

Mill District Specific Plan

CEQA Findings of Fact and Statement of Overriding Considerations

(Pursuant to Public Resources Code Sections 21081 and 21081.6, and
State CEQA Guidelines Section 15091 and 15093)

Final Environmental Impact Report (State Clearinghouse Number 2007062106)

Project Files May Be Reviewed At:

City of Fortuna

621 11th Street

Fortuna, CA 95540

February 11, 2025

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CEQA FINDINGS OF FACT AND STATEMENT OF OVERRIDING CONSIDERATIONS REGARDING THE FINAL SEIR FOR THE MILL DISTRICT SPECIFIC PLAN

1.0 INTRODUCTION

1.1. Purpose

The California Environmental Quality Act (CEQA) requires that a number of written findings be made by the lead agency in connection with certification of an environmental impact report (EIR) prior to approval of the project pursuant to Sections 15091 and 15093 of the CEQA Guidelines and Section 21081 of the Public Resources Code. This document provides the findings required by CEQA. The potential environmental effects of the proposed City of Fortuna Mill District Specific Plan (MDSP or Project), as defined to include the related amendments to the General Plan Land Use Element and Land Use Map and Zoning, have been analyzed in a Draft Supplemental Environmental Impact Report (DSEIR) (State Clearinghouse [SCH] 2007062106) dated August 30, 2024. A Final Environmental Supplemental Impact Report (FSEIR) has also been prepared that incorporates the DSEIR and contains comments received on the DSEIR, responses to the individual comments, revisions to the DSEIR including any clarifications based on the comments and the responses to the comments, and the Mitigation Monitoring and Reporting Program (MMRP) for the proposed project. This document provides the findings required by CEQA for approval of the proposed project.

Public Resources Code §21000 states that the legislative intent of CEQA is as follows:

- (a) The maintenance of a quality environment for the people of this state now and in the future is a matter of statewide concern.
- (b) It is necessary to provide a high-quality environment that at all times is healthful and pleasing to the senses and intellect of man.
- (c) There is a need to understand the relationship between the maintenance of high-quality ecological systems and the general welfare of the people of the state, including their enjoyment of the natural resources of the state.
- (d) The capacity of the environment is limited, and it is the intent of the Legislature that the government of the state take immediate steps to identify any critical thresholds for the health and safety of the people of the state and take all coordinated actions necessary to prevent such thresholds being reached.
- (e) Every citizen has a responsibility to contribute to the preservation and enhancement of the environment.
- (f) The interrelationship of policies and practices in the management of natural resources and waste disposal requires systematic and concerted efforts by public and private interests to enhance environmental quality and to control environmental pollution.
- (g) It is the intent of the Legislature that all agencies of the state government which regulate activities of private individuals, corporations, and public agencies which are found to affect the quality of the environment, shall regulate such activities so that major

consideration is given to preventing environmental damage, while providing a decent home and satisfying living environment for every Californian.

Public Resources Code §21081 and State CEQA Guidelines §15091 require that the lead agency, in this case, the City Council of the City of Fortuna ("City Council"), prepare written findings for identified significant impacts, accompanied by a brief explanation of the rationale for each finding. Specifically, State CEQA Guidelines §15091 states, in part, that:

- (a) No public agency shall approve or carry out a project for which an EIR has been certified which identifies one or more significant environmental effects of the project unless the public agency makes one or more written findings for each of those significant effects accompanied by a brief explanation of the rationale for each finding. The possible findings are:
 - (1) Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effects as identified in the Final SEIR.
 - (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 SEIR.

In accordance with Public Resource Code §21081 and State CEQA Guidelines §15093, whenever significant impacts cannot be mitigated to below a level of significance, the decision-making agency is required to balance, as applicable, the benefits of the project against its unavoidable environmental risks when determining whether to approve the project. If the benefits of a project outweigh the unavoidable adverse environmental effects, the adverse effects may be considered "acceptable." In that case, the decision-making agency may prepare and adopt a Statement of Overriding Considerations, pursuant to CEQA Guidelines §15093, which state:

- (a) CEQA requires the decision-making agency to balance as applicable the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable."
- (b) When the lead agency approves a project which will result in the occurrence of significant effects which are identified in the Final SEIR but are not avoided or substantially lessened, the agency shall state in writing the specific reasons to support its

action based on the Final SEIR and/or other information in the record. The statement of overriding considerations shall be supported by substantial evidence in the record.

- (c) If an agency makes a statement of overriding considerations, the statement should be included in the record of the project approval and should be mentioned in the notice of determination. This statement does not substitute for, and shall be in addition to, findings required pursuant to Section 15091.

The FSEIR for the project identified potentially significant effects that could result from project implementation. The City Council finds that the inclusion of certain mitigation measures as part of the project approval will reduce the effect, but not to a less-than-significant level. The impact that is not reduced to a less-than-significant level is identified and overridden due to specific project benefits (Section 7.0 of this document, Statement of Overriding Considerations).

These Findings are based upon the information contained in the record of proceedings, including but not limited to:

- (1) Proposed amendments to the Fortuna General Plan Land Use Element and Land Use Map, Mill District Specific Plan, Mill District Design Guidelines, Mill District Qualified Combining Zone, and supporting technical reports;
- (2) The Draft SEIR and Appendixes and Final SEIR, and all documents relied upon or incorporated by references;
- (3) The Mitigation Monitoring and Reporting Program (MMRP) prepared for the project;
- (4) Background information used in preparing the EIR, Appendix A through F of the Draft SEIR;
- (5) All records of decisions, resolutions, staff reports, memoranda, maps, exhibits, letters, synopses of meetings, summaries and other documents approved, reviewed, relied upon or prepared by any City Commission, committees, boards, officials, consultants, or staff relating to the project;
- (6) All testimony and additional information presented at public hearings, and;
- (7) All of the materials set forth in the record of proceedings that relate to the project or its environmental review pursuant to Public Resources Code Section §21167.6(e).

Pursuant to CEQA Guidelines §15091(e), the documents and other materials that constitute the record of proceedings upon which the City has based its decision are located in and may be obtained from the Fortuna City Hall, 621 11th Street, Fortuna, California 95540.

1.2. Organization/Format of Findings

Section 1.0 contains a summary description of the project and background facts relative to the environmental review process. **Section 2.0** identifies the significant impacts of the project that cannot be mitigated to a less-than-significant level (even though all feasible mitigation measures have been identified and incorporated into the project). **Section 3.0** identifies the project's potential environmental effects that were determined to be mitigated to less-than-significant levels. **Section 4.0** discusses impacts analyzed that are less than significant or do not have

potential significant impacts, thus do not require mitigation. **Section 5.0** discusses other CEQA required analysis such as cumulative impacts. **Section 6.0** discusses the feasibility of the project alternatives, and **Section 7.0** presents the Statement of Overriding Considerations. **Section 8.0** incorporates the mitigation and monitoring requirements.

1.3. Summary of Project Description

The proposed Project involves the following amendments to the General Plan Land Use Element and Land Use Map:

- Revisions to the Element narrative to remove reference to the Mill District Area Plan, which was never adopted as part of the General Plan.
- Modifications to the Mill District (MD) Land Use Designation to allow a range of industrial uses that are well integrated and compatible with the surrounding community.
- Amendment to the General Plan Land Use Map to apply the MD Land Use Designation to the entire MDSP area, changes to the Land Use Designation for areas that are not a part of the MDSP area that are designated MD, and to apply Parks, Greenways, & Recreation (PRK) General Plan Land Use and Public Facility (PF) Zone to the portion of APN 200-362-005 within the City of Fortuna
- General modifications to Mill District Focus Area policies, broadening the description of the transportation network; expanding the discussion of compatible uses to minimize impacts from future development on existing and planned development in surrounding areas and revising the Mill District Focus Area Program to reflect the specific plan process underway.
- Significant modification to Mill District Focus Area Policy LU-14.3, which relates to open space, to allow development within Mill District 100-year floodplain portions of Mill District 100-year floodplain areas where development that is consistent with General Plan policy and zoning and building regulations relating to flood hazards, like elsewhere within the City.
- Modifications to the Commercial and Industrial Development sections of the Land Use Element to replace industrial and commercial building square footage caps with a regular ongoing monitoring and reporting program as part of the annual report on the General Plan that maintains the original policy objective, to prevent “urban decay,” that is transparent and engages the City policymakers, public, and interested parties.

The MDSP is intended to enable the flexible and beneficial redevelopment of the MDSP Area by allowing a diverse range of land uses, including single uses and mixed-use developments; providing a balanced transportation network; protecting and enhancing the Strongs and Mill Creek riparian areas; and providing integrated open space areas. MDSP allowable land uses include mixed use, flex space, distribution uses, general commercial, advanced manufacturing, office, residential, and industrial activities. The MDSP includes discretionary Design Guidelines that are applicable to all industrial or commercial buildings to demonstrate their conformance with the proposed MDSP Design Guidelines. The principal objective of the design guidelines is to assure compatibility with existing neighboring development, to maintain and enhance the

aesthetic quality of Fortuna’s major travel corridors, and to improve the overall quality of the urban environment. Permits for residential and mixed-use buildings shall conform to City-wide objective design standards for mixed-use and multi-family residential development implementing Zoning amendments will ensure consistency with the General Plan and include a new Q – Qualified Zone that is applicable to most MDSP areas where the C-T/M-1 zones are applied together and will almost exclusively govern the principally and conditionally permitted uses as well as related development and performance standards and regulations including but not limited to building design, height, setbacks, residential density, Floor Area Ratio (FAR) parking, and landscaping. The MDSP Q-zone allows a broad range of principally and conditionally permitted uses under the categories of Retail Sales, Retail Services, Professional Services, Industrial, Lodging, Residential, Open Space and Parks, and Civic Uses.

1.4. Summary of Project Entitlements

The City’s approval of the proposed Project does not require any permits or approvals by other public agencies. Actions subsequent to the adoption of the Mill District Specific Plan that support their implementation may require permits or approvals by other public agencies. Subsequent actions may require the following permits and/or approvals:

- Future development within the 100-year floodplain or other FEMA-mapped flood hazard area would need to be consistent with the developments required under the FEMA National Flood Insurance Program. Any development proposal within the regulatory floodplain/floodway will be subject to review and approval by the City’s Floodplain Administrator.
- National Pollutant Discharge Elimination System (NPDES) Construction General Permits will be required for grading activities of 1 acre or larger. The developer must file a Notice of Intent with the Regional Water Quality Control Board (RWQCB) and obtain a General Construction Activity Stormwater Permit pursuant to the NPDES regulations established under the CWA. This permit requires preparation and implementation of a Stormwater Pollution Prevention Plan, which is intended to prevent degradation of surface and groundwater during the grading and construction process.
- Future development affecting Waters of the U.S. or adjacent wetlands would need to fill out a permit from the U.S. Army Corps of Engineers issued pursuant to Section 404 of the Federal Clean Water Act (CWA).
- Prior to obtaining a CWA Section 404 permit, a future development may also need to obtain a water quality certification or waiver from the Regional Water Quality Control Board pursuant to Section 401 of the Federal CWA.
- Future development affecting native habitat within the bed, bank, channel, or riparian corridor may need a Streambed/Bank Alteration Agreement issued by the California Department of Fish and Wildlife pursuant to Section 1600 et seq. of the California Fish and Game Code.
- Future uses of parcels covered by a covenant recorded for the site, including APNs 200-363-060, 202-021-020, 202-011-046, 201-331-016, 201-331-013, 201-331-010, 201-331-012, and

201-331-017 (Covenant and Environmental Restriction on the Property), should be communicated to the North Coast Regional Water Quality Control Board in advance, and shall be subject to Article III – Development, Use and Conveyance of the Burdened Property, which details the restriction on development and allowable use.

- California Department of Transportation (Caltrans): Encroachment Permit (applicable to activities that encroach within state highway facilities).

1.5. Project Objectives

The Mill District Specific Plan is intended to:

- Leverage the Mill District location advantage:
 - Maximize the benefits of:
 - exceptional access to, and visibility from, U.S. 101, and
 - equal proximity to downtown Fortuna via 12th Street or Fortuna Boulevard, which will enhance the importance of the 12th Street corridor.
- Provide for a balanced transportation network:
 - Design a safe and convenient street system in the Mill District that supports commerce and facilitates multimodal transportation including the use of public transit, bicycle, and pedestrian facilities for employees and visitors.
 - Integrate interchange and roundabout improvements for -12th Street and Kenmar Road into Mill District designs, enhancing the Mill District’s already excellent freeway access.
 - Make private connections to the interior industrial land from Newburg Road, South Fortuna Boulevard and an existing unnamed private road that also support a potential future Mill District public street network.
 - Provide direct public connections to the John Campbell Memorial Greenway / Strongs Creek Trail and the Great Redwood Trail.
 - Allow for a potential Pond Street connection from the existing unnamed private road and accommodate a potential future widening of 15th Street.
- Protect the industrial character within the core of the Mill District in a manner compatible with existing and planned residential and commercial areas:
 - Create sites for flexible commercial / industrial uses that allow for a range of building types and spaces compatible with adjacent residential areas to attract and accommodate:
 - small and large manufacturing
 - warehousing, transportation and distribution
 - industrial producers, fabricators, and artists

- general commercial, restaurants, and lodging
 - live-work mixed uses
- Integrate building design and landscaping criteria to demonstrate compatibility with the surrounding residential and commercial areas.
- Provide commercial and industrial building frontages, landscape designs, and landscape buffer strips to ensure that future development is attractive and compatible with adjacent uses.
- Plan for water, drainage, and wastewater infrastructure to address the needs of commercial and industrial development and the existing housing areas along 15th, 16th, and Spring Streets and to accommodate the vacant land planned for multifamily uses.
- Allow for unique major retail and commercial service establishments that may benefit from proximity to, or high visibility from, U.S. 101, including in the southern portion of the Mill District.
- Continue South Fortuna Boulevard shop front commercial uses into the Mill District along a future road to be named later with off street parking located behind and to the side of buildings.
- Encourage pedestrian-oriented commercial opportunities of varying scale and size along the future road to be named later near South Fortuna Boulevard and along the Newburg Road portion of the Mill District.
- Remediate contaminated areas to provide for the maximum range of allowable uses where feasible and where costs are prohibitive maximize the potential for industrial uses.
- Protect and enhance the Strongs and Mill Creek riparian areas and provide beneficial and integrated open space areas.
 - Designate streamside management area buffers adequate to protect and enhance the Strongs and Mill Creek riparian corridors.
 - Accommodate passive recreation improvements within the setbacks of Strongs and Mill Creek integrated with the John Campbell Memorial Greenway / Strongs Creek Trail.
 - Ensure Low Impact Development (LID) areas are coordinated with stormwater requirements to address stormwater runoff from new development and integration with constructed wetland improvements within and adjacent to streamside management area buffers.
 - Consider, and where appropriate, allow new development within the Strongs and Mill Creek 100-year floodplain that is outside riparian buffers and the floodway consistent with City of Fortuna flood hazard reduction regulations.

1.6. Environmental Review Process

The proposed project is located in the City of Fortuna, Humboldt County, California and includes the Mill District Specific Plan (MDSP) Area, off-site improvement areas, and land use change areas not associated with the MDSP. The project encompasses a total area of 150.3 acres, 104.4 of which comprise the MDSP Area. The project is located about 20 miles south of Eureka and 253 miles north of San Francisco. The MDSP Area is bordered to the west by Highway 101 and South Fortuna Boulevard to the east, with key areas like Newburg Road to the north and Kenmar Road to the south. The project location provides significant access points and connectivity. The surrounding landscape features residential and commercial areas.

The MDSP is intended to implement the Fortuna General Plan 2030 Land Use Element Mill District Focus Area policies and facilitate the transformation of the former Pacific Lumber Company (PALCO) mill, which has been underutilized since its closure in 2004. The Mill District Focus Area policies aim to revitalize the local economy and enhance community amenities by accommodating mixed-use development that integrates residential, commercial, and compatible light-industrial development.

A Draft Program Environmental Impact Report (State Clearinghouse # 2007062106) was prepared for the City of Fortuna General Plan 2030 (General Plan) in July 2010. The Fortuna City Council certified a Final Environmental Impact Report (previous FEIR) adopting the General Plan in October 2010. The previous FEIR considered the re-designation of the Mill District (the former mill site and adjacent residential and commercial area) from manufacturing, commercial, multi-family and commercial to “Mill District,” which is a mixed-use designation that allows retail, service, restaurants, entertainment, office, and residential uses. Approximately 24.1 acres of the MDSP Area, or 23 percent of the land, lies within the 100-year flood plain and was intended to be maintained as open space in Mill District Focus Area policy (LU-14.3 Open Space and Parkland). The General Plan Buildout Calculations (Previous FEIR, Draft PEIR Table 3.1-6) assumed that at buildout the Mill District Land Use Designation would accommodate 300 new housing units, with a residential population of 702 people, and 300,000 square feet of non-residential development. The previous FEIR also projected that the Mill District would generate 309 peak hour trips during the morning peak hour and 913 trips during the evening peak hour.

The processes for the review and approval of updates to the General Plan Land Use Element and Land Use Map, the MDSP, and the Q – Qualified Zone are summarized below.

1.6.1 2010 Fortuna General Plan EIR

On October 26, 2010, the Fortuna City Council certified the Final Program Environmental Impact Report (PEIR) (State Clearing House Number 2007062106) for the 2030 General Plan Update (Resolution 2010-45) and approved the Fortuna General Plan 2030 (Resolution 2010-46). The Fortuna General Plan 2030 Land Use Element includes a Mill District Land (MD) Use Designation and Mill District Focus Area Goal (Goal LU-14) and associated policies and implementation programs that call for the adoption of a plan containing design and development standards and criteria to accommodate a range of mixed-use development options for the development of the Mill District, which the General Plan describes as “Fortuna’s greatest opportunity during the

General Plan's timeframe." The MD Land Use Designation is applied to the Mill District Focus Area.

1.6.2 Preparation of the Supplemental EIR

In accordance with the requirements of CEQA and the CEQA Guidelines, a Draft Mill District Specific Plan Supplemental EIR (SEIR) was prepared to disclose relevant information concerning the environmental effects associated with the proposed updates to the City's General Plan Land Use Element and Land Use Map, Mill District Specific Plan, and Q – Qualified Zone to the extent the circumstances described in Section 15162 of the CEQA Guidelines require additional environmental review. The Draft SEIR addressed the following environmental issues:

The City Council finds, based on substantial evidence in the record of this proceeding, that DSEIR has been completed in accordance with the requirements of CEQA, the CEQA Guidelines, the Vacaville Land Use and Development Code and all other applicable laws and regulations. Specifically, the City Council finds:

1. The Final SEIR has been completed in compliance with CEQA.
2. The Final SEIR The final EIR was presented to the City Council, and the City Council reviewed and considered the information contained in the final EIR prior to approving the project.
3. The Final SEIR reflects the lead agency's independent judgment and analysis.

1.6.3 Basis for Preparation of the Mill District Specific Plan Supplemental EIR

When an EIR has been certified for a project, no subsequent EIR shall be prepared for that project, unless specific conditions described in CEQA Guidelines Section 15162 have occurred. CEQA Guidelines Section 15163 provides that the City may prepare a supplement to an EIR rather than a subsequent EIR if: (1) any of the conditions described in CEQA Guidelines Section 15162 would require a subsequent EIR; and (2) only minor additions or changes would be necessary to make the previous EIR adequate to apply to the project in changed situation.

The conditions for preparation of a subsequent EIR per CEQA Guidelines Section 15162 are as follows:

When an EIR has been certified or a negative declaration adopted for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

- (1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
- (2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- (3) New information of substantial importance, which was not known and could not have

been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration was adopted, shows any of the following:

- (A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
- (B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;
- (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
- (D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

The City has previously certified the General Plan EIR which contains goals and policies relating to the preparation of the Mill District plan. Therefore, no subsequent or supplemental environmental review is required, except to the extent the conditions described in CEQA Guidelines Section 15162 have occurred. The proposed project would revise some policies in the General Plan Land Use Element policies relating to the Mill District and adopt the MDSP. No significant changes to land use or other policies are proposed. Therefore, the SEIR analyzes impacts to air quality, land use, transportation, natural and cultural resources, parks, recreation and open space, and public health and safety.

At the time the City initiated the preparation of the MDSP, an addendum to the Fortuna General Plan EIR was considered to be the appropriate CEQA document for City Council plan approval because no specific projects were proposed and the General Plan Mill District Land Use Designation and Focus Area Policy clearly define the intended uses, circulation and community connectivity, and the process and implementations needed for plan approval and was analyzed in the Fortuna General Plan EIR. The MDSP was considered to be an implementation program that is clearly defined in the Fortuna GP.

After evaluating a range of potential revisions to the objectives for the Mill District Focus Area early in the planning process, the City decided to prepare a supplemental environmental impact report to support MDSP approval. As additional potential revisions were evaluated, the City considered the thresholds for a supplemental vs. a subsequent environmental impact report and determined that the contents of both documents are similar, and both require the circulation of a public draft document, and responses to comments. The City of Fortuna determined based on initial project screening (which is confirmed in Section 3, Issues Requiring Changes to Prior EIR; 4, Impacts Found to have no Substantial Change from Previous Analysis, and 5, Mandatory CEQA Topics, of the DSEIR) that the proposed project, as it evolved in initial project planning and as it is presented in the project description (proposed changes to the Mill District Land Use Designation, Mill District Focus Area Policy, and commercial and industrial land use caps) would not increase

the severity of impacts on the environment, and the City selected the term supplemental EIR as the document title.

As described in the Project Description, the City's objectives for the Mill District were refined over time during the MDSP planning process, including to consider an expanded range of compatible industrial uses within the Mill District and to allow development within the 100-year floodplain consistent with the General Plan and in a manner identical to other commercial, residential, and industrial areas within the City. Other changes include the replacement of square footage caps that are area based for industrial uses and Land Use Designation based for commercial uses, with a comprehensive annual monitoring and reporting program; and a change to the Mill District floor area ratio to match the surrounding commercial area to allow for the more efficient use of land. The City decided that these specific changes to the General Plan would be necessary to fulfil the vision and guiding objectives for MDSP for the Mill District Specific Plan (MDSP Chapter 2) and as a result, the City determined that additional environmental review would be required, and prepared supplemental EIR, which is intended to adhere to the requirements of either a supplemental EIR or subsequent EIR, as specified in CEQA.

The City of Fortuna prepared the EIR in accordance with CEQA and the State CEQA Guidelines. The EIR is a full-disclosure informational document that informs public agency decision-makers and the public of the significant environmental effects of the project. Measures to minimize significant effects are identified in the EIR and reasonable alternatives to the project are evaluated.

The DSEIR for the Mill District Specific Plan was submitted by the City of Fortuna and received by the State Clearinghouse on August 26, 2024, for distribution to State agencies, and was distributed to local, State, and federal responsible and trustee agencies and tribal governments. The general public was advised of the DSEIR through a Notice of Availability posted at the County Clerk as required by law, and through a posting in a local newspaper, the Fortuna Enterprise, on August 22, 2024. The review period of the DSEIR was more than the minimum 45 days required by Section 15205 of the CEQA Guidelines and ended at 5:00 pm on October 10, 2024.

Copies of the DSEIR were made available for review at Fortuna City Hall, located at 834 G Street, Fortuna, California, 95536. The DSEIR was also available for review online at https://www.friendlyfortuna.com/news_detail_T34_R567.php. The Notice of Availability of the DSEIR was also sent on August 30, 2024, to parties registered with the City, as well as direct emailing to trustee agencies, responsible agencies, utility providers, area schools, and regional planning agencies. The Planning Commission held a duly noticed public hearing during the EIR comment period on September 24, 2025, where members of the public could hear a presentation on the DSEIR and provide comments.

All comment letters received in response to the DSEIR were reviewed and are included in Chapter 2 of the FSEIR, along with written responses to each of the comments. In accordance with State CEQA Guidelines §15132, the FSEIR for the project consists of: (a) the Draft SEIR or a revision of the draft; (b) comments and recommendations received on the DSEIR; (c) a list of the persons, organizations, and public agencies commenting on the DSEIR; (d) responses of the Lead Agency to significant environmental points raised in the review and consultation process; and (e) any other information added by the Lead Agency.

A Planning Commission public hearing to receive comments on the FSEIR and provide a recommendation to the City Council will be held during the January 28, 2025, meeting at 6:00 p.m. A City Council public hearing to consider approval of the Project will be held during the February 18, 2025, meeting at 6:00 p.m., consistent with the requirements of Government Code section 54953. This FSEIR will be provided to the City Council for review and consideration prior to certification of the EIR as a full disclosure of potential impacts, mitigation measures and alternatives. The FSEIR will be sent to the public agencies who commented on the DSEIR at least 10 days prior to certification of the EIR per CEQA Guidelines Section 15088.

1.7. Recirculation Not Required

Certain revisions have been made to the DSEIR, which can be found in Chapter 3 of the FSEIR (Errata, Revisions, Clarifications). The analysis contained in the DSEIR and FSEIR demonstrates that amendments to General Plan Land Use Element and the adoption of the MDSP does not add new or increase the level of air quality impacts previously identified in the previous, modifications to the DSEIR were made to Section 3, Issues Requiring Changes To Prior EIR to add Section 3.5.2, Air Quality, to provide greater detail regarding potential air quality impacts, and applicable state laws and NCUAQMD Rules and the policies and programs in the General Plan that limit air quality impacts as well as the additional policies and performance measures contained in the MDSP and its implementing Zone..

Per CEQA Guidelines Section 15088.5, recirculation of an EIR would be required if “significant new information” is presented to the lead agency. “Significant new information” requiring recirculation includes, for example, a disclosure showing that:

- (1) A new significant environmental impact would result from the project or from a new mitigation measure proposed to be implemented.
- (2) A substantial increase in the severity of an environmental impact would result unless mitigation measures are adopted that reduce the impact to a level of insignificance.
- (3) A feasible project alternative or mitigation measure considerably different from others previously analyzed would clearly lessen the environmental impacts of the project, but the project’s proponents decline to adopt it.
- (4) The Draft SEIR was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded (*Mountain Lion Coalition v. Fish and Game Com.* [1989] 214 Cal.App.3d 1043).

The revisions in Chapter 3 of the FSEIR do not identify new significant environmental impacts, do not constitute “significant new information,” and do not alter the conclusions of the environmental analysis. Thus, recirculation of the DSEIR is not required and subsequently not conducted.

2.0 FINDINGS REGARDING SIGNIFICANT UNAVOIDABLE ADVERSE IMPACTS

This section identifies the significant unavoidable impacts that require a statement of overriding considerations to be adopted by the City Council if the project is approved. The previous FEIR determined that certain impacts would remain significant and unavoidable after implementation of the General Plan. Impacts to agricultural resources, air quality, hydrology/water quality, noise, transportation/circulation and utilities/services systems were unable to be mitigated to a level below significance.

On October 26, 2010, the Fortuna City Council adopted Resolution 2010-45, a Resolution of the City Council of the City of Fortuna Certifying the Final Program Environmental Impact Report for the 2030 General Plan Update, Adopting Findings, Adopting a Statement of Overriding Considerations, and Adopting a Mitigation Monitoring and Reporting Program Pursuant to the California Environmental Quality Act. In Exhibit A to Resolution 2010-45, the City Council set forth facts and made finding relating to the impact topics listed above and Exhibit B to that Resolution contains the Statement of Overriding Considerations. Resolution 2010-45 is incorporated into this CEQA Findings of Fact and Statement of Overriding Considerations by reference. Draft SEIR Section 4, Impacts Found to have no Substantial Change from Previous Analysis, provides a discussion of the impact topics where the City determined that the proposed changes to the Land Use Element and adoption of the MDSP would not change the impacts from the previous FEIR. Some of these impacts were determined to be significant and unavoidable and the analysis in Section 4 demonstrated that the project would not worsen the level of impacts.

The addition of commercial and industrial space, infrastructure and utilities, and residential units as a result of the amendments to the General Plan and implementation of the MDSP does not change the determinations made in Resolution 2010-45. These significant and unavoidable impacts of the General Plan and MDSP are not discussed further.

Based on the substantial record evidence, certain impacts resulting from the adoption of the amendments to the General Plan and the MDSP have been determined to fall within this "significant unavoidable impact" category:

Air Quality

In response to comments on the DSEIR, the analysis of potential air quality impacts of uses allowed within the MDSP Area by adoption of the proposed Project, DSEIR Section 4.6.1, Air Quality, with the exception of Section 4.6.1-6 Conflict with the State Goal of Reducing GHG Emissions Under AB 32 Potential Impacts, is completely deleted from Chapter 4, Impacts Found to have no Substantial Change from Previous Analysis, and the following entirely new section, Air Quality, is added to Chapter 3, Issues Requiring Changes to Prior EIR, as Section 3.5.2, Air Quality, in section 3.5, Public Health and Safety. Section 3, Errata, Revisions, and Clarifications, subsection 3, Environmental Analysis Text Clarifications of the FEIR, modified the SEIR to include a comprehensive analysis of potential air quality impacts of the MDSP.

- **Impact AQ-01:** Would the project conflict with or obstruct implementation of the applicable air quality management plan?
- **Impact AQ-02:** Would the project violate any air quality standard or contribute

substantially to existing/projected air quality violations; or result in a cumulatively considerable net increase of any criteria pollutant for which the plan region is in non-attainment under an applicable federal or State ambient air quality standard?

Transportation and Circulation

- **Impact 3.2.1-01:** Would the implementation of the MDSP result in a smart growth score whose deviation from the ideal score of “100” is at least 4% lower than the existing regional average deviation from the ideal score for Humboldt County, where the Countywide average deviation from the ideal score is 25.70?

2.1 Air Quality Impact AQ-01:

Would the project conflict with or obstructs implementation of the applicable air quality management plan?

The North Coast Air Basin is in “attainment,” meaning the area meets or exceeds the standards set by the U.S. Environmental Protection Agency (EPA), for all criteria pollutants except inhalant particulate matter with a diameter of 10 micrometers or less (PM10), which is “nonattainment.” The USEPA states that PM10 is “emitted directly from a source, such as construction sites, unpaved roads, fields, smokestacks or fires.” The NCUAQMD adopted a Particulate Matter Attainment Plan in 1995, which is the only air quality management plan applicable to the City of Fortuna. The attainment plan presents available information about the nature and causes of PM10 standard exceedances and identifies cost-effective control measures to reduce PM10 emissions to levels necessary to meet California Ambient Air Quality Standards. The previous FEIR in Impact 8.1-1, determined that the General Plan would generate less than significant levels of PM10 during construction but would exceed PM10 significance thresholds and thus could contribute to an obstruction of the North Coast Unified Air Quality Management District’s (NCUAQMD) PM10 Attainment Plan.

The General Plan includes policies and programs intended to reduce construction and operational air emissions of PM10, and the NCUAQMD has a standard set of emission reduction measures that new development must comply with during construction and operation. As described above, the NCUAQMD adopted a Particulate Matter Attainment Plan in 1995 presents available information about the nature and causes of PM10 standard exceedances and identifies cost-effective control measures to reduce PM10 emissions to levels necessary to meet California Ambient Air Quality Standards. However, the NCUAQMD Planning and CEQA webpage states that the Particulate Matter Attainment Plan “should be used cautiously as it is not a document that is required in order for the District to come into attainment for the state standard.”

However, despite implementing these policies, programs, and NCUAQMD requirements, operational emissions projected to occur under the Fortuna General Plan were still expected to exceed the NCUAQMD threshold for PM10 under the Attainment Plan. This impact was found by the previous FEIR to be significant and unavoidable with no feasible mitigation measures available beyond those provided by existing regulations, the General Plan Land Use Diagram, and the General Plan’s policies and programs.

Future development consistent with the MDSP conceptual development plan that would be

allowed by the proposed General Plan changes and the adoption of the MDSP, as shown in DSEIR Table 8, could potentially increase operational PM10 emissions beyond the quantitative estimate of operational emissions associated with buildout of the Fortuna General, if the MDSP Area Assumed Buildout occurs. However, the previous FEIR assumes that residential, commercial, and industrial development will occur at a rate consistent with population growth and did not evaluate the air emissions associated with the full buildout of all developable land, which is what is depicted in DSEIR Table 8. The air emissions analyzed in the previous FEIR are those assumed to occur due to population growth within the City during the General Plan Planning period (2010 to 2030) and include 300,000 square feet of commercial development and 300 housing units within the MDSP Area (none of which has been developed) and 400,000 square feet of industrial development in areas planned for industrial uses throughout the City.

Compliance with federal, state and NCUAQMD PM10-reduction requirements, including NCUAQMD Rule 104 Section D, together with implementation of the current General Plan policies and programs, the measures that the previous FEIR found to be the full range of feasible mitigations, and proposed MDSP goals, policies and performance measures will reduce MDSP PM10 emissions from what would occur without their implementation. Even with these goals, policies and performance measures, operational emissions were determined in the previous FEIR to still exceed the specified NCUAQMD threshold for PM10 (Table 8.7-1). This impact would remain significant and could potentially exceed the impacts analyzed in the previous FEIR if the “Net Increase in Development Under the Proposed General Plan” as defined in Table 8.1-4 of the previous FEIR were to be fully developed and the assumed buildout of the MDSP as set forth in SIER Table 8: MDSP Area Assumed Buildout were to be fully developed. It should be noted that the buildout of the Fortuna General Plan land uses is far below what was projected to occur during the Planning Period in the previous FEIR and there is no objective data suggesting that the MDSP buildout would occur in the next 15 to 20 years. However, to be conservative, it is possible that the full (assumed) buildout of the MDSP could worsen impacts of the Fortuna General Plan relating to the PM10 Attainment Plan. Mitigation Measure AQ-1 is proposed to ensure that the levels of residential, commercial, and industrial development air emissions within the MDSP Area do not exceed those evaluated as part of the Fortuna General Plan FEIR.

Mitigation Measure AQ-1: Add the following new Policy and Performance Measure to the MDSP to ensure that levels of residential, commercial, and industrial development air emissions within the MDSP Area do not exceed those evaluated as part of the Fortuna General Plan FEIR:

New Chapter 3: Land Use, Open Space & Design Policy:

Policy LU-16 New MDSP residential and commercial development and City of Fortuna cumulative industrial development which was used to model air quality emissions shall not exceed those analyzed in the Fortuna General Plan Final EIR, as defined in Table 8.1-4a “Net Increase in Development Under the Proposed General Plan.

New Chapter 3: Land Use, Open Space & Design Air Quality Performance Measure:

Air Quality. Levels of new residential, commercial, and industrial development within the MDSP, as measured in residential units or commercial or industrial square feet, shall not

be in excess of the following thresholds unless an amendment to the MDSP is approved that includes a comprehensive air quality modelling analysis that is conducted using the most current version of the California Emissions Estimator Model (CalEEMod), or the model recommended by the state of California for use in CEQA air quality analysis, to estimate air pollutant emissions from the assumed buildout of the MDSP Area construction and operation (SEIR Project Description Table 8: MDSP Area Assumed Buildout) plus the non-MDSP Area land use development and growth described in the previous FEIR Net Increase in Development Under the Proposed General Plan" Table 8.1-4a, and all feasible mitigation measures identified as part of the analysis are implemented; or the Fortuna General Plan is comprehensively updated including a CEQA analysis of air quality impacts and all feasible goals, policies, and programs are adopted to reduce air quality emissions. The following are MDSP new residential, commercial, and industrial development thresholds:

- (a) New residential development within the MDSP Area in excess of 300 dwelling units;
- (b) New commercial development within the MDSP Area in excess of 300,000 square feet; and,
- (c) New industrial development in the MDSP Area and the City of Fortuna in excess of a cumulative citywide total of 400,000 square feet, including all new industrial development that has occurred in the City of Fortuna since October 2010.

The previous FEIR determined that implementation of NCUAQMD Rules relating to fugitive dust emissions and the implementation of General Plan policies and programs intended to reduce PM10 emissions represent the full range of feasible mitigations. The proposed Project would add a series of goals, policies, and performance measures that add site specific requirements applicable within the MDSP Area to encourage mixed use development that reduces air emissions by reducing the need for vehicle trips, increasing the connectivity and comfort and transportation routes for people walking or on bikes and requiring transit improvements to encourage walking and biking and reduce vehicle trips, and reducing parking requirements to further reduce vehicle trips. Despite these policies and programs, impacts would be significant and could conservatively be assumed to potentially be increased beyond those analyzed in the previous FEIR. Mitigation AQ-01 adds a new Policy and Performance Measure to the MDSP to ensure that levels of residential, commercial, and industrial development within the MDSP Area do not exceed those evaluated as part of the Fortuna General Plan FEIR air quality emissions analysis. This mitigation would ensure that air emissions resulting from the MDSP do not exceed impacts that were determined to occur based on the Fortuna General Plan. This impact would continue to be significant and unavoidable.

Findings

The North Coast Air Basin (NCAB) is in "attainment" for all criteria pollutants except PM10 that is in "nonattainment". Therefore, North Coast Unified Air Quality Management District (NCUAQMD) has adopted a PM10 Attainment Plan for the NCAB. URBEMIS was used to quantitatively estimate construction and operational emissions associated with buildout under the proposed Project based on the air quality model inputs for construction and operation. Based on the model, the proposed Project , before mitigation, will generate an estimated 88 tpy of PM10 during

operation. This exceeds the specified NCUAQMD threshold for PM10 of 16 tpy.

The proposed General Plan includes policies and programs designed to reduce construction and operational air emissions of PM10:

Policy HS-3.1 requires the City to strive to achieve and maintain compliance with federal, state and regional PM10 standards;

Policy HS-3.4 requires the City to adopt appropriate federal and state standards for EPA approved wood burning appliances;

Program HS-4 requires the City to work with NCUAQMD to develop/implement an Air Quality Management Plan for controlling PM10;

Program HS-5 requires proposed new subdivisions, PUDs and other large development projects to implement a series of listed air emission reduction measures during construction and operation (see listed under "General Plan Policy Response" subsection).

Compliance with federal, state and NCUAQMD PM10-reduction requirements (such as those required by the NCUAQMD PM10 Attainment Plan and Rule 104), together with implementation of the General Plan policies and programs, will reduce PM10 emissions from what would occur without their implementation. This represents all feasible mitigation. Even so, operational emissions are still expected to exceed the specified NCUAQMD threshold for PM10 under the PM10 Attainment Plan. Therefore, a significant and unavoidable impact was determined to occur as a result of implementation of the Fortuna General Plan.

Mitigation AQ-01 adds a new Policy and Performance Measure to the MDSP to ensure that levels of residential, commercial, and industrial development within the MDSP Area do not exceed those evaluated as part of the Fortuna General Plan FEIR air quality emissions analysis. This mitigation would ensure that air emissions resulting from the MDSP do not exceed impacts that were determined to occur based on the Fortuna General Plan. This impact would continue to be significant and unavoidable..

However, it is not possible to conclude this mitigation will reduce to zero project-specific or area-wide construction and operation PM10 emissions from all future development projects under the Land Use Element Update. Construction and operation activities under the Land Use Element Update will likely result in some PM10 emissions, and any increase in PM10 emissions can be considered a "cumulatively considerable net increase of a criteria pollutant for which the project area is in non-attainment".

As described in the Statement of Overriding Considerations, the City has determined that this impact is acceptable because specific overriding economic, legal, social, technological, and other benefits of the proposed project - including regionwide or statewide environmental benefits - outweigh its significant effects on the environment.

2.2 Air Quality Impact AQ-02:

Would the project violate any air quality standard or contributes substantially to existing/projected air quality violations; or result in a cumulatively considerable net increase of any criteria pollutant for which the plan region is in non-attainment under an

applicable federal or State ambient air quality standard?

The North Coast Air Basin is in “attainment,” meaning the area meets or exceeds the standards set by the U.S. Environmental Protection Agency (EPA), for all criteria pollutants except inhalant particulate matter with a diameter of 10 micrometers or less (PM₁₀) which is in “nonattainment”. As described above, the NCUAQMD adopted a Particulate Matter Attainment Plan in 1995, which is the only air quality management plan applicable to the City of Fortuna. The attainment plan presents available information about the nature and causes of PM₁₀ standard exceedances and identifies cost-effective control measures to reduce PM₁₀ emissions to levels necessary to meet California Ambient Air Quality Standards. The previous FEIR in Impact 8.1-2, Violate Air Quality Standards or Contribute Substantially to Existing/Projected Air Quality Violations, that construction activities under the General Plan would produce air emissions. It anticipated that these activities would result in pollutant emissions below NCUAQMD thresholds for all criteria pollutants except carbon monoxide (CO). However, the CO emissions from construction were determined to be temporary, and all land use activities are required to comply with NCUAQMD rules and regulations. Despite the inclusion of policies and programs in the General Plan that are intended to reduce CO emissions, the FEIR concluded that construction activities could potentially exceed the NCUAQMD threshold for CO.

New development permitted by the General Plan would also generate operational emissions of criteria pollutants. These emissions would come from stationary sources such as heaters, wood-burning fireplaces, restaurant exhaust, and industrial activities, as well as mobile sources including motor vehicles. The FEIR found that operational emissions would exceed NCUAQMD thresholds for reactive organic gases (ROG), nitrogen oxides (NO_x), carbon monoxide (CO), and particulate matter (PM₁₀). Even with compliance to applicable NCUAQMD rules and regulations, the promotion of mixed-use development for efficient land use and reduced motor vehicle use, and the implementation of policies and programs to lower operational emissions, the General Plan would still result in operational emissions above NCUAQMD thresholds for ROG, NO_x, CO, and PM₁₀.

The previous FEIR concluded that the General Plan would result in operational emissions of ROG, NO_x, and CO above NCUAQMD thresholds (see previous FEIR Table 8.1-7 under the “After Mitigation” column) even after “mitigation,” which are not additional programs that were specifically called out as mitigations in the EIR, but are a comprehensive list of NCUQAMD requirements and General Plan policies and programs which are implemented as part of applicable project through the implementation of the General Plan and are considered to be the range of feasible programs available to reduce air emissions. Therefore, a significant impact will occur.

The MDSP would allow a broader range of industrial development and allow development to occur at a Floor Area Ratio of 0.8, rather than 0.5. Future development consistent with the proposed General Plan changes and the adoption of the MDSP could potentially increase construction and operational levels of ROG, NO_x, and CO emissions beyond those previously analyzed, if the MDSP Area Assumed Buildout occurs.

Compliance with federal, state and NCUAQMD ROG, NO_x, and CO reduction requirements, together with implementation of the current General Plan policies and programs, the measures

that the previous FEIR found to be the full range of feasible mitigations, and proposed MDSP goals, policies and performance measures will reduce MDSP ROG, NOx, and CO emissions from what would occur without their implementation. Even with these goals, policies and performance measures, operational emissions would likely still exceed the specified NCUAQMD thresholds for ROG, NOx, and CO (Table 8.7-1). The impact would remain significant and although not likely to occur, full buildout of the MDSP conceptual development plan, as presented in DSEIR Table 8, could potentially exceed the impacts analyzed in the previous FEIR.

Mitigation Measure AQ-2: Implement Mitigation Measure AQ-01

The previous FEIR determined that implementation of NCUAQMD requirements and the implementation of General Plan policies and programs intended to reduce ROG, NOx, and CO emissions represent the full range of feasible mitigations. The proposed Project would add a series of goals, policies, and performance measures that add site specific requirements applicable within the MDSP Area to encourage mixed use development which reduces air emissions by reducing the need for vehicle trips, increasing the connectivity and comfort and transportation routes for people walking or on bikes and requiring transit improvements to encourage walking and biking and reduce vehicle trips, and reducing parking requirements to further reduce vehicle trips. Despite these policies and programs, impacts would be significant. Mitigation AQ-01 adds a new Policy and Performance Measure to the MDSP to ensure that levels of residential, commercial, and industrial development air emissions within the MDSP Area do not exceed those evaluated as part of the Fortuna General Plan FEIR. This mitigation would ensure that air emissions resulting from the MDSP do not exceed the level of impacts that were determined to occur based on the Fortuna General Plan. Therefore, this impact would continue to be significant and unavoidable and impacts of the MDSP would not exceed impacts that were determined to occur based on the Fortuna General Plan.

Findings

Construction activities associated with new development permitted under the General Plan will produce emissions. These construction activities will generate criteria pollutants including ROG, NOx, CO, PM10 and PM2.5. Construction activities associated with buildout under the General Plan will result in the emission of pollutants below NCUAQMD thresholds for all criteria pollutants except CO. However, several mitigating factors must be considered. First, the emission of construction-related CO will be temporary in nature. Second, construction activities that are consistent with the General Plan will be required to comply with all applicable NCUAQMD rules and regulations. Third, the General Plan includes policies and programs designed to reduce construction-related CO emissions, including Program HS-5 requiring the use of low VOC coatings and paints, fitting construction equipment with EPA and/or NCAUQMD-approved exhaust systems, limiting diesel-powered construction equipment idling time to 10 minutes, staging diesel-powered construction equipment as far away from residences as possible, and prohibiting open burning of cleared vegetation and construction debris. Still, even with mitigation, construction activities could result in CO emissions above the NCUAQMD threshold (e.g., even after implementation of NCUAQMD requirements, the proposed policies/programs, etc.). Therefore, a significant impact could occur.

In addition to construction emissions, new development under the General Plan will generate

operational emissions of criteria pollutants. These emissions will result from stationary sources such as heaters, wood burning fireplaces, restaurant exhaust, and industrial activities, and mobile sources including motor vehicles. Operational emissions associated with the General Plan will exceed the NCUAQMD thresholds of significance for ROG, NOx, CO and PM10. However, several mitigating factors must be considered. First, operational activities associated with the General Plan will be required to comply with all applicable NCUAQMD rules and regulations. Second, the General Plan includes mixed-use development that will provide for efficient land use patterns and reduce motor vehicle use. Third, the General Plan includes policies and programs designed to reduce operations-related emissions:

Policy HS-3 .4 requires the City to adopt State and federal standards for EPA approved wood burning appliances;

Policy HS-3.6 requires the City to increase clean-fuel, promote transit-oriented development and alternative modes of transportation, and reduce travel demand;

HS-3.7 requires new development to incorporate air pollutant reduction measures;

Program HS-5 :

- a) Limits wood burning EPA Phase III or better stove or fireplace per unit;
- b) Requires that all new buildings be heated with electricity or natural gas- rather than wood heating systems;
- c) Prohibits open burning of vegetation;
- d) Requires that new buildings incorporate energy efficiency by 20% beyond Title 24 requirements;
- e) Requires new development to provide sidewalk, bicycle lanes, bicycle locking areas, and pedestrian-enhancing features to facilitate pedestrian rather than motor vehicle transportation;
- f) Requires the City to work with the transit providers to extend service;
- g) Requires the City to synchronize existing and new traffic signals to increase circulation efficiency; and
- h) Requires new commercial, office and mixed-use projects to initiate voluntary ridesharing programs for their workforces, provide preferential parking for ridesharing, provide bicycle parking areas, and provide their employees with transit incentives to minimize driving to work.

The previous FEIR determined that implementation of NCUAQMD requirements and the implementation of General Plan policies and programs intended to reduce ROG, NOx, and CO emissions represent the full range of feasible mitigations. The proposed Project would add a series of goals, policies, and performance measures that add site specific requirements applicable within the MDSP Area to encourage mixed use development which reduces air emissions by reducing the need for vehicle trips, increasing the connectivity and comfort and transportation routes for people walking or on bikes and requiring transit improvements to encourage walking and biking and reduce vehicle trips, and reducing parking requirements to further reduce vehicle

trips. Despite these policies and programs, impacts would be significant. Mitigation AQ-01 adds a new Policy and Performance Measure to the MDSP to ensure that levels of residential, commercial, and industrial development air emissions within the MDSP Area do not exceed those evaluated as part of the Fortuna General Plan FEIR. This mitigation would ensure that air emissions resulting from the MDSP do not exceed the level of impacts that were determined to occur based on the Fortuna General Plan. Therefore, this impact would continue to be significant and unavoidable and impacts of the MDSP would not exceed impacts that were determined to occur based on the Fortuna General Plan.

As described in the Statement of Overriding Considerations, the City has determined that this impact is acceptable because specific overriding economic, legal, social, technological, and other benefits of the proposed project - including regionwide or statewide environmental benefits - outweigh its significant effects on the environment.

2.3 Transportation and Circulation Impact 3.2.1-01:

Would the implementation of the MDSP result in a smart growth score whose deviation from the ideal score of “100” is at least 4% lower than the existing regional average deviation from the ideal score for Humboldt County, where the Countywide average deviation from the ideal score is 25.70?

Vehicle Miles Traveled (VMT) became a threshold to measure transportation impacts for CEQA review in 2020 and was not analyzed as the transportation impact in the previous FEIR. The previous FEIR did include some analysis of VMT in Section Impact 5.6-1: Inefficient, Wasteful or Unnecessary Consumption of Energy, which concluded that due to the land use and transportation policy relating to VMT, the proposed plan will not result in the inefficient, wasteful or unnecessary consumption of energy, and a less than significant impact will occur.

The General Plan and Zoning proposed to be applied to the MDSP Area could allow all residential development or all commercial/industrial development, or any mixture thereof. Because the conceptual development plan and the proposed General Plan and Zoning to be applied to the MDSP Area could allow a land use mix that exceeds the CEQA VMT threshold, the VMT impacts of the proposed MDSP would be considered potentially significant.

New Policies are recommended to be added to Goal LU-1 in the Citywide Growth and Development and Goal LU-14 Focus Area: Mill District of the Land Element as mitigation measures to lessen potential VMT impacts of the proposed MDSP and implementation of the Fortuna General Plan. The potential efficacy of these mitigation measures cannot be determined at this time. As a result, project-related VMT is considered a significant and unavoidable impact.

Mitigation Measures:

Proposed Policy LU-1.20

The City shall work with HCAOG to incorporate findings and recommendations of the ongoing Multimodal and Vibrant Neighborhood Planning Project, or other similar HCAOG planning efforts, to develop and implement policies and programs to be included in the City General Plan, or other appropriate plans, and projects related to the City’s transportation system to reduce automobile dependency for local trips.

Proposed Policy LU-14.5

To the extent feasible, the proposed developments within the MDSP Area and within a walkable 0.5-mile distance to the Mill District shall seek to incorporate residential uses to complement proposed non-residential uses within the Mill District in order to achieve a more balanced land use mix within the City of Fortuna.

Proposed Policy LU-14.6

The City shall work with the Fortuna Mill Commerce Center property owner and applicant for development within the MDSP Area to implement a Class I trail through the Mill District as part of the Great Redwood Trail and/or Strongs Creek Trail in order to provide a continuous active transportation corridor between Fortuna Boulevard and Newburg Road / 12th Street, as specified in the Mill District Specific Plan (MDSP) Bicycle and Pedestrian Access performance standard and shown on the circulation diagram.

Proposed Policy LU-14.8

The City shall work with HCAOG to incorporate findings and recommendations of the ongoing Multimodal and Vibrant Neighborhood Planning Project, or other similar HCAOG planning efforts, to plan and implement projects to improve low stress connectivity of nonmotorized transportation modes between the Mill District site and the surrounding established neighborhoods.

The above Mitigation Measures are expected to reduce VMT from new development encouraged by the MDSP. However, since Fortuna's home-based VMT per resident is expected to continue to be greater than the Countywide average even with implementation of the proposed MDSP policies and Mitigation Measures, the Project would exceed the VMT threshold of CEQA Guidelines 15064.3, subdivision (b), and transportation impacts would remain significant after mitigation.

Findings

The proposed Project will result in development that will generate additional VMT. Policies in the General Plan, the Land Use Element Mill District Focus Area and the Mill District Specific Plan support reductions in City-wide VMT such as: promoting infill development with a diversity of housing located close to the city center, improving non-vehicular transportation corridors such as the Great Redwood Trail and Strongs Creek Trail, including bike paths, and providing bus stops within the MDSP area. Although these actions may help Fortuna reduce overall annual VMT from population and employment growth in this area, they are not at a scale that would significantly change Fortuna's average VMT – Fortuna's VMT would continue to be greater than the Countywide average even with implementation of the proposed General Plan Land Use Element amendments and MDSP policies. Since the proposed project would exceed the VMT threshold of the CEQA Guidelines the Project's transportation impacts are considered significant.

The Mitigation Measures listed above are expected to lessen VMT impacts, however it is uncertain how effective the future planning efforts will be, so the transportation impact remains significant even after mitigation. No feasible mitigation measures are available that would further

reduce VMT from buildout encouraged by the MDSP, so this impact is considered significant and unavoidable.

As described in the Statement of Overriding Considerations, the City has determined that this impact is acceptable because specific overriding economic, legal, social, technological, and other benefits of the proposed project - including regionwide or statewide environmental benefits - outweigh its significant effects on the environment.

3.0 FINDINGS REGARDING IMPACTS ANALYZED IN THE EIR AND DETERMINED TO BE MITIGATED TO LESS THAN SIGNIFICANT

This section identifies the impacts of the project that had potentially significant environmental effects but have been mitigated to a less than significant level. The previous FEIR identified the potential for the implementation of the General Plan to cause significant environmental impacts in the areas of agricultural and timber resources, air quality, bicycle and pedestrian facilities, biological resources, cultural resources, energy conservation, flooding, gas, electricity, and communications, geological and seismic hazards, housing, human made hazards and emergency response, hydrology and water resources, law enforcement and fire protection, mineral and soil resources, noise and vibration, parks, public transportation, recreation and open space, schools, solid waste, storm drainage, transportation and circulation, visual resources, water supply and distribution, wastewater collection, treatment and disposal, and wildland fire risk and mitigation measures, which involved the adoption of additional policies and programs, were identified that would mitigate all of these impacts to a less than significant level.

Exhibit A to Fortuna City Council Resolution 2010-45 set forth facts and made finding relating to the impact topics listed above. Draft SEIR Section 4, Impacts Found to have no Substantial Change from Previous Analysis, provides a discussion of the impact topics where the City determined that the proposed changes to the Land Use Element and adoption of the MDSP would not change the impacts from the previous FEIR. Some of these impacts were determined to be less than significant with mitigation and the analysis in Section 4 demonstrated that the project would not worsen the level of impacts.

The addition of commercial and industrial space, infrastructure and utilities, and residential units as a result of the amendments to the General Plan and implementation of the MDSP does not change the determinations made in Resolution 2010-45. These less than significant impacts of the General Plan and MDSP are not discussed further.

Air Quality

Impact AQ-03: Expose sensitive receptors to substantial pollutant concentrations or other dangerous conditions

The previous FEIR found that the General Plan would facilitate new development which would in turn generate construction and operational emissions of criteria pollutants and contains policies and programs to avoid exposure to toxic air contaminants (TACs), in particular Policy HS-1.1, New Development, which allows new development only in areas where the potential danger to the health and safety of people can be mitigated to acceptable levels. The previous FEIR states that the project is the adoption of a General Plan and not a specific development proposal, and because CEQA discourages speculative analysis, a Health Risk Assessment (HRA) was not prepared to assess potential TAC impacts under the General Plan. In support of this, the previous FEIR determined that the City of Fortuna is a small rural community with no potential to develop *large* (emphasis added) toxic air contaminants generators, such as power plants, heavy industrial facilities, or landfills, which are highly regulated and must comply with applicable regulations to avoid dangerous concentrations, especially near sensitive receptors. TACs are highly regulated by the federal and state government, and the NCUAQMD, and compliance with applicable

regulations will avoid dangerous TAC concentrations. In addition, the General Plan includes policies and programs designed to avoid dangerous conditions associated with TACs. For all these reasons, the previous FEIR determined that the General Plan would not expose sensitive receptors to substantial TAC concentrations, and impacts were determined to be less-than-significant.

The Mill District Land Use Designation is proposed to be modified to allow small-and large-scale light industry and compatible heavy industry, rather than just compatible light industry, which could potentially lead to the exposure of sensitive receptors to pollutant concentrations or other dangerous conditions. The General Plan and MDSP would allow new development that may generate emissions of criteria pollutants during construction and operation. It is not possible to quantify risk without specific project details and locations, as impacts would vary based on location, duration, intensity, construction methods, etc. The dose to which receptors are exposed is the primary factor affecting health risk from TACs. Dose is a function of the concentration of a substance or substances in the environment and the duration of exposure to the substance. The MDSP is a land use plan with implementation programs to facilitate future development and the location, use, and nature of any specific future development in the MDSP Area is not known. Although detailed information is not available at this time, construction and operational emissions of future development could expose sensitive receptors to substantial TACs.

Construction activity associated with the development of individual projects allowed by the General Plan and MDSP may temporarily increase localized concentrations of diesel particulate matter or PM_{2.5} in proximity to a sensitive receptor. Diesel particulate matter from equipment exhaust and PM_{2.5} pose potential health impacts to nearby receptors if those receptors have prolonged exposure to substantial emissions. As required by the California airborne toxics control measure Title 13 CCR Section 2485, construction contractors would be required to minimize idling times for trucks and equipment to five minutes, as well as to ensure that construction equipment is maintained in accordance with manufacturer's specifications. The NCUAQMD implements Rule 300, State Airborne Toxic Control Measures, which incorporates California State Air Toxic Control Measures (ATCMs) for sources of TACs that apply to the specific sources operating within the District. Operational activities associated with the proposed plan will be required to comply with all applicable NCUAQMD rules and regulations and state law relating to mobile and stationary sources. The previous FEIR identifies a number of factors that would lessen operational impacts. In addition, the following Fortuna General Plan Policies and Programs are intended to lessen construction and operational emissions and are all applicable to the MDSP.

However, the applicable General Plan policies, alone, cannot be relied upon to ensure that all potential TACs are identified and that sensitive receptors would not be exposed to substantial pollutant concentrations due to location or design, especially given that some uses that could generate TACs are principally permitted and do not require discretionary and CEQA review. In particular, many industrial uses allowed in the MDSP Area do not require the approval of a Use Permit which would otherwise make them subject to CEQA. Instead, "small" and "light" manufacturing and "research/light industrial," and "wholesaling and distribution" would be principally permitted and would not automatically trigger site-specific environmental review. Therefore, construction and operational impacts relating to TACs could be potentially significant because there is no clear mechanism to trigger the enhanced evaluation of incompatible land

uses that could specify required protective measures per General Plan policy. Mitigation Measures are required to fully address this issues.

Mitigation Measures:

Mitigation Measure AQ-3: Add the following new Policy and Performance Measure to the MDSP to provide for compatibility between sensitive receptors and warehouse and distribution related land uses:

New Chapter 3: Land Use, Open Space & Design Policy:

Policy LU-17 In an effort to ensure that mixed uses are compatible and that development standards are applied equitably and consistently during the life of the MDSP, AB 98 California state warehouse design and build standards shall be applicable upon approval of the MDSP.

New Chapter 3: Land Use, Open Space & Design Air Quality Performance Measure:

Air Quality.

The provisions of Government Code Title 7, Division 1, Chapter 2.8, Warehouse Design and Build Standards, are immediately applicable to applicable new development in the Mill District Specific Plan Area upon approval of the MDSP and prior to January 1, 2026, unless repealed by the Legislature.

Mitigation Measure AQ-4: Add the following new Performance Measure to the MDSP to ensure that projects that could general toxic air contaminants are referred to the North Coast Unified Air Quality Management District:

New Chapter 3: Land Use, Open Space & Design Performance Measure:

Air Quality. The City shall refer to the NCUAQMD applications for development types within the MDSPA where there is the potential for new equipment or processes that may release air pollutants. such as

- Stationary internal combustion engines with a rating of at least 50 brake-horsepower (bhp);
- Mixing, blending, or processing of any organic solvents, adhesives, paints, fertilizers, or coatings;
- Facilities that create dust, smoke, or incinerate any materials;
- Facilities that refine any liquids or solids or reclaim any metals;
- Facilities that paint, plate, or coat anything;
- Facilities that have any combustion equipment (e.g., boilers, ovens, furnaces, etc.);
- Facilities that handle or store any solvents or motor fuels;
- Facilities that use or store any acids;
- Facilities that have any chemical processes or any solvents dispensed or used for cleanup; or
- Soil remediation.

Mitigation Measure AQ-5: Add the following new Performance Measure to the MDSP to ensure enhanced evaluation of incompatible land uses to reduce the potential exposure of sensitive receptors:

New Chapter 3: Land Use, Open Space & Design Performance Measure:

Air Quality. The City shall implement an enhanced evaluation of incompatible land uses to reduce the potential exposure of sensitive receptors to substantial air pollutants for land use developments that would locate sources of air pollutants or sensitive receptors in closer proximity than the distances based on recommendation in the California Air Resources Board's Land Use Handbook:

- 1,000 feet of a distribution center (more than 100 heavy-duty trucks per day, more than 40 trucks with operating transport refrigeration units per day, or where transport refrigeration unit operations exceed 300 hours per week, where heavy-duty trucks are defined in Government Code 65098(c));
- 300 feet of any dry-cleaning operation;
- 500 feet for dry cleaning operations with two or more machines;
- Within the same building for dry cleaning operations that use perc dry cleaning operations;
- 300 feet of a large gas dispensing facilities (throughput of 3.6 million gallons per year or greater); or,
- 50 feet of typical gas dispensing facilities

For projects that would result in sensitive receptors being closer than the screening distances above, the project applicants shall submit a Health Risk Assessment to the Community Development Department prior to project approval. The Health Risk Assessment shall be prepared pursuant to the latest Office of Environmental Health and Hazard Assessment policies and guidance and use the following quantitative performance measures:

- Result in an excess cancer risk level of less than 10 in a million;
- Result in a non-cancer hazard index less than 1.0 (acute or chronic); and
- Result in an incremental increase of less than 0.3 µg/m³ annual average PM_{2.5}.

If the Health Risk Assessment demonstrates that the development project would meet all performance measures above, no other action is required. If the Health Risk Assessment shows the development project would not meet all necessary performance measures, the applicant shall identify, quantify, and implement project design features, incorporate best available control technologies (BACT) or other measures to reduce the impact to the satisfaction of the City. The applicant shall provide quantification to the City to demonstrate that the project achieves the performance measures.

Mitigation Measure AQ-6: Revise Section 4. Special Restrictions, (a) Permitted Uses, of the Draft Q-Qualified Zone for the MDSP Area in the following manner:

Use Types	Permit Type	
	Pond Street, Central, Strong's Creek, and Mill Creek Area	Creek Riparian and Trails Area
Industrial		
Manufacturing, small scale	P UP	NA
Manufacturing, minor Light	P UP	NA
Research/Light Industrial	P UP	NA
Wholesaling and distribution	P UP	NA
Storage, Warehouse	P UP	NA

Findings:

Construction activities within the MDSP area, and the proposed modification to the Mill District Land Use Designation to allow small-and large-scale light industry and compatible heavy industry, rather than just compatible light industry, could potentially lead to the exposure of sensitive receptors to pollutant concentrations or other dangerous conditions. By (1) requiring a use permit for all industrial, warehouse, and distribution uses, such uses would be subject to CEQA review and potential TAC emissions would be evaluated; (2) implementing clear referral requirements for a specific set of regulated uses to the NCUAQMD would ensure that projects undergo evaluation for conformance with State and Air District Rules; (3) making state design and build standards for warehouse and distribution uses immediately applicable, that would otherwise be applicable in 2026, which are intended to reduce emissions and enhance community health will ensure that minimum state standards are consistently applied to distribution and warehouse uses; and (4) specifying quantitative and objective performance standards for uses that may emit TACs will ensure that future projects fully implement General Policy HS-1.1, New Development, which requires that potential danger to the health and safety of people can be mitigated to acceptable levels. The City Council hereby finds that implementation of these mitigation measures are feasible, and the measures are therefore adopted, and based upon substantial evidence in the record, the impacts relating to toxic air contaminants of the project are less than significant.

Rationale for Finding:

Mitigation Measure AQ-3 adds a new Policy and Performance Measure to the MDSP to provide for compatibility between sensitive receptors and warehouse and distribution related land uses. In combination with continued implementation of existing federal and state regulations this impact is reduced to less than significant. Mitigation Measure AQ-4 adds a new Performance Measure to the MDSP to ensure that projects that could generate toxic air contaminants are referred to the North Coast Unified Air Quality Management District. Mitigation Measure AQ-5 adds a new Performance Measure to the MDSP to ensure enhanced evaluation of incompatible land uses to reduce the potential exposure of sensitive receptors. Mitigation Measure AQ-6 revises Section 4. Special Restrictions, (a) Permitted Uses, of the Draft Q-Qualified Zone for the

MDSP Area to make industrial uses conditionally permitted. In combination with continued implementation of existing federal and state air quality regulations and the rules of the NCUAQMD, this impact is reduced to less than significant.

Impact AQ-04: Create objectionable odors affecting a substantial number of people

The previous FEIR found that the General Plan would facilitate the development of agriculture, restaurants, industrial facilities, and a variety of other uses that are often associated with objectionable odors. The General Plan includes policies requiring all new businesses to minimize odors to an undetectable level off-site. With implementation of these policies the previous FEIR found that a less-than significant odor impact would occur. As part of the adoption of the MDSP, the Fortuna General Plan is proposed to be amended in several ways that could potentially lead to development of land uses that could generate objectionable odors, including changes to the range of allowable uses and the intensity of allowable development within the MDSP Area.

As individual developments allowed by the proposed Project are evaluated on a future project-by-project basis, the General Plan and MDSP would be implemented to reduce impacts. However, these policies, alone, cannot be relied upon to ensure that sensitive receptors would not be exposed to substantial odor concentrations due to the location or design of future projects, because some uses that may generate odors are proposed to be ministerial rather than discretionary. In addition, as specified in the proposed Q-Qualified Zone, many industrial uses allowed in the MDSP Area do not require the approval of a Use Permit and would therefore not automatically trigger site-specific environmental review. Therefore, operational impacts relating to odor could be potentially significant. Therefore, construction and operational impacts relating to odors could be potentially significant because there is no clear mechanism to trigger the enhanced evaluation of potential that could specify required protective measures per General Plan policy. Mitigation Measures are required to fully address this issues.

Mitigation Measures:

Mitigation Measure AQ-3: Add new Policy and Performance Measure to the MDSP to provide for compatibility between sensitive receptors and warehouse and distribution related land uses:

Mitigation Measure AQ-6: Revise Section 4. Special Restrictions, (a) Permitted Uses, of the Draft Q-Qualified Zone for the MDSP Area to require a Use Permit for specific industrial and warehouse uses.

Findings:

By requiring a use permit for industrial, warehouse, and distribution uses construction where such uses would be subject to CEQA review, and by making state design and build standards for warehouse and distribution uses that are intended to regulate warehousing and trucking activity to reduce emissions and enhance community health immediately applicable, as specified in Mitigation Measures AQ-3 and AQ-6, operational related odor impacts associated with development within MDSP Area would be less than significant.

Rationale for Finding:

Mitigation Measure AQ-3 adds a new Policy and Performance Measure to the MDSP to provide for compatibility between sensitive receptors and warehouse and distribution related land uses.

In combination with continued implementation of existing federal and state regulations this impact is reduced to less than significant. Mitigation Measure AQ-6 revises Section 4. Special Restrictions, (a) Permitted Uses, of the Draft Q-Qualified Zone for the MDSP Area to make industrial uses conditionally permitted.

Tribal Cultural Resources

Impact 3.3.1-01: Would the implementation of the MDSP disturb any human remains, including Native American remains interred outside of formal cemeteries?

The previous FEIR evaluated Archaeological Resources, 5.4-1; Historical Resources, 5.4-2; Paleontological Resources, 5.4-3; and Human Remains, 5.4-4. The previous FEIR analysis of these topics determined that the General Plan contains policies and programs that will avoid substantial adverse changes in the significance of such resources. Tribal Cultural Resources was not a CEQA impact topic at the time the previous FEIR was prepared.

An archeological survey was prepared by the Archaeological Research and Supply Company (ARCS) in December 2023 for approximately 69 acres comprised of 21 Assessors Parcels. This survey supplements previous surveys conducted by the same consultant in 2021 and 2022, which together cover the entire Fortuna Mill Commerce Center portion of MDSP Area. No historic or prehistoric resources were identified as a result of these investigations.

ARSC requested a Sacred Lands Search from the NAHC in 2021. The Bear River Band of Rohnerville Rancheria and the Wiyot Tribe were contacted to inform them of the project and request background research. These information requests resulted in no comments from either entity regarding the presence of known archaeological or cultural sites within the project vicinity. The Bear River Tribal Historic Preservation Officer (THPO) recommended proceeding with the survey. In January 2024, the Bear River THPO conducted a site visit with ARSC, which resulted in no further comments or change in recommendation for archaeological monitoring during ground disturbance of native soils. ARSC spoke with the Wiyot THPO over the phone, who determined that a site visit was not necessary but recommended that monitoring during project implementation be required.

The archeological survey did not identify historic or prehistoric resources but suggested that resources could be present. The survey report recommended cultural resource monitoring for specific areas containing undisturbed soils and inadvertent discovery protocols that specify that work shall halt within 100 feet of the find and a qualified archaeologist and tribal representative(s) should be contacted immediately to evaluate the find. The recommendations contained in the survey report exceed the performance measures contained in the MDSP. As a result, mitigation measures are required to avoid impacts to human remains, including Native American remains, or Tribal Cultural Resources. Therefore, impacts from the project could be significant without the incorporation of mitigation that would require that MDSP performance measures provide the protections specified in the ARSC survey report recommendations.

Mitigation Measures:

CUL-1. Revise MDSP Cultural Resources Performance Measure as follows:

Archaeological monitoring shall be required for any subsurface ground disturbance

occurring within undisturbed soils which may be sensitive for cultural resources outlined in A Cultural Resources Investigation of the Fortuna Mill Commerce Center Final Report, Appendix D -previous Geotechnical Investigations and Cultural Sensitivity Map, which include (1) SHN Geotechnical Boring Location and ARSC sensitivity overlay Map; (2) SHN Test Pit Logs (2005), sensitive soils: Pages 25, and 27-29 of Document; (3) Geotechnical Test Pit Location with APE Aerial Overlay and Archaeological Monitoring Area Map; and (4) Archaeological Monitoring Area and APE Aerial Overlay Map, 1:3,000 Scale.

Ground-disturbing activities shall be immediately halted upon the discovery of potentially significant Tribal cultural resources, historic, or archaeological materials such as (but not limited to) concentrations of historic artifacts (e.g., bottles, ceramics) or prehistoric artifacts (chipped chert or obsidian, arrow points, groundstone mortars and pestles), culturally altered ash-stained midden soils associated with pre-contact Native American habitation sites, concentrations of fire altered rock and/or burned or charred organic materials, and historic structure remains such as stone-lined building foundations, wells or privy pits. Contact the City of Fortuna, a professional archaeologist and representatives from the Bear River Band of Rohnerville Rancheria and the Wiyot Tribe. The professional historic resource consultant, Tribes and City officials will coordinate, provide an assessment of the find and determine the significance and recommend next steps. If human remains are encountered, all applicable requirements of the California Health and Safety Code and Public Resources Code shall be followed.

Ground-disturbing project activities may continue in areas at least ~~66~~ 100 feet from the site of discovery or any nearby area reasonably suspected to overlie adjacent human remains.

Findings:

The archeological survey did not identify historic or prehistoric resources but suggested that resources could be present. The survey report recommended cultural resource monitoring for specific areas containing undisturbed soils and inadvertent discovery protocols that specify that work shall halt within 100 feet of the find and a qualified archaeologist and tribal representative(s) should be contacted immediately to evaluate the find. The recommendations contained in the survey report exceed the performance measures contained in the MDSP. As a result, mitigation measures are required to avoid impacts to human remains, including Native American remains, or Tribal Cultural Resources. Therefore, impacts from the project could be significant without the incorporation of mitigation that would require that MDSP performance measures provide the protections specified in the ARSC survey report recommendations. The City Council hereby finds that implementation of this mitigation measure is feasible, and the measure is therefore adopted, and based upon substantial evidence in the record, the impacts relating to toxic air contaminants of the project are less than significant.

Rationale for Finding:

Mitigation Measure CUL-1 modifies a Performance Measure to the MDSP to provide the protections specified in the ARSC survey report recommendations. In combination with continued implementation of existing federal and state regulations, this impact is reduced to less than significant.

4.0 FINDINGS REGARDING IMPACTS ANALYZED IN THE EIR AND DETERMINED TO BE LESS THAN SIGNIFICANT REQUIRING NO MITIGATION OR NO IMPACT

Section 3, Issues Requiring Changes to Prior EIR, contains a detailed analysis of potential impacts where the proposed General Plan amendments and the MDSP had the potential to change the level of type of environmental impacts analyzed in the previous FEIR. Based on this analysis, the City determined that the project would have no impact or less than significant impacts for the environmental impact categories listed in Table 4-1 below. Since these impact categories were determined, based upon substantial evidence in the record, to have no impact or a less than significant impact, no other findings for these impacts are required to be made. A full evaluation of the project's impacts in each impact category may be found in the DSEIR.

Draft SEIR Section 4, Impacts Found to have no Substantial Change from Previous Analysis, provides a discussion of the impact topics where the City determined that the proposed changes to the General Plan and MDSP would not change the finding from the previous. Some of these impacts were determined to be less than significant requiring no mitigation or no impact and the analysis in Section 4 demonstrated that the project would not worsen the level of impacts. These less than significant impacts of the General Plan and MDSP are not discussed further.

Table 4-1. Environmental Impact Categories with No Impact or Less Than Significant Impacts	
Impact Category	Environmental Impact
3.1.1 LAND USE AND LAND USE PLANS	
Impact LU-01: Would the project physically divide an established community? The MDSP will continue to provide street connections and multi-modal pathway connections and is intended to become an integral part of the City transportation system. Given that the proposed changes to the Fortuna General Plan Land Use Element and the MDSP policies and performance measures are comparable to the Mill District Focus Area policy that was analyzed in the previous FEIR, the potential impacts are comparable and would not change the prior finding that the MDSP will not divide an established neighborhood.	Less Than Significant
Impact LU-03: Would the project cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect? The maximum height for new or altered buildings within the Project site allowed under the Fortuna General Plan, MDSP, and Fortuna Zoning Regulations would not constitute hazards to aircraft in flight and the permit process for design review would ensure that land uses do not generate emissions, such as light, glare, and smoke that would impair aircraft operations. These ongoing requirements would reduce the potential for conflicts from the Mill District Specific Plan to the implementation of the ALUCP to less than significant.	Less Than Significant

Table 4-1. Environmental Impact Categories with No Impact or Less Than Significant Impacts	
Impact Category	Environmental Impact
Impact LU-03: Would the project result in negative community character, substantial land use conflicts, or an inadequate amount of industrially-designated land? The addition of industrial as an allowable use in the Mill District Land Use Designation, outside of the Creek Riparian and Trails Areas and the Residential Area, will offset the loss of industrial land in the Riverwalk District and the potential that the Airport Area may not be annexed to the City for industrial use, and ensure the City continues to meet the projected demand for industrial land. Therefore, a less-than-significant impact will occur.	Less Than Significant
3.1.2 ECONOMIC IMPACTS	
Impact ECO-01: Would the project result in the development of new commercial or industrial space which exceeds the absorptive capacity for those uses in Humboldt County, potentially resulting in blight conditions? The removal of policies and programs that establish commercial and industrial square footage caps and the allocation of square footage by land use designation or area within the City would not in and of itself result in new building square footage or change where or when new commercial or industrial development would occur. The proposed Land Use Element policy and implementation programs would maintain the original policy objective, presumably to prevent urban decay and to track the distribution of development but do so through an ongoing monitoring and reporting program that engages the public, City policymakers, and interested parties rather than through a potentially arbitrary cap. Given that the FMCC development concept or other development within the MDSP does not identify future tenants and does not establish a specific commercial or industrial land use program to be developed according to a phasing schedule and would instead likely be developed over time according to regional demand, the removal of land use caps is replaced by an ongoing monitoring and reporting program, the proposed Land Use Element amendments and MDSP would not be presumed to result in urban decay.	Less Than Significant
3.4.1 PARKS, RECREATION AND OPEN SPACE	
Impact 3.4.1-01: Would the implementation of the MDSP create an increased demand for access to open space that cannot be met. The amendment to Policy LU-14.3 to remove the requirement that the 100-year flood plain be maintained as open space does not reduce the land within the City and General Plan Planning Area	Less Than Significant

Table 4-1. Environmental Impact Categories with No Impact or Less Than Significant Impacts	
Impact Category	Environmental Impact
designated as Open Space (OS). The expansion of Overlook Park and Strongs Creek Trail connectivity through the MDSP, defined by General Plan Policy LU-14.3 and the transportation concept of the MDSP set forth in the Bicycle and Pedestrian Access performance criteria, do not change General Plan policies or programs relating to the provision of open space and collectively enhance recreational opportunities for the community and would therefore not result in changes that would affect the previous FEIR determination that impacts to open space would be beneficial.	
3.5.1 FLOODING	
Impact 3.5.1-01: Would the implementation of the MDSP A. Place Housing or Other Structures Within a 100-Year Flood Hazard Area which would impede or redirect flood flows or expose people or structures to a significant risk of loss, injury, or death involving flooding. B. Place within a 100-year Flood Hazard Area structures which would impede or redirect flood flows; C. Expose people or structures to a significant risk of loss, injury, or death involving flooding, including flooding as a result of the failure of a levee? MDSP performance standards require that development within the 100-year floodplain be consistent with the Health and Safety Element policies relating to flood hazards, in particular Policy HS-7.6, Regulating Land Uses in the 100-Year Floodplain, and City of Fortuna Municipal Code Title 15, Division 2, Floodplain Management Regulations. These General Plan policies, including expanded riparian setback buffer for Strongs and Mill Creeks, and City regulations, combined with MDSP performance measures, would minimize potential flood hazards, resulting in less than significant anticipated impacts relating to housing or other structures within a 100-Year Flood Hazard Area, structures that could impede or redirect flood flows within a 100-Year Flood Hazard Area, and people or structures that could be involved in flooding.	Less Than Significant

5.0 OTHER CEQA REQUIRED ANALYSIS IN THE EIR

5.1 Energy Use

Pursuant to CEQA Guidelines Appendix F, an EIR must “include a discussion of the potential energy impacts of proposed projects, with particular emphasis on avoiding or reducing inefficient, wasteful and unnecessary consumption of energy.” Impacts related to the energy consumption of the Project and the applicability of state or local plans for renewable energy and energy efficiency are discussed in Section 4.3.5 (Energy Conservation) of the DSEIR.

5.2 Growth Inducing Impacts

The Draft SEIR evaluated growth inducing impacts in section 5.3, Growth Inducing Impacts. Growth inducing impacts address the implications of the project for growth inducement in the project vicinity or broader area. Under CEQA, a project is generally considered to be growth inducing if it results in any of the following:

- 1) Extension of urban services or infrastructure into a previously un-served area;
- 2) Extension of a transportation corridor into an area that may be subsequently developed; or
- 3) Removal of obstacles to population growth (such as designation of an area for development that is not currently designated for development, or provision of major new public services to an area where those services are not currently available)

The previous FEIR evaluated growth inducing impacts in Section 11.2, Growth-Inducing Impacts. The General Plan re-designates lands currently designated for agricultural and timber use to urban use, especially in potential future Annexation Areas, and re-designated lands currently designed for low-density urban use to higher-density urban use, especially in the Focus Areas. Each of these actions were determined to result in the removal of obstacles to development that would foster economic and population growth. The General Plan also includes policies and programs designed to promote home ownership and economic activity in the City, thus further fostering economic and population growth. As a result, the General Plan was found to be growth inducing. The changes to the General Plan and the adoption of the MDSP do not change the conclusions presented in the previous FEIR.

5.3 Significant and Unavoidable Impacts of the Proposed Project

Section 15126.2(c) of the CEQA Guidelines requires that an EIR identify any significant environmental effects that cannot be avoided if the Project were implemented, including those that can be mitigated but not reduced to a level of insignificance. The previous FEIR determined that certain impacts would remain significant and unavoidable after implementation of the General Plan. Impacts to agricultural resources, air quality, hydrology/water quality, noise, transportation/circulation and utilities/services systems were unable to be mitigated to a level below significance. The addition of commercial and industrial space, infrastructure and utilities, and residential units as a result of the amendments to the General Plan and implementation of the MDSP does not change this determination.

The following impacts would remain significant and unavoidable after feasible mitigation measures are applied:

Based on the substantial record evidence, one certain impact resulting from the adoption of the amendments to the General Plan and the MDSP have been determined to fall within this "significant unavoidable impact" category:

Air Quality

Impact AQ-01: Would the project conflict with or obstruct implementation of the applicable air quality management plan?

Impact AQ-02: Would the project violate any air quality standard or contributes substantially to existing/projected air quality violations; or result in a cumulatively considerable net increase of any criteria pollutant for which the plan region is in non-attainment under an applicable federal or State ambient air quality standard?

Transportation and Circulation

Impact 3.2.1-01: Would the implementation of the MDSP result in a smart growth score whose deviation from the ideal score of "100" is at least 4% lower than the existing regional average deviation from the ideal score for Humboldt County, where the Countywide average deviation from the ideal score is 25.70?

5.4 Significant Irreversible Environmental Changes

Section 15126.2(d) of the CEQA Guidelines requires that an EIR include a discussion of significant irreversible environmental changes that would result from project implementation.

Implementation of the proposed Land Use Element amendments and the MDSP would allow development that would result in long-term irretrievable commitments of nonrenewable resources associated with the construction of new housing units, non-residential structures, streets, and other infrastructure. The commitment of natural resources would include lumber and forest products, sand and gravel, asphalt, petrochemicals, and other construction materials. The resulting consumption of fossil fuels would incrementally reduce existing supplies of fuel oil, natural gas, and gasoline. Consumption of these resources would occur with any development in the region and are not unique to the City of Fortuna or the proposed Land Use Element amendments and the MDSP.

An incremental increase in energy demand would also take place during construction and postconstruction activities, including lighting, plumbing, and the heating of commercial, industrial, school, and residential buildings. The General Plan and the MDSP include policies to encourage energy conservation and reduction and the use of renewable energy systems. However, even renewable energy systems involve the use of fossil fuels and minerals in their manufacture; although these systems are designed to result in considerably less demand for fossil fuels during their lifecycle than technologies powered by fossil fuel combustion.

Although the MDSP area is an infill area, the development and further urbanization within the MDSP area would effectively result in irreversible environmental changes; once an area is developed into a built environment, the likelihood of 'reversing' developed areas back to an

undeveloped state is highly improbable because the investment of resources and infrastructure for new development is an asset that tends to be protected over time. Therefore, such changes are considered irreversible. From a larger geographic perspective, attracting growth to the MDSP area, where infill development is prioritized and the footprint of the City could theoretically expand to accommodate growth thereafter, instead of allowing growth in outlying unincorporated areas of the County could reduce the scale of irreversible environmental effects for the region.

5.5 Cumulative Impacts

The California Environmental Quality Act (CEQA) defines cumulative impacts as “two or more individual actions that, when considered together, are considerable or will compound other environmental impacts”. Adoption of designs and standards for the Mill District is a program contained in the General Plan and evaluated as part of the previous FEIR. The previous FEIR analysis is considered the first tier of environmental review, creating the basis on which future project specific CEQA documents can build. The previous FEIR comprehensively evaluated cumulative impacts as part of the analysis of each impact topic and provided an analysis of the combined impacts of buildout under the proposed Fortuna General Plan 2030 (proposed plan) and development of nearby jurisdictions under their respective plans (e.g., Humboldt County, Cities of Rio Dell and Ferndale). The previous FEIR is incorporated by reference into environmental documents prepared subsequently to address issues such as cumulative impacts and growth inducing impacts while allowing the subsequent documents to focus on new or site-specific impacts.

6.0 FEASIBILITY OF PROJECT ALTERNATIVES

An EIR must briefly describe the rationale for selection and rejection of alternatives. The lead agency may make an initial determination as to which alternatives are feasible, and therefore, merit in-depth consideration, and which ones are infeasible.

The previous FEIR is a Programmatic EIR intended to serve three purposes. First, it identified mitigation measures, included as policies and programs in the General Plan to avoid or reduce significant environmental effects associated with implementing the General Plan. Second, it established the environmental framework for adoption of the General Plan, providing information to the public, Planning Commission, and City Council concerning the potential consequences of the Plan. Third, it serves to streamline environmental review for subsequent projects that implement the proposed plan (e.g., specific plans, individual projects), such as the MDSP.

Consistent with recommendations in the Governor’s Office of Planning and Research General Plan Guidelines Chapter 10, CEQA, this supplemental EIR contains the standard EIR content requirements (i.e., project description, environmental setting, significant effects, mitigation measures, etc.), but does not duplicate information and analysis that is already included in the program EIR, including the environmental setting, project alternatives, and cumulative impacts. The previous FEIR considered three Alternates in Chapter 9, Plan Alternatives: The No Project

(Existing 1993 General Plan) Alternative; the Reduced Density Alternative; and the Resource Management Alternative, each of which included a discussion of the Mill District.

- Under the No Project Alternative, the existing 1993 General Plan and associated Land Use Diagram would remain in effect and continue to govern Fortuna's development; the proposed General Plan 2030 would not be adopted, including the Mill District Land Use Designation and Focus Area Policy.
- Under the Reduced Density Alternative, the same goals, policies, and implementing programs would be adopted as under proposed plan, except that the commercial and industrial square footage targets would be adjusted downward to provide approximately 20% less commercial and industrial development and land use designations in certain areas would be changed to provide approximately 10% less residential development.
- Under the Resource Management Alternative, the same goals, policies, and implementing programs would be adopted as under proposed plan, except that areas of significant agricultural and biological resources would be designated as Agriculture (AG) and Open Space (OS), respectively.

The previous FEIR concluded that the reduced density alternative would have the least impact, followed by the resource management alternative, the proposed general plan, and the no project (existing 1993 general plan) alternative, and in accordance with CEQA guidelines section 15126.6(e), the reduced density alternative is identified as the "environmentally superior alternative". Given that the previous FEIR adequately addresses alternatives for this action, this supplemental EIR does not duplicate that analysis. Pertinent discussions from the program EIR are appropriately cited and incorporated by reference into this subsequent EIR.

7.0 STATEMENT OF OVERRIDING CONSIDERATIONS

CEQA requires decision makers to balance the benefits of the proposed project against its unavoidable environmental risks when determining whether to approve the proposed project. If, in the opinion of the City Council, the benefits of the proposed project outweigh the unavoidable adverse effects, those effects may be considered “acceptable” (State CEQA Guidelines § 15093[a]). CEQA requires the agency to support, in writing, the specific reasons for considering a project acceptable when significant impacts are infeasible to mitigate. Such reasons must be based on substantial evidence in the FSEIR or elsewhere in the administrative record (State CEQA Guidelines § 15093 [b]). The agency’s statement is referred to as a Statement of Overriding Considerations.

Implementation of the project would enable the City to achieve the project objectives, as established in the General Plan Land Use Element Mill District Focus Area policy and with additional detail contained in the MDSP, while avoiding significant environmental effects to the extent possible through feasible mitigation measures as described previously herein and balancing the benefits of the proposed project against its potential unavoidable adverse impacts. Given the City’s objectives to facilitate the development of the former mill site, the following statements identify the reasons why, in the City Council’s judgment, based on substantial evidence, the benefits of the project outweigh the significant and unavoidable effects. The substantial evidence supporting the benefits of the project can be found in the preceding findings, which are herein incorporated by reference; in the project itself; and in the record of proceedings.

In accordance with the requirements of CEQA and the CEQA Guidelines, the City Council finds that the mitigation measures identified in the FSEIR and the Mitigation Monitoring and Reporting Program, when implemented, will avoid, or substantially lessen the significant effects identified in the FSEIR for the Project. However, certain significant impacts of the project are unavoidable even after incorporation of all feasible mitigation measures. Significant unavoidable impacts that would result from the proposed project are associated with air quality, greenhouse gas emissions and transportation and circulation as discussed in Section 2.1 of the DSEIR.

The City Council finds that all feasible mitigation measures identified in the FSEIR under the purview of the City will be implemented with the project, and that the remaining significant unavoidable effects are outweighed and are found to be acceptable due to the following specific overriding economic, legal, social, technological, and other benefits based upon the facts set forth above, the FSEIR, and the record, as follows:

- The Project addresses the City’s long-standing objective to implement the Fortuna General Plan 2030 Land Use Element Mill District Focus Area policies and facilitate the transformation of the former Pacific Lumber Company mill, which has been underutilized since its closure in 2004 and the Mill District Focus Area policies aim to revitalize the local economy and enhance community amenities by accommodating mixed-use development that integrates residential, commercial, and compatible light-industrial development.
- The Project provides policies, performance standards, and comprehensive design guidelines to protect the industrial character within the core of the Mill District in a

manner compatible with existing and planned residential and commercial areas that are appropriate with respect to existing development, environmental resources, community character, available services, and available infrastructure.

- The Project promotes sustainable development through goals and policies that balance the need for adequate infrastructure and economic vitality with the need for environmental protection, and preservation of quality of life for residents in the City.
- The Project provides for focused future commercial, industrial, and residential development in an infill area served by public infrastructure, thereby avoiding urban sprawl and minimizing land consumption while maintaining open space, habitat, recreation areas, and agriculture and timberlands, and other uses associated with rural areas.
- The Project provides a realistic land use map that accounts for existing development, riparian resources, physical constraints, hazards, and incompatible uses and assigns densities and use types accordingly to ensure that existing neighborhoods remain safe and livable.
- The Project promotes mobility through enhanced connectivity and supports the goals of adopted regional transportation plans.
- The Project directs the enhanced protection of Strongs and Mill Creeks and the cultural and historic resources that uniquely define the character and ecological importance of the City.
- The Project addresses adverse environmental effects associated with global climate change by facilitating focused development within a previously developed infill area.
- The Project improves public safety by establishing goals and policies that minimize hazards and threats to personal safety and property.

Findings

Based on the whole record, this Council finds that the EIR has identified and discussed significant effects that may occur as a result of the proposed Project. With the implementation of the mitigation measures discussed in the EIR, these effects can be mitigated to a level of less than significant except for unavoidable significant impacts to Air Quality and Transportation. The Council hereby declares that it has made a reasonable and good faith effort to eliminate or substantially mitigate the potential impacts resulting from the proposed Project.

The Council reiterates the previous finding that except for the proposed Project, all other alternatives set forth in the previous EIR are infeasible because they would prevent the realization of the proposed Project's objectives. The Council also finds that specific economic, social, and other benefits of the proposed Project outweigh the environmental benefits of the alternatives and the environmental impacts of the proposed Project.

For the foregoing reasons, the Council hereby declares that the benefits provided to the public through approval and implementation of the proposed Project outweigh any significant adverse environmental impacts of the proposed Project. The Council finds that each of the Project benefits outweighs the adverse environmental effects identified in the EIR and therefore finds those impacts to be acceptable. The substantial evidence demonstrating the benefits of the proposed Project are found in these findings, and therefore the Council adopts this Statement of Overriding Considerations.

This Statement of Overriding Considerations shall be included in the record of Project approval, and its adoption shall be identified in the Notice of Determination for the Project.

8.0 ADOPTION OF A MITIGATION MONITORING AND REPORTING PROGRAM FOR THE CEQA MITIGATION MEASURES

Section 21081.6 of the Public Resources Code requires this City Council to adopt a monitoring or reporting program regarding changes in the project and mitigation measures imposed to lessen or avoid significant effects on the environment. The Mitigation Monitoring and Reporting Program (MMRP), included as Attachment A in the FSEIR, is adopted because it fulfills the CEQA mitigation monitoring requirements:

- The MMRP is designed to ensure compliance with the changes in the Project and mitigation measures imposed on the Project during Project implementation; and
- Measures to mitigate or avoid significant effects on the environment are fully enforceable through permit conditions, agreements, or other measures.