

RESOLUTION NO. 2009-001

A RESOLUTION OF THE HEARING OFFICER OF THE CITY OF PASADENA CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE 16 EAST CALIFORNIA PROJECT (STATE CLEARINGHOUSE NO. 2008101002), AND ADOPTING ENVIRONMENTAL FINDINGS, A STATEMENT OF OVERRIDING CONSIDERATIONS, AND A MITIGATION MONITORING AND REPORTING PROGRAM

WHEREAS, the 16 East California project (the "Project") proposes to develop an approximately 0.97-acre (42,090 square foot) site located on the southeast corner of California Boulevard and Fair Oaks Avenue in the City of Pasadena with a four-story (approximately 113,200 gross square feet) office building and 255 parking spaces within a two-and-a-half level subterranean parking garage. The Project would be designed to qualify for a Leadership in Energy and Environmental Design ("LEED") energy efficiency certification, is located in a transit-oriented development ("TOD") area, and would be developed in compliance with the City Green Building Ordinance (PMC 14.90). The Project requires a Minor Conditional Use Permit for Tandem Parking, a Minor CUP for Transit Oriented Development, Design Review, and other subsequent discretionary approvals, from the City and other regional and State agencies; and

WHEREAS, the City of Pasadena is the lead agency for the Project pursuant to the California Environmental Quality Act ("CEQA," Cal. Pub. Res. Code §21000 *et seq.*), the State CEQA Guidelines (the "Guidelines," 14 Cal. Code Regs. §15000 *et seq.*), and the City's local environmental policy guidelines; and

WHEREAS, pursuant to Section 15063 of the Guidelines, the City prepared an Initial Environmental Study (the "Initial Study") for the Project. The Initial Study concluded that there was substantial evidence that the Project might have a significant environmental impact on several specifically identified resources and governmental services, including: (1) Air Quality; (2) Cultural Resources (Historical Resources/Archaeological and Paleontological Resources); (3) Noise; (4) Traffic and Circulation; (5) Hazards and Hazardous Materials; and (6) Water Supply; and

WHEREAS, pursuant to Guidelines Sections 15064 and 15081, and based upon the information in the Initial Study, the City ordered the preparation of an environmental impact report for the Project ("EIR"). On October 1, 2008, the City prepared and sent a Notice of Preparation of the Draft EIR and a copy of the Initial Study to responsible, trustee, and other interested agencies and persons in accordance with Guidelines Sections 15082(a) and 15375; and

WHEREAS, pursuant to Guidelines Section 15082, the City solicited comments from potential responsible and trustee agencies for a 30-day period, from October 1, 2008 through October 30, 2008, requesting details about the scope and content of the environmental information related to the responsible agency's area of statutory responsibility that should be studied in the EIR, as well as the significant environmental issues, reasonable alternatives and mitigation measures that the responsible agency would have analyzed in the Draft EIR. The City received four

comment letters in response to the NOP (all from State agencies). In addition, an EIR scoping meeting was held by the City of Pasadena on October 16, 2008; and

WHEREAS, pursuant to Public Resources Code section 21092, the City provided a public Notice of Completion and Availability (“NOA”) of the Draft EIR on March 17, 2009, through mailing to all property owners within 300 feet of the Project. The NOA also gave notice of a Transportation Advisory Commission meeting on April 2, 2009, a Historic Preservation Commission meeting on April 6, 2009, and a public hearing before the Hearing Officer on April 15, 2009, at which comments on the Draft EIR would be taken. Copies of the Draft EIR were also placed at the City’s Planning and Development Department at 175 North Garfield Avenue, as well as at the Economic Development Division at City Hall, the Pasadena Central Library, and on the City’s website; and

WHEREAS, the Draft EIR was circulated, together with technical appendices, to the public and other interested persons for a 45-day public comment period, from March 17, 2009 through May 1, 2009. During the comment period, the City held three duly noticed public meetings and one duly noticed public hearing at which the public was given the opportunity to provide comments on the Draft EIR, as follows: Transportation Advisory Commission on April 2, 2009; Historic Preservation Commission on April 6, 2009; Hearing Officer on April 15, 2009; and Planning Commission on April 22, 2009; and

WHEREAS, during the public comment period the City received written and oral comments on the Draft EIR, and consulted with all responsible and trustee agencies, and other regulatory agencies pursuant to Guidelines Section 15086. The City prepared written responses to all written comments received on the Draft EIR and made revisions to the Draft EIR, as appropriate, in response to those comments. The City distributed written responses to comments on the Draft EIR on July 2, 2009, in accordance with the provisions of Public Resources Code Section 21092.5 and Guidelines Section 15088. The written responses to comments were also made available for a 28 day period of public review before the commencement of the public hearing regarding the certification of the Draft EIR. After reviewing the responses to comments and the revisions to the Draft EIR, the City concludes that the information and issues raised by the comments and the responses thereto did not constitute new information requiring recirculation of the Draft EIR; and

WHEREAS, the Final Environmental Impact Report (the "Final EIR" or "EIR") is comprised of: the Draft EIR, dated March, 2009 and numbered State Clearinghouse No. 2008101002; the comments and responses to comments on the Draft EIR set forth in the Final EIR dated July, 2009; technical appendices; and

WHEREAS, the Hearing Officer held a duly noticed public hearing on the Final EIR and the Project on July 30, 2009; and

WHEREAS, the findings made in this resolution are based upon the information and evidence set forth in the Final EIR and upon other substantial evidence

that has been presented at all public meetings regarding the Project and in the record of the proceedings. The documents, staff reports, technical studies, appendices, plans, specifications, and other materials that constitute the record of proceedings on which this resolution is based are on file and available for public examination during normal business hours in the Planning and Development Department and with the Director of Planning, who serves as the custodian of these records; and

WHEREAS, the Hearing Officer finds that agencies and interested members of the public have been afforded ample notice and opportunity to comment on the Final EIR and that the comment process has fulfilled all requirements of State and local law; and

WHEREAS, the Hearing Officer, as the decision-making body for the lead agency, has independently reviewed and considered the contents of the Final EIR and all documents and testimony in the record of proceedings prior to deciding whether to certify the Final EIR and approve the Project; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, THE HEARING OFFICER OF THE CITY OF PASADENA RESOLVES AS FOLLOWS:

I. RESOLUTION REGARDING CERTIFICATION OF THE EIR

Pursuant to State CEQA Guidelines Section 15090, the Hearing Officer certifies that: (1) the Hearing Officer has reviewed and considered the Final EIR prior to

approving the Project, (2) the Final EIR is an accurate and objective statement that fully complies with CEQA, the State CEQA Guidelines, the City's local environmental guidelines, and (3) the Final EIR reflects the independent judgment of the lead agency. The Hearing Officer certifies the Final EIR based on the findings and conclusions herein.

The Hearing Officer finds that the additional information provided in the staff report, in the comments (and any responses thereto) received after circulation of the Draft EIR, in the evidence presented in written and oral testimony presented at public meetings, and otherwise in the administrative record, does not constitute new information requiring recirculation of the Final EIR under CEQA. None of the information presented to the Hearing Officer after circulation of the Draft EIR has deprived the public of a meaningful opportunity to comment upon a substantial environmental impact of the Project or a feasible mitigation measure or alternative that the City has declined to implement.

II. RESOLUTION REGARDING ENVIRONMENTAL IMPACTS NOT ANALYZED IN THE EIR

The Hearing Officer hereby finds that the following potential environmental impacts of the Project were found to be less than significant in the Initial Study, did not require the imposition of mitigation measures, and therefore did not require study in the EIR: (1) Aesthetics; (2) Agricultural Resources; (3) Biological Resources; (4) Geology and Soils; (5) Hydrology and Water Quality; (6) Land Use; (7) Planning; (8) Mineral Resources; (9)

Population/Housing; (10) Public Services; (11) Recreation; and (12) Utilities (wastewater, solid waste, and dry utilities such as gas and electricity) (see Initial Study).

III. RESOLUTION REGARDING ENVIRONMENTAL IMPACTS MITIGATED TO BELOW A LEVEL OF SIGNIFICANCE

The Hearing Officer finds that mitigation measures have been identified in the Final EIR which will reduce the following potentially significant environmental impacts to below a level of significance.

a. HISTORIC RESOURCES

i. Potential Significant Impacts

The two neon signs associated with the Monty's Steak House appear eligible for local designation as historic signs under the City of Pasadena's Municipal Code, Section 17.62.040.D. One of these signs, a neon pole-mounted sign, is already designated as a Historic Sign by the City. The two signs have been found to be important historic resources at the local level and are historic resources for purposes of CEQA. Demolition of the signs would result in a significant impact to historical resources. (EIR, p. IV.B-37.)

ii. Proposed Mitigation

MM B-1: Recordation and Photography.

A Historic American Buildings Survey (HABS) level III recordation shall be prepared. The signage shall be documented in large format black-and-white photographs and written narrative in accordance with HABS requirements. Completion of the HABS level III recordation of the existing signs on the project site should be implemented prior to their removal and before commencement of construction activities. The building's exterior showing the signs in place, the signage, as well as the property setting and

contextual views shall be documented. Original archival prints shall be submitted to the California Office of Historic Preservation, the City of Pasadena Planning and Development Department and the Pasadena Public Library.

MM B-2: Signage Relocation.

To assist the general public and interested parties in understanding the history of neon signage in Pasadena and to make these historic resources available to the public, the neon and metal signage of the circa 1951-1953 pole-mounted sign located at 592 S. Fair Oaks Avenue shall be preserved on site (if feasible) and, if it cannot be preserved on site, it is preferred that it remain in the City and be exhibited in a suitable location in public view. The wall mounted sign (circa 1961) may be donated to a suitable off-site repository or collection, preferably one located either within Pasadena or another location within the Los Angeles metropolitan area, such as the Museum of Neon Art in Los Angeles, which will ensure the continued preservation of the signage. To reduce potential damage to the signs during their relocation, the applicant shall obtain the services of a qualified conservator experienced in the removal and conservation of neon signage and who shall prepare and implement a relocation plan. Prior to the issuance of a demolition permit and any permits for the relocation of the signs, the relocation plan shall be reviewed by City of Pasadena Design & Historic Preservation staff. The signs may be temporarily relocated in an effort to protect their integrity if deemed necessary and with the approval of City Historic Preservation staff.

iii. Findings Pursuant to CEQA Guidelines Section 15091

Changes or alterations have been required in, or incorporated into, the Project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible mitigation measures or Project alternatives identified in the Final EIR.

iv. Supporting Explanation

The three buildings on the project site -- the former Monty's Steak House building at 592 S. Fair Oaks, and the buildings at 590 S. Fair Oaks and 10 E. California

Boulevard -- would be demolished. The EIR analyzed whether these structures were eligible for listing in the National Register, California Register, and for local designation under City of Pasadena criteria. All of these structures are ineligible, and are not considered historic resources for the purposes of CEQA. (EIR, pp. IV.B-23-25; 29-33; 36.)

With regard to the two neon signs associated with the Monty's Steak House, which are historic resources pursuant to CEQA, the Project includes a project design feature that would relocate the signs to a suitable location such as a museum. (EIR, p. IV.B-37.) Under the CEQA thresholds, relocation of a resource is a significant impact if it would materially impair the significance of the resource. A preference for onsite relocation of the pole mounted sign, which is already designated as a City Historic Sign, is set forth in mitigation measure MM B-2. However, if the pole mounted sign and the building mounted sign are relocated, the signs would still retain all of their character-defining features and the building mounted sign would remain eligible for listing under the Pasadena Historic Sign Ordinance. In addition, Preservation Brief 25 acknowledges that off-site relocation of a historic sign to a museum or other appropriate location or institution is preferable to destruction of the sign. (Id. at pp. IV.B-35 to 37.) Alteration of the signs to exhibit the new business name, which is a preferred alternative under Preservation Brief 25, would likely result in a significant impact due to the change in historic craftsmanship and integrity of the signs related to the period of significance. Accordingly, relocation of the signs to a museum or other suitable institution would be

the most sensitive treatment of the signs and would not result in a significant impact to the environment. Further, with the implementation of mitigation measures MM B-1 and B-2, the historic significance and current appearance of the signs within their local context shall be recorded through HABS level III documentation prior to the removal and relocation as part of the Project. (Id. at p. IV.B-40.) As a result, the Project's historic impacts are less than significant. (Id. at p. IV-B-38.)

Cumulative Impacts

The analysis of cumulative impacts on historic resources involved an evaluation of whether the cumulative impacts of the proposed Project and related projects in the area, when taken as a whole, would substantially diminish the number of existing resources within the historic context. The demolition of the three buildings on site would not contribute to the loss of any historic buildings with similar historical or architectural context, thus the Project would not have a cumulatively considerable impact. (EIR, p. IV.B-39.)

The two neon signs on site are historic resources pursuant to CEQA. Their relocation would not contribute to the loss of properties with a similar historic context. There are no projects within the general site vicinity with a similar historical or architectural context or associations such that, in combination with the proposed Project, their demolition of historic signage would result in a cumulatively significant impact. Further, because of the unique nature of historic resources and the level of local, State, and federal regulatory requirements applicable to historic resources, the

cumulative effects of individual projects will be addressed on a case-by-case basis. Thus, the cumulative impacts on historic resources associated with the signage would be less than significant. (Id. at pp. IV.B-39 to 40.)

b. ARCHAEOLOGICAL AND PALEONTOLOGICAL RESOURCES

i. Potential Significant Impacts

Although the site has been previously disturbed through grading and/or development, given the depth of new excavation there is potential to directly or indirectly destroy a unique paleontological resource or unique geologic feature. (EIR, p. IV.B-55-)

There is a possibility that buried prehistoric archaeological remains have been sealed on site, and given the historic land use of the site, the potential to encounter historic period resources also exists. (Id. at p. IV.B-56.)

ii. Proposed Mitigation

Mitigation Measures for Paleontological Resources

MM B-3: A qualified paleontologist shall attend a pre-grade meeting and develop a paleontological monitoring program to cover excavations in the event they occur into the older Quaternary Alluvium. A qualified paleontologist is defined as a paleontologist meeting the criteria established by the Society for Vertebrate Paleontology. If excavation into Quaternary Alluvium occurs, monitoring shall consist of visually inspecting fresh exposures of rock for larger fossil remains and, where appropriate, collecting wet or dry screened sediment samples of promising horizons for smaller fossil remains. If it is determined that excavation will not encounter Quaternary Alluvium, no further measures need be taken. The frequency of monitoring inspections shall be based on the rate of excavation and grading activities, the materials being excavated, and if found, the abundance and type of fossils encountered.

MM B-4: If a potential fossil is found, the paleontologist shall be allowed to temporarily divert or redirect grading and excavation activities in the area of the exposed fossil to facilitate evaluation and, if necessary, salvage.

MM B-5: At the paleontologist's discretion and to reduce any construction delay, the grading and excavation contractor shall assist in removing rock samples for initial processing.

MM B-6: Any fossils encountered and recovered shall be prepared to the point of identification and catalogued before they are donated to their final repository.

MM B-7: Any fossils collected shall be donated to a public, non-profit institution with a research interest in the materials, such as the Natural History Museum of Los Angeles County. Accompanying notes, maps, and photographs shall also be filed at the repository.

MM B-8: If fossils are found following completion of the above tasks the paleontologist shall prepare a report summarizing the results of the monitoring and salvaging efforts, the methodology used in these efforts, as well as a description of the fossils collected and their significance. The report shall be submitted by the Project Applicant to the lead agency, the Natural History Museum of Los Angeles County, and representatives of other appropriate or concerned agencies to signify the satisfactory completion of the Project and required mitigation measures.

Mitigation Measures for Archaeological Resources

MM B-9: If archaeological resources are encountered during project implementation, an archaeologist meeting the Secretary of the Interior's Professional Qualification Standards (the "Archaeologist") shall be immediately notified and retained by the Project Applicant and approved by the City to oversee and carryout the mitigation measures stipulated in this EIR.

MM B-10: If archaeological resources are encountered during project implementation, the qualified archaeologist should coordinate with the Project Applicant as to the immediate treatment of the find until a proper site visit and evaluation is made by the archaeologist. The archaeologist shall be allowed to temporarily divert or redirect grading or excavation activities in the vicinity in order to make an evaluation of the find and determine appropriate treatment. Treatment will include the goals of preservation where practicable and public interpretation of historic and archaeological resources. All cultural resources recovered will be documented on California Department of Parks and Recreation Site Forms to be filed with the CHRIS-SCCIC. The archaeologist shall prepare a final report about the find to be filed with Project Applicant, the City, and the CHRIS-SCCIC, as required by the California Office of Historic Preservation. The report shall include documentation and interpretation of resources recovered. Interpretation will include full evaluation of the eligibility with respect to the National and California Register of Historic Places and CEQA. The report shall also include all specialists' reports as appendices. The Lead Agency shall designate repositories in the event that significant resources are recovered. The archaeologist shall also determine the need for archaeological and Native American monitoring for any ground-disturbing activities

thereafter. If a need is warranted, the archaeologist will develop a monitoring program in coordination with a Native American representative (if there is potential to encounter prehistoric or Native American resources), the Project Applicant, and the City. The monitoring program will also include a treatment plan for any additional resources encountered and a final report on findings.

MM B-11: If human remains are encountered unexpectedly during construction excavation and grading activities, State Health and Safety Code Section 7050.5 requires that no further disturbance shall occur until the County Coroner has made the necessary findings as to origin and disposition pursuant to PRC Section 5097.98. If the remains are determined to be of Native American descent, the coroner has 24 hours to notify the NAHC. The NAHC will then identify the person(s) thought to be the Most Likely Descendent of the deceased Native American, who will then help determine what course of action should be taken in dealing with the remains. Preservation of the remains in place or Project design alternatives shall be considered as possible courses of action by the Project Applicant, the City, and the Most Likely Descendent.....

iii. Findings Pursuant to CEQA Guidelines Section 15091

Changes or alterations have been required in, or incorporated into, the Project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible mitigation measures or Project alternatives identified in the Final EIR.

iv. Supporting Explanation

The Project includes a two-and-a-half level subterranean parking garage. Approximately 36,560 cubic yards of soil would be hauled away during excavation of the site. Average depth of excavation would be approximately 20 feet below grade. Nearly the entire site would be graded during excavation. (EIR, p. IV.B-55.)

With regard to paleontological resources, records search indicates that excavations into the older Quaternary Alluvium deposits within the site are likely to contain significant vertebrate fossils. With implementation of mitigation measures MM B-3 to B-8 above, potentially significant impacts to paleontological resources would be reduced to a less than significant level. (Id. at p. IV.B-59.)

With regard to archaeological resources, the site has been intensely urbanized and developed for over 100 years and, as a result, it is likely that surficial and buried archaeological resources (both prehistoric and historic period resources) that may have existed prior to the disturbances are likely to have been displaced. Thus, impacts to archaeological resources are considered less than significant. Results of the Sacred Lands File search and records searches failed to indicate Native American resources in or adjacent to the site. Nonetheless, there is a possibility that buried prehistoric remains may have been sealed in place by previous development, and that historic period resources also exist on site. (EIR, p. IV.B-56.) In the event archaeological resources are encountered unexpectedly, implementation of mitigation measures MM B-9 to B-11 above would reduce impacts on archaeological and Native American resources to a less than significant level. (Id. at p. IV.B-59.)

Cumulative Impacts

With regard to paleontological resources, it is likely that the majority of related projects in the area would be subject to environmental review and if the potential for significant impacts on paleontological resources is identified, mitigation measures

similar to those proposed for the Project would be implemented. With these standard mitigation measures, there is not likely to be a cumulative impact to paleontological resources, and the Project's incremental effect is not cumulatively considerable. (EIR, p. IV.B-59.)

Cumulative impacts associated with archaeological resources for related projects are considered less than significant since the majority of related projects would be required to comply with the Public Resources Code Section 21083.2 or Public Resources Code Section 21084.1 and CEQA Guidelines Section 15064.5, and therefore avoid a cumulative impact. Furthermore, the incremental effects on archaeological resources associated with the proposed Project are not cumulatively considerable after imposition of standard mitigation measures. Therefore, cumulative impacts on archaeological resources associated with the project would be less than significant. (Ibid.)

c. NOISE

i. Potential Significant Impacts

The Project has the potential to create significant noise impacts related to construction activities at nearby sensitive receptors. No significant impacts are anticipated from Project operations.

ii. Proposed Mitigation

MM C-1: Construction activities shall be limited to the following hours in accordance with the City's Municipal Code:

From 7:00 A.M. to 7:00 P.M. Monday through Friday;

From 8:00 A.M. to 5:00 P.M. on Saturday;

Construction shall not occurred on Sundays and Holidays.

MM C-2: Noise-generating construction equipment operated at the project site shall be equipped with effective noise control devices, (i.e., mufflers, lagging, and/or motor enclosures). All equipment shall be properly maintained to assure that no additional noise, due to worn or improperly maintained parts, would be generated.

MM C-3: Engine idling from construction equipment such as bulldozers and haul trucks shall be limited, to the extent feasible.

MM C-4: To the extent feasible, construction activities shall be scheduled so as to avoid operating several pieces of heavy equipment simultaneously, which causes high noise levels.

iii. Findings Pursuant to CEQA Guidelines Section 15091

Changes or alterations have been required in, or incorporated into, the Project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible mitigation measures or Project alternatives identified in the Final EIR.

iv. Supporting Explanation

Construction Impacts

Noise impacts from construction activities are generally a function of the noise generated by construction equipment (including vibrations arising from such equipment), equipment locations, the sensitivity of nearby land uses, and the timing and duration of the noise-generating activities. Construction of the Project is estimated to last 19 months. Maximum noise levels would occur when equipment is operating under full power conditions or during impact activities, such as jack hammering or sawing.

The EIR estimated the worst-case construction period noise levels at the nearest noise sensitive receptors because construction activities were analyzed as if they were occurring along the perimeter of the construction area, whereas construction would typically occur throughout the site and at a further distance from noise-sensitive receptors. (EIR, p. IV.C-19.) Construction noise impacts would be less than significant. (Id. at p. IV.C-20, Table IV.C-6.) Nonetheless, mitigation measures are recommended to reduce noise levels at adjacent properties where construction noise would exceed ambient noise levels. While noise level reductions attributable to MM-C-1 through C-4 are not easily quantifiable, implementation of these measures would reduce what is already a less than significant construction related noise impact. (Id. at p. IV.C-29.) Likewise, while the Project would generate ground-borne vibration during site clearing and grading activities with a large bulldozer in operation, the impact is less than significant and does not require mitigation. (Id. at p. IV.C-21, Table IV.C-7.)

Operational Impacts

Project operational noise impacts could arise from traffic noise, and activities on the site (outdoor mounted mechanical equipment, loading dock/trash area activities, and parking activities). (EIR, pp. IV.C-22 to 24.) The EIR evaluated the maximum increase in Project-related traffic noise levels, and found that the increase would be 0.1 dBA along five roadway segments. This estimated noise increase is considered negligible and well below the 3 dBA CNEL significance threshold. Therefore, roadway noise level increases would be less than significant. (Id. at p. IV.C-22.) Project design features,

including screen/parapet wall, ensure that all equipment noise levels would comply with the City of Pasadena Municipal Codes requirements and remain less than significant. (Id. at p. IV.C-24.) The proposed loading dock and refuse service areas are 600 feet from the nearest noise-sensitive use (the single-family residential uses along Concordia Court) and are also separated by the proposed buildings which fully block the line-of-sight between the noise source and receptor location. As a result, the noise from Project operations (loading dock and refuse collection) after attenuation from distance and from physical barriers is less than significant. (Ibid.) Noise associated with the Project subterranean parking lot would effectively be mitigated to all noise-sensitive receptor locations, based on its subterranean and enclosed design and the attenuation of noise that would occur due to distance to the nearest sensitive receptor. Therefore, parking facility operation noise would be less than significant. (Id. at p. IV.C-25.) The EIR combined all potential noise sources from Project operations to determine whether there would be a potentially significant "composite noise level impact," and concluded that Project related traffic and on-site noise sources would result in a maximum increase of less than 1 dBA CNEL at the nearest noise-sensitive receptor, and thus was less than significant. (Id. at p. IV.C-26.) Finally, vibration impacts associated with operation of the Project were analyzed and found to be less than significant. (Ibid.)

The EIR analyzed whether the uses at the Project site would be subject to potentially significant noise impacts, particularly from traffic noise. The City's guidelines for land use compatibility for office buildings (see EIR, p. IV.C-7, Table IV.C-1) states

that “conventional construction, but with closed windows and fresh air supply systems or air conditioning will normally suffice” to maintain acceptable noise levels on the building interior. Therefore, potential noise impacts associated with the introduction of office uses at the site would be less than significant. (Id. at p. IV.C-26.)

Cumulative Impacts

Of the cumulative impact “related projects” with potential for construction to occur concurrent with the proposed Project, only two projects are in close enough proximity to result in cumulative noise effects. The Huntington Hospital Emergency Department expansion and the Project could contribute to cumulative noise impacts at the residences on Concordia Court. However, the Project’s incremental effect would not be cumulatively considerable since Project-related construction noise at the residents on Concordia Court would be below existing ambient noise levels (see Table IV.C-7 on page IV.C-21 of the EIR). Further, the Emergency Department expansion project complies with all noise regulations in the Pasadena Municipal Code, thereby reducing the possibility for a cumulative noise problem. In addition, the exterior construction at the Huntington Pavilion outpatient medical offices on the southwest corner of Fair Oaks Avenue and California Boulevard is complete, and the only cumulative construction noise impact from that site will be interior construction noise, which will be less than significant. Therefore, the Project’s incremental construction noise impacts do not contribute to a cumulative noise impact from construction. (Id. at p. IV.C-28.)

Each of the cumulative impact related projects would generate stationary-source and mobile-source noise due to ongoing day-to-day operations. The related projects are of a residential, retail, or commercial nature, and while they are not typically associated with excessive exterior noise, traffic from these projects generates roadway noise impacts. Cumulative traffic volumes would result in a maximum increase of 1.5 dBA CNEL along the segment of Glenarm Street, west of Fair Oaks Avenue, although the Project's incremental contribution to the cumulative increase would be less than 0.1 dBA. (EIR, p. IV.C-23, Table IV.C-9.) The cumulative noise increase at all other analyzed roadway segments would be less than 1.5 dBA CNEL. As the noise level increase would be well below the 3-dBA CNEL significance threshold, the proposed Project's incremental effect would not be cumulatively considerable and roadway noise impacts due to cumulative traffic volumes would be less than significant. (Id. at p. IV.C-29.)

d. HAZARDS AND HAZARDOUS MATERIALS

i. Potential Significant Impacts

Two buildings on site are known to contain asbestos-containing material ("ACM") and lead based paint ("LBP"), and the former auto body shop may also contain ACM and LBP. Demolition of buildings containing ACM or LBP is considered to be a potentially significant impact. (EIR, p. IV.E-13.)

Unknown underground storage tanks ("USTs") or remnants of above ground tanks or drum may be discovered during excavation of the site and could potentially

contain hazardous materials, which may create hazards to construction workers. This is considered to be a potentially significant impact. (Ibid.)

Soils in the area of soil boring location B-1 contain metals and total petroleum hydrocarbons ("TPH") at levels below the need for special handling or disposal requirements, but it is possible that the soils in this area could yield contamination during project construction excavation and/or grading activities above what was already identified. It is also possible that unknown soil contaminants could be found during excavation and/or grading. These are considered to be potentially significant impacts. (Id. at p. IV.E-14.)

ii. Proposed Mitigation

MM E-1: Prior to the issuance of demolition permits, the Applicant shall submit to the City a comprehensive pre-demolition asbestos survey in accordance with SCAQMD Rule 1403. The survey shall be reviewed and approved by the City of Pasadena Building and Safety Division. All identified ACM shall be removed and disposed of by a registered Cal-OSHA-certified asbestos abatement contractor prior to any disturbance of the material, and the Applicant shall submit documentary proof of such handling to the City.

MM E-2: Prior to issuance of demolition permits, the Applicant shall submit to the City of Pasadena Building and Safety Division a lead-based paint survey for all existing buildings located on the project site. All identified lead-based paint shall be handled and disposed of pursuant to OSHA regulations, and the Applicant shall submit documentary proof of such handling to the City.

MM E-3: Prior to initiating grading on the site the Applicant shall inform contractor of the potential for discovery of underground storage tanks (USTs), as well as former above ground storage tanks, or remnants thereof, in the subsurface. In the event USTs or former above ground storage tanks are encountered, work in the immediate area shall be halted and the Pasadena Fire Department shall be contacted to ensure that proper procedures are established and followed for their removal. A qualified environmental consultant shall be contacted to evaluate the soil conditions in the area surrounding the tanks. Work in the area shall only continue with authorization from the Pasadena Fire Department.

MM E-4: Prior to initiation of excavation and grading activities, the Applicant shall retain a qualified environmental consultant to prepare a soils management plan, which will be submitted to the City of Pasadena Building and Safety Division for review and approval. The soils management plan shall be implemented during excavation and grading activities at the site to ensure that any contaminated soil are properly disposed of offsite. The plan shall include but not necessarily be limited to the following:

- A qualified environmental consultant shall be present at all times during digging or grading activities to monitor compliance with the soils management plan and to actively monitor the soils and excavations for evidence of contamination. Any soil encountered during future excavation or grading activities that appears to have been affected by hydrocarbon or any other contamination shall be evaluated, based upon appropriate laboratory analysis, by a qualified environmental consultant prior to offsite disposal at a licensed facility.
- Soils in the southwestern corner of the site near Boring Location B-1, as identified in the Phase I and Limited Phase II ESA, shall be segregated and analyzed prior to offsite disposal. Identified contamination shall be removed to the extent practicable. This may require over-excavation in this area and further analysis of this soil to determine the extent of soil contamination.
- All detectable contaminated soils shall be properly handled and transported to an appropriately licensed disposal facility.

iii. Findings Pursuant to CEQA Guidelines Section 15091

Changes or alterations have been required in, or incorporated into, the Project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible mitigation measures or Project alternatives identified in the Final EIR.

iv. Supporting Explanation

The EIR analysis of potential hazardous materials at the Project site was based on a Phase I and Limited Phase II Environmental Site Assessment prepared for the site,

as well as a limited subsurface, asbestos containing materials, and lead based paint investigations report. (EIR, p. IV.E-1.)

ACMs were found in the flooring of the Grandview Palace Restaurant, but not in the Monty's building. LBP materials were found on various interior and exterior surfaces in both buildings. However, the roofs of the buildings, the auto body shop, and all fire doors, which could be potential sources of ACM, were not accessed during the ACM survey, and the auto body shop was not tested for LBP. (EIR, pp. IV.E-8 and 9.) The implementation of mitigation measures MM E-1 and MM E-2 require detailed pre-demolition surveys of all structures for ACM and LBP, and proper disposal of contaminated materials. As a result, impacts in this regard are less than significant. (Id. at pp. IV.E-12, 18.)

No physical evidence or documentary evidence indicates USTs or above ground tanks or drums have existed on the site. Given that the site has been utilized for commercial, manufacturing and light industrial uses for over a century, and its current use as an auto body shop, there is a small probability that USTs or above ground tanks or drums containing hazardous materials could exist on site. (EIR, p. IV.E-8.) The implementation of mitigation measure MM E-3 ensures that the construction contractor is aware of these risks, and that if any USTS, tanks or drums are discovered, proper steps are taken for their disposal. As a result, impacts in this regard are less than significant. (Id. at pp. IV.E-13, 18.)

While TPH was found onsite, it was not at levels requiring special handling. Nonetheless, given the historic uses at the site, including the former auto body use, there is a small probability that further contaminated soils could be encountered during grading or construction. (EIR, p. IV.E-13.) Implementation of MM E-4 requires a pre-excavation and grading soils management plan to be prepared to ensure that, if warranted, contaminated soil is properly disposed of offsite. Therefore, impacts in this regard are less than significant. (Id. at pp. IV.E-14, 18.)

Finally, the Project is consistent with the Safety Element of the City's General Plan. Goal H-1 in the Safety Element seeks to reduce the potential for hazardous contamination in the City. Program H-1.1 of the Safety Element requires that all users, producers, and transporters of hazardous materials and wastes to clearly identify the materials that they store, use, or transport, and to notify the appropriate City, County, State and Federal agencies in the event of a violation. After implementation of the mitigation measures above, the Project is consistent with Goal 1 and Program H-1.1. (EIR, p. IV.E-15.)

Cumulative Impacts

Risks associated with hazardous materials are largely site-specific and localized, particularly where records searches did not yield any information regarding potentially hazardous materials concerns within a one mile radius of the site. Site-specific investigations would be conducted at other project sites where contaminated soils or groundwater could occur to minimize the exposure of workers to hazardous substances.

Future development of the projects on the cumulative impacts list of related projects will have to undergo site-specific analysis regarding hazardous materials, and will have to comply with applicable federal, State, and local regulations to ensure that the routine transport, use, or disposal of hazardous materials would not result in adverse impacts. All demolition activities that would involve ACM or LBP must occur in compliance with SCAQMD Rule 1403 and OSHA Construction Safety Orders. With adherence to applicable federal, State, and local regulations governing hazards and hazardous materials, there is not and should not be a potential cumulative hazardous materials impact. Moreover, the Project's incremental effect is not cumulatively considerable. (EIR, pp. IV.E-17 to 18.)

e. WATER SUPPLY

i. Potential Significant Impacts

While the City will be able to serve water to the Project, the City requires that projects reduce projected standard potable water demand by 20%. The inability to do so would result in a significant impact.

ii. Proposed Mitigation

MM F-1: The water usage of the proposed building to be retained shall be reduced by 20 percent, in accordance with section 14.90.050 of the Pasadena Municipal Code. In order to demonstrate this reduction, the Applicant must submit a water-conservation plan for review and approval by the Planning Division. This plan is also subject to review and approval by the City's Water and Power Department and the Building Division before the issuance of a building permit. The plan must demonstrate the ability to limit water consumption to 80 percent of its originally anticipated amount. The project's irrigation and plumbing plans are also required to comply with the approved water-conservation plan. For this project, the original amount is 22,640 gallons/day and

the required 20 percent reduction is 4,528 gallons/day. Plumbing permits required in order to complete this reduction shall be finalized prior to certificate of occupancy.

MM F-2: The Applicant shall submit a detailed landscape plan that proposes the planting of "California Friendly" plants and the use of high efficiency irrigation technology. Landscape and irrigation plans shall be submitted for review with each phase of the project and shall be reviewed by the Design Commission in combination with the building plans.

iii. Findings Pursuant to CEQA Guidelines Section 15091

Changes or alterations have been required in, or incorporated into, the Project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible mitigation measures or Project alternatives identified in the Final EIR.

iv. Supporting Explanation

The City is well aware of the current water shortage facing public entities throughout the State, and the EIR sets forth an as up-to-date as possible picture of this ever-changing situation as of the circulation date for the Draft EIR. However, even after circulation of the Draft EIR began, the City continued to take action to address the shortage at the local level as changing circumstances dictate. (See staff report dated July 30, 2009, attachment E.) The Hearing Officer finds that none of the actions or events summarized in the staff report impact the adequacy of the water supply analysis in the EIR or constitute new information that would trigger recirculation or further CEQA analysis.

The Project will be LEED certified, and the Project has already committed to incorporating numerous active water conservation measures. (EIR, p. IV.F-26.) The EIR sets forth an exhaustive explanation of the City's water supply constraints and demand levels, and concludes that, even in this time of drought caused by legal actions and by environmental factors, the City can supply projected demand from the Project based on existing entitlements. (EIR, pp. IV.F-8 to 27, particularly Table IV.F-4.) However, the City requires that projects conserve at least 20% on potable water for water supply impacts to be considered less than significant. Implementation of mitigation measures MM F-1 and MM F-2 would result in a 20% water use reduction over normal baseline usage and achieve consistency with the City's goal of increasing water conservation by 20% by 2020. In fact, MM F-2 is in keeping with the City's work on the drafting of a water efficient landscape ordinance as required by the Water Conservation in Landscaping Act (Govt. Code §§ 65591 et. seq.). (See staff report dated July 30, 2009, attachment E.) Therefore, the Project's water supply impact is reduced to less than significant.

Cumulative Impacts

The Project, in conjunction with the cumulative list of projects, would create additional demand for water. However, the exhaustive analysis in the EIR indicates that water supplies are adequate to serve projected development increases. (EIR, pp. IV.F-8 to 25, Tables IV.F-1 to IV.F-3.) Conservation programs, in addition to plans and policies at the regional and local level and the development of additional diversified

supplies, are part of the evolving strategy to continue meeting increasing water demands in the future, and chief among those at the local level is Pasadena's requirement that all new developments implement measures to help meet the City's 20% conservation goal. With that standard measure, the Project's incremental effect to the cumulative impacts arising from the legal and environmental drought is not cumulatively considerable. (EIR, pp. IV.F-28 to 29; see also staff report dated July 30, 2009, attachment E.)

IV. RESOLUTION REGARDING ENVIRONMENTAL IMPACTS UNABLE TO BE MITIGATED TO BELOW A LEVEL OF SIGNIFICANCE

The Hearing Officer finds that, although mitigation measures have been identified in the Final EIR which reduce the following potentially significant environmental impacts, the impacts cannot be mitigated to below a level of significance.

a. AIR QUALITY

i. Potential Significant Impacts

Construction of the Project has the potential to create air quality impacts through substantial grading on site, the use of heavy-duty combustion-powered construction equipment and through vehicle trips generated from construction workers traveling to and from the site. Potentially significant fugitive dust emissions would result from demolition and construction activities.

ii. Proposed Mitigation

MM A-1: Contractors shall implement a fugitive dust control program pursuant to the provisions of SCAQMD Rule 403.

MM A-2: All construction equipment shall be properly tuned and maintained in accordance with manufacturer's specifications.

MM A-3: Contractors shall maintain and operate construction equipment so as to minimize exhaust emissions.

MM A-4: Electricity from power poles rather than temporary diesel- or gasoline-powered generators shall be used to the extent feasible.

MM A-5: All construction vehicles shall be prohibited from idling in excess of ten minutes, both on- and off-site.

iii. Findings Pursuant to CEQA Guidelines Section 15091

Changes or alterations have been required in, or incorporated into, the Project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible mitigation measures or Project alternatives identified in the Final EIR.

iv. Supporting Explanation

Construction Impacts

Assuming a construction period of approximately 19 months, construction-related daily maximum regional construction emissions would not exceed the South Coast Air Quality Management District ("SCAQMD") daily significance thresholds for PM₁₀, PM_{2.5}, CO, VOC, or SO_x. Likewise, maximum localized construction emission estimates do not exceed the localized screening thresholds set by the SCAQMD. However, regional

construction NOx emissions would exceed SCAQMD daily significance thresholds. (EIR, p. IV.A-47, Table IV.A.-4.) Thus, construction emissions would result in a significant short-term regional air quality impact. (Id. at p. IV.A-46.) The short term NOx emissions do not, however, make the Project inconsistent with SCAQMD's Air Quality Management Program ("AQMP"). The NOx emissions are short-term in nature, would not cause or contribute to new air quality violations, and would not have a long-term impact on the frequency or severity of air quality standard violations or the region's ability to meet State and national air quality standards. (EIR, p. IV.A-58.)

Implementation of the mitigation measures listed above would reduce construction emissions for all pollutants. (EIR, p. IV.A-70, Table IV.A-10.) However, even with implementation of these mitigation measures, maximum daily NOx emissions during Phase 2 construction (mass site grading) would still exceed the SCAQMD regional significance threshold. Although CARB has passed a regulation to reduce emissions from diesel vehicles through the replacement of older, dirtier engines with newer emission controlled models, NOx would only be reduced by 32% at full implementation in 2020. Therefore, emissions of NOx from construction after mitigation would represent a significant and unavoidable impact. (EIR, p. IV.A-69.)

Emissions of greenhouse gases ("GHG") were estimated for the construction period, and compared with the California Air Resources Board's estimated Statewide GHG emission inventory total for 2004, the latest year for which data are available, expressed as metric tons of CO2 equivalent. (EIR, p. IV.A.-49, Table IV.A-5.)

Temporary increase in GHG emissions from on-road mobile sources and on site equipment associated with project construction, expressed as a fraction of the 2004 Statewide GHG emission inventory total, is projected to be 0.00301% in 2009 and 0.00122% in 2010. (Id. at p. IV.A-48.) The construction mitigation measures and regulatory requirements above include requiring construction vehicles to meet strict emission standards and limiting construction vehicle idling, and the diversion of all construction and demolition debris from landfills. The implementation of these construction mitigation measures would reduce energy consumption and thus GHG emissions. Accordingly, the Project would be consistent with the State's strategy to reduce GHG emissions and would have a less than significant impact after implementation of mitigation measures. (EIR at pp. IV.A-48 and 49.)

Toxic air contaminant ("TAC") exposure from construction could arise from diesel particulate emissions associated with heavy equipment operations during grading and excavation, but only for the month during which grading is estimated to take place. SCAQMD methodology describes health effects from TAC in terms of "individual cancer risk" over a 70-year lifetime. The Project would not be a substantial long term source of TAC emissions. (EIR, p. IV.A-49.) Nor will the Project be a source of odor emissions during construction activities because it will comply with SCAQMD Rule 1113, which limits the amount of volatile organic compounds that become airborne from architectural coatings and solvents. (Id. at p. IV.A-50.)

Operational Impacts

Operation of the Project would not introduce any major new on-site sources of air pollution. Project-generated traffic volumes are forecasted to have a negligible effect on the projected 1-hour and 8-hour CO concentrations at the intersections studied. Thus, the Project would not cause any new or exacerbate any existing CO hotspots, and, as a result, impacts related to localized mobile-source CO emissions would be less than significant. Emissions estimates for criteria air pollutants from on-site sources, such as natural gas consumption, consumer product use and landscaping activities, were well below SCAQMD's significance thresholds. (EIR, pp. IV.A-51 to 52. Tables IV.A-6 and A-7.) The Project does not include any uses identified by the SCAQMD as being associated with odors, and has a less than significant impact. (Id. at p. IV.A-56.) Further, the Project is consistent with SCAQMD's AQMP since Project operations would result in less than significant impacts with regard to CO, PM10, PM2.5, and SO2 emissions and associated local concentrations; the Project is consistent with the population and employment projections, goals and policies in the AQMP. (Id. at pp. IV.A-57 to 60.)

With regard to greenhouse gases, the estimated emissions from the Project are 1,109 million metric tons of carbon dioxide equivalent, a net increase as percentage of 2004 Statewide Total of 0.00023%. (EIR, pp. IV.A-53 to 55; Table IV.A-8.) Reducing GHG emissions is an important priority and reasonable reduction efforts should be taken. The Project will be constructed to achieve a certification from the USGBC's

LEED program (silver is anticipated), consistent with the City's Green Building Ordinance, and has incorporated design features to reduce the Project's potential impact with respect to GHG emissions that are consistent with the goals of AB32 and the State Climate Action Team. (Id. at p. IV.A-56.) Accordingly, its GHG emissions are less than significant.

Cumulative Impacts

Pursuant to the California Resources Agency guidelines, a lead agency may base its determination of whether the project's incremental contribution to a cumulative air quality impact is cumulatively considerable largely on compliance with any applicable requirements imposed by the SCAQMD's AQMP. As discussed above, the Project is consistent with the AQMP, and will not have any significant cumulative impacts. (EIR, pp. IV.A-61-66.) With regard to greenhouse gases, the EIR analyzed the Project's consistency with the Climate Action Team's recommendations and strategies for GHG reduction, and concluded that the Project features and GHG reduction measures, coupled with the City's initiatives, result in an finding that the Project would not result in a cumulatively considerable increase in GHG emissions and cumulative impacts on global climate change. (Id. at pp. 66-69.)

b. TRANSPORTATION

i. Potential Significant Impacts

The Project has the potential for a significant traffic impact on nearby street segments, as well as nearby intersections.

ii. Proposed Mitigation

MM D-1: In order to address increased traffic volumes on Pico Street associated with the proposed project the applicant shall provide a contribution to the citywide traffic monitoring program to purchase and install two traffic monitoring stations on Pico Street.

iii. Findings Pursuant to CEQA Guidelines Section 15091

Changes or alterations have been required in, or incorporated into, the Project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible mitigation measures or Project alternatives identified in the Final EIR.

iv. Supporting Explanation

Nine intersections in the vicinity of the Project were evaluated for weekday A.M. and P.M. peak hour traffic conditions, and four street segments surrounding the Project were evaluated as well. (EIR, p. IV.D-3.) Existing conditions at the intersections and street segments were determined, and included traffic generated by existing uses on the site, in compliance with CEQA's requirement that project impacts be compared to "on the ground" traffic impacts and to avoid overstating the Project's impacts. (EIR, pp. IV.D-4 and 5, see also Response to Comment No. 1-6, pp. VII-8 to 10.) The EIR analyzed potential traffic impacts from the project consistent with its past practices and guidelines. The geographic distribution patterns for Project traffic was based on the

Pasadena General Plan Model. (EIR, p. IV.D-13.) The analysis utilized the established thresholds for intersection analysis as outlined in the City's Transportation Impact Review Current Practice and Guidelines, used the City's standard 1.5% growth rate, and granted the Project a trip credit for its TDM Plan. (EIR Responses to Comments 1-5, 1-6 and 1-7, pp. VII-8 to 10.)

The Project must implement a Construction Staging and Traffic Management Plan, which must be approved by the Department of Public Works. As part of the plan, construction-related trips would be limited to off-peak commuter periods (arrive prior to 7:00 A.M. and depart between 3:00 to 4:00 P.M.) and delivery trucks/equipment must park on site. Consequently, the traffic impact from construction is less than significant. (EIR, pp. IV.D-11 to 13.) Further, the Project must implement a Transportation Demand Management ("TDM") Program subject to approval by the City Department of Transportation to address long term operational traffic impacts. (Id. at pp. IV.D-12 to 13.) Finally, the Project provides the required number of parking spaces pursuant to City code. (EIR Response to Comment 3-6, pp. 25 to 26.)

Traffic will enter the parking garage off of Edmondson Alley. There are two main access ways to Edmondson Alley. First, a one-way driveway which connects Fair Oaks Avenue with Edmondson Alley will provide over 180 feet of on-site queuing. Second, Edmondson Alley can be directly accessed from California Boulevard. (EIR, p. II-13 and 14, Figure II-8.) While Edmondson Alley is assumed to be used for two-way travel providing access to California Boulevard to the north and Pico Street to the south and to

access the parking structure, a 305 foot section of Edmondson Alley adjoining the site between California Boulevard and the one way driveway from Fair Oaks Avenue will be widened four feet from 20 feet to 24 feet to serve vehicle traffic from the north and south. (EIR, pp. IV.D-10 to 11.) One-way operation of Edmondson Alley was rejected because of the potentially significant secondary impacts that would be generated under that scenario. (EIR Response to Comment No. 1-3, pp. IV.D-7 to 8.)

Table IV.D-5 on page IV.D-18 of the EIR summarizes the intersections levels of service under Year 2010 With Project and Without Project conditions, including the change due to the addition of Project-related traffic. Based on the City of Pasadena's impact criteria, the Project traffic would not result in traffic impact increases large enough to result in significant impacts at any of the study intersections, and therefore Project related traffic impacts are less than significant. (EIR, pp. IV.D-13 to 19.)

The Project is expected to increase daily traffic on Pico Street, west of Raymond Avenue by 8.2%, although daily traffic volumes on Pico Street would remain modest under the 2010 With Project condition, and the adjacent intersection at Raymond Avenue is projected to operate smoothly at LOS A during both peak hours.

Nonetheless, the estimated 8.4% increase in daily traffic on Pico Street is a significant impact based on the City's street segment significance criteria. (Id. at pp. IV.D-19 and 20, Table IV.D-6.) The City did not adopt the suggestion to study segments further out than those studied in the EIR because it found that the furthest segments studied in the EIR would experience an increased daily trip load of less than 1%, which is below the

City's threshold of significance. Study of further outlying segments has virtually no potential of identifying additional potentially significant segment impacts. (EIR Response to Comment 1-9, pp. IV.D-11 to 12.)

The Pico Street segment impact is at a level where physical mitigation would be required to reduce the impact to below a level of significance. However, there are no feasible physical mitigation measures to reduce the segment impact on Pico Street to below levels of significance. Physical mitigation measures such as capacity enhancement will not change the outcome of estimated increase in traffic. Physical prohibition of the Project trips from Edmondson Alley to Pico Street would have a detrimental impact on traffic circulation of the adjacent streets. The current traffic volumes on Pico Street are insignificant and expected to increase moderately in the future. Accordingly, mitigation measure MM D-1, in the City's methodology, reduces the impact to the extent feasible, but the impact remains significant and unavoidable. (EIR, p. IV.D-22.)

Cumulative Impacts

The EIR considered the list of related projects for the purposes of assessing cumulative traffic impacts. Cumulative construction traffic impacts would be temporary and would only occur during periods when construction of one or more of the related projects is occurring at the same time as Project construction, and then only to the extent that construction traffic is traveling on the same streets at the same time. Such cumulative traffic impacts are addressed through Construction Staging and Traffic

Management Plans for each project, therefore there is no anticipated cumulative construction traffic impact, and in any event the Project's incremental effect is not cumulatively considerable. (EIR, pp. IV.D-22 to 23.)

Cumulative effects on intersection and street segment operations attributable to traffic from ambient growth and related projects were incorporated into the EIR traffic study. As described under the Year 2010 With Project condition with implementation of the prescribed mitigation measure, cumulative development and project-generated traffic would not exceed the City's established traffic impact threshold for any of the study area roadway segments or intersections. Thus, less-than-significant cumulative impacts regarding traffic would occur with Project implementation. (Id. at p. IV.D-23.)

A comment was raised as to whether the list of related projects in the EIR was adequate. The cumulative impact analysis was re-run to include two projects that the comment thought should have been included, and the conclusion reached in the EIR did not change. A third project was not included because it remains too speculative to add value to the analysis. (EIR, Response to Comment No. 3-3, pp. VII-23 to 25.)

The Hearing Officer finds that none of the information provided in the Responses to Comments regarding any traffic issue triggers recirculation of the EIR.

V. RESOLUTION REGARDING ALTERNATIVES

The Hearing Officer declares that the City has considered and rejected as infeasible the alternatives identified in the Final EIR as set forth herein. CEQA requires that an EIR evaluate a reasonable range of alternatives to a project, or to the location of

a project, which: (1) offer substantial environmental advantages to the proposed project, and (2) may be feasibly accomplished in a successful manner within a reasonable period of time considering the economic, environmental, social and technological factors involved. An EIR must only evaluate reasonable alternatives to a project which could feasibly attain most of the basic project objectives, and evaluate the comparative merits of the alternatives. In all cases, the consideration of alternatives is to be judged against a rule of reason.

The lead agency is not required to choose the environmentally superior alternative identified in the EIR if the alternative does not provide substantial advantages over the proposed project, and (1) through the imposition of mitigation measures the environmental effects of a project can be reduced to an acceptable level, or (2) there are social, economic, technological or other considerations which make the alternative infeasible.

The Final EIR identified the objectives for the Project as follows:

- To promote TOD in the Specific Plan area through development of an urban office project consistent with the permitted density within the Specific Plan, in proximity to employment, the Gold Line and other transit opportunities.
- To provide an aesthetically attractive office project with pedestrian friendly and community enhancing features, including a large inviting landscaped plaza at the intersection of California Boulevard and Fair Oaks Avenue.

- To develop a project that provides substantial public open space and creates an attractive pedestrian environment.
- To enhance the appearance of the Specific Plan area by redeveloping an underutilized site containing obsolete and deteriorating buildings with a modern structure of exceptional architectural design.
- To provide a distinctive office project that will attract and retain businesses in Pasadena and promote economic diversity and jobs in the City.
- To enhance the Specific Plan area's prestige as a center for high-quality commercial development.
- To construct a State-of-the-art sustainable development, thereby reducing dependence on non-renewable resources, and that encourages recycling for both construction activities and long-term operation. (EIR, pp. II-5 and 6.)

a. Alternatives Eliminated from Further Consideration

The City of Pasadena eliminated three alternatives from consideration in the EIR: (1) alternative uses of the site; (2) alternative site design; and (3) alternative location. Alternatives may be eliminated from detailed consideration in the EIR if they fail to meet most of the project objectives, are infeasible, or do not avoid any significant environmental effects (CEQA Guidelines Section 15126.6(c)).

Generally speaking, the selection of an alternative use at the Project site has limited value in reducing the Project's significant impacts. The Project's only significant

impacts pertain to NOx emissions during construction and a significant street segment impact on Pico Street. Assuming reconstruction of the outdated buildings on the site, construction activities for any project (regardless of use) similar in size to the Project would not be avoided. The significant impact on Pico Street is a function of the relative increase in the number of daily trips from Project operations on a roadway with low traffic volumes, and would occur with almost any use at the site. (EIR, p. V-4.)

The Project is appropriate for the proposed use, consistent with the Design Guidelines of the South Fair Oaks Specific Plan, and consistent with the height, setback, and open space requirements of the City's Zoning Code. Accordingly, the size of the site and zoning requirements would not support a substantial alteration in the basic design of the proposed Project. Further, there are no significant impacts that could be avoided through a project redesign. (Ibid.)

With regard to an alternative site, the underlying objective of the Project is to develop a site that is currently under the ownership of the Project Applicant. CEQA does not require that alternatives be evaluated for sites that proponents cannot reasonably acquire, control or otherwise access. The EIR considered other sites in the project area and concluded that the proposed site is well suited for the proposed use, and that an alternative at an alternative site would not likely result in a meaningful change or reduction in the impacts of the Project given the built out nature of the area. (EIR, p. V-5.)

The alternatives analyzed in the EIR represent a reasonable range of alternatives based on the applicable provisions of the CEQA Guidelines. The Hearing Officer finds that the City properly rejected analysis of additional reduced density alternatives, such as a 25% or 50% reduced-density alternative. These alternatives would not avoid any significant environmental impacts of the Project beyond what has already been addressed by the Reduced Density Alternative set forth below. Consequently, if the City were to want to analyze those additional alternatives for land use planning purposes, it would be appropriate to do so in the staff report, but not in the CEQA document. Furthermore, such alternatives, including reducing the size of the project by half, would not achieve the basic objectives of the Project to the same extent as the Reduced Density Alternative, and could undermine the economic feasibility of the Project. (See also EIR Response To Comment 1-12, pp. VII-13 to 14.)

The City also properly rejected an alternative that called for the conversion of Edmondson Alley to a one-way alley. Such a conversion would increase the potentially significant traffic impacts of the Project, and therefore does not satisfy CEQA's requirements of analyzing alternatives that reduce the Project's significant effects. (EIR Response to Comment 1-3, pp. VII-7 to 8.)

b. Alternative 1: No Project Alternative

Pursuant to Guidelines Section 15126.6, the EIR discussed a No Project Alternative. The No Project Alternative assumes that there would be no demolition of the existing buildings on the site and that the buildings would be occupied with

commercial uses similar to those which have been on the site in the past. Minor tenant improvements could be provided. As such, the No Project Alternative would provide 12,635 square feet of commercial space that would be occupied by restaurants or other complementary uses. The site would continue to contain approximately 75 parking spaces. However, eventual development of the property could occur, as it is reasonable to assume that the applicant could seek to sell the property if unable to develop or reoccupy the site. (EIR, p. V-7.) The No Project Alternative would reduce or avoid all the significant, less than significant, and significant but mitigated environmental impacts that would occur with the Project. (Id. at pp. V-7 to 11.)

However, the No Project Alternative would not achieve most of the basic objectives of the Project. It would not provide the type of project encouraged in the South Fair Oaks Specific Plan, would not further the City's transit oriented development goals because it would not provide a transit-oriented urban office project consistent with the permitted density in proximity to employment, the Gold Line and other transit opportunities. It would not provide a project that will attract and retain businesses in Pasadena and promote economic diversity and jobs in the City; nor enhance the Specific Plan area's prestige as a center for high-quality development. Finally, it would not redevelop an underutilized site with obsolete and deteriorating buildings and limited landscaping. (EIR, p. V-12.)

c. Alternative 2: Reduced Density Alternative

The Reduced Density Alternative would include the same office uses as the Project with the overall site density reduced by 16 percent, which is the point at which the potential traffic impacts along Pico Street would not exceed the City's 4.9 percent threshold for physical mitigation for roadway segments. The Reduced Density Alternative would reduce development from 113,200 gross square feet to 95,088 gross square feet (82,453 gross square feet of new development). With less development on the site, parking could be reduced from 255 parking spaces to 214 spaces. It is assumed that the site layout and access would be similar to the Project since that layout provides efficient accessibility and has been designed to accommodate site access with maximum distances between the garage entrance and site entry points. (EIR, p. V-12.)

The Reduced Density Alternative would avoid the significant street segment impact of the Project, but not the significant air quality impact. At the same time, the Reduced Density Alternative would not provide the same beneficial contribution to the efficient use of the TOD zone for reducing regional vehicle miles. (EIR, pp. V-13 to 17; see also EIR Responses to Comment No. 1-12, pp. V-12 to 13; 3-12, pp. V-27 to 28.)

The Reduced Density Alternative does not meet all of the objectives due to its decreased density. It would still provide a transit-oriented urban office project in proximity to employment, the Gold Line and other transit opportunities; provide a project that will attract and retain businesses in Pasadena and promote economic diversity and jobs in the City; and enhance the Specific Plan area's prestige as a center for high-

quality development. However, it would not meet the component of the objectives seeking a project consistent with what the City has already determined as the permitted density. (Id. at p. V-18.)

CEQA Guidelines Section 15126.6(c) requires that, if the environmentally superior alternative is the No Project Alternative, the EIR shall also identify an environmentally superior alternative among the other alternatives. The No Project Alternative is the environmentally superior alternative, but would not achieve any of the Project objectives. (EIR, p. V-25.) Among the other alternatives, the Reduced Density Alternative would be the environmentally superior alternative. The reduction in impacts with the Reduced Density Alternative to street segment impacts makes this alternative environmentally superior, but does not reduce the potentially significant construction air quality impacts. (Ibid.) However, the alternative would not meet all of the Project objectives, as discussed above.

d. Alternative 3: Medical Office/Commercial Use Alternative

This alternative assumes a building of generally similar size and configuration to that of the Project, but with an alternative mix of uses. The Medical/Office Commercial Use Alternative would include 75,000 square feet of medical office use, and 25,000 square feet of commercial space, in a four story building with commercial activities on the ground floor. It would include commercial activity to complement the on-site medical uses as well as serve the off-site project vicinity. (EIR, p. V-18.)

The Medical Office/Commercial Alternative would meet the basic objectives of the Project. However, the presentation of commercial uses at the ground level and necessity to accommodate some parking on the ground level would not provide an attractive project design with pedestrian friendly public open space/landscaped plaza to the same extent as would the proposed Project. (EIR, p. V-24.) More importantly, the EIR concluded that impacts of the Medical Office/Commercial Alternative were greater than those of the Project. This alternative has an increased parking demand associated with the medical office use which requires greater excavation, increasing the level of significant air quality (NOx) impacts due to construction. Particulate emissions (PM₁₀ and PM_{2.5}) would also notably be increased, potentially exceeding significance levels. The greater amounts of excavation would increase the potential for encountering paleontological resources. Also, these uses would increase the number of daily trips to the site, thereby increasing significant traffic impact on Pico Street. Further, project operations would increase impacts related to water consumption, intersection impacts and related air quality and noise impacts. (EIR, pp. V-19 to 24.) For these reasons, the City finds that the Medical Office/Commercial Use Alternative is infeasible.

VI. RESOLUTION REGARDING SIGNIFICANT IRREVERSIBLE

ENVIRONMENTAL CHANGES

State CEQA Guidelines Section 15126.2(c) requires an EIR to discuss the significant irreversible environmental changes which would be caused by the proposed project. An impact would occur under this category if, for example: (1) the Project

involved a large commitment of nonrenewable resources: (2) the primary and secondary impacts of the Project would generally commit future generations to similar uses; (3) the Project involves uses in which irreversible damage could result from any potential environmental incidents associated with the Project; and (4) the proposed consumption of resources are not justified (for example, results in wasteful use of resources).

Construction of the Project would result in a commitment of limited, slowly renewable, and nonrenewable resources. Such resources would include certain types of lumber and other forest products; metals such as steel, copper, and lead; aggregate materials used in concrete and asphalt (e.g., stone, gravel, and sand); and other construction materials such as plastic. In addition, fossil fuels used in construction vehicles would also be consumed during construction of the Project. Operation of the Project would involve the continued consumption of limited, nonrenewable, and slowly renewable resources similar to other urban developments. These resources would include natural gas and electricity, petroleum-based fuels, fossil fuels, and water. Energy resources would be used for heating and cooling of buildings, transporting people and goods to and from the site, heating and refrigeration for food storage and preparation, heating and cooling of water, and lighting. Under Title 24, Part 6 of the California Code of Regulation, conservation practices limiting the amount of energy consumed by the Project is required during operation. In addition, LEED standards would be incorporated into the Project that would reduce greenhouse gas emissions while also reducing energy and water usage through building efficiency measures and

reductions in vehicle trips. Despite conservation practices and guidelines in energy conservation, commitment to the use of the nonrenewable resources would be long-term. (EIR, pp. VI-1 to 2.)

VII. RESOLUTION REGARDING GROWTH-INDUCING IMPACTS

State CEQA Guidelines Section 15126.2(d) requires an EIR to discuss the ways in which the proposed project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment. Growth inducement, however, is not considered necessarily detrimental, beneficial, or significant to the environment.

The Project would replace existing uses on the site and would constitute infill development within a highly urbanized area, and therefore have limited growth inducing effects. The proposed Project would not involve any extension of infrastructure, such as roads or utilities, and would not open up undeveloped areas to new development. Implementation of the Project is consistent with the land use objectives for the area as set forth in the South Fair Oaks Specific Plan to accommodate technology-based industries, particularly within the biomedical field. Although the Project would not foster population growth, it could result in economic growth in the surrounding area as it would contribute to the overall economic success of the City and Specific Plan area. The Project would expand the City's commercial base as well as improve the City's tax base, which would be a beneficial impact. (EIR, p. V-3 to 4.)

VIII. RESOLUTION ADOPTING A MITIGATION MONITORING PLAN

Pursuant to Public Resources Code Section 21081.6, the Hearing Officer hereby adopts the Mitigation Monitoring and Reporting Plan attached to this Resolution as Exhibit A, and incorporated herein.

IX. RESOLUTION ADOPTING A STATEMENT OF OVERRIDING

CONSIDERATIONS

Pursuant to State CEQA Guidelines Section 15093, the Hearing Officer declares that the City of Pasadena has balanced the economic, legal, social, technological, and other benefits of the Project against its unavoidable environmental risks in determining whether to approve the Project. If these benefits outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable."

The Hearing Officer finds that the Project's benefits outweigh its unavoidable adverse environmental effects as set forth herein, finds that this Statement of Overriding Considerations is supported by substantial evidence in the administrative record, and therefore adopts the following Statement of Overriding Considerations.

STATEMENT OF OVERRIDING CONSIDERATIONS

1. Implementation of the Project will provide a LEED certified, energy efficient and environmentally conscious development at the site, thereby contributing to Pasadena's efforts to achieve the goals of its Green City Action Plan.

2. Implementation of the Project will revitalize the mostly vacant and underutilized site by providing Class A office space and more economically productive uses of the property than previously existed. The Project will also bring tenants and employees to the site that will patronize existing businesses within the vicinity and thereby contribute to their viability. (The secondary impact of Project employee spending on local businesses is estimated to be approximately \$1,193,000 on an annual basis).
3. Implementation of the Project will provide 5,500 square feet of open plaza area, which is 5,200 square feet more than the amount required per the Zoning Code and South Fair Oaks Specific Plan. The most prominent plaza would be a 4,000 square foot area adjacent to the intersection of Fair Oaks Avenue and California Boulevard. The location of the large plaza serves as an approximately 96' x 42' corner yard setback, which is otherwise not required by the applicable Specific Plan guidelines for the site.
4. Implementation of the Project will promote the City's General Plan guiding principle that "Pasadena will be a city where people can circulate without cars," and also implements Pasadena's Transit Oriented Development policies by coordinating and concentrating development in proximity to transportation alternatives such as the Gold Line. The Project will also provide secure bicycle parking facilities on site.
5. Implementation of the Project will provide public art, designed to be compatible with the character and context of the South Fair Oaks Specific Plan area and the

surrounding vicinity, and other public amenities including open space, plazas, and street trees.

6. Implementation of the Project will improve social and economic conditions in Pasadena and Los Angeles County through:
 - a. providing approximately 520 construction jobs;
 - b. creating approximately 1,000 new full and part-time employment opportunities (approximately 400 jobs at the site and approximately 600 indirect and induced jobs), with an approximate total of about \$35 million in compensation (\$20 million paid to workers at the Project site, and \$15 million in compensation paid to those holding indirect and induced jobs); and
 - c. providing the City with annual increased revenues from sources such as property taxes, utility taxes, and business license fees.

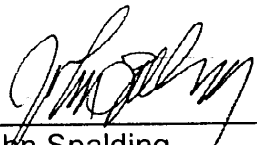
X. RESOLUTION REGARDING CUSTODIAN OF RECORDS

The documents and materials that constitute the record of proceedings on which these findings have been based are located at the City of Pasadena, City's Planning and Development Department at 175 North Garfield Avenue, Pasadena, California 91101.

XI. RESOLUTION REGARDING NOTICE OF DETERMINATION

Staff is directed to file a Notice of Determination with the Clerk of the County of Los Angeles within five working days of final Project approval.

Adopted by the Hearing Officer for the City of Pasadena on the 30th day of July, 2009.



John Spalding
Hearing Officer

APPROVED AS TO FORM:



Theresa E. Fuentes
Assistant City Attorney