Draft Environmental Impact Report

Serramonte Views Condominiums and Hotel Project

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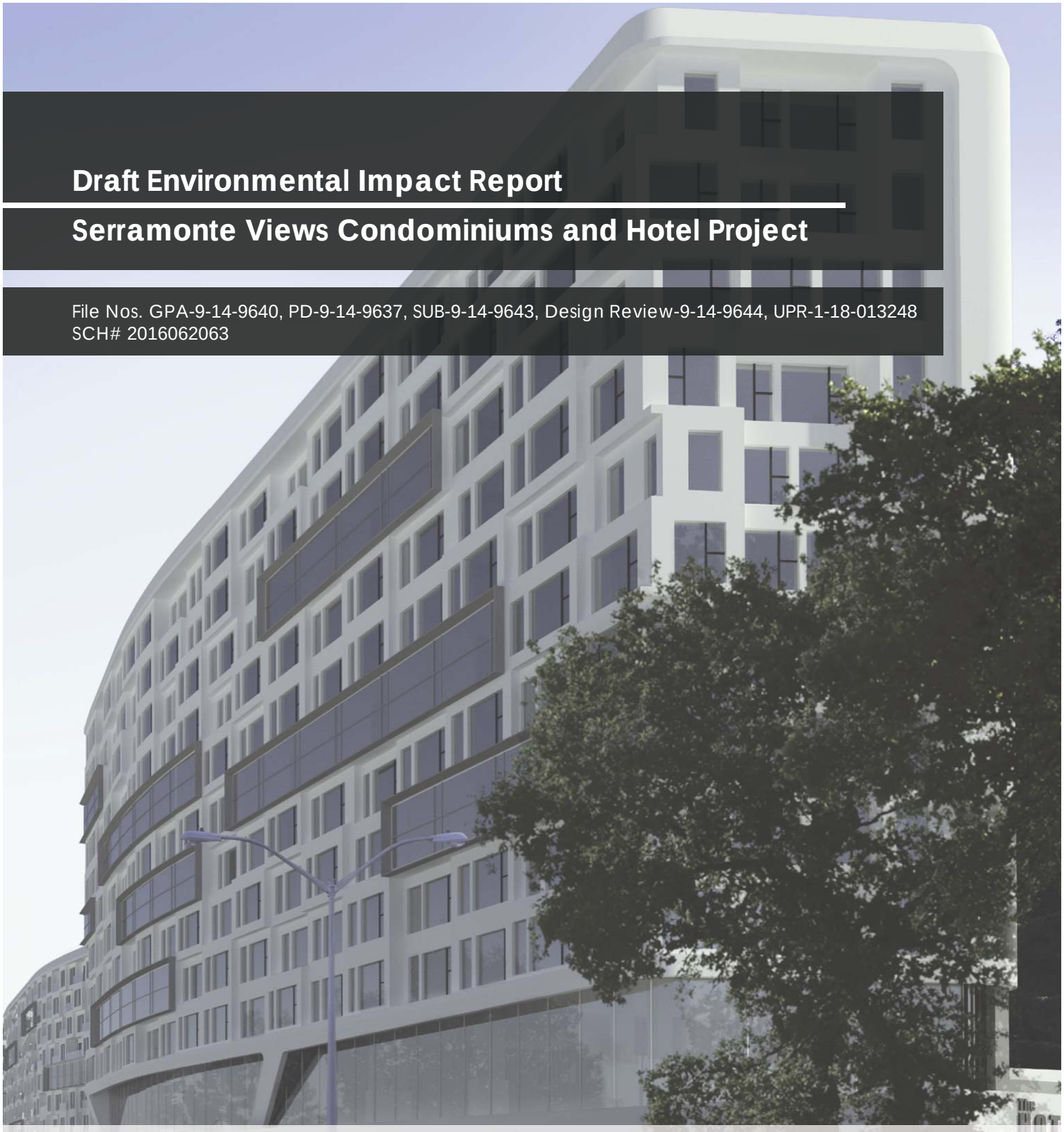

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INTRODUCTION

PURPOSE OF THE ENVIRONMENTAL IMPACT REPORT

The City of Daly City (City), as the Lead Agency, has prepared this Draft Environmental Impact Report (EIR) for the Serramonte Views project in compliance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines. An EIR is an informational document used to inform decision makers and the public of the significant environmental effects of a project, identify possible ways to minimize the significant effects, and describe reasonable alternatives to the project (CEQA Guidelines 15121(a)).

The project proposes to develop a 6.07-acre site located at 525 to 595 Serramonte Boulevard with three condominium buildings comprised of 323 dwelling units and a 176-room hotel. The project requires a General Plan and zoning amendment to allow for the development of the proposed condominiums and hotel. The environmental impacts associated with the proposed development that will be discussed in this EIR are related to land use compatibility, transportation, air quality, aesthetics, greenhouse gases, and geology and soils. For information on agriculture and forestry resources, biological resources, cultural resources, hazards and hazardous materials, hydrology and water quality, mineral resources, noise and vibration, population and housing, public services, recreation, and utilities and service systems, refer to the Initial Study (attached as Appendix B of this EIR).

The project site was evaluated in a 2004 Focused EIR for development with up to 200 condominium units and a 137-room hotel. The residential project component consisted of five residential buildings, each featuring four levels of housing above a parking level, and a recreational building. The residential buildings would reach 65 feet above grade. The hotel was a four level structure above three levels of garage, at its highest point 90 feet above grade.

Based on a 2002 Initial Study, the 2004 EIR was focused to only address four topics in detail: Aesthetics, Geology and Soils, Land Use, and Traffic. The 2004 EIR found that with incorporation of feasible mitigation measures, all potentially significant impacts would be reduced to a less than significant level.

Given the passage of time (Initial Study prepared in 2002, and EIR certified in 2004), and the substantial changes in the project, both in terms of construction activity and ongoing operations (e.g. 123-unit increase in residential unit count and 39 additional hotel rooms, increased building heights up to sixteen stories for three residential buildings and 10 stories for the hotel, and increased excavation depths and retaining walls for the stepped parking podiums), the prior 2004 EIR is not adequate to cover the current 2017 project in that the new project is likely to result in new significant impacts and/or a substantial increase in the severity of the previously disclosed impacts. Therefore, a new EIR is required to disclose new information not contained in the 2004 EIR, pursuant to CEQA Guidelines Section 15162.

The impact analyses in this EIR are based on a number of sources which are listed in *Section 8.0 References*. The references are available for public review at the City's Economic and Community Development Department, located at 333 90th Street, during normal business hours. The information

contained in this EIR will be reviewed and considered by the Planning Commission and/or City Council prior to deciding to approve, disapprove, or modify the proposed project.

Focusing the EIR

The City of Daly City prepared an Initial Study (see Appendix B of this SEIR) that determined that preparation of an EIR was needed for the proposed Serramonte Views project. The Initial Study concluded that the EIR should focus on land use compatibility, air quality, greenhouse gases, geology and soils, transportation, and aesthetics. The EIR will also discuss energy as a required analysis in an EIR. The issues of agricultural/forestry resources, biological resources, cultural resources, hazards and hazardous materials, hydrology and water quality, mineral resources, noise, population and housing, public services, recreation, and utilities were analyzed in the Initial Study. The project's impacts in these study areas were determined to be less than significant (in some cases after incorporation of identified standard mitigation), with conformance with General Plan policies that will be made conditions of approval of the project, and/or it was determined that the project would not result in any new or more significant impacts in these resources areas that those addressed in the *Daly City General Plan EIR.*

As stated above, the analysis in the Initial Study determined that the environmental resources most substantially affected by the proposed project would be land use, air quality, greenhouse gases, geology and soils, transportation, and aesthetics. All other impacts from the proposed project would be less than significant (in some cases after incorporation of identified standard mitigation) and are not addressed further in this EIR.

EIR PROCESS

Notice of Preparation and Scoping

In accordance with Sections 15063 and 15082 of the CEQA Guidelines, the City prepared a Notice of Preparation (NOP) for this EIR. The NOP was circulated to local, state, and federal agencies on June 27, 2016. The standard 30-day comment period concluded on July 29, 2016. The NOP provided a general description of the proposed project and identified possible environmental impacts that could result from implementation of the project. The City also held a public scoping meeting on July 14, 2016 to discuss the project and solicit public input as to the scope and contents of this EIR. Appendix A of this EIR includes the NOP and comments received on the NOP. Minutes of the public scoping meeting are also included in Appendix A.

Draft EIR Public Review and Comment Period

Publication of this Draft EIR will mark the beginning of a 45-day public review and comment period. During this period, the Draft EIR will be available to local, state, and federal agencies and to interested organizations and individuals for review. Notice of this Draft EIR will be sent directly to every agency, person, and organization that commented on the NOP. Written comments concerning the environmental review contained in this Draft EIR during the 45-day public review period should be sent to:

Corey Alvin, Associate Planner
City of Daly City, Economic and Community Development Department
333 90th Street
Daly City, CA 94015
Email: calvin@dalycity.org

Final EIR/Responses to Comments

Following the conclusion of the public review period, the City will prepare a Final EIR. The Final EIR will consist of comments received on the Draft EIR during the public review period, responses to those comments, and revisions to the text of the Draft EIR resulting from comments received.

The Planning Commission will make a recommendation for certification of the EIR at a regularly scheduled Planning Commission meeting. The City Council will make a final determination on the adequacy of the EIR and certify the document prior to taking any actions to approve the project. The action the Planning Commission and/or City Council takes may be any of the following: 1) they may approve the project as proposed; 2) they may approve an alternative identified in the EIR; 3) they may ask for additional information and/or analysis; or 4) they may choose not to approve the project.

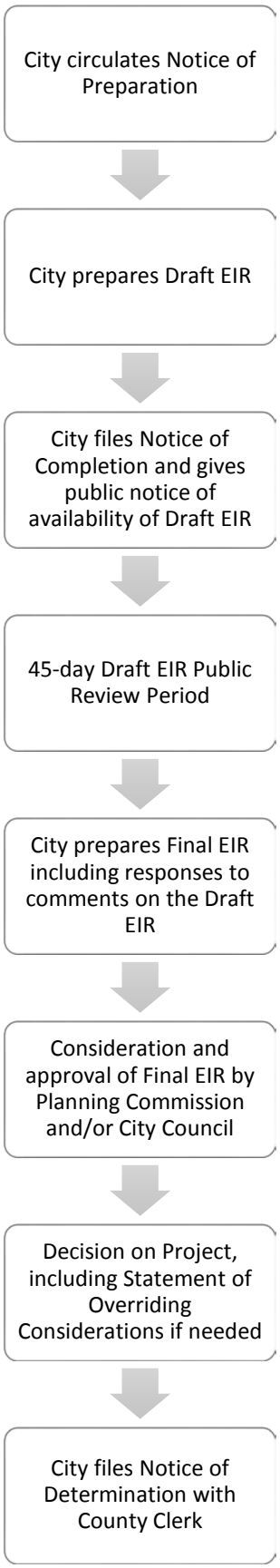
Section 15091(a) of the CEQA Guidelines stipulates that no public agency shall approve or carry out a project for which an EIR has been certified which identifies one or more significant environmental effects of the project unless the public agency makes one or more written findings. If the lead agency approves a project despite it resulting in significant adverse environmental impacts that cannot be mitigated to a less than significant level, the agency must state the reasons for its action in writing. This Statement of Overriding Considerations must be included in the record of project approval.

Notice of Determination

If the project is approved, the City will file a Notice of Determination (NOD), which will be available for public inspection and posted within 24 hours of receipt at the County Clerk's Office for 30 days. The filing of the NOD starts a 30-day statute of limitations on court challenges to the approval under CEQA (CEQA Guidelines Section 15094(g)).

A flowchart of the EIR process is provided on the following page.

TYPICAL EIR PROCESS FLOW CHART



SUMMARY

The project proposes to subdivide the 6.07-acre property into two parcels, a 4.76-acre parcel to accommodate three residential condominium buildings and a 1.30-acre parcel to accommodate a proposed hotel. The project site is located at 525 – 595 Serramonte Boulevard.

The residential component (comprised of Buildings A, B, and C) of the project includes the construction of three new multi-family condominium buildings comprising 323 one-, two-, and three-bedroom condominiums. The hotel component (Building D) of the project includes the construction of a 12-story, 153,756 square-foot building with 176 rooms over a multi-level parking podium with 187 parking stalls (refer to Figure 1.2-1 Proposed Site Plan).

Summary of Significant Impacts and Mitigation Measures

The following table is a brief summary of the significant environmental impacts of the project identified and discussed within the text of the EIR, and the mitigation measures proposed to avoid or reduce those impacts. The reader is referred to the main body text of the EIR for detailed discussions of the existing setting, impacts, and mitigation measures. Alternatives to the proposed project are also summarized at the end of the table.

The project would result in the following potential significant impacts that would be reduced to a less than significant level (unless where otherwise noted) with the implementation of the proposed mitigation measures:

Impact	Mitigation Measures
Air Quality	
Impact AQ – 1: The project would generate significant dust during construction activities that would affect nearby sensitive receptors, if best management practices are not implemented.	**MM AQ – 1.1:** The project shall implement the following standard BAAQMD dust control measures during all phases of construction on the project site: • All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day. • All haul trucks transporting soil, sand, or other loose material off-site shall be covered. • All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited. • All vehicle speeds on unpaved roads shall be limited to 15 miles per hour (mph).

Impact	Mitigation Measures
	• All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used. • Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to five minutes [as required by the California Airborne Toxics Control Measure Title 13, Section 2485 of California Code of Regulations (CCR)]. Clear signage shall be provided for construction workers at all access points. • All construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation. • A publicly visible sign shall be posted with the telephone number and person to contact at the City of Daly City regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Bay Area Air Quality Management Air District's phone number shall also be visible to ensure compliance with applicable regulations. **(Less Than Significant Impact with Mitigation Incorporated)**
Impact AQ – 2: Project construction could result in excess residential cancer risks of 26.2 in one million for an infant exposure.	**MM AQ – 2.1:** All mobile diesel-powered off-road equipment larger than 25 horsepower and operating on the site for more than two days shall meet, at a minimum, U.S. EPA particulate matter emissions standards for Tier 4 engines or equivalent. Note that the construction contractor could use other measures to minimize construction period DPM emission to reduce the predicted cancer risk below the thresholds. The use of equipment that includes CARB-certified Level 3 Diesel Particulate

Impact	Mitigation Measures
	Filters[1] or alternatively-fueled equipment (i.e., non-diesel) would meet this requirement. Other measures may be the use of added exhaust devices, or a combination of measures, provided that these measures are approved by the City and demonstrated to reduce community risk impacts to less than significant. **(Less Than Significant Impact with Mitigation Incorporated)**
Geology	
Impact GEO – 1: The proposed project could result in soil erosion and the loss of topsoil. **(Significant Impact)**	**MM GEO – 1.1:** Buildings shall be designed and constructed in accordance with a final design-level geotechnical investigation to be completed for the project by a qualified professional and submitted to the City of Daly City Planning Manager. The final design-level geotechnical investigation shall identify requirement for the placement of fill on the project site and building foundations. **MM GEO – 1.2:** The civil engineer and the project landscape contractor should implement a comprehensive erosion control plan to account for seasonal rainfall during and following construction. It is recommended that the project engineering geologist make periodic inspections of the site drainage and erosion control features for a period of two years. **(Less Than Significant Impact with Mitigation Incorporated)**
Transportation	
Impact TRANS – 1: The project would add delay to the unsignalized intersection of SR 1 Northbound Ramps and Serramonte Boulevard, which currently operates during the AM peak hour at a deficient level of service without the project. **(Significant Impact)**	**MM TRANS – 1.1:** The City of Daly City shall install a traffic signal at the intersection. This intersection currently meets the peak hour signal warrant during the AM peak hour, without or with the project. Signalizing this intersection would improve the average intersection delay to LOS C. The installation of a signal and turning lanes at this intersection is a planned intersection improvement under the Daly City General Plan, within a 10-year time frame. The project shall contribute a

[1] See http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm

Impact	Mitigation Measures
	proportional share to the cost of the improvements. **(Less Than Significant Impact with Mitigation Incorporated)**
Impact TRANS – 2: The proposed project would add traffic to the I-280 southbound weaving segment between SR 1 and Serramonte Boulevard which would operate at a deficient level of service without the project. The addition of project traffic would cause the V/C ratio for this segment to increase by more than one percent (from 0.969 to 0.986) during the weekday PM peak hour. Therefore, the project impact is significant. **(Significant Impact)**	**MM TRANS – 2.1:** Caltrans is planning to implement improvements on the weaving section on I-280 southbound between the SR 1 northbound off-ramp and the Serramonte Boulevard off-ramp, as included in the Daly City General Plan. Construction of these improvements would likely reduce the proposed project's impact to less than significant. However, because the freeway is under Caltrans' jurisdiction, the implementation and timing of the improvements called for in the City's General Plan are not under the City's control. The project impact, therefore, would remain significant and unavoidable. **(Significant Unavoidable Impact)**
Cumulative	
Impact C – TRANS – 1: The proposed project would add traffic to the I-280 southbound weaving segment between SR 1 and Serramonte Boulevard which would operate at a deficient level of service without the project. The addition of project traffic would cause the V/C ratio for this segment to increase by more than one percent (from 1.043 to 1.062) during the weekday PM peak hour. Therefore, the project impact is significant. **(Significant Cumulative Impact)**	**MM C – TRANS – 1.1:** Caltrans is planning to implement improvements on the weaving section on I-280 southbound between the SR 1 northbound off-ramp and the Serramonte Boulevard off-ramp, as included in the Daly City General Plan. Construction of these improvements would likely reduce the project's impact to less than significant. However, because the freeway is under Caltrans' jurisdiction, the implementation and timing of the improvements called for in the City's General Plan are not under the City's control. The project impact, therefore, remains significant and unavoidable. **(Significant Unavoidable Cumulative Impact)**

Summary of Project Alternatives

The following is a summary of the project alternatives. Please refer to *Section 6.0 Alternatives* for the complete discussion of project alternatives. CEQA requires that an EIR identify alternatives to the project as proposed. The CEQA Guidelines specify that an EIR identify alternatives which "would feasibly attain the most basic objectives of the project but avoid or substantially lessen many

of the significant environmental effects of the project," or would further reduce impacts that are considered less than significant with the incorporation of identified mitigation.

No Project Alternative – No Development

The CEQA Guidelines stipulate that an EIR specifically include a "No Project" alternative. The purpose of including a No Project Alternative is to allow decision-makers to compare the impacts of approving the project with the impacts of not approving the project. The Guidelines specifically advise that the "No Project" Alternative is "what would be reasonably expected to occur in the foreseeable future if the project is not approved, based on current plans and consistent with available infrastructure and community services." The Guidelines emphasize that an EIR should take a practical approach, and not "create and analyze a set of artificial assumptions that would be required to preserve the existing physical environment [Section 15126.6(e)(3)(B)]."

Since the project site is currently undeveloped, the "No Project" alternative includes allowing the site to remain in semi-natural state.

Under this alternative, future additional traffic delay to the unsignalized intersection of SR 1 Northbound Ramps and Serramonte Boulevard and to the I-280 southbound weaving segment between SR 1 and Serramonte Boulevard would be avoided. Additional environmental impacts related to project construction such as soil erosion, construction TACs, and fugitive dust would not occur under the No Project Alternative. This alternative would also avoid FAA consultation under Part 77 and would not require issuance of a No Hazard Determination.

The No Project Alternative would not meet any of the project objectives for providing residents a desirable place to live or construct a hotel to expand lodging, conferencing, and exhibition space within the City. The applicant's objective to provide additional housing types to diversify the housing mix in the City and provide additional residential development in the Serramonte area would not be met by this alternative. The No Project Alternative would not allow for the construction of a high-quality hotel which therefore would not foster economic development within Daly City to supplement the City's tax base. The existing undeveloped hillside would remain and would further not support additional housing on-site to meet the state-mandated Regional Housing Need Allocation for Daly City.

The No Project Alternative would not meet any of the project objectives but would avoid all of the impacts of the proposed project. For this reason, the No Project Alternative is an environmentally superior alternative to the proposed project.

No Project Alternative – Existing Entitlement

A "No Project" Alternative would also allow for the redevelopment of the site under its existing General Plan land use designations of *High Density Residential* and *Commercial – Retail and Office* in the City's General Plan. The project site is zoned Planned Development (PD-57). This district is designed to accommodate various types of development such as neighborhood and district shopping centers, professional and administrative areas, single-family and multiple-family residential development, commercial service centers and industrial parks or any other use of combination of uses which can appropriately be made a part of a planned development. Currently, the PD-57 zoning

district allows the construction of a 137-room hotel and 200 condominium units with building heights restricted to 90 feet.

Under this alternative, the existing entitlement allows the construction of a 137-room hotel and 200 condominium units with building heights up to 90 feet on the site. Due to the restricted heights on the site under the existing entitlement, this alternative would avoid FAA consultation under Part 77 triggered by construction 200 feet above grade and would not require issuance of a No Hazard Determination, therefore reducing airport hazards impacts to a less than significant level. Due to its smaller size and therefore less construction activity, this alternative would reduce impacts related to construction TACs and fugitive dust. Additionally, the No Project Alterative – Existing Entitlement would reduce operational traffic impacts to the SR 1 Northbound Ramps and Serramonte Boulevard intersection and I-280 southbound weaving segment between SR 1 and Serramonte Boulevard; however, not to a less than significant level.

The No Project Alternative – Existing Entitlement would meet many of the project objectives since it would allow for construction of a 137-room hotel and 200 condominium units. Since it is a smaller project than the current project design and would generate less peak hour traffic, this alternative would meet the project objective to ensure the site plan provides minimal disruption to the traffic conditions in the area.

Since the No Project Alternative – Existing Entitlement would provide higher density housing and a hotel on-site, many of the project objectives would be met while avoiding and reducing several environmental impacts. Specifically, the reduced project building heights would ensure airport hazards impacts would be less than significant. This alternative would also reduce impacts related to construction TACs and fugitive dust, although mitigation would still be required to reduce air quality impacts to a less than significant level. Additionally, project-induced operational traffic impacts would be reduced with the No Project Alternative – Existing Entitlement, but not to a less than significant level. However, since this alternative provides less hotel rooms than the current project, this alternative would result in lost economic activity as it would create less revenue for City services through a transient occupancy tax and expanded tax base than the current 176-room hotel design. This alternative, therefore, would result in a corresponding reduction in economic benefits as compared to the proposed project.

Reduced Development Alternative

The Reduced Development Alternative would allow for the same uses as proposed by the project but would reduce the project size to 156 residential units and 116 hotel rooms. The size of the Reduced Development Alternative would avoid impacts to freeway segments on I-280.

Under the Reduced Development Alternative, the impact to the I-280 freeway segment would be reduced to a less than significant level. Additionally, this alternative would construct fewer units and therefore put fewer vehicles on roadways, which would proportionally reduce impacts to the SR 1 Northbound Ramps and Serramonte Boulevard intersection. Due to its smaller size and therefore less construction activity, this alternative would proportionally reduce construction TACs and fugitive dust impacts.

The Reduced Development Alternative would meet many of the project objectives since it would allow for construction of 156 residential units and 116 hotel rooms. Implementation of the Reduced Development Alternative would provide expanded lodging, conference, and exhibition space within the City, and create more housing to meet the state-mandated Regional Housing Need Allocation for Daly City. However, since this alternative is reduced in size, potential revenue generated by the hotel would be less than the current project design. Nonetheless, this alternative would foster economic growth in the City of Daly City by constructing a hotel and would provide additional housing for future residents in the Serramonte area.

The Reduced Development Alternative would reduce the project in size to 156 residential units and 116 hotel rooms thereby avoiding impacts to the I-280 freeway segment. Despite its smaller size, this alternative would support the project's objective to develop a high-density residential development to assist the City with meeting the goals of their RHNA and General Plan.

Design Alternative

The Design Alternative would reduce the height of the structures by creating all one-bedroom condominium units and eliminating suites at the hotel to avoid any potential impact to airport safety hazards while maintaining the same number of units as currently proposed. Building A would be approximately 193 feet with 11 floors of residential units above the proposed parking podium. Buildings B/C would range from 132 to 177 feet in height above existing grade with nine floors of residential units above the parking podium. The hotel building height would be approximately 195 feet above existing grade with nine floors of hotel rooms above the parking podium. Under the Design Alternative, the heights of the structures would all be reduced to below 200 feet to avoid issuance of a No Hazard Determination by the FAA.

Under the Design Alternative, building heights would not exceed 200 feet and therefore the structures would not be subject to FAA consultation under Part 77 and would not require issuance of a No Hazard Determination. The reduced overall building and unit size would reduce operational energy use on the site.

The Design Alternative would meet many of the project objectives since it would maintain the total number of units and hotel rooms on-site. This supports the project's objective to develop a high-density residential development to assist the City with meeting the goals of their RHNA and General Plan. This alternative would provide a high-quality hotel within Daly City to supplement the City's tax base. In addition, by reducing the unit and hotel room sizes the operational energy use of the project would also be reduced.

The Design Alternative would reduce building heights below 200 feet thereby omitting the project from FAA consultation under Part 77. This alternative would support the project's objective to develop a high-density residential development to assist the City with meeting the goals of their RHNA and General Plan.

Location Alternative

The Location Alternative would instead develop the project on the site of the former Serra Bowl and the SamTrans Park & Ride lot site near the Colma BART station at Junipero Serra Boulevard and D

Street. The former Serra Bowl site is approximately 3.92 acres and the SamTrans Park & Ride lot is approximately three acres; the two sites are separated by D Street. Therefore, under this alternative, the condominiums would be constructed on the former Serra Bowl Site and the hotel would be constructed on the SamTrans Park & Ride lot.

Under the Location Alternative, the former Serra Bowl site and the current SamTrans Park & Ride lot which are in close proximity to BART would reduce traffic impacts to the intersection of SR 1 Northbound Ramps and Serramonte Boulevard. In addition, since both sites are located on a relatively flat surface and not an undeveloped hillside, grading would be reduced and therefore associated construction impacts would be reduced under this alternative.

The Location Alternative would meet many of the project objectives since it would construct high-density housing near transit thereby ensuring the project provides minimal disruption to traffic conditions in the area. Due to the gently sloping and developed sites proposed under the Location Alternative, grading and tree removal would be minimized on the sites. Additionally, this alternative would provide additional housing types to diversify the housing mix in the City and provide additional residential development to support commercial development.

The Location Alternative may reduce the traffic impacts and construction period impacts of the project while meeting the project objectives. However, there is a pending private application on the Serra Bowl site while the SamTrans lot is owned by a public transit agency, and it is not known whether the project applicant could acquire either site to construct the proposed project.

Environmentally Superior Alternative

The CEQA Guidelines specify that an EIR must identify the environmentally superior alternative among those alternatives discussed. If the environmental superior alternative is the "No Project" alternative, the EIR shall also identify an environmentally superior alternative amongst the other alternatives [Section 15126.6(e)(2)].

The No Project – No Development Alternative would avoid all project impacts and is the environmentally superior alternative among those alternatives discussed, however this alternative would achieve none of the project objectives. Although the No Project – Existing Entitlement Alternative would also meet some of the project objectives, it would result in significant unavoidable freeway impacts. Among the other development alternatives that would achieve at least some of the basic project objectives, the Reduced Development Alternative is the environmentally superior alternative because it would avoid significant freeway impacts. Implementation of the Reduced Development Alternative would meet the project objectives to some extent as it would provide expanded lodging, conference, and exhibition space within the City, and create more housing to meet the state-mandated Regional Housing Need Allocation for Daly City. The Reduced Development Alternative would also reduce impacts to freeway segments to a less than significant level and, therefore, would be the environmentally superior alternative.

Known Views of Local Groups and Areas of Controversy

Concerns from residents and property owners about the project expressed during the public scoping process were primarily related to neighborhood parking, transportation, and circulation.