

CITY OF MERCED
Planning & Permitting Division

STAFF REPORT: #15-13

AGENDA ITEM: 4.2

FROM: Kim Espinosa,
Planning Manager

PLANNING COMMISSION
MEETING DATE: June 17, 2015

PREPARED BY: Julie Nelson,
Associate Planner

CITY COUNCIL
MEETING DATE: Aug. 3, 2015
(Tentative)

SUBJECT: **General Plan Amendment #15-02 and Site Utilization Plan Revision #18 to Planned Development (P-D) #4**, initiated by Shemoil Moradzadeh, property owner. This application is a request to change the General Plan designation from Commercial Office (CO) to Neighborhood Commercial (CN) and to change the Site Utilization Plan designation from “Financial Institution” to “Retail” for an approximately 0.92 acre parcel located at the southeast corner of M Street and Olive Avenue. *PUBLIC HEARING*

ACTION: PLANNING COMMISSION:

Recommendation to City Council

- 1) Environmental Review #15-09
- 2) General Plan Amendment #15-02
- 3) Site Utilization Plan Revision #18 to Planned Development (P-D) #4

CITY COUNCIL:

Approve/Disapprove/Modify

- 1) Environmental Review #15-09
- 2) General Plan Amendment #15-02
- 3) Site Utilization Plan Revision #18 to Planned Development (P-D) #4

SUMMARY

The subject site is an approximately 0.92-acre parcel located at the southeast corner of M Street and Olive Avenue (Attachment A). The site is located within Planned Development (P-D) #4 and has a General Plan designation of Professional/Commercial Office (CO). The Site Utilization Plan for P-D #4 shows this site designated for a “Financial Institution.” The applicant is requesting a change to the General Plan land use designation from CO to Neighborhood Commercial (CN) and a change to the designation on the Site Utilization Plan map from “Financial Institution” to “Retail”(Attachment B).

The existing building on the site is approximately 11,500 square feet and 43 parking spaces are provided (Attachment C). The site is adjacent to other retail and office uses which share access from both Olive Avenue and M Street (Attachment D). There is also access available from College Green Drive to the east of the site.

The General Plan describes the Neighborhood Commercial designation as an area “for retail shopping areas, primarily in shopping centers, containing a wide variety of businesses including retail stores, eating and drinking establishments, commercial recreation, auto services, etc., to serve residential neighborhoods.” Although there are no residential uses immediately adjacent to the site, there are a number of apartments nearby and single-family dwellings within ¼ mile of the site which could be served by the Neighborhood Commercial uses that would be allowed if this request is approved. Uses allowed on this site if the requested changes are approved would be the same as those allowed in a Neighborhood Commercial (C-N) zone). For a list of uses that could be allowed under the new designations, please refer to Attachment E.

RECOMMENDATION

Planning staff recommends that the Planning Commission recommend approval of General Plan Amendment #15-02 and Site Utilization Plan Revision #18 to Planned Development (P-D) #4 (including the adoption of the Resolution at Attachment H) subject to the following conditions:

- *1) The General Plan Land Use Map and the Site Utilization Plan Map for Planned Development (P-D) #4 shall be changed as shown on Exhibit 1 (map of changes) -- Attachment B.
- *2) The proposed project shall comply with all standard Municipal Code and Subdivision Map Act requirements as applied by the City Engineering Department.
- *3) All other applicable codes, ordinances, policies, etc., adopted by the City of Merced shall apply.
- *4) Approval of the General Plan Amendment and Site Utilization Plan Revision is subject to the applicants entering into a written (developer) agreement that they agree to all the conditions and shall pay all City and school district fees, taxes, and/or assessments, in effect on the date of any subsequent subdivision and/or permit approval, any increase in those fees, taxes, or assessments, and any new fees, taxes, or assessments, which are in effect at the time the building permits are issued, which may include public facilities impact fees, a regional traffic impact fee, Mello-Roos taxes—whether for infrastructure, services, or any other activity or project authorized by the Mello-Roos law, etc. Payment shall be made for each phase at the time of building permit issuance for such phase unless an Ordinance or other requirement of the City requires payment of such fees, taxes, and or assessments at an earlier or subsequent time. Said agreement to be approved by the City Council prior to the adoption of the ordinance, resolution, or minute action.
- *5) The developer/applicant shall indemnify, protect, defend (with counsel selected by the City), and hold harmless the City, and any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof, from any and all claims, actions, suits, proceedings, or judgments against the City, or any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof to attack, set aside, void, or annul, an

approval of the City, or any agency or instrumentality thereof, advisory agency, appeal board, or legislative body, including actions approved by the voters of the City, concerning the project and the approvals granted herein. Furthermore, developer/applicant shall indemnify, protect, defend, and hold harmless the City, or any agency or instrumentality thereof, against any and all claims, actions, suits, proceedings, or judgments against any governmental entity in which developer/applicant's project is subject to that other governmental entity's approval and a condition of such approval is that the City indemnify and defend (with counsel selected by the City) such governmental entity. City shall promptly notify the developer/applicant of any claim, action, or proceeding. City shall further cooperate fully in the defense of the action. Should the City fail to either promptly notify or cooperate fully, the developer/applicant shall not thereafter be responsible to indemnify, defend, protect, or hold harmless the City, any agency or instrumentality thereof, or any of its officers, officials, employees, or agents.

- *6) The developer/applicant shall construct and operate the project in strict compliance with the approvals granted herein, City standards, laws, and ordinances, and in compliance with all State and Federal laws, regulations, and standards. In the event of a conflict between City laws and standards and a State or Federal law, regulation, or standard, the stricter or higher standard shall control.
- *7) The approval of the General Plan Amendment and Site Utilization Plan Revision allows all principally permitted and accessory uses within a Neighborhood Commercial (C-N) zone [Merced Municipal Code (MMC) Chapter 20.22] subject to all rules and regulations of the Planned Development. Conditional Uses listed in MMC Section 20.22.050 would be allowed subject to Conditional Use Permit review and approval.
- *8) All signing shall comply with the North Merced Sign Ordinance. A temporary banner permit shall be obtained prior to any tenant installing a temporary banner or sign. Free-standing temporary signs (i.e., sandwich boards, A-frame, feather-type, and moveable/dancing signs) are prohibited.
- *9) Sufficient parking shall be provided for all tenants of the building. If sufficient parking cannot be provided on-site or within 400 feet of the site as allowed by Merced Municipal Code Section 20.58.370, such use would be unable to locate within this building.
- *10) Any future modifications to the site or building may require the issuance of a building permit. The owner shall obtain all necessary permits for any improvements to the building or the site.

(*) Denotes non-discretionary conditions.

PROJECT DESCRIPTION

The applicant is requesting to change the General Plan designation and Site Utilization Plan designation for a 0.92 acre parcel located at the southeast corner of Olive Avenue and M Street (Attachment A). The site is currently designated as CO in the General Plan and as a "Financial Institution" in the Site Utilization Plan for Planned Development (P-D) #4. The applicant has requested to change the General Plan designation to Neighborhood Commercial (CN) and the Site Utilization Plan designation to "Retail." There is an existing building on the site

(approximately 11,500 s.f.) as well as 43 parking spaces. There are currently two tenants in the building – a specialty shoe store and a tax preparation service. The applicant, who is also the property owner, has retail users interested in occupying spaces within the building. By changing the General Plan designation to Neighborhood Commercial and the Site Utilization Plan designation to “Retail”, the types of uses allowed at the site would be broader allowing not only retail uses, but also service-related uses (i.e., beauty salons, nail salons, massage establishments) and business or professional offices (refer to Attachment E for a list of allowable uses). Therefore, the existing tenants could remain if desired. No plans are being proposed to make any changes to the site or the building at this time.

Surrounding Uses
(Attachment A)

Surrounding Land	Existing Use of Land	City Zoning Designation	City General Plan Land Use Designation
North	Jack-in-the-Box (across Olive Avenue)	P-D #5	Thoroughfare Commercial (CT)
South	Offices	P-D #4	Commercial Office (CO)
East	Starbucks/Retail	P-D #4	Neighborhood Commercial (CN)
West	Social Security Office (across M Street)	P-D #15	Commercial Office (CO)

BACKGROUND

In 1972, the original 3,375-square-foot building was constructed for Gibraltar Savings and Loan. In 1993, an approximately 8,000-square-foot addition was constructed. Shortly thereafter, an urgent care occupied the majority of the building. Since that time, different office uses have occupied the building. Currently there is a specialty footwear business and a tax preparation business occupying portions of the building.

FINDINGS/CONSIDERATIONS:

General Plan Compliance and Policies Related to This Application

- A) If approved, future retail uses would comply with the General Plan designation of Neighborhood Commercial (CN) and the zoning designation of Planned Development (P-D) #4 with a “Retail” designation.

Traffic/Circulation

- B) The Institute of Transportation Engineers (ITE) Trip Genera Manual (8th Edition) is used to estimate the number of trips generated by a particular use. However, not all specific uses are identified in the manual. Because specific tenants have not been identified, it is difficult to predict traffic generation for this project. It is likely that at least two tenants would share the building, but given the relatively small size of the building (11,500 s.f.), it does not meet the definition provided by the ITE Manual of a specialty retail center. The use that most closely matches possible future tenants and provides a good average for the variety of uses that could be allowed would be that of a Department Store. The

table below provides trip generation information based on an 11,500-square-foot department store and a comparison of the trips generated by the retail use verses the trips generated by the existing office uses. The Average Daily Trips for both uses is based on the rate per 1,000 square feet of floor area. The Peak Hour Trips (PHT's) is also based on the rate for one hour between 4 and 6 p.m. per 1,000 square feet of floor area.

Use	ADT Rate/ 1,000 s.f.	Total ADT	PHT Rate*/ 1,000 s.f.	Total PHT
Department Store	22.88	263.12	1.78	20.47
General Office	11.01	126.62	1.49	17.14

*Peak Hour Rate – One hour between 4 and 6 P.M.

As shown above, the retail uses would increase the Average Daily Trips by slightly more than double the general office rate. According to the *Merced Vision 2030 General Plan*, Olive Avenue between M Street and G Street currently has a volume 28,210 ADT's and M Street between Bear Creek and Olive Avenue currently has a volume of 21,140 ADT's. The traffic generated by the retail uses would be equal to 0.9% of the total traffic volume for Olive Avenue between M and G Streets. On M Street between Bear Creek and Olive Avenue, the retail uses would be equal to 1.2% of the total traffic volume. By comparison the general office uses represent 0.5 % of the traffic volume on Olive Avenue and 0.6% of the traffic volume on M Street. The overall traffic volume estimated for the retail uses is less than a significant increase compared to the existing trips generated by the office uses. The proposed change in future tenants would not reduce the current level of service for Olive or M Street below their existing level of service (LOS) C+.

The site has several access points (Attachment D). The driveway on M Street is located completely on this parcel and provides the main access for someone entering the site from M Street. The driveway on Olive Avenue is shared with the parcel to the east (where Starbucks is located). This driveway would be the primary access for vehicles entering from Olive Avenue. There is an additional driveway that shares access to this property located south of the primary driveway on M Street. There is also a driveway on College Green Drive providing access to the site through the adjacent parcels to the east. There are no changes proposed to the access. The current driveways meet City Standards for location and distance from the intersection.

Parking

- C) There are 43 parking spaces provided on the site. This would be sufficient to serve most typical retail uses. However, the parking requirements for office, personal service and restaurant uses are slightly higher than for general retail uses. All future uses would be evaluated to determine if sufficient parking would be available to serve the use with consideration given for any existing uses within the building. If sufficient parking could not be provided, a use would not be allowed to locate at this site (Condition #9).

Public Improvements/City Services

- D) All public improvements are existing for this site. The site is connected to City sewer and water facilities and all sidewalks, curbs, and gutters are installed. Any future improvements to the site may require upgrades or modifications to the public improvements.

Building Design

- E) No changes are proposed to the existing approximately 11,500-square-foot building. The building can be accessed from all frontages with sidewalks provided from the building to the public sidewalk on both Olive Avenue and M Street. Pictures of the building elevations are found at Attachment F. Any future modifications to the building would require building permit approval (unless the improvements are considered to be exempt from permit requirements by the California Building Code). Condition #10 requires the owner to obtain all necessary permits for any work done to the building or the site.

Site Design

- F) No changes are proposed to the site. Parking is provided along the south side of the building both adjacent to the building and along the southern property line. There is also parking provided on the east side of the building adjacent to the building. All driveways and access ways will remain the same. As stated above, Condition #10 requires all necessary permits be obtained for any changes made to the site.

Landscaping

- G) No changes are proposed to the landscaping onsite. The applicant/owner has done a nice job maintaining the landscaping on the site. Any future improvements may require additional landscaping be installed or the replacement of any dead or dying landscape.

Neighborhood Impact/Interface

- H) There are no residential uses directly adjacent to the site. There is a Senior/Assisted Living facility located approximately 200 feet south of the site (refer to the Location Map at Attachment A). All the other uses within the immediate area are commercial uses. The change to the allowable uses on this site is not expected to impact the neighborhood since the site is already being used for commercial uses. The proposed change is consistent with the other uses in the area.

Public hearing notices were sent out to all property owners within 300 feet of the site. To date, staff has not received any comments from the surrounding neighbors.

Signage

- I) No new signs are proposed with this request. Condition #8 requires all signing to comply with the North Merced Sign Ordinance.

Environmental Clearance

- J) The Planning staff has conducted an environmental review (Initial Study #15-09) of the project in accordance with the requirements of the California Environmental Quality Act (CEQA), and a Draft Negative Declaration (i.e., no significant adverse environmental effects have been found) is being recommended (Attachment G).

Attachments:

- A) Location Map
- B) Proposed Land Use Changes
- C) Site Plan (Aerial Photo)
- D) Site Access (Aerial Photo)
- E) Allowed Uses
- F) Pictures of Building
- G) Initial Study #15-09
- H) Draft Planning Commission Resolution

GPA #15-02/SUP Rev. #18 to P-D #4
3080 M St.
Change from CO to CN

FAIRFIELD

COLLINS

El Pollo
Loco

Jack in the
Box

Pizza Hut

OLIVE

COLLEGE GREEN

Social Security
Administration

Subject
Site

Starbuck's

Offices

Offices

M

OLIVEWOOD

Park Merced
Senior Living

N

ATTACHMENT A

Requested Land Use Changes
for General Plan Amendment #15-02 &
Site Utilization Plan Revision #18 to
Planned Development (P-D) #4

OLIVE

General Plan Amendment #15-02
Change from Commercial Office (CO)
to Neighborhood Commercial (CN)

**Subject
Site**

Site Utilization Plan Revision #18 to
Planned Development (P-D) #4:
Change the designation from
"Financial Institution" to "Retail"

M



GPA #15-02/SUP Rev. #18 to P-D #4
3080 M St.
Change from CO to CN

Subject
Site

ATTACHMENT C



M

SITE ACCESS
(SHARED DRIVEWAYS)

COLTOS

OLIVE

COLLEGE GREEN

Subject Site



★ DRIVEWAYS

ATTACHMENT D

**Neighborhood Commercial
Merced Municipal Code Chapter 20.22**

20.22.020 - Permitted uses.

The following principal permitted uses are:

- A. Any local retail business or service establishment, such as but not limited to a grocery store, bake shop, drug store, barber and beauty shop, clothes cleaning and laundry pickup station, business or professional office, financial institutions, supplying commodities or performing services for residents of the neighborhood;
- B. Restaurant, cafe, and soda fountain, not including entertainment or dancing, or sale of liquor, beer and other alcoholic beverages by the glass, or for consumption on the premises;
- C. Commercial parking lots for passenger vehicles;
- D. Any other retail business or service establishment which is determined by the commission to be of the same general character as the above permitted retail business or service uses.
- E. Beauty salons, barber shops, licensed massage establishments, tanning salons, and nail salons.

(Ord. 2039 § 4, 2000: Ord. 824 § 7.202, 1964).

20.22.030 - Accessory uses.

The following are accessory uses:

Accessory buildings and uses customarily appurtenant to a permitted use, such as an incidental storage facility, garage, or off-street parking area.

(Ord. 824 § 7.203(A), 1964).

20.22.050 - Conditional uses.

The conditional uses are:

- A. Public and quasi-public uses appropriate to the C-N district;
- B. Auto service station;
- C. Sidewalk cafe;
- D. Social hall, lodge, fraternal organizations and clubs;
- E. Public utility uses, substations, and communication equipment buildings;
- F. Time and Temperature Signs. These signs are exempt from the provisions of Section 20.22.040, and only the words "time" and "temperature," or an abbreviation thereof, and the electrically controlled figures indicating the time

and temperature shall be permitted thereon, and the area of the sign shall not exceed twenty-four (24) square feet per face;

- G. Drive-in restaurant;
- H. Residential uses appropriate to R-1, R-2, R-3, or R-4 districts, subject to all restrictions and requirements of the residential zone that coincides with the density permitted;
- I. Theater;
- J. Restaurant or cafe, which includes the sale of liquor, beer, or other alcoholic beverages by the glass, or for consumption on the premises;
- K. Carwash;
- L. Convenience market with gasoline sales;
- M. Fast-food restaurants;
- N. Supermarket, super grocery store;
- O. Church;
- P. Shopping center;
- Q. Day care facilities for more than twelve (12) children;
- R. Day care facilities for the elderly of twelve (12) or fewer persons;
- S. Retail business of twenty thousand (20,000) square feet or less selling alcoholic beverages for off-site consumption;
- T. Tattoo parlors.

(Ord. 2039 § 5, 2000: Ord. 1909 § 1, 1995: Ord. 1767 § 5, 1990: Ord. 1578 § 2, 1985: Ord. 1472 § 1, 1983: Ord. 1361 § 1, 1980: Ord. 1226 § 1, 1978: Ord. 1213 § 1, 1978: Ord. 1197 § 1, 1977: Ord. 903, 1967: Ord. 824 § 7.204, 1964).



M STREET ELEVATION



OLIVE AVENUE ELEVATION



EAST ELEVATION

CITY OF MERCED
PLANNING & PERMITTING DIVISION

TYPE OF PROPOSAL: **General Plan Amendment #15-02 and Site Utilization Plan Revision #18 to Planned Development (P-D) #4**

INITIAL STUDY: #15-09

DATE RECEIVED: April 16, 2015 (date application determined to be complete)

LOCATION: Southeast corner of Olive Avenue and M Street
(3080 M Street)

ASSESSOR'S PARCEL NUMBERS: **007-250-020**

(SEE ATTACHED PUBLIC HEARING NOTICE AND MAP AT ATTACHMENTS F AND G.)

Please forward any written comments by June 17, 2015 to:

Julie Nelson, Associate Planner
City of Merced Planning & Permitting Division
678 West 18th Street
Merced, CA 95340
209-385-6967
nelsonj@cityofmerced.org

Applicant Contact Information:

Shemoil Moradzadeh
3070 M Street, Suite 8
Merced, CA 95340
209-383-3370

Project Description

The subject site is an approximately 0.92-acre parcel located at the southeast corner of M Street and Olive Avenue (Attachment A). The site is currently zoned Planned Development (P-D) #4 and has a General Plan designation of Commercial Office (CO). The applicant is requesting to change the General Plan designation from Commercial Office (CO) to Neighborhood Commercial (CN) and to change the Site Utilization Plan designation from "Financial Institution" to "Retail" to allow uses permitted within a Neighborhood Commercial zone.

The applicant is not proposing any new construction or alterations to the site. This request is simply to allow a wider variety of uses within the existing approximately 11,500-square-foot building. Access to the site would also remain the same with a shared driveway on Olive Avenue and M Street. There are also 41 parking spaces on the site which would remain unchanged. Refer to the aerial photograph of the site at Attachment B.

By changing the General Plan designation to Neighborhood Commercial and the Site Utilization Plan designation to "Retail," a variety of commercial uses would be allowed, including retail businesses, restaurants, beauty salons, barber shops, and licensed massage establishments. Conditional uses (uses that would require Conditional Use Permit approval) include auto service stations, drive-in restaurants, residential uses (including multi-family), car wash, theater, tattoo parlors, church, super market, the sale of alcoholic beverages for on-site consumption within a

restaurant, and the sale of alcoholic beverages for off-site consumption if sold by a retail store having less than 20,000 square feet. For a full list of uses allowed on property with a Neighborhood Commercial designation, please refer to Attachment C.

Surrounding Uses
(Refer to Attachment A)

Surrounding Land	Existing Use of Land	Zoning Designation	City General Plan Land Use Designation
North	Jack-in-the-Box (across Olive Avenue)	P-D #5	Thoroughfare Commercial (CT)
South	Offices	P-D #4	Commercial Office (CO)
East	Starbucks/Retail	P-D #4	Neighborhood Commercial (CN)
West	Social Security Office (across M Street)	P-D #15	Commercial Office (CO)

I. INITIAL FINDINGS

- A. The proposal is a project as defined by CEQA Guidelines Section 15378.
- B. The project is not a ministerial or emergency project as defined under CEQA Guidelines (Sections 15369 and 15369).
- C. The project is therefore discretionary and subject to CEQA (Section 15357).
- D. The project is not Categorically Exempt.
- E. The project is not Statutorily Exempt.
- F. Therefore, an Environmental Checklist has been required and filed.

II. CHECKLIST FINDINGS

- A. An on-site inspection was made by this reviewer on May 11, 2015.
- B. The checklist was prepared on May 12, 2015.
- C. The *Merced Vision 2030 General Plan* and its associated EIR (SCH# 2008071069) were certified in January 2012. The document comprehensively examined the potential environmental impacts that may occur as a result of build-out of the 28,576-acre Merced SUDP/SOI. For those significant environmental impacts (Loss of Agricultural Soils and Air Quality) for which no mitigation measures were available, the City adopted a Statement of Overriding Considerations (City Council Resolution #2011-63). This document herein incorporates by reference the *Merced Vision 2030 General Plan*, the *General Plan Program EIR* (SCH# 2008071069), and Resolution #2011-63.

As a subsequent development project within the SUDP/SOI, many potential environmental effects of the Project have been previously considered at the program level and addressed within the General Plan and associated EIR. (Copies of the General Plan and its EIR are available for review at the City of

Merced Planning and Permitting Division, 678 West 18th Street, Merced, CA 95340.) As a second tier environmental document, Initial Study #15-09 plans to incorporate goals, policies, and implementing actions of the *Merced Vision 2030 General Plan*, along with mitigation measures from the General Plan EIR, as mitigation for potential impacts of the Project.

Project-level environmental impacts and mitigation measures (if applicable) have been identified through site-specific review by City staff. This study also utilizes existing technical information contained in prior documents and incorporates this information into this study.

Project-level environmental impacts have been identified through site-specific review by City staff. This study also utilizes existing technical information contained in prior documents and incorporates this information into this study.

III. ENVIRONMENTAL IMPACTS:

Will the proposed project result in significant impacts in any of the listed categories? Significant impacts are those which are substantial, or potentially substantial, changes that may adversely affect the physical conditions within the area affected by the project including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. An economic or social change by itself shall not be considered a significant effect on the environment. A social or economic change related to a physical change may be considered in determining whether the physical change is significant. (Section 15372, State CEQA Guidelines. Appendix G of the Guidelines contains examples of possible significant effects.)

A narrative description of all "potentially significant," "negative declaration: potentially significant unless mitigation incorporated," and "less than significant impact" answers are provided within this Initial Study.

A. Aesthetics

SETTING AND DESCRIPTION

The project site is a fully developed site consisting of an approximately 11,500-square-foot building, 41 parking spaces, and landscaping. The site is surrounded by urban development consisting of both retail and commercial office uses.

The site is not located within a designated scenic corridor and there are no scenic vistas visible from the site. The topography of the site is level and there are no outstanding features noted.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
A. Aesthetics. Will the project:				
1) Have a substantial adverse effect on a scenic vista?				✓

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
2) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				✓
3) Substantially degrade the existing visual character or quality of the site and its surrounding?				✓
4) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				✓

1) **No Impact**

This site is currently developed and no changes to the site are proposed. No designated scenic vistas exist on the project site or in the project area. Therefore, no impacts in this regard would occur either with the General Plan Amendment or Site Utilization Plan Revision.

2) **No Impact**

There are no officially designated State Scenic Highways or Routes in the project vicinity. Therefore, the project would have no impact on scenic resources, such as rock outcroppings, trees, or historic buildings within a scenic highway.

3) **No Impact**

The subject site is currently developed and no changes are proposed for the site. Therefore, there would be no change to the visual character of the site as a result of the proposal.

4) **No Impact**

Because there are no physical changes proposed to the site, the requested General Plan Amendment and Site Utilization Plan Revision would not create any additional source of light or glare that would affect views in the area.

B. Agriculture Resources

SETTING AND DESCRIPTION

Merced County is among the largest agriculture producing Counties in California (ranked fifth), with a gross income of more than \$2.4 billion in 2006. The County’s leading agriculture commodities include milk, chickens, almonds, cattle and calves, tomatoes, and sweet potatoes.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
B. <u>Agriculture Resources.</u> Will the project:				
1) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and monitoring Program of the California Resources Agency, to non - agriculture?				✓
2) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				✓
3) Involve other changes in the existing environment, which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?				✓
4) Cause development of non-agricultural uses within 1,000 feet of agriculturally zoned property (Right-to-Farm)?				✓

1) **No Impact**

The project site is located within the City Limits of Merced and is surrounded by urban development. The California Department of Conservation prepares Important Farmland Maps through its Farmlands Mapping and Monitoring Program (FMMP). The system of classifying areas is based on soil type and use. According to the 2012 Merced County Important Farmlands Map, the project site is classified as “Urban and Built-Up Land.” Therefore, there is no impact on farmland as a result of this project.

2) **No Impact**

There are no Williamson Act contract lands in this area.

3) **No Impact**

There is no land adjacent to the site currently being used for farmland. The site is surrounded by urban uses. The proposed project would not cause this land to be converted from farmland.

4) **Less than Significant Impact**

As stated above, the area surrounding the site is completely developed with urban uses. The proposed development would not cause the use of this land to change.

C. Air Quality

SETTING AND DESCRIPTION

The San Joaquin Valley Air Pollution Control District (SJVAPCD) will review the project to assess the impact to air quality and to establish acceptable mitigation measures. Hence, the City recognizes that additional mitigation measures may be applied to subsequent phases of the development of this area. While the action of the SJVAPCD is independent of City reviews and actions, their process allows the City to review proposed mitigation measures that could affect project design and operation. Any proposed changes are subject to approval by the City.

The project is located in the San Joaquin Valley Air Basin (SJVAB), which occupies the southern half of the Central Valley and is approximately 250 miles in length and, on average, 35 miles in width. The Coast Range, which has an average elevation of 3,000 feet, serves as the western border of the SJVAB. The San Emigdio Mountains, part of the Coast Range, and the Tehachapi Mountains, part of the Sierra Nevada, are both located to the south of the SJVAB. The Sierra Nevada extends in a northwesterly direction and forms the eastern boundary of the SJVAB. The SJVAB is basically flat with a downward gradient to the northwest.

The climate of the SJVAB is strongly influenced by the presence of these mountain ranges. The mountain ranges to the west and south induce winter storms from the Pacific to release precipitation on the western slopes, producing a partial rain shadow over the valley. A rain shadow is defined as the region on the leeward side of the mountain where precipitation is noticeably less because moisture in the air is removed in the form of clouds and precipitation on the windward side. In addition, the mountain ranges block the free circulation of air to the east, resulting in the entrapment of stable air in the valley for extended periods during the cooler months.

Winter in the SJVAB is characterized as mild and fairly humid, and the summer is hot, dry, and cloudless. During the summer, a Pacific high-pressure cell is centered over the northeastern Pacific Ocean, resulting in stable meteorological conditions and a steady northwesterly wind.

Existing Ambient Air Quality

The California Air Resources Board (CARB) and the United States Environmental Protection Agency (EPA) currently focus on the following air pollutants as indicators of ambient air quality: Ozone (O₃), carbon monoxide (CO), nitrogen dioxide (NO₂), sulfur dioxide (SO₂), particulate matter (PM), and lead. Because these are the most prevalent air pollutants known to be deleterious to human health and extensive health-effects criteria documents are available, they are commonly referred to as “criteria air pollutants.”

The EPA has established primary and secondary National Ambient Air Quality Standard (NAAQS) for the following criteria air pollutants: O₃, CO, NO₂, SO₂, PM₁₀, fine particulate matter (PM_{2.5}), and lead. The primary standards protect the public health and the secondary standards protect the public welfare. In addition to the NAAQS, CARB has established California Ambient Air Quality Standard (CAAQS) for the following criteria air pollutants: sulfates, hydrogen sulfide, vinyl chloride, and visibility-reducing particulate matter. In most cases, the CAAQS are more stringent than the NAAQS.

Criteria air pollutant concentrations are measured at several monitoring stations in the SJVAB. From 1991 to present, there have been two monitoring stations within the City of Merced: S.

Coffee Avenue and 2334 M Street. The table below summarizes the air quality data from these locations for the most recent years available.

Ambient Air Quality in City of Merced
(Number of Days Exceeding State and Federal Standards)

Year	Merced - S. Coffee Avenue					Merced- 2334 M Street				
	State Ozone	Federal Ozone	State PM ₁₀ ¹	Federal PM ₁₀ ¹	Federal PM _{2.5} ²	State Ozone	Federal Ozone	State PM ₁₀ ¹	Federal PM ₁₀ ¹	Federal PM _{2.5} ²
2009	0	0	*	*	*	*	*	32.5	0	25.1
2008	14	3	*	*	*	*	*	87.2	0	*
2007	5	0	*	*	*	*	*	36.5	0	3.3
2006	4	0	*	*	*	*	*	47.4	0	0
2005	6	0	*	*	*	*	*	29	0	0
2004	14	0	*	*	*	*	*	12.3	0	0
2003	54	0	*	*	*	*	*	44.4	*	*
2001	26	0	*	*	*	*	*	*	0	*
2000	32	0	*	*	*	*	*	69.6	0	*
1999	42	2	*	*	*	*	*	*	*	*
1998	37	3	*	*	*	*	*	*	*	*
1997	1	0	*	*	*	*	*	*	*	*
1996	44	1	*	*	*	*	*	*	*	*
1995	38	3	*	*	*	*	*	96.3	0	*
1994	31	0	*	*	*	*	*	60.8	0	*
1993	22	1	*	*	*	*	*	108.8	0	*
1992	39	0	*	*	*	*	*	138.8	0	*
1991	13	2	*	*	*	*	*	151.6	0	*
⁽¹⁾ Measurements of PM ₁₀ are made every sixth day. Data is the estimated number of days that the standard would have been exceeded had measurements been collected every day.										
⁽²⁾ Nation 1997 24-Hour PM ₁₀ Standard										
*There was insufficient (or no) data available to determine the value.										

Source: Air Resources Board Aerometric Data Analysis and Management System (ADAM)

Both CARB and EPA use monitoring data to designate areas according to their attainment status for criteria air pollutants. The purpose of the designations is to identify those areas with air quality problems and thereby initiate planning efforts for improvement. The three basic designation categories are nonattainment, attainment, and unclassified. Unclassified is used in an area that cannot be classified on the basis of available information as meeting or not meeting the standards. In addition, the California designations include a subcategory of the nonattainment designation, called nonattainment-transitional. The nonattainment-transitional is given to nonattainment areas that are progressing and nearing attainment. Below are the Attainment Designations for the City of Merced for each of the criteria pollutants.

Merced County Attainment Designation (Federal and State)

Pollutant	Designation/Classification	
	Federal Standards	State Standards
Ozone - One Hour	No Federal Standard (See note below)	Nonattainment/ Severe
Ozone - Eight Hour	Nonattainment	Nonattainment
PM ₁₀ (Particulate Matter 10 micrometers in diameter)	Unclassified/Attainment	Nonattainment
PM _{2.5} (Particulate Matter 2.5 micrometers in diameter)	Nonattainment	Nonattainment
Carbon Monoxide	Unclassified/Attainment	Unclassified
Nitrogen Dioxide	Unclassified/Attainment	Attainment
Pollutant	Designation/Classification	
	Federal Standards	State Standards
Sulfur Dioxide	Unclassified/Attainment	Attainment
Lead (Particulate)	Unclassified/Attainment	Attainment
Hydrogen Sulfide	*No Federal Standard*	Unclassified
Sulfates	*No Federal Standard*	Attainment
Visibility Reducing Particles	*No Federal Standard*	Unclassified
Note: The Federal One Hour Ozone national Ambient Air Quality Standard was revoked on June 15, 2005		

Source California Air Resources Board, 2009, U.S. EPA, 2009

The San Joaquin Valley Air Pollution Control District (SJVAPCD) attains and maintains air quality conditions in Merced County through a comprehensive program of planning regulation, enforcement, technical innovation, and promotion of the understanding of air quality issues. The clean air strategy of the SJVAPCD includes the preparation of plans for the attainment of ambient air quality standards adoption and enforcement of rules and regulations concerning sources of air pollution, and issuance of permits for stationary sources of air pollution. The SJVAPCD also inspects stationary sources of air pollution and responds to citizen complaints, monitors ambient air quality and meteorological conditions, and implements programs and regulations required by the Federal Clean Air Act (FCAA) and the California Clean Air Act (CCAA).

The Guide for Assessing and Mitigating Air Quality Impacts (GAMAQI) is an advisory document that provides lead agencies, consultants, and project applicants with uniform procedures for addressing air quality in environmental documents. The GAMAQI contains the following applicable components:

- Criteria and thresholds for determining whether a project may have a significant adverse air quality impact;
- Specific procedures and modeling protocols for quantifying and analyzing air quality impacts;
- Methods available to mitigate air quality impacts; and,
- Information for use in air quality assessments and EIR's that will be updated more frequently such as air quality data, regulatory setting, climate, topography, etc.

The SJVAPCD has also prepared the Air Quality Guidelines for General Plans (AQGGP) (revised June 2005) to provide local planning agencies with a comprehensive set of goals and policies that will improve air quality if adopted in a general plan to provide a guide to cities and counties for determining which goals and policies are appropriate in their particular community; and to provide justification and rationale for the goals and policies that will convince decision makers and the public that they are appropriate and necessary.

ISR – Indirect Source Review. The ISR Rule (Rule 9510) and the Administrative ISR Fee Rule (Rule 3180) are the result of state requirements outlined in the California Health and Safety Code, Section 40604 and the State Implementation Plan (SIP). The SIP's commitments are contained in the District's 2003 PM₁₀ and NO_x in order to reach the ambient air-pollution standards on schedule. The Plans identify growth and reductions in multiple source categories. The Plans quantify the reduction from current District rules and proposed rules, as well as state and federal regulations, and then model future emissions to determine if the District may reach attainment for applicable pollutants (<http://www.valleyair.org/ISR/ISROverview.html>).

The rule applies to new developments that are over a certain threshold size. Any of the following projects require an application to be submitted unless the projects have mitigated emissions of less than two tons per year each of NO_x and PM₁₀. Projects that are at least:

- 50 residential units;
- 2,000 square feet of commercial space;
- 9,000 square feet of educational space;
- 10,000 square feet of government space;
- 20,000 square feet of medical or recreational space;
- 25,000 square feet of light industrial space;
- 39,000 square feet of general office space;
- 100,000 square feet of heavy industrial space;
- 9,000 square feet of any land use not identified above.

Air Quality Plans. The SJVAPCD submitted the 1991 Air Quality Attainment Plan in compliance with the requirements set forth in the CCAA. In addition, the CCAA requires a triennial assessment of the extent of air quality improvements and emission reductions achieved through the use of control measures. As part of this assessment, the attainment plan must be reviewed and, if necessary, revised to correct for deficiencies in progress and to incorporate new data or projections. The CCAA requirement for a first triennial progress report and revisions of the 1991 Air Quality Attainment Plan was first fulfilled with the preparation and adoption of the 1995-1997 Triennial Progress Report and Plan Revision. Triennial reports were also prepared for 1997-2000, and 1999-2001 in compliance with the CCAA.

In an effort to reach attainment for ozone, the SJVAPCD has adopted and submitted several ozone and PM₁₀ plans in its planning history in an effort to reach attainment. In the most current effort to reach attainment for ozone, the SJVAPCD submitted the 2007 Ozone Plan. This plan contains a comprehensive and exhaustive list of regulatory and incentive-based measures to reduce emissions of ozone and particulate matter precursors throughout the Valley. Additionally, this plan calls for major advancements in pollution control technologies for mobile and stationary sources of air pollution, and a significant increase in state and federal funding for incentive-based measures to create adequate reductions in emissions to bring the entire Valley into attainment

with the federal ozone standard. The proposed plan calls for a 75% reduction in ozone-forming oxides of nitrogen (NO_x) emissions.

In June 2003, the District prepared the 2003 PM₁₀ Plan. The 2003 PM₁₀ Plan was amended in 2005. The 2006 PM₁₀ Plan Update was adopted by the SJVAPCD in February 2006 and contains the existing measures adopted by EPA, CARB, and the SJVAPCD and the additional measures needed to reach attainment of the PM₁₀ standards.

The SJVAPCD's planning documents also identify voluntary strategies to further reduce air quality impacts in the San Joaquin Valley Air Basin (SJVAB). Included in these strategies are an enhanced California Environmental Quality Act (CEQA) program and the promotion of air quality elements or policies for General Plans in all SJVAB cities and counties. The SJVAPCD reviews and comments on CEQA documents and permit applications sent from SJVAB public agencies. Comments from the SJVAPCD include expert advice on level of significance, applicable rules and regulations, and suggested mitigation measures.

In addition to the above mentioned items, the SJVAPCD has submitted numerous plans with respect to ozone, PM₁₀, PM_{2.5}, and CO in compliance with the FCAA and CCAA.

Thresholds of Significance

With the adoption of the *Merced Vision 2030 General Plan*, there were parameters established within by which future development projects would be reviewed and standards established for approval of projects.

The SJVAPCD has established thresholds of significance for determining environmental significance. These thresholds separate a project's short-term emission from the long-term emissions. The short-term emissions are mainly related to the construction phase of a project, which are recognized to be short in duration. The long-term emissions are primarily related to the activities that will occur indefinitely as a result of project operations.

Impacts will be evaluated both on the basis of CEQA Appendix G criteria and SJVAPCD significance criteria.

In order, the impacts to be evaluated will be those involving construction, operations emissions of criteria pollutants [Particulate Matter (PM₁₀) and reactive organic gas precursors to ozone], and cumulative air quality impacts. Because the area is non-attainment for ozone and PM₁₀, a major criterion for review is whether the project will result in a net increase of pollutants impacting ozone precursor pollutants and of PM₁₀.

Where environmental impacts are found to be significant or potentially significant, mitigation measures are identified to mitigate or avoid significant environmental effects.

In addition to the site-specific mitigation measures delineated for in the City's General Plan, the City shall be required to implement reasonable feasible management practices required by the San Joaquin Valley Air Pollution Control District, or any other federal or state air quality regulatory agency for the purpose of mitigating any significant impacts from the emission of Particulate Matter, Fine Particulate matter, Reactive Organic Gases, Nitrogen oxide, and any other criteria air pollutant or precursor emanating from implementations of the City's General Plan.

Consistent with Appendix G of the CEQA Guidelines, the proposed project is considered to have a significant impact on the environment if it will:

- Conflict with or obstruct implementation of the applicable air quality plan;
- Violate any air quality standard or contribute substantially to an existing or projected air quality violation;
- Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is nonattainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors);
- Expose sensitive receptors to substantial pollutant concentrations; or,
- Create objectionable odors affecting a substantial number of people.

Thresholds Used for Odor Evaluation

While odors are considered to be offensive and seldom cause any physical harm to people, they certainly can be unpleasant and lead to considerable amounts of anguish to the public and often leads to complaints made to the local jurisdiction from the community. Any project with the potential to expose the community to offensive odors would be considered a significant impact. The GAMAQI states that an evaluation should be conducted for both of the following situations: 1) a potential source of objectionable odors is proposed for a location near existing sensitive receptors, and 2) sensitive receptors are proposed to be located near an existing source of objectionable odors.

Thresholds Used for Sensitive Receptors

One of the criteria for significance includes potential impacts of Hazardous Air Pollutants (HAPs) on sensitive receptors. The GAMAQI, Section 3, defines a sensitive receptor as a location where human populations, especially children, seniors, and sick persons are present and where there is a reasonable expectation of continuous human exposure to pollutants. Examples of sensitive receptors include, but are not limited to: residential land uses, schools, hospitals, convalescent homes, and day care centers.

Examples of HAPs include emission of criteria or toxic air pollutants that have health effects (PM₁₀, ammonia, H₂S sulfur dioxide, etc.). Sensitive receptors would not be directly affected by emissions of regional pollutants such as ozone precursors (VOC and NO_x).

The potential for impacts to sensitive receptors can occur when a sensitive receptor is proposed near an existing source of HAPs, or when a development that is a source of HAPs is proposed near sensitive receptors, including siting a source of HAPs near an undeveloped site, but designated as a sensitive receptor land use.

Impact Analysis

The SJVAPCD has established a three-tiered approach to determining significance related to a project's quantified ozone precursor emissions. The three levels of analysis include Small Project Analysis Level (SPAL), Cursory Analysis Level (CAL), and Full-Analysis Level (FAL). The SJVAPCD pre-calculated the emissions on a large number of types of projects to identify the level at which a project would have no potential to exceed emission thresholds. This information was determined for five land use categories according to the number of vehicle trips a project type generates, and according to the sizes of various development projects. Projects

under these size thresholds qualify to complete the SPAL approach. According to the SPAL requirements, no quantification of ozone precursor emissions is needed for projects less than or equal to the size thresholds. However, if other emission factors such as toxic air contaminants, hazardous materials, asbestos, or odors are apparent, these emissions must be addressed.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
C. <u>Air Quality.</u> Would the project:				
1) Conflict with or obstruct implementation of the applicable air quality plan?			✓	
2) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?			✓	
3) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?			✓	
4) Expose sensitive receptors to substantial pollutant concentrations?			✓	
5) Create objectionable odors affecting a substantial number of people?			✓	

1) **Less Than Significant Impact**

The proposed project does not include any modifications to the building or the site. Therefore, the project would not conflict or obstruct implementation of any applicable air quality plan. This includes the 2007 PM₁₀ Maintenance Plan, the 2007 Ozone Plan, or the 2008 PM_{2.5} Plan. The project will not violate any air quality standards, result in a cumulatively considerable net increase of any criteria pollutant, or expose sensitive receptors to substantial pollutant concentrations.

The SJVAB is designated nonattainment of State and Federal health based air quality standards for ozone and PM_{2.5}. The SJVAB is designated nonattainment of state PM₁₀. To meet Federal Clean Air Act requirements, the SJVAPCD has multiple air quality attainment plan (AQAP) documents, including:

- Ozone Attainment Demonstration Plan (EOADP) for attainment of the 1-hour ozone standard (2004);
- 2007 Ozone Plan for attainment of the 8-hour ozone standard;
- 2007 PM₁₀ Maintenance Plan and Request for Re-designation; and,
- 2008 PM_{2.5} Plan.

The SJVAPCD's AQAPs account for projections of population growth and vehicle miles traveled (VMT) provided by the Council of Governments (COG) in the SJVAB and identify strategies to bring regional emission into compliance with federal and State air quality standards. Because population growth and VMT projections are the basis of the AQAPs' strategies, a project would conflict with plans if it results in more growth or vehicle miles traveled than the plans' projections. The primary way of determining if a project would result in more growth or vehicle miles traveled than in the AQAPs is to determine consistency with the applicable General Plan.

The recently adopted *Merced Vision 2030 General Plan* is the applicable General Plan. However, the population projections used in the previous General Plan (*Merced Vision 2015 General Plan*), included projects through 2035 and the projections were higher than those used in the 2030 General Plan. Therefore, it is reasonable to assume the growth was accounted for in the AQAPs calculations and this project would not create a significant impact.

Population Projections (1990 to 2035)
Excerpted from the *Merced Vision 2015 General Plan*

Year	City 2015 SUDP	Percent of County
1990	60,900	34.1%
1995	83,830	35.2%
2000	89,940	35.5%
2010	116,800	38.3%
2015	133,250	39.2%
2020	149,700	39.7%
2035	202,070	42.3%

Population Projections (2000 to 2030)
Excerpted from the *Merced Vision 2030 General Plan*

Year	City 2015 SUDP	Percent of County
2000	63,893	30.4%
2005	74,010	30.7%
2010	85,798	31.1%
2015	99,463	31.6%
2020	115,305	32.1%
2030	154,961	33.7%

2) Less Than Significant Impact With Mitigation

There are two pollutants of concern for this impact: CO and localized PM₁₀. The proposed General Plan Amendment and Zone Change would not result in localized CO hotspots or PM₁₀ impacts, as discussed below. Therefore, the proposed project would not violate an air quality standard or contribute to a violation of an air quality standard in the project area.

Localized PM₁₀

Localized PM₁₀ would be generated by project construction activities, which would include earth disturbing activities. The proposed project would comply with SJVAPCD's Regulation VII dust control requirements during construction and demolition (including Rules 8011, 8031, 8041, and 8071 as required by the demolition permit conditions). Compliance with this regulation would reduce the potential for significant localized PM₁₀ impacts to less than significant levels.

CO Hotspot

Localized high levels of CO are associated with traffic congestion and idling or slow-moving vehicles. The SJVAPCD provides screening criteria to determine when to quantify local CO concentrations based on impact to the level of service (LOS) of roadways in the project vicinity.

No emissions would be generated by the change in General Plan designation or Site Utilization Plan Revision. There are no changes to the site or to the buildings proposed with this project. However, if future construction takes place on the site, temporary construction emissions associated construction may result from site excavation, site grading, building construction, architectural coatings, and paving activities. Short-term emission of ROG, NO_x, CO, PM₁₀, and PM_{2.5} would be generated during the construction activities. Pollutant emission would vary daily, depending on the level of activity, specific operations, and prevailing weather. Operational emission associated with the proposed project could result from additional employee trips and additional customer trips.

As previously indicated, SJVAPCD requires that all construction activities comply with fugitive dust control requirements under Regulation VIII, and guidance from SJVAPCD staff indicates that implementation of a Dust Control Plan would satisfy all the requirements of SJVAPCD Regulation VIII. Pursuant to Regulation VIII, the project-specific Dust Control Plan will be required to be prepared and submitted to SJVAPCD at least 30 days prior to the start of construction.

3) Less than Significant Impact

SJVAPCD's CEQA Guidelines indicate that a violation of SJVAPCD's construction or operational thresholds of significance would result in a project level cumulative impact. The proposed change to the General Plan and Site Utilization Plan designations would not create a situation that would exceed the threshold set by SJVAPCD, therefore, the cumulative effect would be less than significant. Any changes to the existing buildings or construction of new buildings would be evaluated prior to building permit issuance or discretionary review, if required.

4) Less than Significant Impact

The proposed General Plan Amendment and Site Utilization Plan Revision, and the subsequent change of use within the existing building would not expose any sensitive receptors to substantial pollutant concentrations.

5) Less Than Significant Impact

The change in the land use designations would not create any objectionable odors. If in the future changes are proposed on the site, it could cause temporary odors resulting from diesel exhaust during construction equipment operation and truck activity. Although these emissions may be noticeable from time to time by adjacent receptors, they would be localized and are not likely to adversely affect people off-site resulting in confirmed odor complaints. Therefore, this is a less than significant

D. Biological Resources

SETTING AND DESCRIPTION

The plan area is located in the Central California Valley eco-region (Omernik 1987). This eco-region is characterized by flat, intensively farmed plains with long, hot dry summers and cool, wet winters (14-20 inches of precipitation per year). The Central California Valley eco-region includes the Sacramento Valley to the north and the San Joaquin Valley to the south and it ranges between the Sierra Nevada Foothills to the east to the Coastal Range foothills to the west. Nearly half of the eco-region is actively farmed, and about three fourths of that farmed land is irrigated.

According to the State of California, Department of Fish and Game Natural Diversity Data Base (NDDDB), the site does not include any plant and/or animal species listed as threatened or endangered by the State of California or the Federal Government. Furthermore, the biological resources evaluation, prepared as part of the *Merced Vision 2030 General Plan Program Environmental Impact Report* (EIR), does not identify the project area as containing any seasonal or non-seasonal wetland or vernal pool areas. Given the adjacent, built-up, urban land uses and major roadways, no form of unique, rare or endangered species of plant and/or animal life could be sustained on the subject site.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
D. <u>Biological Resources.</u> Would the project:				
1) Have a substantial adverse effect, either directly or through habitat modification, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?			✓	

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
2) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				✓
3) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				✓
4) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				✓
5) Conflict with any local policies or ordinance protecting biological resources, such as a tree preservation policy or ordinance?				✓
6) Conflict with the provisions of an adopted Habitat Conservation plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan				✓

1) No Impact

The proposed project would not have any direct effects on animal life by changing the diversity of species, number of species, reduce any rare or endangered species, introduce any new species, or deteriorate existing fish or wildlife habitat. Although the *Merced Vision 2030 General Plan* identifies several species of plant and animal life that exist within the City’s urban boundaries, the subject site, which is surrounded by developed urban uses, does not contain any rare or endangered species of plant or animal life.

2) No Impact

The proposed project would not have any direct effects on riparian habitat or other sensitive natural community. The City General Plan identifies Bear, Black Rascal, Cottonwood, Miles, Fahrens, and Owens Creeks within the City’s growth area. The

subject site is not located adjacent to any of these areas or any water way. Therefore, the project would have a less than significant impact on riparian habitat.

3) No Impact

The project site would not have any direct effect on wetlands as no wetlands have been identified in this area. All of the area surrounding the subject site has been modified from its original state and is developed with urban uses.

4) No Impact

The project would not have any adverse effects on any resident or migratory fish or wildlife species or with established native resident migratory wildlife corridor, or impede the use of native wildlife nursery sites.

5) No Impact

The proposed project would not conflict with local policies and/or ordinances protecting biological resources. There are no trees or other vegetation present on the site. The City's General Plan does not identify this site as being a biological resource.

6) No Impact

The proposed project would not have any effects on a habitat conservation plan. There are no adopted habitat conservation plans, Natural Conservation Community Plan, or other approved local, regional, or state habitat conservation plan for the City of Merced or Merced County.

E. Cultural Resources

SETTING AND DESCRIPTION

The City of Merced area lies within the ethnographic territory of the Yokuts people. The Yokuts were members of the Penutian language family which held all of the Central Valley, San Francisco Bay Area, and the Pacific Coast from Marin County to near Point Sur.

Merced County was first explored by Gabriel Moraga in 1806, when he named the Merced River, "El Rio de Nuestra Senra de la Merced." Moraga's explorations were designed to locate appropriate sites for an inland chain of missions. Moraga explored the region again in 1808 and 1810.

Archaeology

Archaeological sites are defined as locations containing significant levels of resources that identify human activity. Very little archaeological survey work has been conducted within the City or its surrounding areas. Creeks, drainage, and sloughs exist in the northern expansion area of the City, and Bear Creek and Cottonwood Creek pass through the developed area. Archaeological sites in the Central Valley are commonly located adjacent to waterways and represent potential for significant archaeological resources.

Paleontological sites are those that show evidence of pre-human existence. Quite frequently, they are small outcroppings visible on the earth's surface. While the surface outcroppings are important indications of paleontologic resources, it is the geologic formations that are the most

important. There are no known sectors within the project area known to contain sites of paleontologic significance.

Historic Resources

In 1985, in response to community concerns over the loss of some of the City’s historic resources, and the perceived threats to many remaining resources, a survey of historic buildings was undertaken in the City. The survey focused on pre-1941 districts, buildings, structures, and objects of historical, architectural, and cultural significance. The survey area included a roughly four square-mile area of the central portion of the City.

The National Register of Historic Places, the California Historical Landmarks List, and the California Inventory of Historic Resources identify several sites within the City of Merced. These sites are listed on the Merced Historical Site Survey and maintained by the Merced Historical Society. There are no listed historical sites on the Project site.

According to the environmental review conducted for the annexation of this area, there are no listed historical sites and no known sectors within the project area known to contain sites of paleontologic or archeological significance. However, mitigation measures were adopted to ensure proper steps are taken in the event evidence of archeological artifacts are discovered during construction.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
E. <u>Cultural Resources.</u> Would the project:				
1) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?				✓
2) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?				✓
3) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				✓
4) Disturb any human remains, including those interred outside of formal cemeteries?				✓

1) No Impact

The project would not alter or destroy any historic archaeological site, building, structure, or object, nor would it alter or affect unique ethnic cultural values or restrict religious or sacred uses.

A cultural resources records search was conducted by the Central California Information Center (CCIC) at California State University, Stanislaus as part of the City’s General Plan update. No historic resources were found at or near the project site.

2) **No Impact**

The project would not alter or destroy any prehistoric archaeological site, building, structure, or object, nor would it alter or affect unique ethnic cultural values or restrict religious or sacred uses.

A cultural resources records search was conducted by the Central California Information Center (CCIC) at California State University, Stanislaus as part of the City's General Plan update. No archeological resources were found at or near the project site.

3) **No Impact**

The project would not alter or destroy any paleontological resource, site or unique geologic feature.

A cultural resources records search was conducted by the Central California Information Center (CCIC) at California State University, Stanislaus as part of the City's General Plan update. No paleontological resources were found at or near the project site.

4) **No Impact**

The proposed project would not disturb any human remains, including those interred outside of formal cemeteries, alter or affect unique ethnic cultural values or restrict religious or sacred uses. There are no known internment facilities in the project area.

F. Geology and Soils

SETTING AND DESCRIPTION

The City of Merced is located approximately 150 miles southeast of San Francisco along the west side of the southern portion of the Great Valley Geomorphic Province, more commonly referred to as the San Joaquin Valley. The valley is a broad lowlands bounded by the Sierra Nevada to the east and Coastal Ranges to the west. The San Joaquin Valley has been filled with a thick sequence of sedimentary deposits of Jurassic to recent age. A review of the geologic map indicates that the area around Merced is primarily underlain by the Pleistocene Modesto and Riverbank Formations with Holocene alluvial deposits in the drainages. Miocene-Pliocene Mehrten and Pliocene Laguna Formation materials are present in outcrops on the east side of the SUDP/SOI. Modesto and Riverbank Formation deposits are characterized by sand and silt alluvium derived from weathering of rocks deposited east of the SUDP/SOI. The Laguna Formation is made up of consolidated gravel sand and silt alluvium and the Mehrten Formation is generally a well consolidated andesitic mudflow breccia conglomerate.

Faults and Seismicity

A fault, or a fracture in the crust of the earth along which rocks on one side have moved relative to those on the other side, are an indication of past seismic activity. It is assumed that those that have been active recently are the most likely to be active in the future, although even inactive faults may not be "dead." "Potentially Active" faults are those that have been active during the past two million years or during the Quaternary Period. "Active" faults are those that have been active within the past 11,000 years. Earthquakes originate as movement or slippage occurring along an active fault. These movements generate shock waves that result in ground shaking.

Based on review of geologic maps and reports for the area, there are no known active or potentially active faults, or Alquist-Priolo Earthquake Fault Zones (formerly referred to as a Special Studies Zone) in the SUDP/SOI. In order to determine the distance of known active faults within 50 miles of the Site, the computer program EZ-FRISK was used in the General Plan update.

Soils

According to the USDA Natural Resources Conservation Service website, the soil on the site includes Yokohl clay loam, 0 to 3 percent slopes (YbA). Soil properties can influence the development of building sites, including site selection, structural design, construction, performance after construction, and maintenance. Soil properties that affect the load-supporting capacity of an area include depth to groundwater, ponding, flooding, subsidence, shrink-swell potential, and compressibility.

The City of Merced regulates the effects of soils and geological constraints primarily through the enforcement of the California Building Code (CBC), which requires the implementation of engineering solutions for constraints to development posed by slopes, soils, and geology.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
F. <u>Geology and Soils.</u> Would the project:				
1) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
a) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?			✓	
b) Strong seismic ground shaking?			✓	
c) Seismic-related ground failure, including liquefaction?			✓	
d) Landslides?			✓	
2) Result in substantial soil erosion or loss of topsoil?			✓	
3) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse?			✓	

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
4) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?			✓	
5) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?				✓

1) Less Than Significant

The project site is not located within a mapped fault hazard zone, and there is no record or evidence of faulting on the project site (City of Merced General Plan Figure 11.1). Because no faults underlie the project site, no people or structures would be exposed to substantial adverse effects related to earthquake rupture, and no impact would result from the project.

According to the City’s *Merced Vision 2030 General Plan EIR*, the probability of soil liquefaction occurring within the City of Merced is considered to be a low to moderate hazard; however, detailed geotechnical engineering investigation required in compliance with the California Building Code (CBC) would be required for the project.

There will be no exposure to any geologic hazards in the project area.

Ground shaking of moderate severity may be expected to be experienced on the project site during a large seismic event. All building permits are reviewed to ensure compliance with the California Building Code (CBC). In addition, the City enforces the provisions of the Alquist Priolo Special Study Zones Act that limits development in areas identified as having special seismic hazards. All structures shall be designed and built in accordance with the standards of the California Building Code. Pursuant to CEQA §15162, the project will not create any impacts that warrant additional environmental documentation over and above the impacts addressed in the City’s General Plan EIR.

APPLICABLE GENERAL PLAN GOALS AND POLICIES:

The City’s *Merced Vision 2030 General Plan* contains policies that address seismic safety.

<i>Goal Area S-2: Seismic Safety:</i>	
Goal	
Reasonable Safety for City Residents from the Hazards of Earthquake and Other Geologic Activity	
Policies	
S-2.1	Restrict urban development in all areas with potential ground failure characteristics.

The project would not expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving landslides.

Landslides generally occur on slopes of 15 percent or greater. The project site's topography is generally of slopes between 0 and 3 percent, which are considered insufficient to produce hazards other than minor sliding during seismic activity.

2) Less Than Significant Impact

Changing the General Plan and Site Utilization Plan designations would not result in any soil erosion. Any future construction on the site to change the uses within the existing building would not drastically impact the site. Construction activities disturbing one or more acres are required by the State Water Resources Board (SWRCB) to obtain a General Construction Activity Stormwater Permit, which would require the proposed project to implement a Storm Water Pollution Prevention Plan (SWPPP). Project compliance with SWRCB and the City of Merced regulations to avoid erosion siltation effects reduce this impact to less than significant and no mitigation would be required.

3) Less Than Significant Impact

The City of Merced is located in the Valley area of Merced County and is therefore less likely to experience landslides than other areas in the County. The probability of soil liquefaction actually taking place anywhere in the City of Merced is considered to be a low hazard. Soil types in the area are not conducive to liquefaction because they are either too coarse or too high in clay content. According to the *Merced Vision 2030 General Plan* EIR, no significant free face failures were observed within the SUDP/SOI and the potential for lurch cracking and lateral spreading is, therefore, very low within the SUDP/SOI area.

4) Less Than Significant Impact

Expansive soils are those possessing clay particles that react to moisture changes by shrinking (when they dry) or swelling (when they become wet). Expansive soils can also consist of silty to sandy clay. The extent of shrinking and swelling is influenced by the environment, extent of wet or dry cycles, and by the amount of clay in the soil. This physical change in the soils can react unfavorably with building foundations, concrete walkways, swimming pools, roadways, and masonry walls.

If construction were to take place in the future, implementation of General Plan Policies, adherence to the Alquist-Priolo Act, and enforcement of the California Building Code (CBC) Standards would reduce this impact to less than significant.

5) No Impact

The EIR prepared for the City's *Merced Vision 2030 General Plan* states the following:

“According to the Geologic, Geohazards and Environmental Health Hazards Evaluation Report (Geocon Consultants, Inc.), the soils in the SUDP/SOI are not generally considered to be expansive, have a generally low to moderate erosion potential, and are generally considered suitable for wastewater disposal using conventional septic systems.”

This site is already developed and connected to the City's water and sewer system. No new septic systems would be allowed within the City Limits. Therefore, there would be no impact.

G. Hazards and Hazardous Materials

SETTING AND DESCRIPTION

Hazardous Materials

A substance may be considered hazardous due to a number of criteria, including toxicity, ignitability, corrosivity, or reactivity. The term "hazardous material" is defined in law as any material that, because of quantity, concentration, or physical, or chemical characteristics, poses a significant present or potential hazard to human health and safety or to the environment.

Wildland and Urban Fire Hazards

Both urban and wildland fire hazard potential exists in the City of Merced and surrounding areas, creating the potential for injury, loss of life, and property damage. Urban fires primarily involve the uncontrolled burning of residential, commercial, or industrial structures due to human activities. Wildland fires affect grassland, brush or woodlands, and any structures on or near these fires. Such fires can result from either human made or natural causes.

Urban fires comprise the majority of fires in the City of Merced while the potential for wildland fires could increase as large blocks of undeveloped land are annexed into the City. Most of the fires are caused by human activities involving motor vehicles, equipment, arson, and burning of debris.

Airport Safety

The City of Merced is impacted by the presence of two airports-Merced Regional Airport, which is in the southwest corner of the City, and Castle Airport (the former Castle Air Force Base), located approximately eight miles northwest of the subject site.

The continued operation of the Merced Regional Airport involves various hazards to both flight (physical obstructions in the airspace or land use characteristics which affect flight safety) and safety on the ground (damage due to an aircraft accident). Growth is restricted around the Regional Airport in the southwest corner of the City due to the noise and safety hazards associated with the flight path.

Castle Airport also impacts the City. Portions of the northwest part of the City's SUDP/SOI and the incorporated City are within Castle's safety zones. The primary impact is due to noise (Zones C and D), though small areas have density restrictions (Zone B2). The military discontinued operations at Castle in 1995. One important criterion for determining the various zones is the noise factor. Military aircraft are designed solely for performance, whereas civilian aircraft have extensive design features to control noise.

Potential hazards to flight include physical obstructions and other land use characteristics that can affect flight safety, which include: visual hazards such as distracting lights, glare, and sources of smoke; electronic interference with aircraft instruments or radio communications; and uses which may attract flocks of birds. In order to safeguard an airport's long-term usability, preventing encroachment of objects into the surrounding airspace is imperative.

Railroad

Hazardous materials are regularly shipped on the BNSF and SP/UP Railroad lines that pass through the City. While unlikely, an incident involving the derailment of a train could result in the spillage of cargo from the train in transporting. The spillage of hazardous materials could have devastating results. The City has little to no control over the types of materials shipped via the rail lines. There is also a safety concern for pedestrians along the tracks and vehicles utilizing at-grade crossings. The design and operation of at-grade crossings allows the City some control over rail-related hazards. Ensuring proper gate operation at the crossings is the most effective strategy to avoid collision and possible derailments.

Public Protection and Disaster Planning

Hospitals, ambulance companies, and fire districts provide medical emergency services. Considerable thought and planning have gone into efforts to improve responses to day-to-day emergencies and planning for a general disaster response capability.

The City's Emergency Plan and the County Hazardous Waste Management Plan both deal with detailed emergency response procedures under various conditions for hazardous materials spills. The City also works with the State Department of Health Services to establish cleanup plans and to monitor the cleanup of known hazardous waste sites within the City.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
G. <u>Hazards and Hazardous Materials.</u> Would the project:				
1) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			✓	
2) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			✓	
3) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?			✓	
4) Be located on a site which is included on a list of hazardous materials site compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				✓

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
5) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?				✓
6) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?				✓
7) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?			✓	
8) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?			✓	

1) Less Than Significant Impact

The proposed General Plan Amendment and Site Utilization Plan Revision would not create a hazard to the public or environment. Since the site is already developed and no changes are proposed to the site or the building there would not be any exposure to hazardous materials as a result of this project. Both federal and state laws include provisions for the safe handling of hazardous substances. All uses within the proposed building would be required to adhere to all applicable federal and state health and safety standards. Any future construction activity must also be in compliance with the California Occupational Safety and Health Administration regulations (Occupational Safety and Health Act of 1970). Compliance with these requirements would reduce the risk of hazards to the public to a less than significant level.

2) Less Than Significant Impact

The proposed General Plan Amendment and Site Utilization Plan Revision do not include an approval for construction on the site. In addition, any future construction on the project site would be reviewed for the use of hazardous materials. Implementation of Fire Department and Building Code regulations for hazardous materials, as well as implementation of federal and state requirements, would reduce any risk caused by a future use on the site from hazardous materials to a less than significant level.

APPLICABLE GENERAL PLAN GOALS AND POLICIES:

The City of Merced *Vision 2030 General Plan* contains policies that address hazardous materials.

<i>Goal Area S-7: Hazardous Materials</i>	
Goal	
Hazardous Materials Safety for City Residents	
Policies	
S-2.1	Prevent injuries and environmental contamination due to the uncontrolled release of hazardous materials.
Implementing Actions:	
7.1.a	Support Merced County in carrying out and enforcing the Merced County Hazardous Waste Management Plan.
7.1.b	Continue to update and enforce local ordinances regulating the permitted use and storage of hazardous gases, liquids, and solids.
7.1.d	Provide continuing training for hazardous materials enforcement and response personnel.

3) **Less Than Significant Impact**

There is one school located within a ¼-mile radius of the site. Merced High School is located to the northeast across Olive Avenue approximately 700 feet from the subject site (Attachment D). Hazardous materials are not expected to be at the project site after construction. However, compliance with Fire Department regulations, as well as state and federal regulations through annual inspections and permitting requirements makes this impact less than significant.

4) **No Impact**

According to the California Department of Toxic Substances Control EnviroStor database search, the project site is not listed as a hazardous waste site, and no significant hazard to the public or the environment would result with project implementation.

5) **No Impact**

The project site is located approximately 4 miles from the Merced Regional Airport and approximately 7 miles from the Castle Airport. The project site is not located in an area for which an Airport Land Use Plan has been prepared, and no public or private airfields are within two miles of the project area. Therefore, no at-risk population working at the site would be exposed to hazards due to aircraft over-flight.

6) **No Impact**

The project site is not located near any private airstrips.

7) **Less Than Significant Impact**

The proposed project will not adversely affect any adopted emergency response plan or emergency evacuation plan. No additional impacts will result from the development of

the project area over and above those already evaluated by the EIR prepared for the *Merced Vision 2030 General Plan*.

APPLICABLE GENERAL PLAN GOALS AND POLICIES:

The *Merced Vision 2030 General Plan* contains policies that address disaster preparedness.

<i>Goal Area S-1: Disaster Preparedness</i>	
Goal	
General Disaster Preparedness	
Policies	
S-1.1	Develop and maintain emergency preparedness procedures for the City.
Implementing Actions:	
1.1.a	Keep up-to-date through annual review the City’s existing Emergency Plan and coordinate with the countywide Emergency Plan.
1.1.b	Prepare route capacity studies and determine evacuation procedures and routes for different types of disasters, including means for notifying residents of a need to evacuate because of a severe hazard as soon as possible.
7.1.d	Provide continuing training for hazardous materials enforcement and response personnel.

8) Less Than Significant Impact

According to the EIR prepared for the *Merced Vision 2030 General Plan*, the risk for wildland fire in the City of Merced is minimal. According to the Cal Fire website, the Merced County Fire Hazard Severity Zone Map shows the project site is designated as a “Local Area of Responsibility” with a Hazard Classification of “Urban Unzoned.”

The City of Merced Fire Department is the responsible agency for responding to fires at the subject site. The project site is located within Fire District #3, and is served by Station #53 located at 800 Loughborough Drive (approximately 0.5 miles from the project site).

H. Hydrology and Water Quality

SETTING AND DESCRIPTION

Water Supplies and Facilities

The City’s water supply system consists of four elevated storage tanks with a combined storage capacity of approximately 1.4 million gallons, 23 wells and 14 pumping stations equipped with variable speed pumps that attempt to maintain 45 to 50 psi (pounds per square inch) nominal water pressure. The City is required to meet State Health pressure requirements, which call for a minimum of 20 psi at every service connection under the annual peak hour condition and maintenance of the annual average day demand plus fire flow, whichever is stricter.

Storm Drainage/Flooding

In accordance with the adopted City of Merced Standard Designs of Common Engineering Structures, percolation/detention basins are designed to temporarily collect run-off so that it can be metered at acceptable rates into canals and streams which have limited capacity.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
H. <u>Hydrology and Water Quality.</u> Would the project:				
1) Violate any water quality standards or waste discharge requirements?			✓	
2) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?			✓	
3) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?			✓	
4) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?			✓	
5) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?			✓	
6) Otherwise substantially degrade water quality?			✓	

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
7) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				✓
8) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?			✓	
9) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?			✓	
10) Inundation by seiche, tsunami, or mudflow?				✓

1) **Less Than Significant Impact**

The approval of the General Plan Amendment and Site Utilization Plan would not violate any water quality standards. Any future construction would be required to comply with standard construction provisions relating to water discharge and shall also be required to comply with the Draft Merced Storm Water Master Plan and the Storm Water Management Plan, reducing the impact to a less than significant level.

APPLICABLE GENERAL PLAN GOALS AND POLICIES:

The *Merced Vision 2030 General Plan* contains policies that address Water Quality and Storm Drainage.

<i>Goal Area P-5: Storm Drainage and Flood Control</i>	
Goal	
An Adequate Storm Drainage Collection and Disposal System in Merced	
Policies	
P-5.1	Provide effective storm drainage facilities for future development.
P-5.2	Integrate drainage facilities with bike paths, sidewalks, recreation facilities, agricultural activities, groundwater recharge, and landscaping.
Implementing Actions:	
5.1.a	Continue to implement the City’s Storm Water Master Plan and the Storm Water Management Plan and its control measures.
5.1.c	Continue to require all development to comply with the Storm Water Master Plan and any subsequent updates.

2) Less Than Significant Impact

The City of Merced is primarily dependent on groundwater sources that draw from the San Joaquin aquifer. The City has storage capacity of approximately 1.4 million gallons in four elevated storage tanks, 23 active well sites, and 14 pumping stations, which provide service to meet peak hour urban level conditions and the average daily demand plus fire flows.

The City of Merced has instituted significant water conservation measures in recent years in response to a prolonged drought period in California and the Central Valley. As a result, peak water production declined from its high of 38.3 million gallons per day (MPD) in 1984 to around 31.6 million gallons per day in 1994. In 2007, the amount of water consumed per day had dropped to just over 21.0 million gallons per day. This decline in peak day production has occurred despite the fact that population growth in the City has been occurring.

The proposed change in use to retail uses is estimated to use approximately 1,380 gallons of water per day. This would represent 0.006% of the estimated 2007 daily water consumption. This is equal to the consumption estimated for the current office uses, so there would be no change in the amount of water use due to the General Plan Amendment and Site Utilization Plan Revision. Although any future changes to the development on the site might restrict onsite recharge where new impervious surface areas are created, all alterations to groundwater flow would be captured and routed to the stormwater percolation ponds or pervious surfaces with no substantial net loss in recharge potential

3) Less Than Significant Impact

The General Plan Amendment and Site Utilization Plan Revision would not affect the existing drainage pattern. The existing development on the site currently allows surface water to drain into the City's existing storm drain system. Any future construction or modification of the site shall be designed to allow surface waters from the site to drain into the City's existing storm drain system as well. There is a 30-inch storm drain line in Olive Avenue (on the north side) and a 24-inch line in M Street (south of the project site). Because no changes are proposed to the site, a less than significant impact would result.

4) Less Than Significant Impact

The General Plan Amendment and Site Utilization Plan Revision would not affect the drainage pattern. Any future changes to the site would be required to drain into the City's existing storm drain system. A less than significant impact would result.

5) Less Than Significant Impact

The General Plan Amendment and Site Utilization Plan Revision would not cause additional run-off from the site. Any future changes to the site would be required to drain into the City's existing storm drain system which currently has capacity to handle the additional runoff from the site. This project is not expected to provide substantial additional sources of polluted runoff. A less than significant impact would result.

6) **Less Than Significant Impact**

The construction project will be served by the City's water system and all water runoff will be contained on site then metered out to the City's storm drain system. The construction of the project would not affect the water quality and would not degrade water quality in the area.

7) **No Impact**

The project does not include the construction of any housing on this site. Therefore, there are no impacts.

8) **Less than Significant**

The Flood Insurance Rate Map shows the project within a Zone "X," minimal flood hazard area (Attachment E). Because the project does not include any new construction or changes to the site, there would be no flood zone requirements. However, as required with all new construction, any future changes to the building and/or site would be required to comply with all requirements of the California Building Code (CBC) to ensure construction of the buildings meets the minimum requirements set forth by the CBC and the requirements of Flood Zone "X." Therefore, this is a less than significant impact.

9) **Less Than Significant Impact**

As described above, the project site is located within Flood Zone "X," which is defined as a minimal flood hazard area. The site is not located within an inundation zone for Lake Yosemite or Bear Creek. Therefore, it is unlikely that the site would be subject to flooding due to a dam or levee break. This is a less than significant impact.

10) **No Impact**

The proposed project is located approximately 100 miles from the Pacific Ocean and is distant from any large lakes, at an elevation ranging from approximately 175 feet to 180 feet above MSL. Mudslides and other forms of mass wasting occur on steep slopes in areas that contain susceptible soils or geology, typically as a result of an earthquake or high rainfall event. The project site is located on relatively flat ground. Therefore, the proposed project would not result in a significant impact related to a seiche, tsunami, or mudslides.

I. Land Use and Planning

SETTING AND DESCRIPTION

The project site is located within the City Limits of Merced and within its Specific Urban Development Plan and Sphere of Influence (SUDP/SOI).

Surrounding Uses

Refer to Page 2 of this Initial Study and the map at Attachment A for the surrounding land uses.

Current Use

The project site is approximately an approximately 0.92-acre fully developed site. There is currently an approximately 11,500-square-foot office building and 41 parking spaces. The building is currently used for Commercial Office uses.

Project Characteristics

The current project consists of a General Plan Amendment and Site Utilization Plan Revision to change the allowed uses on the site from commercial office uses to retail uses. The General Plan Amendment would change the land use designation from Commercial Office (CO) to Neighborhood Commercial (CN). The Site Utilization Plan Revision would change the site designation within Planned Development (P-D) #4 from “Financial Institution” to “Retail.” Specific uses for the site have not been identified at this time, however, all uses allowed within a Neighborhood Commercial (C-N) zone could be allowed. Refer to Attachment C for a list of allowable uses.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
I. <u>Land Use and Planning.</u> Would the project:				
1) Physically divide an established community?				✓
2) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to, the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?			✓	
3) Conflict with any applicable habitat conservation plan or natural community conservation plan?				✓

1) **No Impact**

The project site is fully developed and is surrounded by urban uses. The project would not physically divide the community.

2) **Less Than Significant**

As previously explained, the site does not currently have the appropriate General Plan and Land Use designations for retail commercial uses. However, if the requested General Plan Amendment and Site Utilization Plan Revision are approved, the site and future retail uses would be consistent with the General Plan and Site Utilization Plan designations. The requested change would not affect any plan adopted for the purpose of

mitigating an environmental effect. All environmental effects caused by this project are being evaluated in this document and appropriate mitigation measure applied to address any negative effects on the environment. Therefore this impact is less than significant.

3) **No Impact**

No Habitat Conservation Plans or Natural Community Conservation Plans have been adopted by the City of Merced. Therefore, there would be no impact.

J. Mineral Resources

SETTING AND DESCRIPTION

The City of Merced does not contain any mineral resources that require managed production, according to the State Mining and Geology Board. Based on observed site conditions and review of geological maps for the area, economic deposits of precious or base metals are not expected to underlie the Merced SUDP/SOI. According to the California Geological Survey, Aggregate Availability in California - Map Sheet 52, Updated 2006, minor aggregate production occurs west and north of the City of Merced, but economic deposits of aggregate minerals are not mined within the immediate vicinity of the SUDP/SOI. Commercial deposits of oil and gas are not known to occur within the SUDP/SOI or vicinity.

According to the Merced County General Plan Background Report (June 21, 2007), very few traditional hard rock mines exist in the County. The County’s mineral resources are almost all sand and gravel mining operations. Approximately 38 square miles of Merced County, in 10 aggregate resource areas (ARA), have been classified by the California Division of Mines and Geology for aggregate. The 10 identified resource areas contain an estimated 1.18 billion tons of concrete resources with approximately 574 million tons in Western Merced County and approximately 605 million tons in Eastern Merced County. Based on available production data and population projections, the Division of Mines and Geology estimated that 144 million tons of aggregate would be needed to satisfy the projected demand for construction aggregate in the County through the year 2049. The available supply of aggregate in Merced County substantially exceeds the current and projected demand.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
J. <u>Mineral Resources.</u> Would the project:				
1) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				✓
2) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?				✓

1) **No Impact**

Based on observed site conditions and review of geological maps for the area, economic deposits of precious or base metals are not known to occur in the Merced SUDP/SOI. Therefore implementation of the proposed project would have no impact on the availability of mineral resources or impact current or future mining operations.

2) **No Impact**

No Mineral Resource Zones or mineral resource recovery sites exist within the City of Merced or in the area designated for future expansion of the City (the SUDP/SOI). Therefore implementation of the proposed project would have no impact on the availability of mineral resources or impact current of future mining operations.

K. Noise

SETTING AND DESCRIPTION

Potential noise impacts of the proposed project can be categorized as those resulting from construction and those from operational activities. Construction noise would have a short-term effect; operational noise would continue throughout the lifetime of the project. Construction associated with the development of the project would increase noise levels temporarily during construction. Operational noise associated with the development would occur intermittently with the continued operation of the shopping center.

Some land uses are considered more sensitive to noise levels than other uses. Sensitive land uses can include residences, schools, nursing homes, hospitals, and some public facilities, such as libraries. The noise level experienced at the receptor depends on the distance between the source and the receptor, the presence or absence of noise barriers and other shielding devices, and the amount of noise attenuation (lessening) provided by the intervening terrain. For line sources such as motor or vehicular traffic, noise decreases by about 3.0 to 4.5A –weighted decibels (dBA) for every doubling of the distance from the roadway.

Noise from Other Sources

Vehicular noise along Olive Avenue and M Street would be the primary existing noise sources at the project site. Both roadways are arterial roads and carry a large volume of traffic. In addition, the site is located on the corner of a signalized intersection. Therefore, the noise generated from the traffic would be higher than if it were located on a local road. Both roadways would generate noise from traffic. The building is approximately 20 feet from the edge of M Street and approximately 35 feet from Olive Avenue. There are no changes proposed for the building or the site.

According to the *Merced Vision 2030 General Plan*, noise exposure not exceeding 65 db is considered to a “normally acceptable” noise level for commercial and professional uses. According to Table 10.2 of the General Plan, a use located 75 feet from M Street (between Bear Creek Drive and Olive Avenue) would experience a noise level of 65 db (normally acceptable). On Olive Avenue (between M Street and G Street) a use located 110 feet from the road would experience a noise level of 65 db. Based on the existing setbacks, it is likely the uses, if conducted outdoors would be above 65 db (normally acceptable). However, because of the nature of the commercial uses, most uses would be primarily indoors. This would reduce the

noise level below the level estimated by Table 10.2 and should meet the normally acceptable level of 65 db.

Short-term effects would be those related to construction. Because no construction is proposed for this project, there would be no impacts related to construction noise.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
K. Noise. Would the project result in:				
1) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?			✓	
2) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?			✓	
3) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?			✓	
4) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?			✓	
5) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				✓
6) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?				✓

1) Less Than Significant with Mitigation

Construction Noise

No construction is proposed with this project. Therefore, there would be no construction noise impacts. Future changes to the building or the site would temporarily increase noise levels in the area during the construction period. The duration of any construction would likely be 30-60 days. Therefore, the noise from construction may be steady for several weeks and then cease all together. Construction activities, including site clearing,

building construction, and paving would be considered an intermittent noise impact throughout the construction period. These activities could result in various effects on sensitive receptors, depending on the presence of intervening barriers or other insulating materials. Although construction activities would likely occur only during daytime hours, construction noise could still be considered disruptive to local residents. The City of Merced does not have a noise ordinance, but past practice has been to allow construction activities during daylight hours (between 7:00 a.m. and 7:00 p.m.).

Operational Noise

Noise from the future retail commercial uses would be primarily traffic related. In addition, there could be some noise from outdoor activities such as loading and unloading of materials and products for the stores and more frequent refuse collection. There are no residential uses adjacent to the site. The nearest residential uses would be the Park Merced assisted living facility located approximately 250 feet south of the project site. There is an existing building separating the project site and the care facility, so most noise related to the parking lot would be blocked by that building (refer to the aerial photograph at Attachment B) The project site has operated as a commercial office use for many years. There have been no problems or complaints to the City's knowledge. The difference in traffic generated by the office uses compared to the retail uses would be minimal and therefore would not produce a significant effect to the surrounding area.

2) Less Than Significant Impact with Mitigation

Refer to Item 1 above regarding construction noise.

3) Less Than Significant Impact

The ambient noise level will increase due to the project as described in Item 1 above. However, it is not expected to increase to a level of significance.

4) Less Than Significant Impact

There are no changes proposed with the General Plan Amendment and Site Utilization Plan revision. However, any future construction on the site might cause temporary and periodic increases in the ambient noise level. The operation of the proposed project will cause a slight increase in the ambient noise level. Because the construction noise will only be temporary and the increase in noise generated from the site is minimal, the impacts are less than significant.

5) No Impact

The project is not located within an airport land use plan. Therefore, there will be no impact.

6) No Impact

The project is not located within the vicinity of a private airstrip. Therefore, there is no impact.

L. Population and Housing

SETTING AND DESCRIPTION

The implementation of the proposed project would not result in any new construction, but just the continued operation of an approximately 11,500-square-foot commercial building. No housing is proposed with this project. The project site is surrounded by urban uses.

Expected Population and Employment Growth

According to the State Department of Finance, the City of Merced’s population in 2014 was estimated to be 81,130. Population projections estimate that the Merced SUDP area will have a population of 159,900 by the Year 2030.

According to the *Merced Vision 2030 General Plan*, the City of Merced is expected to experience significant employment growth by the Year 2030.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
L. <u>Population and Housing.</u> Would the project:				
1) Induce substantial population growth in an area either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?			✓	
2) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				✓
3) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				✓

1) Less Than Significant Impact

Because this project does not propose to add new building space within the City, but is a change in use of an existing building, it is unlikely that a substantial population growth would result due to this project. There may be a slight increase in the number of jobs created by the uses on the site, but it is doubtful that future employees would need to relocate to Merced. Therefore, this is a less than significant impact.

2) No Impact

There are no homes on the site, therefore, there is no impact.

3) No Impact

There are no homes on the site, therefore, there is no impact.

M. Public Services

SETTING AND DESCRIPTION

Fire Protection

The City of Merced Fire Department provides fire protection, rescue, and emergency medical services from five fire stations throughout the urban area. The City's Central Fire Station is located in the downtown area at 16th and G Streets. The City also has four other stations throughout the City. Station #53, located at 800 Loughborough Drive would serve the project site.

Police Protection

The City of Merced Police Department provides police protection for the entire City. The Police Department employs a mixture of sworn officers, non-sworn officer positions (clerical, etc.), and unpaid volunteers (VIP's). The service standard used for planning future police facilities is approximately 1.37 sworn officers per 1,000 population, per the Public Facilities Financing Plan.

Schools

The public school system in Merced is served by three districts: 1) Merced City School District (elementary and middle schools); 2) Merced Union High School District (MUHSD); and, 3) Weaver Union School District (serving a small area in the southeastern part of the City with elementary schools). The districts include various elementary schools, middle (junior high) schools, and high schools. The Project site falls within the Merced City School District and Merced Union High School District (MUHSD).

As the City grows, new schools will need to be built to serve our growing population. According to the Development Fee Justification Study for the MUHSD, Merced City Schools students are generated by new multi-family development at the following rate:

Student Generation Rates

Commercial/Industrial Category	Elementary (K-8) (Students per 1,000 sq.ft.)	High School (9-12) (Students per 1,000 sq.ft.)
Retail	0.13	0.038
Restaurants	0.00	0.157
Offices	0.28	0.048
Services	0.06	0.022
Wholesale/Warehouse	0.19	0.016
Industrial	0.30	0.147

Based on the table above, the proposed change in use from office to retail would result in a reduction of the number of students expected to be generated. For Elementary Schools (K-8) the number of students would be reduced from 3.22 students for offices to 1.50 students for retail. For High School, the number of students would be reduced from 0.55 students to 0.44 students respectively.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
M. <u>Public Services.</u> Would the project:				
1) Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the following public services:				
a) Fire Protection?			✓	
b) Police Protection?			✓	
c) Schools?			✓	
d) Parks?			✓	
e) Other Public Facilities?			✓	

1) **Less Than Significant**

a) Fire Protection

The project site is located within Fire District #3 and would be served by Fire Station #53, located at 800 Loughborough Drive. The response from this station would meet the desired response time of 4 to 6 minutes, citywide, 90 percent of the time, within the financial constraints of the City. The proposed change in land use designation would not affect the fire protection. Any future changes to the building or site would be required to meet all requirements of the California Fire Code and the Merced Municipal Code. Compliance with these requirements would reduce any future impacts to a less than significant level.

b) Police Protection

Because the site is already developed it is currently served by the City Police Department. The proposed change in use from offices to retail could result in more calls to the site. As a result, at the time a building permit is issued to change any use within the building from an office use to a retail use, the developer would be required to pay Public Facility Impact Fees (PFIF). The developer would be assessed the difference between the retail rate and the office rate and would only be required to pay the difference in the two rates based on the size of the area being converted.

c) Schools

Based on the table provided in the “Settings and Description” section above, the proposed project would not generate any additional students to the school system. However, if additional square footage is added to the site, the developer would be required to pay all fees due under the Leroy F. Greene School Facilities Act of 1988. Once these fees are paid, the satisfaction of the developer of his statutory fee under California Government Code §65995 is deemed “full and complete mitigation” of school impacts.

d) Parks

The proposed change in use would not trigger the need to construct a new park in the area. Payment of the fees required under the Public Facilities Financing Program (PFIF) as described above would be required at time of building permit issuance to help fund future parks and maintenance of existing parks.

e) Other Public Facilities

The development of the project will impact the maintenance of public facilities and could generate impacts to other governmental services. Payment of the fees required under the Public Facilities Financing Program (PFIF) as described above would mitigate these impacts to a less than significant level.

N. Recreation

SETTING AND DESCRIPTION

The City of Merced has a well-developed network of parks and recreation facilities.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
N. <u>Recreation.</u> Would the project:				
1) Increase the use of neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?			✓	
2) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				✓

1) Less the Significant Impact

Approval of the General Plan Amendment and Site Utilization Plan Revision would not increase the use of neighborhood or regional parks or other recreational facilities. However, development fees would be collected as described in Item M above at the time

of building permit issuance for any building space converted from an office use to a retail use.

2) **No Impact**

The project is not responsible for the construction or expansion of any recreational facilities.

O. Transportation/Traffic

SETTING AND DESCRIPTION

The project site is located at the southeast corner of Olive Avenue and M Street. Both streets are designated as Collector roads. The site shares a driveway on Olive Avenue with the parcel to the east. Although the driveway on M Street is located on the subject site, it also provides access to the parcels to the east and south.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
O. <u>Transportation/Traffic.</u> Would the project:				
1) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e. result in a substantial increase in either vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?			✓	
2) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roadways?			✓	
3) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?			✓	
4) Substantially increase hazards due to a design feature (e.g. sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?			✓	
5) Result in inadequate emergency access?			✓	

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
6) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g. bus turnouts, bicycle racks)?			✓	

1) **Less Than Significant Impact**

The act of changing the General Plan Amendment and Site Utilization Plan Revision would not affect the traffic to the site. However, the future change in the types of tenants that would locate at this site could increase traffic. The following information is provided based on the future tenants being typical general retail uses.

Trip Generation:

The Institute of Transportation Engineers (ITE) Trip Genera Manual (8th Edition) is used to estimate the number of trips generated by a particular use. However, not all specific uses are identified in the manual. Because specific tenants have not been identified, it is difficult to predict traffic generation for this project. It is likely that at least two tenants would share the building, but given the relatively small size of the building (11,500 s.f.), it does not meet the definition provided by the ITE Manual of a specialty retail center. The use that most closely matches possible future tenants and provides a good average for the variety of uses that could be allowed would be that of a Department Store. The table below provides trip generation information based on an 11,500-square-foot department store and a comparison of the trips generated by the retail use verses the trips generated by the existing office uses. The Average Daily Trips for both uses is based on the rate per 1,000 square feet of floor area. The Peak Hour Trips (PHT's) is also based on the rate for one hour between 4 and 6 p.m. per 1,000 square feet of floor area.

Use	ADT Rate/ 1,000 s.f.	Total ADT	PHT Rate*/ 1,000 s.f.	Total PHT
Department Store	22.88	263.12	1.78	20.47
General Office	11.01	126.62	1.49	17.14

*Peak Hour Rate – One hour between 4 and 6 P.M.

As shown above, the retail uses would increase the Average Daily Trips by slightly more than double the general office rate. According to the *Merced Vision 2030 General Plan*, Olive Avenue between M Street and G Street currently has a volume 28,210 ADT's and M Street between Bear Creek and Olive Avenue currently has a volume of 21,140 ADT's. The traffic generated by the retail uses would be equal to 0.9% of the total traffic volume for Olive Avenue between M and G Streets. On M Street between Bear Creek and Olive Avenue, the retail uses would be equal to 1.2% of the total traffic volume. By comparison the general office uses represent 0.5 % of the traffic volume on Olive Avenue and 0.6% of the traffic volume on M Street. The overall traffic volume estimated for the retail uses is less than a significant increase compared to the existing trips generated by the office uses. The proposed change in future tenants would not reduce the current level

of service for Olive or M Street below their existing level of C+. Therefore, this is a less than significant impact.

2) **Less Than Significant Impact**

As described above, the change in land use designations would not result in a decrease in the level of service of the roadways adjacent to the site. This is a less than significant impact.

3) **Less Than Significant**

The project will not result in any changes to air traffic patterns. The project site is not located within an airport use zone or in the vicinity of a private airstrip.

4) **Less Than Significant**

The project will not increase hazards due to a design feature or incompatible uses. The roadway design surrounding the project was adopted with the City's General Plan. No changes to the roadway design are being considered with this project.

5) **Less Than Significant**

The project site is located at the southeast corner of M Street and Olive Avenue. No changes are proposed to the access of the site. A driveway is located on M Street and another on Olive Avenue. The site could also be accessed from College Green Drive and another shared driveway south of the site near Park Merced Senior Living Center. These access points provide sufficient emergency access. This impact is less than significant.

6) **Less Than Significant**

The project will not conflict with any policies, plans, or programs supporting alternative transportation.

P. Utilities and Service Systems

SETTING AND DESCRIPTION

Water

The City's water system is composed of 23 groundwater production wells located throughout the City, approximately 350 miles of main lines, and 4 water tower tanks for storage. Well pump operators ensure reliability and adequate system pressure at all times to satisfy customer demand. Diesel powered generators help maintain uninterrupted operations during power outage. The City of Merced water system delivered more than 24 million gallons of drinking water per day in 2013 to approximately 20,733 residential, commercial, and industrial customer locations. The City is required to meet State Health pressure requirements, which call for a minimum of 20 psi at every service connection under the annual peak hour condition and maintenance of the annual average day demand plus fire flow, whichever is stricter. The City of Merced Water Division is operated by the Public Works Department.

The City of Merced's wells have an average depth of 414 feet and range in depth from 161 feet to 800 feet. The depth of these wells would suggest that the City of Merced is primarily drawing water from a deep aquifer associated with the Mehrten geologic formation. Increasing urban demand and associated population growth, along with an increased shift by agricultural users

from surface water to groundwater and prolonged drought have resulted in declining groundwater levels due to overdraft. This condition was recognized by the City of Merced and the Merced Irrigation District (MID) in 1993, at which time the two entities began a two-year planning process to assure a safe and reliable water supply for Eastern Merced County through the year 2030. Integrated Regional Water Planning continues today through various efforts.

Wastewater

Wastewater (sanitary sewer) collection and treatment in the Merced urban area is provided by the City of Merced. The wastewater collection system handles wastewater generated by residential, commercial, and industrial uses in the City.

The City Wastewater Treatment Plant (WWTP), located in the southwest part of the City about two miles south of the airport, has been periodically expanded and upgraded to meet the needs of the City's growing population and new industry. The City's wastewater treatment facility has a capacity of 11.5 million gallons per day (mgd), with an average 2006 flow of 8.5 mgd. The City has recently completed an expansion project to increase capacity to 12 mgd and upgrade to tertiary treatment with the addition of filtration and ultraviolet disinfection. Future improvements would add another 8 mgd in capacity (in increments of 4 mgd), for a total of 20 mgd. This design capacity can support a population of approximately 174,000. The collection system will also need to be expanded as development occurs.

Treated effluent is disposed of in several ways depending on the time of year. Most of the treated effluent (75% average) is discharged to Hartley Slough throughout the year. The remaining treated effluent is delivered to a land application area and the on-site City-owned wetland area south of the treatment plant.

Storm Drainage

The Draft *City of Merced Storm Drainage Master Plan* addresses the collection and disposal of surface water runoff in the City's SUDP. The study addresses both the collection and disposal of storm water. Systems of storm drain pipes and catch basins are laid out, sized, and costed in the plan to serve present and projected urban land uses.

It is the responsibility of the developer to ensure that utilities, including storm water and drainage facilities, are installed in compliance with City regulations and other applicable regulations. Necessary arrangements with the utility companies or other agencies will be made for such installation, according to the specifications of the governing agency and the City (Ord. 1342 § 2 (part), 1980: prior code § 25.21(f)). The City requires the construction of storm water percolation/detention basins with new development. Percolation basins are designed to collect storm water and filter it before it is absorbed into the soil and reaches groundwater tables. Detention basins are designed to temporarily collect runoff so it can be metered at acceptable rates into canals and streams which have limited capacity. The disposal system is mainly composed of MID facilities, including water distribution canals and laterals, drains, and natural channels that traverse the area.

The City of Merced has been involved in developing a Storm Water Management Plan (SWMP) to fulfill requirements of storm water discharges from Small Municipal Separate Storm Sewer System (MS4) operators in accordance with Section 402(p) of the Federal Clean Water Act (CWA). The SWMP was developed to also comply with General Permit Number CAS000004, Water Quality Order No. 2003-0005-DWQ.

Solid Waste

The City of Merced is served by the Highway 59 Landfill and the Highway 59 Compost Facility, located at 6040 North Highway 59, one and one-half miles north of Old Lake Road. The County of Merced is the contracting agency for landfill operations and maintenance, while the facilities are owned by the Merced County Association of Governments. The City of Merced provides services for all refuse pick-up within the City limits and franchise hauling companies collect in the unincorporated areas. In addition to these two landfill sites, there is one private disposal facility, the Flintkote County Disposal Site, at SR 59 and the Merced River. This site is restricted to concrete and earth material.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
P. <u>Utilities and Service Systems.</u> Would the project:				
1) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?			✓	
2) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?			✓	
3) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?			✓	
4) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?			✓	
5) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?			✓	
6) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?			✓	

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
7) Comply with federal, state, and local statutes and regulations related to solid waste?			✓	

1) Less Than Significant Impact

The proposed General Plan and Site Utilization Plan Revision would not affect the City’s utilities. The existing building is served by the City’s wastewater treatment plant which was recently upgraded to increase the capacity to 12 mgd. Future improvements planned from the facility will add another 8 mgd in capacity for a total of 20 mgd. This capacity is sufficient for serving this project and other future developments within the City of Merced.

2) Less Than Significant Impact

There would be no impact on the City’s water and sewer systems due to the General Plan Amendment and Site Utilization Plan Revision. The change of use from commercial office to retail would not increase the amount of water used per day. The City’s current water system is capable of handling this increase as is the City’s wastewater treatment plant. No additional facilities are required.

3) Less Than Significant Impact

Storm water from the development site is currently drained into the City’s storm water system. The site would continue to direct all storm water to the City’s storm drain system. Because there are no changes proposed to the site, there would be no change in the storm water generated from this site. The City’s current storm drain system is sufficient to serve this development. No new facilities or expansions of existing facilities are needed.

4) Less Than Significant Impact

As explained above, no new water facilities are needed for this project. The existing water system is sufficient to serve the development.

5) Less Than Significant Impact

Refer to item 2 above.

6) Less Than Significant Impact

The City of Merced uses the Highway 59 landfill. Sufficient capacity is available to serve the future shopping center. According to the *Merced Vision 2030* General Plan DEIR, the landfill has capacity to serve the City through 2030.

7) Less Than Significant Impact

All construction on the site would be required to comply with all local, state, and federal regulations regarding solid waste, including recycling.

Q. Mandatory Findings of Significance

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Q. <u>Mandatory Findings of Significance.</u> Would the project:				
1) Have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?			✓	
2) Have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probably future projects?)			✓	
3) Have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?			✓	

1) Less Than Significant Impact

As previously discussed in this document, the project does not have the potential to adversely affect biological resources or cultural resources because such resources are lacking on the project site, and any potential impacts would be avoided with implementation of the mitigation measures and other applicable codes identified in this report. Also, the project would not significantly change the existing urban setting of the project area. Thus, this impact would be less than significant.

2) Less Than Significant Impact

The Program Environmental Impact Report conducted for the *Merced Vision 2030 General Plan, the General Plan Program EIR* (SCH# 2008071069) has recognized that future development and build-out of the SUDP/SOI will result in cumulative and unavoidable impacts in the areas of Air Quality and Loss of Agricultural Soils. In conjunction with this conclusion, the City has adopted a Statement of Overriding

Considerations for these impacts (Resolution #2011-63) which is herein incorporated by reference.

The certified General Plan EIR addressed and analyzed cumulative impacts resulting from changing agricultural use to urban uses. No new or unaddressed cumulative impacts will result from the Project that have not previously been considered by the certified General Plan EIR or by the Statement of Overriding Considerations, or mitigated by this Expanded Initial Study. This Initial Study does not disclose any new and/or feasible mitigation measures which would lessen the unavoidable and significant cumulative impacts.

The analysis of impacts associated with the development of the proposed change will contribute to the cumulative impacts identified in the General Plan EIR. The nature and extent of these impacts, however, falls within the parameters of impacts previously analyzed in the General Plan EIR. No individual or cumulative impacts will be created by the Project that have not previously been considered at the program level by the General Plan EIR or mitigated by this Initial Study.

3) **Less Than Significant Impact**

Development anticipated by the *Merced Vision 2030 General Plan* will have significant adverse effects on human beings. These include the incremental degradation of air quality in the San Joaquin Basin, the loss of prime agricultural soils, the incremental increase in traffic, and the increased demand on natural resources, public services, and facilities. However, consistent with the provisions of CEQA previously identified, the analysis of the Project is limited to those impacts which are peculiar to the Project site or which were not previously identified as significant effects in the prior EIR. The previously-certified General Plan EIR and the Statement of Overriding Considerations addressed those cumulative impacts; hence, there is no requirement to address them again as part of this Project.

This previous EIR has concluded that these significant adverse impacts are accounted for in the mitigation measures incorporated into the General Plan EIR. In addition, a Statement of Overriding Considerations has been adopted by City Council Resolution #2011-63 that indicates that the significant impacts associated with development of the Project are offset by the benefits that will be realized in providing necessary jobs for residents of the City. The analysis and mitigation of impacts has been detailed in the Environmental Impact Report prepared for the *Merced Vision 2030 General Plan*, which are incorporated into this document by reference.

While this issue was addressed and resolved with the General Plan EIR in an abundance of caution, in order to fulfill CEQA's mandate to fully disclose potential environmental consequences of projects, this analysis is considered herein. However, as a full disclosure document, this issue is repeated in abbreviated form for purposes of disclosure, even though it was resolved as a part of the General Plan.

Potential impacts associated with the Project's development have been described in this Initial Study. All impacts were determined to be less than significant.

R. Greenhouse Gas Emissions

SETTING AND DESCRIPTION

The issue of project-generated Greenhouse Gas (GHG) Emissions is a reflection of the larger concern of Global Climate Change. While GHG emissions can be evaluated on a project level, overall, the issue reflects a more regional or global concern. CEQA requires all projects to discuss a project’s GHG contributions. However, from the standpoint of CEQA, GHG impacts on global climate change are inherently cumulative. The quantity of GHGs that it takes to ultimately result in climate change is not precisely known; however, it can safely be assumed that existing conditions do not measurably contribute to a noticeable incremental change in the global climate.

THRESHOLDS OF SIGNIFICANCE

The proposed project would result in a significant impact on the environment if it would:

- Generate GHG emissions either directly or indirectly, that may have a significant impact on the environment;
- Conflict with any applicable plan, policy, or regulation of an agency adopted for the purpose of reducing the emissions of GHGs.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
R. <u>Greenhouse Gas Emissions.</u> Would the project:				
1) Generate greenhouse gas emission, either directly or indirectly, that may have a significant impact on the environment?			✓	
2) Conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases?			✓	

1) Less Than Significant Impact

The proposed General Plan Amendment and Site Utilization Plan Revision would not result in immediate construction of a project, and will therefore, not generate greenhouse gas emissions, either directly or indirectly. Future construction on the site could be subject to further environmental review.

2) Less Than Significant Impact

The proposed General Plan Amendment and Site Utilization Plan Revision would not conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases.

S. Environmental Determination

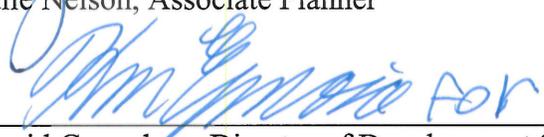
On the basis of this initial environmental evaluation:

I find that the project could have a significant effect on the environment, and that
X a NEGATIVE DECLARATION HAS BEEN PREPARED for public review.

May 25, 2015



Julie Nelson, Associate Planner



David Gonzalves, Director of Development Services
Environmental Coordinator
City of Merced

Distributed for Public Review: May 28, 2015

Attachments:

- A) Location Map
- B) Aerial Photo
- C) Uses allowed in C-N zone
- D) School within ¼ mile radius
- E) Flood Map
- F) Public Hearing Notice
- G) Public Hearing Notice Map

GPA #15-02/SUP Rev. #18 to P-D #4
3080 M St.
Change from CO to CN

FAIRFIELD

COLLINS

El Pollo
Loco

Jack in the
Box

Pizza Hut

OLIVE

COLLEGE GREEN

Social Security
Administration

Subject
Site

Starbuck's

Offices

Offices

M

OLIVEWOOD

Park Merced
Senior Living



ATTACHMENT A

OLIVE

Subject Site

ATTACHMENT B



Uses Permitted within a Neighborhood Commercial Designation

Permitted uses.

The following principal permitted uses are:

- A. Any local retail business or service establishment, such as but not limited to a grocery store, bake shop, drug store, barber and beauty shop, clothes cleaning and laundry pickup station, business or professional office, financial institutions, supplying commodities or performing services for residents of the neighborhood;
- B. Restaurant, cafe, and soda fountain, not including entertainment or dancing, or sale of liquor, beer and other alcoholic beverages by the glass, or for consumption on the premises;
- C. Commercial parking lots for passenger vehicles;
- D. Any other retail business or service establishment which is determined by the commission to be of the same general character as the above permitted retail business or service uses.
- E. Beauty salons, barber shops, licensed massage establishments, tanning salons, and nail salons.

Accessory uses.

The following are accessory uses:

Accessory buildings and uses customarily appurtenant to a permitted use, such as an incidental storage facility, garage, or off-street parking area.

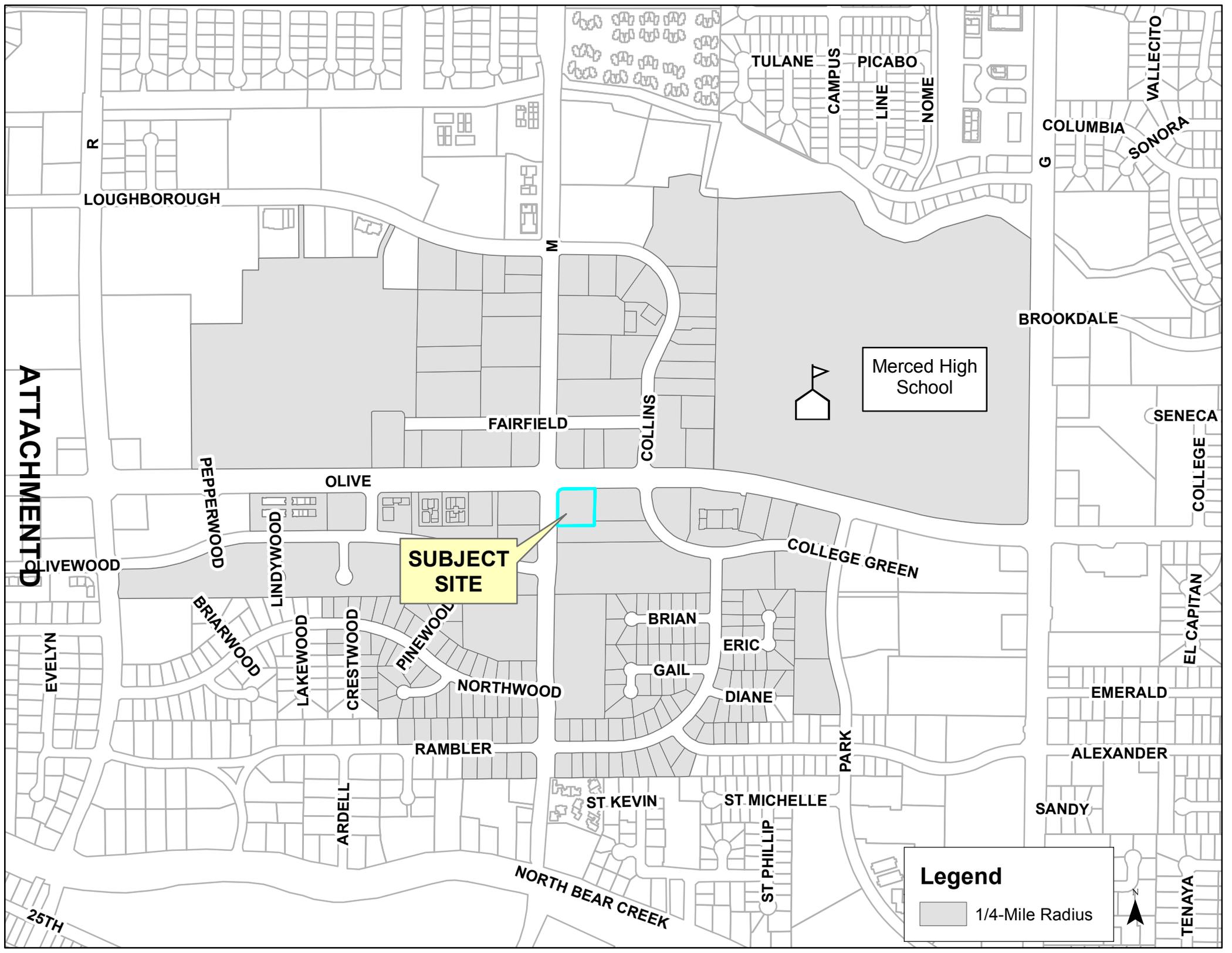
Conditional uses.

The conditional uses are:

- A. Public and quasi-public uses appropriate to the C-N district;
- B. Auto service station;
- C. Sidewalk cafe;
- D. Social hall, lodge, fraternal organizations and clubs;
- E. Public utility uses, substations, and communication equipment buildings;
- F. Time and Temperature Signs. These signs are exempt from the provisions of Section 20.22.040, and only the words "time" and "temperature," or an abbreviation thereof, and the electrically controlled figures indicating the

time and temperature shall be permitted thereon, and the area of the sign shall not exceed twenty-four (24) square feet per face;

- G. Drive-in restaurant;
- H. Residential uses appropriate to R-1, R-2, R-3, or R-4 districts, subject to all restrictions and requirements of the residential zone that coincides with the density permitted;
- I. Theater;
- J. Restaurant or cafe, which includes the sale of liquor, beer, or other alcoholic beverages by the glass, or for consumption on the premises;
- K. Carwash;
- L. Convenience market with gasoline sales;
- M. Fast-food restaurants;
- N. Supermarket, super grocery store;
- O. Church;
- P. Shopping center;
- Q. Day care facilities for more than twelve (12) children;
- R. Day care facilities for the elderly of twelve (12) or fewer persons;
- S. Retail business of twenty thousand (20,000) square feet or less selling alcoholic beverages for off-site consumption;
- T. Tattoo parlors.



ATTACHMENT D

SUBJECT SITE

Merced High School

Legend

1/4-Mile Radius



R

LOUGHBOROUGH

M

FAIRFIELD

COLLINS

OLIVE

PEPPERWOOD

LINDYWOOD

LIVELWOOD

BRIARWOOD

EVELYN

LAKWOOD

CRESTWOOD

PINEWOOD

NORTHWOOD

RAMBLER

ARDELL

NORTH BEAR CREEK

25TH

TULANE

CAMPUS

PICABO

LINE

NOME

COLUMBIA

SONORA

VALLECITO

BROOKDALE

SENECA

COLLEGE

COLLEGE GREEN

BRIAN

ERIC

GAIL

DIANE

EL CAPITAN

EMERALD

ALEXANDER

SANDY

ST KEVIN

ST MICHELLE

ST PHILLIP

TENAYA

Details | Basemap

Share Print Measure

3080 M St, Merced, California, USA



Legend

NFHL (click to expand)

FIRM Panels



Cross-Sections



Flood Hazard Boundaries

Other Boundaries

Limit Lines

SFHA / Flood Zone Boundary

Flood Hazard Zones

1% Annual Chance Flood Hazard

Regulatory Floodway

Special Floodway

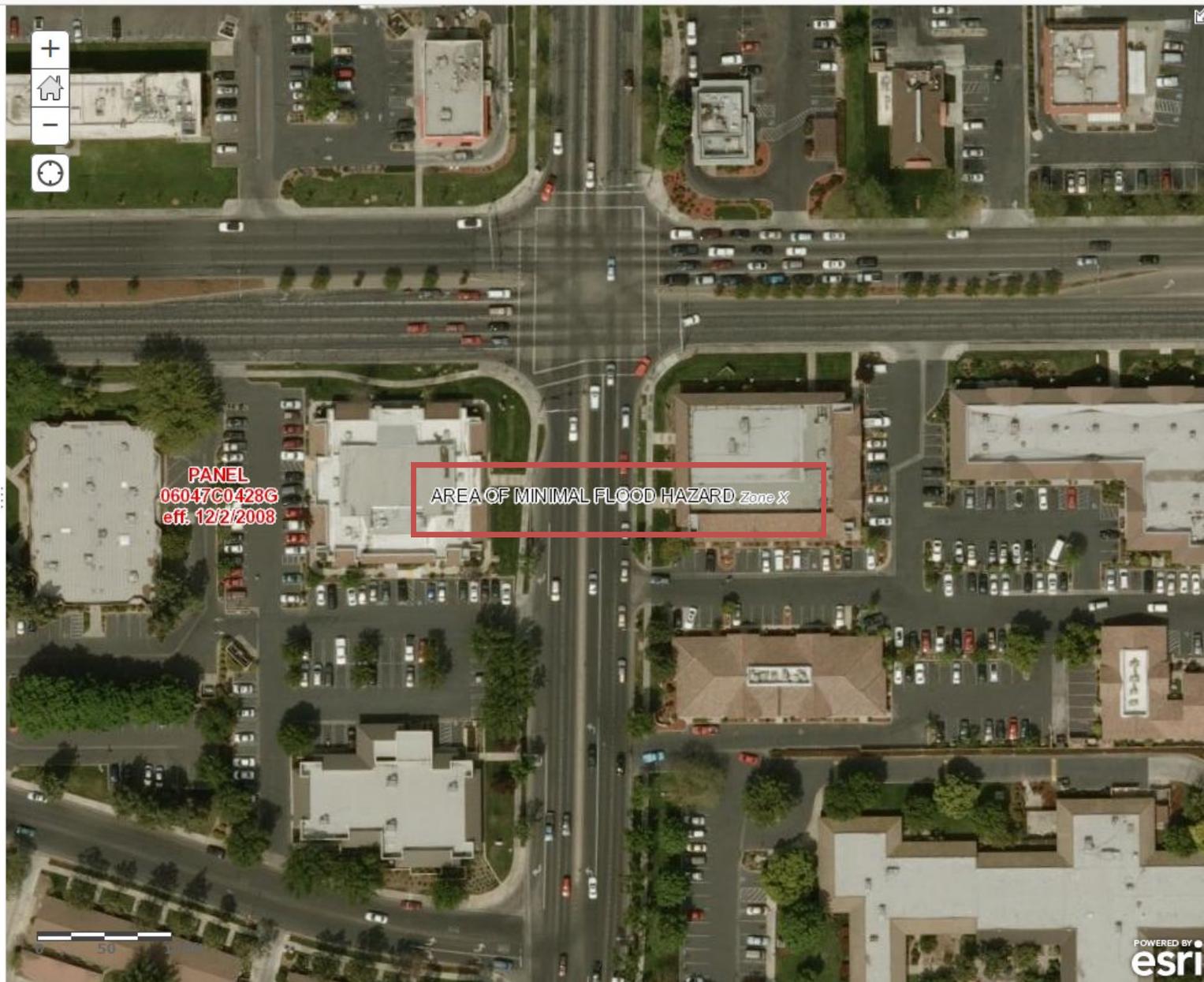
Area of Undetermined Flood Hazard

0.2% Annual Chance Flood Hazard

Future Conditions 1% Annual Chance Flood Hazard

Area with Reduced Risk Due to Levee

ATTACHMENT E



NOTICE OF PUBLIC HEARING
FOR GENERAL PLAN AMENDMENT #15-02, SITE UTILIZATION PLAN REVISION #18 TO
PLANNED DEVELOPMENT (P-D) #4, AND NOTICE OF INTENT TO ADOPT A NEGATIVE
DECLARATION

A public hearing will be held by the Merced City Planning Commission on Wednesday, June 17, 2015, at 7:00 p.m., or as soon thereafter as may be heard in the City Council Chambers located at 678 W. 18th Street, Merced, CA, concerning General Plan Amendment #15-02 and Site Utilization Plan Revision #18 to Planned Development (P-D) #4, initiated by Shemoil Moradzadeh, property owner. This application is a request to change the General Plan designation from Commercial Office (CO) to Neighborhood Commercial (CN) and to change the Site Utilization Plan designation from "Financial Institution" to "Retail" for an approximately 0.92 acre parcel located at the southeast corner of M Street and Olive Avenue. The property is more particularly described as Parcel 1 as shown on the Parcel Map entitled "Parcel Map for Gibraltar Savings and Loan Assoc.," recorded in Book 19 at Page 40 of Merced County Records; also known as Assessor's Parcel Number (APN): 007-250-020.

An environmental review checklist has been filed for this project, and a draft negative declaration has been prepared under the California Environmental Quality Act. A copy of this staff evaluation (Initial Study #15-09) is available for public inspection at the City of Merced Planning Department during regular business hours, at 678 West 18th Street, Merced, California. A copy of this document can also be purchased at the Planning Department for the price of reproduction.

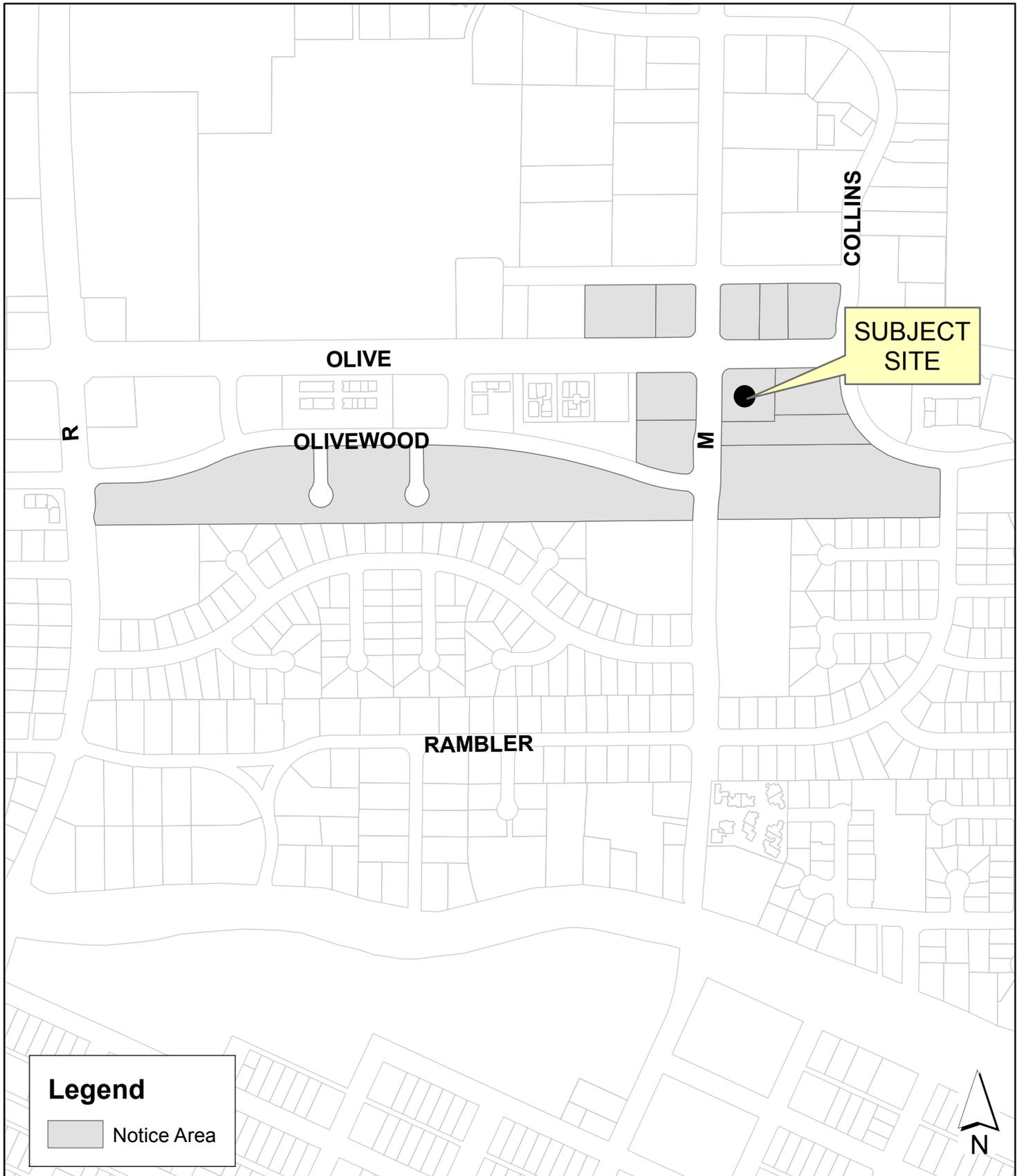
All persons in favor of, opposed to, or in any manner interested in this request for a General Plan Amendment and Site Utilization Plan Revision are invited to attend this public hearing or forward written comments to the Director of Development Services, City of Merced, 678 West 18th Street, Merced, CA 95340. The public review period for the environmental determination begins on May 28, 2015, and ends on June 17, 2015. Please feel free to call the Planning Department at (209) 385-6858 for additional information. If you challenge the decision of the Planning Commission in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Merced at, or prior to, the public hearing.

After the Planning Commission makes its decision on this matter, the General Plan Amendment and Revision to the Site Utilization Plan will also be considered at a public hearing before the City Council. A separate notice of that public hearing will also be given.

May 28, 2015

/s/ Kim Espinosa

Kim Espinosa, Planning
Manager



Legend

 Notice Area



Disclaimer: This document was prepared for general inquiries only. The City of Merced makes no warranty, representation, or guarantee regarding the accuracy of this map. The City of Merced is not responsible for errors or omissions that might occur. Official information regarding specific parcels should be obtained from official recorded or adopted City documents.

**General Plan Amendment #15-02 &
Site Utilization Plan Revision #18 to
Planned Development (PD) #4
ATTACHMENT G**



CITY OF MERCED
Planning Commission

Resolution # _____

WHEREAS, the Merced City Planning Commission at its regular meeting of June 17, 2015, held a public hearing and considered **General Plan Amendment #15-02 and Site Utilization Plan Revision #18 to Planned Development (P-D) #4**, initiated by Shemoil Moradzadeh, property owner. This application is a request to change the General Plan designation from Commercial Office (CO) to Neighborhood Commercial (CN) and to change the Site Utilization Plan designation from “Financial Institution” to “Retail” for an approximately 0.92 acre parcel located at the southeast corner of M Street and Olive Avenue; also known as Assessor’s Parcel No. 007-250-020; and,

WHEREAS, the Merced City Planning Commission concurs with Findings A through J of Staff Report #15-13; and,

NOW THEREFORE, after reviewing the City’s Initial Study and Draft Environmental Determination, and fully discussing all the issues, the Merced City Planning Commission does resolve to hereby recommend to City Council adoption of a Negative Declaration regarding Environmental Review #15-09, and approval of General Plan Amendment #15-02 and Site Utilization Plan Revision #18 to Planned Development (P-D) #4, subject to the Conditions set forth in Exhibit A attached hereto and incorporated herein by this reference.

Upon motion by Commissioner _____, seconded by Commissioner _____, and carried by the following vote:

AYES: Commissioner(s)

NOES: Commissioner(s)

ABSENT: Commissioner(s)

ABSTAIN: Commissioner(s)

ATTACHMENT H

PLANNING COMMISSION RESOLUTION # _____

Page 2

June 17, 2015

Adopted this 17th day of June 2015

Chairperson, Planning Commission of
the City of Merced, California

ATTEST:

Secretary

Attachment:

Exhibit A – Conditions of Approval

n:shared:planning:PC Resolutions:GPA#15-02-SUP REV #18 TO PD#4 Shemoil Moradzadeh M St & Olive

Conditions of Approval
Planning Commission Resolution #_____
General Plan Amendment #15-02
Site Utilization Plan Revision #18 to P-D #4

1. The General Plan Land Use Map and the Site Utilization Plan Map for Planned Development (P-D) #4 shall be changed as shown on Exhibit 1 (map of changes) -- Attachment B of Staff Report #15-13.
2. The proposed project shall comply with all standard Municipal Code and Subdivision Map Act requirements as applied by the City Engineering Department.
3. All other applicable codes, ordinances, policies, etc., adopted by the City of Merced shall apply.
4. Approval of the General Plan Amendment and Site Utilization Plan Revision is subject to the applicants entering into a written (developer) agreement that they agree to all the conditions and shall pay all City and school district fees, taxes, and/or assessments, in effect on the date of any subsequent subdivision and/or permit approval, any increase in those fees, taxes, or assessments, and any new fees, taxes, or assessments, which are in effect at the time the building permits are issued, which may include public facilities impact fees, a regional traffic impact fee, Mello-Roos taxes—whether for infrastructure, services, or any other activity or project authorized by the Mello-Roos law, etc. Payment shall be made for each phase at the time of building permit issuance for such phase unless an Ordinance or other requirement of the City requires payment of such fees, taxes, and or assessments at an earlier or subsequent time. Said agreement to be approved by the City Council prior to the adoption of the ordinance, resolution, or minute action.
5. The developer/applicant shall indemnify, protect, defend (with counsel selected by the City), and hold harmless the City, and any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof, from any and all claims, actions, suits, proceedings, or judgments against the City, or any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof to attack, set aside, void, or annul, an approval of the City, or any agency or instrumentality thereof, advisory agency, appeal board, or legislative body, including actions approved by the voters of the City, concerning the project and the approvals granted herein. Furthermore, developer/applicant shall

EXHIBIT A
of Planning Commission Resolution #_____

indemnify, protect, defend, and hold harmless the City, or any agency or instrumentality thereof, against any and all claims, actions, suits, proceedings, or judgments against any governmental entity in which developer/applicant's project is subject to that other governmental entity's approval and a condition of such approval is that the City indemnify and defend (with counsel selected by the City) such governmental entity. City shall promptly notify the developer/applicant of any claim, action, or proceeding. City shall further cooperate fully in the defense of the action. Should the City fail to either promptly notify or cooperate fully, the developer/applicant shall not thereafter be responsible to indemnify, defend, protect, or hold harmless the City, any agency or instrumentality thereof, or any of its officers, officials, employees, or agents.

6. The developer/applicant shall construct and operate the project in strict compliance with the approvals granted herein, City standards, laws, and ordinances, and in compliance with all State and Federal laws, regulations, and standards. In the event of a conflict between City laws and standards and a State or Federal law, regulation, or standard, the stricter or higher standard shall control.
7. The approval of the General Plan Amendment and Site Utilization Plan Revision allows all principally permitted and accessory uses within a Neighborhood Commercial (C-N) zone [Merced Municipal Code (MMC) Chapter 20.22] subject to all rules and regulations of the Planned Development. Conditional Uses listed in MMC Section 20.22.050 would be allowed subject to Conditional Use Permit review and approval.
8. All signing shall comply with the North Merced Sign Ordinance. A temporary banner permit shall be obtained prior to any tenant installing a temporary banner or sign. Free-standing temporary signs (i.e., sandwich boards, A-frame, feather-type, and moveable/dancing signs) are prohibited.
9. Sufficient parking shall be provided for all tenants of the building. If sufficient parking cannot be provided on-site or within 400 feet of the site as allowed by Merced Municipal Code Section 20.58.370, such use would be unable to locate within this building.
10. Any future modifications to the site or building may require the issuance of a building permit. The owner shall obtain all necessary permits for any improvements to the building or the site.