17-5

Pages 3.8-7 and 3.8-8, Increased Stormwater Runoff Impact 3.8-1—This section identifies significant increases in peak flow rates and identifies the need for detention facilities. The District does not believe the hydrology study in Appendix H is complete and does not provide sufficient detail to show the project will not induce downstream flooding or the frequency of flooding in Coyote Creek. Therefore, the District does not agree with the statement that "No mitigation measure is required." induced flooding from increased stormwater runoff from the site does need to be mitigated with appropriately designed detention facilities that meet District standards and its obligations as a co-permittee of the Santa Clara Valley Urban Runoff Pollution Prevention Program.

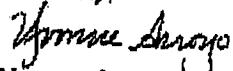
17-6

Section 3.13 Utilities—This section should include discussion of the District's Cross Valley Pipeline which surrounds the southerly and westerly property lines of the project site. The Cross Valley Pipeline is a major raw water transmission line which delivers water to the District's Santa Teresa Water Treatment Plant. Previous project conceptual plans submitted to the District for this same project site identified design difficulties in the design of storm drain improvements and widening Cochrane Road. If these design issues are not resolved then the site design, including street improvements, may need to be modified. The DEIR should address any potential adverse impacts to the Cross Valley Pipeline resulting from the project improvements; whether temporary or permanent. Any proposed modifications to the Cross Valley Pipeline would be at the District's discretion.

Comment Letter #17 Continued

We thank you for the opportunity to review the DEIR. We look forward to reviewing the Final Environmental Impact Report. Any questions may be directed to me at (408) 265-2607, extension 2319.

Sincerely,



Yvonne Arroyo
Associate Engineer
Community Projects Review Unit

cc: S. Tippets, Y. Arroyo, W. Chang, M. Klemencic, File (2)

Response to Letter 17 – Santa Clara Valley Water District (SCVWD) – August 30, 2005

Response to Comment 17-1

Comment noted. The City of Morgan Hill will ensure that the proposed outfall into Cochrane Channel is designed such that it does not impact the District's maintenance access road or the District's Cross Valley pipeline located adjacent to the project site. Since release of the Draft EIR, Karl Bjarke and Jim Schaaf with Schaaf & Wheeler met with the Santa Clara Valley Water District to discuss the proposed project and related constraints to the 78-inch SCVWD Cross Valley pipeline. The SCVWD stated that the two 14-inch valves that would be located in Cochrane Road under full-build out, can't be relocated due to the strategic location of the valves, size and delicate nature of the valves, serviceability of the valves, and the high pressure involved. After discussing whether both valves were necessary, the SCVWD agreed that it is possible to remove the westerly valve without compromising their system. The SCVWD will review and get back to the City with additional input. If this is the case, Cochrane Road can be constructed in that location without an above-ground obstruction. The easterly valve, near the intersection of Cochrane Road and Mission View Drive is necessary. The SCVWD expressed to the applicants engineer that they would consider a slight movement of the 14-inch valve assembly to the south so as to place it in the center median of Cochrane Road. However, if that arrangement does not work, the geometry of the Cochrane Road/Mission View Drive intersection will have to change to fit the median around the above-the-ground obstruction.

Response to Comment 17-2

Comment noted. The location of the nearest SCVWD pipeline is noted and page 3.7-3 of the Draft EIR has been modified to reflect this change.

Response to Comment 17-3

Page 1 of the hydrology report prepared by Schaaf & Wheeler shows the project site within the Coyote Creek Watershed. Based on the size of the project site, the rational method is appropriate. Calculations of stormwater runoff, using the rational method of pre- and post-development conditions during the 2-year, 10-year, 25-year, and 100-year storm event are shown on pages 8 through page 10 of the hydrology analysis included in Appendix H of the Draft EIR. As discussed on page 3.8-8 of the Draft EIR and the hydrology analysis included in Appendix H, stormwater pumped to the adjacent Cochrane Channel will be discharged at rates which are at or below pre-development levels as required by the SCVWD. Operational guidelines of the detention facilities are discussed in the Draft EIR and on page 20 of the hydrology analysis included as Appendix H of the Draft EIR.

Coyote Creek is a large watershed of approximately 200 square miles. The Cochrane Channel discharges into the Coyote Creek. The 2-year discharge of 5.9 cubic feet per

2.0 RESPONSE TO COMMENTS

second (cfs) or the 100-year discharge of 13.2 cfs associated with the proposed project would not affect the erosion potential of Coyote Creek. The two-year discharge on Coyote Creek at the Madrone Stream gage (near the discharge point) is approximately 150 cfs under the regulation by Anderson Dam. The 100-year regulated discharge is approximately 16,000 cfs. (The 2-year discharge in under pre-dam conditions could be as much as 5 to 10 times greater than the current 2-year value of 150 cfs.) The small discharges from the proposed project would be of no consequence compared to the existing flows coming from releases from Anderson Dam or from spillway flows from Anderson Dam.

Based on information obtained from the SCVWD, the SCVWD is releasing 48 cfs down Coyote Creek without any fear of erosion of the creek. A review of recent records as placed on the District's web site shows:

Flow Rate (cfs)	Date and Time
48.00	09/14/2005 06:24:31 PM
48.00	09/15/2005 02:24:32 AM
49.00	09/15/2005 16:24:31 AM
45.69	09/15/2005 10:24:29 AM
9.69	09/15/2005 12:42:03 PM
45.69	09/15/2005 02:24:28 PM

Based on this information, the Cochrane Channel can apparently withstand 48 cfs for extended periods of time. The small peak 2-year discharge of 5.9 cfs can then surely be accommodated in Coyote Creek without affecting the erosion potential Coyote Creek. Even the 100-year existing discharge, which is proposed to be the peak outflow under developed conditions is less than the 48 cfs currently being released by the SCVWD.

In 1987, the last year the steam gage was operated by the United States Geological Survey, the releases during the month of June ranged from 65 cubic feet per second (cfs) to 102 cfs and averaged 78.5 cfs. Based on this information, Coyote Creek Channel can withstand flows much in excess of 5.9 cfs and still maintain an erosion-free environment. These small flows from the project site are not significant when compared to the flows released down Coyote Creek from Anderson Dam.

At the meeting between City staff and the SCVWD, Marc Clemenic of the SCVWD noted that the Hydrograph Modification Plan (HMP) requirements discussed by the commenter would not be required as Coyote Creek is a stable channel and thus no additional HMP provisions need to be done to meet water quality criteria. It was recommended that the pump stations would be tied to the District's ALERT system and would shut down

whenever there were flows high enough in Coyote Creek to cause flooding at the William Street area in the City of San Jose. This area was selected by the SCVWD as it has the lowest flooding threshold along the creek from Anderson Dam to San Francisco Bay.

According to the Flood Insurance Study Report for San Jose, Coyote Creek has a 100-year peak discharge of 15,000 cfs at the Madrone gage near the project site and is reduced to 12,630 cfs at Interstate I-680 and then is abruptly reduced to 11,400 cfs upstream of the confluence with Silver Creek. The William Street area in the City of San Jose is just downstream of I-680 and has the lowest flooding threshold along the creek from Anderson Dam to San Francisco Bay. The pumping facilities would have to shut down only for major events, or events that are in excess of the 10-year flood and are most likely in the neighborhood of the 50-year to 100-year floods. The SCVWD has proposed a telemetry system to be installed which senses the flow in Coyote Creek at a District stream gage system and closes down the pumping system when creek discharges reach or exceed a given level believed to cause flooding in the William Street area.

Page 3.8-8 through of Section 3.8, Surface Water Hydrology and Water Quality has been revised as follows:

The stormwater to be temporarily stored in the planned detention ponds will be pumped to the adjacent Cochrane Channel at discharge rates which are at or below pre-development levels, as required by the SCVWD. ~~No mitigation measure is required.~~

According to the Flood Insurance Study Report for San Jose, Coyote Creek has a 100-year peak discharge of 15,000 cfs at the Madrone gage near the project site, is reduced to 12,630 cfs at Interstate I-680 and then is abruptly reduced to 11,400 cfs upstream of the confluence with Silver Creek. The William Street area has the lowest flooding threshold along the creek from Anderson Dam to San Francisco Bay and is located downstream of I-680. The pumping facilities at the project site would have to shut down only for major events, or events that are in excess of the 10-year flood and are most likely in the neighborhood of the 50-year to 100-year floods to ensure that downstream flooding does not occur. The following mitigation measure would reduce this potentially significant impact due to a less than significant level.

Mitigation Measure

MM 3.8-4 Subject to approval by the SCVWD, the project applicant shall install a telemetry system which senses the flow in Coyote Creek at a SCVWD stream gage system, and shuts down the pumping system at the detention ponds when creek discharges reach or exceed a levels believed to cause flooding in the William Street area in the City of San Jose.

2.0 RESPONSE TO COMMENTS

Implementation of this mitigation measure would ensure that stormwater discharges from the proposed project do not induce downstream flooding during major storm events.

Response to Comment 17-4

Water quality associated with the proposed project is discussed on pages 3.8-11 and 3.8-12 of the Draft EIR, as well as pages 17 through 20 of the hydrology analysis included as Appendix H in the Draft EIR. The stormwater from the project site would be treated to satisfy the NPDES Phase II Permit requirements. The stormwater would be treated to the maximum extent practicable, regardless of whether the C.3 provisions of Region 2 are deemed applicable to the proposed project. Based on the proposed size of the detention ponds, the 2.8 acre-feet retention storage would occupy approximately the bottom 2.3 feet of the ponds and could be drained over a period of 48 hours using a sump pump with approximately 320 gallons per minute capacity. The purpose of the 2.8 acre feet of dead storage to be located at the bottom of the detention ponds is to allow sufficient volume to settle out sediments before discharging runoff from small storm events. The accumulation of sediments in the bottom of the ponds will decrease the amount of storage available for both detention and water quality treatment; therefore maintenance provisions would be required to clean out the detention ponds. Implementation of these water quality measures would ensure that any infiltration of stormwater runoff into the groundwater would not result in an impact to the groundwater system.

Based on the meeting with SCVWD, Mitigation Measure 3.8-3 has been modified to incorporate vortex separators into the proposed project in order to improve runoff quality into the detention ponds. Operation and maintenance of these systems would be the responsibility of the property owners.

Mitigation Measure

MM 3.8-3 The proposed project shall include structural and non-structural stormwater controls, in order to reduce non-point source pollutant loads.

Specifically, the detention ponds planned at the northern end of the project site to temporarily store post-development runoff shall be designed to provide water quality treatment through settling of sediments prior to the discharge of the stormwater to Cochrane Channel. These dual-purpose ponds will provide both stormwater detention and water quality treatment, to a sufficient level to comply with the amended Provision C.3 of the SCVURPPP NPDES Phase 2 Permit requirements, if those requirements are deemed to be applicable to the proposed project (see Section 3.8.2 Regulatory Setting, above, for a full discussion).

2.0 RESPONSE TO COMMENTS

Additional post-construction Best Management Practices (BMPs) to be implemented will include, but not be limited to the following:

- Impervious surfaces such as roads, parking lots, and driveways shall be routinely cleaned during both the "wet" and "dry" seasons to limit the accumulation of "first flush" contaminants;
- Features such as detention ponds shall be utilized to capture pollutants before the stormwater runoff enters the storm drainage system;
- Engineered products, such as storm drain inlet filters, oil/water separators, vortex separators etc., shall be utilized to capture pollutants before the stormwater runoff enters the storm drainage system;
- The developer shall distribute educational materials to the first tenants of properties included in the project development. These materials shall address good housekeeping practices relating to stormwater quality, prohibited discharges, and proper disposal of hazardous materials;
- Common landscaped areas shall be subject to a program of efficient irrigation and proper maintenance including minimizing use of fertilizer, herbicides and pesticides;
- The project tenants and users shall implement a trash management and litter control program to mitigate the impacts of gross pollutants on storm water quality. This program shall include litter patrol, emptying trash receptacles in common areas, and reporting and investigating trash disposal violations;
- Storm drain inlets shall be labeled with the phrase "No dumping – flows to Bay," or a similar phrase to mitigate the impact of potential for discharges of pollutants to the storm drain system;
- Restaurants within the development shall be designed to include contained areas for cleaning mats, containers and sinks connected to the sanitary sewers. Grease shall be collected and stored in a contained area and shall be removed regularly by a disposal recycling service. To this end, sinks shall be equipped with grease traps to provide for its collection.

2.0 RESPONSE TO COMMENTS

The portion of the project SWPPP that addresses post-construction practices shall itemize these and any additional pollution control measures required for the proposed project.

Response to Comment 17-5

See Response to Comment #17-3

Response to Comment 17-6

See Response to Comment #17-1.

Comment Letter #18



1A

Governor's Office of Planning and Research State Clearinghouse and Planning Unit



Sean Walsh
Director

A: bold
Schwanzenegger
Gordon

September 7, 2005

Rebecca Tolentino
City of Morgan Hill
Community Development Department
17555 Peak Avenue
Morgan Hill, CA 95037-4128

Subject: Cochrane Road Planned Unit Development (PUD) EIR
SCH#: 2004112060

Dear Rebecca Tolentino:

The enclosed comment(s) on your Draft EIR was (were) received by the State Clearinghouse after the end of the state review period, which closed on August 29, 2005. We are forwarding these comments to you because they provide information or raise issues that should be addressed in your final environmental document.

18-1

The California Environmental Quality Act does not require Lead Agencies to respond to late comments. However, we encourage you to incorporate these additional comments into your final environmental document and to consider them prior to taking final action on the proposed project.

Please contact the State Clearinghouse at (916) 445-0613 if you have any questions concerning the environmental review process. If you have a question regarding the above-named project, please refer to the ten-digit State Clearinghouse number (2004112060) when contacting this office.

Sincerely,

Terry Roberts
Senior Planner, State Clearinghouse

Enclosures
cc: Resources Agency

2.0 RESPONSE TO COMMENTS

Response to Letter 18– State of California Governors Office of Planning and Research

Response to Comment 18-1

The comment letter provided by the State of California Governors Office of Planning and Research was considered in the Final EIR.

Comment Letter #19



State of California - The Resources Agency

ARNOLD SCHWARZENEGGER, Governor

DEPARTMENT OF FISH AND GAME

<http://www.dfg.ca.gov>

POST OFFICE BOX 47
YOUNTVILLE, CALIFORNIA 94599
(707) 944-5500



August 30, 2005

Ms. Rebecca Tolentino
City of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037

Dear Ms. Tolentino:

Cochrane Road Planned Unit Development,
Morgan Hill, Santa Clara County
SCH 2004112060

19-1

The Department of Fish and Game (DFG) has reviewed the document for the subject project. We do not have specific comments regarding the proposed project and its effects on biological resources. Please be advised this project may result in changes to fish and wildlife resources as described in the California Code of Regulations, Title 14, Section 753.5(d)(1)(A)-(G)¹. Therefore, a de minimis determination is not appropriate, and an environmental filing fee as required under Fish and Game Code Section 711.4(d) should be paid to the Santa Clara County Clerk on or before filing of the Notice of Determination for this project.

If you have any questions, please contact Mr. Dave Johnston, Environmental Scientist, at (831) 475-9065; or Mr. Scott Wilson, Habitat Conservation Supervisor, at (707) 944-5584.

Sincerely,

Robert W. Floerke
Regional Manager
Central Coast Region

cc: State Clearinghouse

¹ <http://ccr.ca.gov/>. Find California Code of Regulations, Title 14 Natural Resources, Division 1, Section 753

Conserving California's Wildlife Since 1870



2.0 RESPONSE TO COMMENTS

Response to Letter 19– State of California Governors Office of Planning and Research

Response to Comment 19-1

Comment noted. No environmental issues were raised and therefore no response is necessary

Comment Letter 20

Erika Spencer

From: Ashleigh Coffeng [ashcoffeng@yahoo.com]
Sent: Thursday, September 01, 2005 1:37 PM
To: Rebecca.Tolentino@morganhill.ca.gov
Subject: Cochrane and 101 proposed development

Hi Rebecca,

I am a homeowner in Coyote Estates at Cochrane and Peet. We moved down here to get away from the traffic and noise of San Jose. We are very concerned to hear that The new EIR does not accurately count the traffic that will be produced by the development of the center. They also failed to really count the weekend traffic. I oppose the development from an environmental impact standpoint as well as aesthetics and financial impact it will have on existing retailers in Morgan Hill.

I would like to see a more thorough EIR done to gage the impact of traffic on weekends and weekdays and a time study to see the impact to homeowners to see how much longer it would take to get home from the US 101 from both North and Southbound directions.

Has their been any further studies done about the economic impact on existing businesses. The developers claim their won't be any, but we are well aware that there will be significant impact.

Thank you for your time,
Ashleigh Coffeng
408-776-8216

Do You Yahoo!?
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2.0 RESPONSE TO COMMENTS

Response to Letter 20– Ashleigh Coffeng

Response to Comment 20-1

Section 3.12, Transportation and Circulation presents the traffic impacts associated with the proposed project. In addition to AM and PM peak hour traffic, Saturday peak hour traffic was evaluated in the EIR.

The commenter expresses their opinion on why they oppose the proposed project, but does not raise a specific environmental issue regarding aesthetics and/or economic impacts to address herein.

Response to Comment 20-2

As discussed above, Section 3.12, Transportation and Circulation addresses the traffic impacts associated with the proposed project. The projected level of service of intersections on Cochrane Road, as well as the change in the critical delay associated with the proposed project is shown on page 3.12-16 of the Draft EIR.

Response to Comment 20-3

An economic impact analysis of the proposed project was prepared for the Draft EIR and is included in Appendix I. The potential for urban decay due to secondary economic impacts is presented on pages 3.9-9 through 3.9-17 of the Draft EIR in Section 3.9, Land Use. Based on the economic impact analysis prepared by Bay Area Economics, the proposed project would likely lead to a significant and unavoidable impact with respect to urban decay and physical deterioration at the Cochrane Plaza shopping center.

3.0 AMENDMENTS TO THE DEIR

AMENDMENTS TO EXECUTIVE SUMMARY

The executive summary has been revised and is incorporated herein.

Paragraph three on page Page S-2 of the Executive Summary has been revised as follows:

CEQA Guidelines Section 15126.6(e)(2) requires that the environmentally superior alternative be identified. If the environmentally superior alternative is the 'No Project' Alternative, the EIR shall also identify an environmentally superior alternative among other alternatives. In this case, Alternative 1, 'No Project/No Development,' represents the environmentally superior alternative because, as determined from the above analysis, most impacts would be reduced relative to the proposed project. However, the 'No Project/No Development' meets none of the project objectives and is inconsistent with the General Plan and zoning land use designations. From the remaining options, Alternative 2 3, the 'Reduced Density Alternative,' would be the environmentally superior alternative and would result in a lesser degree of environmental impact as compared to the proposed project. This is due primarily to the reduced impacts related to traffic, parking and circulation and associated reduction in noise and air quality impacts that would result from the reduced square footage. However, this scenario would not be financially feasible to the project applicant and would not meet the applicant's project objectives or the City's objectives to provide commercial retail shopping center that serves the local and regional market, results in a net fiscal benefit to the City, reduces sales dollar leakage, and creates new jobs for the City of Morgan Hill. Table 4-3 compares each considered alternative with the proposed project.

AMENDMENTS TO THE PROJECT DESCRIPTION

A revised conceptual landscaping plan (Figure 2-10) that was defined after release of the Draft EIR and a revised site plan (Figure 2-8) that shows the correct lane configuration noted within the Draft EIR is incorporated herein.

AMENDMENTS TO SECTION 3.3, AIR QUALITY

Page 3.3-15 of the Draft EIR has been revised as follows:

During construction, various diesel powered vehicles and equipment would be in use on the project site. In 1998, the CARB identified diesel exhaust as a Toxic Air Contaminant (TAC). Health risks from TAC are a function of both concentration and duration of exposure. Construction diesel emissions are temporary, affecting an area for a period of days or perhaps weeks. Additionally, construction related sources are mobile and transient in nature and the bulk of the emissions occurring within the project site would be between approximately 100 to 1,300 feet to the nearest sensitive receptors, with the

3.0 AMENDMENTS TO THE EIR

exception of the approved assisted living facility that would be located within 100 feet of the southern boundary of the project site. Because of the short duration, The potential health risks from construction emissions of diesel exhaust at this sensitive receptor would be considered potentially significant, would represent a less than significant impact. The following mitigation measure would reduce this potentially significant impact to a less than significant level.

MM-3.3-2b Subject to approval by the City of Morgan Hill, the project applicant shall limit the pieces of diesel-powered construction equipment used at any one time, and limit the idling and hours of operation for heavy-duty equipment as feasible during construction of the proposed project to limit the emission of diesel exhaust. Gasoline-powered equipment shall be used as an alternative to diesel to the extent feasible and when comparable equipment and technology is available.

Impact 3.3-3 has been revised to address long-term operational air quality emissions from mobile source emissions, as well as area source emissions:

Impact 3.3-3 The proposed project would generate operational emissions that would affect long-term air quality. This would be a **significant impact**.

The proposed project would produce new automobile trips, generating emissions of criteria air pollutants, which could affect both regional and local air quality. The traffic study prepared by Fehr and Peers Associates, Inc (March 2005) estimates that the proposed project would generate approximately 22,009 daily weekday automobile trips at full build-out.

To evaluate the effects of the proposed project on regional air quality, emissions of ozone precursor pollutants, and PM₁₀ were predicted using the URBEMIS-2002 Model, released by the CARB. The URBEMIS-2002 model is used to predict air pollutant emissions associated with mobile source emissions (e.g. automobile use) and area source emissions (e.g. operation of landscaping equipment, etc.). The methodologies used for these analyses along with modeling output are contained in Appendix C. The URBEMIS model combines assumptions for automobile activity (e.g., number of trips, vehicle mix, vehicle miles traveled, etc.) with vehicle emission factors. Project trip generation data provided by Fehr and Peers Associates, Inc. was used to input into the model. Potential emissions of ROG from a possible gas station were predicted and are added to the URBEMIS-2002 modeling results, as a worst-case analysis. Daily emissions of regional air pollutants from build-out of the proposed project are shown in Table 3.3-4.

TABLE 3.3-4
DAILY REGIONAL AIR POLLUTANT EMISSIONS

Description	Reactive Organic Gases (ROG) (lbs/day)	Nitrogen Oxides (NO _x) (lbs/day)	Particulate Matter (PM ₁₀) (lbs/day)
Weekday Emissions	149*	135	110
Weekend Emissions	189*	177	146
BAAQMD Significance Thresholds	80 lbs/day	80 lbs/day	80 lbs/day

**Includes estimated 19 pounds per day of Reactive Organic Gas emissions associated with the optional gas station.*

The proposed project would result in worse case emissions of 189 lbs/day or ROG, 177 lbs/day of NO_x, and 146 lbs/day of PM₁₀ during the weekend, which is considered a worst-case scenario. Area source emissions associated with the proposed project would be approximately .54 pounds per day of reactive organic gases (ROG), 6.36 pounds per day of nitrogen oxides (NO_x), 3.13 pounds per day of Carbon Monoxide (CO), and 0.01 pounds per day of fine particulate matter (PM₁₀). Project direct and indirect emissions of ozone precursor pollutants (i.e., ROG and NO_x) would exceed the thresholds established by the BAAQMD, of 80 lbs/day for criteria pollutants, ROG, NO_x, and PM₁₀. PM₁₀ emissions, which could lead to both regional and local air quality impacts, would also exceed the significance thresholds.

The proposed project generates more traffic on weekend days (i.e., Saturdays) and would result in greater emissions than on weekdays. In fact, emissions of ozone precursor pollutants and PM₁₀, which are significant on weekdays, would be over 30 percent higher on peak Saturdays. Emissions associated with the proposed project are estimated to be above the significance thresholds established by the BAAQMD, and therefore, would be considered significant. Implementation of the following mitigation measures would reduce operational emissions associated with both mobile and area source emissions.

MM 3.3-3a A facilities 'trip reduction plan' shall be implemented by the project applicant to reduce single occupant vehicle commute trips by employees and promote non-auto travel by both employees and patrons. The facilities trip reduction plan shall may include, but not be limited to elements that would reduce traffic, and thus air pollutant emissions as described below:

- Provide one bus stop/shelter with pedestrian access to the project site. Implementation of this measure could reduce project emissions by approximately two percent.

3.0 AMENDMENTS TO THE EIR

- Bicycle amenities should be provided at the project site once the proposed project is in operation. Bicycle amenities could include secure bicycle parking for employees, bicycle racks for customers, and bike lane connections. This vehicle trip reduction measure may reduce emissions associated with the proposed project by approximately two percent.
- Pedestrian facilities should link the future transit stop and access roadways to the major sites uses. This trip reduction measure may reduce emissions by approximately one percent.
- Designate a portion of the parking lot for weekday 'park-and-ride' parking spaces (the excess between weekday peak and weekend peak), which would reduce emissions from traffic to the project site by allowing commuters to park their car and carpool or take transit.
- Require employers at the project site to post transit rates and scheduling information on bulletin boards. This vehicle trip reduction measure may reduce emissions by one percent.

The project applicant shall incorporate as many BAAQMD recommended reduction measures, as reasonably possible, into the trip reduction plan including the following: providing public service announcements including the 'Spare the Air' advertisement at the project's cinema and provisions to provide employees with a parking cash-out incentive to reduce the likelihood of driving alone.

Preparation and implementation of a trip reduction plan designed to reduce traffic congestion in the project area could result in lower emissions from vehicle travel. The amount of congestion relief and related total emission reduction is unknown. Therefore long-term operational emissions associated with the proposed project would remain significant and unavoidable, even with full effectiveness of the mitigation measure.

MM 3.3-3b Subject to review and approval by the City of Morgan Hill, the proposed project shall integrate the following design features into the proposed project to reduce area source air quality emissions:

- Carefully select and locate trees to provide shade for structures and pathways within the project site during the summer months. Deciduous trees should be favored since they provide shade in the summer and allow sun to reach residences during cold and winter months. This measure should be focused on southern and western exposures of buildings;

3.0 AMENDMENTS TO THE EIR

- Incorporate as many energy conserving features as financially feasible into the design and construction of new buildings at the project site. Examples include, but are not limited to, increased wall and ceiling insulation (beyond code requirements), super insulated windows (triple pane) and maximum use of energy efficient lighting;
- Install super-efficient heating, ventilation, and air conditioning (HVAC) systems; and
- Incorporate light colored and reflective roofing materials into the project design.

Preparation and implementation of a trip reduction plan designed to reduce traffic congestion in the project area, as well as incorporation of design features to reduce area source emissions, could result in lower emissions from vehicle travel and operation of the proposed project. The amount of congestion relief and related total emission reduction is unknown. Therefore long-term operational emissions associated with the proposed project would remain significant and unavoidable, even with full effectiveness of the mitigation measure.

AMENDMENTS TO SECTION 3.4, BIOLOGICAL RESOURCES

Mitigation Measure 3.4-2 on page 4.3-29 of the Draft EIR has been revised as follows:

MM 3.4-2 If proposed construction activities are planned to occur during the nesting seasons for local avian species (typically February 1st through August 31st), the project applicant shall retain a qualified biologist approved by the City to conduct a focused survey for active nests of raptors and migratory birds within and in the vicinity (i.e., any suitable breeding habitat in accessible parcels adjacent to the project area that the biologist deems could be disturbed by construction activities) of the construction area no more than 30 days prior to ground disturbance. If active nests are located during preconstruction surveys, construction activities shall be restricted as deemed necessary by the qualified biologist to avoid disturbance of the nest until it is abandoned or the biologist deems disturbance potential to be minimal. Restrictions may include establishment of exclusion zones (no ingress of personnel or equipment at a minimum radius of 250-100-feet or as determined by a qualified biologist around the nest) or alteration of the construction schedule. No action is necessary if construction will occur during the nonbreeding season (generally September 1st through January 31st).

3.0 AMENDMENTS TO THE EIR

AMENDMENTS TO SECTION 3.5, CULTURAL RESOURCES

The second paragraph on page 3.5-4 of the Draft EIR has been modified as follows:

The primary structure is similar to the previously mentioned primary residence, however, it was built in 1912 and has a side entrance and square bay window in the rear. There are six structures associated with this residence, including two wood-sided barns, a wood-sided shed, a metal-framed hay barn, a pump house and a restroom. The hay barn and restroom were constructed in the 1970's or 1980's when the property was an equestrian boarding facility. The age of the other structures is uncertain and did not consist of any unique design or construction. All buildings lacked maintenance. Photographs of this residence and associated outbuildings are shown in Figures 23.5-2a, 23.5-2b, and 23.5-2c.

Mitigation Measure 3.5-2a on page 3.5-18 of the Draft EIR has been revised as follows:

MM 3.5-1a Should any previously undisturbed cultural, historic, or archaeological resources be uncovered in the course of site preparation, clearing or grading activities, all operations within 150 50 feet of the discovery shall be halted until such time as a qualified professional archaeologist can be consulted to evaluate the find and recommend appropriate action. If the find is determined to be significant, appropriate mitigation measures shall be formulated by the City of Morgan Hill and implemented by the project applicant.

AMENDMENTS TO SECTION 3.7, HAZARDS AND HAZARDOUS MATERIALS

Paragraph three on Page 3.7-3 has been modified as follows:

Imported Fill Soil

According to Twining's telephone interview with Ms. Millerd-Low, fill soil was placed throughout the Millerd-Low parcel. The imported soil was generated by the Santa Clara Valley Water District pipeline ~~which was installed about one mile north of the project site located adjacent to and within the project site along the southerly and westerly property lines.~~ Twining found no available analytical information on the imported fill soil, although the fill was reportedly derived from agricultural land and rangeland.

AMENDMENTS TO SECTION 3.8, SURFACE WATER HYDROLOGY AND WATER QUALITY

Page 3.8-8 through of Section 3.8, Surface Water Hydrology and Water Quality has been revised as follows:

The stormwater to be temporarily stored in the planned detention ponds will be pumped to the adjacent Cochrane Channel at discharge rates which are at or below pre-development levels, as required by the SCVWD. ~~No mitigation measure is required.~~

According to the Flood Insurance Study Report for San Jose, Coyote Creek has a 100-year peak discharge of 15,000 cfs at the Madrone gage near the project site, is reduced to 12,630 cfs at Interstate I-680 and then is abruptly reduced to 11,400 cfs upstream of the confluence with Silver Creek. The William Street area has the lowest flooding threshold along the creek from Anderson Dam to San Francisco Bay and is located downstream of I-680. The pumping facilities at the project site would have to shut down only for major events, or events that are in excess of the 10-year flood and are most likely in the neighborhood of the 50-year to 100-year floods to ensure that downstream flooding does not occur. The following mitigation measure would reduce this potentially significant impact due to a less than significant level.

Mitigation Measure

MM 3.8-4 Subject to approval by the SCVWD, the project applicant shall install a telemetry system which senses the flow in Coyote Creek at a SCVWD stream gage system, which shuts down the pumping system at the detention ponds at the project site when creek discharges reach or exceed a levels believed to cause flooding in the William Street area in the City of San Jose.

Implementation of this mitigation measure would ensure that stormwater discharges from the proposed project do not induce downstream flooding during major storm events.

Mitigation measure 3.8-3 has been revised as follows:

MM 3.8-3 The proposed project shall include structural and non-structural stormwater controls, in order to reduce non-point source pollutant loads.

Specifically, the detention ponds planned at the northern end of the project site to temporarily store post-development runoff shall be designed to provide water quality treatment through settling of sediments prior to the discharge of the stormwater to Cochrane Channel. These dual-purpose ponds will provide both stormwater detention and water quality treatment, to a sufficient level to comply with the amended Provision C.3 of the SCVURPPP NPDES Phase 2 Permit requirements, if those requirements are deemed to be applicable to the proposed project (see Section 3.8.2 Regulatory Setting, above, for a full discussion).

Additional post-construction Best Management Practices (BMPs) to be implemented will include, but not be limited to the following:

3.0 AMENDMENTS TO THE EIR

- Impervious surfaces such as roads, parking lots, and driveways shall be routinely cleaned during both the “wet” and “dry” seasons to limit the accumulation of “first flush” contaminants;
- Features such as detention ponds shall be utilized to capture pollutants before the stormwater runoff enters the storm drainage system;
- Engineered products, such as storm drain inlet filters, oil/water separators, vortex separators etc., shall be utilized to capture pollutants before the stormwater runoff enters the storm drainage system;
- The developer shall distribute educational materials to the first tenants of properties included in the project development. These materials shall address good housekeeping practices relating to stormwater quality, prohibited discharges, and proper disposal of hazardous materials;
- Common landscaped areas shall be subject to a program of efficient irrigation and proper maintenance including minimizing use of fertilizer, herbicides and pesticides;
- The project tenants and users shall implement a trash management and litter control program to mitigate the impacts of gross pollutants on storm water quality. This program shall include litter patrol, emptying trash receptacles in common areas, and reporting and investigating trash disposal violations;
- Storm drain inlets shall be labeled with the phrase “No dumping – flows to Bay,” or a similar phrase to mitigate the impact of potential for discharges of pollutants to the storm drain system;
- Restaurants within the development shall be designed to include contained areas for cleaning mats, containers and sinks connected to the sanitary sewers. Grease shall be collected and stored in a contained area and shall be removed regularly by a disposal recycling service. To this end, sinks shall be equipped with grease traps to provide for its collection.

3.0 AMENDMENTS TO THE EIR

The portion of the project SWPPP that addresses post-construction practices shall itemize these and any additional pollution control measures required for the proposed project.

AMENDMENTS TO SECTION 3.10, NOISE

The first paragraph on page 3.10-4 has been modified to address the approved assisted living facility.

Sensitive receptors in the vicinity of the project site include two single-family homes located south of the project site along Cochrane Road; single family homes at the corner of Cochrane Road and Mission View Drive located approximately 100 feet from the southeast corner of the project site; several rural residential homes located approximately 1,000 feet north of the project site on Peebles Avenue; an approved assisted living facility and day care center located approximately 100 feet south of the southern border of the project site; and residential homes located 1,300 feet east of the project site along Peet Road.

AMENDMENTS TO SECTION 3.12, TRANSPORTATION AND CIRCULATION

Mitigation Measure #3.12-3 has been revised as follows:

MM 3.12-3 The two driveways shown directly behind the movie theater complex on Mission View Drive (i.e., the second and third driveways north of the Cochrane Road intersection) should be eliminated from the proposed project, and a circulation aisle should be provided behind the movie theater complex. The project applicant shall work with the City to incorporate traffic calming improvements at the driveways located along Mission View Drive to minimize pedestrian and vehicle conflicts at the project site.

Mitigation Measure #3.12-7 on page 3.12-22 has been modified as follows:

MM 3.12-7 The project applicant shall construct a new bus stop along the project frontage, including transit amenities such as a bus turnout, a shelter, and benches. All improvements shall be in accordance with the Santa Clara Valley Transportation Authority (VTA) standards, with the exception of planting trees at the bus stop in order to provide a more comfortable and aesthetically pleasing environment. The City of Morgan Hill shall work with the project applicant, Caltrain, and the VTA on ways to increase the frequency and coverage of transit service serving the project area and the nearest Caltrain station.

Mitigation Measure #3.12-9 on page 3.12-23 has been modified as follows:

3.0 AMENDMENTS TO THE EIR

MM 3.12-9 The following bicycle facilities shall be incorporated into the project:

- a) Bicycle racks and/or lockers to accommodate bicycle travel by customers and employees. Bicycle parking facilities should be located in high visibility areas in order to encourage bicycle travel and discourage theft and vandalism.
- b) Class II bicycle lanes along the project street frontages.

The Santa Clara Valley Transportation Authority (VTA) Bicycle Technical Guidelines, VTA Community Design and Transportation Guidelines and the VTA Pedestrian Technical Guidelines shall be used in design of the proposed bicycle facilities associated with the proposed project.

Page 3.12-26 and Mitigation Measure #3.12-10 has been revised as follows:

Impact Assessment

As noted at the outset of this discussion, both of the above methodologies could underestimate actual parking demand for the project. This is because both methods utilize the ITE shopping center rate to encompass both retail and restaurant uses. This is generally a valid approach since the ITE shopping center rate does include some provision for restaurants, although the proportion of restaurants assumed in the rate is not known. (It is also a necessary approach since the proportion of restaurant space to be included in the project has not yet been determined). ~~However, given that the parking demand rates for all types of restaurants are substantially higher than the shopping center rate, it is reasonable to conclude that the proportion of restaurants contemplated in the ITE shopping center rate is relatively minor. (This was confirmed by Fehr & Peers, who calculated that approximately 25,000 square feet of sit down restaurant space could be accommodated by the 3,025 parking spaces without resulting in an overall parking deficiency for the project. If fast food restaurants are included, this maximum floor area could increase somewhat as the proportion of fast food restaurants increases since the parking ratio for fast food is lower than for an equivalent area of sit down restaurant. Assuming a mix of roughly 65 percent fast food to 35 percent sit down restaurant by floor area, the maximum floor area for restaurants would be approximately 31,000 square feet without resulting in a parking deficiency.)~~ Based on the information gathered by City staff, it appears that most cities have a general shopping center rate and, for the most part, do not look at individual uses within the shopping centers (e.g. restaurants). The cities that were contacted include Concord, Gilroy, Union City, Fremont, Hayward and Walnut Creek. Provided below is a condensed summary of the information that was obtained by City staff:

- City of Concord: 4.5 spaces / 1,000 square feet of gross floor area for shopping centers over 50,000 square feet in size; also, "if at least 25 percent of the gross floor area is to be occupied by uses which require substantially more or less parking than that identified above, the approving body may allow the parking standard for each specific use to be used to calculate the parking requirements."
- City of Gilroy: 1 space / 200 square feet of gross floor area (regardless of use) for regional retail commercial centers.
- City of Fremont: 1 space / 250 square feet of gross leasable area, exclusive of bowling alleys, movie theaters and skating rinks, for shopping centers.
- City of Hayward: 1 space / 250 square feet of gross floor area (regardless of use) for shopping centers over 40,000 square feet in size.
- City of Walnut Creek: 1 space / 250 square feet of rentable floor area for shopping centers over 50,000 square feet in size in the Community Commercial Zone. In all other commercial zones parking is based on each individual use. (Note: The Pedestrian Retail Zone requires 1 space / 300 square feet regardless of use. However, staff determined that the Pedestrian Retail Zone does not apply since it encompasses the downtown area where parking structures are provided.)
- Union City: At the Union Landing shopping center, initially, the parking requirements for each individual use was calculated, and then a shared parking analysis was prepared to determine the final parking requirement. It should be noted that use permits were partly required to ensure that adequate parking was available; however, Union Landing has a large number of restaurants.

Based on research conducted by City staff, the City parking requirements (1 space / 3.5 cinema seats plus 1 space / 283 square feet for the rest of the shopping center), are consistent with the parking requirements of other jurisdictions. This supports City staff's earlier assertions that the proportion of restaurants contemplated in the ITE rates in general is not 'minor'. Furthermore, the City's parking requirement is actually more conservative than the shared parking analysis prepared for the proposed project. Implementation of the following mitigation measure would ensure that adequate parking is available on-site and would ensure that the proposed project does not result in a potentially significant impact to parking at the project site.

Based on research conducted by City staff, Therefore, if the amount of restaurant space ultimately proposed exceeds these maximums, the project would potentially face a parking deficiency unless the parking supply is increased, and/or overall project floor area is

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reduced, and/or the mix of other uses is modified (i.e., some proportion of a land use with high parking demand such as cinema is replaced with a land use with lower parking demand such as retail).

Environmental documents prepared under CEQA, including supporting technical reports on traffic and parking impacts, are to assume reasonable worst case conditions in the absence of specific project information. In the case of the proposed project, there is a likelihood that a parking deficiency of undetermined magnitude will occur if more restaurant space than the maximum amount indicated above is included in the project. This represents a significant impact of the proposed project. Implementation of the following mitigation measure would reduce this impact to a less than significant level.

MM 3.12-10 The overall number of parking spaces included in the project shall be required to meet the aggregate parking demand of the various land uses proposed within the project, to be determined as follows:

At the time of subsequent discretionary approval (e.g., use permit, design review) for each individual restaurant pad or space, the parking supply provided for each such pad or space shall meet the peak parking demand for the specific type of restaurant proposed (e.g., sit down, fast food), as determined through either the applicable City code parking requirement as follows: the cinema shall be parked at 1 space for every 3.5 seats, and the remainder of the shopping center shall be parked at one space for every 283 square feet. Also, in order to ensure adequate parking is available on-site, restaurants shall occupy no more than 20 percent of the overall shopping center building square footage (If the cinema is not included in the proposed project then this restriction would no longer apply). or through application of the ITE shared parking rates for 1 PM on a weekend day (plus 10 percent). After the center is 75-20 percent built out on the basis of floor area (assuming the cinemas have been completed), the calculation of parking requirements for new restaurant uses may be adjusted based on the results of physical parking surveys conducted at the center by a qualified transportation consultant during the peak usage period. (If the cinemas have not been completed upon 20 percent project completion, then the buildout threshold for such calculations shall be 85 percent of project buildout.) As a guide to the approximate maximum floor area of restaurant that can be constructed without resulting in a parking deficiency for the project, the maximum floor area can range from 25,000 square feet (assuming 100 percent sit-down restaurant) to 41,000 square feet (assuming 100 percent fast food restaurant), although the actual maximum will fall between these numbers if the project ultimately includes a mix of the two restaurant

~~types. (These maximum figures assume floor areas for all other project uses will remain as proposed on the May 2, 2005 project site plan.)~~

AMENDMENTS TO SECTION 4.5, ALTERNATIVES TO THE PROJECT

The third paragraph on page 4-22 has been revised as follows:

CEQA Guidelines Section 15126.6(e)(2) requires that the environmentally superior alternative be identified. If the environmentally superior alternative is the 'No Project' Alternative, the EIR shall also identify an environmentally superior alternative among other alternatives. In this case, Alternative 1, 'No Project/No Development,' represents the environmentally superior alternative because, as determined from the above analysis, most impacts would be reduced relative to the proposed project. However, the 'No Project/No Development' meets none of the project objectives and is inconsistent with the General Plan and zoning land use designations. From the remaining options, Alternative 2 3, the 'Reduced Density Alternative,' would be the environmentally superior alternative and would result in a lesser degree of environmental impact as compared to the proposed project. This is due primarily to the reduced impacts related to traffic, parking and circulation and associated reduction in noise and air quality impacts that would result from the reduced square footage. However, this scenario would not be financially feasible to the project applicant and would not meet the applicant's project objectives or the City's objectives to provide commercial retail shopping center that serves the local and regional market, results in a net fiscal benefit to the City, reduces sales dollar leakage, and creates new jobs for the City of Morgan Hill. Table 4-3 compares each considered alternative with the proposed project.

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TABLE S-1
EXECUTIVE SUMMARY OF PROJECT AND CUMULATIVE IMPACTS

Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
Aesthetics/Visual Resources			
Impact 3.1-1. The proposed project would alter the project site from a rural residential and agricultural use to an urban use with construction of a 657,250 square foot commercial center at the U.S Highway 101/Cochrane Road interchange.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.1-2. The proposed project would introduce new sources of lighting that could adversely affect the existing and proposed development in the vicinity of the project site.	Less than Significant Project Impact	MM 3.1-1. The project applicant shall prepare and submit a detailed exterior lighting plan consistent with Section 18.74.370 of the City of Morgan Hill Municipal Code.	Less than Significant Project Impact
Impact 3.1-3. The proposed project in combination with cumulative development would add to the urbanization of the project area, resulting in a visual change within the City of Morgan Hill.	Less than Significant Cumulative Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Cumulative Impact
Agricultural Resources			
Impact 3.2-1. The proposed project would result in the conversion of approximately 66.49 acres of 'Prime Farmland' as designated on California Department of Conservation, Division of Land Resources Protection <i>Santa Clara County Important Farmland Map</i>	Significant Project Impact	There are no feasible mitigation measures available to reduce the impact of agricultural land conversion to a less than significant impact.	Significant and Unavoidable Project Impact
Impact 3.2-2. At build-out, the proposed project would place urban land uses adjacent to agricultural uses, which may impair agricultural production and result in land use compatibility conflicts.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact

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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
Impact 3.2-3. The proposed project would convert approximately 66.49 acres of agricultural land to urban uses. This loss would contribute to the cumulative loss of farmland in the region.	Less than Significant Cumulative Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Cumulative Impact
Air Quality	Potentially Significant Project Impact	<p>MM 3.3-1. The project applicant shall conduct a full site assessment for asbestos-containing materials (ACM) prior to demolition. Identified ACM shall be removed and disposed of by a licensed contractor and clearance obtained from the Bay Area Air Quality Management District (BAAQMD).</p>	Less than Significant Project Impact
Impact 3.3-1. The proposed project would require the demolition of three residences and associated outbuildings. Asbestos is detectable in hazardous concentrations in the structures at the project site. Therefore, demolition of these buildings has the potential to result in short-term air quality emissions, including the release of asbestos.	Potentially Significant Project Impact	<p>MM 3.3-2a. The project applicant shall implement dust control measures recommended by the BAAQMD for construction emissions of fine particulate matter (PM₁₀) during construction.</p> <p>MM 3.3-2b. The project applicant shall limit the pieces of diesel powered equipment and limit the idling of heavy-duty equipment as feasible to reduce the amount of diesel exhaust during construction.</p>	Less than Significant Project Impact
Impact 3.3-2. Construction activity during build-out of the proposed project would generate air pollutant emissions that could expose sensitive receptors to substantial pollutant concentrations.	Potentially Significant Project Impact	<p>MM 3.3-3a. A facilities 'trip reduction plan' shall be implemented by the project applicant to reduce vehicle trips by employees and promote non-auto travel by both employees and patrons.</p> <p>MM 3.3-3b. The project applicant shall integrate design features into the proposed project to reduce area source air quality emissions.</p>	Significant and Unavoidable Impact
Impact 3.3-3. The proposed project would generate operational emissions that would affect long-term air quality.	Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.3-4. The proposed project would result in an increase in carbon monoxide concentrations at land uses near roadways and intersections.	Less than Significant Project Impact		

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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
Impact 3.3-5. The proposed project includes a possible fuel station, which could result in the emission of toxic air contaminants, including benzene.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.3-6. Project development, combined with other reasonably foreseeable projects in the project vicinity, would contribute to increased air quality emissions in the air basin.	Significant Cumulative Impact	There are no feasible mitigation measures available to reduce regional air quality emissions to a less than significant level.	Significant and Unavoidable Cumulative Impact
Biological Resources			
Impact 3.4-1. Development of the proposed project would result in temporary disturbance and permanent alteration of a site, which could be a dispersal area for Bay checkerspot butterfly.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.4-2. Implementation of the proposed project would result in temporary and direct alteration of site conditions that could support burrowing owl, a special status wildlife species.	Potentially Significant Project Impact	<p>MM 3.4-1a. The project applicant shall conduct a preconstruction survey for nesting burrowing owls no more than 30 days prior to ground disturbance. Any owls inhabiting the site shall be protected during the nesting season or be excluded and/or passively relocated outside of the nesting area by a qualified biologist. A qualified biologist shall be present during initial ground clearing and if undetected owls emerge during clearing activity shall cease until the proper measures are implemented.</p> <p>MM 3.4-1b. The project applicant shall compensate for loss of burrowing owl habitat by complying with the Citywide Burrowing Owl Habitat Mitigation Plan and fee program.</p>	Less than Significant Project Impact
Impact 3.4-3. Implementation of the proposed project would result in temporary and direct disturbance to nesting raptors and migratory birds (excluding burrowing owl).	Potentially Significant Project Impact	<p>MM 3.4-2. If proposed construction activities are planned to occur during the nesting seasons, the project applicant shall retain a qualified biologist to conduct a focused survey for active nests of raptors and migratory birds. If active nests are located during preconstruction surveys, construction activities shall be restricted to avoid disturbance of the nest. No action is necessary</p>	Less than Significant Project Impact

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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
		if construction will occur during the nonbreeding season (generally September 1 st through January 31 st).	
Impact 3.4-4. Implementation of the proposed project would result in temporary and direct alteration of site conditions that could support San Joaquin kit fox, a special status wildlife species.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.4-5. Implementation of the proposed project would result in temporary and direct alteration of site conditions that could support special status bat species and/or their roosting habitat.	Potentially Significant Project Impact	<p>MM 3.4-3. The project applicant shall retain a qualified biologist to conduct a focused preconstruction survey 45 days prior to ground disturbance for possible roost sites of special status bat species within the project area. If bat species or roosts are identified the biologist in coordination with the project applicant shall (at a minimum): identify species present within the roost; install one-way bat doors at the roost and bat boxes with guidance from the USFWS and/or DFG.</p> <p>The applicant shall postpone any activity that would damage or disturb the roost site and implement USFWS and/or DFG recommendations for minimizing the potential to take bat species during construction. If bat species are not identified onsite during the preconstruction survey, no further action is necessary.</p>	Less than Significant Project Impact
Impact 3.4-6. Implementation of the proposed project would result in potential removal of 118 various species, five of which fall within the criteria of the City of Morgan Hill Ordinance Section 12.32.070.	Potentially Significant Project Impact	MM 3.4-4. Removal and/or relocation of trees at the project site shall be in compliance with the City of Morgan Hill Municipal Code, Restrictions on Removal of Significant Trees.	Less than Significant Project Impact
Impact 3.4-7. Implementation of the proposed project would potentially result in increased runoff entering the SCVWD Cochrane Channel, which is a tributary of Coyote Creek.	Potentially Significant Project Impact	Mitigation Measure MM 3.8-5 in Section 3.8, Surface Water Hydrology and Water Quality would require implementation of structural and non-structural stormwater controls that would reduce the long-term potential of increased non-point source pollution in Coyote Creek.	Less than Significant Project Impact

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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
Impact 3.4-8. The proposed project, in addition to anticipated cumulative development in the project vicinity, may disturb special status species, critical habitats, and wildlife movement throughout the region.	Potentially Significant Cumulative Impact	Implementation of Mitigation Measures MM3.4-1a, b through MM 3.8-5, would reduce the overall contribution to cumulative biological resource impacts resulting from completion of the proposed project.	Less than Significant Cumulative Impact
Cultural and Historic Resources		<p>Potentially Significant Project Impact</p> <p>MM 3.5-1a. Should any previously undisturbed cultural, historic, or archaeological resources be uncovered, all operations within 150 feet of the discovery shall be halted until a qualified professional archaeologist can recommend appropriate action.</p> <p>MM 3.5-1b. In the event of discovery or recognition of any human remains, there shall be no further disturbance until the coroner of Santa Clara County has determined whether the remains are subject to the coroner's authority or if the Native American Heritage Commission needs to be notified.</p>	Less than Significant Project Impact
Impact 3.5-1. The project site does not contain any recorded or anticipated resources of archaeological, cultural, or pre-historic significance. However, site preparation and grading could disrupt undiscovered archaeological and cultural resources of importance under CEQA and/or eligible for listing on the California Register.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.5-2. Implementation of the proposed project would demolish three private residences and associated structures that were constructed over 45 years ago. Based on the archaeological and historic investigation, none of the buildings/structures within the project site appear to meet the eligibility criteria for inclusion in the California Register of Historic Resources (CRHR) or for consideration as unique archaeological resources.	Potentially Significant Cumulative Impact	Implementation of Mitigation Measures MM 3.5-1a and MM 3.5-1b would address impacts on a case by case basis, thus avoiding compounding of cumulative development.	Less than Significant Cumulative Impact
Impact 3.5-3. Implementation of the proposed project, in combination with cumulative development activity in the region, would increase the potential to disturb or contribute to the loss of known and undiscovered cultural resources.	Potentially Significant Cumulative Impact		

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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
Geology and Soils			
Impact 3.6-1. Strong ground shaking occurring on the site during a major earthquake event could cause severe damage to project buildings and structures.	Significant Project Impact	MM 3.6-1. Structural damage to buildings resulting from ground shaking shall be minimized by following the requirements of the California Building Code and implementing the recommendations of the project geotechnical engineer.	Less than Significant Project Impact
Impact 3.6-2. There is a low, but not necessarily insignificant, potential for liquefaction at the project site, which could result in differential settlements and damage to project structures and improvements.	Potentially Significant Project Impact	MM 3.6-2. All proposed structures shall be evaluated for liquefaction potential as part of subsequent design-level geotechnical engineering investigations. If determined to be a potential for liquefaction, mitigation will be accomplished through compliance with the geotechnical engineering reports recommendations.	Less than Significant Project Impact
Impact 3.6-3. There is a potential for seismically-induced ground settlements at the site, which could result in damage to project foundations and structures.	Potentially Significant Project Impact	MM 3.6-3. Near-surface soils beneath buildings, exterior slabs, and pavements shall be over-excavated and recompacted, in accordance with the specifications recommended by the project geotechnical engineer.	Less than Significant Project Impact
Impact 3.6-4. Soils present on the site exhibit high compressibility and high collapse potential, which could result in damage to structures.	Potentially Significant Project Impact	MM 3.6-4. The effects of soil compressibility and collapse potential shall be mitigated through over excavation and compaction of soil beneath proposed structures, in accordance with the specifications to be recommended by the project geotechnical engineer.	Less than Significant Project Impact
Impact 3.6-5. There is a low, but not necessarily insignificant, potential for soils expansion at the site, which could result in differential sub-grade movements and cracking of foundations.	Potentially Significant Project Impact	MM 3.6-5. All final design specifications to be recommended by the project geotechnical engineer shall be incorporated into the project design to prevent saturation of soils beneath structures.	Less than Significant Project Impact
Impact 3.6-6. The project soils are mildly corrosive to buried metal objects, and could result in damage to buried utilities.	Potentially Significant Project Impact	MM 3.6-6. The proposed project shall utilize corrosion-resistant materials in construction.	Less than Significant Project Impact
Impact 3.6-7. There is a potential for bank instability along the banks of the proposed detention basins for the project.	Potentially Significant Project Impact	MM 3.6-7. Design-level geotechnical studies shall investigate the potential of bank instability at the proposed stormwater detention basins and recommend appropriate setbacks, if warranted.	Less than Significant Project Impact

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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
Hazards and Hazardous Materials			
Impact 3.7-1. Residual pesticides and metals are present in the soils on the project site; however, the concentrations are low and are not considered hazardous.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.7-2. The project site includes approximately three residences and associated outbuildings that are proposed for demolition with implementation of the proposed project. According to an asbestos and lead-based paint reconnaissance performed by Bovee Environmental Management, Inc. these existing structures contain asbestos and lead-based paint in hazardous concentrations.	Significant Project Impact	Implementation of MM 3.3-1 in Section 3.3, Air Quality, would require the project applicant to conduct a full site assessment and removal of ACM prior to demolition. MM 3.7-1. Prior to demolition of any on-site structures, a full site assessment for lead-based paint shall be conducted and all identified deteriorating lead-based paint shall be removed and disposed of by a licensed contractor in accordance with Title 22 of the California Code of Regulations.	Less than Significant Project Impact
Impact 3.7-3. There are four septic tanks reportedly present on the project site, although their locations were not identified during the Phase I site reconnaissance.	Significant Project Impact	MM 3.7-2. Septic systems at the project site shall be properly removed in accordance with state regulations and the requirements of the Santa Clara County Environmental Health Department.	Less than Significant Project Impact
Impact 3.7-4. Unless the four existing wells on the site are properly destroyed, they could act as conduits for groundwater contamination.	Significant Project Impact	MM 3.7-3. Prior to commencement of site clearing and general demolition activities, the existing wells on the site shall be destroyed in accordance with state and Santa Clara County regulations and requirements.	Less than Significant Project Impact
Impact 3.7-5. The potential presence of PCBs in the existing transformers on the project site poses a potential health hazard; however, the transformers would be properly removed from the site by PG&E prior to site development.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.7-6. The proposed project includes a possible fuel station, which would involve potentially hazardous storage and handling of gasoline.	Significant Project Impact	MM 3.7-4. The gasoline station operator shall obtain a Hazardous Materials Storage Permit from the Santa Clara County Fire Department and air quality permits from the BAAQMD.	Less than Significant Project Impact

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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
Impact 3.7-7. New development resulting from cumulative development in the City of Morgan Hill could expose people, property, and the environment to hazardous materials.	Less than Significant Cumulative Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Cumulative Impact
Hydrology and Water Quality			
Impact 3.8-1. The proposed project would result in a substantial increase in stormwater runoff generated at the project site compared to existing conditions; however, the project includes detention ponds which have been designed to provide temporary storage of increased runoff in order to prevent increased flooding downstream.	Less than Potentially Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed. <u>MM 3.8-4.</u> Subject to approval by the SCVWD, the project applicant shall install a telemetry system which senses the flow in Coyote Creek at a SCVWD stream gage system, and shuts down the pumping system at the detention ponds when creek discharges reach or exceed a levels believed to cause flooding in the William Street area in the City of San Jose.	Less than Significant Project Impact
Impact 3.8-2. During the 100-year storm event, the project site may be subject to shallow flooding to depths of less than one foot; however, all finished floors will be on raised pads at least one foot above existing ground elevations to prevent flooding of the project buildings.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.8-3. Since the project site is located within the dam failure inundation area for Anderson Reservoir, development of the proposed project would increase the number of people and structures exposed to dam failure risk and the potential for associated loss of life and property.	Significant Project Impact	<u>MM 3.8-1.</u> Prior to occupancy of the structures, the project applicant shall prepare an emergency evacuation plan for the proposed project.	Less than Significant Project Impact
Impact 3.8-4. During grading and construction, erosion of exposed soils and pollutants generated by site development activities may result in water quality impacts to downstream water bodies.	Potentially Significant Project Impact	<u>MM 3.8-2.</u> The project applicant shall prepare a comprehensive erosion control and water pollution prevention program to be implemented during grading and construction activities.	Less than Significant Project Impact

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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
Impact 3.8-5. The proposed project would generate urban non-point contaminants, which may be carried in stormwater runoff from paved surfaces to downstream water bodies.	Significant Project Impact	MM 3.8-3 The proposed project shall include structural and non-structural stormwater controls, in order to reduce non-point source pollutant loads. Post-construction Best Management Practices shall also be implemented.	Less than Significant Project Impact
Impact 3.8-6. New development, combined with other reasonably foreseeable projects in the City of Morgan Hill, would contribute to increased surface runoff and greater runoff contamination in an area that historically was used for agriculture.	Less than Significant Cumulative Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Cumulative Impact
Land Use			
Impact 3.9-1. The proposed project would not disrupt or divide an established community.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.9-2. The proposed project would not conflict with existing policies adopted to avoid or mitigate environmental impact.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.9-3a. The proposed project would construct a 657,250 square-foot retail center that would could consist of the relocation and expansion of the 'Target' store (currently located at the Cochrane Plaza shopping center) and construction of over 530,000 square feet of additional retail, which could include a home improvement store, wholesale store or department store; retail shops; restaurants (sit-down and fast food); and a 63,200 square foot multiplex cinema with up to 14 screens. These retail uses would compete with existing businesses in the City of Morgan Hill. This increased competition could potentially result in or contribute to closure of existing businesses in the City of Morgan Hill and there is a	Significant Project Impact	MM 3.9-1. The Target Corporation will make a written commitment to maintain their vacated existing store per the City of Morgan Hill Municipal Code. This commitment will extend to successors in ownership if the Target Corporation sells the property and until a majority of the space in the vacant store is re-occupied for a period of at least 12 consecutive months. MM 3.9-2. The Target Corporation will provide the City of Morgan Hill with a façade easement on the existing Target space. This façade easement will be granted for a period not to exceed five years, or until a majority of the space is re-occupied for a period of at least 12 consecutive months. MM 3.9-3. The Target Corporation shall provide the City of Morgan Hill with a written re-tenanting plan for the vacant store.	Significant and Unavoidable Project Impact

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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
high likelihood that the Cochrane Plaza would be subject to a causal chain ultimately resulting in urban decay.	Potentially Significant Project Impact	<p>Impact 3.9-3b. The proposed project would increase competition that could result in closure for major tenants in the Lawrence Oaks and Tenant Station shopping centers.</p> <p>MM 3.9-4. If the Lawrence Oaks, Cochrane Plaza, and Tenant Station shopping centers face vacancies following the opening of the proposed project, the City of Morgan Hill will monitor maintenance of the vacated spaces and their centers for the first signs of disinvestment or deterioration, and require that these properties continue to be maintained to standards as stated in Section 15.56.020 of the Morgan Hill Municipal Code.</p> <p>MM 3.9-5. To help small local businesses compete with likely national chain retailers in the proposed project, the City of Morgan Hill will fund programs aimed at assisting locally-owned small retailers.</p> <p>MM 3.9-6. City of Morgan Hill will ensure the Target Corporation, the other owners of Cochrane Plaza, and the owners of Tenant Station, Vineyard Town Center, and the Lawrence Oaks Shopping Center are aware that their centers are in the City's Redevelopment Area, and are eligible to apply for programs administered by the City's Business Assistance Division.</p>	Less than Significant Project Impact
Impact 3.9-4. The proposed project, combined with other foreseeable projects in the City of Morgan Hill may result in cumulative land use impacts to the project area.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.9-5. The proposed project, combined with other foreseeable projects in the City of Morgan Hill may result in urban decay due to secondary cumulative land use impacts.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact

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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
Noise			
Impact 3.10-1. Construction activities at the project site would result in elevated noise levels, with maximum noise levels ranging from 85-88 dB at 50 feet.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.10-2. The proposed project will result in an increase of approximately 22,009 daily weekday automobile trips on the existing roadway network, which will result in traffic noise level increases greater than 5 dBA L _{dn} over background conditions.	Significant Project Impact	There are no feasible mitigation measures available to reduce the operational noise impacts to a less than significant impact.	Short-Term Significant and Unavoidable Project Impact
Impact 3.10-3. Noise generated by activity associated with the proposed project would elevate off-site noise at sensitive receptors in the project vicinity.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.10-4. The proposed project would be exposed to noise from existing and future traffic on U.S. Highway 101 and Cochrane Road.	Less Than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.10-5. The proposed project would contribute to cumulative traffic on the roadway network over existing conditions, which would contribute to cumulative traffic noise at sensitive receptors along Cochrane Road.	Significant Cumulative Impact	There are no feasible mitigation measures available to reduce the cumulative traffic noise impacts to a less than significant level.	Significant and Unavoidable Cumulative Impact
Public Services			
Impact 3.11-1. The proposed project will not result in the need for new or physically altered governmental facilities, but will increase service demands for police patrol and incident response.	Potentially Significant Project Impact	MM 3.11-1. The project applicant shall install and maintain a video surveillance system and on-site security personnel during all hours of operation.	Less than Significant Project Impact

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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
Impact 3.11-2. The proposed project will increase the demand for fire protection. However, the proposed project would not result in the need for new or physically altered governmental facilities.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.11-3. The proposed project will generate employment opportunities, which may attract additional residents with school-age children to Morgan Hill.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.11-4. The proposed project will not conflict with an established recreational land use in the area nor inhibit the future provision of recreational opportunities. The proposed project will generate employment opportunities that may attract a limited number of new residents and with them incremental demand for recreational opportunities.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Cumulative Impact
Impact 3.11-5. The proposed project, in addition to anticipated cumulative development in the project vicinity, may result in the need for increased public facilities for the provision of police and fire protection services, and to a lesser degree parks and educational facilities.	Less than Significant Cumulative Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Cumulative Impact
Transportation and Circulation			
Impact 3.12-1. With the addition of project-generated traffic, significant level of service impacts would occur at two intersections, as follows:	Significant Project Impact	MM 3.12-1a. At the Dunne Avenue/Monterey Road intersection, the westbound right-turn lane shall be restriped as a shared through/right-turn lane, and a northbound right-turn overlap phase shall be installed. This improvement would be required when 35 percent of the project has been constructed based on total PM peak hour trip generation.	Less than Significant Project Impact
		MM 3.12-1b. At Cochrane Road/Mission View Drive intersection,	

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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
project traffic causes a decrease (i.e., improvement) in the average critical delay, the critical volume-to-capacity ratio increases by more than 0.01. This is considered a significant impact.		a traffic signal shall be installed with protected left-turn phasing on all approaches. In addition geometry will be reconfigured as follows: <ul style="list-style-type: none"> • Northbound approach - one left-turn lane and one shared through/right-turn lane. • Westbound approach - one left-turn lane, one through lane, and one shared through/right-turn lane. • Southbound approach - one left-turn lane, one shared through/right-turn lane, and one right-turn lane. • Eastbound approach - one left-turn lane, one through lane, and one right-turn lane. 	
b) At the Cochrane Road/Mission View Drive unsignalized intersection, the addition of project traffic is expected to reduce acceptable levels of service under Background Conditions to an unacceptable level of service (LOS F) during the AM, PM, and Saturday midday peak hours. This is considered a significant impact.		MM 3.12-2. The proposed project shall implement the applicable actions listed in the <i>Immediate Implementation Action List</i> contained in the <i>Deficiency Plan Guidelines</i> of the County's Congestion Management Program.	Significant and Unavoidable Project Impact
Impact 3.12-2. The addition of project-generated traffic would have a significant impact on the level of service at the segment of U.S. Highway 101 between Tennant Avenue and Dunne Avenue.	Significant Project Impact	MM 3.12-3. The two driveways shown directly behind the movie theater complex on Mission View Drive should be eliminated from the proposed project, and a circulation aisle should be provided behind the movie theater complex. The project applicant shall work with the City to incorporate traffic calming improvements at the driveways located along Mission View Drive to minimize pedestrian and vehicle conflicts at the project site.	Less than Significant Project Impact

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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
Impact 3.12-4. At the southernmost project driveway on Mission View Drive (i.e., the first driveway north of the Cochrane Road intersection), the preliminary site plan shows no left-turn restrictions. Given the close proximity of this driveway to Cochrane Road, if left turns into the project site are allowed at this driveway, this could result in potential conflicts with vehicles queuing on the north leg of the Mission View/Cochrane intersection.	Significant Project Impact	MM 3.12-4. The southernmost project driveway should be designated as a right-turn in and out only driveway.	Less than Significant Project Impact
Impact 3.12-5. The main north-south circulation aisle that extends north into the project from De Paul Drive is a long straight section that may encourage speeding without traffic control devices.	Potentially Significant Project Impact	<p>MM 3.12-5. The following modifications are identified on the main north-south circulation aisle to discourage speeding and provide more visible crosswalks for pedestrians:</p> <ul style="list-style-type: none"> a) At the first intersection north of Cochrane, stop signs should be installed on the side street approaches; b) At the second intersection north of Cochrane, provide one of the following alternative configurations: <ul style="list-style-type: none"> i) Provide raised intersection to provide vertical displacement, and provide stop signs on the side street approaches; or ii) Provide stop signs on all four approaches; c) At the third intersection north of Cochrane, provide stop signs on all four approaches. 	Less than Significant Project Impact
Impact 3.12-6. At the southwest corner of the building "Major 8" (on March 10, 2005 site plan), the proximity of the designated loading zone to the nearby intersection of two major internal drive aisles could create a driving hazard due to driver confusion.	Potentially Significant Project Impact	MM 3.12-6. The designated loading zone shall be relocated far enough to the east to allow the intersection approach lane to be reduced to one lane.	Less than Significant Project Impact

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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
Impact 3.12-7. Due to demand for transit service generated by the project, existing transit facilities may not be adequate to serve the project.	Potentially Significant Project Impact	MM 3.12-7. The project applicant shall construct a new bus stop along the project frontage, including transit amenities such as a bus turnout, a shelter, and benches. All improvements shall be in accordance with the Santa Clara Valley Transportation Authority (VTA) standards. The City of Morgan Hill shall work with the project applicant, Caltrain, and the VTA on ways to increase the frequency and coverage of transit service serving the project area and the nearest Caltrain station.	Less than Significant Project Impact
Impact 3.12-8. The preliminary project site plan does not indicate pedestrian crossing facilities at the major intersections adjacent to the project; unless these are provided, a hazard to pedestrian circulation could result.	Potentially Significant Project Impact	MM 3.12-8. Pedestrian crosswalks shall be provided on all four legs of the Cochrane Road/Mission View Drive intersection, and at all but the west leg of the Cochrane Road/De Paul Drive intersection.	Less than Significant Project Impact
Impact 3.12-9. The proposed project would create a demand for bicycle facilities, including: a) bicycle racks or lockers within the project site; and b) bicycle lanes along the project frontages.	Potentially Significant Project Impact	MM 3.12-9. The following bicycle facilities shall be incorporated into the project: a) Bicycle racks and/or lockers to accommodate bicycle travel by customers and employees, and b) Class II bicycle lanes along the project street frontages. The <i>Santa Clara Valley Transportation Authority (VTA) Bicycle Technical Guidelines</i> , <i>VTA Community Design and Transportation Guidelines</i> and the <i>VTA Pedestrian Technical Guidelines</i> shall be used in design of the proposed bicycle facilities associated with the proposed project.	Less than Significant Project Impact
Impact 3.12-10. The proposed project may not provide sufficient parking supply to meet the demand generated by the planned project land uses.	Potentially Significant Project Impact	MM 3.12-10. The overall number of parking spaces included in the project shall be required to meet the aggregate parking demand of the various land uses proposed within the project. City code parking requirement as follows: the cinema shall be parked at 1 space for every 3.5 seats, and the remainder of the shopping center shall be parked at one space for every 283 square feet. Also, in order to ensure adequate parking is available on-site, restaurants shall occupy no more than 20 percent of the overall shopping center building square footage (if the cinema is not	Less than Significant Project Impact

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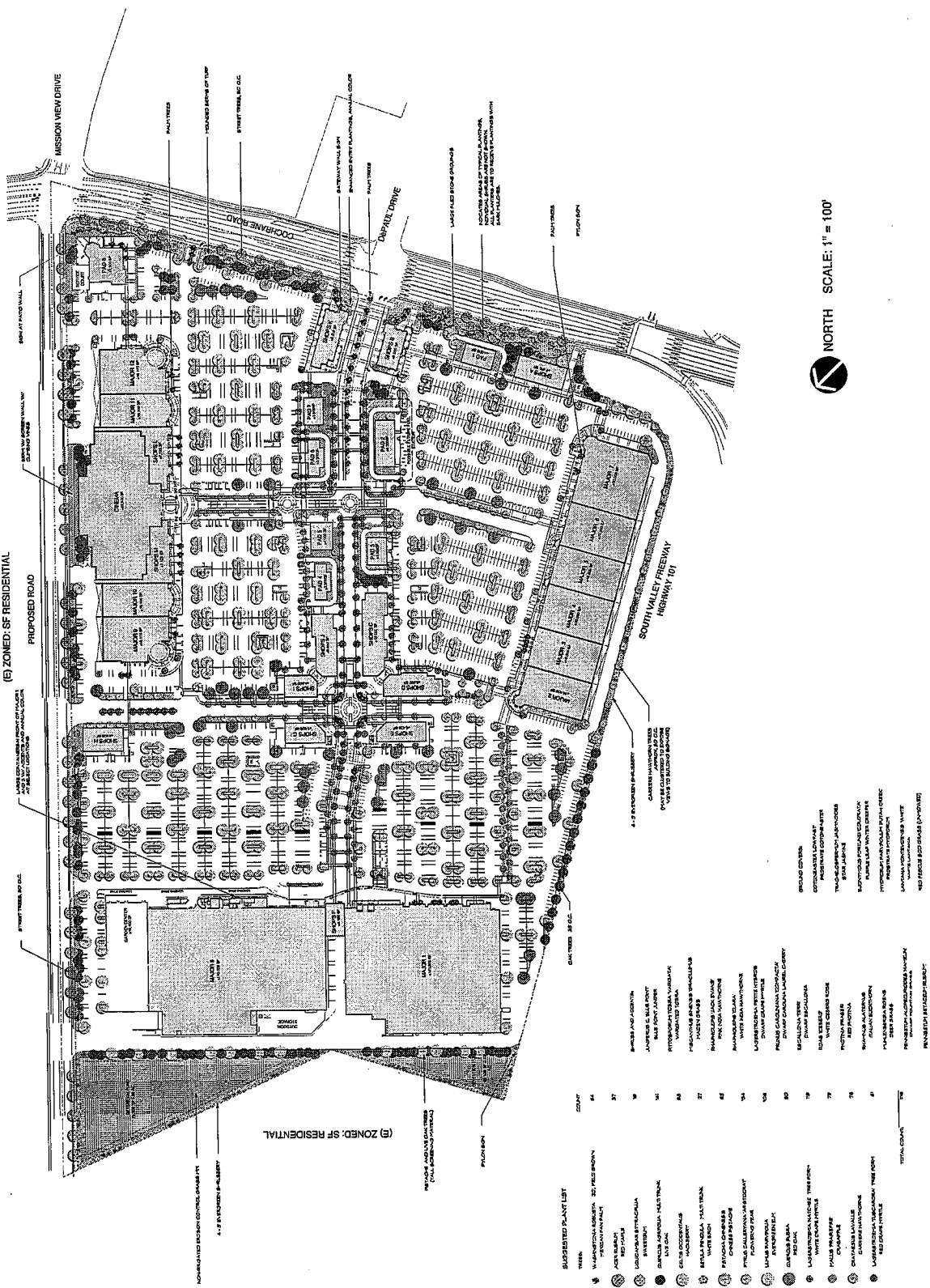
Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s) included in the proposed project then this restriction would no longer apply.	Resulting Level of Significance
Impact 3.12-11 The addition of project-generated traffic would result in cumulative level of service impacts at the Cochrane Road/Mission View Drive intersection.	Significant Cumulative Impact	<p>MM 3.12-11 At the Cochrane Road/Mission View Drive intersection, a traffic signal shall be installed with protected left-turn phasing on all approaches. In addition, this intersection shall be reconfigured to include the following geometry:</p> <ul style="list-style-type: none"> • The northbound approach should include one left-turn lane, and one shared through/right-turn lane. • The westbound approach should include one left-turn lane, one through lane, and one shared through/right-turn lane. • The southbound approach should include one left-turn lane, one shared through/right-turn lane, and one right-turn lane. • The eastbound approach should include one left-turn lane, one through lane, and one right-turn lane. 	Less than Significant Cumulative Impact
Impact 3.12-12 The addition of project-generated traffic would impact the level of service at the segment of U.S. Highway 101 between Tennant Avenue and Dunne Avenue	Significant Cumulative Impact	There are no feasible mitigation measures available to reduce the level of service impacts at the segment of U.S. Highway 101 between Tennant Avenue and Dunne Avenue to a less than significant impact.	Significant and Unavoidable Cumulative Impact
Impact 3.12-13 With the addition of project-generated traffic, significant impacts would occur at two intersections under General Plan Buildout Conditions, as follows:	Significant Cumulative Impact	<p>MM 3.12-13 The following intersection modifications are identified to provide acceptable operations under General Plan Buildout Conditions:</p> <p>a) Cochrane Road/Butterfield Boulevard. For the intersection to operate at LOS D+ or better the General Plan configuration for the intersection would require the following modifications:</p> <ul style="list-style-type: none"> • Northbound approach: increase number of leftturn lanes from one to two; increase the number of through lanes from one to two; reduce the number of right-turn lanes from two to one. • Eastbound approach: add a free right-turn lane. <p>b) Cochrane Road/Cochrane Plaza. For the intersection to operate</p>	Less than Significant Cumulative Impact

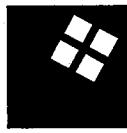
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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
LOS D during the PM peak hour under General Plan Buildout Conditions.		<p>at LOS D+ or better the General Plan configuration for the intersection would require the following modifications:</p> <ul style="list-style-type: none"> Southbound approach: increase number of left-turn lanes from one to two; change the shared left/through lane to a through lanes; keep the number of right-turn lanes at one. <p>To implement the above mitigation measures, the applicant will be required to pay impact fees, which reflect the project's fair share of improvement costs.</p>	Less than Significant Project Impact
Utilities			
Impact 3.13-1. The proposed project would generate between 0.8 and 8.3 tons of solid waste per day. The waste management provider has sufficient capacity to accommodate the waste within local landfills. However, the project may result in noncompliance with the California Integrated Waste Management Act (1989) without sufficient waste diversion practices.	Potentially Significant Project Impact	MM 3.13-1. The project applicant shall locate and maintain recycling receptacles for corrugated cardboard, mixed paper, food and beverage containers, and landscaping waste.	Less than Significant Project Impact
Impact 3.13-2. The proposed project would increase the demand for electric, natural gas, telephone and cable services.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.13-3. The proposed project will increase the demand for potable water. However, the existing water system can adequately supply the project and the increase would not be substantial in relation to the existing condition.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact
Impact 3.13-4. The proposed project would require on-site expansion and relocation of existing infrastructure, in addition to an increase in the amount of wastewater entering the sewer system.	Less than Significant Project Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Project Impact

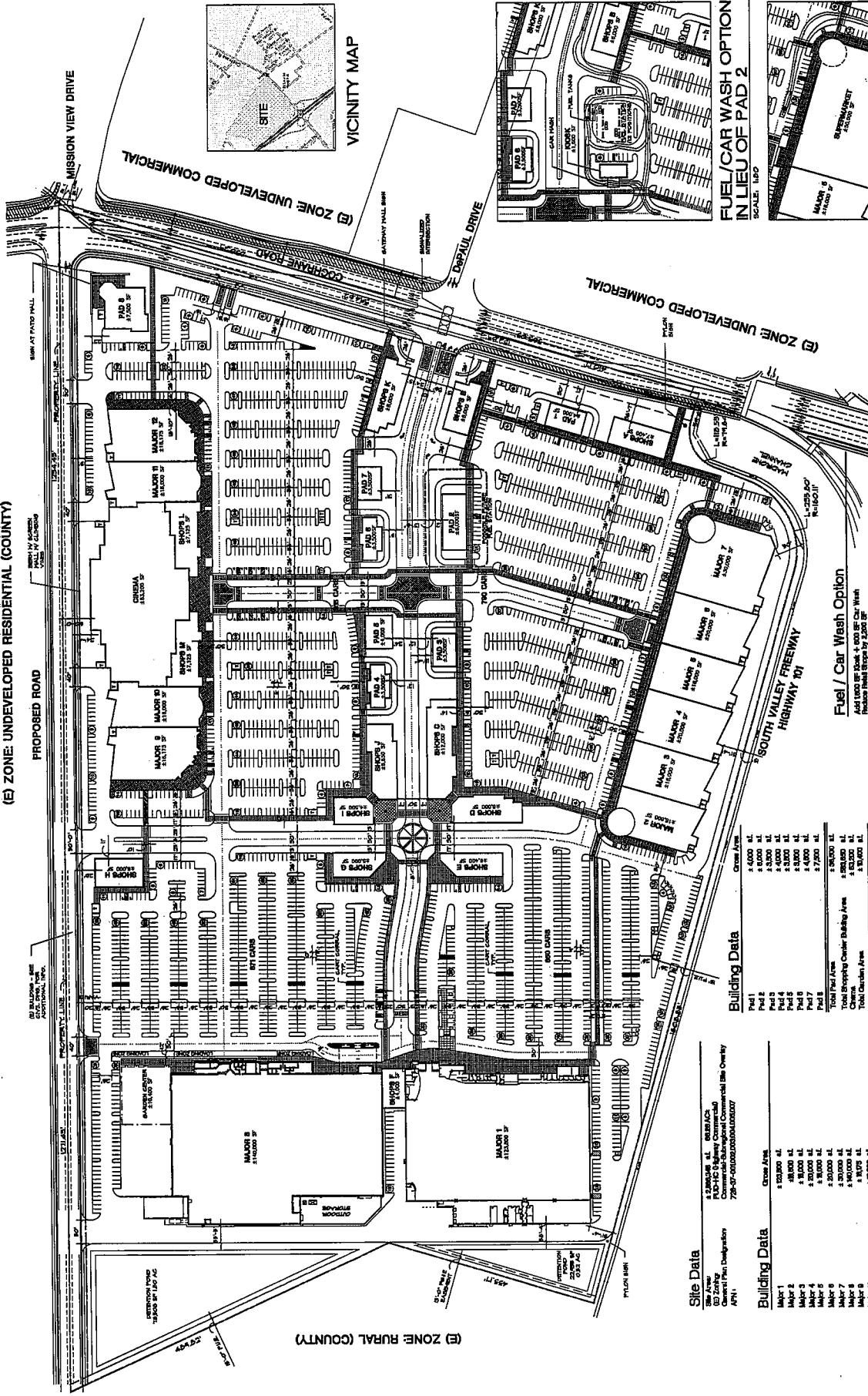
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Potential Project and Cumulative Impacts	Level of Significance w/o Mitigation	Summary of Mitigation Measure(s)	Resulting Level of Significance
Neither the expansion nor the increased flow, are substantial relative to current conditions and capacities.			
Impact 3.13-5. The proposed project, in addition to reasonably foreseeable projects in the vicinity, would likely result in the need for new or upgraded infrastructure for the delivery of water, sewer, telecommunications, electricity, and natural gas to the project area.	Less than Significant Cumulative Impact	No significant impact has been identified; therefore, no mitigation is proposed.	Less than Significant Cumulative Impact





(E) ZONE: INDEVEL OPED RESIDENTIAL (COUNTY)



No change in Pending Data

Parking Requirements (City Standard)	
Shopping Center Champlain	3,480 cars / 10,000 sf = 1 car / 2,877 sf. = 1 car / 33 square

$$\text{Profit} = \text{Revenue} - \text{Costs} \quad (\text{Or: Profit} = \text{Revenue} - \text{Costs})$$

Standard Parking - 10'0" w/ 2'0" Overhang
Compact Parking - 10'0" w/ 2'0" Overhang

PROPOSED SITE BIAN

FRUSTRATED SITE TEAM □ □ □

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