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LAND DEVELOPMENT &
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**NOTICE OF PREPARATION
OF AN
ENVIRONMENTAL IMPACT REPORT 14 JUL -7 AM 11:59
FOR THE
BUTTERFIELD-KEENAN GENERAL PLAN AMENDMENT AND REZONING PROJECT**

Date of Distribution: July 1, 2014

PROJECT APPLICANT: Keenan Land Company

FILE NO: GPA-14-04

JH / 294

Keenan Land Company, proposes a General Plan Amendment (GPA) and rezoning of an existing vacant property in the City of Morgan Hill. The 19.5 acre project site encompasses three parcels (APN 726-25-61, 726-25-78, and 726-25-79) which are currently designated *Industrial* in the City's General Plan and zoned *PUD Planned Unit Development*. The project would change the General Plan designation to *Multi-Family Medium (14-21 dwelling units per acre)*, and would rezone the site to *R-3 Medium Density Residential District*. Approval of the GPA and rezoning would allow future development of the site with up to 410 residential units. Approval of the proposed project will require actions by the City of Morgan Hill including the preparation and certification of an Environmental Impact Report (EIR) to support the entitlements.

As the Lead Agency, the City of Morgan Hill will prepare an EIR for the above-referenced Project. We need to know the views of your agency as to the scope and content of the environmental information which is germane to your agency's statutory responsibilities in connection with the proposed project. Your agency will need to use the EIR prepared by our agency when considering your permit or other approval for the project.

The project description, location, and potential environmental effects are contained in the attached materials. A copy of the Initial Study is not attached.

According to State law, the deadline for your response is 30 days after receipt of this notice; however, we would appreciate an earlier response, if possible.

To respond in writing, agencies should identify a contact person. Please send your response to:

City of Morgan Hill
Attn: Sheldon Ah Sing
Contract Planner
17575 Peak Avenue
Morgan Hill, CA 95037
(408) 778-6480
Sheldon@mplanninggroup.com



Andrew Crabtree
Community Development Director

Date: July 1, 2014

**Notice of Preparation for an Environmental Impact Report for the City of Morgan Hill
Butterfield-Keenan
General Plan Amendment and Rezoning Project
File No. GPA 14-04**

July 1, 2014

Introduction

The purpose of an Environmental Impact Report (EIR) is to inform decision-makers and the general public of the environmental effects of a proposed project that an agency may implement or approve. The EIR process is intended to provide information sufficient to evaluate a project and its potential for significant impacts on the environment; to examine methods of reducing adverse impacts; and to consider alternatives to the project.

The EIR for the proposed project will be prepared and processed in accordance with the California Environmental Quality Act (CEQA) of 1970, as amended. In accordance with the requirements of CEQA, the EIR will include the following:

- A summary of the project;
- A project description;
- A description of the existing environmental setting, environmental impacts, and mitigation measures for the project;
- Alternatives to the project as proposed; and
- Environmental consequences, including (a) any significant environmental effects which cannot be avoided if the project is implemented; (b) any significant irreversible and irretrievable commitments of resources; (c) the growth inducing impacts of the proposed project; and (d) cumulative impacts.

Project Location

The 19.5-acre project site comprises three parcels (APN 726-25-061, 726-25-078, and 726-25-079) located in the City of Morgan Hill, immediately south of Jarvis Drive, between Monterey Road and Butterfield Boulevard, (see Figures 1 and 2).

Project Description

The project site is currently vacant. The westernmost parcel (APN 726-25-061) is bounded and bisected by a graded dirt road. The entire project site is disc-plowed non-native annual grasslands with no trees.

The project site is currently designated *Industrial* in the City's General Plan and zoned *PUD – Planned Unit Development*. The existing PUD does not allow residential as a permitted or conditional use. A General Plan Amendment (GPA) and rezoning is, therefore, proposed to allow residential on-site.

VICINITY MAP

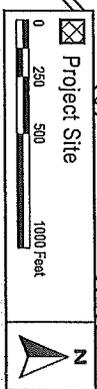
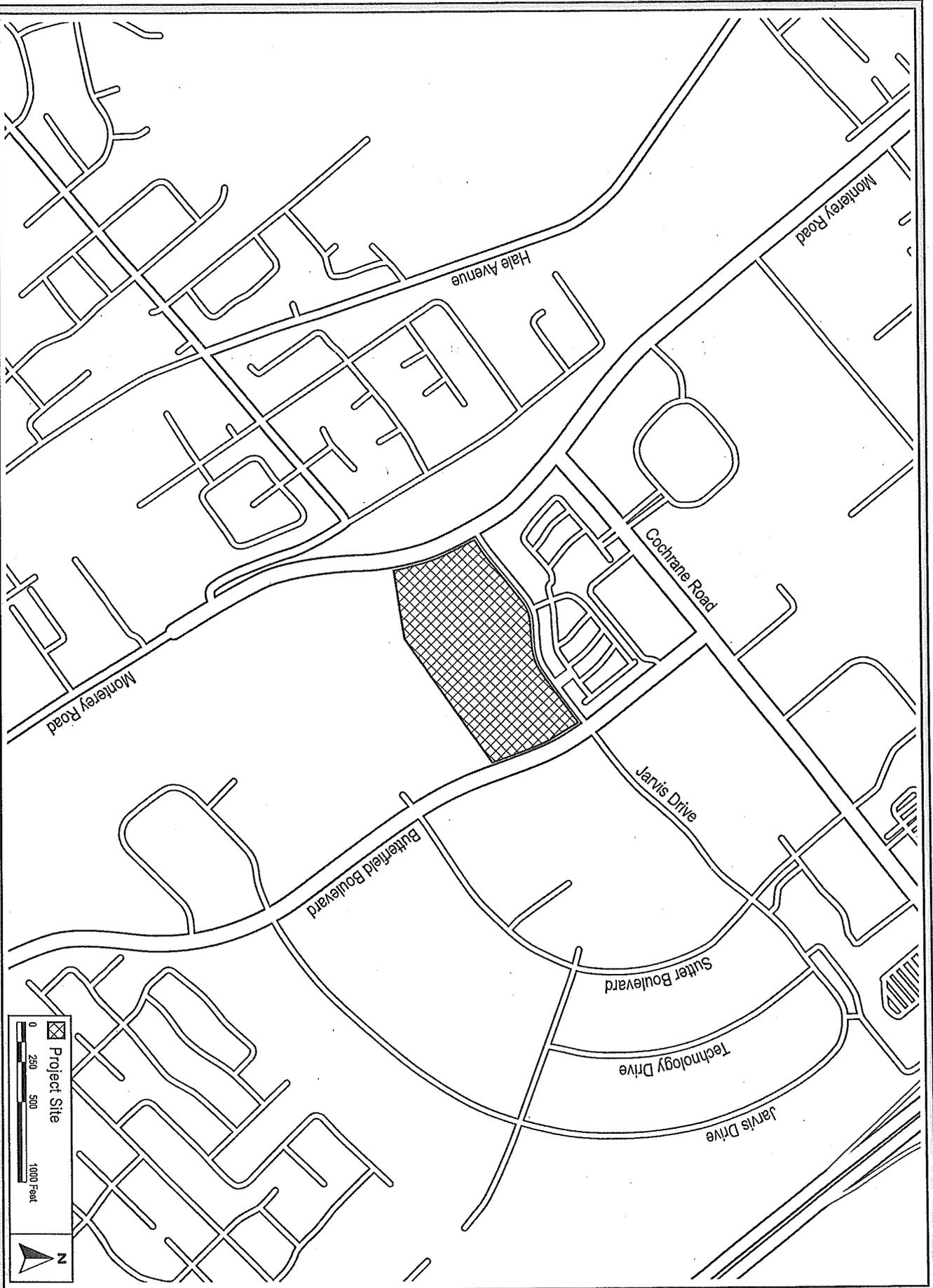


FIGURE 2

The project would change the General Plan designation for the site from *Industrial* to *Multi-Family Medium (14-21 dwelling units per acres)* and would rezone the site from *PUD* to *R-3 Medium Density Residential District*. If approved, the GPA would support future development of the site with multi-family, duplex, or single-family attached houses at an allowable density range of 14 to 21 dwelling units per acre (du/ac). For purposes of evaluation, the EIR will assume maximum potential build-out of the project site under the proposed new designation which will allow future development of the site with up to 410 dwelling units and approximately 1,190 future residents.

The proposed project is for basic policy changes (GPA and rezoning) and not for a specific development plan. A program-level EIR will be prepared to evaluate the environmental effects of the proposed project in accordance with CEQA and City of Morgan Hill standards. The EIR will provide an objective determination of the environmental impacts that could result from the proposed GPA and zoning change. Because the project is limited to the GPA and zoning change (i.e., no specific development is proposed), project impacts will be evaluated in the EIR at a corresponding level of specificity. Mitigation will only be characterized in terms of General Plan policies or other “programmed” mitigation measures, such as conformance with ordinances, laws, or adopted policies that are typically implemented at the time of specific development projects in Morgan Hill.

Potential Environmental Impacts of the Project

The EIR will identify the significant environmental effects anticipated to result from development of the project as proposed. The EIR will include the following specific environmental categories as related to the proposed project:

1. Land Use and Planning

The project site is located in an area with vacant industrial land and developed industrial buildings and townhome residences. The EIR will describe the existing land uses adjacent to and within the project area. Land use impacts that would occur as a result of the GPA and rezoning approval will be analyzed. The effect of the project on the City’s jobs/housing balance will also be assessed. Mitigation measures will be identified for significant impacts, as warranted.

2. Aesthetics

The project site is located in the City of Morgan Hill on the valley floor, in the vicinity of industrial and single-family residential land uses. The EIR will describe the existing visual setting of the project area and the visual changes that are anticipated to occur as a result of the proposed project. The EIR will also discuss possible light and glare issues from development on the site. Mitigation measures will be identified for significant impacts, as warranted.

3. Geology and Soils

The project site is located in one of the most seismically active regions in the United States. The EIR will discuss the possible geological impacts associated with seismic activity and the existing soil conditions on the project site. Mitigation measures will be identified for significant impacts, as warranted.

4. *Hydrology and Water Quality*

Based on the Federal Emergency Management Agency (FEMA) flood insurance rate maps, the EIR will address the possible flooding issues of the site as well as the effectiveness of the storm drainage system and the project's effect on storm water quality consistent with the requirements of the Regional Water Quality Control Board. Mitigation measures will be identified for significant impacts, as warranted.

5. *Biological Resources*

The project site is currently vacant and dominated by non-native annual grassland that is regularly disced for weed abatement. No trees are present on the site. The EIR will identify and discuss potential biological impacts resulting from the project. Mitigation measures will be identified for significant impacts, as warranted. The EIR will also discuss the project's consistency with the Santa Clara Valley Habitat Plan (HCP).

6. *Hazards and Hazardous Materials*

The project site is located in an area developed with residential and industrial land uses. The project site itself was historically used for agriculture. The EIR will summarize hazardous materials conditions on and adjacent to the project site and will evaluate the potential for hazardous materials contamination to impact workers or future residents at the site. Mitigation measures will be identified for significant impacts, as warranted.

7. *Cultural Resources*

The project site is located within an area with a low potential for the discovery of subsurface prehistoric and/or historic resources. The EIR will address the potential for future development of the project site to impact unknown subsurface cultural resources. Mitigation measures to avoid possible impacts will be identified based on the City's General Plan policies and practice, as warranted.

8. *Energy*

Approval of the GPA and rezoning would result in the future construction of up to 410 residential units on the site. The EIR will address the increase in energy usage on-site compared to existing conditions and the proposed design measures to reduce energy consumption. Mitigation measures will be identified for significant impacts, as warranted.

9. *Transportation and Circulation*

The project site is located on the west side of US 101, immediately south of Jarvis Drive, between Monterey Road and Butterfield Boulevard in the City of Morgan Hill. The EIR will examine the existing traffic conditions in the vicinity of the project site. A traffic study will be prepared to identify the impacts of traffic generated by future residential development at the site to the existing local and regional transportation system and the planned long-range transportation network. Mitigation measures will be identified for significant impacts, as warranted.

10. *Air Quality*

The EIR will address the regional air quality conditions in the Bay Area and discuss the proposed

project's impacts to local and regional air quality according to Bay Area Air Quality Management District (BAAQMD) CEQA guidelines and thresholds. Community Risk Impacts from nearby sources including the Union Pacific Railroad tracks and traffic along Monterey Road and Butterfield Boulevard will be evaluated. Temporary construction related impacts such as construction vehicle exhaust and air-borne particulates (i.e., dust) will be discussed. Mitigation measures will be identified for significant impacts, as warranted.

11. *Greenhouse Gas Emissions*

The EIR will address the proposed project's contribution to regional and global greenhouse gas emissions based on BAAQMD CEQA guidelines and thresholds. Proposed design measures to reduce energy consumption, which in turn would reduce greenhouse gas emissions, will be discussed. Mitigation measures will be identified for significant impacts, as warranted.

12. *Noise*

The existing noise environment on-site is created primarily by the Union Pacific Railroad tracks to the west and traffic on local roadways including Monterey Road and Butterfield Boulevard. The EIR will discuss impacts to the proposed project from existing noise levels on the project site. The EIR will also discuss noise that will result from implementation of the proposed project, as well as temporary construction noise. Noise levels will be evaluated for consistency with applicable standards and guidelines in the City of Morgan Hill. Mitigation measures will be identified for significant impacts, as warranted.

13. *Utilities and Service Systems*

Approval of the GPA and rezoning will result in an increased demand on utilities and public facilities compared to existing conditions. The EIR will examine the impacts of the project on public services, including utilities such as sanitary and storm drains, water supply, and solid waste management. Mitigation measures will be identified for significant impacts, as warranted.

14. *Public Services*

Implementation of the proposed project will increase the population of the City which will result in an increased demand on public services including police, fire protection, schools, parks, and libraries. The EIR will address the availability of public facilities and services and the potential for the project to require the construction of new facilities. Mitigation measures will be identified for significant impacts, as warranted.

15. *Alternatives*

The EIR will examine alternatives to the proposed project including a "No Project" alternative and one or more alternative development scenarios depending on the impacts identified. Alternatives discussed will be chosen based on their ability to reduce or avoid identified significant impacts of the proposed project while achieving most of the identified objectives of the project.

16. *Significant Unavoidable Impacts*

The EIR will identify those significant impacts that cannot be avoided, if the project is implemented as proposed.

17. *Cumulative Impacts*

The EIR will include a cumulative impacts section that will address the potentially significant cumulative impacts of the project when considered with other past, present, and reasonably foreseeable future projects in the development area.

In conformance with the CEQA Guidelines, the EIR will also include the following sections: 1) consistency with local and regional plans and policies, 2) growth inducing impacts, 3) significant irreversible environmental changes, 4) references and organizations/persons consulted, and 5) EIR authors.

From: Kaahaaina, Jennifer [<mailto:Jennifer.Kaahaaina@deh.sccgov.org>]
Sent: Wednesday, July 16, 2014 3:44 PM
To: Sheldon Ah Sing
Subject: FW: CEQA Referral: NOP Butterfield-Keenan GPA/Rezoning

Sheldon Ah Singh,

In response to the above NOP, it would be advisable to consider the proximity of two adjacent facilities that are subject to the State's Hazardous Materials Business Plan Program and Hazardous Waste Generator Program, both of which are enforced by our office within the City of Morgan Hill:

TenCate Advanced Composites @ 18410 Butterfield Blvd.
AndPak @ 400 Jarvis Dr.

The above facilities have each submitted a Hazardous Materials Business Plan (HMBP) to the California Environmental Reporting System (CERS). HMBPs contain a listing of chemicals handled at a facility in quantities above State reporting thresholds. The information is available for review by emergency responders so that they may adequately prepare for and respond to emergencies involving these facilities. All but the chemical storage maps are available for review by the public, upon request. If the City would like access to this information to determine whether they are adequately prepared to protect nearby residents, please contact our office.

Best wishes,

Jennifer Kaahaaina
Hazardous Materials Program Manager

Santa Clara County
Department of Environmental Health
Hazardous Materials Compliance Division
1555 Berger Drive, Suite 300
San Jose, CA 95112
(408) 918-4795 – Direct
(408) 280-6479 – Fax
www.ehinfo.org/hazmat



July 31, 2014

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

Attention: Sheldon Ah Sing

Subject: City File No. GPA-14-04 / Butterfield-Keenan GPA and Rezoning

Dear Mr. Sing:

Santa Clara Valley Transportation Authority (VTA) staff have reviewed the NOP for up to 410 residential units on 19.5 acres for a site bounded by Butterfield Boulevard, Jarvis Drive, and Monterey Road. We have the following comments.

Transportation Impact Analysis (TIA) Report

VTA's Congestion Management Program (CMP) requires a Transportation Impact Analysis (TIA) for any project that is expected to generate 100 or more net new peak-hour trips. VTA's understanding is that this GPA/Rezoning does not grant a specific development entitlement and therefore a CMP TIA is not required at this time (per Section 2.2 of the *TIA Guidelines*). However, as long as a transportation analysis is being prepared for the DEIR, VTA recommends that it be consistent with the *TIA Guidelines* (see Section 11.2.2). In addition, it is our understanding that future specific developments on this site would require separate discretionary approvals, and therefore would require CMP TIAs at that time. The current March 2009 version of the *TIA Guidelines* may be downloaded from <http://www.vta.org/cmp/technical-guidelines>. For more information on the *TIA Guidelines*, please call Shanthi Chatradhi of the VTA Planning and Program Development Division at 408-952-4224.

Transportation Demand Management/Trip Reduction

The project is not located in a transit-rich area, being served only by VTA Community Bus Line 16 with hourly service during the AM and PM peak periods. Given the project's location, the DEIR should identify effective Transportation Demand Management measures to reduce auto trips and greenhouse gas emissions associated with the project, such as public-private partnerships or developer contributions to provide improved transit service in the area (for example, shuttles to Caltrain or VTA Express Bus stops).

Pedestrian and Bicycle Accommodations and Site Design

Given the limited transit service available near the project location, site design elements that encourage walking and bicycling will be important in the project's overall strategy to reduce

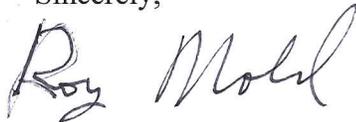
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automobile trips. VTA encourages the City to include policies and measures to support walking and bicycling for daily tasks as part of the General Plan Amendment.

VTA recommends that the project provide wide sidewalks with a buffer strip between pedestrians and automobiles with landscaping elements such as closely planted trees, shrubs, or light posts. Resources on pedestrian quality of service, such as the Highway Capacity Manual 2010 Pedestrian Level of Service methodology, indicate that such accommodations (which are sometimes called a 'continuous barrier') improve pedestrian perceptions of comfort and safety on a roadway. VTA also encourages the provision of a well-connected street network to minimize distances for pedestrian and bicycle trips to and from the site. In addition, crosswalks and a pedestrian-actuated signal should be provided across Butterfield Boulevard at Jarvis Drive to facilitate pedestrian and bicycle access to retail sites located east of the project site.

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

Sincerely,

A handwritten signature in cursive script that reads "Roy Molseed". The signature is written in dark ink and is positioned above the printed name and title.

Roy Molseed
Senior Environmental Planner

MH1402