EXHIBIT A

CEQA FINDINGS, INCLUDING CERTIFICATION OF THE EIR, REJECTION OF ALTERNATIVES AS INFEASIBLE AND ADOPTION OF A STATEMENT OF OVERRIDING CONSIDERATIONS

I. INTRODUCTION

1. These findings are made pursuant to the California Environmental Quality Act (Pub. Res. Code section 21000 et seq., “CEQA”) and the CEQA Guidelines (Cal. Code Regs. title 14, section 15000 et seq.) by the City of American Canyon (“City”) City Council in connection with the Environmental Impact Report (“EIR”) prepared for the Napa Airport Corporate Center Project (the “Project”), SCH #2014122005.

2. These CEQA findings are attached and incorporated by reference into each and every staff report and resolution associated with approval of the Project.

3. These findings are based on substantial evidence in the entire administrative record, and references to specific reports and specific pages of documents are not intended to identify those sources as the exclusive basis for the findings.

II. PROJECT DESCRIPTION

1. The Project, which is the subject of the EIR, is located on an approximately 50-gross-acre site, comprises two Assessor’s Parcel Numbers, 057-090-79 and 057-090-80, and is bisected by Devlin Road. The Project site is bounded by the Napa Branch Line railroad right-of-way (west); the Devlin Road Transfer Station and S. Kelly Road (north); State Route 29 (SR-29), a rural residence, and Pacific Auto Salvage (east); and Diablo Timber (south). The Project has two options, Option 1 of which consists of the development of five buildings totaling a maximum of 515,621 square feet. At least 50 percent of the square footage would be for wine warehousing and up to 50 percent may be for general warehousing. There is also a separate application on file that contemplates the development of a gas station, convenience market, and restaurant totaling 7,078 square feet on Lot 1 (“Option 2”), which abuts the SR-29/S. Kelly Road intersection (these uses would be developed in place of a 24,397-square-foot warehouse building). Under Option 2, total Project square footage would be a maximum of 498,302 square feet.

2. Following the release of the Draft EIR (“DEIR”) on July 1, 2016, the Project was revised to reduce the development potential. Overall, the Project evaluated in the EIR has been reduced from a range of 554,099 to 571,808 square feet, to a range of 498,302 to 515,621 square feet, depending on the option ultimately developed. The DEIR evaluated the Project using the larger square footages and, thus, provided a conservative “worst-case” evaluation of impacts. In the interests of fully capturing the changes to the Project, the revised Project Description is reproduced in the Final EIR (“FEIR”).

3. The entitlement approvals sought at this time are proceeding under Option 1 described above and would allow development of approximately 261,541 square feet of warehouse and ancillary uses in Buildings A, B, E and G, as more particularly described below in Section IV, 1.b (the “Project Entitlements”).
III. ENVIRONMENTAL REVIEW OF THE PROJECT

1. Pursuant to CEQA and the CEQA Guidelines, a Notice of Preparation (“NOP”) of an EIR was published for the Project on December 2, 2014. On December 15, 2014, the City conducted a duly noticed EIR scoping session concerning the scope of the EIR. The public comment period on the NOP ended on January 2, 2015. Factors studied in detail in the DEIR included: Aesthetics, Light and Glare, Air Quality/Greenhouse Gas Emissions, Biological Resources, Cultural Resources, Geology/Soils and Seismicity, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use, Noise, Public Services and Utilities, and Transportation. Other factors including Agriculture and Forest Resources, Mineral Resources, Population and Housing, and Recreation are also covered in Section 7, “Effects Found Not to be Significant” of the DEIR. The NOP was distributed to state and local agencies, and mailed to property owners within 300 feet of the Project site.

2. The DEIR was prepared for the Project to analyze its environmental impacts. Pursuant to CEQA and the CEQA Guidelines, a Notice of Availability/Notice of Release and the DEIR was published on July 1, 2016. The Notice of Availability/Notice of Release of the DEIR was distributed to appropriate state and local agencies, mailed to property owners within 300 feet of the Project site, and mailed to individuals who have requested to specifically be notified of official City actions on the Project. Copies of the DEIR were also distributed to appropriate state and local agencies, City officials, and made available for public review at the City of American Canyon’s Community Development Department (4381 Broadway Street, Suite 201 American Canyon, CA 94503) and on the City’s website. The DEIR was properly circulated for a 45-day public review period ending on August 15, 2016.

3. The City received written and oral comments on the DEIR. The City prepared responses to comments on environmental issues and made changes to the DEIR. The responses to comments, corrections and changes to the DEIR, and additional information were published in the FEIR on April 13, 2018. The DEIR, the FEIR and all appendices thereto constitute the “EIR” referenced in these findings. The FEIR was made available for public review on April 13, 2018, at least 10 days prior to the duly noticed [DATE] City Council Meeting considering the EIR. The Notice of Availability/Notice of Release of the FEIR, consistent with applicable law, was distributed to those state and local agencies who commented on the NOP and DEIR, mailed to property owners within 300 feet of the Project site, and mailed to individuals who have requested to specifically be notified of official City actions on the Project. Copies of the FEIR were also distributed to those state and local agencies who commented on the DEIR, City officials including the City Council, and made available for public review at the City of American Canyon’s Community Development Department (4381 Broadway Street, Suite 201 American Canyon, CA 94503) and on the City’s website. Pursuant to CEQA Guidelines, responses to public agency comments on the DEIR have been published and made available to all commenting agencies at least 10 days prior to the City Council Meeting. The City Council has had an opportunity to review all comments and responses thereto prior to
consideration of certification of the EIR and prior to taking any action on the proposed Project.

IV. THE ADMINISTRATIVE RECORD

1. The record, upon which all findings and determinations related to the approval of the Project are based, includes the following:

   a. The EIR and all documents referenced in or relied upon by the EIR.

   b. All information (including written evidence and testimony) provided by City staff to the City Council relating to the EIR, the Project, and Project Entitlements including the following:

      i. Approval of a tentative map dividing a 30.27-acre site into five lots.
      ii. Approval of a Conditional Use Permit for Lots 1 and 2 (Buildings A and B) to allow up to 47,065 square feet of warehouse development, including the flexibility to allow Lot 2, Building B to be combined with the previously approved development on Lot 3, Building D and developed with a combined total for Building B and D of up to 112,467 square feet.
      iii. Approval of a Conditional Use Permit and a Design Permit to allow construction of a 67,547 square foot warehouse on Lot 4 (Building E).
      iv. Approval of a Conditional Use Permit and Design Permit to allow construction of a 146,929 square foot warehouse on Lot 5 (Building G).

   c. All information (including written evidence and testimony) presented to the City Council by the environmental consultant and sub-consultants who prepared the EIR or incorporated into reports presented to the City Council.

   d. All information (including written evidence and testimony) presented to the City from other public agencies related to the Project or the EIR.

   e. All final applications, letters, testimony and presentations presented by the Project applicant and its consultants to the City in connection with the Project.

   f. All final information (including written evidence and testimony) presented at any City public hearing or City workshop related to the Project and the EIR.

   g. For documentary and information purposes, all City-adopted land use plans and ordinances, including without limitation general plans, specific plans and ordinances, together with environmental review documents, findings, mitigation monitoring programs and other documentation relevant to planned growth in the area.

   h. The Mitigation Monitoring and Reporting Program for the Project.

   i. All other documents composing the record pursuant to Public Resources Code section 21167.6(e).
2. The custodian of the documents and other materials that constitute the record of the proceedings upon which the City’s decisions are based is the Community Development Director, or his/her designee. Such documents and other materials are located at 4381 Broadway Street, Suite 201 American Canyon, CA 94503.

V. CERTIFICATION OF THE EIR

1. In accordance with CEQA, the City Council certifies that the EIR has been completed in compliance with CEQA. The City Council has independently reviewed the record and the EIR prior to certifying the EIR and approving the Project Entitlements. By these findings, the City Council confirms, ratifies, and adopts the findings and conclusions of the EIR as supplemented and modified by these findings. The EIR and these findings represent the independent judgment and analysis of the City and the City Council.

2. The City Council recognizes that the EIR may contain clerical errors. The City Council reviewed the entirety of the EIR and bases its determination on the substance of the information it contains.

3. The City Council certifies that the EIR is adequate to support all actions in connection with the approval of the Project and all other actions and recommendations as described in the [DATE] City Council Meeting staff report. The City Council certifies that the EIR is adequate to support approval of the Project described in the EIR, each component and phase of the Project described in the EIR, any variant of the Project described in the EIR, any minor modifications to the Project or variants described in the EIR and the components of the Project, including the Project Entitlements described above in Section IV, 1.b.

4. The City has relied on Section 15084(d)(3) of the CEQA Guidelines, which allows acceptance of working drafts prepared by the Project applicant, a consultant retained by the applicant, or any other person. The City has also relied upon Section 15084(d)(4) of the CEQA Guidelines, which allows the DEIR to be prepared directly by, or under contract by the lead agency. The City has reviewed and edited as necessary the submitted drafts to reflect the City’s own independent judgment, including reliance on City technical personnel from other departments.

VI. ABSENCE OF SIGNIFICANT NEW INFORMATION

1. The City Council recognizes that the FEIR incorporates information obtained and produced after the DEIR was completed, and that the FEIR contains additions, clarifications, and modifications. The City Council has reviewed and considered the FEIR and all its information. The new information added in the FEIR merely clarifies and makes insignificant changes to a legally adequate DEIR and does not add significant new information to the DEIR that would require recirculation of the EIR under CEQA. The new information added to the DEIR does not involve a new significant environmental impact, a substantial increase in the severity of a previously identified significant environmental impact, or a feasible mitigation measure or alternative considerably different from others previously analyzed that the Project applicant declines to adopt and that would clearly lessen the significant environmental impacts of the Project. No information indicates that the DEIR was inadequate or conclusory or that the public was deprived of a meaningful opportunity to review and comment on the DEIR. Thus, recirculation of the EIR is not required.
2. The City Council finds that the changes and modifications made to the EIR after the DEIR was circulated for public review and comment do not individually or collectively constitute significant new information within the meaning of Public Resources Code section 21092.1 or CEQA Guidelines section 15088.5.

VII. MITIGATION MONITORING AND REPORTING PROGRAM

1. Public Resources Code section 21081.6 and CEQA Guidelines section 15097 require the City to adopt a monitoring or reporting program to ensure that the mitigation measures and revisions to the Project identified in the EIR are implemented. The Mitigation Monitoring and Reporting Program (“MMRP”) is attached as Exhibit “A” and incorporated by reference into the [DATE] City Council Meeting staff report prepared for the approval of the Project, is included in the conditions of approval for the Project Entitlements, and is adopted by the City Council. The MMRP satisfies the requirements of CEQA.

2. The mitigation measures set forth in the MMRP are specific and enforceable and are capable of being fully implemented by the efforts of the City, the applicant, and/or other identified public agencies of responsibility. As appropriate, some mitigation measures define performance standards to ensure no significant environmental impacts will result. The MMRP adequately describes implementation procedures and monitoring responsibility to ensure that the Project complies with necessary mitigation measures.

3. The City Council will impose conditions of approval and adopt mitigation measures as set forth in the MMRP as enforceable conditions of approval. The City has adopted measures to substantially lessen or eliminate all significant effects where feasible.

4. The conditions of approval and mitigation measures incorporated into and imposed upon the Project Entitlements will not themselves have new significant environmental impacts or cause a substantial increase in the severity of a previously identified significant environmental impact that were not analyzed in the EIR. In the event a mitigation measure recommended in the EIR has been inadvertently omitted from the conditions of approval or the MMRP, that mitigation measure is adopted and incorporated from the EIR into the MMRP by reference and adopted as a condition of approval.

VIII. FINDINGS REGARDING IMPACTS

1. In accordance with Public Resources Code section 21081 and CEQA Guidelines sections 15091 and 15092, the City Council adopts the findings and conclusions regarding impacts and mitigation measures that are set forth in the EIR and summarized in the MMRP. These findings do not repeat the full discussions of environmental impacts, mitigation measures and related explanations contained in the EIR. The City Council ratifies, adopts, and incorporates, as though fully set forth herein, the analysis, explanations, findings, responses to comments and conclusions of the EIR. The City Council adopts the reasoning of the EIR, staff reports, and presentations provided by the staff and the Project applicant as may be modified by these findings.

2. The City Council recognizes that the environmental analysis of the Project raises controversial environmental issues, and that a range of technical and scientific opinion exists with respect to those issues. The City Council acknowledges that there are differing and
potentially conflicting expert and other opinions regarding the Project. The City Council has, through review of the evidence and analysis presented in the record, acquired a better understanding of the breadth of this technical and scientific opinion and of the full scope of the environmental issues presented. In turn, this understanding has enabled the City Council to make fully informed, thoroughly considered decisions after taking account of the various viewpoints on these important issues and reviewing the record. These findings are based on a full appraisal of all viewpoints expressed in the EIR and in the record, as well as other relevant information in the record of the proceedings for the Project.

IX. POTENTIALLY SIGNIFICANT BUT MITIGABLE IMPACTS

1. Under Public Resources Code section 21081(a)(1) and CEQA Guidelines sections 15091(a)(1) and 15092(b), and to the extent reflected in the EIR, the MMRP and mitigation measures, the City Council finds that changes or alterations have been required in, or incorporated into, the components of the Project that mitigate or avoid potentially significant effects on the environment, except where expressly stated in Section X below.

2. The following potentially significant impacts are either less than significant or will be reduced to a less than significant level through the implementation of Project mitigation measures referenced in the EIR. In addition, as discussed in Section 4 of the EIR, for each of the following environmental resource areas, the Project’s incremental effect is not cumulatively considerable and no cumulatively significant impact will occur. The findings below are based on full development of either option of the Project described in the EIR. The Project Entitlements, which approve a portion of the development potential analyzed in the EIR, would have the same potential for the impacts described below, although such impacts may be incrementally reduced. Nonetheless, the impact conclusions and mitigation measures discussed below in this Section IX apply to the Project Entitlements.

3. **Aesthetics**: These findings are based on the facts, analysis and discussion in EIR Section 3.1, which is incorporated herein by reference. The Project would not have an adverse effect on a scenic vista (AES-1), and would not substantially degrade the existing visual character or quality of the Project site or its surroundings (AES-2). Construction of the Project could create new sources of light and glare, as noted in the EIR (AES-3), but any potential impact of new lighting will be reduced to a less than significant level through implementation of Mitigation Measure AES-3, which requires approval of a photometric plan to adequately shield and direct lighting downward to prevent unnecessary glare onto adjacent properties and to avoid interference with aviation operations at the Napa County Airport. Moreover, compliance with the City’s design review process would ensure that no significant adverse aesthetic impacts would occur.

4. **Air Quality/Greenhouse Gas Emissions**: These findings are based on the facts, analysis, and discussion in Section 3.2 of the EIR, which is incorporated herein by reference. The Project’s potential to create objectionable odors is less than significant (AIR-5), without the need for mitigation. The Project’s potential to violate an air quality standard or contribute substantially to an existing or projected air quality violation (including carbon monoxide hotspots) was found to be less than significant (AIR-2) with implementation of Mitigation Measure AIR-2. The Project’s potential to exceed regional thresholds for nitrogen oxides (NOx) from construction activities (AIR-3) was found to be less than significant through
implementation of Mitigation Measure AIR-3a. The Project’s potential to result in potential accidental release of acutely hazardous air pollutants was found to be less than significant (AIR-6), without the need for mitigation. Moreover, compliance with other state and federal regulatory requirements (including Bay Area Air Quality Management District requirements) would ensure that no significant adverse impacts would occur with regard to these particular air quality impact areas. (Refer to Section X below for additional air quality/greenhouse gas impact areas that were found to be significant and unavoidable).

5. **Biological Resources:** These findings are based on the facts, analysis, and discussion in Section 3.3 of the EIR, which is incorporated herein by reference. Although no sensitive plant species have been found to occur on the Project site, five special-status plant species have been identified with the potential to occur on the Project site (BIO-1). Three of them have a low likelihood of occurrence and are not expected to occur within the Project area. Two species, *dwarf downingia* and *legenere*, have a low to moderate possibility of occurring within the Project area. Previous floristic and biological surveys conducted in 2005, 2007, and 2013 have not documented any of the special-status plant species within the Project area. To account for special-status plant species that may have not been discovered by prior surveys, Mitigation Measure BIO-1a requires additional focused surveys prior to commencement of construction and requires the Project to avoid or mitigate for any loss of individual plants and habitats that may be identified. Mitigation Measures BIO-1b to BIO-1d provide specific USFWS and CDFW consultation, mitigation and monitoring requirements if special-status plant species are identified by the focused surveys. Likewise, potential impacts to the two special-status wildlife species identified as having potential to occur on the Project site (as well as nesting birds protected by the Migratory Bird Treaty Act, including special-status bird species) would be reduced to less than significant with implementation of Mitigation Measures BIO-2a through BIO-2c (BIO-2). With regard to potential impacts to riparian habitats and on-site and off-site seasonal wetlands and waters of the United States/waters of the State (BIO-3 and BIO-4), approximately 3.49 acres of seasonal wetlands occur on Lots 5 and 6 within the Project site and may be impacted by the development of Buildings E and G. Therefore, Mitigation Measure BIO-4a requires wetland creation and/or restoration/preservation to achieve “no net loss” and compliance with various state and federal regulatory requirements (U.S. Army Corps of Engineers, Regional Water Quality Control Board and others), which would ensure that no significant adverse impacts to biological resources would occur. The Project would not substantially interfere with the movement of native wildlife or with migratory wildlife corridors (BIO-5).

6. **Cultural Resources:** These findings are based on the facts, analysis, and discussion in Section 3.4 of the EIR, which is incorporated herein by reference. Significant impacts to historic, archeological, paleontological, and human remains could result as part of grading activities (CUL-1 through CUL-4). Any such impact would be reduced to a less than significant level, through application of Mitigation Measures CUL-1, CUL-3, and CUL-4, which set forth the required procedures should previously undiscovered resources be encountered during construction. Moreover, compliance with other state and federal regulatory requirements would ensure that no significant adverse cultural resource impacts would occur.

7. **Geology and Soils:** These findings are based on the facts, analysis and discussion in Section 3.5 of the EIR, which is incorporated herein by reference. Development of the Project could expose people or structures to seismic hazards such as groundshaking or liquefaction, or
could result in erosion (GEO-1, GEO-2, and GEO-3). These impacts will be reduced to a less than significant level through the implementation of Mitigation Measures GEO-1 and HYD-1a, which require preparation of a design-level geotechnical investigation, best management practices for soil and groundwater hazards, and erosion and sedimentation control. Moreover, compliance with other regulatory requirements, including compliance with all applicable building codes, would ensure there would not be significant adverse geology and soils impacts.

8. **Hazards and Hazardous Materials**: These findings are based on the facts, analysis and discussion in Section 3.6 of the EIR, which is incorporated herein by reference. The Project could result in risks associated with the routine use, transport, and disposal of hazardous materials, and through reasonably foreseeable upset and accident conditions involving the potential release of hazardous materials into the environment, during both construction and operations. (HAZ-1 and HAZ-2). These potential impacts would be reduced to less than significant levels through implementation of Mitigation Measures HAZ-1a, HAZ-1b, and HAZ-1c, which impose requirements for worker training; storage, use, and disposal of hazardous materials; and consultation with the California Emergency Management Agency and preparation of risk management plans as required. The Project site is located southeast of the Napa County Airport. To address potential aviation safety impacts (HAZ-4), Mitigation Measure LU-3 requires the Project to develop a Wildlife Management Plan for its proposed 3.5-acre pond/wetland area (which has the potential to serve as wildlife attractant hazards to aircraft). The Project site is located within Zone D of the Napa County Napa County Airport Land Use Compatibility Plan (“ALUCP”). The proposed Project’s uses are all nonresidential and are considered acceptable within Zone D. The Project’s access from S. Kelly Road and Devlin Road will ensure that emergency response or evacuation in the Project vicinity will not be impaired. Moreover, compliance with other federal, state, and local regulatory requirements would ensure there would not be significant adverse hazards and hazardous materials impacts.

9. **Hydrology/Water Quality**: These findings are based on the facts, analysis and discussion in Section 3.7 of the EIR, which is incorporated herein by reference. The Project would involve activities that could result in degradation of surface water quality in downstream water bodies, erosion and generation of pollutants that could be carried off site and/or alter the existing drainage pattern of the site and surrounding area, as noted in the EIR (HYD-1). Implementation of Mitigation Measures HYD-1a and HYD-1b would ensure that the Project would have a less than significant impact on hydrology and water quality. These measures require practices to reduce erosion and pollutants during construction and pollutant discharge during Project operation; and preparation of a post-construction Stormwater Pollution Management Plan and Stormwater Control Plan. Moreover, compliance with other regulatory requirements would ensure there would not be significant adverse hydrology and water quality impacts.

10. **Land Use**: These findings are based on the facts, analysis and discussion in Sections 3.8 and 7 of the EIR, which are incorporated herein by reference. The Project would not physical divide an established community or conflict with any applicable habitat conservation plan or natural communities conservation plan (EIR Section 7). Although the Project is generally consistent with the ALUCP, there is a potential for attracting large flocks of birds. Mitigation Measure LU-3 is proposed to assess whether the open space area on the Project site would
attract large flocks of birds and, if so, would require the preparation and implementation of a Wildlife Management Plan for its proposed open space area. With implementation of this mitigation measure, the Project’s impacts will be less than significant. The Project is consistent with the City of American Canyon General Plan and the Napa County Airport Industrial Area Specific Plan (LU-1 and LU-2).

11. **Noise**: These findings are based on the facts, analysis and discussion in Section 3.9 of the EIR, which is incorporated herein by reference. Project construction would potentially generate noise levels in excess of City standards (NOI-1 and NOI-4). This impact will be reduced to a less than significant level through the implementation of Mitigation Measures NOI-1a, which requires the construction of a noise barrier to protect the adjacent single-family residential parcel, and NOI-1b, which includes standard practices and procedures to reduce noise generation during construction. The Project would not result in excessive ground borne vibration (NOI-2) or increases in the ambient noise level due to traffic noise (NOI-3). Warehouse uses such as the Project are appropriate uses within the applicable noise contours of the Napa County Airport (NOI-5). Moreover, compliance with the City’s noise ordinance and other regulatory requirements would ensure there would not be significant adverse noise and vibration impacts.

12. **Public Services and Utilities**: These findings are based on the facts, analysis and discussion in Section 3.10 of the EIR, which is incorporated herein by reference. Project construction and occupancy could result in increased demands on public services (PSU-1 and PSU-2). However, the Project would be required to pay two separate special assessments to fund fire protection and emergency medical services. The first is the “Fire Mitigation Fee” which is a one-time assessment to all new development, which is currently $0.4676/square foot. The second is the “Fire Service Fee” and an annual assessment for each parcel based on a formula that includes structure construction type, the fire flow area (square feet), proximity of other structures, the type of occupancy, and the presence of fire protection devices. The American Canyon Fire Protection District was consulted during preparation of the EIR and stated that the Project’s payment of the two special assessments would serve to maintain adequate levels of fire protection and emergency medical services, and that Station 11 is adequate to serve the proposed Project without negatively impacting response times. The Police Department was also consulted during preparation of the EIR and indicated that it could adequately serve the Project without the construction of new or expanded facilities. The City’s standard conditions of approval will require Police Department review of the Project’s security plan.

With regard to water supply, when including the previously entitled Building D, the Project is expected to use 31 afy less potable water than anticipated for development of the Project site in the 2010 UWMP (PSU-3). This is, in part, due to relatively low water-use of warehouse space relative to industrial-sector averages, the incorporation of recycled water for irrigation purposes, and the designation of a portion of the site for wetland preservation that will not require supplemental water supply. Implementation of the City’s Zero Water Footprint Policy would result in an additional 8-acre-foot reduction in potable water demand relative to the 2010 UWMP analysis. The proposed Project would be served with adequate potable and recycled water supply. This conclusion takes into account dry-year reductions in water supply that have occurred and Zero Water Footprint policy compliance. The Project would be served with wastewater service provided by the City of American Canyon, and would connect to an
existing wastewater line located within Devlin Road (PSU-4). The proposed Project’s wastewater generation of 0.010 mgd would represent 0.4 percent of the existing treatment capacity and 0.25 percent of the planned capacity. As such, existing and planned treatment capacity would be sufficient to serve the proposed Project. The Project would install a storm drainage collection system consisting of vegetated bio-swales, inlets, underground piping, and detention basins (PSU-5). Consistent with City requirements, outlet structures would meter 100-year, 24-hour storm outflow rates to no more than 90 percent of existing condition flows prior to discharge into downstream storm drainage facilities. This would ensure that downstream waterways and properties are not inundated with runoff during peak storm events. Moreover, compliance with other regulatory requirements would ensure there would not be significant adverse public services and utilities impacts, without the need for mitigation. The Project would not generate substantial amounts of solid waste or conflict with statutes or regulations concerning solid waste and sufficient landfill capacity is available to serve the Project (PSU-6) The Project would not result in the unnecessary, wasteful, or inefficient use of energy (PSU-7). Title 24 energy efficiency standards, with which the Project must comply, are among the most stringent in the United States.

13. **Transportation:** These findings are based on the facts, analysis and discussion in Section 3.11 of the EIR, which is incorporated herein by reference. The Project’s potential to impact air traffic patterns or impede emergency access was found to be less than significant without the need for mitigation (TRANS-5 and TRANS-7). With regard to the Project’s potential to create design hazards, impact public transit, bicycle, or pedestrian facilities, or result in impacts due to construction traffic (TRANS-6, TRANS-8, and TRANS-9), Mitigation Measures TRANS-6, TRANS-8, and TRANS-9, respectively, were found to reduce these impacts to less than significant by requiring appropriate plans to address these issues through site design and construction management. Compliance with these mitigation measures and other regulatory requirements would ensure that no significant adverse impacts would occur with regard to these particular transportation impact areas (refer to Section X below for additional transportation impact areas which were found to be significant and unavoidable). Additionally, the Project would contribute to a potentially significant impact at the intersection of South Kelly Road/Devlin Road (TRANS-2 and TRANS-3). Mitigation Measure TRANS-2 would ensure this intersection would operate at acceptable levels.

X. **SIGNIFICANT AND UNAVOIDABLE IMPACTS**

1. Under Public Resources Code sections 21081(a)(3) and 21081(b), and CEQA Guidelines sections 15091, 15092, and 15093, and to the extent reflected in the EIR and the MMRP, the City Council finds that the following impacts of the Project remain significant and unavoidable, notwithstanding the imposition of all feasible mitigation measures (including payment of fair share fees). The findings below are based on full development of either Project option described in the EIR. The Project Entitlements, which approve a portion of the development potential analyzed in the EIR, would have the same potential for the impacts described below, although the severity such impacts may be reduced:

1. **Air Quality/Greenhouse Gases:** These findings are based on the facts, analysis and discussion in Section 3.2 of the EIR, which is incorporated herein by reference. The San Francisco Bay Area Air Basin is currently in non-attainment for ozone (state and federal ambient standards) and particulate matter (PM2.5 and PM10) (state ambient standard). As
discussed in EIR Section 3.8, Land Use, the proposed Project is consistent with land use
designations and applicable goals and policies of the City of American Canyon General Plan,
site zoning, the Napa County Airport Industrial Area Specific Plan and other applicable land
use regulatory documents. As such, the proposed Project would be considered planned
growth. The proposed Project would not result in a substantial unplanned increase in
population, employment, or regional growth in vehicle miles traveled, so it would not conflict
with or obstruct implementation of the air quality plan. However, the Project would result
in exceedances of regional emissions thresholds, and would therefore be inconsistent with
the Bay Area Air Quality Management District’s (“BAAQMD”) regional air quality planning
assumptions. Specifically, operation of the Project would exceed regional thresholds of
significance for the ozone precursors ROG and NOx even after incorporation of Mitigation
Measures AIR-2, AIR-3a and AIR-3b. Therefore, the Project would conflict with or obstruct
implementation of the applicable air quality plan for the San Francisco Air Basin, which is in
non-attainment for ozone (AIR-1). Mitigation would not reconcile this inconsistency, and
this impact would remain significant and unavoidable (both at the Project level and
cumulatively). The Project’s operational emissions, primarily attributable to the potential for
heavy duty truck trips, would exceed annual significance thresholds for NOx (AIR-3) even
with implementation of MM AIR-3b. This impact would be significant and unavoidable.

The Project would also result in the exposure of sensitive receptors to potential adverse
cumulative air health risk impacts (AIR-4). EIR Table 3.2-9 indicates that development of the
proposed Project would result in a cancer risk increase of up to 39.0 per million persons for
Option 1 and 39.3 per million persons for Option 2 at Receptor 1 that is located at the single-
family home that is as near as 50 feet east of the Project site. The calculated Project-related
cancer risk from TAC emissions would exceed the BAAQMD cancer risk threshold of 10 per
million at the two nearby homes. Construction emissions represent 98 percent of the risk for
Option 1 and 97 percent of the risk for Option 2. The methodology used to calculate the
cancer risk assumes exposure to TAC emissions over a 70-year lifetime. The construction-
related emissions calculated in this analysis are based on implementation of Mitigation
Measure AIR-3a that requires all off-road construction equipment to be powered by Tier 3
ingines or equivalent and to limit idling to two minutes. Since there has only been one
manufacturing year where all off-road equipment needs to meet the Tier 4 requirements, it
is not feasible to require that the contractors working on the Project site utilize Tier 4
equipment at this time, since some specialized off-road equipment may not be available.
Therefore, there is no additional mitigation available to reduce the cancer risk impacts to
less than significant levels. The proposed Project would result in a significant unavoidable
cancer risk impact.

The Project would also generate new sources of greenhouse gas emissions that would
exceed BAAQMD thresholds, even though the Project would be consistent with the City of
American Canyon Energy Efficiency Climate Action Plan and the provisions of AB 32 (AIR-7).
The Project’s total estimated stationary source emissions (under either option evaluated)
would exceed the BAAQMD stationary source significance threshold of 1,100 MTCO2e/year,
as well as the 4.6 MT CO2e/Service Population threshold (see EIR at pages 3.2-53 to 3.2-56).
Mitigation Measures AIR-7a and AIR-7b are proposed, requiring the implementation of
feasible emissions reduction measures; however, these measures would not reduce
emissions to less than significant levels. Therefore, the significance after mitigation is significant and unavoidable.

2. **Traffic and Transportation**: These findings are based on the facts, analysis, and discussion in Section 3.11 of the EIR, which is incorporated herein by reference. The Project would generate new trips to intersections that would operate below the minimum acceptable standards under Existing Plus Background Traffic Conditions, Existing Plus Background Plus Project Traffic Conditions, and Cumulative Traffic Conditions (TRANS-1, TRANS-2, TRANS-3).

**Existing Plus Project**

- SR-12-29/SR-221-Soscol Ferry Road (#2)
- Airport Boulevard/SR-12-29 (#3)
- South Kelly Road/SR-29 (#5)
- Napa Junction Road/SR-29 (#6)

**Existing Plus Background Development Plus Project**

Each of the above listed intersections impacted under Existing Plus Project conditions, in addition to the following:

- Donaldson Way/SR-29 (#10) (LOS D during the PM peak hour under Option 2)
- American Canyon Road/SR-29 (#11) (LOS E during the PM peak hour)
- Meadows Drive/SR-29 (#13) (LOS F during the PM peak hour)

**Cumulative Conditions**

Each of the intersections listed under the two scenarios above, in addition to the following:

- Eucalyptus Drive/SR-29 (#7)
- South Napa Junction Road/Poco Way/SR-29 (AM peak hour) (#9)
- Mini Drive/SR-29 (#12)
- SR-37 Westbound Off-Ramp/SR-29 (LOS F during the AM peak hour and PM peak hour) (#14)
- SR-12/North-South Kelly Road (LOS F during the AM peak hour and PM peak hour for Option 2, LOS F during the AM peak hour and LOS E during the PM peak hour under Option 1)

Some of the improvements, fees and other measures identified in Mitigation Measures TRANS-1a, -1b, 1-c, -1d and TRANS-2 would fully or partially alleviate impacts at the impacted intersections. Several of these mitigation measures, however, are uncertain and may not be feasible because they rely on the approval of third-party agencies or funding sources that are not yet secured. As such, even with imposition of the mitigation measure by the City, the significance after mitigation for each of the above intersections is significant and unavoidable, even with the addition of TRANS-1f, which was added at Final EIR page 4-18. [. The Project would also generate new trips to various Congestion Management Plan-designated roadway facilities (SR-12, SR-29, SR-37, and SR-221) which would operate at
 unacceptable levels, and improvements such as road widening are not feasible because such improvements are not planned, not funded and would not be acceptable to jurisdictions in Napa County. Furthermore, certain facilities are outside of the jurisdictional control of the City; therefore, there is uncertainty as to whether feasible improvements could be implemented. Thus, the level of significance after mitigation is significant and unavoidable.

XI. FINDINGS REGARDING ALTERNATIVES

1. The City Council finds that specific economic, social, environmental, technological, legal or other considerations make infeasible the alternatives to the Project described in the EIR for the reasons stated below, and that despite the remaining significant unavoidable impacts, the Project should nevertheless be approved, as more fully set forth in Section XII below, the Statement of Overriding Considerations.

2. The EIR evaluated a reasonable range of alternatives to the Project that were described in the DEIR (Section 5), which are hereby incorporated by reference. The three alternatives analyzed in detail in the EIR represent a reasonable range of potentially feasible alternatives that reduce one or more significant impacts of the Project and/or provide decision makers with additional information about a project that would include other uses. These alternatives include: 1) No Project Alternative, 2) Reduced Density Alternative, and 3) Business Park Alternative.

3. The City Council certifies that it has independently reviewed and considered the information on the alternatives provided in the EIR and in the record. The EIR reflects the City Council’s independent judgment as to alternatives. The City Council finds that the Project provides the best balance between the Project applicant’s objectives, the City’s goals and objectives, and the Project’s benefits as described in the Staff Report and in the Statement of Overriding Considerations below. While the Project may cause some significant and unavoidable environmental impacts, mitigation measures identified in the EIR mitigate these impacts to the extent feasible. The alternatives proposed and evaluated in the EIR are rejected for the following reasons. Each individual reason presented below constitutes a separate and independent basis to reject the Project alternative as being infeasible.

4. **Alternative 1 - No Project/No Build Alternative:** CEQA requires a “no Project” alternative to be considered in the EIR. Under this alternative, the previously entitled Building D would be pursued and the balance of the Project site would remain undeveloped for the foreseeable future. Accordingly, this alternative would avoid all the proposed Project’s significant impacts (including significant and unavoidable impacts), as well as the need to implement any mitigation measures. The No Project Alternative is rejected because it would not meet any of the Project objectives, including those related to facilitating the development of land planned for urban development to its highest and best use; positively contributing to the local economy; providing the City with a high-quality, employment-generating industrial development; and serving local and regional demand for warehouse and wine warehouse uses, as well as providing the option of business-park serving commercial uses. Finally, it should be noted that the Project site is zoned for industrial use, and that the northern portion of the Project site previously received entitlements from Napa County, and is currently served with infrastructure suitable for this type of development. Thus, should the proposed
Project not advance, it would be expected that another industrial development proposal would be submitted.

5. **Alternative 2 – Reduced Density Alternative:** Under the Reduced Density Alternative, Building G (182,720 square feet) would be eliminated and Lot 6 would be developed as an 11.42-acre private outdoor recreation area. All other lots and buildings would be developed as contemplated by the proposed Project. In total, either 389,088 square feet of warehouse uses (Option 1) would be developed or 371,379 square feet of warehouse/gas station/restaurant uses (Option 2) would be developed under this alternative. Lot 1 (Building A), Lot 2 (Building B), Lot 4 (Building H), and Lot 5 (Building E) would be developed as contemplated; however, Lot 6 (Building G) would not be developed. The elimination of Building G would reduce the development potential by 182,720 square feet. In place of Building G, the 11.42-acre Lot 6 would support an outdoor private recreational area consisting of a basketball court, sand volleyball court, walking paths, seating/picnic areas, and landscaping that would be intended for the exclusive use of Project employees and their guests. The private recreation area would be contiguous to the proposed preserved wetland area and provide additional buffering in terms of a landscaped setback. All other aspects of this alternative would be identical to the proposed Project, including end users, design and appearance, vehicular access points, and discretionary approvals. The previously entitled Building D would also be developed under this alternative. The Reduced Density Alternative is rejected as infeasible because it would incrementally reduce, but not avoid most or all the Project’s significant and unavoidable impacts. Overall, the reduction in square footage would result in fewer positive economic benefits, fewer jobs and a reduced diversity of jobs, and thus, would advance the Project objectives to a lesser degree. Specifically, this alternative would be expected to reduce employment by 91 workers by eliminating Building G. Additionally, the private recreation use would not generally benefit the City and its residents.

6. **Alternative 3 – Business Park Alternative:** Under the Business Park Alternative, a 550,000-square-foot business park would be developed on the Project site. The gas station, convenience market, and restaurant would not be developed under this alternative. The end users of the Business Park Alternative would be primarily light industrial. A total of eight buildings would be developed, ranging from 50,000 to 150,000 square feet in area. Certain buildings would be subdivided for multiple tenants (e.g., start-ups and small businesses), while others would be intended for larger single users. The buildings would provide at-grade loading docks (i.e., roll-up doors) and limited truck wells; they would not be intended for large-format distribution uses. Buildings would stand up to 35 feet above finished grade. Additionally, enclosed outdoor storage areas would also be accommodated by this alternative. Vehicular access would be taken from driveways located on S. Kelly Road and Devlin Road. The Business Park Alternative is rejected because it would not avoid the significant and unavoidable air quality/greenhouse gas emissions and transportation impacts associated with the proposed Project and would increase the severity of these impacts by generating additional daily and peak-hour trips. compared with Option 1. Additionally, the Business Park Alternative would have the same impacts as the proposed Project on all other topical areas. The Business Park Alternative would not avoid the significant and unavoidable transportation impacts associated with the proposed Project and would increase the severity of these impacts by generating additional peak-hour trips compared with Option 2. However, this alternative would slightly lessen the severity of air quality and greenhouse gas emissions impacts by generating fewer daily trips compared with Option 2, but these impacts would
likely remain significant and unavoidable. Additionally, the Business Park Alternative would have the same impacts as the proposed Project on all other topical areas. The Business Park Alternative would advance all the Project objectives, either to an equivalent degree or a slightly lesser degree than the proposed Project. Objectives advanced to an equivalent degree would include facilitating the development of land planned for industrial uses, and permanently protecting the most biologically viable wetlands within the Project site. The alternative would be less likely to meet the Project objective of serving the local and regional demand for warehouse and wine warehouse uses because the buildings would not serve the need for large format distribution uses. Additionally, the reliance on multiple and smaller users increases the financial risk for this type of development. Thus, the alternative may not achieve the objectives of positively contributing to the local economy; providing the City of American Canyon with a high-quality, employment-generating industrial development; and serving local and regional demand for warehouse and wine warehouse uses. Additionally, this alternative would not provide the option of business-park serving commercial uses.

XII. STATEMENT OF OVERRIDING CONSIDERATIONS

1. The City Council finds that each of the following specific economic, legal, social, technological, environmental, and other considerations and the benefits of the Project and Project Entitlements separately and independently outweigh the remaining significant unavoidable adverse impacts discussed above in Section X, and is an overriding consideration independently warranting approval. The remaining significant unavoidable adverse impacts identified above are acceptable in light of each of the overriding considerations that follow. Each individual benefit/reason presented below constitutes a separate and independent basis to override each and every significant unavoidable environmental impact, and, when the benefits/reasons are viewed collectively, provide an overall basis to override each and every significant unavoidable environmental impact.

2. The Project will develop land planned for urban uses to its highest and best use through an economically viable and flexible plan that could accommodate a diversity of uses. The proposed Project would develop up to 515,621 square feet of new warehouse uses in five buildings. The Project Entitlements will advance the overall development of the Project by building approximately 261,541 square feet of new warehouse use. As an alternative, a 24,397-square-foot warehouse building may be replaced with a gas station, convenience market, and restaurant totaling 7,078 square feet (“Option 2”). If that option were developed, the gas station, convenience market, and restaurant would be primarily business park-serving and thus “ancillary,” and consistent with Policy 1.22.2 of the Land Use Element and Objective 3.1 of the Economic Development Element of the City General Plan. At least 50 percent of the warehouse square footage would be for wine warehousing and up to 50 percent may be for general warehousing, which could accommodate a diversity of tenants to better withstand economic fluctuations and minimize long-term vacancies. Either development scenario is consistent with the City’s General Plan Land Use Element Goal 1A, which calls for a diversity of land uses that offer sustained employment opportunities for residents of the City and the surrounding region; sustain and enhance the long term
economic viability of the City; and provide a greater balance of jobs and housing, among other objectives.

3. The Project will positively contribute to the local economy via new capital investment, creation of new employment opportunities, and the expansion of the tax base. The Project will provide the City with a high-quality, employment-generating warehouse development and create new employment opportunities for local residents by providing up to 263 new jobs. The Project Entitlements will provide approximately 130 new jobs and additional construction jobs. The California Employment Development Department indicates that as of May 2016, there were 2,600 unemployed persons in Napa County and 10,000 unemployed persons in Solano County. Accordingly, it would be expected that the proposed Project’s new jobs could be available to the local workforce.

4. The Project will serve local and regional demand for warehouse and wine warehouse uses, as well as providing the option of business-park serving commercial uses. The Napa County and Sonoma County wine industries are critically important to the economic vitality of the City and the nearby communities in Napa and Sonoma counties. Providing a use that meets the business needs of the wine industry and the growing potential for other distribution facilities will positively contribute to the economic health of the City and surrounding region.

5. The Project will minimize potential truck and pedestrian conflicts through site planning that clearly separates truck and pedestrian access areas. Sidewalks and Class II bicycle lanes currently exist on Devlin Road and would be maintained by the proposed Project. The proposed Project would install improvements on S. Kelly Road that would include sidewalks, and Class II bicycle lanes. Specifically, the proposed Project would install a sidewalk along S. Kelly Road between Devlin Road and SR-29, which would close a gap in the existing pedestrian network. These features would advance City General Plan Circulation Element Implementing Policies 1.35 and 2.18, as well as Guiding Policies 2.1 and 2.3.

6. The Project will locate an industrial land use in a manner that allows for direct and safe access to the regional highway while minimizing impacts to residential areas. The Project site itself is particularly well suited to an industrial warehouse/distribution use and promotes important City General Plan Policies for the following reasons:

   • The City of American Canyon General Plan designates the Project site as “Industrial.” The Project site is located within the Napa County Airport Industrial Area Specific Plan and is designated for Business Park/industrial development. This is consistent with City General Plan Land Use Policy 1.22.1 of promoting the development of existing and new warehouse and distribution facilities in areas designated as “Industrial (I)” on the Land Use Plan Map (Figure 1-1 of the General Plan).

   • Trucks would access the Project site from the Devlin Road extension, which was completed in 2012 and provides a connection to SR-29 via S. Kelly Road that avoids residential areas. The Project site’s location also allows for convenient access to SR-12 (east and west) such that residential areas in American Canyon would be avoided by trucks using this highway, consistent with City General Plan Land Use Policy 1.22.7.

7. The Project will facilitate the logical and orderly development of the Devlin Road corridor in accordance with the City of American Canyon General Plan and Napa County Airport
Industrial Area Specific Plan. The Project site is designated “Industrial” by the City General Plan and is served with existing infrastructure. Thus, the Project site is well suited to advance the objective of facilitating industrial warehouse development within American Canyon, in accordance with Objective 3.5 and Policy 3.5.1 of the City General Plan Economic Development Element.

8. The Project promotes City General Plan Circulation Element Guiding Policy 1.11 (Reducing Vehicle Miles Traveled). The development of up to approximately 263 new jobs in a housing-rich part of the Bay Area region provides the opportunity for employees to work closer to where they live, thereby reducing vehicle miles traveled. The Project Entitlements will provide approximately 130 new jobs and additional construction jobs.

9. The Project would be located less than 0.25 mile from SR-29 and would therefore advance the objective associated with balancing uses to serve both sides of SR-29 in accordance with Objective 1.4 of the City General Plan Land Use Element.

10. The Project will contribute to the long-term fiscal health of the City by generating new taxable sales, development impact fees, business license fees, property tax, and other sources of revenue. The Project will be required to pay two separate special assessments to fund fire protection and emergency medical services (Fire Service Fee and Fire Mitigation Fee) and Traffic Impact Fees. The Project will also support local businesses through retail sales generated by Project businesses, Project employees, and others serving the Project uses.
Exhibit A

Mitigation Monitoring and Reporting Program

(“MMRP”)

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