



CEQA Findings of Fact and Statement of Overriding Considerations for the Resources Building Replacement Project

SCH#2016122025

August 2017

**CEQA Findings of Fact and Statement of Overriding Considerations
for the**

**Resources Building Replacement Project
State Clearinghouse No. 2016122025**

PREPARED FOR

CALIFORNIA DEPARTMENT OF GENERAL SERVICES

Mailing Address: P.O. Box 989052, West Sacramento, CA 95798

Street Address: 707 3rd Street, MS-509, West Sacramento, CA 95605

Stephanie Coleman, Senior Environmental Project Manager
(916) 376-1602

PREPARED BY

Ascent Environmental, Inc.
455 Capitol Mall, Suite 300
Sacramento, CA 95814

Sean Bechta
Project Manager

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ATTACHMENT A - MITIGATION MONITORING AND REPORTING PROGRAM

ACRONYMS AND ABBREVIATIONS

CAP	Capitol Area Plan
CDFW	California Department of Fish and Wildlife
CEQA	California Environmental Quality Act (Public Resources Code Section 21000 et seq.)
DGS	State of California Department of General Services
EIR	Environmental Impact Report
MMRP	Mitigation Monitoring and Reporting Program
NOP	Notice of Preparation

1 INTRODUCTION

These findings have been prepared on behalf of the California Department of General Services (DGS) (the lead agency) for the proposed Resources Building Replacement Project, for which an environmental impact report (EIR) was prepared pursuant to California Environmental Quality Act (CEQA, California Public Resources Code, Section 21000, et seq.). Approval of a project with significant impacts requires that findings be made by the lead agency pursuant to CEQA, and the State CEQA Guidelines (California Code of Regulations, Title 14, Chapter 3) Sections 15043, 15091, and 15093. CEQA Guidelines Section 15092(b) states that a public agency shall not approve or carry out a project for which an EIR was prepared and which identified significant effects unless: (1) significant effects are mitigated to less-than-significant levels as feasible by the mitigation measures identified in the EIR; and (2) if there are residual significant impacts after implementation of mitigation measures identified in the EIR, the agency finds that the unavoidable impacts are acceptable through a Statement of Overriding Considerations, supported by substantial evidence in the record, which includes the documents, materials, and other evidence.

These findings are organized as follows:

Findings for Less-Than-Significant Impacts and those identified as No Impact: This section provides DGS's findings associated with impacts identified as "no impact" or "less than significant" in the Final EIR.

Findings for Significant, Potentially Significant, and Cumulatively Significant Impacts Reduced to Less-Than-Significant Levels through Mitigation Measures: This section provides DGS's findings with respect to impacts identified as significant or potentially significant that are reduced to less-than-significant levels through the adoption of feasible mitigation measures identified in the EIR. These findings are made pursuant to Public Resources Code Section 21081(a) and CEQA Guidelines Section 15091.

Findings for Significant and Unavoidable Impacts: This section provides DGS's findings with respect to impacts determined to be significant and unavoidable even with the adoption of feasible mitigation measures. These findings are made pursuant to Public Resources Code Section 21081(a) and CEQA Guidelines Section 15091.

Findings Associated with Project Alternatives: This section sets forth DGS's findings with respect to alternatives to the project that were evaluated in the Final EIR. These findings are made pursuant to Public Resources Code Section 21081(a) and CEQA Guidelines Section 15091.

Statement of Overriding Considerations: This section sets forth DGS's "statement of overriding considerations" concerning the project and the acceptance of its significant and unavoidable impacts pursuant to Public Resources Code Section 21081(b) and CEQA Guidelines Section 15093.

Mitigation Monitoring and Reporting Program: This section includes the Mitigation Monitoring and Reporting Program (MMRP) for mitigation measures proposed for adoption. In adopting these findings, DGS hereby commits to implement the MMRP pursuant to CEQA Guidelines Section 15097. The MMRP is included in Attachment A.

Public Resources Code Section 21081 and CEQA Guidelines Section 15091 state that no public agency shall approve or carry out a project for which a certified EIR identifies one or more significant environmental effects of the project, unless the public agency makes one or more written findings for each of those significant effects, accompanied by a brief explanation of the rationale for each finding. The possible findings, which must be supported by substantial evidence in the record, include:

- (1) Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

- (2) Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
- (3) Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the Final EIR.

When making the findings required in subdivision (1), the agency shall also adopt a program for reporting on or monitoring the changes required in the project to avoid or substantially lessen significant environmental effects. These measures must be fully enforceable through permit conditions, agreements, or other measures.

The mitigation measures required of the Resources Building Replacement Project are listed in the MMRP (Attachment A). The MMRP is adopted concurrently with these findings, as required by CEQA Section 21081.6(a)(1), and will be implemented throughout all phases of the project, including design, construction, and operation. DGS will use the MMRP to track compliance with all mitigation measures.

These findings constitute DGS's evidentiary and policy basis for its decision to approve the proposed Resources Building Replacement Project in a manner consistent with CEQA. These findings are not merely informational, but constitute a binding set of obligations that will come into effect when DGS approves the project (Public Resources Code Section 21081.6(b)). The mitigation measures identified as feasible and within DGS's authority to implement for the approved project become part of the MMRP. DGS will enforce implementation of the mitigation measures. DGS, upon review of the Final EIR (which includes the Draft EIR) and based on all the information and evidence in the administrative record, hereby makes the findings set forth herein.

2 PROJECT DESCRIPTION

2.1 BACKGROUND AND NEED FOR THE PROJECT

The proposed Resources Building Replacement Project site is the 2.5-acre block bounded by 7th and 8th Streets and O and P Streets (referred to in the EIR and these Findings as the “P Street Block”), in downtown Sacramento (Draft EIR Exhibits 2-1 and 2-2). The site is currently occupied by a surface parking lot and, on the northwest corner of the block, the Heilbron House, a historic structure currently used as office space by the California Department of Parks and Recreation. The project site is State-owned property within the Capitol Area covered by the 1997 Capitol Area Plan (CAP) (DGS 1997a, see Draft EIR Chapter 8, References). The CAP, originally adopted in 1977, is the statutory master plan for development on State-owned land surrounding the State Capitol, in accordance with Government Code Section 8160 et seq. The CAP envisions State offices, housing, neighborhood commercial, parking, and multimodal streets creating a vibrant urban district in the heart of Sacramento. DGS developed the CAP and is responsible for its administration. DGS implements the office and parking elements of the CAP and the Capitol Area Development Authority (CADA), a joint powers authority (JPA) between the State of California and the City of Sacramento, implements the housing and retail elements. The CAP area is generally bounded by 5th Street on the west, 17th Street on the east, L Street on the north, and R Street and S Street on the southwest and southeast, respectively. Senate Bill (SB) 1460, passed by the California Legislature and signed by the Governor in 2002, resulted in the addition of several blocks to the plan area along R Street.

The CAP identifies the P Street Block (identified in the CAP as “Block 204”) as “office,” except for the corner of the block at 7th and O Streets encompassing the Heilbron House, which is shown as other existing use because the Heilbron House was not State owned in 1997. The CAP office development program also identifies the P Street Block for construction of a new office building, approximately 628,000 gross square feet (GSF) in size (CAP Figures 2-2, 2-4, and 3-1) (DGS 1997a, see Draft EIR Chapter 8, References). The 1997 CAP Implementation Program is consistent with the CAP, identifying an office building of approximately 628,000 GSF on the block, with a building net square footage of approximately 471,000, approximately 18 floors, and inclusion of approximately 5,000 to 8,000 square feet (sq. ft.) of commercial space, and 355 parking spaces (DGS 1997b, see Draft EIR Chapter 8, References). Figure 3-5 of the CAP Implementation Plan provides a conceptual massing, with approximately five levels on the northeast and southwest corners, and an approximately 18-story tower on the southeastern portion of the block at 8th and P Streets, providing consistency with the Capitol View Protection Act’s 250-foot height limit on the northeast corner of the block and stepping back the office building from the Heilbron House. The most recent 2015 CAP Progress Report continues to identify the P Street Block for a new office building at the same size and with the same amenities as identified in the CAP and CAP Implementation Program. However, the 2015 Progress Report Land Use Diagram identifies the entire P Street Block, including the corner with the Heilbron House, as “office” (DGS 2015a, see Draft EIR Chapter 8, References).

The State’s Subterranean Building located immediately north of the P Street Block (identified in the CAP as “Block 203”) is identified as “office” (DGS 2015a, see Draft EIR Chapter 8, References).

The existing State-owned Resources Building located at 1416 9th Street in downtown Sacramento was originally constructed and occupied in 1964 and has been continuously occupied for over 50 years. The building serves as the headquarters for the Resources Agency. Staff from the departments of Fish and Wildlife, Water Resources, Parks and Recreation, and Forestry and Fire Protection are housed in the building. A 2015 Facilities Condition Assessment conducted on the Resources Building concluded that the building is in poor condition due to seismic, fire-, and life-safety deficiencies, asbestos in building materials, and building age, and in need of complete renovation. However, the Facilities Condition Assessment stated that a new/replacement building must be constructed before renovation of the Resources Building could occur (DGS 2015b, see Draft EIR Chapter 8, References). Facilities Condition Assessments evaluating all DGS-controlled State-owned offices in Sacramento ranked buildings needing replacement or renovation. The

Resources Building was ranked first, with the highest need for replacement or renovation (DGS 2015c, see Draft EIR Chapter 8, References). In addition, DGS completed an update to the Sacramento Region State Office Planning Study that identified the P Street Block as a superior State-owned site for new development due to its close proximity to the State Capitol, other government agencies, public transit, and other services as well as because it is an underutilized infill site (DGS 2017, see Draft EIR Chapter 8, References).

Governor Brown's 2016 Five-Year Infrastructure Plan, a study of State office infrastructure in Sacramento (required by Chapter 451, Statutes of 2014 [AB 1656]), documented serious deficiencies with existing downtown buildings that require replacement or renovation. The study found deficiencies in building systems, including inadequate fire and life safety systems, electrical, and plumbing. In addition, the State heavily relies on leased space, which is flexible and necessary to meet short term fluctuation in office space needs, but is more expensive over the long term. To address office infrastructure needs, the Governor proposed a budget and identified initial projects to better use State-owned land; replacement of the Resources Building was identified as one of the initial projects (Office of the Governor 2016, see Draft EIR Chapter 8, References).

Consistent with the CAP, the CAP Implementation Program, the 2015 CAP Progress Report, the 2015 Facilities Condition Assessment, and the 2016 Five-Year Infrastructure Plan, the proposed project would develop new office space on the P Street Block and a child care facility on the roof plaza of the Subterranean Building; intensifying use of the underutilized project site located within the CAP, three blocks away from the Capitol, adjacent to other State office buildings, and on a Regional Transit light rail station. The project would also allow for the Resources Building to be vacated, facilitating the potential future renovation of that building.

2.2 PROJECT OBJECTIVES

Consistent with, and in furtherance of the CAP (DGS 1997a, see Draft EIR Chapter 8, References), the CAP Implementation Plan (DGS 1997b, see Draft EIR Chapter 8, References), the 2015 CAP Progress Report (DGS 2015a, see Draft EIR Chapter 8, References), and the 2016 Five-Year Infrastructure Plan (Office of the Governor 2016, see Draft EIR Chapter 8, References), the objectives of the Resources Building Replacement Project are to:

- ▲ consolidate State office space and address State office space deficiencies in downtown Sacramento, prioritizing building on underutilized state property;
- ▲ accommodate staff from State-owned office buildings targeted for renovation or replacement (such as the Resources Building at 1416 9th Street) to vacate such building(s) and facilitate the eventual renovation and re-occupation while minimizing the number of disruptive moves for state agencies;
- ▲ provide a modern, efficient, and safe environment for State employees and the public they serve;
- ▲ integrate the new State development with the existing neighborhood;
- ▲ develop a sustainable and energy-efficient building;
- ▲ encourage and support the use of alternative commute modes by designing the project to have easy access to multiple transit modes (e.g., bus, light-rail);
- ▲ design a building that is respectful of the existing historic Heilbron House or relocate the Heilbron House to an appropriate location; and
- ▲ maximize the effectiveness of the design-build project delivery method by maintaining sufficient flexibility in the performance criteria to support innovation in the design competition.

2.3 DESIGN-BUILD METHOD

The Resources Building Replacement Project would be delivered via the design-build method of project delivery. The State's goal in using this method is to provide a shorter elapsed time from project initiation to building occupancy; provide overall cost savings; provide a more efficient construction process; and promote higher quality and more innovative design solutions. In design-build, a Criteria Architect (or Master Architect) team develops performance criteria to establish the building's design characteristics. Based on the performance criteria defined for the project, DGS would issue a Request for Qualifications (RFQ) and begin a competitive selection process for design-build teams. DGS would review submittals from prospective teams, hold interviews, and then select three teams to proceed to the Request for Proposal (RFP) phase.

DGS would issue a RFP to the three short-listed design-build teams and accept detailed proposals from each. The proposals would be reviewed and scored based on best value; project features, functions, and life-cycle costs; team experience; and past performance. Selection of the winning team would be based on its response to the RFP and compliance with the performance criteria. The winning proposal would become the defining contractual document that identifies project quality, scope, cost and schedule. Final project design, and then construction, would be completed by the selected team.

The analysis in the EIR is based on the performance criteria prepared by the Criteria Architect team. This is the typical stage that CEQA review is conducted in a design-build process, in part, so that the future RFQ can include any impact avoidance and mitigation measures that arise out of the CEQA review process. This approach places the CEQA process prior to completion of a final project design. However, the performance criteria are sufficient to support the EIR impact analysis. Where the performance criteria provide a maximum limit to a project characteristic, such as the building not exceeding 250 feet in height (Draft EIR Section 3.5.3), the EIR assumes the project meets that maximum limit. If, ultimately, the selected design-build team can achieve all necessary criteria with a shorter building, the EIR will still be sufficient to support implementation of that design. If the performance criteria identify a range for a particular project characteristic, such as providing sufficient space for 3,000 to 3,500 (Draft EIR Section 3.5.3), where applicable, the EIR impact analysis generally considers the higher value in the range. Again, if the ultimate project design provides employee capacity in a lower portion of the range, the EIR would be sufficient to support implementation of that design.

In some cases, to provide a sufficient CEQA impact analysis, the EIR project description identifies project features that are more specific than what is included in the performance criteria. For example, the performance criteria may identify a particular side of the building suitable for vehicle entry; however, the project development scenario evaluated in the EIR identifies a specific location for vehicle entry on that side of the building to allow an adequate analysis of traffic impacts. In this circumstance, if the design-build team ultimately selects a vehicle entry point different from the location evaluated in the EIR, DGS will need to consider whether the EIR adequately addresses the environmental effects that might result from this difference in a project feature, and determine whether the proposal from the design-build team is sufficiently different from what is analyzed in the EIR to warrant preparation of an EIR Addendum, Supplement to the EIR, or a Subsequent EIR consistent with Section 15162 of the CEQA Guidelines. As the selected design-build team completes the project design, DGS will need to consider whether any project elements differ sufficiently from the project scenario analyzed in the EIR to warrant additional CEQA review. If additional CEQA review is required, all elements of the review, including public notices and public involvement, would be implemented consistent with applicable elements of the CEQA Statute and Guidelines.

2.4 CHARACTERISTICS OF THE PROJECT

The proposed project would result in construction of State office space on the P Street and relocation of agencies and departments currently in the State's Resources Building at 1416 9th Street (on the southern half of the block between 8th and 9th Streets and N and O Streets), allowing for future renovation of that

building. Consistent with these plans, the proposed project would involve the demolition of the existing surface parking lot on the P Street Block and construction of a new office building.

The proposed office building is estimated to be approximately 20 stories, up to 300 feet tall, accommodating approximately 800,000 GSF of general purpose office space, providing office seating for an estimated 3,000 to 3,500 employees. The office building would provide approximately 700,000 to 750,000 GSF of department workspace (approximately 600,000 net usable square feet) and approximately 50,000 to 100,000 GSF of amenity space (DGS 2017, see Draft EIR Chapter 8, References). The work station and office sizes are based on DGS' Recommended State Administrative Manual (SAM) standards for workstations and offices by job category. Approximately 65,000 additional GSF of space is anticipated to be provided in a single below-ground level providing approximately 50 vehicle parking spaces, employee bicycle parking, and building operations and maintenance facilities. An upper level (or roof level) would provide approximately 15,000 GSF of enclosed space for mechanical equipment and storage areas. The office building would include a ground-level food court and retail space, an employee fitness center, and child care located on the roof of the Subterranean Building immediately north across O Street.

The existing surface parking, covering approximately 1.8 acres (80,000 sq. ft.) of the P Street Block would be demolished and removed to make way for the new office building construction. An equivalent number of parking spaces currently serving EDD employees would be provided in the surrounding State-owned garages. However, the other leased parking spaces on the site would be cancelled.

The project would retain the Heilbron House in its existing location at the corner of 7th and O Streets, consistent with the CAP. Renovation of the Heilbron House, primarily consisting of clean-up and repairs, would be done in a manner that maintains the historic integrity of the building. Approximately 20 California State Parks employees currently work at the Heilbron House. It is assumed that this use would continue after project completion. However, during construction of the proposed office building, utility service would need to be intermittently turned off at the P Street Block, including to the Heilbron House. Therefore, the approximately 20 California State Parks Employees would be temporarily relocated to another State-owned building downtown during construction of the office building.

The project's energy goal is to achieve Zero Net Energy. The project would be designed to exceed the 2016 Building Energy Efficiency Standards, to meet or exceed LEED v4 Silver certification, to meet high performance Energy Use Index (EUI) design criteria, and to participate in SMUD's renewable energy programs (Ander, pers. comm., 2017, see Draft EIR Chapter 8, References). The project is targeted to have an Energy Use Index (EUI) of 25 to 30. EUI is a measure of the total energy consumed by building in a period, expressed as British thermal unit (Btu) per gross square foot (calculated by dividing the total energy consumed by a building in one year by the total gross floor area of the building). For comparison, existing buildings within downtown Sacramento have a baseline EUI score of 100. Energy Star office equipment, energy efficient computer monitors, and LED (light-emitting diode) lighting would need to be used throughout the building to achieve the energy goals (ARUP 2017a, see Draft EIR Chapter 8, References). Electrical metering and control systems would be installed to control and monitor electrical loads on a per system basis (e.g., lighting, mechanical) and on a per floor basis.

Based on an estimated upper level footprint of 36,000 sq. ft., the new office building would allow for approximately 31,000 sq. ft. of roof-mounted photovoltaic solar panels. The performance criteria would require the design builder to use solar panels that generate at least 12.85 watts of energy per square foot during sunny conditions, resulting in a total minimum power generation of approximately 400 kilowatts during sunny conditions (ARUP 2017a, see Draft EIR Chapter 8, References). The solar power system would be connected to the SMUD system and any additional energy from SMUD to serve the building (e.g., at night) would be from 100 percent renewable resources.

California Executive Order B-18-12 requires that DGS reduce overall water use by 20 percent by 2020, as measured against a 2010. The project would be designed to be water efficient to meet this Order as well as to meet the LEED credit requirements to reduce indoor potable water consumption by 40 percent from the LEED baseline, and outdoor potable water consumption by 50 percent from the LEED baseline. All plumbing

fixtures in the building would be low-flow/high-efficiency fixtures. Landscape irrigation would use alternative sources of water if possible (e.g., grey water, rain water collection), and all landscaping would be selected based on suitability to local climate, site conditions, and reduced water needs and maintenance requirements.

Heating and cooling for the office building would be provided by the State's Central Plant (located on the block bordered by 6th, 7th, P, and Q Streets, see Draft EIR Exhibit 2-2) in the form of steam (heating) and chilled water (cooling) delivered by existing underground pipes. Water, drainage, and wastewater services would be provided through connection to the City's water lines and combined sewer system lines. Pipelines to connect to utility systems would be constructed as part of the project.

The new office building would allow for the consolidation and upgrade of State office space in the region, specifically to vacate the existing Resources Building located at 1416 9th Street (see Draft EIR Exhibit 2-2), which is in poor condition due to seismic, fire-, and life-safety deficiencies, asbestos in building materials, and building age and in need of complete renovation (DGS 2015b, see Draft EIR Chapter 8, References). Vacating the Resources Building would allow the eventual renovation and re-occupation of that building. The EIR assumes that the Resources Building would be back-filled with the capacity for approximately 2,300 employees, consistent with its current occupancy level. Because there are no details currently available regarding the timing of renovation and future re-occupation of the Resources Building, the EIR does not evaluate in detail renovation or reconstruction of that building, nor is approval for such renovation being sought through this environmental document or process. Rather, the Resources Building renovation, as a reasonably foreseeable indirect effect of the project is addressed herein, but at a level of detail commensurate with what is currently known about the project.

2.4.1 California Department of General Services Discretionary Approvals

The following actions are proposed and referred to collectively as the project approvals.

- ▲ Certification of the Final EIR
- ▲ Adoption of these findings, statement of overriding considerations, and the MMRP
- ▲ Approval of the project

2.4.2 Trustee and Responsible Agencies

The following agencies are acting as responsible and trustee agencies pursuant to CEQA Guidelines Sections 15381 and 15386, respectively.

STATE AGENCIES

- ▲ California Air Resources Board (ARB)
- ▲ California Highway Patrol, Capitol Protection Section (CPS)
- ▲ California State Parks, Office of Historic Preservation (OHP)
- ▲ Central Valley Regional Water Quality Control Board (RWQCB), Region 5

REGIONAL AND LOCAL AGENCIES

- ▲ City of Sacramento
- ▲ Sacramento Air Quality Management District (SMAQMD)

3 PROCEDURAL HISTORY

- ▲ DGS prepared and filed a Notice of Preparation (NOP) for an EIR on December 14, 2016 for the Resources Building Replacement Project. The NOP was sent to the California State Clearinghouse, responsible agencies, interested parties and organizations, and private organizations and individuals that could have interest in the project. The NOP was available at the Sacramento Central Library at 828 I Street and at DGS Environmental Services Section office at 707 3rd Street, West Sacramento, on the project website <http://sacbr.aecomonline.net/>, and availability of the NOP was advertised in the Sacramento Bee.
- ▲ A scoping meeting was held on January 12, 2017 from 3:00 p.m. to 8:00 p.m. at the Sheraton Grand Sacramento Hotel at 1230 J Street, Sacramento, CA 95814 to provide agencies and the public with the opportunity to learn more about the project and to provide input as to the issues that should be addressed in the EIR. At the meeting, a presentation was given to describe the proposed project and to discuss key environmental issues identified in preliminary analyses, and receive input from public agencies and members of the public on the scope of issues that should be addressed in the EIR.
- ▲ DGS completed and distributed a Draft EIR for the proposed project; it was released on May 19, 2017 for public review and comment for a 45-day period, which concluded on July 3, 2017. The Draft EIR was posted at the State Clearinghouse and the Notice of Availability (NOA) of the EIR was mailed to relevant public agencies, responsible agencies, and all interested parties. The Draft EIR was available at the Sacramento Central Library at 828 I Street and at DGS Environmental Services Section office at 707 3rd Street, West Sacramento, on the project website <http://sacbr.aecomonline.net/>, and availability of the Draft EIR was advertised in the Sacramento Bee.
- ▲ DGS held a public hearing on June 22, 2017 at 4:30 p.m. at the Tsakopoulos Library Galleria, East Room, 828 I Street, Sacramento to consider the Draft EIR. Public comments on the Draft EIR were taken at this hearing.
- ▲ DGS received seven written comments on the Draft EIR during the comment period from the agencies and organizations listed in Table 2-1 of the Final EIR. The Final EIR contains responses to these comments, including a summary of each comment and the complete comment letter. Based on the comments received, edits were made to the Draft EIR as set forth in Chapter 2 of the Final EIR. Responses to agency comments were provided to each commenting agency on August 1, 2017.

4 RECORD OF PROCEEDINGS

In accordance with CEQA Section 21167.6(e), the record of proceedings for DGS's decision on the proposed Resources Building Replacement Project includes, without limitation, the following documents:

- ▲ The NOP (December 14, 2016) and all other public notices issued by DGS in conjunction with the scoping period for the proposed project (provided in Appendix A of the Draft EIR in CD format);
- ▲ All comments submitted by agencies or members of the public during the scoping comment period on the NOP (provided in Appendix A of the Draft EIR in CD format);
- ▲ The Draft EIR (May 19, 2017) for the project (State Clearinghouse No. 2016122025);
- ▲ All comments submitted by agencies or members of the public during the comment period on the Draft EIR (provided in Chapter 2 of the Final EIR);
- ▲ Responses to agency comments on the Draft EIR provided to each commenting agency on August 1, 2017.
- ▲ The Final EIR (August 2017) for the project, including comments received on the Draft EIR and responses to those comments as well as revisions to the Draft EIR;
- ▲ Documents cited or referenced in the Draft and Final EIRs;
- ▲ The Mitigation Monitoring and Reporting Program (MMRP) for the project (Attachment A to these Findings);
- ▲ All findings and resolutions adopted by DGS in connection with the project and all documents cited or referred to therein;
- ▲ All reports, studies, memoranda, maps, staff reports, or other planning documents relating to the project prepared by DGS, consultants to DGS, or responsible or trustee agencies with respect to DGS's compliance with the requirements of CEQA and with respect to DGS's action on the project;
- ▲ All documents submitted to DGS by other public agencies or members of the public in connection with the project up through final consideration of project approval;
- ▲ All minutes and/or verbatim transcripts, as available, of all public meetings held by DGS in connection with the project;
- ▲ Any documentary or other evidence submitted to DGS at such public meetings;
- ▲ Any other materials required to be in the record of proceedings by Public Resources Code Section 21167.6(e).

The official custodian of the documents comprising the record of proceedings is the Department of General Services, Environmental Services Section, located at 707 3rd Street, West Sacramento, CA 95605. All files have been available to the Director and the public for review in considering these findings and whether to approve the project.

5 FINDINGS REQUIRED UNDER CEQA

Sections 6.1 through 6.4 below contain DGS's findings with respect to the environmental impacts of the project pursuant to the requirements of Public Resources Code 21081 and CEQA Guidelines Sections 15091 and 15097.

The Final EIR, consisting of the Draft EIR, comments on the Draft EIR, responses to comments on the Draft EIR, and revisions to the Draft EIR, are hereby incorporated by reference into these findings without limitation. This incorporation is intended to address the scope and nature of mitigation measures, the basis for determining the significance of impacts, the comparative analysis of alternatives, and the reasons for approving the project despite the potential for associated significant and unavoidable impacts.

5.1 LESS-THAN-SIGNIFICANT IMPACTS AND AREAS OF NO IMPACT

The Director agrees with the characterization in the Final EIR with respect to issue areas identified as “no impact” and those impacts identified as “less than significant” and finds that those impacts have been described accurately and are less than significant as so described in the Final EIR. The Director also agrees with determinations made in the Draft EIR “Issues or Potential Impacts Not Discussed Further” sections that identified issue areas or thresholds of significance either are not applicable to the Resources Building Replacement Project and that no impact related to the issue area or threshold of significance would occur.

This finding applies to the following impacts evaluated in the Final EIR and determined to result in “no impact” or determined to be “less than significant.”

LAND USE, EIR SECTION 4.2

- ▲ Impact 4.2-1: Potential to divide an established community (no impact)
- ▲ Impact 4.2-2: Consistency with land-use plans and documents (less than significant)

POPULATION, EMPLOYMENT, AND HOUSING, EIR SECTION 4.3

- ▲ Impact 4.3-1: Population growth and housing demand during construction (less than significant)
- ▲ Impact 4.3-2: Increased employment opportunities and housing demand from project development (less than significant)

TRANSPORTATION AND CIRCULATION, EIR SECTION 4.4

- ▲ Impact 4.4-1: Impacts to intersection operations (less than significant)
- ▲ Impact 4.4-2: Impacts to freeway off-ramp queuing (less than significant)
- ▲ Impact 4.4-3: Impacts to vehicle miles traveled (less than significant)
- ▲ Impact 4.4-4: Impacts to transit (less than significant)
- ▲ Impact 4.4-5: Impacts to bicycle facilities (less than significant)
- ▲ Impact 4.4-6: Impacts to pedestrian facilities (less than significant)
- ▲ Impact 4.4-7: Construction-related impacts (less than significant)

UTILITIES AND INFRASTRUCTURE, EIR SECTION 4.5

- ▲ Impact 4.5-1: Increased demand for water supply (less than significant)
- ▲ Impact 4.5-3: Effects on the combined sewer system conveyance capacity (less than significant)
- ▲ Impact 4.5-4: Effects to CSS treatment capacity (less than significant)
- ▲ Impact 4.5-5: Effects on storm drain capacity (less than significant)

- ▲ Impact 4.5-6: Increased demand for electrical service (less than significant)
- ▲ Impact 4.5-8: Result in inefficient and wasteful consumption of energy (less than significant)
- ▲ Impact 4.5-9: Potential interruption of utility service during construction (less than significant)

AIR QUALITY, EIR SECTION 4.6

- ▲ Impact 5.6-1: Construction emissions of criteria air pollutants and precursors (ROG, NO_x, PM₁₀, and PM_{2.5}) (less than significant)
- ▲ Impact 4.6-2: Long-term operational emissions of ROG, NO_x, PM₁₀, and PM_{2.5} (less than significant)
- ▲ Impact 4.6-3: Mobile-source CO concentrations (less than significant)
- ▲ Impact 4.6-4: Exposure of sensitive receptors to TACs (less than significant)
- ▲ Impact 4.6-5: Exposure of sensitive receptors to odors (less than significant)

GREENHOUSE GAS EMISSIONS AND CLIMATE CHANGE, EIR SECTION 4.7

- ▲ Impact 4.7-1: Project-generated GHG emissions (less than significant)
- ▲ Impact 4.7-2: Impacts of climate change on the project (less than significant)

NOISE, EIR SECTION 4.8

- ▲ Impact 4.8-3: Long-term (operational) traffic-generated noise levels (less than significant)
- ▲ Impact 4.8-5: Compatibility of project with on-site noise levels (less than significant)
- ▲ Impact 4.8-6: Compatibility of land uses with on-site vibration levels (less than significant)

GEOLOGY AND SOILS, EIR SECTION 4.9

- ▲ Impact 4.9-1: Seismic hazards (less than significant)
- ▲ Impact 4.9-2: Liquefaction (less than significant)
- ▲ Impact 4.9-3: Expansive soils (less than significant)

HYDROLOGY AND WATER QUALITY, EIR SECTION 4.10

- ▲ Impact 4.10-1: Construction-related water quality impacts (less than significant)
- ▲ Impact 4.10-2: Erosion and sedimentation impacts from changes in site drainage patterns (less than significant)

HAZARDOUS MATERIALS AND HAZARDS, EIR SECTION 4.11

- ▲ Impact 4.11-1: Storage, use, or transport of hazardous materials (less than significant)
- ▲ Impact 4.11-2: Exposure of construction workers and others to hazardous materials (less than significant)
- ▲ Impact 4.11-3: Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan (less than significant)

PUBLIC SERVICES AND RECREATION, EIR SECTION 4.14

- ▲ Impact 4.14-1: Increased demand for fire protection facilities, equipment, and services (less than significant)
- ▲ Impact 4.14-2: Increased demand for fire flow (less than significant)
- ▲ Impact 4.14-3: Increased demand for police protection facilities, services, and equipment (less than significant)
- ▲ Impact 4.14-4: Increased demand for school services (less than significant)
- ▲ Impact 4.14-5: Increased demand for recreational facilities (less than significant)

- ▲ Impact 4.14-6: Increased generation of solid waste beyond the capacity of existing landfills (less than significant)

AESTHETICS, LIGHT, AND GLARE, EIR SECTION 4.15

- ▲ Impact 4.15-1: Substantially degrade existing visual character or quality (less than significant)
- ▲ Impact 4.15-2: Conflict with the provisions of the Capitol View Protection Act (less than significant)

CUMULATIVE IMPACTS, EIR CHAPTER 5

- ▲ Cumulative land use impacts (less than significant)
- ▲ Cumulative impacts related to population, employment, and housing (less than significant)
- ▲ Cumulative impacts to intersection operations (less than significant)
- ▲ Cumulative freeway off-ramp queuing (less than significant)
- ▲ Cumulative vehicle miles traveled (less than significant)
- ▲ Cumulative impacts to transit, bicycle, and pedestrian facilities (less than significant)
- ▲ Cumulative construction traffic (less than significant)
- ▲ Cumulative demand for water supply and water delivery infrastructure (less than significant)
- ▲ Cumulative demand for wastewater conveyance and treatment (less than significant)
- ▲ Cumulative impacts related to electricity, natural gas, and energy efficiency (less than significant)
- ▲ Cumulative short-term construction-related air quality impacts (less than significant)
- ▲ Cumulative long-term operational-related air quality impacts (less than significant)
- ▲ Cumulative traffic noise impacts (less than significant)
- ▲ Cumulative long-term exposure of people or property to strong seismic shaking (less than significant)
- ▲ Cumulative long-term exposure of people or property to seismically-induced hazards (less than significant)
- ▲ Cumulative flood protection impacts (less than significant)
- ▲ Cumulative groundwater quality impacts (less than significant)
- ▲ Cumulative surface water quality impacts (less than significant)
- ▲ Cumulative hazardous materials and public health effects (less than significant)
- ▲ Cumulative effects on archeological resources (less than significant)
- ▲ Cumulative effects on biological resources (less than significant)
- ▲ Cumulative effects on public services (fire, police, solid waste, parks and recreation, and school facilities) (less than significant)
- ▲ Cumulative impacts to visual resources (less than significant)

5.2 SIGNIFICANT IMPACTS SUFFICIENTLY REDUCED THROUGH MITIGATION MEASURES

The Director agrees with the characterization in the Final EIR with respect to all impacts identified as “significant” or “potentially significant” that will be reduced to less-than-significant levels with implementation of the mitigation measures identified in the Final EIR and MMRP. In accordance with CEQA Guidelines Section 15091(a), a specific finding is made for each impact and its associated mitigation measures in the discussions below.

5.2.1 Utilities and Infrastructure, EIR Section 4.5

Impact 4.5-2: Effects on water conveyance and treatment infrastructure

Mitigation Measures

Mitigation Measure 4.5-2: Improve water supply infrastructure capacity

DGS shall complete a water study to determine the quality and ability of the City's water supply infrastructure to serve the project. The water supply infrastructure must meet the project's estimated demand for 70 afy of water (with options for a reduction with verification of water conservation measures), and meet fire flow pressure requirements of 6,000 gpm (with up to a 75 percent reduction in this standard if sprinklers are installed). If water infrastructure is determined to be insufficient, the water study shall identify, and DGS shall implement, the improvements necessary to meet the project's demands and fire flow requirements. Improvements could include replacing the 8-inch water main in 7th Street with a 10-inch or 12-inch main and/or replacing the 10-inch water main in 8th Street with a 12-inch main. The water study shall be submitted to the City of Sacramento Department of Utilities prior to approval for connection to the City's water supply infrastructure. Additionally, the Sacramento Fire Department shall conduct a fire flow test prior to issuance of an occupancy permit for the building to ensure the water supply infrastructure for the building meets fire flow standards.

Finding: Implementation of Mitigation Measure 4.5-2, which has been required, will reduce the potential impact on water supply infrastructure to a less-than-significant level. Specifically, the water study required by this mitigation measure will identify the best location for new service connections for water and fire flow as well as any necessary improvements to the water supply system to confirm that the project will be adequately served and applicable requirements met. With preparation of the water study and implementation of any identified infrastructure improvements, the impact on water supply infrastructure capacity will be reduced to a less than significant level. DGS, therefore, finds that changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental impact identified in the Final EIR. (Draft EIR page 4.5-17 and Final EIR page 2-21)

Impact 4.5-7: Increased demand for natural gas

Mitigation Measure 4.5-7: Extend high pressure natural gas infrastructure

DGS shall submit a request to PG&E for a medium pressure service connection. DGS and/or the design-build team shall coordinate with PG&E to determine what type of natural gas infrastructure would be needed to serve the project's need for a medium pressure service connection. In consultation with PG&E, DGS and/or the design-build team shall develop plans for and construct additional natural gas infrastructure required to for the project. The natural gas infrastructure required to be constructed for the project could include an extension of a high pressure natural gas line from either 7th and N Streets or from 6th and P Streets to the project site.

Finding: Implementation of Mitigation Measure 4.5-7, which has been required, will reduce the potential impact on natural gas infrastructure to a less-than-significant level. Specifically, through coordination with PG&E, new natural gas infrastructure would be constructed that would meet the project's need for a medium pressure natural gas service connection. DGS, therefore, finds that changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental impact identified in the Final EIR. (Draft EIR page 4.5-22)

5.2.2 Noise, EIR Section 4.8

Impact 4.8-2: Generation of excessive short-term vibration levels

Mitigation Measures

Mitigation Measure 4.8-2a: Implement measures to reduce ground vibration

To reduce vibration and noise impacts from construction activities, DGS shall require the design-build team to implement the following measures:

- ▲ To the extent feasible, earthmoving and ground-impacting operations shall be phased so as not to occur simultaneously in areas close to sensitive receptors. The total vibration level produced could be significantly less when each vibration source is operated at separate times.
- ▲ Where there is flexibility in the location of use of heavy-duty construction equipment, or impact equipment such as jackhammers, the equipment shall be operated as far away from vibration-sensitive sites as reasonably possible.

Mitigation Measure 4.8-2b: Develop and implement a vibration control plan

DGS shall require the design-build team to implement the following measures when performing pile driving.

- ▲ Pile driving activities shall be limited to the daytime hours between 7:00 a.m. and 6:00 p.m. Monday through Saturday and between 9:00 a.m. and 6:00 p.m. on Sunday. No nighttime pile driving will be permitted.
- ▲ A vibration control plan shall be developed by the design-build team to be submitted to and approved by DGS prior to initiating any pile driving activities. Applicable elements of the plan will be implemented before, during, and after pile driving activity. The plan shall consider all potential vibration-inducing activities that would occur and require implementation of sufficient measures to prevent exposure of nearby sensitive receptors to vibration levels in excess of applicable thresholds. Items that shall be addressed in the plan include, but are not limited to, the following:
 - Identification that the maximum allowable vibration levels at nearby buildings consist of Caltrans's recommended standards with respect to the prevention of architectural building damage; 0.2 in/sec PPV for normal dwelling houses, 0.1 in/sec PPV for normal buildings. For buildings that are occupied at the time of pile driving, FTA's maximum-acceptable-vibration standard with respect to human response, 80 VdB, will also not be exceeded.
 - Pre-construction surveys shall be conducted to identify any pre-existing structural damage to nearby buildings that may be affected by project generated vibration.
 - Identification of minimum setback requirements for different types of ground vibration-producing activities (e.g., pile driving) for the purpose of preventing damage to nearby structures and preventing negative human response shall be established based on the proposed construction activities and locations and the maximum allowable vibration levels identified above. Factors to be considered include the specific nature of the vibration producing activity, local soil conditions, and the fragility/resiliency of the nearby structures. Initial setback requirements can be breached if a project-specific, site specific analysis is conducted by a qualified geotechnical engineer or ground vibration specialist that indicates that no structural damage would occur at nearby buildings or structures.

- All pile driving generated vibration levels shall be monitored and documented at the nearest sensitive land use to confirm that applicable thresholds are not exceeded. Recorded data will be submitted on a twice-weekly basis to DGS. If it is found at any time by the design-build team or DGS that thresholds are exceeded, pile driving will cease in that location and methods will be implemented to reduce vibration to below applicable thresholds, or an alternative pile installation method will be used at that location, such as cast-in-place or auger cast piles.

Finding: Implementation of Mitigation Measures 4.8-2a and 4.8-2b, which have been required, will prohibit pile driving during the more sensitive times of the day (i.e., late evening through early morning). These mitigation measures will require the design-build team to minimize vibration exposure to nearby receptors by locating equipment far from receptors and phasing operations. If pile driving is required, a vibration control plan that demonstrates compliance with identified performance standards will be prepared and implemented. The plan may include refined setback distances and other measures to reduce vibration to acceptable levels, and identify and implement alternative methods to pile driving, if required. These measures will achieve compliance with recommended levels to prevent structural damage and human annoyance and will reduce the potential impact to a less-than-significant level. DGS, therefore, finds that changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental impact identified in the Final EIR. (Draft EIR page 4.8-21 and 4.8-22)

Impact 4.8-4: Long-term operational (non-transportation) noise levels

Mitigation Measures

Mitigation Measure 4.8-4: Reduce exposure of existing sensitive receptors to noise generated by loading dock activity

The project applicant shall implement one of the following measures to reduce the effect of noise levels generated by on-site stationary noise sources:

- ▲ Loading docks shall be located and designed such that noise generated by activity at the loading dock would not exceed the City's stationary noise source criteria established in this analysis (i.e., interior nighttime [10:00 p.m. to 7:00 a.m.] standards of 55 L_{max}) at any existing noise sensitive receptor. As part of the design-build process, a specialized noise study will be completed to evaluate the specific design such that City of Sacramento noise standards are met. Reduction of loading dock noise can be achieved by locating loading docks as far away as possible from noise sensitive land uses, constructing noise barriers between loading docks and noise-sensitive land uses, or using buildings and topographic features to provide acoustic shielding for noise-sensitive land uses. Final design, location, and orientation shall be dictated by findings in the noise study; or
- ▲ Operation of loading docks shall not be permitted between the hours of 10:00 p.m. and 7:00 a.m., seven days a week.

Finding: Implementation of Mitigation Measure 4.8-4, which has been required, will reduce operational noise levels to a less-than-significant level. Specifically, this mitigation measure requires that the loading dock and delivery area be oriented, located, and designed in such a way that noise exposure at nearby sensitive receptors will comply with City of Sacramento interior noise standards for existing sensitive receptors, and loading dock activity will not be permitted during nighttime hours (10:00 p.m. to 7:00 a.m.). DGS, therefore, finds that changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental impact identified in the Final EIR. (Draft EIR page 4.8-25)

5.2.3 Cultural Resources, EIR Section 4.12

Impact 4.12-1: Potential for impacts on significant historic archaeological resources

Mitigation Measures

Mitigation Measure 4.12-1: Monitoring and response measures for potential unknown historic archaeological resources

A cultural resources awareness training program will be provided to all construction personnel active on the project site during earth moving activities. The first training will be provided prior to the initiation of ground disturbing activities. The training will be developed and conducted in coordination with a qualified archaeologist meeting the United States Secretary of Interior guidelines for professional archaeologists. The program will include relevant information regarding sensitive cultural resources, including applicable regulations, protocols for avoidance, and consequences of violating State laws and regulations. The worker cultural resources awareness program will also describe appropriate avoidance and minimization measures for resources that have the potential to be located on the project site and will outline what to do and whom to contact if any potential archaeological resources or artifacts are encountered.

Where ground disturbing activities occur in native soils, or there is no evidence of extensive past ground disturbances, a qualified archaeologist meeting the United States Secretary of Interior guidelines for professional archaeologists will monitor ground-disturbing activities. If evidence of any historic-era subsurface archaeological features or deposits are discovered during construction-related earth-moving activities (e.g., ceramic shard, trash scatters), all ground-disturbing activity in the area of the discovery shall be halted until a qualified archaeologist can assess the significance of the find. If after evaluation, a resource is considered significant, all preservation options shall be considered as required by CEQA, including possible data recovery, mapping, capping, or avoidance of the resource. If artifacts are recovered from significant historic archaeological resources, they shall be housed at a qualified curation facility. The results of the identification, evaluation, and/or data recovery program for any unanticipated discoveries shall be presented in a professional-quality report that details all methods and findings, evaluates the nature and significance of the resources, analyzes and interprets the results, and distributes this information to the public.

Finding: Implementation of Mitigation Measure 4.12-1, which has been required, will reduce potential impacts to significant historic archaeological resources to less-than-significant levels. Specifically, this mitigation measure requires cultural resources awareness training for all construction personnel active on the project site during earth moving activities, construction monitoring and, in the case of a discovery, preservation options (including data recovery, mapping, capping, or avoidance) and proper curation if significant artifacts are recovered. DGS, therefore, finds that changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental impact identified in the Final EIR. (Draft EIR pages 4.12-27 and 4.12-28 and Final EIR Chapter 3)

Impact 4.12-2: Potential for impacts on significant prehistoric archeological resources and tribal cultural resources

Mitigation Measures

Mitigation Measure 4.12-2: Monitoring and response measures for potential unknown prehistoric archaeological resources and tribal cultural resources

This mitigation measure expands on the actions included in Mitigation Measure 4.12-1 to also address encountering unknown prehistoric cultural resources and tribal cultural resources.

The cultural resources awareness training program included in Mitigation Measure 4.12-1 will include a representative or representatives from culturally affiliated Native American Tribe(s) in the program development and delivery. The program will include relevant information regarding sensitive tribal cultural resources, including applicable regulations, protocols for avoidance, and consequences of violating State laws and regulations. The program will also underscore the requirement for confidentiality and culturally-appropriate treatment of any find of significance to Native Americans and behaviors, consistent with Native American Tribal values.

Where ground disturbing activities occur in native soils, or there is no evidence of extensive past ground disturbances, or evidence suggests that imported soils have a high probability of containing artifacts and materials of importance to tribal entities, a Native American monitor and a qualified archaeologist meeting the United States Secretary of Interior guidelines for professional archaeologists will monitor ground-disturbing activities and/or the handling and placement of the imported material. Interested Native American Tribes will be provided at least seven days' notice prior to the initiation of ground disturbing activities. The determination for initiating or ending monitoring disturbance of imported soils will be made based on coordination between the qualified archeologist and Native American monitor, with a final determination made by DGS.

If evidence of any prehistoric subsurface archaeological features or deposits are discovered during construction-related earth-moving activities (e.g., lithic scatters, midden soils), all ground-disturbing activity in the area of the discovery shall be halted until a qualified archaeologist and Native American representative can assess the significance of the find. If after evaluation, a resource is considered significant, or is considered a tribal cultural resource, all preservation options shall be considered as required by CEQA (see PRC 21084.3), including possible data recovery, mapping, capping, or avoidance of the resource. If artifacts are recovered from significant prehistoric archaeological resources or tribal cultural resources, the first option shall be to transfer the artifacts to an appropriate tribal representative. If possible, accommodations shall be made to re-inter the artifacts at the project site. Only if no other options are available will recovered prehistoric archeological material be housed at a qualified curation facility. The results of the identification, evaluation, and/or data recovery program for any unanticipated discoveries shall be presented in a professional-quality report that details all methods and findings, evaluates the nature and significance of the resources, analyzes and interprets the results, and distributes this information to the public.

Finding: Implementation of Mitigation Measure 4.12-2, which has been required, will reduce potential impacts to significant prehistoric archeological resources and tribal cultural resources to less-than-significant levels. Specifically, this mitigation measure requires cultural resources awareness training for all construction personnel active on the project site during earth moving activities, construction monitoring and, in the case of a discovery, preservation options (including data recovery, mapping, capping, or avoidance) and proper curation if significant artifacts are recovered. DGS, therefore, finds that changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental impact identified in the Final EIR. (Draft EIR pages 4.12-28 and 4.12-29 and Final EIR, Chapter 3)

Impact 4.12-3: Potential discovery of human remains

Mitigation Measures

Mitigation Measure 4.12-3: Response protocol in case human remains are uncovered

Consistent with the California Health and Safety Code and the California Native American Historical, Cultural, and Sacred Sites Act, if suspected human remains are found during project construction, all work shall be halted in the immediate area, and the county coroner shall be notified to determine the nature of the remains. The coroner shall examine all discoveries of suspected human remains within 48 hours of receiving notice of a discovery on private or State lands (Health and Safety Code Section 7050.5[b]). If the coroner determines that the remains are those of a Native American, he or she shall

contact the NAHC by phone within 24 hours of making that determination (Health and Safety Code Section 7050[c]). The NAHC shall then assign an MLD to serve as the main point of Native American contact and consultation. Following the coroner's findings, the MLD, in consultation with the State, shall determine the ultimate treatment and disposition of the remains.

Finding: Implementation of Mitigation Measure 4.12-3, which has been required, will reduce potential impacts to previously undiscovered human remains to less-than-significant levels. Specifically, this mitigation measure requires work to stop if suspected human remains are found, communication with the county coroner, and the proper identification and treatment of the remains consistent with the California Health and Safety Code and the California Native American Historical, Cultural, and Sacred Sites Act. DGS, therefore, finds that changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental impact identified in the Final EIR. (Draft EIR pages 4.12-29)

5.2.4 Biological Resources, EIR Section 4.13

Impact 4.13-1: Conflict with any local applicable policies protecting biological resources

Mitigation Measures

Mitigation Measure 4.13-1: Remove and replace trees consistent with the City of Sacramento Tree Preservation Ordinance

Prior to construction, DGS will complete a survey of trees at the project site and prepare and submit a detailed tree removal, protection, replanting, and replacement plan to the City arborist. The tree removal plan will be developed by a certified arborist. The plan shall include the following elements:

- ▲ The number, location, species, health, and sizes of all trees to be removed, relocated, and/or replaced. This information will also be provided on a map/design drawing to be included in the project plans.
- ▲ Planting techniques, necessary maintenance regime, success criteria, and a monitoring program for all trees planted on, or retained on the project site.

DGS will implement the tree relocation/removal/replacement plan during project construction and operation.

Finding: Implementation of Mitigation Measure 4.13-1, which has been required, will reduce potentially significant impacts associated with tree removal to less-than-significant levels by providing replacement trees and complying with the City's Tree Preservation Ordinance. DGS, therefore, finds that changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental impact identified in the Final EIR. (Draft EIR page 4.13-7)

5.2.5 Aesthetics, Light, and Glare, EIR Section 4.15

Impact 4.15-3: Introduce new sources of light and glare that would adversely affect day or nighttime views

Mitigation Measures

Mitigation Measure 4.15-3: Direct solar panel reflection associated with solar panels on the south building façade away from north facing windows of office buildings immediately south and southeast of the project site, including OB8, OB9, and the Gregory Bateson Building

DGS shall ensure that adjacent office buildings will not be exposed to daytime glare by designing and constructing the solar array on the south building façade, if applicable, in such a manner that the panels do not reflect sunlight into north facing windows of the office buildings immediately south and southeast of the project site.

Finding: Implementation of Mitigation Measure 4.15-3, which has been required, will reduce the significant glare impact to a less-than-significant level by requiring that design and construction of the solar array on the south building façade does not reflect substantial light or glare into windows of adjacent buildings. DGS, therefore, finds that changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental impact identified in the Final EIR. (Draft EIR page 4.15-22)

Cumulative impacts to water delivery infrastructure, EIR Chapter 5

Mitigation Measures

Implementation of Mitigation Measure 4.5-2 (see analysis above regarding this mitigation measure).

Finding: Implementation of Mitigation Measure 4.5-2, which has been required, will reduce the project's contribution to the cumulative condition of water delivery infrastructure to a less-than-cumulatively-considerable level. Specifically, the water study required by Mitigation Measure 4.5-2 will identify the best location for new service connections for water and fire flow and any necessary improvements to the water supply system to adequately serve the project and meet applicable requirements. With preparation of the water study and implementation of identified infrastructure improvements, the project's contribution to cumulative consumption of water supply infrastructure capacity will be reduced to a less-than-significant level. DGS, therefore, finds that changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental impact identified in the Final EIR. (Draft EIR page 5-20)

Cumulative impacts to natural gas infrastructure, EIR Chapter 5

Mitigation Measures

Implementation of Mitigation Measure 4.5-7 (see analysis above regarding this mitigation measure).

Finding: Implementation of Mitigation Measure 4.5-7, which has been required, will reduce the project's contribution to the cumulative condition of natural gas infrastructure to a less-than-cumulatively-considerable level. Specifically, through coordination with PG&E and construction of new natural gas infrastructure that would be required to meet the project's need for a medium pressure natural gas service connection, the impact on natural gas infrastructure would be reduced to a less-than-significant level. DGS, therefore, finds that changes or alterations have been required in, or incorporated into, the project that

avoid or substantially lessen the significant environmental impact identified in the Final EIR. (Draft EIR page 5-20)

Cumulative impacts on as-yet-undiscovered subsurface historic and pre-historic archeological resources, EIR Chapter 5

Mitigation Measures

Implement Mitigation Measures 4.12-1 and 4.12-2 (see analysis above regarding these mitigation measures).

Finding: Implementation of Mitigation Measures 4.12-1 and 4.12-2, which have been required, will reduce the project's contribution to cumulative archaeological resource impacts to a less-than-cumulatively-considerable level. Specifically, these mitigation measures require cultural resources awareness training for all construction personnel active on the project site during earth moving activities, construction monitoring and, in the case of a discovery, preservation options (including data recovery, mapping, capping, or avoidance) and proper curation if significant artifacts are recovered. By providing an opportunity to avoid disturbance, disruption, or destruction of archaeological resources, implementation of the project would result in a less-than-significant contribution to the cumulative impact. DGS, therefore, finds that changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental impact identified in the Final EIR. (Draft EIR pages 5-28 and 5-29)

Cumulative impacts on human remains, EIR Chapter 5

Mitigation Measures

Implement Mitigation Measure 4.12-3 (see analysis above regarding these mitigation measures).

Finding: Implementation of Mitigation Measure 4.12-3, which has been required, will reduce the project's contribution to cumulative loss of undiscovered or unknown human remains to a less-than-cumulatively-considerable level. Specifically, this mitigation measure would offset the proposed project's contribution through avoidance and protection of undiscovered or unknown human remains. DGS, therefore, finds that changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental impact identified in the Final EIR. (Draft EIR pages 5-28 and 5-29)

Cumulative impacts on biological resources, EIR Chapter 5

Mitigation Measures

Implement Mitigation Measure 4.13-1 (see analysis above regarding this mitigation measure).

Finding: Implementation of Mitigation Measure 4.13-1, which has been required, will reduce the project's potentially significant impacts associated with tree removal to a less-than-significant level by providing replacement trees and complying with the City's Tree Preservation Ordinance. Because the project would result in no impact or very limited impact on biological resources after mitigation, the project would not considerably contribute to an adverse cumulative condition with respect to biological resources. DGS, therefore, finds that changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental impact identified in the Final EIR. (Draft EIR pages 5-29).

Cumulative light and glare impacts, EIR Chapter 5

Mitigation Measures

Implement Mitigation Measure 4.15-3 (see analysis above regarding these mitigation measures).

Finding: Implementation of Mitigation Measure 4.15-3, which has been required, will reduce the project's significant glare impact to a less-than-significant level by requiring that the design and construction of the project does not reflect substantial light or glare into windows of adjacent buildings. With the exception of the Sacramento Commons Phase I Project, the cumulative projects listed in Table 5-2 are not located within the same viewshed as the Resources Building Replacement Project and would not be visible to the same viewers. The Sacramento Commons Phase I Project, located across 7th Street from the project site, will involve construction of two seven-story, mid-rise buildings with apartments, live-work units, open space terraces, retail spaces, and enclosed parking. It too would blend with surrounding buildings and be consistent with the City's Central City Urban Design Guidelines. DGS, therefore, finds that changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental impact identified in the Final EIR. (Draft EIR page 5-32).

5.3 SIGNIFICANT AND UNAVOIDABLE IMPACTS

The Director agrees with the characterization in the Final EIR with respect to all impacts identified as "significant and unavoidable." For this project, the following impacts were identified as significant and unavoidable. That is, these impacts remain significant, despite the incorporation of all feasible mitigation measures to substantially lessen or avoid these impacts. In accordance with CEQA Guidelines Section 15091(a), a specific finding is made for each significant and unavoidable impact and its associated mitigation measures in the discussions below.

5.3.1 Noise, EIR Section 4.8

Impact 4.8-1: Short-term construction-generated noise levels

Mitigation Measures

Mitigation Measure 4.8-1a: Implement construction-noise reduction measures

To minimize noise levels during construction activities, the design-build team shall comply with the following measures during all daytime and nighttime construction work:

- ▲ All construction equipment shall be properly maintained and equipped with noise-reduction intake and exhaust mufflers and engine shrouds, in accordance with manufacturers' recommendations. Equipment engine shrouds shall be closed during equipment operation.
- ▲ Where available and feasible, construction equipment with back-up alarms shall be equipped with either audible self-adjusting backup alarms or alarms that only sound when an object is detected. Self-adjusting backup alarms shall automatically adjust to 5 dBA over the surrounding background levels. All non-self-adjusting backup alarms shall be set to the lowest setting required to be audible above the surrounding noise levels.
- ▲ Install a temporary solid barrier (e.g., plywood) around the construction site and staging area. Also, as feasible, locate trailers and materials such that they would serve as noise barriers to protect off-site noise-sensitive receptors from noise generated by on-site construction activity.
- ▲ Designate a disturbance coordinator and post that person's telephone number conspicuously around the construction site and provide to nearby residences. The disturbance coordinator shall receive all public complaints and be responsible for determining the cause of the complaint and implementing any feasible measures to alleviate the problem.

Mitigation Measure 4.8-1b: Implement additional measures to reduce exposure to construction noise reduction during noise-sensitive time periods

For all outdoor construction activity that is to take place outside of the City of Sacramento construction noise exception timeframes (i.e., 7:00 a.m. and 6:00 p.m., Monday through Saturday, and between 9:00 a.m. and 6:00 p.m. on Sunday), and that is anticipated to generate interior noise levels at sensitive receptors that exceed the City Noise Control Ordinance interior noise standard of 45 L_{eq} for residential land uses, the design-build team shall comply with the following measures:

- ▲ Consistent with Section 8.68.080 Exceptions of the City Noise Control Ordinance, obtain an exception to Article II, Noise Standards for nighttime construction through the director of building inspections. An exception may be obtained for work to be performed outside the exempt hours in the case of urgent necessity and in the interest of public health and welfare for a period not to exceed three days. Application for this exemption may be made in conjunction with the application for the work permit or during progress of the work.
- ▲ Install temporary noise curtains as close as possible to the noise-generating activity such that the curtains obstruct the direct line of sight between the noise-generating construction activity and the nearby sensitive receptors. Temporary noise curtains shall consist of durable, flexible composite material featuring a noise barrier layer bounded to sound-absorptive material on one side. The noise barrier layer shall consist of rugged, impervious, material with a surface weight of at least one pound per square foot.
- ▲ Noise-reducing enclosures and techniques shall be used around stationary noise-generating equipment (e.g., concrete mixers, generators, compressors).
- ▲ Operate heavy-duty construction equipment at the lowest operating power possible.
- ▲ Provide a minimum of one week of advanced notice to owners of all residential located within 350 feet of where nighttime construction activity would take place. This noticing shall inform the recipients of when and where nighttime construction would occur and the types of measures being implemented to lessen the impact at potentially affected receptors. This noticing shall also provide the contact information for the designated disturbance coordinator.
- ▲ Offer hotel accommodations to residents within 350 ft of the project site who would temporarily be exposed to nighttime interior noise levels that exceed the interior noise standard of 45 L_{eq} . Alternative overnight accommodations should be in a location that is not adversely affected by nighttime construction noise.

Finding: Implementation of Mitigation Measures 4.8-1a and 4.8-1b, which are required, would substantially reduce construction noise and noise exposure at noise-sensitive receptors by requiring proper equipment use; locating noise-generating equipment away from sensitive land uses; requiring a temporary solid barrier around the project site and staging area; and requiring the use of enclosures, shields, and noise curtains (noise curtains typically can reduce noise exposure by up to 10 dBA [EPA 1971]). Although, noise reduction would be achieved with implementation of these measures, reductions of up to 11 dBA would be required during more intensive nighttime construction (if necessary), to comply with the City of Sacramento's nighttime interior standard of 45 L_{eq} . Because design and construction details are not yet known and certain mitigation elements may not be feasible, reductions of this magnitude may not be achieved under all circumstances with implementation of Mitigation Measures 4.8-1a and 4.8-1b. In addition, because it cannot be assured that nighttime construction can be avoided, and, if needed, that applicable noise standards can be met at all times, DGS finds that although changes or alterations have been required in, or incorporated into, the project that substantially lessen the significant environmental impact, this impact would remain significant and unavoidable. (Draft EIR pages 4.8-18 through 4.8-20)

5.3.2 Cultural and Tribal Cultural Resources, EIR Section 4.12

Impact 4.12-4: Potential for impacts on historic architectural resources

Mitigation Measures

Mitigation Measure 4.12-4: Landscape elements to soften the visual transition between the historical resource and the proposed new building

Because of the difference in scale between the Heilbron House and the proposed Resources Building Replacement office building, landscape elements will be designed and planted between the Heilbron House property and the proposed office building to soften the visual transition between the two, and minimize the change to the immediate surroundings of the Heilbron House.

Mitigation Measure 4.12-5: Restoration of Lost Features and Spaces of the Historical Resource

The Heilbron House has been substantially altered over the years in support of its changes in use from a residence to a restaurant, then a bank, and most recently for the Parks Department. Because the Heilbron House would be vacated during construction, it would be an opportune time to restore some of the lost historic features and spaces so the house better represents its original historic appearance and can be available to better educate individuals on what residential conditions were like in Sacramento during the late 19th century. In conjunction with the exterior repairs included as part of the proposed project, DGS will implement, consistent with the project budget available for Heilbron House repairs, restoration of lost historic features. Implementation shall be done in consultation with the SHPO through PRC 5024.5.

Finding: Implementation of Mitigation Measure 4.12-4, which has been required, would reduce the impact caused by the change in the immediate surroundings of the Heilbron House by softening the visual transition between the Heilbron House and the proposed replacement building. However, there would still be significant shade and shadow effects on the Heilbron House and adverse effects to the character of the surroundings. Mitigation Measure 4.12-5 would partially minimize the impact caused by the change in the immediate surroundings of the Heilbron House by restoring the historic character of the interior of the Heilbron House. However, there would still be significant effects on its immediate setting by the introduction of a high-rise office building. DGS finds that although changes or alterations have been required in, or incorporated into, the project to substantially lessen the significant environmental impact identified in the Final EIR, this impact would remain significant and unavoidable. (Draft EIR pages 4.12-34)

5.3.3 Aesthetics, Light, and Glare, EIR Section 4.15

Impact 4.15-4: Potential for structures to cast shadows on shadow-sensitive uses

Mitigation Measures

To avoid or meaningfully reduce this impact, such that the contribution of shadowing on the Capitol Towers building during the morning hours be reduced or eliminated, would require substantial reduction in building height. Given the close proximity of the building site to the Capitol Towers residences, this would require the building height be limited to that of a one- to two-story building. For this reason, there is no feasible mitigation to reduce the area of the project-related shadow and also meet the project objectives.

Finding: A building of the scale of the proposed Resources Building Replacement Project, approximately 800,000 gsf, would cast a large shadow, especially during the winter months when the sun is lower on the

horizon. During this time, a relatively small area of the eastern portion of the Capitol Tower super-block, across from the intersection of 7th and O Streets, would be shaded by the proposed building for a substantial portion of the day. To avoid or meaningfully reduce this impact, such that the contribution of shadowing on the Capitol Towers building during the morning hours be reduced or eliminated, would require substantial reduction in building height. Given the close proximity of the building site to the Capitol Towers residences, this would require the building height be limited to that of a one- to two-story building. For this reason, there is no feasible mitigation to reduce the area of the project-related shadow and also meet the project objectives. An unavoidable outcome of higher density urban development with high rise buildings is increased periods of shadow at ground level locations. DGS finds that specific economic, legal, social, technological, or other considerations, make infeasible the mitigation measures or project alternatives identified in the Final EIR and this impact would remain significant and unavoidable. (Draft EIR page 4.15-23)

Cumulative impacts on historic structures, EIR Chapter 5

Mitigation Measures

Implement Mitigation Measures 4.12-4 and 4.12-5 (see analysis above regarding this mitigation measures).

Finding: Although there are various laws and regulations directed at the protection of historic structures, significant historic structures have been, and will continue to be damaged or removed over time. Even with implementation of Mitigation Measures 4.12-4 and 4.12-5 and compliance with existing policies and regulations, the proposed project, and presumably some reasonably foreseeable future projects, would contribute to an ongoing significant cumulative loss and degradation of historic structures. Because implementation of the Resources Building Replacement Project materially alters the physical characteristics around the Heilbron House in a manner that adversely changes the historical significance of this existing historic structure, the project makes a significant incremental contribution to the significant cumulative impact of the loss and degradation of historic structures. DGS, finds that although changes or alterations have been required in, or incorporated into, the project to substantially lessen the significant environmental impact identified in the Final EIR, this impact would remain significant and unavoidable. (Draft EIR page 5-29)

Cumulative impacts related to structures casting shadows on shadow-sensitive uses, EIR Chapter 5

Mitigation Measures

To avoid or meaningfully reduce this impact, such that the contribution of shadowing on the Capitol Towers building during the morning hours be reduced or eliminated, would require substantial reduction in building height. Given the close proximity of the building site to the Capitol Towers residences, this would require the building height be limited to that of a one- to two-story building. For this reason, there is no feasible mitigation to reduce the area of the project-related shadow and also meet the project objectives.

Finding: A building of the scale of the proposed Resources Building Replacement Project, approximately 800,000 gsf, would cast a large shadow, especially during the winter months when the sun is lower on the horizon. During this time, a relatively small area of the eastern portion of the Capitol Tower super-block, across from the intersection of 7th and O Streets, would be shaded by the proposed building for a substantial portion of the day. To avoid or meaningfully reduce this impact, such that the contribution of shadowing on the Capitol Towers building during the morning hours be reduced or eliminated, would require substantial reduction in building height. Given the close proximity of the building site to the Capitol Towers residences, this would require the building height be limited to that of a one- to two-story building. For this reason, there is no feasible mitigation to reduce the area of the project-related shadow and also meet the project objectives. Although the Sacramento Commons Phase I Project would not generate shadows of the same magnitude as the proposed project, the Resources Building Replacement Project would result in a significant and unavoidable shadow impact, and would result in a considerable and unavoidable contribution to

significant cumulative shade and shadow impacts in downtown. An unavoidable outcome of higher density urban development with high rise buildings is increased periods of shadow at ground level locations. DGS finds that specific economic, legal, social, technological, or other considerations, make infeasible the mitigation measures or project alternatives identified in the Final EIR and this cumulative impact would remain significant and unavoidable. (Draft EIR page 5-32)

5.4 FINDINGS REGARDING PROJECT ALTERNATIVES

Public Resources Code section 21002 provides that “public agencies should not approve projects as proposed if there are feasible alternatives or feasible mitigation measures available which would substantially lessen the significant environmental effects of such projects[.]” The same statute states that the procedures required by CEQA “are intended to assist public agencies in systematically identifying both the significant effects of proposed projects and the feasible alternatives or feasible mitigation measures which will avoid or substantially lessen such significant effects.”

Where a lead agency has determined that, even after the adoption of all feasible mitigation measures, a project as proposed will still cause one or more significant environmental effects that cannot be substantially lessened or avoided, the agency, prior to approving the project as mitigated, must first determine whether, with respect to such impacts, there remain any project alternatives that are both environmentally superior and feasible within the meaning of CEQA. Although an EIR must evaluate this range of potentially feasible alternatives, an alternative may ultimately be deemed by the lead agency to be “infeasible” if it fails to fully promote the lead agency’s underlying goals and objectives with respect to the project. (*City of Del Mar v. City of San Diego* (1982) 133 Cal.App.3d 401, 417.) “[F]easibility’ under CEQA encompasses ‘desirability’ to the extent that desirability is based on a reasonable balancing of the relevant economic, environmental, social, and technological factors.” (*Ibid*; see also *Sequoyah Hills Homeowners Assn. v. City of Oakland* (1993) 23 Cal.App.4th 704, 715.) Thus, even if a project alternative will avoid or substantially lessen any of the significant environmental effects of the project, the decision-makers may reject the alternative if they determine that specific considerations make the alternative infeasible, or if the alternative does not meet the objectives of the project.

All of the environmental impacts associated with the project would be substantially lessened or avoided with the adoption of the mitigation measures set forth in these findings, with the exception of Impact 4.8-1 (Short-term construction-generated noise levels) and Impact 4.12-4 (Potential for impacts on historic architectural resources). DGS’ goal in evaluating the project alternatives was to select an alternative that feasibly attains the project objectives, while further reducing the project’s significant and unavoidable impacts.

CEQA Guidelines require that an EIR “describe a range of reasonable alternatives to the project, or to the location of the project, which could feasibly obtain the basic objectives of the project...” (CEQA Guidelines Section 15126.6[a]). The lead agency has the discretion to determine how many alternatives constitute a reasonable range and that an EIR need not present alternatives that are incompatible with fundamental project objectives. Additionally, CEQA Guidelines Section 15126.6(a) provides that an EIR need not consider alternatives that are infeasible. CEQA Guidelines Section 15126.6(f)(1) provides that among the factors that may be taken into account when addressing the feasibility of alternatives are “site suitability, economic viability, availability of infrastructure, general plan consistency, other plans or regulatory limitations, jurisdictional boundaries, and whether the proponent can reasonably acquire, control or otherwise have access to the alternative site.” CEQA Guidelines Section 15126.6(f) states that the range of alternatives required in an EIR is governed by a “rule of reason” that requires the EIR to set forth only those alternatives necessary to permit a reasoned choice. The EIR analysis considered a reasonable range of alternatives.

5.4.1 Alternatives Considered but not Evaluated Further

The EIR discloses that three alternatives were considered by DGS, but rejected during the planning or scoping process (see discussion in Draft EIR in Chapter 7, “Project Alternatives”).

Demolition of the Heilbron House. This alternative considered recordation and demolition of the historic Heilbron House, allowing use of the entire P Street Block for construction of the proposed Resources Building Replacement Project. Under such a scenario, the new building could achieve the State’s square footage objectives with a larger footprint and reduced height. Approximately 20 California State Parks employees currently work at the Heilbron House either full time, part time, or occasionally between field duties and would require permanent relocation. However, DGS received 165 comment letters and oral comments at the scoping meeting regarding preservation of the historic Heilbron House. Comments overwhelmingly expressed support for retaining the Heilbron House and opposed demolition. In response to these concerns, DGS rejected this alternative.

Alternative Location. This alternative considered construction of a new building on an alternative site in the downtown area. While this alternative could avoid impacts of building next to the Heilbron House, the remainder of the block is surface parking, such that no buildings need to be demolished for construction of a new office building on the P Street Block. Even assuming an alternative site is unoccupied, a fundamental goal of the project as proposed is to achieve the highest and best use of State-owned property. The State’s CAP, CAP Implementation Plan, and 2015 CAP Progress Report identify the State-owned P Street Block as “office” and identify the block for a large State office building. In addition, DGS completed an update to the Sacramento Region State Office Planning Study that identified the P Street Block as a superior State-owned site for new development because of its proximity to the State Capitol, other government agencies, public transit, and other services and because it is an underutilized infill site (DGS 2017). An alternative location may not be near transit; therefore, an alternative location may not allow the State to achieve the objective of encouraging and supporting the use of alternative transportation through easy access to multiple transit modes (e.g., bus, light rail). Furthermore, an alternative location may require greater demolition if there are onsite structures, and may not be in as close proximity to other State and local agency offices and the State Capitol. For these reasons, this alternative is was rejected.

Multiple Basement Levels. The proposed project includes a single below-grade basement level. This alternative would provide one or more additional basement levels. This approach would increase the total interior square footage of the building, or allow for a smaller above-ground building while maintaining the total square footage assumed for the proposed project. However, as identified in Section 4.9, “Geology and Soils,” depth to groundwater in the downtown Sacramento area varies seasonally and groundwater can be less than 10 feet below the ground surface. Data collected as part of geotechnical studies at the project site showed groundwater at a depth of approximately 12 to 15 feet below the ground surface. A second or third basement level would require deep excavation and groundwater would be encountered, requiring dewatering, special engineering techniques to minimize groundwater intrusion into the lower basement levels, and continuous collection and pumping of groundwater away from the basement levels. Additional basement levels would substantially increase construction costs and require ongoing monitoring, maintenance, and costs to pump groundwater away from the lower basement levels as part of ongoing building operations. Project objectives can be achieved without the complexities associated with additional basement levels. This alternative would not preclude any significant impacts, and could result in greater environmental effects, such as a higher potential of encountering previously undisturbed native soils that could contain historic or prehistoric archeological resources. For these reasons, this alternative was rejected.

5.4.2 Alternatives Evaluated in the EIR

The following four alternatives were analyzed in the Draft EIR to determine whether they could meet the project’s objectives while avoiding or substantially lessening any of its significant impacts:

- ▲ **Alternative 1: No Project–No Development Alternative** assumes no demolition of the existing surface parking lot, no new building on the P Street Block and no child-care facilities on the rooftop plaza of the Subterranean Building. The project site would remain in its current condition.
- ▲ **Alternative 2: Relocate the Heilbron House Alternative** assumes project elements and features that are generally the same as the proposed project. However, the Heilbron House would be relocated from the P Street Block to next to the Stanford Mansion, which would allow the new office building to occupy the entire P Street Block.
- ▲ **Alternative 3: Capitol Area Plan Alternative** assumes project elements and features that are the same as the proposed project; however, the office building would be consistent with the office building planned in the Capitol Area Plan (CAP) Implementation Program: an office building of approximately 628,000 GSF, net square footage of approximately 471,000, approximately 18 floors, approximately 5,000 to 8,000 square feet of commercial space, and 355 parking spaces. As with the proposed project and as identified in the CAP Implementation Program, the Heilbron House would remain in its current location.
- ▲ **Alternative 4: Child Care at OB 8/9 Alternative** assumes project elements and features that are the same as the proposed project. However, child care would be located at OB 8/9 on the block just south of the P Street Block rather than on the rooftop plaza of the Subterranean Building.

In compliance with CEQA, these Findings examine these four alternatives and the extent to which they lessen or avoid the project’s significant environmental effects while meeting the project objectives.

In addressing the No Project Alternative, DGS followed the direction of the State CEQA Guidelines which provide that the no project analysis shall discuss the existing conditions, as well as what would be reasonably expected to occur in the foreseeable future if the project were not approved, based on current plans and consistent with available infrastructure and community services (CEQA Guidelines Section 15126[d][4]).

The Director finds that a good faith effort was made to evaluate all reasonable alternatives to the project that could feasibly obtain its basic objectives, even when the alternatives might impede the attainment of the objectives or be more costly. The Director also finds that all reasonable alternatives were reviewed, analyzed, and discussed in the review process of the Final EIR and the ultimate decision on the project.

ALTERNATIVE 1: NO PROJECT – NO DEVELOPMENT ALTERNATIVE

Description: Under Alternative 1, the No Project–No Development Alternative, no action would be taken by DGS and the project site would remain unchanged from current conditions. The surface parking lot on the P Street Block would remain in its current condition and the Heilbron House would remain in place and continue to be managed and used by California State Parks. No child-care facilities would be placed on the rooftop plaza of the Subterranean Building. Although the State’s CAP, CAP Implementation Plan, and 2015 CAP Progress Report identify the P Street Block for office, this alternative assumes that no development would occur and the project site would remain in its current state. If the Resources Building were to be vacated to support some future renovation, the existing Resources Building staff would be relocated to a currently unidentified building or buildings. The No Project–No Development Alternative would not meet the project objectives, but as required by CEQA, is evaluated in this DEIR.

Although it is acknowledged that with the No Project–No Development Alternative, there would be no discretionary action by the State, and thus no impact, for purposes of comparison with the other action alternatives, conclusions for each technical area are characterized as “impacts” that are greater, similar, or less, to describe conditions that are worse than, similar to, or better than those of the proposed project.

Summary of Impacts: Alternative 1, the No Project – No Development Alternative, would avoid the project’s significant mitigable impacts and significant unavoidable impacts, and overall, the environmental impacts would be less than those that would occur with the project because no development would occur. Because this alternative would not demolish the parking lot and would not involve any construction adjacent to the Heilbron House, it would avoid the project’s significant and unavoidable short-term construction-generated noise impact (Impact 4.8-1) and the potential for impacts on historic architectural resources (Impact 4.12-4). However, the No Project–No Development Alternative would not be consistent with the objectives of the CAP because it would not meet the State offices objective to provide office space and related services to meet present and future space requirements for the State of California near the State Capitol. In addition, the No Project-No Development Alternative would not support the Sacramento Region Blueprint, 2016 MTS/SCS, City of Sacramento 2035 General Plan, and Central City Community Plan, which like the State’s CAP, call for infill development in downtown Sacramento, intensifying uses on underutilized sites near transit, increased opportunities for pedestrian and bicycle use, prioritizing energy and water-efficient buildings and reduction of carbon emissions, and locating jobs closer to housing. In comparison, the proposed project would be consistent with the objectives and purposes of the CAP, the 2015 CAP Progress Report, Governor Brown’s 2016 Five-Year Infrastructure Plan, and with local land use plans. Replacement of the P Street Block surface parking with a new State office building and placement of modular child-care structures on the roof plaza of the Subterranean Building would not result in any conflicts with environmental plans, goals, or regulations adopted for the purpose of avoiding or mitigating an environmental effect. Therefore, the land use impacts of the No Project–No Development Alternative would be greater than those of the proposed project.

Finding: Under Alternative 1, the No Project – No Development Alternative, the project would not be approved, and no development would occur. This would avoid all environmental effects of the project. Accordingly, Alternative 1 is the environmentally superior alternative. (CEQA Guidelines Section 15126.6; see Draft EIR, p. 6-20.) However, the No Project – No Development Alternative would not meet the project objectives because it would not create functional office space at the P Street block, consolidate and address State office space deficiencies in downtown Sacramento, increase use of underutilized state property, develop an energy-efficient office building near transit lines, or allow for relocation of State employees from other downtown buildings that are in need of renovation or replacement (such as the existing Resources Building at 1416 9th Street). The No Project-No Development Alternative would also result in greater land use impacts than the project because it would not be consistent with the objectives of the CAP or local land use plans. Pursuant to Public Resources Code Section 21081(a)(3) and CEQA Guidelines Section 15091(a)(3), the Director finds that because Alternative 1 would not meet the project objectives, the Director rejects Alternative 1.

CEQA Guidelines Section 15126.6(e)(2) states that if the environmentally superior alternative is the “No Project” alternative, the EIR must also identify an environmentally superior alternative among the other alternatives; here, that would be Alternative 3: Capitol Area Plan Alternative, addressed below.

ALTERNATIVE 2: RELOCATE THE HEILBRON HOUSE ALTERNATIVE

Description: Alternative 2, the Relocate the Heilbron House Alternative, is the same as the proposed project in all respects except for the treatment of the Heilbron House. Under this alternative, the Heilbron House would be moved from its location at the corner of 7th and O Streets to a site just east of the Stanford Mansion at 800 N Street (Draft EIR Exhibit 7-1). The new site would be at the southwest corner of the intersection of 9th Street and N Street, on the existing Resources Building courtyard where bike lockers are currently housed. The courtyard east of, and associated with, the Stanford Mansion would not be affected.

Because the Heilbron House would need to be moved prior to completion of the new building on the P Street Block, the house would arrive at the new site while staff still occupied the existing Resources Building. During this period, before the new building was completed, the existing bike lockers outside the Resources Building would be placed in a tighter configuration, and some moved to other locations on the Resources Building grounds, so that there would be no loss of available bike lockers.

To move the Heilbron House, it would need to be dismantled into two or more segments. Each segment would be moved to the new site, and the house would be reconstructed at the new location. The house would be repaired and restored in a manner consistent with Secretary of the Interior standards for the treatment of historic buildings. Utility connections would be restored to support its continued use by State Parks employees. Key features of the existing Heilbron House grounds, such as the surrounding fence, would be moved with the house, and landscaping would be provided at the new location.

Moving the Heilbron House, even in segments, would require temporarily disconnecting the Regional Transit light rail cables on O Street for several hours at a time on multiple days. Because of the large size of the house, overhead traffic lights along the transport route would need to be temporarily removed and trees may need to be trimmed. Traffic controls would be required along the route while pieces of the house are transported.

Removal of the Heilbron House from the P Street Block would allow the entire block to be used for the new office building; therefore, the footprint of the building would be anticipated to be larger, accommodating the needed square footage in a shorter building with fewer stories.

Summary of Impacts: Alternative 2, the Relocate the Heilbron House Alternative, would result in similar environmental impacts as the proposed project, and no significant impacts or significant and unavoidable impacts would be completely avoided, because the same project elements would be constructed and operated on the same project site. Under both the proposed project or Alternative 2, there would be significant and unavoidable shadow impacts and either impacts to the change in the immediate surroundings of the Heilbron House (under the proposed project) or impacts because of the loss of integrity of location (under Alternative 2). Therefore, Alternative 2 would not avoid the project's significant and unavoidable impact to this historic resource and would result in similar cultural resource impacts to the proposed project. Furthermore, the relocation of the Heilbron House under Alternative 2 would result in greater construction-related traffic impacts due to disruption of transit services, which would not occur under the proposed project.

Finding: The Director finds that implementing Alternative 2, the Relocate the Heilbron House Alternative, would develop a new State office building on the P Street Block, address State office space deficiencies in downtown Sacramento, increase use of underutilized state property, develop an energy-efficient office building near transit lines, and allow for relocation of State employees from other downtown buildings that are in need of renovation or replacement (such as the Resources Building). Because Alternative 2 would demolish P Street Block surface parking, develop a new office building on that block, and place modular childcare facilities on the rooftop plaza of the Subterranean Building, it would result in similar impacts to the proposed project. However, Alternative 2 would not avoid the project's significant and unavoidable short-term construction-generated noise impact (Impact 4.8-1) and the potential for impacts on historic architectural resources (Impact 4.12-4). Additionally, Alternative 2 would increase construction traffic impacts due to disruption of transit services when relocating the Heilbron House. Pursuant to Public Resources Code Section 21081(a)(3) and CEQA Guidelines Section 15091(a)(3), the Director finds that although Alternative 2 would meet the project objectives, it would not avoid the project's significant and unavoidable impacts, would be more costly, would result in additional risk to the integrity of a historic resource, and would result in impacts to transit services. For these reasons, the Director rejects Alternative 2.

ALTERNATIVE 3: CAPITOL AREA PLAN ALTERNATIVE

Description: Alternative 3, the Capitol Area Plan Alternative, includes construction and operation of an office building on the P Street Block similar to that of the proposed project, with the Heilbron House left in its current location and child-care facilities installed on the rooftop plaza of the Subterranean Building. The office building in Alternative 3 would have a similar footprint, would allow for relocation of staff from the existing Resources Building, and would include the same overall program elements and energy efficiency goals as the proposed project. However, under Alternative 3, the office building would be consistent with the

CAP office development program, which identifies the P Street Block for construction of an approximately 628,000 GSF office building with approximately 471,000 net square feet (CAP Figures 2-2, 2-4, and 3-1) (DGS 1997a, and b), as opposed to the 800,000 GSF, 600,000 net sq. ft. building in the proposed project. The CAP Alternative office building would be 228,000 GSF and 129,000 net sq. ft. smaller, or approximately 20 percent smaller, than the proposed office building. Alternative 3 would accommodate approximately 20 percent fewer office spaces, and would provide space for approximately 2,800 staff (approximately 700 fewer staff than the 3,500 under the proposed project). Alternative 2 would also provide less retail/commercial space providing for approximately 5,000 to 8,000 sq. ft. rather than an estimated 50,000 sq. ft. under the proposed project. Alternative 3 would provide for 355 parking spaces whereas the proposed project would provide only 50 parking spaces. The parking spaces would be primarily in an above-ground structure as part of the office building, rather than multiple levels below grade due to groundwater levels in the area. Consistent with Figure 3-5 of the CAP Implementation Plan, the massing for this alternative would result in approximately five levels on the northeast and southwest corners of the P Street block, and an approximately 18-story tower on the southeastern portion of the block at 8th and P Streets, providing consistency with the Capitol View Protection Act's 250-foot height limit on the northeast corner of the block and stepping back the office building from the Heilbron House. This building would therefore be shorter than the proposed office building (which would be 20 stories).

Summary of Impacts: Alternative 3, the Capitol Area Plan Alternative, would be the environmentally superior action alternative because although the environmental impacts would be similar to the proposed project, and no significant impacts or significant and unavoidable impacts would be completely avoided, the reduced degree of construction and reduced building size would reduce the employee population and reduce the emissions of criteria air pollutants and GHGs generated by the construction and operation of the project.

Finding: The Director finds that Alternative 3 would develop a new State office building on the P Street Block, consolidate State office space and address State office space deficiencies in downtown Sacramento, increase use of underutilized state property, develop an energy-efficient office building near transit lines, and allow for relocation of State employees from other downtown buildings that are in need of renovation or replacement (such as the Resources Building). Because Alternative 3 would demolish P Street Block surface parking, develop a new office building on that block, and place modular childcare facilities on the rooftop plaza of the Subterranean Building, as would the project as proposed, the Relocate the Heilbron House Alternative would result in similar impacts to the project. Alternative 3 would be the environmentally superior action alternative because the reduced degree of construction and reduced building size would reduce the employee population and reduce the emissions of criteria air pollutants and GHGs generated by the construction and operation of the project. However, Alternative 3 would not avoid the project's significant impacts or significant and unavoidable impacts: significant and unavoidable short-term construction-generated noise impact (Impact 4.8-1) and the potential for impacts on historic architectural resources (Impact 4.12-4). Additionally, although Alternative 3 would meet the basic project objectives, it would not fulfill those objectives to the extent to which the project would. Specifically, the alternative would not make maximum use of the site, falling short as compared to the proposed project of the State's goal to increase use of underutilized State property. The project would accommodate approximately 700 fewer employees and contain fewer amenities. Pursuant to Public Resources Code Section 21081(a)(3) and CEQA Guidelines Section 15091(a)(3), the Director finds that because Alternative 3 would not avoid the project's significant and unavoidable impacts and would not fulfill the project objectives to the extent to which the project would, the Director rejects Alternative 3.

ALTERNATIVE 4: CHILD CARE AT OB 8/9 ALTERNATIVE

Description: Alternative 4, Child Care at OB 8/9 Alternative, is the same as the proposed project in all respects except for the location of the child-care facility. Under Alternative 4, the child-care facility would be located in the plaza of the State-owned OB 8/9 office building, south of the P Street Block, rather than on the rooftop plaza of the State's Subterranean Building to the north. The OB 8/9 plaza is on the southwest corner of the intersection of 8th and P Streets. The portion of the plaza with trees and a water feature would house the child-care facility. Modular buildings would be placed within the trees, retaining as many trees as

possible to provide shade. The water feature would be removed to help accommodate the modular buildings and an outside play area. This child-care facility would accommodate 60 to 70 children, like the proposed project. There is an existing child-care center located in the northwestern OB 8/9 tower. This center has arranged to cone off a portion of P Street, between 7th and 8th Streets, between the hours of 7:00 a.m. to 9:00 a.m. for drop-off and 4:00 p.m. to 6:00 p.m. for pick-up. This area could also be used for drop-off and pick-up for the new child-care center.

Summary of Impacts: Alternative 4, Child Care at OB 8/9 Alternative, would result in similar environmental impacts as the proposed project, and no significant impacts or significant and unavoidable impacts would be completely avoided, because the same office building would be constructed and operated on the same P Street Block and the child-care facility within the developed footprint of OB 8/9. Under both the proposed project or Alternative 4, there would be significant an unavoidable shadow impacts and impacts to the change in the immediate surroundings of the Heilbron House. Any potential differences in traffic patterns due to the child care drop-off/pick-up would be minor and this alternative would have similar transportation and circulation impacts.

Finding: The Director finds that Alternative 4 would develop a new State office building on the P Street Block, consolidate State office space and address State office space deficiencies in downtown Sacramento, increase use of underutilized state property, develop an energy-efficient office building near transit lines, and allow for relocation of State employees from other downtown buildings that are in need of renovation or replacement (such as the existing Resources Building). Because Alternative 4 would demolish P Street Block surface parking, develop a new office building on that block, and establish a child-care facility of the same size as the proposed project, Alternative 4 would result in impacts that are virtually identical to the project. However, Alternative 4 would not avoid the project's significant and unavoidable short-term construction-generated noise impact (Impact 4.8-1) and the potential for impacts on historic architectural resources (Impact 4.12-4). Pursuant to Public Resources Code Section 21081(a)(3) and CEQA Guidelines Section 15091(a)(3), the Director finds that although Alternative 4 would meet the project objectives, because Alternative 4 would not avoid the project's significant and unavoidable impacts and is not the environmentally superior alternative, the Director rejects Alternative 4.

6 STATEMENT OF OVERRIDING CONSIDERATIONS

Pursuant to CEQA section 21081 and CEQA Guideline 15093, the Director hereby finds, after consideration of the Final EIR and the evidence in the record, that each of the specific overriding economic, legal, social, technological and other benefits of the project, as set forth below, independently and collectively outweighs these significant and unavoidable impacts and is an overriding consideration warranting approval of the project. Any one of the reasons for approval cited below is sufficient to justify approval of the project. The substantial evidence supporting the various benefits can be found in the preceding findings, which are incorporated by reference into this section, and in the documents found in the Record of Proceedings.

On the basis of the above findings and the substantial evidence in the record of this proceeding, the Director specially finds that there are significant benefits of the project to support approval of the project in spite of the unavoidable significant impacts, and therefore makes this Statement of Overriding Considerations.

Five significant and unavoidable environmental impacts resulting from the project (three project-level and two cumulative) were identified. (1) Because it cannot be assured at this time that nighttime construction will not be needed, and if needed that applicable noise standards can be met, construction noise impacts are considered significant and unavoidable (Impact 4.8-1). (2) Implementation of the Resources Building Replacement Project materially alters the physical characteristics around the Heilbron House in a manner that adversely changes the historical significance of this existing historic structure, which is considered a significant and unavoidable impact on cultural resources (Impact 4.12-4, and cumulative impact on historic structures). In addition, the Resources Building Replacement Project would result in a significant and unavoidable shadow impact (Impact 4.15-4), and would result in a considerable and unavoidable contribution to significant cumulative shade and shadow impacts in downtown. An unavoidable outcome of higher density urban development with high rise buildings is increased periods of shadow at ground level locations.

Although the Director finds that the project will result in these significant and unavoidable impacts, the Director also finds that the project benefits outweigh these impacts.

The Director finds that, as part of the process of obtaining project approval, all significant effects on the environment from implementation of the project have been eliminated or substantially lessened, where feasible. All mitigation measures proposed in the Final EIR that are applicable to the project are adopted as part of this approval action. Furthermore, the Director has determined that any remaining significant effects on the environment found to be unavoidable are acceptable due to the following specific overriding economic, technical, legal, social and other considerations. Any alternatives proposed by the public are rejected for the reasons set forth in the EIR and the reasons set forth herein.

Project benefits include the following:

- ▲ The project will consolidate State office space and address State office space deficiencies in downtown Sacramento, prioritizing building on underutilized State property.
- ▲ The project will create new office space on the underutilized P Street Block while being integrated into downtown by providing publicly-accessible ground-floor food court, human-scale outdoor spaces, a public art element, and maintenance of publicly accessible sidewalks and the street tree canopy.
- ▲ The project is consistent with the objectives and purposes of the Capitol Area Plan, the 2015 Capitol Area Plan Progress Report, Governor Brown's 2016 Five-Year Infrastructure Plan, and with local land use plans. Development of the P Street Block with a new State office building will not result in any conflicts with environmental plans, goals, or regulations adopted for the purpose of avoiding or mitigating an environmental effect. The project will also conform with the Capitol View Protection Act.
- ▲ The project will accommodate staff from State-owned office buildings targeted for renovation or replacement (such as the Resources Building at 1416 9th Street) to vacate such building(s) and allow

for their eventual renovation and re-occupation while minimizing the number of disruptive moves for state agencies.

- ▲ The project will provide a modern, efficient, and safe environment for State employees and the public they serve.
- ▲ The project will include on-site photo-voltaic solar panels for electricity and the project will participate in SMUD's renewable energy program. While the project would increase the overall energy demand at the project site, the project will reduce per capita energy use compared to other similar projects through implementation of energy efficiency measures that meet LEED v4 Silver standards and exceed Title 24 requirements, thereby providing an energy-efficient office and commercial project. The project will not result in an inefficient or wasteful consumption of energy.
- ▲ The project site is located adjacent to the Sacramento Regional Transit 8th and O Street light rail station and there are also several bus stops for several different routes and transit providers (e.g., Sacramento Regional Transit, El Dorado Transit) within four blocks of the office building site.
- ▲ The project is located near numerous bicycle facilities. These include a Class I multi-use path along the Sacramento River, and Class II bicycle lanes along 5th Street, 9th Street, 10th Street, 11th Street, and 13th Street in the north/south directions and along T Street and Capitol Mall in the east/west directions. The project will provide bicycle parking, showers and locker rooms for employees, which will support bicycle commuting.
- ▲ The project will retain the Heilbron House in its existing location at the corner of 7th and O Streets and repairs and minor rehabilitation to the exterior of the house would be done in a manner that maintains the historic integrity of the building and consistent with Secretary of the Interior standards for treatment of historic buildings.

Having considered these benefits, the Director finds that the benefits of the project outweigh the unavoidable adverse environmental effects, and that the adverse environmental effects are therefore acceptable. The Director further finds that each of the above considerations is sufficient to approve the project. For each of the reasons stated above, and all of them, the project should be implemented notwithstanding the significant unavoidable adverse impacts identified in the EIR.

7 MITIGATION MONITORING AND REPORTING PROGRAM

DGS has prepared a Mitigation Monitoring and Reporting Program (MMRP) for the project. The Director, in adopting these findings, also adopts the MMRP. DGS will use the MMRP to track compliance with project mitigation measures. The MMRP will remain available for public review during the compliance period. The MMRP is attached to and incorporated into the proposed project and is approved in conjunction with certification of the EIR and adoption of these Findings of Fact. In the event of any conflict between these findings and the MMRP with respect to the requirements of an adopted mitigation measure, the more stringent measure shall control, and shall be incorporated automatically into both the findings and the MMRP.

Attachment A

Mitigation Monitoring and Reporting Program