



Attachment 2 – Supplemental Categorical Exemption Findings

Ulrika Plaza – DR 20-350 / UP 23-158
Southwest corner of 5th Avenue and Dolores Street
Planning Commission Agenda: August 9, 2023

This document provides supplemental information supporting the Categorical Exemption of the "Ulrika Plaza" project (DR 20-350 / UP 23-158) from the California Environmental Quality Act (CEQA), State CEQA guidelines and local environmental regulations, pursuant to Section 15332 (Class 32) – In-Fill Developments. This exemption is intended to promote infill development within urbanized areas which are consistent with local general plan and zoning requirements. This class is not intended to be applied to projects which would result in any significant traffic, noise, air quality, or water quality effects. Such projects must meet Part 1 conditions (a) through (e) described in the analysis below and must not trigger exceptions to the exemption in Part 2.

Part 1: Qualifications

The proposed project meets the following thresholds:

- 1. The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.***

The subject property has a General Plan land use designation of Core Commercial and is zoned SC, Service Commercial, which allows mixed-use development. The residential density and the proposed increase in commercial floor area for the project both require a Conditional Use Permit issued by the Planning Commission. The project conforms to General Plan policies and zoning regulations.

- 2. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.***

The project site is located within the city limits, is 16,000 square feet (.36 acres) in size and is surrounded on all sides by urban uses, specifically commercial and residential development.

- 3. The project site has no value as habitat for endangered, rare or threatened species.***

The site is partially developed from a previously approved project in which construction was halted mid-way through construction of the below grade parking structure. Limited vegetation, such as small shrubs, have sprouted within unpaved excavated area, however, this vegetation is scarce and does not serve value as a habitat area.

4. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.

a. Traffic

- i. The project site is accessible by multiple modes of transportation. Vehicle access is available by city streets. The primary Monterey Salinas Transit (MST) downtown bus stop for the city (6th and Mission) is less than 0.20 miles from the project site. As designated by the city's General Plan Circulation element, a bike route is located on San Carlos Avenue, which runs parallel to Dolores Street, one block to the east. Walking is also convenient from the project site to retail and services within the downtown core as well as the surrounding residential areas due to size and the walkable nature of the city.

The applicant has also provided a Traffic Analysis of the proposed project (refer to Attachment 4 of the associated Staff Report). The traffic analysis was prepared by Keith Higgins, PE, TE. The Traffic Analysis uses vehicle-miles-travelled (VMT) in the evaluation of environmental impacts under CEQA as required by SB 743. The City has not adopted a VMT policy which would include a methodology for performing this analysis, therefore the analysis was based on the "Technical Advisory on Evaluating Transportation Impacts in CEQA," published by the State of California Governor's Office of Planning and Research, which provides implementation guidance for SB 743 for evaluating development proposals.

As suggested by the OPR Technical Advisory for mixed-use projects, the two main components of the project, residential and commercial (retail), are analyzed separately.

Traffic Report Summary:

Residential Significance Criterion - In accordance with the OPR Technical Advisory on Evaluation Transportation Impacts in CEQA, projects that generate or attract fewer than 110 trips per day generally may be assumed to cause a less-than-significant transportation impact.

Residential VMT Analysis - The 12 multi-family housing units are estimated to generate about 81 gross daily trips, which is below the 110 trips per day significance threshold. This component of the Project will have a less-than-significant VMT impact.

Retail Significance Criterion - In accordance with the OPR Technical Advisory on Evaluation Transportation Impacts in CEQA, retail

development including stores larger than 50,000 square feet might be considered regional serving, and so lead agencies should undertake an analysis to determine whether the project might increase or decrease VMT.

Retail VMT Analysis – The retail component of the Project will include a total 9,000 net square feet of floor area with up to 15 separate units, which corresponds with a gross floor area of about 12,448 square feet. The overall floor area is far below the 50,000 square-foot threshold considered to be regional serving that would potentially result in a significant VMT impact. The types of uses anticipated in the Project will serve local clientele and visitors. The retail component of the Project will have a less-than-significant VMT impact.

During construction of the project, there will be additional vehicles near the project site, including construction equipment vehicles, deliveries and contractor personal vehicles. The Conditions of Approval require implementation of a construction management plan to manage truck routes, construction vehicle circulation and parking, and potential sidewalk closures. With implementation of the construction management plan over the course of construction, traffic impacts during construction are not anticipated to have significant effects.

b. Noise

- i. Most of the Commercial neighborhoods experience a daily average of well below 65 dB which is the upper threshold for multi-family uses for being considered a “Normally Acceptable” range as described in the General Plan. The upper limit for commercial uses at a normally acceptable range is 70 dB. The additional 12 residential apartments nor the additional commercial spaces would substantially result in exceeding noise levels in the area and would be consistent with the normally acceptable noise levels, required by General Plan policies and the Carmel Noise Ordinance. The project does not result in the addition of any new stationary noise sources outside of associated HVAC equipment, all of which would be required to comply with the city’s noise ordinance prescribed in CMC 17.28.020.

Noise generated during excavation, grading, site preparation, and building erection on the project site would result in potential noise impacts on off-site uses. Existing properties in the vicinity may be subject to short-term noise generated by construction equipment and activities on the project site. These temporary impacts are not anticipated to create significant effects.

c. Air Quality

Air quality impacts due to the project would be in the form of vehicle emissions during operation of the project, as well as fugitive dust, odors, and construction equipment emissions during construction of the project.

Implementation of the proposed project would not result in short-term construction or long-term operational impacts to air quality. The operation of the project would not result in a significant increase in VMT, and, therefore, no significant increase in emissions would occur.

Additionally, the applicant has committed to meeting a number of the City's goals to reduce greenhouse gas emissions, specifically goals established within its Climate Action Plan (Adoption Date August 2022) including: *Energy Efficiency and Electrification of Residential and Commercial Buildings* and *Renewable Energy Sources*.

According to the Applicant, *the project will include renewable energy sources, including photovoltaic (PV) systems reducing and offsetting the project's electricity demand. Energy efficient appliances and equipment will be utilized throughout the project in addition to the project being all-electric.* The applicant has also identified on the plans a number of parking stalls in the garage will be EV ready at the time of project construction.

d. Water Quality

- i. *The proposed project is subject to Tier 2 of the of the Central Coast Post-Construction Requirements. The applicant has provided a preliminary drainage plan (Sheet C3.1) identifying how storm water will be infiltrated in accordance with city standards as well as the Tier 2 Post Construction Requirements. Prior to Building Permit issuance, the a final drainage/storm water control plan shall be reviewed and approved by the Public Works and Environmental Compliance Departments to ensure the project complies with the Post Construction Requirements and the City's Water Quality Ordinance.*

Standard construction best management practices (BMPs) will be implemented during construction to avoid and reduce any potential water quality impacts, as required by the Conditions of Approval.

5. The site can be adequately served by all required utilities and public services.

The proposed project consists of 12 residential units, parking, and a commercial shell with up to 15 business spaces, which would be a minor increase in utility and public service use at the site over what exists today. However, these uses will not significantly adversely affect police or fire protection services or result in the construction of new schools or parks and other public facilities and is allowable in the zoning ordinance and General Plan limits set forth for this building site. Utility services including wastewater, sewer, and landfill facilities have adequate capacity for the proposed project, or the project has been conditioned appropriately to verify adequate capacities or supply prior to building permit issuance.

Part 2: Exceptions

Application of this exemption, as all categorical exemptions, is limited by the factors described in CEQA Guidelines Section 15300.2. None of these exceptions apply, as described in the discussion below.

1. Location. Classes 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located -- a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Therefore, these classes are considered to apply all instances, except where the project may impact on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies.

- a. This possible exception applies only to CEQA exemptions under Classes 3, 4, 5, 6 or 11. Since the project qualifies as a Class 32 Urban Infill exemption, this criterion is not applicable.

2. Cumulative Impact. All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.

- a. The effects of the project would generally be beneficial, since the project helps to fulfill the vision of the Carmel General Plan and Housing Element to increase housing opportunities, and revitalize a construction site that has been stagnant for over three years. Potential construction impacts would be temporary and confined to the vicinity of the project; moreover, potential impacts would be subject to local, regional, and State regulations to reduce effects during construction. No successive projects on the project site are known or expected to occur over time that would result in cumulatively considerable impacts.

3. Unusual Circumstances. A categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.

- a. The proposed project would not result in any significant impacts due to unusual circumstances. The proposed project does not request a variance and remains in context and consistent with the existing conditions in the downtown area, General Plan policies, and zoning requirements, all of which supports mixed-use development.

4. *Scenic Highways. A categorical exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway. This does not apply to improvements which are required as mitigation by an adopted negative declaration or certified EIR.*

- a. The proposed project is not located within a highway officially designated as a state scenic highway.

5. *Hazardous Waste Sites. A categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code.*

- a. The project site is not known to contain hazardous materials and is not on the Cortese list.

6. *Historical Resources. A categorical exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource.*

- a. The project site has not been listed in, or determined to be eligible for listing in, the National Register of Historic Places, California Register of Historical Resources, or the Carmel Inventory or Register of Historical Resources. Therefore, the project would not cause a substantial adverse change in significance of a historical resource.

Conclusion

Based on the evidence provided above, the proposed project would not result in any significant environmental impacts. The proposed project qualifies for a Categorical Exemption under CEQA as it meets the conditions described in Article 19, Section 15332, Class 32, In-fill Development Projects, and none of the exceptions listed in CEQA Guidelines Section 15300.2 are applicable.