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County of Santa Cruz Planning Department
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Re: Draft Environmental Impact Report (DEIR) for the Medical Office Building Project

Application #: 191075; SCH# 2020039067; APN 029-021-47

The Sierra Club has completed its review of the Draft Environmental Impact Report for the Medical Office Building Project and is concerned that the document is lacking in several important respects, as discussed further below. The DEIR traffic analysis is woefully inadequate and includes assumptions which cannot be supported. The Sierra Club presents the following comments with regard to the DEIR.

Section 1. Project Objectives Are Inaccurately Drafted

The project objectives inaccurately describe the purpose of the project. The project objectives include criteria that are extraneous and unnecessary to the central purpose of the project. These excessively narrow criteria automatically disqualify alternatives that do not conform to these unnecessary criteria.

The CEQA Guidelines explain the reason that the statement of project objectives must be accurate.

A clearly written statement of objectives will help the lead agency develop a reasonable range of alternatives to evaluate in the EIR and will aid decision makers in preparing findings or statement of overriding considerations, if necessary. The statement of objectives should include the underlying purpose of the project.
Section 15124(b)

The following project goals are inadequately drafted:

1.1 Mandate to redevelop the site of the proposed project

The Draft EIR thwarts CEQA Guidelines by including redevelopment of the proposed Project site in the project objectives:

Redevelop a highly visible, underutilized site used for storage, salvage, and a concrete contractor with a modern, attractive, LEED Gold certified, energy efficient, community-serving healthcare use.

Hence, any alternative location would be unfairly disqualified from meeting this project objective---unless it also currently hosts a storage, salvage and concrete contractor.

1.2 Mandate to provide 730 parking spaces

“Provide an enclosed parking structure of approximately 730 parking spaces with convenient and safe pedestrian access to the medical office building to ensure that there is adequate, accessible on-site parking to serve both employees and members.”

Including a mandate to provide a specified number of parking spaces thwarts CEQA Guidelines by unnecessarily narrowing the project objectives. It undermines the Alternatives Analysis by making the inaccurate assumption that the same number of parking spaces will be needed whether the project is located on a frequent transit corridor or in a transit desert.

1.3 Mandate to locate in a centralized location within the County

“Locate the medical office building in a centralized location within the County on a key transportation corridor thereby reducing out of County health trips, encouraging virtual care where appropriate.”

The EIR needs to substantiate the claim that a centralized location within the County will reduce out of County trips. Why wouldn't any location within the County reduce out of County trips? Why would a centralized location encourage virtual care?

1.4 TDM project objective is inaccurately described as voluntary

“Implement a voluntary transportation demand management plan that furthers County 511 programs, such as Ride Amigos, Emergency Ride Home, and bike-share programs.”

The County Trip Reduction Ordinance requires large and medium employers to take mandatory measures to reduce vehicle trips.

Section 2. Transportation analysis is flawed

2.1 The conclusion that the Project would result in a reduction in Vehicle Miles Traveled is not substantiated.

a. The argument that net vehicle miles traveled (VMT) would be reduced due to reduction in out of County trips, is void since the EIR examines a generic medical office facility, not a Kaiser facility.

The EIR draws the conclusion that the Project would result in a net reduction in vehicle miles traveled because vehicle trips over Highway 17 for medical appointments would be reduced. This conclusion follows from the assumption that the tenant of the Medical Office Building will be Kaiser Permanente. Appendix D reads:

Kaiser Permanente (“Kaiser”) is proposed to occupy and operate the Project if the Project is approved. Therefore, Kaiser-specific data and assumptions were used in this TIOA to provide the most accurate information possible about the Project’s potential transportation-related impacts.

Development of a Medical Office Building at the Project site will fill a service gap that the Proposed Tenant [Kaiser] currently has in the County, which causes many of its Members to travel out of the County and to the Proposed Tenant’s facilities in the City of San Jose Metropolitan Area (“San Jose”) for health care. Consequently, the Project is expected to reduce traffic along Highway 17 to/from those San Jose facilities

However, in the body of the 450 page Draft EIR (without the appendices), there is no mention that this facility will be a Kaiser Permanente medical facility. Since the environmental review was conducted for a Medical Office Building rather than a Kaiser facility, it is a mistake to make the assumption that the Project will reduce vehicle trips over Highway 17. Even if Kaiser were to sign a binding contract to occupy the Medical Office Building, an EIR could not assume that a Kaiser tenancy would be permanent. There is no proposed condition on this project that limits tenancy to Kaiser. Further, it cannot be assumed that a Kaiser tenant would not expand its membership based upon its now increased service capacity in Santa Cruz County.

b. Conclusion of zero net VMT is invalid (even if the EIR were to name Kaiser as the tenant)

CEQA does not exempt a project EIR from analyzing the additional vehicle miles traveled resulting from a project relative to the project being located at a more suitable location on a transit corridor. Even if the EIR were so revised to name Kaiser as the Project occupant, the argument that out of County trips alleviate the responsibility to locate a project so as to reduce VMT within the County is a dangerous subversion of CEQA. By the same logic, a proposal for a Walmart in a remote and auto-dependent location in the County could argue that it would reduce out-of-county trips.

The methodology for calculating VMT in Appendix D seeks to have it both ways. First it assumes that the tenant will be Kaiser and reduced trips over Highway 17 will offset the increased trip generation of the new facility. But secondly it adopts the “assumption that all patients travel to the closest facility that provides the medical services they require.” If Kaiser were to become the tenant of the facility, this assumption would be invalid, since not all patients in the vicinity will be eligible for Kaiser membership. The invalidity of this methodology requires a re-calculation of the transportation impacts.

2.2 The assumption of 730 parking spaces necessary for the project is unwarranted

The EIR Appendix D reports that Santa Cruz County requires one parking space per 225 square feet of medical office space. According to this parking requirement, the facility would require 712 parking spaces. But the EIR fails to mention that Santa Cruz County offers a reduction in the number of required parking spaces when TDM programs are implemented:

Parking requirements prescribed for any use or combination of uses on the same or adjoining sites may be reduced by the approving body based upon a detailed alternate transportation and parking demand management program supplied by the applicant, and certified by the County. (Code Section 13.10.553 D)

The EIR specifies that the employer will conduct a transportation demand management program. In any case, such a TDM program is required by the County's Trip Reduction Ordinance. Hence a reduction in required parking spaces should be considered by the EIR.

3. Inadequate Alternatives Analysis

3.1 Inadequacy due to inaccurate project objectives (redevelopment)

As stated above, when a set of project objectives are inaccurately drafted, it impairs the analysis of alternatives to the Project. The EIR unfairly disqualifies Alternative 4 from meeting the project objectives, since the objectives include redevelopment of the proposed Project site:

Alternative 4 would meet all project objectives except for the objective to redevelop a highly visible, underutilized storage and salvage yard with a medical office building.

3.2 Inadequacy due to inaccurate project objectives (number of parking spaces)

As stated in Section 1 above, the inaccurate objective to provide 730 parking spaces impairs the consideration of alternatives with fewer parking spaces.

3.3 Alternative 4 should assume less parking and lower VMT

As stated in 2.2 above, the assumption that 730 vehicles are needed for the Project is unsubstantiated. The EIR should propose a further reduction in parking due to Alternative 4's location (Thurber Lane and Soquel Dr.) on a transit corridor. Instead, the EIR assumes that a 730 vehicle parking structure must be provided at Alternative 4.

"This alternative basically assumes that the medical office building and parking garage would be approximately the same size and design as the proposed project, only located on the Thurber property instead of the project site."

This assumption ignores the dramatic difference in transit and bicycle infrastructure between the proposed Project site and the Thurber location. Appendix D notes that the

closest bus stops are approximately a one mile walk from the Project on Capitola Rd. A quarter-mile to half-mile walk to a bus stop is typically considered the maximum acceptable distance for average transit riders as documented in the USDOT Federal Highway Administration's "Course on Bicycle and Pedestrian Transportation". Moreover, the transit service on Capitola Rd. is relatively infrequent.

In contrast, the Alternative 4 site is located on a section of Soquel Dr. with the highest frequency transit of any location in the County with the exception of the UCSC to Downtown Santa Cruz routes.

In the near future, transit service will improve on Soquel Dr. The Santa Cruz County Regional Transportation Commission recently received a grant to prioritize transit on Soquel Dr., as well as improve bicycle and pedestrian infrastructure. The following is a list of improvements funded by the state grant:

- Transit signal priority at 23 intersections between La Fonda Avenue and State Park Drive
- 4 miles of protected bike lanes and 2.7 miles of buffered bike lanes
- 46 green bike boxes for left turn movements
- Sidewalk gap closures
- 100 ADA ramps
- 96 crosswalk upgrades
- Crosswalk warning devices at 10 mid-block locations

See: <https://sccrtc.org/rtc-receives-107-2-million-in-grant-funding-for-innovative-multimodal-transportation-improvements-throughout-the-county/>

The EIR discusses the disparity in transit accessibility between the Alternative 4 site and the proposed Project site.

The Thurber property, unlike the project site at this time, is accessible by transit. Accordingly, people could choose to utilize public transit to travel to the medical office building under Alternative 4, which would not be an option, at least for the near-term, with implementation of the proposed project. Therefore, Alternative 4 would be more consistent with local and regional objectives and policies pertaining to the circulation system.

However, the EIR denies that there would be a significant reduction in vehicle trips due to locating on the Soquel Dr. transit corridor:

"...transit use for medical services would be minimal."

This statement is unsubstantiated by any analysis in the EIR or Appendices.

Nevertheless, it forms the basis for the conclusion that there is only a slight difference in impacts:

"Compared to the proposed project, Alternative 4 impacts would be slightly lesser..."

The claim that transit use at the Alternative 4 location will be minimal conflicts with empirical studies on the impact of transit on mode share that the EIR should include in

its analysis. It also conflicts with the estimate by Kimley Horn in Appendix D that a series of voluntary Transportation Demand Management (TDM) measures planned by the “Proposed Tenant”, would result in significant reductions in vehicle trips for both employees and patients:

“...it is anticipated that the above TDM measures would reduce Member trip generation by approximately 20.5 percent.

“...it is anticipated that the TDM measures mentioned above and shown in detail in Table T-7 would reduce Project employee trip generation by approximately 15.5 percent.”

If significant reductions in vehicle trips can be attained in a transit desert at the proposed Project site, the EIR should take into account the academic literature concludes that TDM measures will be more effective in the presence of transit and protected bike lanes on Soquel Dr. (See Ko and Kim, *Employer Based Travel Demand Management Program*)

County parking code recognizes the important of transit in trip reduction. In evaluating the request for a reduction in parking, the County will consider “Proximity to public transportation facilities”.

In conclusion, *the EIR needs to revise its Alternative Analysis to include an Alternative 4 with a smaller parking garage and fewer vehicle trips, and revise the impacts analysis accordingly for vehicle miles traveled and greenhouse gases.*

3.4 With a smaller parking structure at the Thurber location (Alternative 4), the EIR should analyze a potential project design that would lower the height of the office structure.

3.5 The EIR should require the construction of the bike/pedestrian bridge over Hwy 1 at Chanticleer as a mitigation measure

Whether the Project is located on Soquel Ave. or on Soquel Dr., the bike/pedestrian bridge proposed as part of the County’s Regional Transportation Plan would benefit walkers and bicyclists traveling to the Project and reduce VMT impacts. Construction of this bridge has environmental clearance and funding. The EIR should require construction of this bridge whether or not the highway expansion proceeds, as a mitigation for increased vehicle miles traveled due to the project.

Section 4 The Project is inconsistent with the goals and policies of the General Plan

4.1 Housing Policy

The Project would require an amendment to the General Plan that eliminates the parcel’s potential for affordable housing development. The Project would require changing the parcel’s current designation as Urban High Density Residential to Professional and Administrative Office. This is inconsistent with the following policy of the General Plan:

Housing Element, Policy 1.1

Ensure that currently available sites that are able to accommodate a range of housing types continue to be zoned appropriately for housing and mixed use developments, so that opportunity to develop projects and provide affordable housing choices for all income levels is maintained throughout the planning period.

4.2 Transportation Policy

Locating the Project a mile from the nearest bus stop has the practical effect of increasing auto dependency of patients and employees. This is inconsistent with the General Plan policies:

CIR-3.1.1 Land Use Patterns (Jobs/Housing Balance)

Encourage concentrated commercial centers, mixed residential and commercial uses, and overall land use patterns which reduce urban sprawl and encourage the reduction of vehicle miles traveled per person.

The EIR makes the argument that the Project is consistent with this policy because the Project would reduce regional vehicle miles traveled. As noted above, this argument is void unless the EIR is revised to consider a Kaiser facility. Even if it were a Kaiser facility and out-of-County trips were reduced, the Project location would still be in violation of this General Plan policy. The General Plan calls for land use patterns that encourage the reduction of VMT, and this Project is the poster child for an auto-dependent location. The General Plan does not allow a loophole allowing auto-dependent land use planning based on a specific use of a building.

Due to the inconsistency with this General Plan policy, the Project needs to be reconsidered at a location with good transit service.

CIR-3.6.1 Transit-Friendly Design

Locate and design public facilities and new developments to facilitate transit access, both within the development and outside it.

The EIR makes an unsubstantiated prediction that the Project would have an insignificant number of employees and patients riding transit (if transit were available). This minimization of transit ridership potential results in part from the EIR's inaccurate summary of information from Appendix D:

“As described on page 38 of the Transportation Impacts and Operation Analysis (see Appendix D), approximately 3 percent of total daily workforce and visitors to the project would utilize transit if it were available.”

Appendix D does not predict transit mode share for the Project, if it were available. Rather, it (inaccurately) cites data in the Regional Transportation Plan (RTP) that “approximately 3 percent of Healthcare Consumers use transit to travel to work.” The actual data mentioned in the RTP is that 2.9% of workers in the County commute by public transportation.

It is not reasonable to make the assumption that 3% of workers and visitors to the Project would use transit. Large employers are under a County legal mandate to reduce vehicle trips to achieve 1.35 commuters for every vehicle. This is a difficult goal to achieve without reasonable transit availability.

It would be more reasonable to make the assumption that locating the Project on Soquel Dr. (Alternative 4) could result in a transit mode that is significantly higher.

Due to the inconsistency with this General Plan policy, the Project needs to be reconsidered at a location with good transit service.

4.3 The Project proposes an inappropriate location for changing the land use designation

The proposed change of the parcel's General Plan designation to Professional and Administrative Office (C-O) is inconsistent with the General Plan policy that such designation is suitable only "in an area where medical offices are appropriate due to proximity to a major hospital" or "in an area where such uses will be a buffer between residential uses and major commercial centers or industrial uses". We agree the EIR's finding that the first condition is not satisfied. However, the argument that the second condition is satisfied by buffering residential areas from traffic on Highway 1 is weak:

Development of a medical office building at the site would buffer existing residential uses south of the site from Highway 1 and the associated noise and light pollution associated with the highway.

We agree that some buffering of residential areas from noise and light pollution from Highway 1 will occur. However, the traffic associated with a medical facility with the largest parking garage in the County will impact the neighboring residential area, likely outweighing any buffering benefit that the Project will offer. Due to the inconsistency with this General Plan policy, the Project needs to be reconsidered at a location where medical offices are appropriate.

Section 5. The Project is inconsistent with the Sustainable Santa Cruz County Plan

The Sustainable Santa Cruz County Plan represents an extensive process of community input into implementing the community's values in its land use policy. The next generation of General Plan amendments that are currently being drafted draw on the planning policy of the SSCCP.

The Draft EIR justifies its failure to analyze the consistency of the Project with the Sustainable Santa Cruz County Plan (SSCCP) by asserting that it is not legally required to do so.

"The SSCC Plan is a planning and feasibility study, and it has not been adopted as policy or a regulatory document at the time of preparation of this EIR. Therefore, consistency with the SSCC Plan is not further analyzed in the EIR."

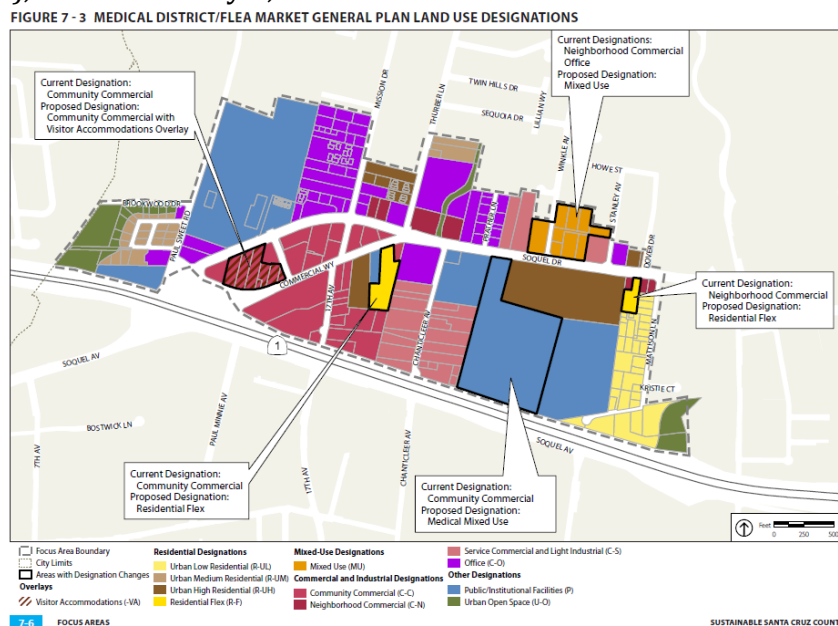
Although the SSCCP may indeed be a planning study, the Sustainable Santa Cruz County Plan was performed at great taxpayer expense, including a \$450,000 grant from the State of California and over \$250,000 of Santa Cruz County Redevelopment Agency funds, and is the seminal study of, and planning guide for, transportation, land use strategies, and circulation improvements for this local area. It is important to note that the SSCCP is frequently referenced in staff reports analyzing projects for administrative approval by the Santa Cruz County Planning Department. It is capricious for the SSCCP to be dismissed in this analysis, simply because the proposed project is inconsistent with the SSCCP. It is County practice to utilize the SSCCP in project analysis, and this practice must be continued here.

The EIR is required by CEQA to present information that is necessary for decision makers and the public to be fully informed, and this is a key, if not the key, informative document. For this reason the EIR should analyze the Project’s consistency with the SSCCP.

Moreover, the Project should attempt to be consistent with the SSCCP in order to comply with the General Plan goal that commercial developments be sited in order to maintain “environmental quality and high standards of urban design” (p 2-4a). The SSCCP represents the highest standard of urban design that the County has yet developed.

For these reasons *the EIR should describe why the Project is inconsistent with the goals and the planning details of the SSCCP*. The principal inconsistency is locating the Project in a transit desert and outside the Regional Employment Center designation of the SSCCP.

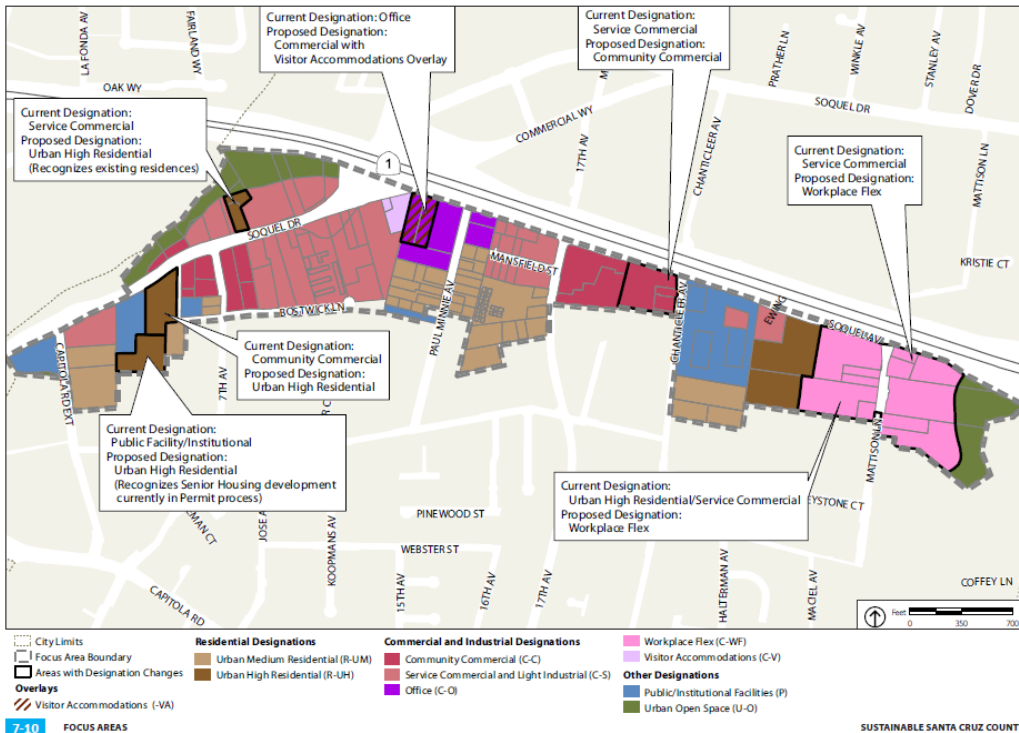
Specifically, the SSCCP has identified a specific focus area entitled “Medical District” (Focus Area 1), north of Hiway 1, as seen below:



The proposed project location is **not** in the Medical District, around which the County has planned circulation patterns. Of note: The alternative location on Thurber Lane is within the Medical District.

In contrast, the proposed project site is within a different specific focus area, “Soquel Avenue” (Focus Area 2). This focus area has been planned as part of a coherent efficient whole and “as a key location for service commercial uses to serve Santa Cruz County.”

FIGURE 7 - 6 SOQUEL AVENUE GENERAL PLAN LAND USE DESIGNATIONS



Not only is the proposed rezoning that this project would need in conflict with how this particular parcel is envisioned to be used, the C-O land use designation is kept to a minimum in this focus area, as it is not fitting within the overall scheme. Thus, the traffic and circulation impacts are not merely those raised by this new building (and which are grossly mis-analyzed, as discussed above), but this out of place rezoning in the focus area zone impacts the efficiency of the whole scheme.

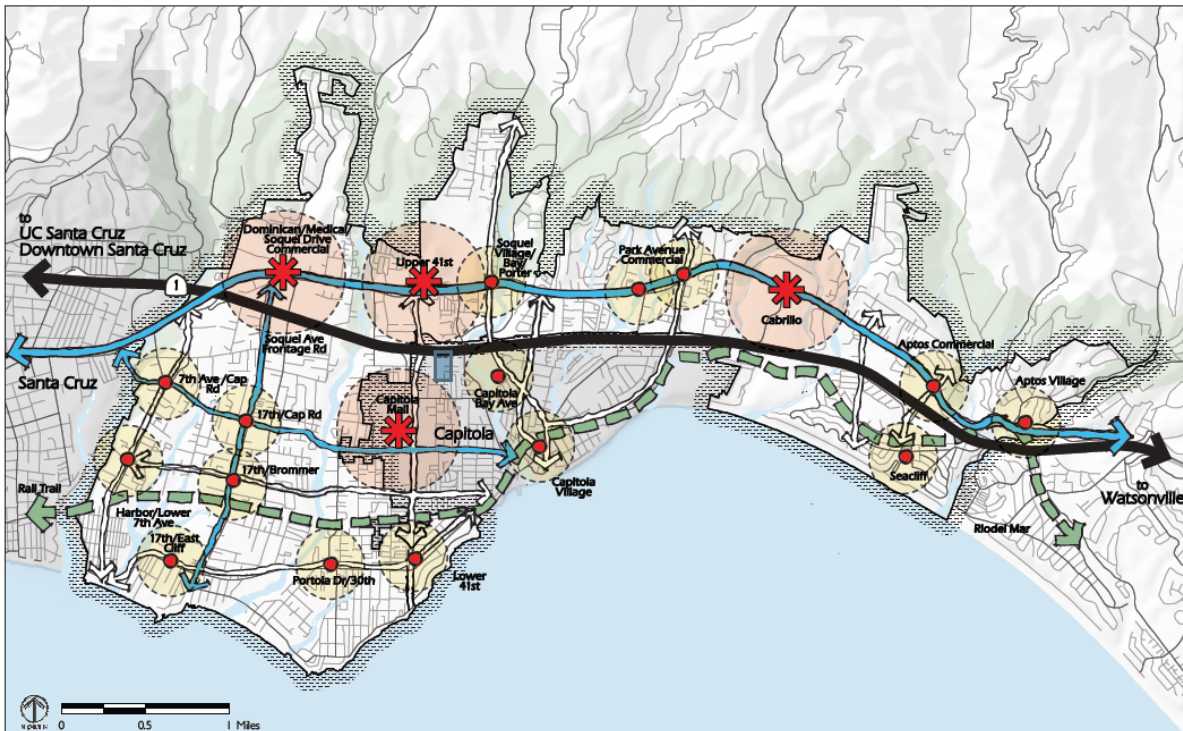
In addition, the project does not fit into the transportation and circulation scheme as it is outside of the future designated regional employment centers. The primary goal of the SSCCP is “reducing GHG emissions while simultaneously improving other aspects of community life including increasing walkability in the area, limiting urban sprawl, supporting alternative modes of transportations, and strengthening local economies.” In order to achieve that goal, the SSCCP follows several guiding principles including:

Focused development: When market demand stimulates new commercial, residential, office, or retail activity, encourage those new uses to use land efficiently. New development should be compact, located primarily within existing urban areas, and should feature a mixture of uses and development intensities that

support transportation choices including transit, cycling, walking, and carpools, and to the extent possible, promote the fiscal sustainability of the area.

The SSCCP designated areas of mid-County as Regional Employment Centers (pink circles on the map). The proposed location of the Project is not in a Regional Employment Center, due to its distance from transit.

FIGURE 3 - 1 FUTURE LAND USE AND TRANSPORTATION PATTERN



This project's location, and the proposed rezoning, are in stark opposition to the planning done specifically to enhance the quality of the urban design, including by creating a coherent and efficient transportation scheme. This project conflicts with those goals and policies.

Section 6 The Project is inconsistent with the goals of the Regional Transportation Plan

The Project's proposed location in a transit desert would set back our community's ability to meet the 2040 Regional Transportation Plan sustainability targets:

- Decrease single occupant vehicle mode share by 9% by 2040
- Reduce injury and fatal collisions by 60 percent by 2040 [Project's proposed location would increase vehicle trips (and collisions) relative to a location well served by transit]
- Reduce travel times and increase travel options for people who are transportation disadvantaged due to income, age, race, disability or limited

English proficiency by increasing the percentage that are within a 30-minute walk, bike or transit trip to key destinations by 47% by 2040

The Project fails to contribute towards the RTP goals:

- Land Use: Support land use decisions that locate new facilities close to existing services
- Equity: Demonstrate that planned investments will reduce disparities in safety and access for transportation disadvantaged populations. [This Project will exacerbate obstacles to employment and medical treatment for transportation disadvantaged.

Summary

The Draft Environmental Impact Report for the Medical Building Project has significant deficiencies. The DEIR has incorrectly listed the project description of the proposed project as project objectives, thus rendering alternatives unable to meet these objectives. The transportation analysis includes unsubstantiable assumptions, and is also faulty in other ways. This DEIR should have included a pedestrian/bicycle bridge over Hiway 1 at Chanticleer as a mitigation for traffic impacts. The Sierra Club looks forward to a critique of these concerns.



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Sierra Club