



Files: DA 15-01, RZ 15-06, AR 15-17

DATE: August 24, 2016

TO: PLANNING COMMISSION

FROM: Mark Wolfe, AICP, Community Development Director (879-6801)

RE: Development Agreement, Municipal Code and Neighborhood Plan Amendments, and Design Review regarding Chico Scrap Metal at 878 East 20th Street

SUMMARY

On June 21, 2016, the City Council rescinded various approvals involving Chico Scrap Metal it had previously granted on June 7, 2016. This action by the Council was necessary due to an error in the materials provided in connection with review of the applications, specifically Attachment J to staff's original Commission report which included reference to an outdated version of the Municipal Code. The process leading up to the approval must now again start with the Planning Commission's review and a recommendation from the Commission to the Council.

Materials originally provided to the Commission at its first meeting on the project are forwarded with this report. There have been no changes to the project or to staff's recommendation. Changes to the report and/or its attachments are as follows:

1. The Resolution has been updated with new dates.
2. The Negative Declaration and Initial Study have been updated to reflect current dates and to include a Hazardous Waste and Substances Statement from the applicant.
3. Attachment J has been corrected to include current Municipal Code verbiage.
4. A new Attachment ("Q") which includes all written correspondence received on the project since this public hearing was announced has been added.

Recommendation:

Planning staff recommends that the Planning Commission adopt Resolution No. 16-10 (**Attachment A** to attached staff report) recommending that the City Council adopt a Negative Declaration and approve Rezone 15-06, Architectural Review 15-17, and Development Agreement 15-01 based upon the findings and conditions therein.

Proposed Motion:

I move that the Planning Commission adopt Resolution No. 16-10 recommending that the City Council adopt a Negative Declaration and approve Rezone 15-06, Architectural Review 15-17, and Development Agreement 15-01 based upon the findings and conditions therein.



Planning Commission Agenda Report

Meeting Date: 02/18/16

DATE: February 5, 2016

Files: DA 15-01,
AR15-17, RZ 15-06

TO: PLANNING COMMISSION

FROM: Jake Morley, Associate Planner (879-6810; jake.morley@chicoca.gov)

RE: Chico Scrap Metal (Development Agreement 15-01, Architectural Review 15-17, Rezone 15-06) - 878 East 20th Street; APNs 005-450-014, 005-450-030, 005-422-009, 005-422-013 and 005-422-017

SUMMARY

On April 21, 2015, the City Council considered a request from the owner of Chico Scrap Metal (CSM) to discuss alternatives to a City ordinance requiring amortization of CSM, which called for the use to cease by December 31, 2011. Council directed City staff to work with CSM to develop a mechanism by which CSM might continue its operations. Council directed that the proposed mechanism address noise considerations, hours of operations, site aesthetics, and potential concerns with respect to site contamination.

The applicant has submitted applications seeking:

- Elimination of the amortization requirements found in the Chapman/Mulberry Neighborhood Plan and in the Chico Municipal Code.
- Approval of architectural review, which includes site improvements and landscaping to improve aesthetics and neighborhood compatibility.
- Approval of a Development Agreement under which CSM would modify and regulate its operations in order to improve its compatibility with the surrounding neighborhood.

Recommendation:

Planning staff recommends that the Planning Commission adopt Resolution No. 15-11 (**Attachment A**), recommending that the City Council adopt a negative declaration for the project and approve Development Agreement 15-01, Architectural Review 15-17, and Rezone 15-06 based upon the findings and conditions herein.

Proposed Motion:

I move that the Planning Commission adopt Resolution No. 15-11, recommending that the City Council adopt a negative declaration for the project and approve Development Agreement 15-01, Architectural Review 15-1, and Rezone 15-06 based upon the findings and conditions herein.

BACKGROUND

Between the 1960's to 1970's the site was operated as an active large scale collection and auto wrecking business (AA Auto Wreckers and Scotty's Auto Wreckers). Prior to the site being occupied as an auto wrecking/salvage facility, an auto repair business operated at the location.

In 1983, CSM purchased the location. At the time of purchase, the site was uneven and not paved, which did not allow for operation of equipment. Over the course of two years, CSM graded the site and poured a 14-inch layer of concrete over the areas in which CSM operates. The excess surface soils from the grading operation were stockpiled on the northern portion of the site, and removed in 2007 and disposed of at a Class 1 waste disposal facility located near Buttonwillow, California.

In 2004, the Chapman Mulberry Neighborhood Plan (Plan) was adopted by the City Council. The Plan reflects a desire to improve the neighborhood in ways that celebrate its diversity, heritage, and unique sense of place within Chico. The development standard portion of the Plan was incorporated into Chico Municipal Code (CMC) as a Special Design consideration overlay zoning district in 2006. This overlay zone (SD-6 – Chapman Mulberry Neighborhood) includes a requirement that nonconforming commercial and industrial uses, including Chico Scrap Metal (CSM), cease operations by December 31, 2011. Before this amortization date occurred, the City Council granted an extension of three years to CSM, as the applicant was still investigating relocation options. This extension was set to expire on December 31, 2014.

On December 28, 2014, the owners' of CSM approached the City Council requesting that the Chico Scrap amortization item be placed on its January 6, 2015 agenda. CSM requested that Council extend its operations and allow CSM to seek an alternative to the amortization of its use. Council directed City staff to work with CSM to develop a mechanism by which CSM might continue its operations.

On July 7, 2015, CSM applied for Architectural Review to install improvements and aesthetic enhancements (see Site Improvements Plans, **Attachment B**), and a Rezone which would amend the Chico Municipal Code (Section 19.51.070) and the Chapman-Mulberry Neighborhood Plan to remove the requirement for amortization. The applicant also submitted a Development Agreement application, which, among other things, proposes that site improvements and changes to operational characteristics occur within certain timeframes.

PROJECT PROPOSAL

The applicant proposes to:

- 1) Amend the Chapman-Mulberry Neighborhood Plan and Chico Municipal Code section 19.51.070 – *Special Design considerations (SD) overlay zone* to remove references to, and any requirement to, amortize the current use. This would be accomplished through approval of Rezone 15-06.
- 2) Install on-site improvements including:
 - Removing and replacing fencing along East 16th and East 20th Streets, including installing new entrance and exit gates.

- Providing art elements along the new fence that are made of recycled materials.
- Façade remodels to 3 existing structures.
- Improving on-site parking and circulation for both customers and employees, including the relocation of stored materials away from vacant residential zoned property.
- Installing landscaping along both public right-of-ways and on-site, including shade trees, shrub screens, chip mulch, and drip irrigation. These improvements are proposed as Architectural Review 15-17.

3) Modify operational standards including:

- Upgrade, replace, and maintain equipment located on site including a new baler (2011 Model 580 CL), which has already replaced an older, louder model. The baler is placed along the West 20th Street frontage, the furthest location from existing residential uses.
- Maintain existing operating hours which are 8:00 am to 4:00 pm, Monday through Friday, Saturday 8:00 am to Noon and closed on Sundays.
- Develop and maintain a new comprehensive Best Management Practices Manual which will address on-site operations, incident and emergency planning and response requirements, and consolidate permit requirements from regulatory agencies.
- Continue dust suppression measures, including installation of gravel over the unused portions of the site that are not paved.
- New and updated signage informing customers of CSM best practices and requirements for material intake.
- Prohibiting on-site baling and shredding of vehicle bodies. Vehicles bodies may still be collected on-site, so long as they do not contain any liquid material. These modifications are included as part of Development Agreement 15-01.

A more in depth project description has been submitted by the applicant (see Project Description, **Attachment C**). The project description outlines the types and weights of specific materials collected and recycled, highlights economic contribution of CSM's operations, notes existing environmental oversight and regulations, provides a history of the site, and lists various companies that utilize CSM's services.

REGULATORY OVERSIGHT

Department of Toxic Substance Control

The project site is currently listed on the Cortese List (Government Code Section 65962.5) as a result of low level PCBs found on site after an investigation conducted by the California Department of Toxic Substance Control (DTSC). As a result, DTSC has active oversight of the project site under State regulations.

In compliance with DTSC requirements, CSM has submitted a *Remedial Investigation and Feasibility Study* (RIFS), which is an assessment prescribed by DTSC used to determine whether hazardous substances are present, and, if so, to determine the nature of related impacts upon soils, surface water, and groundwater. The RIFS concluded that metals and other potentially organic contaminants were at “background” or insignificant concentrations in the soil samples taken. The groundwater samples were also determined to have no significant contamination. A human-health risk assessment was prepared as part of the RIFS and it concluded there was no significant human health risk from the identified on-site contaminants. Existing environmental conditions can best be summarized from Chapter 5 of the RIFS – Findings and Comparisons to Health Risk Screening Levels and a letter dated April 20, 2015 from Lawrence and Associates to Kim Scott, Chico Scrap Metal (see **Attachments D and E**).

DTSC concluded that the prepared RIFS was sufficient to consider the investigation complete (see DTSC Approval Letter Dated April 12, 2012, **Attachment F**).

Based on the findings of the RIFS, DTSC subsequently requested the submittal of a *Removal Action Workplan* (RAW) detailing the evaluation and selection of the most appropriate remedial action. A RAW is defined as “a work plan prepared or approved by DTSC or a California Regional Water Quality Control Board which is developed to carry out a removal action, in an effective manner, that is protective of the public health and safety and the environment” (California HSC 25323.1).

In this case, the RAW represents a work plan that will serve to manage soils impacted by shallow sources of low levels of PCBs at the project site. The focus of the RAW is the northeastern portion of the property. DTSC is reviewing the draft RAW and will direct standard remedial activities, which include containment by capping, activity use limitations (e.g., deed restrictions limiting future land uses), and/or removal and off-site disposal of soils (see RAW Executive Summary, **Attachment G**).

The RIFS and RAW documents, in their entirety, are available for review at the Community Development Department and on the Planning Services Division website.

State Water Resource Control Board

CSM operations are subject to an Industrial Activities Storm Water permit through the Regional Water Quality Control Board (Board). Under this permit (# 5R04102784) an annual report for storm water discharges associated with CSM activities is submitted to the Board. The Board also requires Best Management Practices (BMPs) be implemented to minimize or prevent pollutants from discharging off-site.

Pursuant to the Board’s authority, CSM is subject to regulatory site inspections and oversight.

Butte County Public Health Department – Environmental Health Division

A yearly site inspection is conducted by the Butte County Public Health Department – Environmental Health Division to ensure that the facility is in compliance with the Hazardous Materials Release Response Plan as specified in Chapter 6.95 of the California Health and Safety Code, and Title 19 of the California Code of Regulations. These regulations require submission of a materials inventory, implementation of on-site BMPs, and training of employees for handling waste and emergency procedures. As recently as June 27, 2014, the Health Department inspected the site, and concluded there were no violations observed.

DISCUSSION

Aesthetics

The applicant is proposing to enhance the streetscape along East 16th and East 20th Streets by removing the existing fence, and installing a new 8-foot tall fence, with 2-feet of wire mesh on top, and new gates. As illustrated on the site improvement drawings (see **Attachment B**), these elements will be softened and enhanced by landscaping along the public right-of-way and with additional interest provided through the introduction of art mounted on the fence. The art will utilize recycled materials found on site.

Inside the CSM facility, existing structures will receive façade remodels. New employee and customer parking, and associated improvements, will be placed along the East 16th Street portion of the site to serve as a buffer to residentially zoned lots to the west.

As noted in the applicant's project description, the goal of the aesthetic improvements is to create an "urban funk" feel, by integrating the site into the urban fabric and being complimentary to the community instead of looking out of place (see Landscape Project Description, **Attachment H**).

Operations

Currently, physical operations at the site remain within the existing footprint of the poured concrete, which is primarily located on the southern portion of the site, along the East 20th Street frontage. With the exception of new employee parking to be located at the northern end of the property, all operations are proposed to remain in this area.

All storage and recycling activities take place on concrete slabs. Noise generated from the site has been reduced by replacing an old baler with a new model (2011 Model 580 CL). The baler is utilized to compress material into compact bales that are easy to handle, transport, and store. All recyclable material collected on site must be void of liquids, otherwise CSM turns them way (see **Exhibit D in Development Agreement, Attachment I**). Current CSM operations does not include auto dismantling.

Operational hours are proposed to remain the same, which are Monday through Friday from 8 a.m. to 4 p.m., Saturday 8 a.m. to noon, and closed Sunday. The proposed Development Agreement would allow CSM to perform necessary on-site tasks beyond the hours open to the public, including staging of equipment for the next business day, implementation of Storm Water Pollution Prevention Plan requirements, etc.

New on-site signage is proposed to inform customers of prohibited materials, and that sweeping of trailers and truck beds is prohibited. To further minimize dust, the applicant will utilize a sweeper twice a day along the path of travel for customers. In areas with exposed soils, a layer of gravel will be placed.

CSM's conformance to these operational requirements is discussed in the attached Development Agreement (Agreement) (see **Attachment I**). The Agreement governs and regulates the development and operational aspects conducted at the CSM site. It further contains a timing mechanism which requires all improvements to be installed no later than 18-months after final approval of the project. The Agreement also contains language which

provides the City with the ability to levy fines against CSM if they are found to be out of compliance with the Agreement.

Amendments to the Chico Municipal Code and Chapman/Mulberry Neighborhood Plan

The applicant is requesting a text amendment to Chico Municipal Code Section 19.51.070 – Special Design Considerations (SD-6) and the Chapman/Mulberry Neighborhood Plan, specifically removing text regarding amortization of the use at CSM (see **Attachment J and K**).

GENERAL PLAN CONSISTENCY

Implementation of the project is supported by General Plan Goals, Policies and Actions related to balancing the environment and economy, creating a sustainable Chico (Goal SUS-1), promoting use of environmentally friendly, local products and services, meeting the needs of the community, enhancing community character and identity (Policy SUS-3.1, Goal LU-2, LU-3, Policy LU-3.3 and LU-3.4), and encouraging economic development and recycling (Goal ED 1.3, ED-1.0, Goal PPFS-8, Policy PPFS-8.1 and Action PPFS-8.1.1). Further, aspects of the project such as removal and replacement of fencing, incorporation of art, and on-site improvements are consistent with the General Plan in that they help create a sense of place, provide distinctive character, contribute to the quality of life and economic vitality of Chico, and enhance diverse neighborhoods and surrounding development (Goal CD-3, CD-4, CD-5, CD-7).

The following General Plan Goals, Policies and Actions are applicable to the project:

Goal SUS-1: Balance the environment, economy and social equity, as defined in the General Plan, to create a sustainable Chico.

Policy SUS-3.1: (Sustainable Products and Services) – Promote the use of environmentally-friendly and local products and services.

GOAL LU-2: Maintain a land use plan that provides a mix and distribution of uses that meet the identified needs of the community.

GOAL LU-3: Enhance existing neighborhoods and create new neighborhoods with walkable access to recreation, places to gather, jobs, daily shopping needs, and other community services.

GOAL LU-4: Promote compatible infill development.

Policy LU-3.3: (Neighborhood Services) - Recognize existing neighborhoods and continue to facilitate the development of neighborhood plans in partnership with residents and property owners to preserve and enhance neighborhood character, identity, and livability.

Policy LU-3.4: (Neighborhood Enhancement) - Strengthen the character of existing residential neighborhoods and districts.

Policy LU-4.2: (Infill Compatibility) - Support infill development, redevelopment, and rehabilitation projects that are compatible with surrounding properties and neighborhoods.

Goal CD-3: Ensure project design that reinforces a sense of place with context sensitive elements and a human scale.

Goal CD-4: Maintain and enhance the character of Chico's diverse neighborhoods.

Goal CD-5: Support infill and redevelopment compatible with the surrounding neighborhood.

Goal CD-7: Celebrate public art and expand the significant role the arts play in the quality of life and economic vitality of Chico.

Policy CD-4.1: (Distinctive Character) – Reinforce the distinctive character of neighborhoods with design elements reflected in the streetscape, landmarks, public art, and natural amenities.

Policy CD-5.1: (Compatible Infill Development) – Ensure that new development and redevelopment reinforces the desirable elements of its neighborhood including architectural scale, style, and setback patterns.

Policy CD-7.2: (Community and Art) – Foster civic pride with the use of public art that highlights Chico's natural resources, cultural heritage, and community character.

Policy ED-1.3: (Regulatory Environment) – Ensure that regulations and permitting processes for the conduct of commerce and land development do not unreasonably inhibit local business activity.

Policy ED-1.9: (Chico Based Businesses) – Encourage Chico residents and visitors to support businesses that are located in the City of Chico.

Goal PPF8-8: Ensure that solid waste and recyclable collection services are available to City residents.

Policy PPF8-8.1: (Waste Recycling) – Provide solid waste collection services that meet or exceed state requirements for source reduction, diversion, and recycling.

Action PPF8-8.1.1: (Green Waste) – Encourage recycling, composting, and organic waste diversion within the City and continue providing green yard waste recycling services, seasonal leaf collection and street sweeping services.

The improvements are also supported by the City of Chico Design Guidelines Manual which discusses art elements, incorporating interest into projects, creating awareness, and creating a sense of place by including elements and materials from the site (DG 6.1.45, DG 6.1.6, DG 1.4.11, DG 1.2.32 and DG 1.4.13)

FINDINGS

Architectural Review

Pursuant to the Chico Municipal Code Section 19.18.060, a determination must be made as to whether or not a project adequately meets adopted City standards and design guidelines, based upon the following findings:

1. The proposed development is consistent with the General Plan, any applicable specific plan, and any applicable neighborhood or area plans.

Implementation of the project is supported by General Plan Goals, Policies and Actions related to balancing the environment and economy, creating a sustainable Chico (Goal SUS-1), promoting use of environmentally friendly, local products and services, meeting the needs of the community, enhancing community character and identity (Policy SUS-3.1, Goal LU-2, LU-3, Policy LU-3.3 and LU-3.4), and encouraging economic development and recycling (ED 1.3, ED-1.0, Goal PPFS-8, Policy PPFS-8.1 and Action PPFS-8.1.1). Further, aspects of the project such as removal and replacement of fencing, incorporation of art, and on-site improvements are consistent with the General Plan in that they help create a sense of place, provide distinctive character, contribute to the quality of life and economic vitality of Chico, and enhance diverse neighborhoods and surrounding development (Goal CD-3, CD-4, CD-5, CD-7).

The project is consistent with the Chapman/Mulberry Neighborhood Plan in that it seeks to create buffers between residential and non-residential uses, preserve the single-family residential character of the neighborhood, retain and expand the urban forest through the addition of landscaping and parking lot shade trees, and screen vehicles from the public right-of-way.

2. The proposed development, including the character, scale, and quality of design are consistent with the purpose/intent of this chapter and any adopted design guidelines.

The proposal meets a number of City of Chico Design Guidelines Manual goals. The new fencing will provide site screening (DG 1.1.14, DG 6.1.29). With the fence indentations, a rhythm design is proposed which will contain climbing vine lattice frames, thereby softening the walls and bringing additional visual interest to the project (DG 6.1.45, DG 6.1.6). The inclusion of art elements along the fence is consistent with goals in the Manual that discuss and encourage public art that creates a focal point, enhances Chico's image, provides an overall increase in artistic awareness to the community, and creates a sense of place by including elements and materials from the site (DG 1.4.11, DG 1.2.32 and DG 1.4.13).

3. The architectural design of structures, including all elevations, materials and colors are visually compatible with surrounding development. Design elements, including screening of equipment, exterior lighting, signs, and awnings, have been incorporated into the project to further ensure its compatibility with the character and uses of adjacent development.

The Project includes visually interesting colors and materials to create an "urban funk" theme by utilizing a color pallet of greens and browns that are softened with landscaping. Landscaping will also provide additional textures and colors throughout the changing seasons, with the incorporation of different leaf shapes and flowering elements. Materials such as board and batten, concrete, and metal trellis with creeping vines, will bring additional interest and relief. Consistent with the City's Municipal Code, project lighting is angled downward with full cut-offs thereby eliminating night time glare or light spillover. All mechanical equipment is contained within the project site and is not visible from the public right-of-way. Additional screening is proposed including an

on-site shrub screen to block views of material stock piles. New on-site directional signage, collection rules, and best management signage will be installed to inform customers of best practices, such as the prohibition of sweeping trailers.

4. The location and configuration of structures are compatible with their sites and with surrounding sites and structures, and do not unnecessarily block views from other structures or dominate their surroundings.

The height of the structures and the associated improvements are at a pedestrian scale, and do not block views or dominate the site. All on-site improvements will be buffered by the construction of a new fence and the installation of landscaping along East 16th and East 20th Streets.

5. The general landscape design, including the color, location, size, texture, type, and coverage of plant materials, and provisions for irrigation and maintenance, and protection of landscape elements, have been considered to ensure visual relief, to complement structures, and to provide an attractive environment.

The project contains landscaping in areas that are currently void of such improvements. Selected plant material is designed to provide shade to parking and driveways, while providing an assortment of visual textures, types, and seasonal colors. Existing trees along East 16th and East 20th Streets have been incorporated into the design. Fence improvements are softened with the introduction of a flowering creeping vine on wire mesh elements. Landscaping has been selected and placed into hydrozones to reduce water use and will be irrigated by automatic controls utilizing low volume drip irrigation systems. Groundcover, such as chip mulch or bark, will be placed throughout all landscaped areas, typically at 3 to 4 inch depth, thereby further reducing the need for irrigation.

Neighborhood Plan Amendment

Pursuant to Chico Municipal Code Section 19.06.050 A, an amendment to a neighborhood plan, may be approved only if all of the following findings are made:

1. The proposed amendment is internally consistent with the plan being amended.

Project approval would result in improved compatibility of CSM's aesthetics and operations with the surrounding neighborhood, which is a key goal of the Chapman Mulberry Neighborhood Plan (Plan). With the proposed amendment to the Plan, the Plan would remain internally consistent as other aspects of the Plan, such as the development standards for single and multi-family residential projects, street designs, and lighting requirements are still applicable to properties located in the adopted overlay zoning district.

2. If the proposed amendment is to a specific plan, neighborhood plan or area plan, it is consistent with the General Plan.

The project is consistent with the General Plan, in that it support numerous General Plan Goals, Policies and Actions that call for balancing the environment and economy to create a sustainable Chico (Goal SUS-1), promoting use of environmentally friendly,

local products and services that meet the needs of the community, enhancing community character and identity (Policy SUS-3.1, Goal LU-2, LU-3, Policy LU-3.3 and LU-3.4), encouraging economic development, and ensuring that recycling services and waste diversion are available to City residents (ED 1.3, ED-1.9, Goal PPF8-8, Policy PPF8-8.1 and Action PPF8-8.1.1). Further, aspects of the project such as removal and replacement of fencing, incorporation of art, and on-site improvements are consistent with the General Plan in that they help create a sense of place, provide distinctive character, contribute to the quality of life and economic vitality of Chico, and enhance diverse neighborhoods and surrounding development (Goal CD-3, CD-4, CD-5, CD-7).

With the amendment, the Neighborhood Plan would remain consistent with the General Plan's broad public policy direction for the community, and the neighborhood. The Neighborhood Plan is intended to be a refinement to the General Plan and its vision and policy objectives for the neighborhood remain applicable.

3. The site is physically suitable, including access, provision of utilities, compatibility with adjoining land uses, and absence of physical constraints, for the proposed land use or development.

The subject 2.02 acre site has been in operation, in some capacity, as a recycling and scrap metal collection facility since 1964. Since 1983, the site has been improved with concrete slab over all working and storage areas, and operational aspects have been kept to the southern portion of the site and operational standards have gravitated towards a large scale collection facility. The site is designed for vehicles to enter and exit the site in a loop, which allows for vehicles to be forward facing when exiting, and allows for optimal processing for CSM. Through site improvements, which include fencing, landscaping, art, covering of exposed soils, as well as operational standard limitations, the proposed use is compatible with the adjoining land uses.

Development Regulation Amendment

Pursuant to Chico Municipal Code Section 19.06.050 B, an amendment to the City's Development Regulations may be approved only if all of the following findings are made:

1. The proposed amendment is consistent with the General Plan, any applicable specific plan, and any applicable neighborhood and area plans.

Implementation of the project is supported by General Plan Goals, Policies and Actions related to balancing the environment and economy, creating a sustainable Chico (Goal SUS-1), promoting use of environmentally friendly, local products and services, meeting the needs of the community, enhancing community character and identity (Policy SUS-3.1, Goal LU-2, LU-3, Policy LU-3.3 and LU-3.4), and encouraging economic development and recycling (ED 1.3, ED-1.9, Goal PPF8-8, Policy PPF8-8.1 and Action PPF8-8.1.1). Further, aspects of the project such as removal and replacement of fencing, incorporation of art, and on-site improvements are consistent with the General Plan in that they help create a sense of place, provide distinctive character, contribute to the quality of life and economic vitality of Chico, and enhance diverse neighborhoods and surrounding development (Goal CD-3, CD-4, CD-5, CD-7).

With the amendment, the Neighborhood Plan would remain consistent with the General Plan's broad public policy direction for the community. The Neighborhood Plan is intended to be a refinement to the General Plan and its vision and policy objectives for the neighborhood remain applicable.

2. The proposed amendment is consistent with other applicable provision of these Regulations and compatible with the uses authorized in, and the regulations prescribed for, the applicable zoning districts for which it is proposed.

The regulations and development standards found in the Chico Municipal Code would continue to be compatible and internally consistent with the uses it authorizes and regulates. Approval of the project would only result in the removal of an amortization requirement applicable to CSM.

Development Agreement

Pursuant to Chico Municipal Code Section 19.32.50 the proposed for Development Agreements may be approved only if the following two findings are made:

1. The development agreement would be in the best interest of the City.

The Development Agreement is in the best interest of the City in that furthers a number of General Plan Economic Development, Land Use, Sustainability, Community Design, and Parks and Public Facilities Element Goals, Policies and Actions (Goal SUS-1 Policy SUS-3.1, Goal LU-2, LU-3, LU-4, Policy LU-3.3, LU-3.4, LU-4.5 Goal CD-3, CD-4, CD-5, CD-7, Policy CD-4.1, CD-5.1, CD-7.2, Goal, ED 1.3, ED-1.9, Action ED-1.3.3, Policy ED-1.9, Goal PPFS-8, Policy PPFS-8.1 and Action PPFS-8.1.1). Ultimately, the project will aesthetically improve and enhance the project site through the addition of new structural improvements along the public right-of-way, façade remodels to existing structures, and comprehensive landscape improvements. Further, the Development Agreement would ensure timely implementation of the proposed operational standards and aesthetic improvements, and provide a mechanism for enforcement and annual reporting.

2. The development agreement would promote the public interest and welfare of the City.

The Development Agreement would promote public interest and welfare of the City by promoting neighborhood compatibility, enhancing site aesthetics and operational improvements, and providing a mechanism for enforcement. Further, continuation of the use will serve the public and businesses through the collection of recyclable goods, and provide economic benefit.

ENVIRONMENTAL REVIEW

The proposed project is subject to the California Environmental Quality Act (CEQA). Pursuant to CEQA (Public Resources Code Sections 21000 et seq.) and the CEQA Guidelines, an Initial Study was conducted by the City to determine if the proposed project would have a significant effect on the environment (see **Attachment L**). The Initial Study evaluated the potential environmental impacts of the proposed project.

The Initial Study concluded that implementation of the proposed project would not degrade the quality of the environment or adversely affect human beings. Therefore, the Initial Study determined that the proposed project could not have a significant effect on the environment and that a Negative Declaration should be prepared.

The Negative Declaration, along with the Initial Study, was circulated for public review from January 27, 2016 through February 16, 2016. To date, no comment letters have been received regarding the environmental review.

PUBLIC CONTACT

A 20-day public hearing notice was mailed to all landowners and residents within 500 feet of the site (see Public Notice Map, **Attachment M**), and a legal notice was published in the *Chico Enterprise Record*. All correspondence received related to the project is included as **Attachment N**.

Neighborhood Meeting

On September 25, 2015, a neighborhood meeting was held at 1940 Mulberry Street (Eagles Lodge). The intent and goal of the neighborhood meeting was to solicit feedback from the community regarding the proposal before a formal application was submitted to the City. The project was presented by the applicant and her representatives (see **Attachment O**, Sign In-Sheet).

The applicant presented the project, including proposed façade remodels, improvements along East 16th and East 20th Street, and the new operational requirements. Several neighbors expressed concern that the Chapman-Mulberry Neighborhood Plan notes that the subject site should be developed as a neighborhood commercial area. Others felt that CSM is a welcomed use as its hours of operation and the current use of the site are known factors, and that they are a good neighbor.

Those who spoke in opposition to the project discussed relocation of the business, amortization requirements, neighborhood compatibility, and environmental concerns associated with CSM operations (see **Attachment O**, Applicant's Neighborhood Meeting Notes).

In response to comments received at the neighborhood meeting, the applicant modified the proposal to include lighting to illuminate areas in which trash and waste are left near a residential neighbor, the inclusion of gravel over areas that are exposed soil to minimize on-site dust, an increased fence height along the East 20th Street portion of the site, and a new fence along existing single family residences along the northern property line.

DISTRIBUTION:

PC Distribution

AP Morley

Files: DA 15-01, RZ 15-06, AR 15-17

External

Kim Scott, Chico Scrap Metal, 878 E. 20th Street, Chico, CA 95928

Shane Scott, Chico Scrap Metal, 878 E. 20th Street, Chico, CA 95928

Scott Gibson, P.O. Box 2306, Paradise, CA 95967

Therese Y. Cannata, 100 Pine Street, Suite 350, San Francisco, CA 94111
Jon Luvaas, 1980 Wild Oak Lane, Chico, CA 95928

ATTACHMENTS:

- A. Planning Commission Resolution ~~45-4~~
Exhibit I – Negative Declaration
Exhibit II – Conditions of Approval
- B. Site Improvement Plans
- C. Applicant's Project Description
- D. RIFS – Chapter 5.1 – Findings and Comparisons to Health Risks and Screening Levels
- E. Lawrence & Associates Letter – Dated April 20, 2015
- F. DTSC RIF Approval Letter – Dated April 12, 2012
- G. RAW – Executive Summary
- H. Landscape Project Description
- I. Draft Development Agreement
- J. Chico Municipal Code Section 19.51.070 – Redlined
- K. Chapman/Mulberry Neighborhood Plan – Redlined
- L. Initial Study
- M. Public Notice Map
- N. Public Comments
- O. Pre-Application Neighborhood Meeting – Sign in Sheet
- P. Pre-Application Neighborhood Meeting – Applicant's Notes
- Q. *Correspondence regarding Sept 1, 2016 Planning Commission Hearing*

- 1 B. The negative declaration has been prepared in conformance with the provision of the
2 California Environmental Quality Act and the Chico Municipal Code, Chapter 1.4
3 “Environmental Review Guidelines.”
- 4 C. The negative declaration prepared for the Project reflects the independent judgment of the
5 City of Chico.
- 6 2. With regard to the Architectural Review, the Planning Commission finds that:
- 7 A. Implementation of the project is supported by General Plan Goals, Policies and Actions
8 related to balancing the environment and economy, creating a sustainable Chico (Goal
9 SUS-1), promoting use of environmentally friendly, local products and services, meeting
10 the needs of the community, enhancing community character and identity (Policy SUS-
11 3.1, Goal LU-2, LU-3, Policy LU-3.3 and LU-3.4), and encouraging economic
12 development and recycling (ED 1.3, ED-1.0, Goal PPFS-8, Policy PPFS-8.1 and Action
13 PPFS-8.1.1). Further, aspects of the project such as removal and replacement of fencing,
14 incorporation of art, and on-site improvements are consistent with the General Plan in
15 that they help create a sense of place, provide distinctive character, contribute to the
16 quality of life and economic vitality of Chico, and enhance diverse neighborhoods and
17 surrounding development (Goal CD-3, CD-4, CD-5, CD-7).
- 18 The project is consistent with the Chapman/Mulberry Neighborhood Plan in that it seeks
19 to create buffers between residential and non-residential uses, preserve the single-family
20 residential character of the neighborhood, retain and expand the urban forest through the
21 addition of landscaping and parking lot shade trees, and screen vehicles from the public
22 right-of-way.
- 23 B. The proposal meets a number of City of Chico Design Guidelines Manual goals. The new
24 fencing will provide site screening (DG 1.1.14, DG 6.1.29). With the fence indentations,
25 a rhythm design is proposed which will contain climbing vine lattice frames, thereby
26 softening the walls and bringing additional visual interest to the project (DG 6.1.45, DG
27 6.1.6). The inclusion of art elements along the fence is consistent with goals in the Manual
28 that discuss and encourage public art that creates a focal point, enhances Chico’s image,

- 1 provides an overall increase in artistic awareness to the community, and creates a sense
2 of place by including elements and materials from the site (DG 1.4.11, DG 1.2.32 and DG
3 1.4.13).
- 4 C. The Project includes visually interesting colors and materials to create an “urban funk”
5 theme by utilizing a color pallet of greens and browns that are softened with landscaping.
6 Landscaping will also provide additional textures and colors throughout the changing
7 seasons, with the incorporation of different leaf shapes and flowering elements. Materials
8 such as board and batten, concrete, and metal trellis with creeping vines, will bring
9 additional interest and relief. Consistent with the City’s Municipal Code, project lighting
10 is angled downward with full cut-offs thereby eliminating night time glare or light
11 spillover. All mechanical equipment is contained within the project site and is not visible
12 from the public right-of-way. Additional screening is proposed including an on-site shrub
13 screen to block views of material stock piles. New on-site directional signage, collection
14 rules, and best management signage will be installed to inform customers of best practices,
15 such as the prohibition of sweeping trailers.
- 16 D. The height of the structures and the associated improvements are at a pedestrian scale, and
17 do not block views or dominate the site. All on-site improvements will be buffered by
18 the construction of a new fence and the installation of landscaping along East 16th and
19 East 20th Streets.
- 20 E. The project contains landscaping in areas that are currently void of such improvements.
21 Selected plant material is designed to provide shade to parking and driveways, while
22 proving an assortment of visual textures, types, and seasonal colors. Existing trees along
23 East 16th and East 20th Streets have been incorporated into the design. Fence
24 improvements are softened with the introduction of a flowering creeping vine on wire
25 mesh elements. Landscaping has been selected and placed into hydrozones to reduce
26 water use and will be irrigated by automatic controls utilizing low volume drip irrigation
27 systems. Groundcover, such as chip mulch or bark, will be placed throughout all
28 landscaped areas, typically at 3 to 4 inch depth, thereby further reducing the need for

1 irrigation.

2 3. With regard to the Neighborhood Plan amendment the Planning Commission finds that:

3 A. Project approval would result in improved compatibility of CSM's aesthetics and
4 operations with the surrounding neighborhood, which is a key goal of the Chapman
5 Mulberry Neighborhood Plan (Plan). With the proposed amendment to the Plan, the Plan
6 would remain internally consistent as other aspects of the Plan, such as the development
7 standards for single and multi-family residential projects, street designs, and lighting
8 requirements are still applicable to properties located in the adopted overlay zoning
9 district.

10 B. The project is consistent with the General Plan, in that it support numerous General Plan
11 Goals, Polices and Actions that call for balancing the environment and economy to create
12 a sustainable Chico (Goal SUS-1), promoting use of environmentally friendly, local
13 products and services that meet the needs of the community, enhancing community
14 character and identity (Policy SUS-3.1, Goal LU-2, LU-3, Policy LU-3.3 and LU-3.4),
15 encouraging economic development, and ensuring that recycling services and waste
16 diversion are available to City residents (ED 1.3, ED-1.9, Goal PPF8-8, Policy PPF8-8.1
17 and Action PPF8-8.1.1). Further, aspects of the project such as removal and replacement
18 of fencing, incorporation of art, and on-site improvements are consistent with the General
19 Plan in that they help create a sense of place, provide distinctive character, contribute to
20 the quality of life and economic vitality of Chico, and enhance diverse neighborhoods
21 and surrounding development (Goal CD-3, CD-4, CD-5, CD-7).

22 With the amendment, the Neighborhood Plan would remain consistent with the General
23 Plan's broad public policy direction for the community, and the neighborhood. The
24 Neighborhood Plan is intended to be a refinement to the General Plan and its vision and
25 policy objectives for the neighborhood remain applicable.

26 C. The subject 2.02 acre site has been in operation, in some capacity, as a recycling and
27 scrap metal collection facility since 1964. Since 1983, the site has been improved with
28 concrete slab over all working and storage areas, and operational aspects have been kept

1 to the southern portion of the site and operational standards have gravitated towards a
2 large scale collection facility. The site is designed for vehicles to enter and exit the site
3 in a loop, which allows for vehicles to be forward facing when exiting, and allows for
4 optimal processing for CSM. Through site improvements, which include fencing,
5 landscaping, art, covering of exposed soils, as well as operational standard limitations,
6 the proposed use is compatible with the adjoining land uses.

7 4. The Planning Commission recommends that the City enter into a Development Agreement
8 with Chico Scrap Metal which provides for the following:

9 A. The Development Agreement is in the best interest of the City in that it furthers a number
10 of General Plan Economic Development, Land Use, Sustainability, Community Design,
11 and Parks and Public Facilities Element Goals, Policies and Actions (Goal SUS-1 Policy
12 SUS-3.1, Goal LU-2, LU-3, LU-4, Policy LU-3.3, LU-3.4, LU-4.5 Goal CD-3, CD-4,
13 CD-5, CD-7, Policy CD-4.1, CD-5.1, CD-7.2, Goal, ED 1.3, ED-1.9, Action ED-1.3.3,
14 Policy ED-1.9, Goal PPF8-8, Policy PPF8-8.1 and Action PPF8-8.1.1). Ultimately, the
15 project will aesthetically improve and enhance the project site through the addition of new
16 structural improvements along the public right-of-way, façade remodels to existing
17 structures, and comprehensive landscape improvements. Further, the Development
18 Agreement would ensure timely implementation of the proposed operational standards
19 and aesthetic improvements, and provide a mechanism for enforcement and annual
20 reporting. That Chico Scrap Metal is a legal non-conforming land use, established in
21 some form prior to annexation into City limits and prior to adoption of the current zoning
22 designation and prior to adoption of the Chapman-Mulberry Neighborhood Plan; and

23 B. The Development Agreement would promote public interest and welfare of the City by
24 promoting neighborhood compatibility, enhancing site aesthetics and operational
25 improvements, and providing a mechanism for enforcement. Further, continuation of the
26 use will serve the public and businesses through the collection of recyclable goods, and
27 provide economic benefit.

28 Based on all of the above, the Planning Commission hereby:

- 1 1. Recommends adoption of the negative declaration as set forth in Exhibit I, attached hereto;
2 and
3 2. Recommends approval of the Project, subject to the conditions set forth in Exhibit II, attached
4 hereto; and
5 3. Recommends approval of the Project, subject to the requirements set forth in the Development
6 Agreement, attached hereto.
7 4. The Planning Commission hereby specifies that the materials and documents which constitute
8 the record of proceedings upon which its decision is based are located at and under the custody
9 of the City of Chico Community Development Department.

10 THE FOREGOING RESOLUTION WAS ADOPTED at a meeting of the Planning
11 Commission of the City of Chico held on September 1, 2016, by the following vote:

- 12
13 AYES:
14 NOES:
15 ABSENT:
16 ABSTAIN:
17 DISQUALIFIED:
18 ATTEST:

19
20
21

MARK WOLFE
Planning Commission Secretary

APPROVED AS TO FORM:


Vincent C. Ewing
City Attorney*

*Pursuant to the Charter of the City of
Chico, Section 906(E)



NEGATIVE DECLARATION

CITY OF CHICO PLANNING SERVICE DEPARTMENT

Based upon the analysis and findings contained within the attached initial study, a Negative Declaration Mitigated Negative Declaration is proposed for adoption by the City of Chico Planning Commission on September 1, 2016, for the following project:

PROJECT NAME: Chico Scrap Metal

PROJECT NUMBERS: DA 15-01, RZ 15-06 and AR 15-17

APPLICANTS NAME: Chico Scrap Metal, 878 East 20th Street, Chico, CA 95928

PROJECT LOCATION: 878 East 20th Street, Chico, CA 95928 (005-422-009, 005-422-013, 005-422-017, 005-450-030 and 005-450-014.

PROJECT DESCRIPTION:

The project involves the continued operation of CSM as a large scale collection and recycling facility, by removing an amortization requirement found in Chico's Municipal Code (CMC) as directed by the Chapman-Mulberry Neighborhood Plan. The amortization requirement directs that nonconforming commercial and industrial uses to be amortized, or terminated no later than December 31, 2014. Through a series of City Council actions, CSM has been granted extensions and allowed to continue to operations. Removal of the amortization requirement would allow the existing use to continue at the site with modifications to operational standards and site aesthetics as called for by other project components discussed in more detail below. The project includes the following:

- 1) An amendment the Chapman-Mulberry Neighborhood Plan and Section 19.51.070 – Special Design considerations (SD) zoning overlay of the CMC to remove language regarding the amortization of the scrap metal use at the project site (Rezone 15-06).
- 2) Installation of onsite improvements, including:
 - Remove and replace fencing along East 16th and East 20th Streets along with the installation of new entrance and exit gates.
 - Inclusion of art elements along the new fence that are made from recycled materials found on site.
 - Façade remodels to 3 existing structures.

EXHIBIT I

- Reorganizing and improving onsite parking and circulation for both customers and employees, including the relocation of stored materials away from vacant residential property.
 - Comprehensive landscaping along both public right-of-ways and on-site including shade streets, shrub screens, chip mulch and drip irrigation (Architectural Review 15-17).
- 3) Modifications to operational standards, including:
- Upgrade, replace and maintain equipment located on site including a new bailer (2011 Model 580 CL), which has already replaced an older, louder model. The bailer is placed along the West 20th Street frontage, the furthest location from existing residential uses.
 - Maintain existing operating hours which are 8:00 am to 4:00 pm, Monday through Friday, Saturday 8:00 am to Noon and closed on Sundays.
 - Develop and maintain a new comprehensive Best Management Practices manual, which will address on-site operations, incident and emergency planning and response requirements, and house permit requirements from regulatory agencies.
 - Continue dust suppression measures, including installation of gravel over unused portions of the site that are not paved.
 - Install new and updated signage informing customers of CSM best practices and requirements for material intake.
 - Prohibit on-site bailing and shredding of whole vehicle shells. Vehicles shells may still be collected on site, so long as they do not contain any liquid material. The shells would then be transferred off-site for processing (Development Agreement 15-01).

PREPARED BY: Jake Morley/Mark Wolfe

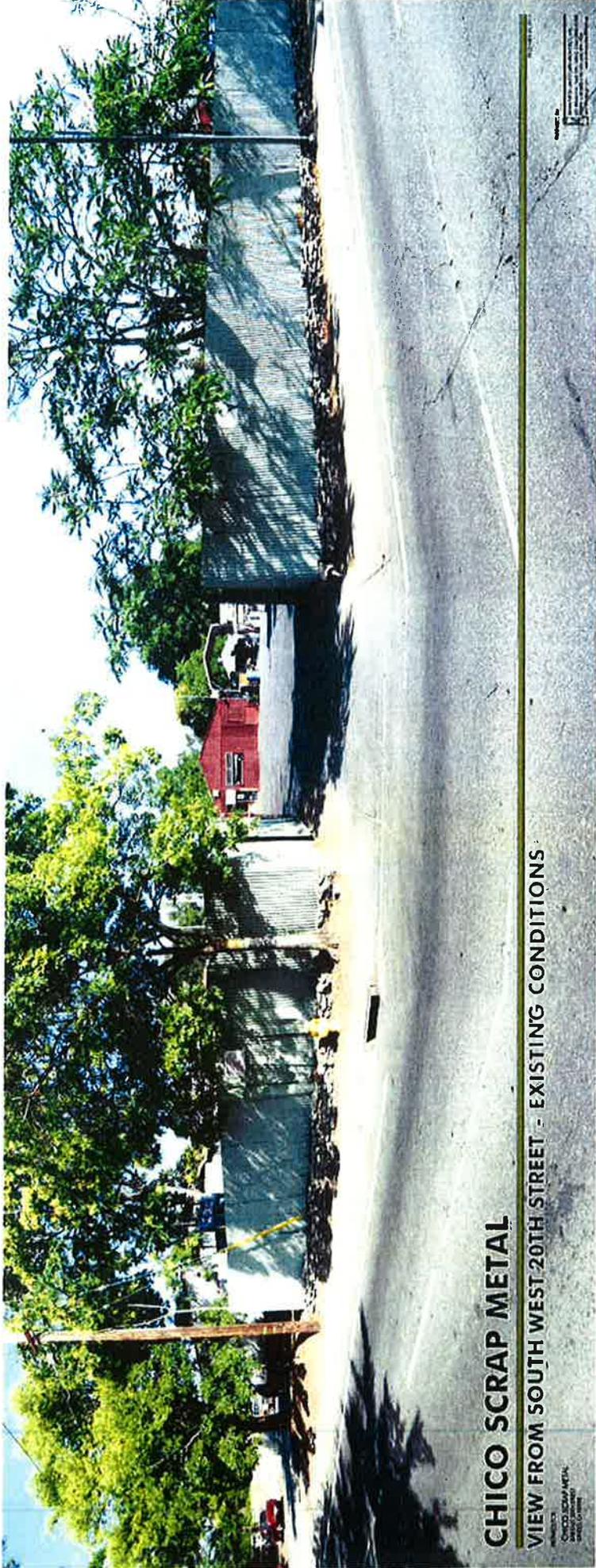
FINDING: The attached Initial Study concludes that:

- There is no substantial evidence, in light of the whole record before the agency, that the project may have a significant effect on the environment, or
- The project could result in potentially significant effects, and mitigation measures were adopted for the project which will reduce the significant effects to a less than significant level.

ATTACHMENT: Initial Study

EXHIBIT "II"
CONDITIONS OF APPROVAL

1. All development shall comply with all other State and local Code provisions, as well as any applicable requirements of the Fire Department, the Public Works Department, Butte County Environmental Health, and the Community Development Department. The developer is responsible for contacting these offices to verify the need for permits.
2. All approved building plans and permits shall note on the cover sheet that the project shall comply with AR 15-17 (Chico Scrap Metal). No building permits related to this approval shall be finalized without authorization of the Community Development Department.
2. On-site directional, collection, and rules signage shall be presented to, and reviewed and approved by, the Community Development Department prior to installation by Chico Scrap Metal to inform customers of which materials are not collected on site, and that sweeping of trailer and other transportation devices is strictly prohibited.

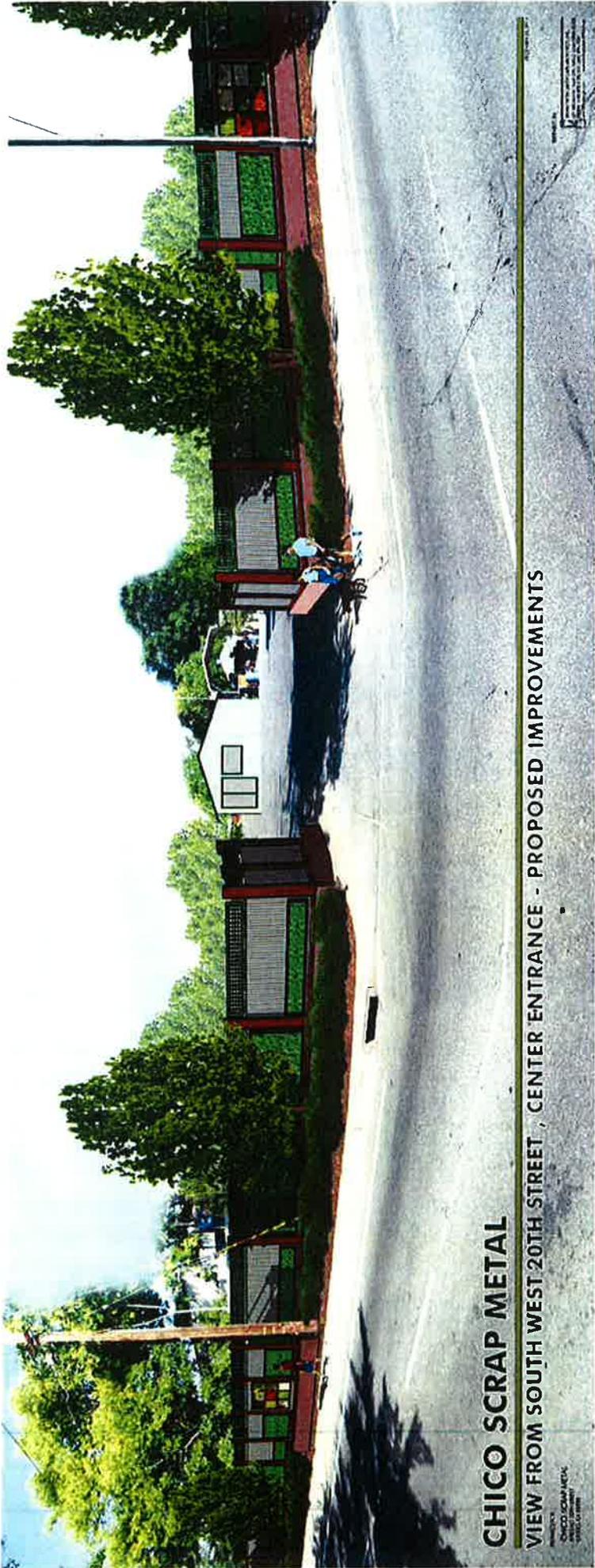


CHICO SCRAP METAL

VIEW FROM SOUTH WEST 20TH STREET - EXISTING CONDITIONS

PROJECT:
CHICO SCRAP METAL
OWNER:
CHICO SCRAP METAL

DATE:
10/15/2014

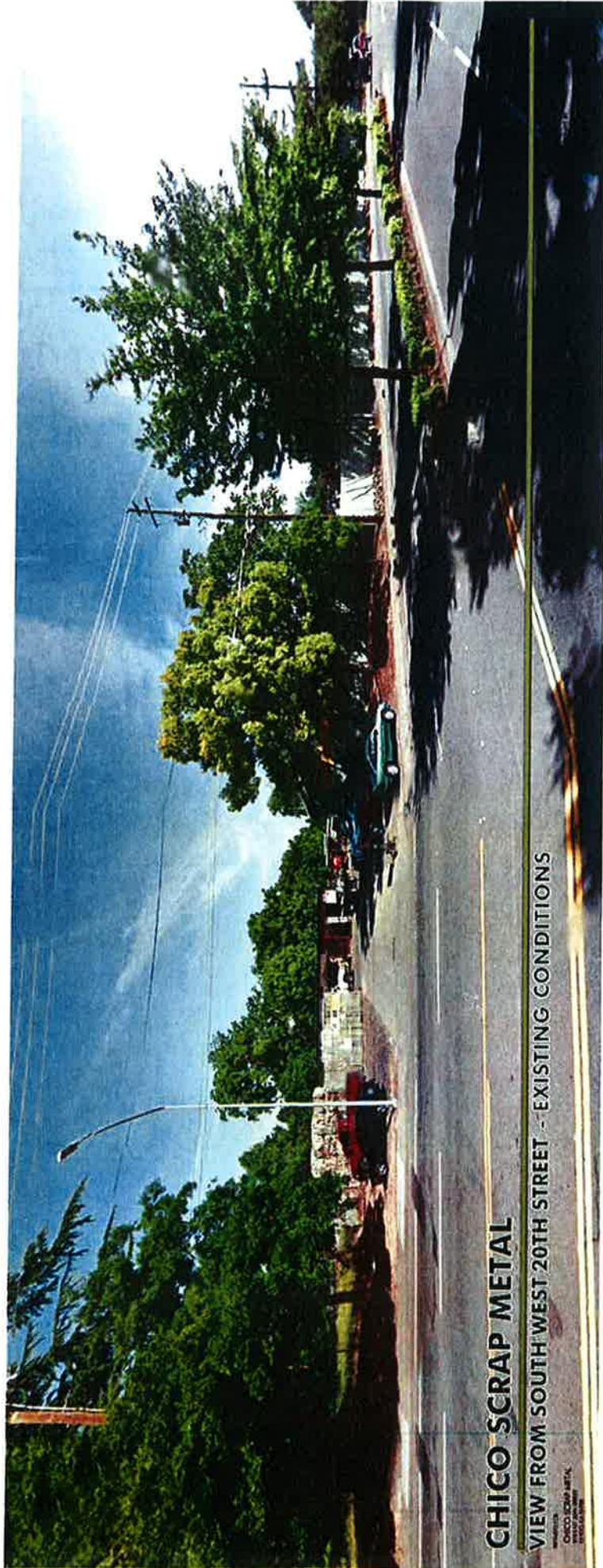


CHICO SCRAP METAL

VIEW FROM SOUTH WEST 20TH STREET , CENTER ENTRANCE - PROPOSED IMPROVEMENTS

CHICO SCRAP METAL
10000 SW 20TH STREET
MARIETTA, GA 30067

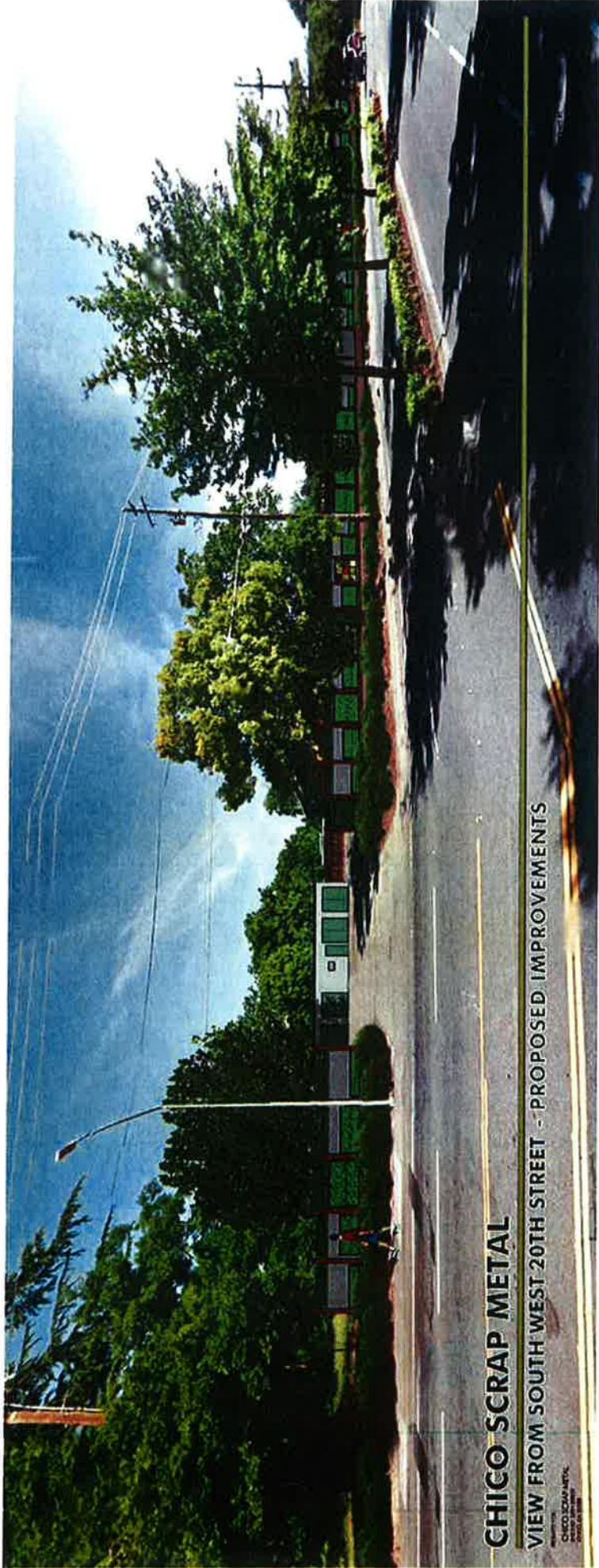
DATE: 08/14/2024
TIME: 10:30 AM
PHOTOGRAPHER: J. GIBSON



CHICO SCRAP METAL

VIEW FROM SOUTH WEST 20TH STREET -- EXISTING CONDITIONS

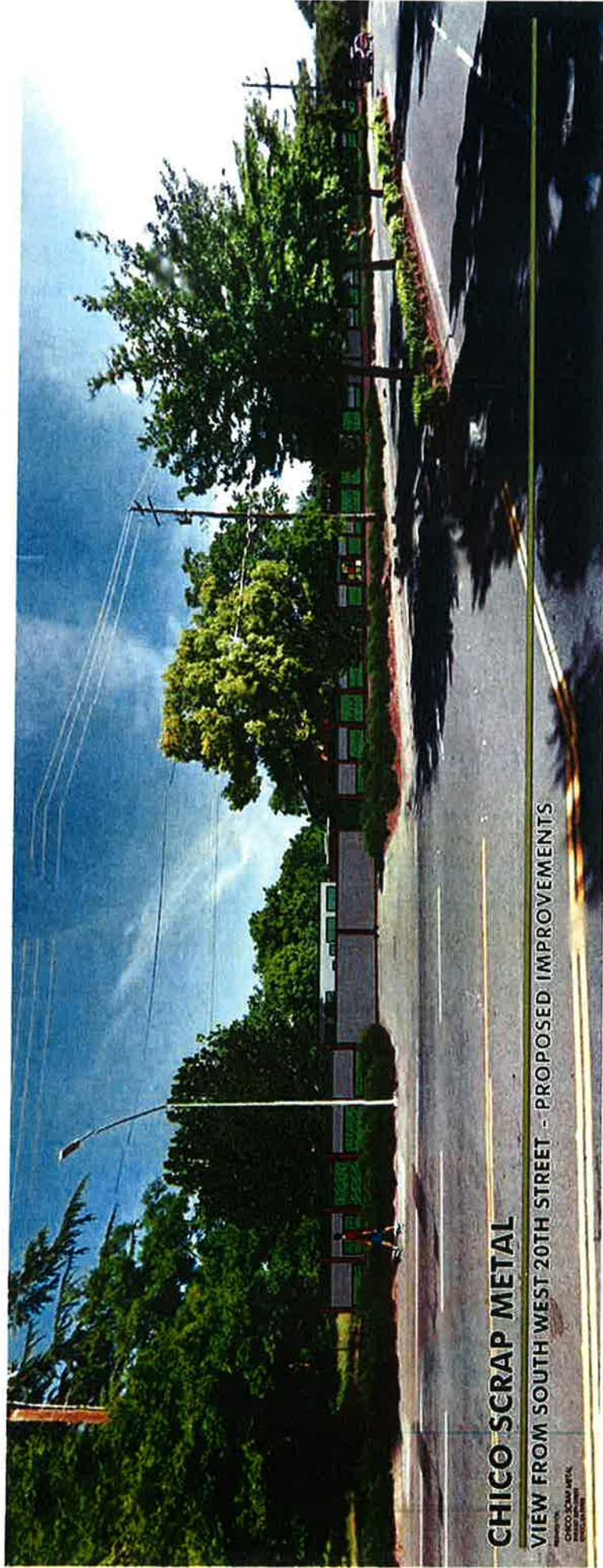
CHICO SCRAP METAL
1000 S. 20TH STREET
CHICO, CA 95926



CHICO SCRAP METAL

VIEW FROM SOUTH WEST 20TH STREET - PROPOSED IMPROVEMENTS

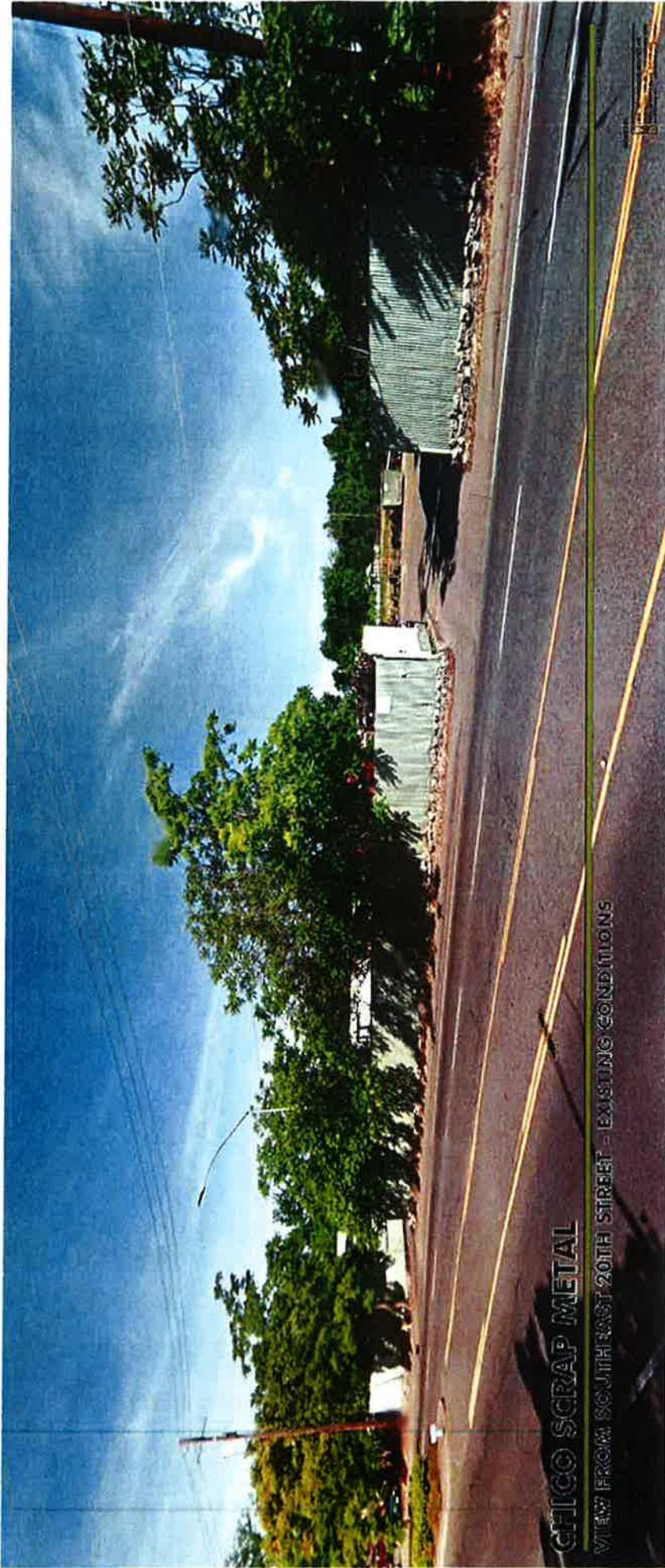
CHICO SCRAP METAL
10000 SW 20TH STREET
CHICO, GA 30712



CHICO SCRAP METAL

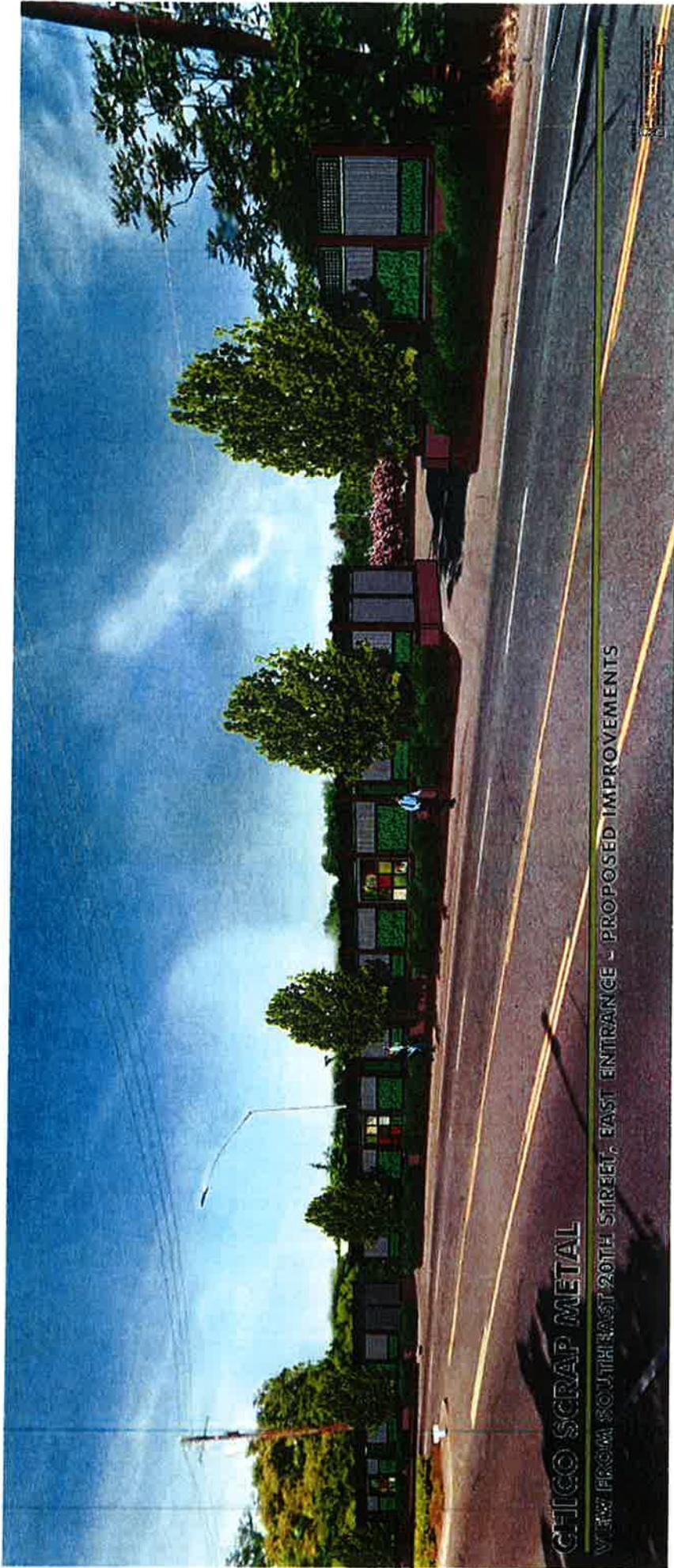
VIEW FROM SOUTH WEST 20TH STREET - PROPOSED IMPROVEMENTS

PROPOSED BY
CHICO SCRAP METAL
10000 SW 20TH STREET
CHICO, GA 30712



GHICO SCRAP METAL

VIEW FROM SOUTH EAST 20TH STREET - EXISTING CONDITIONS



CHICO SCRAP METAL

VIEW FROM SOUTH ON EAST 29TH STREET, EAST ENTRANCE - PROPOSED IMPROVEMENTS



CHICO SCRAP METAL

VIEW FROM EAST 16TH STREET - EXISTING CONDITIONS



CHICO SCRAP METAL

VIEW FROM EAST 16TH STREET - PROPOSED IMPROVEMENTS

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RECEIVED

DEC 16 2015

CITY OF CHICO
PLANNING SERVICES

TO: City of Chico Planning Department

FROM: Kim Scott, Chico Scrap Metal

DATE: December 15, 2015

Project Location

The proposed project is located at 878 E. 20th St., in the City of Chico, CA. It comprises five adjacent parcels totaling approximately 2.02 acres:

APN#	SIZE (Acres)	ZONING
005-422-009	0.19	CN-PD-SD6
005-422-013	0.16	CN-PD-SD6
005-422-017	1.26	CN-PD-SD6
005-450-014	0.37	R1-SD6
005-450-030	0.04	CN-PD-SD6

Request

1. Text amendments to Title 19 and Neighborhood Plan – Removing amortization language.
2. Façade remodel to existing structures and installation of new fencing and landscaping along right-of-way.
3. Development agreement, incorporating operational changes and triggers for site improvements

Project Description

CSM proposes various site and building upgrades and operational changes as part of a Development Agreement with the City of Chico to remove the amortization of the current land use, through a text amendment to the Municipal Code and Neighborhood Plan as needed to achieve this end. The improvements have taken into account various concerns and suggestions that include comments made by the City of Chico Council members, City of Chico staff, neighbors of the project, and directly from the Neighborhood Meeting held September 25, 2015 for this project. Operational changes have been a part of regular updates to standards and inclusive sensitivity to neighbors.

The site; landscaping, building, and operational changes address noise, traffic control, environmental concerns, and the overall aesthetics of the site. Many aspects of the site improvements have placed emphasis on the fact that CSM is a vital resource of the community, part of the urban fabric, and an integral component of sustainability for the City of Chico. The design therefore pulls away from the idea that a scrap metal and recycling center should hide completely behind a screen but should embrace standing out with the intent of enhancing the overall image of recycling.

Site and landscape improvements:

Site and landscaping improvements will begin upon approval of the Development Agreement which includes the Site Design and Architectural Review. The proposed plan is given in detail with the attached design illustrations provided by Brian Firth, Landscape Architect. The proposed changes include a new fence and landscaping at both East 20th and 16th Streets, new gates with additional pull-in space, additional customer parking, additional employee parking, additional site parking lot coverage with base rock, multiple landscaped areas, retaining walls, public art, 8' fencing along some of the residential border, and exterior upgrades to two of the buildings on site.

Scope of site and landscape improvements include:

- Two new gates facing 20th S6.t (#2 on site drawings) 78 lf
- 6' High Fence along 16th St. (#23 on site drawings) 132 lf
- 8' High Fence (#25 on site drawings) 375 lf
- Retaining Wall (#14 on site drawings) 282 lf
- Landscaped Area 9,522 sf
 - Trees 20
 - Shrubs 161
- Base rock for parking adjacent to 16th St. 16,320 sf
- Art elements along 20th St
- Building #1,#2,#3 upgrades to exteriors

Art in Public Places:

As an additional measure to enhance the site appeal and soften the image, CSM will provide artwork on its 20th St frontage. It is intended for this artwork to incorporate elements and themes from the business by using material from the site. The full scope is yet to be determined.

Building improvements:

Three buildings exist on these parcels that serve the needs of Chico Scrap Metal (CSM) operations (please see attached site plan). All will receive façade improvements:

1. Building #1 (1,560 sq. ft.) is a wood construction and contains a restroom and is used for storage of tools and batteries
2. Building #2 (806 sq. ft.) is a wood construction and contains the service counter for customers, the administrative office, and holds business records
3. Building #3 (1,824 sq. ft.) is a metal building and is used to maintain glass machines and secure storage of non-ferrous materials

Scope of building improvements include:

Buildings will be repaired like-for-like for materials where possible and buildings will be painted. In addition, building #1 will receive roof eaves to accent the look as customers pull into the site. All wood-sided buildings will be treated with a board and batten design to enhance the aesthetic appeal of the buildings. The paint color choices are shown on the color board provided by Brian Firth, Landscape Architect. The choices fit well with site and are consistent between buildings.

Operational improvements:

All operational improvements are focused on site access, employee parking, customer parking, dust control, and noise reduction measures. Safety and environmental issues are a constant that are already regulated. Additionally, a new comprehensive Best Management Practices manual is being developed with industry professionals and consultants. Signage on the site is being improved to reduce the chances of certain materials being brought to the site and any vehicle sweeping at the site. Many operational standards at CSM have already been put in place to address the surrounding neighborhood. These include site dust removal, the operation hours, location of operations on the site, and noise reduction measures. Many operational improvements have already begun in response to feedback from City staff.

Dust is regularly addressed with a sweeper that is used in areas that are first misted with water. Additionally, vehicles are not allowed to sweep out their vehicle after dropping off materials.

Operational hours are already reduced to less than what most commercial operations would allow. Current hours are as follows;

Monday – Friday	8:00AM to 4:00 PM
Saturday	8:00AM to 12:00PM
Sunday	CLOSED

Operations on the site are very limited in relation to the size of the site itself. Operations occur on the portion of the property most adjacent to 20th St. The portion adjacent to 16th is not being used as part of operations and will be landscaped and covered in base for future employee parking.

Noise reduction is accomplished by some of the measures already discussed. These include the location of operations on the site and the hours of operation.

Operational changes that have already been implemented include stopping all vehicle shell baling on site (vehicle shells are taken, but transported off the site), and the former baler was replaced with a newer quieter baler. Both of these changes have a direct impact on reducing noise from the site.

CSM Contribution to Community

CSM is the largest recycling facility between Redding and Sacramento. Service at this site serves to meet a State of California requirement to establish convenience zones (PRC - Public Resource Code 14571 and 14571.2) within a half mile radius to businesses that sell California redemption value products, and serves the mission of diverting recyclable material from landfills. CSM serves a diverse population and provides multi-modal access to surrounding Chapman-Mulberry neighborhood and beyond. CSM customers walk, bike, and drive to the site. Additionally, CSM provides employment to ten people at his location.

In greater Chico and the surrounding communities approximately 1,000 stoves, 1,000 refrigerators, and 2,000 water heaters are discarded annually.

In just the period of January – August of 2015, CSM has recycled:

MATERIAL JAN-AUG 2015
WEIGHT RECYCLED IN LBS

Ferrous material (iron – equipment parts, bolts, screws, posts, appliances, lawn mowers, etc.)	1,918,877
Non-ferrous material (coppers, brass, wire, aluminum, stainless, etc.)	752,544
Batteries (auto and truck)	29,290
Aluminum cans	142,000
Plastic bottles	120,201
Glass	482,227
Cardboard	187,781

It's fair to say that if not for the convenience of this urban location many of these items would end up dumped on the side of the road, in our creeks, or in landfills, and not recycled.

It is also important to note that CSM isn't just a place recycle/leave scrap metal, it is a common place that people come directly to CSM for materials to use for their projects. CSM regularly sells items such as recycled fence post that are reused for that same purpose. Material commonly purchased for re-use includes:

- Wire for electrical components
- Starters for rebuilds
- Lead for weights
- Stainless steel for flooring
- Angle iron for framing
- Copper wire for jewelry
- Iron for repairs, frames, building trailers
- Corrugated sheeting for sheeting
- T-post for fencing
- Wheels for various uses
- Parts for mowers and other equipment
- Various metals for artwork
- Metals for various welding projects

According to the Waste Management website on Recycling Facts and Tips:

ALUMINUM RECYCLING

Recycling one ton of aluminum:

Saves 14,000 kWh of energy

Saves 39.6 barrels (1,663 gallons) of oil

Saves 237.6 million Btu's of energy

Saves 10 cubic yards of landfill space

Recycling aluminum takes 95% less energy than making aluminum from raw materials.

Two out of three aluminum cans were recycled in the United States in 1995.

CARDBOARD RECYCLING

Recycling one ton of cardboard:

Saves 390 kWh of energy

Saves 1.1 barrels (46 gallons) of oil

Saves 6.6 million Btu's of energy

Recycling one ton of cardboard saves over 9 cubic yards of landfill space.

Recycled cardboard saves 24% of the total energy needed for virgin cardboard.

GLASS RECYCLING

Recycling one ton of glass:

Saves 42 kWh of energy

Saves 0.12 barrels (5 gallons) of oil

Saves 714,286 Btu's of energy

Saves 2 cubic yards of landfill space

Saves 7.5 pounds of air pollutants from being released

Recycling glass saves 30% of the energy required when producing glass from raw materials (soda, ash, sand and limestone). Crushed glass, called *cullet*, melts at a lower temperature than the raw materials, which saves energy.

The United States throws away enough glass bottles and jars to fill a 1,350 square foot building every week.

Refillable glass bottles use 19,000 Btu's of energy as compared to 58,000 Btu's used by throwaway glass bottles.

PLASTICS RECYCLING

Recycling one ton of plastic:

Saves 5,774 kWh energy

Saves 16.3 barrels (685 gallons) of oil

Saves 98 million Btu's of energy

Saves 30 cubic yards of landfill space

Enough plastic bottles are thrown away each year to circle the earth four times.

Approximately 88% of the energy is saved by producing plastic from plastic as opposed to manufacturing plastic from the raw materials of oil and gas.

STEEL RECYCLING

Recycling one ton of steel:

Saves 642 kWh of energy

Saves 1.8 barrels (76 gallons) of oil

Saves 10.9 million Btu's of energy

Saves 4 cubic yards of landfill space

Steel cans, which are used for holding coffee, vegetables and other food products are often referred to as tin cans, but there is only 0.15% tin in a steel can.

The United States throws away enough iron and steel to continuously supply all the nation's automakers.

The average passenger tire contains approximately 10% steel wire by weight.

Economic Contribution to the Community

Beyond the indirect value created by a scrap and metal recycler saving on landfill cost and cleanup efforts, CSM contributes nearly \$200,000 per year in employee wages, pays out nearly \$1.5M per year to customers for materials, spends more than \$225,000 per year in expenses, and contributes more than \$6,000 per year for local property taxes.

Environmental

Although much has been rumored about the CSM site, no hazardous waste was ever detected at CSM. There is a current work plan in review with DTSC to remediate some minor surface level contamination in dirt in an area that is not currently being disturbed and poses no danger to the workers on the site or the neighbors of the site. The Remedial Action Work (RAW) plan, along with numerous other documents have been turned over to the City for their review.

Chico Scrap Metal (CSM) has conducted a Remedial Investigation and Feasibility Study (RIFS) to determine the risk of public health and the environment both on-site and the surrounding environment. This study was under the directions of the Department of Toxic Substances Control (DTSC) which is part of the California Environmental Protection Agency. This study was conducted by independent contractors following strict guidelines from the both the United States Environmental Protection Agency and the California Environmental Protection Agency. The investigation included soils taken on-site and adjacent but off-site, and from groundwater beneath the 20th St. location.

The samples taken were collected by and independent contractor and tested at a commercial laboratory that is accredited and certified by the California Environmental Laboratory Accreditation Program in the Californian Environmental Protection Agency. The results are in a report and three subsequent amendments completed by Lawrence and Associates after additional samples were taken for DTSC. That report was recently given, in its entirety to Jake Morley in the Planning Department for their review.

The report is comprehensive and includes a Health Risk Assessment (HRA) for the area at and near CSM. The report considered cumulative total human exposure due to inhalation (breathing suspended dust), dermal absorption (through the skin), and soil ingestion. It overestimated the concentration of metals and PCB's on-site by using a 95% Upper Confidence Level's in the risk calculations. This method uses the highest concentrations of metals and PCB's and is greater than the average concentration with a confidence of 95%. The conclusions of the HRA were that the metals and PCBs present at CSM pose an insignificant cancer risk (less than 1 in-a-million chance) for residents, school children, and workers near and employed by CSM. For other health problems, CSM also poses an insignificant risk of disease to students, residents and workers. It also found that because of the lack of wildlife habitats and low level of plants and animals, an Ecological Risk Assessment was not justified. DTSC, which has oversight of CSM, has overseen all stages of the RIFS, and it has approved the RIFS report inclusive of amendments.

DTSC also required a Remedial Action Work plan (RAW) based on the conclusions of the RIFS report. The RAW has been drafted and submitted to DTSC, and CSM is waiting for DTSCs comments. Changes might be made in the RAW, and once approved by DTSC, it will be implemented by CSM and its contractors. Because the RIFS found no significant risks off-site, implementation would only involve on-site soils with low PCB contamination.

CSM is a highly regulated business with environmental over site by:

Department of Toxic Substances Control	Ongoing supervision
Butte County Public Health, Division of Environmental Health	Annual
California Regional Quality Water Board	Annual
Weights and Measures	Bi-annual

Much has been rumored about lead and other metals being found outside of CSM and of contaminated groundwater and CSM “shredding” material. Below is a summary provided by Lawrence and Associates:

Lead:

Lead was found in the soil outside of CSM but the levels are consistent with what would be found on any similar well-traveled road or street. This is because although lead has been long phased out of gasoline, the lead from automobile exhausts remains in surface soil. Nevertheless, soil outside the fence was excavated and properly disposed.

Other metals:

All other metals found at CSM are naturally-occurring elements that can be found in any soil and the RIFS did not find significantly higher levels outside of CSM.

Groundwater:

The RIFS did not find any contamination from metals or PCB's

Shredding:

CSM operations do not include the shredding of material. The metals found at CSM are all naturally-occurring elements, and they can be found in any soil. The RIFS did not find significantly higher levels of metals outside CSM.

All activities of sampling were supervised on site by DTSC staff.

History

Chico Scrap Metal (CSM) has been a local family business since the late 60s. Three generations of family the family are currently actively involved in the business. George W. Scott, Sr, fondly known as “Scotty” with his two sons George W Scott, Jr., and Shane Scott, Sr. established Chico Scrap Metal, Inc. July of 1983. George stopped attending school at the eighth grade and from there on was solely focused on working (selling newspapers, doing odd jobs) and eventually getting old enough to join the armed forces. He did exactly that, at age 17 he joined the Navy. In 1955/56' George Sr. returned from the Korean War to Chico, his home town. Initially he worked and operated an auto wrecking/dismantling yard in Orland, CA. As well, in an effort to earn extra money, as he had five children to raise, he purchased an old pickup truck for \$10, bought a metal torch on credit and began traveling from home to home asking people if they had old cars that could be cut up and sold as scrap metal. The young entrepreneur charged around five dollars to dismantle each vehicle, thus enabling his customers to sell their iron pieces to a local scrap metal company.

After a couple years he had the opportunity to own an auto wrecking/dismantling yard in Chico, and thus he opened at 2512 Fair Street as Scotty's Auto Wreckers. He operated Scotty's Auto Wreckers into the late 1960's / early 1970's. About this time as business practices began to change in the auto wrecking industry he started to venture into the scrap metal recycling business.

In the 1970's Scotty opened Discount Auto Wreckers and began branching into scrap metal at 1197 Humboldt Ave. Eventually the city of Chico took the property at 1197 Humboldt Ave. under eminent domain and facilitated the relocation of his business to its current site at 878 E. 20th Street, where he opened up for business in 1983. The site had formally been an auto wrecking/dismantling yard and was interested in selling the site. CSM used the money the City paid for the property on Humboldt to purchase and move operations to the current site. The City of Chico assisted CSM in locating a site and encouraged the relocation to the current site. Ultimately, CSM was encouraged and allowed to transfer their operation to their current site.

We (his family) couldn't be prouder of his accomplishments and the foresight he had to be *Green* before *Green* was *Green* , as we carry on the family business of Recycling Today for a Green Tomorrow.

Summary

Chico Scrap Metal & Recycling is providing an important service to the local community and its location is where it should be, woven into the fiber of the community. CSM has been given the responsibility to properly recycle "end of life" material which it receives from the community. The recycling industry was created in order to provide an alternative to materials ending up at the local landfill and/or on the side of the street or in alley ways.

The solution for recycling services does not seem practical, in that every 20-30yrs it must relocate due to urban sprawl – but rather as an evolving community/society looking to embrace and include this important service within its fiber.

Due diligence, the environmental investigation as well as antidotal evidence (our employees and family members and their children directly involved with the business for forty plus years) support no health risk to the residents and/or community.

CSM is a vital asset to assist Chico's goals of becoming more sustainable, clean, and successfully divert waste from landfills and illegal dumping. CSM's presence in the current location is a critical component of the neighborhood, providing economic and entrepreneur support for the community.

A&A Concrete	3578 Esplanade, Chico
A.E.S.	Hwy 99 North
Almanor Precision (Almanor Mfg)	763 Main St, Chester
ALSCO	Red Bluff
Appliance Resale	2205 Nord Ave, Chico
Appliance Resale	5370 Skyway, Paradise
ARC	2020 Park Ave, Chico
Baked Industries	265 Burns Dr, Yuba City
Beymer Well Serv.	2826 Live Oak Blvd, Yuba City
Beymer Well Serv.	2402 State Hwy 20, Marysville
Bidwell Marina	801 Bidwell Canyon Rd, Oroville
Big Red Box	2001 Esplanade, Chico
Butte College (Welding shop & Business Area)	Butte Campus Dr, Oroville
Butte County Yard	14 County Cntr, Oroville
Butte Steel & Fab. Inc.	13290 Contractors Ln, Chico
C.I.M	1221 Independent, Gridley
Cal Trans	Chico
Cal Water	2222 Dr Martin Luther King Jr Pkwy, Chico
Cannery (Pac Coast Producers)	1601 Mitchell Ave, Oroville
Cemex	West Sacramento
Chico State Farms	Hegan Ln, Chico
Compass Equipment	4688 Pacific Heights Rd, Oroville
Comptons	2434 Dayton Rd, Chico
Crain Walnut	Los Molinos
Danielson Company	435 Southgate Ct, Chico
D.C. Fabrications	4742 Skyway, Paradise, CA
Desseret Farms	6100 Wilson Landing Rd, Chico
Door Company	2251 Ivy St, Chico
Dubose Ranch	Chico/Durham
Duche Nut Co.	1502 Railroad Ave, Orland
Duckback	Chico
Durham High School	Durham
Durham Pump	2313 Durham-Dayton Hwy, Durham
Elite Construction	8676 Shasta Blvd, Los Molinos

Ernies Shop (E & D)	3053 Southgate, Chico
Fanno Saw	8th Ave, Chico
Feather River Electric Motors	2313 Durham Dayton Hwy, Durham
Flynn Welding	6850 Hwy 32, Orland
Franklin Construction	217 Flume St, Chico
Jessee Equip Mnfg/Gene M. Jessee	2434 Dayton Rd #2, Chico
Gianella Ranch	13054 Gianella Rd, Chico
Ginno's	2505 Zanella Way, Chico
Golden West Stairs	13291 Contractors Lane, Chico
Granite Construction	4714 Pacific Heights Rd, Oroville
Home Depot	2580 Notre Dame Blvd, Chico
Hudson's Appliances	454 Pearson, Paradise, CA
Hupp Signs	70 Loren Ave, Chico
James Thomas Volvo	3199 Plummers Dr # 9, Chico
Jeff Truck Service	13514 Hwy 99, Chico
Jessee Heating & Air	3025 Southgate Ln, Chico
Josiassen Farms	1405 Lofgren Rd, Richvale, CA
Knife River Const.	2965 Hooper Rd, Marysville
Knife River Const.	6415 Co Rd 7, Orland
Knife River Const. (Baldwin Const.)	1764 Skyway Rd, Chico
Knockout Collision	3225 Esplanade, Chico
Lely Pump	211 E. Walker St, Orland
Les Schwab	2420 Notre Dame Blvd, Chico
Les Schwab	201 W East Ave, Chico
Lundberg Family Farms	5311 Midway, Richvale
Matthew's Ready Mix	Oroville/Gridley
Metal Works	Chico
Metal Works	550 Georgia Pacific Way, Oroville
Midway Industrial (Mitchell Lewis)	11254 Midway, Chico
Mike's Appliances	Oroville
Miller Glass	745 Cherry St, Chico
Mitchell's Pump	415 Otterson, Chico
Norfield	609 Entler Ave #10, Chico
Neal Road Landfill	1023 Neal Rd, Paradise
No. Mech. & Equip	3760 Co Rd 99W, Orland
Norfield	725 Entler Ave, Chico
North State Auto	1814 Park Ave, Chico

North State Rendering	15 Shippee Rd, Oroville
Oroville Airport	225 Chuck Yeager Way, Oroville
Pacific Distributing	3195 Durham Dayton Hwy
Paradise Transmission	5820 Clark Rd, Paradise
Peterson Tractor	425 Southgate, Chico
Peterson Tractor	411 S Tehama St, Willows
PG&E	Cotton Rd
Pro Pacific Fresh	70 Pepsi Way, Durham, CA 95938
Putney Custom Auto Machine	40 Rash Lane, Chico
Recology	2720 S 5th Ave, Oroville
Red Bluff Collision	215 S Main St, Red Bluff
Red Bluff High School	1260 Union St, Red Bluff
Red Hot Metals	24 Bellarmine Ct #1, Chico
Royal Air	2530 Zanelle Way, Chico
Ruhrpumpen	Orland
Seely Construction	
Selig Construction	337 Huss Lane, Chico
Sheraton Services (Climate Masters)	1170 E. Lassen Ave, Chico
Sierra Nevada Brewery	1075 E. 20th St, Chico
Sierra Heating and Air	6899B Clark Rd, Paradise
Siller Brothers	1250 Smith Rd, Yuba City
Solar City	349 Huss, Chico
Sohnrey & Sons	299 Skillen Ln, Durham
Staller Garage	11025 Midway (by Baird), Chico
Sunset Moulding	1856 Skyway Rd, Chico
Tacklebox	375 East Park Ave, Chico, CA
Tank Farms	2570 Hegan Lane, Chico, Ca
Technical Steel	3674 Esplanade, Chico, CA 95973
Ted's Electric	11025 E. 9th St, Chico
Tinks	1361 Durham Dayton Hwy, Durham
Transamatic	2140 Fair St, Chico
Transfer Flow	1444 Fortress St, Chico
Union Pacific RR	Oroville
Valley Truck & Tractor	489 Country Drive, Chico
Water Resources @ Oroville Dam	5746 OroDam Blvd East, Oroville
Water Treatment	4827 Chico River Rd, Chico

Weiss McNair	531 Country Dr, Chico
West Valley Construction	1126 Midway, Chico
Western Woods	275 Sikorsky Ave, Chico
Wittmeir Ford	2288 Forest Ave, Chico
Wizard	2244 Ivy St, Chico

5.1. FINDINGS AND COMPARISONS TO HEALTH RISK SCREENING LEVELS

All laboratory test results are presented in **Tables 5** through **10** (following text).

5.1.1. SURFACE SOIL

PCBs were detected at four of the 10 surface locations, at S-2 through S-6 (**Figure 5, Table 5**). Of these four detections, three exceeded the commercial/industrial CHSSL of 300 µg/Kg and one exceeded the residential CHSSL of 89 µg/Kg. One of the four locations (S-5) showed a detectable concentration of PCB (53 µg/Kg) at the depth of 2-2.5'. These detected PCB concentrations in soil are well below the State of California's Total Threshold Limit Concentration (TTLC) of 50,000 µg/Kg for PCB which is used to determine if PCB-contaminated soil can be classified as a hazardous waste.

5.1.2. NEAR-SURFACE SOIL

All metals detected in near-surface soils at the Site were at concentrations similar or lower than the offsite background samples (**Table 6**). All were below California Human Health Screening Levels (CHHSLs), with the exception of arsenic, which was detected below background concentrations. The sample with the highest total chromium detection also was tested for hexavalent chromium, which was found to be below reporting limits. All TPH diesel and motor oil soil samples were analyzed with silica gel cleanup; in addition, the laboratory inadvertently analyzed samples NS-1 through NS-6 without silica gel cleanup, too, so all results were reported in **Table 6**. At low levels, there was very little difference in these samples. Low-level diesel was detected in all six samples (five of six were at or immediately above reporting limits and one was well below ESLs.) No motor oil or VOCs were detected.

5.1.3. SUBSURFACE SOIL

Subsurface soil samples were collected at the five-foot depth interval at test borings B-1 through B-6. **Tables 7** and **9** show subsurface soil data. Relatively low levels of diesel and motor oil were detected at five feet at test-boring B-1 and relatively low levels of diesel and 4-isopropyltoluene were detected at test-boring B-3. No PAHs were detected at either of these locations where diesel or motor oil was detected. Detected concentrations were well below State of California Environmental Screening Levels (ESLs).

5.1.4. GROUNDWATER

Tables 8 and **10** present groundwater data. Groundwater was generally free of contamination, including PCBs, significant concentration of metals, PAHs, motor oil, and most VOCs. Diesel and 4-isopropyltoluene just above reporting limits were detected at B-3, and relatively low levels of dichlorobromomethane and chloroform were detected in B-3 through B5. The diesel and VOC detections are all below drinking water MCLs or ESLs if no MCLs were established.

B-3 was a slow-producing monitoring well, and was slightly turbid (probably <50 but >5 nephelometric turbidity units), which may have affected the sample quality as suspended solids have an affinity for some organic compounds.

Metals concentrations in nearly all the groundwater samples met MCLs or ESLs if no MCLs were established, with the exception of chromium in B-6 and cobalt in B-1, B-5, and B-6. Based on the regional groundwater gradient (to the southwest) as discussed above on Page 6, B-1

represents an upgradient monitoring point, which indicates that elevated cobalt is not necessarily caused by Site influences.

The uppermost groundwater underlying the project site and vicinity is a shallow zone (15 to 20 feet below ground surface) that is not used as a drinking water source. Drinking water for the site and vicinity is provided by a piped municipal system (California Water Service). California Water Service supplies Chico with drinking water from deeper wells, ranging in depth from 402 to 968 feet¹, that are sealed off from the uppermost groundwater zones by deep sanitary seals. Because the shallow groundwater zone tested at this site is not a current or foreseeable drinking water source, the chromium at B-6 and cobalt at B-1, B-5, and B-6 does not represent a significant human health risk.

5.2. CONCLUSIONS

The presence of PCBs in surface soils represents the most significant potential risk to human health and the environment at the Site. However, the Site has been and is currently a scrap metal recycling facility. This historic use of the property has not impacted more than the surface areas with PCBs. Scrap metals will continue to be present and processed at the ongoing operating scrap recycling yard, however, as indicated above, metals detections in soil were below CHHSLs or background. This industrial Site use will continue with the current use for the foreseeable future.

Potential health risk from the elevated PCBs in surface soils can be reduced or eliminated by a number of remedial actions, ranging in cost and complexity of implementation. These remedial action options to address PCB concentrations in shallow soil that exceed 300 µg/kg (or 89 µg/kg if the Site is considered for future residential use) include (1) natural attenuation, which involves no action other than natural degradation, (2) placing base material over areas, (3) consolidating and capping soils, (4) placing asphalt or concrete paving over areas, and (5) removal/disposal of the materials impacted with PCBs greater than 300 (or 89) µg/kg. Areas of elevated PCBs are shown on **Figure 5**. Cost estimates for the remedial action options are provided in **Section 8.4.2**. Remedial action options that involve allowing the materials with higher detected concentrations to remain onsite will require that Land Use Controls (LUCs) are recorded for the parcel of concern (parcel 005-422-017) with Butte County. Any capped area(s) should be surveyed and a deed restriction tied to coordinates measured by a licensed surveyor. CSM's preferred option is excavation and proper disposal of the significant PCB-impacted areas.

There is no need to conduct a soil-gas surface survey because VOCs were either absent from subsurface soils or at concentrations (4-isopropyltoluene) below ESLs and significant health risk.

Groundwater appears to be free of contamination, excepting the low level diesel and trace VOCs in some of the sampling points that do not appear to be a significant health or ecological risk.

5.3. RECOMMENDATIONS

- Surface soils impacted with PCBs should be excavated where analytical testing resulted in greater than 300 or 89 µg/kg (5' x 5' x 2' per sampled detection point) from each area where PCB concentrations exceeded the industrial CHHSLs and disposed of at an approved disposal facility.

¹ *Water Inventory and Analysis Report*, Butte County Department of Water and Resource Conservation, 3/30/2001



007170.03

April 20, 2015

Ms. Kim Scott
Chico Scrap Metal, Inc.
766 Chico Oro Hwy
Durham, CA 95938

**SUBJECT: SUMMARY OF RECENT INVESTIGATION AND REMEDIAL ACTION
ACTIVITIES, 878 EAST 20TH STREET, CHICO, CALIFORNIA**

Dear Ms. Scott:

This letter has been prepared in response to concerns presented in the report, *Environmental Study of an Urban Scrap Metal Processing Site: Chico Scrap Metal in Chico, Butte County, California, prepared by CSUC Environment IV Class (GEOS 365)*, dated 27 March 2015. The report evaluates 2007 test data from soils that were subsequently removed from the Chico Scrap Metal property and disposed at an off-site hazardous waste disposal facility. The contaminants of concern were metals and oils commonly derived from scrap metal recycling operations.

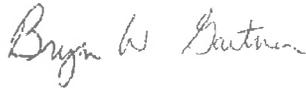
Under the oversight of the California Department of Toxic Substances Control (DTSC), a Remedial Investigation and Feasibility Study was conducted at the site between 2010 and 2012, investigating soil and groundwater for a wide range of potential contaminants. The investigation detected relatively low levels of polychlorinated biphenyls (PCBs), well below hazardous thresholds, in surface soils within a limited area on the property. PCBs have historically been ubiquitous to the scrap metal industry, so this was an expected finding for an operating scrap metal recycling business. Fortunately, with time, PCBs are gradually disappearing from the waste stream throughout California.

The investigation found that metals and other potential organic contaminants were at background or insignificant concentrations in soil. Groundwater was investigated but was found to have no significant contamination. A human-health risk assessment was prepared as part of the Remedial Investigation and Feasibility Study, and determined no significant human health risk from the identified onsite contaminants. DTSC provided written approval of the Remedial Investigation and Feasibility Study in correspondence to Chico Scrap Metal dated April 12, 2012.

Based on the findings of the Remedial Investigation and Feasibility Study, DTSC subsequently requested the submittal of a Removal Action Workplan (RAW) detailing the evaluation and selection of the most appropriate remedial action. Chico Scrap Metal has submitted several RAW drafts, and expects DTSC will approve the most recent submittal. The remedial action proposed in the most recent RAW involves the placement of an aggregate and geotextile barrier layer that covers the area where low levels of PCBs were detected.

Please don't hesitate to contact me at (530) 275-4800 or via email at bgartner@lwrnc.com with any questions or requests for clarification.

Sincerely,



Bryan W. Gartner
Project Geologist





Matthew Rodriguez
Secretary for
Environmental Protection



Department of Toxic Substances Control

Deborah O. Raphael, Director
8800 Cal Center Drive
Sacramento, California 95826-3200



Edmund G. Brown Jr.
Governor

April 12, 2012

Ms. Kim Scott
2600 Fair Street
Chico, California 95928

**APPROVAL OF REMEDIAL INVESTIGATION/FEASIBILITY STUDY REPORT FOR
CHICO SCRAP METAL, INC. LOCATED AT 878 EAST 20TH STREET CHICO,
CALIFORNIA**

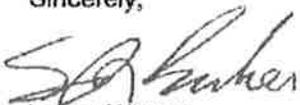
Dear Ms. Scott:

The Department of Toxic Substances Control (DTSC) has received and reviewed the revised document titled "Remedial Investigation and Feasibility Report Addendum No. 3" (Report Addendum No. 3) dated March 16, 2012. The Report Addendum No. 3 should define the full extent of the contamination in site soil. This work was conducted pursuant to Item No. 5.3 of the Imminent and Substantial Endangerment Determination and Remedial Action Consent Order (Consent Order). After a review of the revised Report, DTSC has determined that the information provided is sufficient to consider the investigation complete and hereby approves the Report Addendum No. 3. Please move forward by revising the Removal Action Workplan and submitting it to DTSC by May 10, 2012.

DTSC appreciates your efforts to address conditions at the Site and looks forward to working with you to complete the assessment and remediation of the Site in an efficient and timely manner.

If you should have any questions, please call me at (916) 255-6679.

Sincerely,


for **Leona Winner**
Hazardous Substances Scientist
San Joaquin & Legacy Landfills Office
Brownfields & Environmental Restoration Program

cc: Mr. Bryan W. Gartner (sent via email)
Lawrence & Associates
2001 Market Street
Redding, California 96001

EXECUTIVE SUMMARY

Chico Scrap Metal, Inc. (CSM) is an operating scrap metal recycling facility. CSM has determined and hereby reports that, in October 2008, DTSC improperly obtained CMS's consent to submit to a Health & Safety Code Chapter 6.8 Site Mitigation and Cleanup Order for its CSM-20th Street site ("DTSC Order"). CSM discovered approximately one year later, in October 2009, that the DTSC Order was based upon unreliable scientific data and numerous false assumptions, and in fact there was no rational basis in the first instance to place CSM under the DTSC Order. DTSC disputes CSM's findings but has nonetheless consented to the inclusion of this information in this report in the interest of full disclosure of all information potentially relevant to the members of the public and other regulatory agencies. In obedience to the DTSC Order, CSM prepared a Remedial Investigation Feasibility Study (RIFS) Work Plan, implemented that Work Plan, and prepared an RIFS. The sampling at this site was comprehensive. The results of that investigation were that CSM-20th Street site showed detections of low levels of polychlorinated biphenyl (PCB) in surface soils, as would be expected for an operating scrap metal site. Having conferred with its consultants, CSM has been advised that there is no need for remediation or cleanup of any kind at this site. This Removal Action Workplan (RAW) is prepared to meet a formality required by DTSC and in fact proposes no work to be done because none is necessary based upon the results of the extensive investigation conducted under the supervision of DTSC.

The Site is occupied by an operating scrap metal recycling business and is located in a commercial/residential/industrial area; bounded on the north and west by a residential neighborhood and to the south and east by a commercial/industrial zone. The Site is entirely fenced, mostly paved with concrete, and includes five structures: an office, warehouse, garage, and two sheds. The Site has had a variety of historic uses, including residential, walnut processing, and automotive salvaging, before the property was acquired by CSM in 1983. Previous owners included Gus Biebert and William Hunt.

The investigation conducted at the Site, as set forth in the RIFS Study dated July 15, 2010 (amended June 30, 2011, September 28, 2011, and March 16, 2012) detected low levels of PCBs (well below hazardous thresholds) in surface soil. Because PCBs have historically been ubiquitous to the scrap metal industry, this was an expected finding for an operating scrap metal business. Metals and other potential organic contaminants were at background or insignificant concentrations in soil. Groundwater was investigated but was found to have no significant contamination. There is no surface water at issue for this Site, and there are no indications of air contaminants at the Site.

The 95% upper confidence limit (UCL), which is a value based on a statistical derivative of all test results and a commonly applied remediation standard, was determined to be 0.786 mg/kg PCBs for all soil samples (surface and near-surface) at the site, and 1.68 mg/kg PCBs for just the surface soil samples. Neither of these values exceeds the risk-based cleanup thresholds calculated for the site's current commercial/industrial use, including: 2.0 mg/kg PCBs to protect the health of offsite residential receptors, 49 mg/kg PCBs for the offsite industrial/commercial worker, and 240 mg/kg PCBs for the off-site student exposure. The calculated health risks for the PCBs are:

Receptor Scenario	Cancer Risk	Hazard Index (goal is <1)
Offsite residential receptors	9.7×10^{-7}	0.048
Offsite industrial/commercial worker	3.6×10^{-8}	0.0025
Student at the nearby school	2.2×10^{-8}	0.0032

The calculations of health risk and risk-based cleanup levels are discussed in greater detail in **Appendix H**.

CSM continues to assert that its 20th Street site is an operating scrap metal facility and, therefore, the health and safety of its onsite workers is legally under the sole authority of Cal-OSHA to regulate workplace exposure to toxic substances and require employers to protect workers from health and safety risks. Thus, DTSC does not have the authority to require that the health risk assessment include an onsite worker scenario.

The proposed removal action alternative is Barrier Placement over surface soils containing low levels of PCBs that were slightly in excess of 0.208 mg/Kg. Low levels of PCBs in surface areas were the expected and ordinary byproduct of the historical commercial uses of the site (i.e. auto dismantling and scrap metal recycling). These small amounts PCBs are gradually disappearing from the waste stream throughout the state. In addition, CSM has ongoing management standards to address any potential onsite risk of exposure, including dust mitigation best management practices.

CSM has no present plans to redevelop the site or change its current land use. Should that occur in the future, CSM would meet all requirements necessary for redevelopment including, if necessary, addressing site remediation requirements, if any, directed by local and state regulatory agencies at that time.

The public may review and comment on the remedy selection process during the CEQA public comment period.

July 2, 2015

City of Chico Planning Department
411 Main Street
Chico, CA 95928

Project Description-

**Chico Scrap Metal
828 East Twentieth Street
Chico, California**

The focus of this project is to upgrade the aesthetics of this property to more nearly match the urban fabric of the exiting twentieth street corridor.

The goal is to create an "urban funk" type look, which can incorporate materials suggestive of recycled materials, both in the functioning parts such as screen walls but in additional art-type installations such as wall face treatments.

We wish to match other communities recycled material businesses that have successfully integrated into their urban fabric aesthetic, being complimentary to their community instead of looking out of place.

We propose to redesign the fence with a rhythm of indentations to provide variation and interest. Where the fence is forward, there will be vine support lattices to reduce glare and heat. These lattices can frame opportunities for art. Where the fence is setback, there is ample room for plantings of trees and shrubs to soften the fence and more nearly match the design of the parking lot screen plantings in front of the brewery. The wall will be anchored by a concrete retaining wall with a horizontal form board finish to give it a rustic look.

SITE DESIGN-COMMUNITY IDENTITY

With car and truck parking, mostly behind the screen wall, views of automobiles are minimized from the public right of way (DG 1.1.14)

ART IN PUBLIC PLACES

Include elements or themes that reinforce the site's sense of place (DG 1.4.11)
Incorporate functional design elements as well as aesthetic, whenever possible (DG 1.4.13)

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO

City of Chico

Attn: City Clerk

Space Above This Line for Recorder's Use
(Exempt from Recording Fees per Gov't Code § 27383)

DEVELOPMENT AGREEMENT

BY AND BETWEEN

THE

CITY OF CHICO

AND

CHICO SCRAP METAL, a California corporation,

**and GEORGE W. SCOTT, TRUSTEE OF THE GEORGE W. SCOTT, SR.
REVOCABLE INTER VIVOS TRUST DATED SEPTEMBER 25, 1995, AS
AMENDED**

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DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (hereinafter "Agreement") is made and entered into this day of _____, 2016, by and between the **CITY OF CHICO**, a political subdivision of the State of California (hereinafter "City"), and **CHICO SCRAP METAL, a California corporation**, and **GEORGE W. SCOTT, TRUSTEE OF THE GEORGE W. SCOTT, SR. REVOCABLE INTER VIVOS TRUST DATED SEPTEMBER 25, 1995, AS AMENDED**, (hereinafter "CHICO SCRAP"), pursuant to the authority of Sections 65864 through 65869.5 of the California Government Code .

RECITALS

A. Enabling Statute.

To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risks of development, the Legislature of the State of California adopted Sections 65864-65869.5 of the California Government Code ("Development Agreement Act" or "Act") enabling a city, and an applicant for a development project who has a legal or an equitable interest in the property to be improved or developed, to enter into a development agreement establishing the zoning standards, land use regulations and development standards of the city that will govern project improvement and development.

B. Property Description.

CHICO SCRAP owns a legal or equitable interest in that certain real property which real property is generally referred to as Assessor Parcel Nos. 005-450-014, 005-450-030, 005-422-009, 005-422-013 and 005-422-017. Said Property is more particularly shown on Exhibit "A" attached hereto and incorporated herein by this reference ("Property").

C. Property Use History

Since December 17, 1963, the Property was within the jurisdiction of the City, was General Plan designated as Warehouse and Manufacturing and Low Density Residential, and was zoned M-L (Light Industrial/Manufacturing) and R-1 (low Density Residential). The Property was used as a scrap metal yard and metal recycling center since approximately the late 1960's. Chico Scrap located to the Property in 1983. In 2004 the City adopted the Chapman/Mulberry Neighborhood Plan ("Plan") which resulted in the Property becoming a legal nonconforming use and being rezoned to CN (Neighborhood Commercial) and R1 (Low Density Residential) with an SD-6 overlay zone.

D. Amortization of Chico Scrap

The Plan recognizes the legal nonconforming use status of Chico Scrap. The Plan further requires the City to adopt an ordinance providing for the amortization of such nonconforming use. The City has adopted ordinances requiring the amortization and termination of the Chico Scrap non-conforming use by December 31, 2014.

E. Development Agreement Goals.

City and CHICO SCRAP desire to enter into this Agreement relating to the Property to facilitate current improvements to the Property in a timely manner. Due and reasonable consideration has been given to the history of the site and use, the environmental benefits, utility and convenience of the services CHICO SCRAP provides to the community, the economic impact CHICO SCRAP has on the community and financial feasibility and costs of moving the CHICO SCRAP to a location which permits the use.

F. Mutual Benefits

City and CHICO SCRAP desire the installation of physical improvements to enhance the aesthetics and landscaping to the site and changes to operational characteristics. CHICO SCRAP recognizes that required improvements to the Property will involve investment by CHICO SCRAP. The City recognizes and has determined that the provisions of the Agreement for the improvements to the Property, and the continued use of the Property for recycling by CHICO SCRAP would assist both the City and CHICO SCRAP and achieve a public benefit and viable economic solution for both parties

NOW, THEREFORE, in further consideration of the above recitals, all of which are expressly incorporated into this Agreement, and the mutual promises and covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

SEC. 1. GENERAL PROVISIONS

Sec. 1.1 Property Description and Binding Covenants.

The Property is that improved real property owned by CHICO SCRAP described in Exhibit "A" attached hereto and incorporated herein by reference. It is intended and determined that the provisions of this Agreement, to the extent permitted by law, shall constitute covenants which shall run with the Property and the benefits and burdens of this Agreement shall be binding upon and inure to the benefit of the parties and to their successors in interest.

Sec. 1.2 Interest of CHICO SCRAP.

CHICO SCRAP holds a fee interest in the Property and all other persons in the future holding legal or equitable interests in the Property shall be bound by this Agreement.

Sec. 1.3 Term and Amendment.

The term of this Agreement shall commence on the effective date of the ordinance authorizing the approval and execution of this Agreement ("Effective Date") and shall continue until the current use of the Property voluntarily ceases by CHICO SCRAP or its successor in interest, is terminated pursuant to the process under Chico Municipal Code Chapter 19.14, or is otherwise terminated pursuant to the terms of this Agreement. This Agreement may be amended from time to time by mutual consent of the City and CHICO SCRAP, or its successors in interest, and pursuant to noticed public hearings in accordance with the Act.

Sec. 1.4 Definitions

This Agreement uses a number of terms having specific meanings, as defined below. These specially defined terms are distinguished by having the initial letter capitalized when used in this Agreement. The defined terms include the following:

“*Agreement*” means this Development Agreement.

“*City*” means the City of Chico, a California municipal corporation.

“*City Council*” means the City Council of City.

“*Development Approvals*” means any and all permits, licenses, consents, rights and privileges, and other actions approved or issued by City in connection with the Development on or before the Effective Date, including but not limited to:

- i) General plans and general plan amendments;
- ii) Specific plans and specific plan amendments
- iii) Zoning, rezoning, change of zone and zoning amendments;
- iv) Approved conceptual site design and architectural plans for the Project, with conditions;
- v) Tentative and final parcel maps;
- vi) Applicable environmental documentation pursuant to the California Environmental Quality Act; and
- vii) Grading and building-related permits.

“*Development Requirement*” means any requirement of City in connection with or pursuant to any Development Approval for the dedication of land, the construction or improvement of public facilities, the payment of fees or assessments in order to lessen, offset, mitigate or compensate for the impacts of the Development on the environment, or the advancement of the public interest.

“*Developer*” means Integral CHICO SCRAP and, where specified in this Agreement, its successors in interest to all or any part of the Property.

“*Effective Date*” means the date that this Agreement shall take effect as defined in Section 1.3 of this Agreement.

“*Heavy Equipment*” means vehicles, tractors and equipment used in construction, moving, loading, and/or processing of on-site operations. Typically such equipment contains hydraulics, power trains and controls. Such definition shall not include trucks entering or exiting the premises after operating hours but which have been loaded or unloaded during operating hours or off site.

“Land Use Regulations” means all ordinances, resolutions, codes, rules, regulations and official policies of City, including but not limited to City’s development impact fees, adopted and effective on or before the Effective Date governing the Development and use of the Property, including, without limitation, the permitted use of land, the density or intensity of use, the rate of development of land, subdivision requirements, the maximum height and size of proposed buildings, the provisions for reservation or dedication of land for public purposes, and the design, improvement and construction standards and specifications applicable to the Development, including, but not limited to, the Development Approvals.

“Project” means the improvement, development and use of the Property for the purposes of completing the structures, improvements and facilities comprising the Project, including, but not limited to: grading; the construction of infrastructure and public facilities related to the Project whether located within or outside the Property; and the installation of landscaping and improvements., including the use, maintenance and repair, of any building, structure, improvement, landscaping or facility after the construction and completion thereof on the Property.

“Property” means the real property described in Exhibit “A”.

“Reservation of Authority” means the rights and authority excepted from the assurances and rights provided to CHICO SCRAP under this Agreement and reserved to City under Section 5.

“Subsequent Development Approvals” means all Development Approvals issued subsequent to the Effective Date in connection with the Development.

“Subsequent Land Use Regulations” means any Land Use Regulations adopted and effective after the Effective Date governing development and use of the Property.

SEC. 2. IMPROVEMENT AND DEVELOPMENT OF THE PROPERTY

Sec. 2.1 Vested Rights.

By entering into this Agreement, City hereby grants CHICO SCRAP a vested right to proceed with the improvement, development and use of the Property in accordance with the terms and conditions of this Agreement. CHICO SCRAP'S vested right to proceed with the project shall be subject to any subsequent discretionary approvals required in order to complete the project, provided that any conditions, terms, restrictions and requirements for such subsequent discretionary approvals shall not prevent development of the land for the uses and to the density or intensity of development set forth in this Agreement and provided CHICO SCRAP is not in default under this Agreement.

Sec. 2.2 Schedule of Improvements and Development

(a) CHICO SCRAP shall commence and complete improvements and development of the Property ("Improvements") in accordance with the "Improvement Schedule" attached hereto as Exhibit "B" and incorporated herein by reference. CHICO SCRAP shall obtain all permits and approvals for commencement and completion of the Improvements.

(b) If CHICO SCRAP fails to commence or complete any line item improvement listed in the Improvement Schedule, by the date specified in the Improvement Schedule, then

CHICO SCRAP shall pay to the City as liquidated damages the sum of One Hundred Dollars (\$100.00) per day for the first ten late days, Two Hundred Dollars (\$200.00) per day for the next ten late days and Three Hundred Dollars (\$300.00) per day until the work of improvement is commenced or completed in addition to or alternate to any other remedy or termination provided in this Agreement. After thirty (30) late days, the City, in its sole discretion, may suspend all operations and activities on the Property until the improvement is completed.

(c) CHICO SCRAP and City agree that the liquidated damages sum in subsection (b) above is a reasonable sum considering all of the circumstances existing on the date of this Agreement, including the relationship of the sum to the range of harm to Agency that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or inconvenient. In placing their initials at the place provided, each Party specifically confirms the accuracy of the statements made above and the fact that each Party was represented by counsel who explained the consequences of this liquidated damages provision at the time this Agreement was made.

CHICO SCRAP _____ (initials)

City _____ (initials)

Sec. 2.3 Processing Fees and Charges.

CHICO SCRAP shall pay those processing fees and charges of every kind and nature imposed or required by City or other entities covering the actual costs of City in (i) processing applications and requests for permits, approvals and other actions, and (ii) monitoring compliance with any permits issued or approvals granted or the performance of any conditions with respect thereto or any performance required of CHICO SCRAP hereunder.

Sec. 2.4 Compliance with Conditions of Project Approval.

CHICO SCRAP shall, in consideration of the City's commitments set forth in this Agreement, comply with all of those specific conditions of Project approval in the improvement, development and use of the Property contained in this Agreement.

SEC. 3. PERMITTED USES OF THE PROPERTY.

During the term of this Agreement the permitted uses of the Property, the density and intensity of use, the maximum height and size of proposed buildings, provisions for reservation or dedication of land for public purposes and location of public improvements, and other terms and conditions of improvement and development applicable to the Property shall be those set forth in this Section 3 as follows:

Sec. 3.1 Legal Nonconforming Use Status

The effectiveness of this Agreement is contingent upon the approval by the City of an effective amendment of the Chico Municipal Code and/or the Chapman/Mulberry Neighborhood Plan which eliminates the requirements of amortization and termination of the CHICO SCRAP use. Such amendment is within the sole and absolute discretion of the City and cannot be required by this Agreement. If such an amendment is approved and remains effective, CHICO SCRAP shall be allowed to continue its existing operations as a legal nonconforming use during the term of this Agreement, subject to the conditions contained in this Agreement. Completion of the Improvements is a condition precedent to the legal nonconforming use status of the Property provided by this agreement.

Sec. 3.2 Land Use Zoning, Rules and Regulations

During the term of this Agreement the zoning regulations the density and intensity of use, the maximum height and size of proposed buildings, provisions for reservation or dedication of land for public purposes and location of public improvements, and other terms and conditions of improvement and development applicable to the Property shall be as follows:

- (a) Existing buildings, infrastructure, accessory buildings and fences which existed on the effective date of this Agreement may continue to exist.
- (b) Any expansion of buildings, structures, accessories or fences, the construction of new structures, the expansion or intensification of uses or the construction of any new infrastructure shall comply with the zoning rules and regulations in effect at the time the activity is undertaken.
- (c) Any revision, alteration or expansion of buildings, structures, accessories, landscaping or fence that are proposed by CHICO SCRAP as part of this Agreement, shall be reviewed and processed in accordance with the appropriate provision of the Chico Municipal Code, if any. Such review and approval shall be consistent with the terms of this Agreement and shall not unreasonably delay or prevent the attainment of the terms of this Agreement. Any revision, alteration or expansion of buildings, structures, accessories, landscaping, fencing or uses that is not a part of this Agreement shall require subsequent review and permitting at a future date.

Sec. 3.3 Specific Prohibited Uses

During the term of this Agreement CHICO SCRAP shall not engage in any of the following activities on the Property:

- (a) Shredding or baling of truck, automobile or other vehicle bodies on site.
- (b) Operating on any portion of the Property that is not capped with concrete, or equivalent protective barrier such as rock base with underlayment approved by Community Development Developer.
- (c) Receiving for recycling nonhazardous or hazardous liquids. Exhibit C contains the list of materials that can be accepted by CHICO SCRAP, and the list of materials that CHICO SCRAP does not accept. CHICO SCRAP shall not accept any materials not listed on Exhibit C, or any expressly prohibited materials listed on Exhibit C.
- (d) Operating heavy equipment outside of the operational hours noted in Section 3.4.

Sec. 3.4 Conditions and Limitations on Use of the Property

During the term of this Agreement the use of the Property by CHICO SCRAP shall be subject to the following conditions, rules and regulations:

- (a) Hours of Operations shall be limited to:
 - Monday-Friday: 8:00 a.m. to 4:00 p.m.
 - Saturday: 8:00 a.m. to Noon (12:00 p.m.)
 - Sunday: Closed

The foregoing Hours of Operation represents the hours open to the public and shall not prevent CHICO SCRAP from staging equipment for use on the next business day before 7:00 p.m. on weekdays and 4:00 p.m. on weekends, or

- engaging in activities after such Hours of Operation required to be completed by CHICO SCRAP under its SWPPP or otherwise comply with conditions or regulations imposed by the City or other governmental agencies.
- (b) All operational aspects, including storage of and moving of materials shall be done on a concrete, equivalent, or equivalent protective barrier such as rock base with underlayment approved by Community Development Manager.
 - (c) If operational aspects, involving the processing of materials need to take place or expand into locations that are currently void of such operations as of the date of this Agreement, a Use Permit shall be secured by the applicant prior to such expansion. CHICO SCRAP is not prohibited by this Agreement from utilizing such areas (i.e. those on which processing of material does not currently take place) for other business purposes such as storage, offices, and parking.
 - (d) All improvements shall be constructed on the Project site. Landscaping is permitted within the public right of way, so long as it is maintained and up kept by CHICO SCRAP. Installation of landscaping shall be done in conformance with the Municipal Code.
 - (e) On-site directional, collection and rules signage shall be presented to, and reviewed and approved by, the Community Development Director prior to installation by CHICO SCRAP to inform customers of which materials are not collected on site, and that sweeping of trailer and other transportation devices is strictly prohibited.
 - (f) The entire length and width of the path of travel at the subject site, from entrance gate to exit gate, shall be swept at least twice a day (business days only) by the applicant. As a minimum, such activity shall be conducted once during normal business hours, and once at the end of each business day to minimize fugitive dust.
 - (g) Baler equipment shall be maintained in good working condition to minimize noise impacts, and comply with the City's operative noise ordinance.

SECTION 4. OBLIGATIONS OF CHICO SCRAP

Sec. 4.1 Conditions of Approval.

The CHICO SCRAP shall complete and operate the Project in accordance with the terms of this Agreement in a timely manner and in cooperation with the City.

Sec. 4.2 Dedications and Improvements.

CHICO SCRAP shall offer dedications to City or other applicable public agency, or complete those public improvements in connection with the Project, as specified in the Development Approvals or Conditions of Approval.

Sec. 4.3 Indemnification.

(a) CHICO SCRAP agrees to and shall indemnify, hold harmless, and defend, City and its respective officers, officials, members, agents, employees, and representatives, from liability or claims for death or personal injury and claims for property damage which may arise from the acts, errors, and/or omissions of CHICO SCRAP or its contractors, subcontractors,

agents, employees or other persons acting on its behalf in relation to the Project and/or in any manner arising from this Agreement. The foregoing indemnity applies to all deaths, injuries, and damages, and claims therefor, suffered or alleged to have been suffered by reason of the acts, errors, and/or omissions referred to in this Section 4.7, regardless of whether or not City prepared, supplied, or approved plans or specifications, or both. In the event of litigation, City agrees, at no cost to City, to cooperate with CHICO SCRAP.

(b) In the event of any court action or proceeding challenging the validity of this Agreement, any of the Development Approvals or any environmental documentation (CEQA) prepared and adopted for the Project, CHICO SCRAP shall defend, at its own expense, the action or proceeding. In addition, CHICO SCRAP shall reimburse City for City's costs in defending itself in any court action or proceeding challenging the validity of this Agreement, any of the Development Approvals or environmental documents, with counsel to be chosen by City and approved by CHICO SCRAP, with such approval not to unreasonably be withheld. In addition, the City shall provide CHICO SCRAP the opportunity in such court action or proceeding to provide a defense to the City, subject to the City's approval, which the City, through its counsel, will monitor. CHICO SCRAP shall cooperate with City in any such defense as City may reasonably request and may not resolve such challenge without the agreement of City. In the event CHICO SCRAP fails or refuses to provide such defense of any challenge to this Agreement, the Development Approvals or the environmental documents, City shall have the right not to defend such challenge, and to resolve such challenge in any manner it chooses in its sole discretion, including termination of this Agreement.

Sec. 4.4 Nexus/Reasonable Relationship Challenges.

The CHICO SCRAP consents to, and waives any rights it may have now or in the future to challenge the legal validity of, the conditions, requirements, policies or programs required by the Existing Land Use Regulations or this Agreement including, without limitation, any claim that they constitute an abuse of the police power, violate substantive due process, deny equal protection of the laws, effect a taking of property without payment of just compensation, or impose an unlawful tax.

Sec. 4.5 Cooperation By CHICO SCRAP.

CHICO SCRAP will, in a timely manner, provide City with all documents, applications, plans and other information necessary for City to carry out its obligations hereunder, and cause CHICO SCRAP's planners, engineers, and all other consultants to submit in a timely manner all required materials and documents therefore.

Sec. 4.6 Other Governmental Permits.

CHICO SCRAP shall apply in a timely manner for such other permits and approvals from other governmental or quasi-governmental agencies having jurisdiction over the Subject Property as may be required for the development of, or provision of services to, the Project.

Sec. 5. RESERVATION OF CITY AUTHORITY

Sec. 5.1 Limitations, Reservations and Exceptions.

Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the Development:

(a) Processing fees and charges of every kind and nature imposed by City to cover the estimated actual costs to City of processing applications for Development Approvals.

(b) Procedural regulations consistent with this Agreement relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matters of procedure.

(c) Changes adopted by the International Conference of Building Officials, or other similar body, as part of the then most current versions of the Uniform Building Code, Uniform Fire Code, Uniform Plumbing Code, Uniform Mechanical Code, or National Electrical Code, and also adopted by City as Subsequent Land Use Regulations.

(d) Regulations that may be in conflict with the Development Approvals but which are reasonably necessary to protect the public health, safety, and welfare.

(e) Regulations that are not in conflict with the Development Approvals and this Agreement.

(f) Regulations that are in conflict with the Development Approvals provided CHICO SCRAP has given written consent to the application of such regulations to the Development.

(g) Federal, State, County, and multi-jurisdictional laws and regulations which City is required to enforce as against the Property or the Development.

Sec. 5.2 Future Discretion of City.

Notwithstanding any other provision of this Section 5.1, this Agreement shall not prevent City, in acting on Subsequent Development Approvals, from applying Subsequent Land Use Regulations which do not conflict with the Development Approvals, or in accordance with any provision of the Chico Municipal Code, nor shall this Agreement prevent City from denying or conditionally approving any Subsequent Development Approval on the basis of the existing Land Use Regulations or any Subsequent Land Use Regulation not in conflict with the Development Approvals.

Sec. 5.3 Modification or Suspension by Federal, State, County, or Multi-Jurisdictional Law.

In the event that Federal, State, County, or multi-jurisdictional laws or regulations, enacted after the Effective Date, prevent or preclude compliance with one or more of the provisions of this Agreement, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such Federal, State, County, or multi-jurisdictional laws or regulations, and this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provision impractical to enforce.

Sec. 5.4 Intent.

City acknowledges that CHICO SCRAP has reasonably entered into this Agreement and will proceed with the Project on the assumption that City has adequately provided for the public health, safety and welfare through the Land Use Regulations. In the event that any future, unforeseen public health or safety emergency arises, City agrees that it shall attempt to address such emergency in such a way as not to impact the Development in accordance with the Development Approvals.

Sec. 5.5 Regulation by Other Public Agencies.

It is acknowledged by the Parties that other public agencies not subject to control by City may possess authority to regulate aspects of the Development, and this Agreement does not limit the authority of such other public agencies.

Sec. 5.6 Additional Applicable Codes and Regulations.

Notwithstanding any other provision of this Agreement, City also reserves the right to apply the following to the Development:

(a) Building, electrical, mechanical, fire and similar building codes based upon uniform codes adopted in, or incorporated by reference into, the Pomona Municipal Code, as existing on the Effective Date or as may be enacted or amended thereafter, applied to the Project in a nondiscriminatory manner.

Sec. 6. MORTGAGEE PROTECTION; CERTAIN RIGHTS TO CURE.

Sec. 6.1 Encumbrances on the Project.

This Agreement shall not prevent or limit CHICO SCRAP from encumbering the Property or any portion thereof or any improvements thereon with any mortgage, deed of trust, sale and leaseback arrangement, or any other form of conveyance ("Mortgage") in which the Property, or a portion thereof or interest therein, is pledged as security, and contracted for in good faith and fair value in order to secure financing with respect to the construction, development, use or operation of the Project.

Sec. 6.2 Mortgage Protection.

This Agreement shall be superior and senior to the lien of any Mortgage. Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish, or impair the lien of any Mortgage made in good faith and for value, and any acquisition or acceptance of title or any right or interest in or with respect to the Property or any portion thereof by a holder of a beneficial interest under a Mortgage, or any successor or assignee to said holder ("Mortgagee"), whether pursuant to foreclosure, trustee's sale, deed in lieu of foreclosure, lease termination or otherwise, shall be subject to all of the terms and conditions of this Agreement.

Sec. 6.3 Mortgagee Not Obligated.

No Mortgagee will have any obligation or duty under this Agreement to perform the obligations of CHICO SCRAP or other affirmative covenants of CHICO SCRAP hereunder, or to guarantee such performance. In addition, the Mortgagee shall have no right to develop or operate the Property, and to the extent that any covenant to be performed by CHICO SCRAP is a condition to the performance of a covenant by City, the performance thereof shall continue to be a condition precedent to City's performance hereunder.

Sec. 6.4 Notice of Default to Mortgagee; Right of Mortgagee to Cure.

City shall, upon written request to City, deliver to each Mortgagee a copy of any notice of default given to CHICO SCRAP under the terms of this Agreement, at the same time such notice of default is provided to CHICO SCRAP. The Mortgagee shall have the right, but not the obligation, to cure, correct, or remedy the default, within ten (10) days after the receipt of such notice from City for monetary defaults, or within thirty (30) days for non-monetary defaults, or, for such defaults that cannot reasonably be cured, corrected, or remedied within such period, the Mortgagee may cure, correct, or remedy the default if the Mortgagee commences to cure, correct, or remedy such default within such ten (10) day or thirty (30) day period, and continuously and diligently prosecutes such cure to completion. If the default is of a nature which can only be remedied or cured by such Mortgagee upon obtaining possession of the Property, such Mortgagee shall have the right to seek to obtain possession with diligence and continuity through foreclosure, a receiver or otherwise, and shall be permitted thereafter to remedy or cure the default within such time as is reasonably necessary to cure or remedy said default but in no event more than thirty (30) days after obtaining possession. If any such default cannot, with diligence, be remedied or cured within such thirty (30) day period, then such period shall be extended to permit the Mortgagee to effect a cure or remedy so long as Mortgagee commences said cure or remedy during such thirty (30) day period, and thereafter diligently pursues such cure to completion.

SEC. 7. DEFAULT; REMEDIES; DISPUTE RESOLUTION.

Sec. 7.1 Notice of Default.

In the event of failure by either party substantially to perform any material term or provision of this Agreement, the non-defaulting party shall have those rights and remedies provided herein, provided that such non-defaulting party has first provided to the defaulting party a written notice of default in the manner required by Section 8.9 identifying with specificity the nature of the alleged default and the manner in which said default may satisfactorily be cured.

Sec. 7.2 Cure of Default.

Upon the receipt of the notice of default, the alleged defaulting party shall promptly commence to cure, correct, or remedy the identified default at the earliest reasonable time after receipt of the notice of default and shall complete the cure, correction or remedy of such default not later than ten (10) days after receipt of notice thereof if the breach of this Agreement involves the payment of money, or not later than thirty (30) days after receipt of notice thereof if the breach of this Agreement does not involve the payment of money; provided, however, that if such breach may not reasonably be cured within such thirty (30) day period, then a default shall

exist only if the cure of such breach is not commenced within such thirty (30) day period or thereafter is not diligently prosecuted to completion.

Sec. 7.3 City Remedies.

In the event of an uncured default by CHICO SCRAP of the terms of this Agreement, City, at its option, may impose liquidated damages in accordance with this Agreement, may institute legal action in law or in equity to cure, correct, or remedy such default, enjoin any threatened or attempted violation, or enforce the terms of this Agreement. Furthermore, City, in addition to or as an alternative to exercising the remedies set forth in this Section 8.2, in the event of a material default by CHICO SCRAP, may give notice of its intent to terminate or modify this Agreement, in which event the matter shall be scheduled for consideration and review by the City Council in the manner set forth in the Development Agreement Act.

SECTION 8. MISCELLANEOUS PROVISIONS

Sec. 8.1 Authority to Execute.

The person or persons executing this Agreement on behalf of CHICO SCRAP warrant and represent that they have the authority to execute this Agreement on behalf of CHICO SCRAP and represent that they have the authority to bind CHICO SCRAP to the performance of their obligations hereunder.

Sec. 8.2 Transfers Of Interest In Property Or Agreement.

CHICO SCRAP may not assign or transfer the Property, Project or this Agreement without the prior written consent of City, which consent shall not be unreasonably withheld. In the event of a proposed transfer of interest in the Property or in this Agreement by CHICO SCRAP, CHICO SCRAP agrees to provide City at least thirty (30) days written notice of such proposed assignment prior to the proposed transfer and shall provide satisfactory evidence that the assignee will assume in writing through an assignment and assumption agreement all obligations of CHICO SCRAP under this Agreement. Notwithstanding the foregoing, the terms, covenants and conditions of this Agreement shall be binding upon any transferee whether or not such an assignment and assumption agreement is signed by the assignee upon acquiring the Property.

Assignment and Assumption of Obligations. For all proposed transfers of interest in the Property or in this Agreement, CHICO SCRAP shall provide to City an assignment and assumption agreement in a form reasonably satisfactory to the City Attorney.

Successors and Assigns. All of the terms, covenants and conditions of this Agreement shall be binding upon CHICO SCRAP and its successors and assigns. Whenever the term "CHICO SCRAP" is used in this Agreement, such term shall include any other successors and assigns as herein provided.

Sec. 8.3 Consent.

Where the consent or approval of a party is required in or necessary under this Agreement, such consent or approval shall not be unreasonably withheld.

Sec. 8.4 Construction of Agreement.

The language in all parts of this Agreement shall, in all cases, be construed as a whole and in accordance with its fair meaning. The captions of the paragraphs and subparagraphs of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of construction. This Agreement shall be governed by the laws of the State of California. Any dispute between the parties shall be submitted to the Butte County Superior Court.

Sec. 8.5 Covenants of Good Faith and Fair Dealing.

No party to this Agreement shall do anything which shall have the effect of harming or injuring the right of the other parties to receive the benefits of this Agreement; each party shall refrain from doing anything which would render its performance under this Agreement impossible; and each party shall do everything which this Agreement contemplates that such party do to accomplish the objectives and purposes of this Agreement.

Sec. 8.6 Further Actions and Instruments.

Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of any party at any time, the other parties shall promptly execute, file or record any required instruments and writings necessary to evidence or consummate the transactions contemplated by this Agreement, and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement.

Sec. 8.7 No Third Party Beneficiaries.

This Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. No other person shall have the right of faction based upon any provision in this Agreement.

Sec. 8.8 No Waiver.

No delay or omission by any party in exercising any right or power accruing upon non-compliance or failure to perform by the other party under the provisions of this Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by any party of any of the covenants or conditions to be performed by the other parties shall not be construed as a waiver of any succeeding breach or nonperformance of the same or other covenants and conditions hereof.

Sec. 8.9 Notices.

All notices required or provided for under this Agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid, return receipt requested, to the principal offices of the City and Landowner, or Landowner's assigns and successors. Notice shall be effective on

the date delivered in person, or the date when such notice is mailed to the address of the receiving party indicated below:

Notice to the City: City of Chico
Attention: City Manager
P. O. Box 3420
Chico, CA 95927

Notice to CHICO SCRAP: Chico Scrap Metals, Inc.
Attention: George W. Scott, Sr.
2600 Fair Street
Chico, CA 95928

Sec. 8.10 General Plan Consistency.

The effectiveness of this Agreement is contingent upon the approval by the City of an effective amendment of the Chico Municipal Code and/or the Chapman/Mulberry Neighborhood Plan which eliminates the requirement of amortization and termination of the CHICO SCRAP use. Such amendment is within the sole and absolute discretion of the city and cannot be required by this Agreement. If such an amendment is approved and remains effective, the City hereby finds this Agreement and CHICO SCRAP's Plans of Improvement are consistent with the City of Chico's General Plan and the Chapman/Mulberry Neighborhood Plan as amended.

Sec. 8.11 Review for Compliance.

City shall review this Agreement at least once during every twelve (12) months following the Effective Date during the Term of this Agreement, in accordance with City's procedures and standards for such review set forth in the Development Agreement Resolution. During such periodic review by City, CHICO SCRAP shall provide to City, utilizing the Compliance Reporting Form included herein at Exhibit D, evidence sufficient to demonstrate to the City of good faith compliance with the terms of this Agreement; provided, however, that CHICO SCRAP will not be required to disclose confidential or trade secret business information for such review. The failure of City to take any action after receipt of the Compliance Reporting Form as provided herein or in accordance with the Development Agreement Act shall not impact the validity of this Agreement

Sec. 8.12 Force Majeure.

In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default where delays or failures to perform are due to the elements, fire, earthquakes or other acts of God, strikes, labor disputes, lockouts, acts of the public enemy, riots, insurrections, or governmental restrictions imposed or mandated by other governmental entities. City and CHICO SCRAP may also extend times of performance under this Agreement in writing. Notwithstanding the foregoing, CHICO SCRAP is not entitled pursuant to this Section 9.2 to an extension of time to perform because of past, present, or future

difficulty in obtaining suitable construction financing or permanent financing for the Development, or because of economic or market conditions.

Sec. 8.13 Binding Effect.

This Agreement, and all of the terms and conditions hereof, shall be binding upon and inure to the benefit of the Parties, any subsequent owner of all or any portion of the Project or the Property, and their respective assigns, heirs or successors in interest, whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Project or the Property.

Sec. 8.14 Independent Entity.

The Parties acknowledge that, in entering into and performing this Agreement, each of CHICO SCRAP and City is acting as an independent entity and not as an agent of the other in any respect.

Sec. 8.15 Agreement Not to Benefit Third Parties.

This Agreement is made for the sole benefit of the Parties, and no other person shall be deemed to have any privity of contract under this Agreement nor any right to rely on this Agreement to any extent for any purpose whatsoever, nor have any right of action of any kind on this Agreement nor be deemed to be a third party beneficiary under this Agreement, other than as expressly provided in this Agreement.

Sec. 8.16 Non-liability of City Officers and Employees.

No official, officer, employee, agent or representative of City, acting in his/her official capacity, shall be personally liable to CHICO SCRAP, or any successor or assign, for any loss, costs, damage, claim, liability, or judgment, arising out of or connection with this Agreement, or for any act or omission on the part of City.

Sec. 8.17 No Waiver.

No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought and referring expressly to this Section 9.10. No delay or omission by either party in exercising any right or power accruing upon non-compliance or failure to perform by the other party under any of the provisions of this Agreement shall impair any such right or power or be construed to be a waiver thereof, except as expressly provided herein. No waiver by either party of any of the covenants or conditions to be performed by the other party shall be construed or deemed a waiver of any succeeding breach or nonperformance of the same or other covenants and conditions hereof.

Sec. 8.18 Severability.

If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall continue in full force and effect, to the extent that the invalidity or unenforceability does not impair the application of this Agreement as intended by the Parties.

Sec. 8.19 Recordation.

This Agreement shall be recorded with the County Recorder of Butte County at CHICO SCRAP's cost, if any, within the period required by California Government Code Section 65868.5. Amendments approved by the Parties, and any cancellation or termination of this Agreement, shall be similarly recorded.

Sec. 8.20 Recitals & Exhibits Incorporated; Entire Agreement.

The Recitals to this Agreement and all of the exhibits attached to this Agreement are, by this reference, incorporated into this Agreement and made a part hereof. This Agreement, including all exhibits attached hereto, constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement, and this Agreement supersedes all previous negotiations, discussions and agreements between the Parties, and no parole evidence of any prior or other agreement shall be permitted to contradict or vary the terms hereof.

Sec. 8.21 Counterpart Signature Pages.

For convenience the Parties may execute and acknowledge this Agreement in counterparts and when the separate signature pages are attached hereto, shall constitute one and the same complete Agreement.

Sec. 8.22 Governing Law; Litigation Matters.; Attorney's Fees.

The laws of the State of California shall govern the interpretation and enforcement of this Agreement without regard to conflicts of law principles. Any action at law or in equity brought by any party hereto for the purpose of enforcing, construing, or interpreting the validity of this Agreement or any provision hereof shall be brought in the Superior Court of the State of California in and for the County of Butte, or such other appropriate court in said county, and the Parties hereto waive all provisions of law providing for the filing, removal, or change of venue to any other court. Service of process on City shall be made in accordance with California law. Service of process on CHICO SCRAP shall be made in any manner permitted by California law and shall be effective whether served inside or outside of California. In the event of any action between the Parties hereto seeking enforcement of any of the terms of this Agreement or otherwise arising out of this Agreement, the prevailing party in such litigation shall be awarded, in addition to such relief to which such party is entitled, its reasonable attorney's fees, expert witness fees, and litigation costs and expenses.

IN WITNESS WHEREOF, the parties have duly signed this Agreement as of the date first above written.

(Signatures appear on next page)

CHICO SCRAP:

CHICO SCRAP METAL, A California Corporation

By: _____
GEORGE W. SCOTT, SR.

GEORGE W. SCOTT, SR. REVOCABLE INTERVIVOS TRUST DATED SEPTEMBER 25, 1995, AS AMENDED

By: _____
GEORGE W. SCOTT, SR. TRUSTEE

CITY:

CITY OF CHICO, a California municipal corporation

By: _____
_____, Mayor

ATTEST:

City Clerk

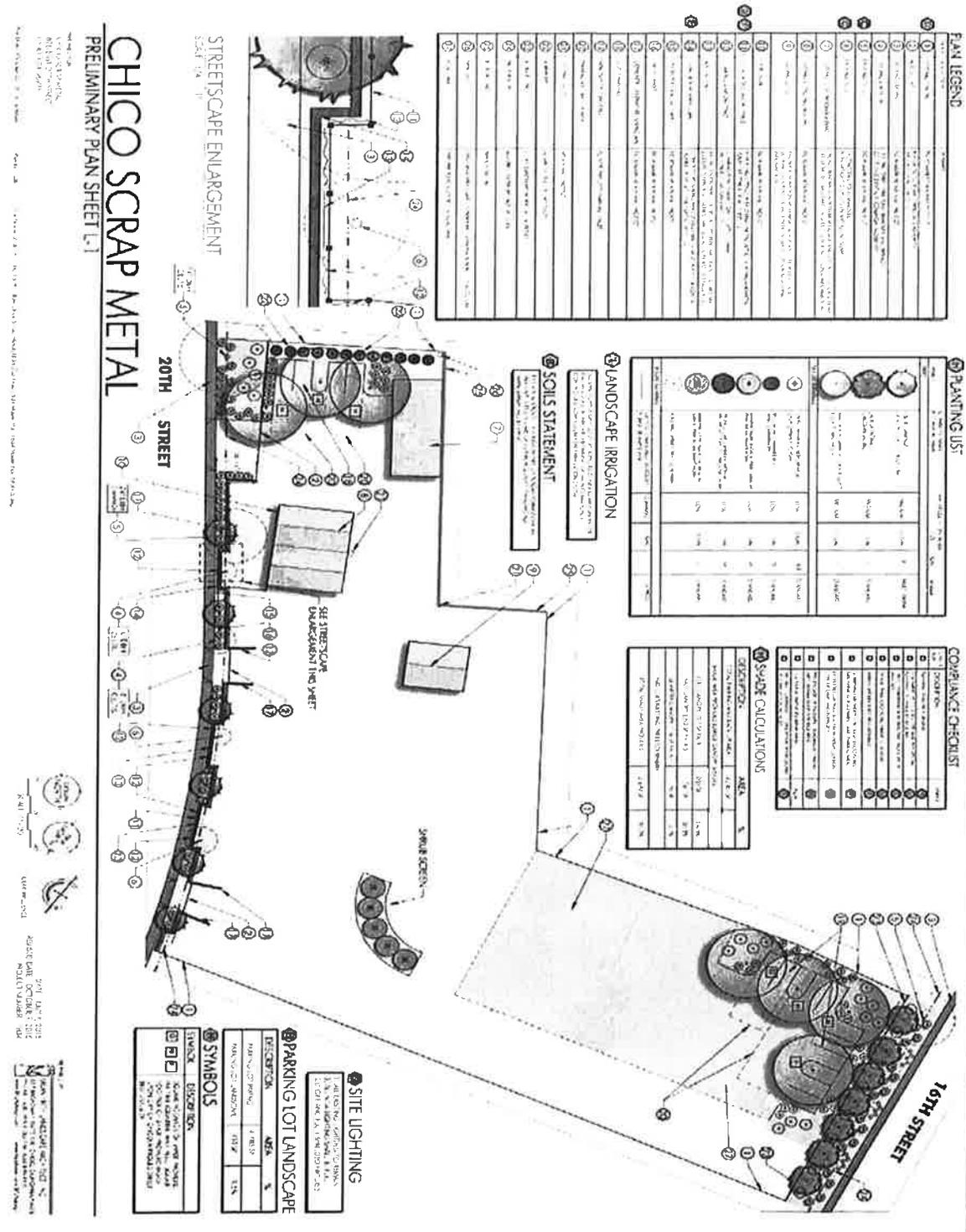
Approved as to form:

City Attorney

*Approved pursuant to The Charter of the City of Chico § 906(E)

EXHIBIT "A"

(Property Description)



PLAN LEGEND

1	Planting	Planting
2	Planting	Planting
3	Planting	Planting
4	Planting	Planting
5	Planting	Planting
6	Planting	Planting
7	Planting	Planting
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12	Planting	Planting
13	Planting	Planting
14	Planting	Planting
15	Planting	Planting
16	Planting	Planting
17	Planting	Planting
18	Planting	Planting
19	Planting	Planting
20	Planting	Planting
21	Planting	Planting
22	Planting	Planting
23	Planting	Planting
24	Planting	Planting
25	Planting	Planting
26	Planting	Planting
27	Planting	Planting
28	Planting	Planting
29	Planting	Planting
30	Planting	Planting
31	Planting	Planting
32	Planting	Planting
33	Planting	Planting
34	Planting	Planting
35	Planting	Planting
36	Planting	Planting
37	Planting	Planting
38	Planting	Planting
39	Planting	Planting
40	Planting	Planting
41	Planting	Planting
42	Planting	Planting
43	Planting	Planting
44	Planting	Planting
45	Planting	Planting
46	Planting	Planting
47	Planting	Planting
48	Planting	Planting
49	Planting	Planting
50	Planting	Planting

PLANTING LIST

Planting	Quantity	Notes
1	1	
2	1	
3	1	
4	1	
5	1	
6	1	
7	1	
8	1	
9	1	
10	1	
11	1	
12	1	
13	1	
14	1	
15	1	
16	1	
17	1	
18	1	
19	1	
20	1	
21	1	
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29	1	
30	1	
31	1	
32	1	
33	1	
34	1	
35	1	
36	1	
37	1	
38	1	
39	1	
40	1	
41	1	
42	1	
43	1	
44	1	
45	1	
46	1	
47	1	
48	1	
49	1	
50	1	

COMPLIANCE CHECKLIST

Item	Compliance
1	Yes
2	Yes
3	Yes
4	Yes
5	Yes
6	Yes
7	Yes
8	Yes
9	Yes
10	Yes
11	Yes
12	Yes
13	Yes
14	Yes
15	Yes
16	Yes
17	Yes
18	Yes
19	Yes
20	Yes
21	Yes
22	Yes
23	Yes
24	Yes
25	Yes
26	Yes
27	Yes
28	Yes
29	Yes
30	Yes
31	Yes
32	Yes
33	Yes
34	Yes
35	Yes
36	Yes
37	Yes
38	Yes
39	Yes
40	Yes
41	Yes
42	Yes
43	Yes
44	Yes
45	Yes
46	Yes
47	Yes
48	Yes
49	Yes
50	Yes

LANDSCAPE IRRIGATION

LANDSCAPE IRRIGATION SYSTEM

DESIGNED BY: [Name]

DATE: [Date]

SCALE: [Scale]

SOILS STATEMENT

SOILS STATEMENT

DATE: [Date]

BY: [Name]

SITE LIGHTING

DESIGNED BY: [Name]

DATE: [Date]

SCALE: [Scale]

PARKING LOT LANDSCAPE

DESIGNED BY: [Name]

DATE: [Date]

SCALE: [Scale]

SYMBOLS

SYMBOLS

DESCRIPTION

[Symbol] [Description]

CHICO SCRAP METAL

PRELIMINARY PLAN SHEET E-1

20TH STREET

16TH STREET

SMALL SCREEN

STREETSCAPE ENLARGEMENT

SEE STREETSCAPE ENLARGEMENT FOR PLAN

DATE: [Date]

BY: [Name]

SCALE: [Scale]

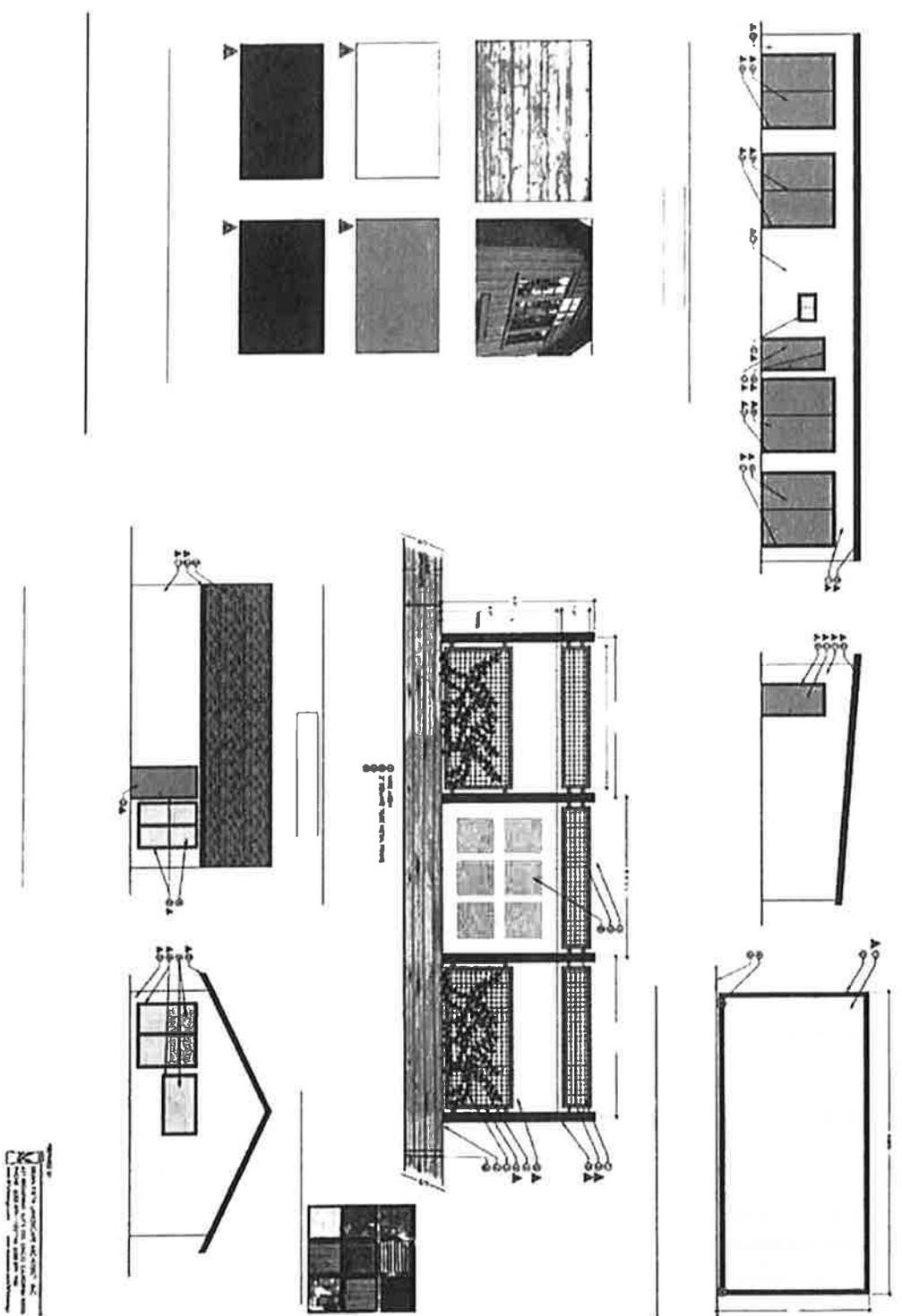


EXHIBIT “B”
(Improvement Schedule)

WORK TO BE PERFORMED	START DATE	COMPLETION DATE	ACTUAL DATE	COMMENTS
<p>1. Installation of new fencing along West 16th Street, consisting of:</p> <p>A 6-foot tall corrugated metal fence and metal fence post.</p> <p>Materials shall be finished with: Benjamin Moore “Bath Salts” – Fence Benjamin Moore “Natural Brown” – Fence post</p>		<p>Eighteen (18) months after approval of this Development Agreement</p>		
<p>2. Installation of new fencing and gates along West 20th Street consisting of:</p> <p>An approximately 2-foot tall concrete retaining wall, of which a 10-foot tall decorative fence will be constructed on top. The bottom eight feet of the fence shall be corrugated metal while the upper two feet shall be metal lattice screens/wire mesh with 2-inch steel tubing frame. A 3-inch metal fence post shall be utilized.</p> <p>Matching metal lattice screen/wire mesh that varies in height from three to seven feet shall be placed on the West 20th Street side of the fence.</p> <p>Fence panels that do not contain metal lattice screen/wire mesh shall contain public art. Public art shall have an “urban funk/recyclable materials” theme to it.</p> <p>Three (3) gates at the entrances, and exits that are constructed and designed of the same materials of the fence.</p>		<p>Eighteen (18) months after approval of this Development Agreement</p>		

<p>Height of the gates shall be 8-feet tall and finished to match the fence.</p> <p>Materials shall be finished with:</p> <ul style="list-style-type: none"> • Benjamin Moore “Bath Salts” – Fence • Benjamin Moore “Cedar Green” – lattice screen/wire mesh • Benjamin Moore “Natural Brown” – Fence post • Concrete Retaining Wall – Horizontal form board finish <p>(Material finishes may be substituted with similar color and quality paint by approval of the Community Development Director).</p>				
<p>2. Landscaping and irrigation improvements along West 16th Street consisting of:</p> <p>Removal of all Ailanthus (tree of Heaven) trees.</p> <p>Retention of existing Oak tree.</p> <p>Installation of</p> <ul style="list-style-type: none"> • Seven (7) 5-gallon Laurus nobilis (Bay laurel) shrubs, approximately • Twenty (20) 2-gallon Zauchneria California (Hummingbird flower) shrubs, • Fifteen (15) 5-gallon Rhamphiolepis Indica (Indian hawthorn) shrubs, and • Associated improvements such as 3-inches of chip mulch and drip irrigation. <p>All landscaping shall be installed to City standards found in Title 18R.</p>		<p>Eighteen (18) months after approval of this Development Agreement</p>		
<p>4. Landscaping and irrigation</p>		<p>Eighteen (18)</p>		

<p>improvements along West 20th Street consisting of:</p> <p>Retention of three (3) existing trees (14-inch Common Hackberry and 24-inch Camphor).</p> <p>Removal of two (2) existing trees (Common Hackberry's, 6-inch and 8-inch DBH).</p> <p>Installation of</p> <ul style="list-style-type: none"> • Six (6) 15-gallon City of Chico street trees, species to be determined by the Capital Services Department at the time of final plan submittal, • Forty-two (42) 2-gallon Zauchneria California (Hummingbird flower) shrubs, • Five (5) 5-gallon Rhamphiolepis Indica (Indian hawthorn) shrubs, • A minimum of twenty-four (24) 1-gallon Clytostoma Callistegioides (Purple trumpet vine) and, • Associated improvements such as 3 inches of chip mulch and drip irrigation. <p>All landscaping shall be installed to City Standards found in Title 18R of the Municipal Code.</p>		<p>months after approval of this Development Agreement</p>		
<p>5. Customer parking lot improvements consisting of:</p> <p>Four (4) surface parking stalls constructed to City Standards found in Title 19 of the Municipal Code.</p> <p>One (1) 15 foot tall (maximum) shoe-box light directed downward with full cutoff</p>		<p>Eighteen (18) months after approval of this Development Agreement</p>		
<p>6. Customer parking lot landscape and irrigation improvements consisting of:</p>		<p>Eighteen (18) months after approval of this</p>		

<p>Installation of a 6-foot side island planter, and 10-foot wide landscape planter along the western property line.</p> <p>Installation of 12 5-gallon Prunus Caroliniana ‘monus’ (Carolina Cherry) along the western property line, 3 15-gallon Magnolia Gradifloa ‘Russett’ (Russett Magnolia) shade trees, 13 2-gallon Zauschneria California (California fuchsia) shrubs.</p>		<p>Development Agreement</p>		
<p>7. Employee parking lot improvements consisting of:</p> <p>Nine (9) surface parking stalls constructed to City Standards found in Title 19 of the Municipal Code.</p> <p>One 15-foot tall shoe-box light directed downward with full cutoff</p>		<p>Eighteen (18) months after approval of this Development Agreement</p>		
<p>8. Employee parking lot landscape and irrigation improvements consisting of:</p> <p>Ten-foot wide landscape strips along the northern and western property lines, with two (2) 6-foot wide by 20-foot long landscape islands.</p> <p>Installation of</p> <ul style="list-style-type: none"> • Four (4) 15-gallon Magnolia Gradifolia ‘Russett’ (Russett Magnolia) shade trees, • Twelve (12) 5-gallon Rhapsiolepis Indica ‘Pink Dancer’ (Pink India Hawthorn) shrubs, and • Eighteen (18) 2-gallon Zauschneria California (California fuchsia) 		<p>Eighteen (18) months after approval of this Development Agreement</p>		
<p>9. Façade remodel to</p> <ul style="list-style-type: none"> • Building No.1 (1,560 square feet), • Building No. 2 (806 square feet), and • Building No. 3 (1,824 square 		<p>Eighteen (18) months after approval of this Development Agreement</p>		

<p>feet)</p> <p>Which consist of a Board and Batten wood siding design, that will be painted with:</p> <ul style="list-style-type: none"> • Benjamin Moore “Bath Salts” – Body • Benjamin Moore “Cedar Green” – Trim • Benjamin Moore “Rainforest Foliage” – Trim accent <p>(Material finishes may be substituted with similar color and quality paint by approval of the Community Development Director).</p>				
<p>10. Areas of the site not covered by asphalt or concrete shall be covered by road base gravel.</p>		<p>Eighteen (18) months after approval of this Development Agreement</p>		

Excerpted from Municipal Code Section 19.52.070

(Special Design Considerations Overlay Zone)

Proposed Amendment Indicated with ~~Strikeout~~ Text

“6. SD-6 (Chapman/Mulberry Neighborhood)

a. Development shall be consistent with the Chapman/Mulberry Neighborhood Plan adopted by the city council.

b. The following land uses are not permitted within the CN zone: retail liquor stores, gas stations, automobile sales and vehicle repair and maintenance.

c. The following design standards shall apply to the development of single- family residences:

(1) Front yard setbacks shall be consistent with the average of the existing front yard setback of adjoining parcels, but in no case less than fifteen (15) feet or greater than thirty (30) feet.

(2) Front entries for all single-family residences shall be oriented toward the street. This requirement shall not apply to second dwelling units located on the rear of a parcel which have primary access from an alley.

(3) Garages shall be set back at least ten (10) feet from the front edge of the dwelling. Garages located in rear yards are encouraged. Detached, single- story garages shall be set back at least five (5) feet from the rear property line.

(4) All single-family dwellings shall include a front porch with minimum dimensions of four feet by eight feet.

(5) Front yard fences are permitted only when they are of an open, not solid, design. Front yard landscaping shall not obscure views of the street or adjoining neighbors.

(6) One new tree, 15 gallons or greater in size, shall be planted in the front yard of each new single-family residence, as a condition of the building permit for such residence. The species of tree planted shall be selected from the list “Recommended Street Trees for Chico” maintained by the City.

d. The following design standards shall apply to the development of multi-family dwellings:

(1) Parking lots shall primarily be located in the rear or side area of the parcel or in the interior of a building cluster and shall be screened from view from the street by vegetation or fencing that is no more than four feet in height. No parking lots shall be located within the required front or side set back area.

(2) All multi-family buildings located within 40 feet of a front lot line shall be oriented to the street frontage. The main entrance of ground floor units located within 40 feet of a street

must face the front lot line. Main entrances may be to either individual units, clusters of units or common lobbies or courtyards. Main entrances for multi-family residences on corner lots may be oriented toward either street frontage, or toward the corner.

(3) Pedestrian walkways shall be provided from street sidewalks to the front entrance of each multi-family dwelling unit.

e. It shall be a condition of the development of any new commercial or industrial use located on property which abuts residentially zoned property, that an 8 foot masonry wall be constructed between the new commercial or industrial use and the residentially zoned property. Such wall shall be constructed on the property on which the new commercial or industrial use is located and shall include landscaping along the side of the wall facing the residentially zoned property. Earthen landscape berms with a wall may be utilized to meet this requirement.

f. A nonconforming commercial or industrial use shall not be expanded, enlarged, or extended. If a structure used for a nonconforming commercial or industrial use is destroyed or demolished, regardless of cause, or the nonconforming use thereof is abandoned for six months or more, or is converted to or replaced by a conforming use, the right to continue the nonconforming use therein shall cease.

g. Nonconforming uses shall be amortized as follows:

~~(1) Nonconforming commercial and industrial uses which were located in the City prior to the date of the City's adoption of the Chapman/Mulberry Neighborhood Plan on October 5, 2004, shall be amortized and terminated no later than December 31, 2014.~~

(2) Nonconforming commercial and industrial uses which are annexed into the City after adoption of the Chapman/Mulberry Neighborhood Plan on October 5, 2004, and which were nonconforming prior to annexation pursuant to the land use regulations of Butte County, shall be amortized and terminated no later than three years after the date the property on which the use is located is annexed into the City. Requests to extend the time period by which such a nonconforming use must terminate may be made to the planning commission and may be granted only for good cause upon consideration of the following factors.

- a. The total cost of the property and lawfully installed or constructed improvements.
- b. The depreciated value of the property.
- c. The remaining useful life of the improvements.
- d. The original length and remaining term of the lease, if any, under which the premises is occupied.
- e. The percentage of the business conducted on the premises compared to the percentage conducted elsewhere.
- f. The cost of moving and reestablishing the business elsewhere.
- g. The nature and extent of efforts made by the owner or operator of the nonconforming use to relocate and/or reestablish the use in a properly zoned location.

- h. The nature of the nonconforming use, as compared to the character of the surrounding neighborhood.
- i. The harm to the public if the use remains beyond the amortization period.
- j. The feasibility of converting the use of the premises to an allowed use or a use allowed with a use permit.
- k. Other related factors.

Extension requests must be submitted no later than two years before the date the nonconforming use is required to be terminated. Such applications shall be on a form approved by the director and must include the information pertaining to all of the above factors which the applicant believes are applicable to the request. The Planning Commission shall act on all requests for an extension after holding a public hearing and may condition any extension granted as it deems necessary to reduce impacts from the nonconforming use on the surrounding neighborhood. The public hearing shall be noticed and held in the same manner as public hearings for use permits.

For properties on which a nonconforming commercial or industrial use exists at the time they annexed into the City, extension requests must be submitted no later than one year after the date that the property is annexed into the City. Such applications shall be on a form approved by the director and must include the information pertaining to all of the above factors which the applicant believes are applicable to the request. The Planning Commission shall act on all requests for an extension after holding a public hearing and may condition any extension granted as it deems necessary to reduce impacts from the nonconforming use on the surrounding neighborhood. The public hearing shall be noticed and held in the same manner as public hearings for use permits.

(3) Nothing in this paragraph g. shall preclude the conversion of a nonconforming use to a lawful use if: 1) the nonconforming use could be permitted with a use permit; 2) a use permit is obtained; and 3) the use is thereafter conducted in conformance with the terms and conditions of the use permit and all applicable provisions of this code.”

Time Frame: FY 2004-2005

Amortization of Nonconforming Uses

Prior to the annexation of areas that continue to have non-conforming uses as identified in the County's Chapman/Mulberry Neighborhood Plan (excluding Chinca's Market), the City shall adopt an ordinance providing for the amortization of such businesses pursuant to the County's Chapman/Mulberry Neighborhood Plan. The County has already notified owners of legal nonconforming uses of their status and the County's amortization policy and period.

Time Frame: Ongoing

~~Amortization of Chico Scrap Metal Yard~~

~~The Chico Scrap Metal Yard is located within the Chapman/Mulberry Neighborhood Plan area and is proposed to be the site of a future mixed-use neighborhood core. Upon City adoption of the Chapman/Mulberry Neighborhood Plan, the Chico Scrap Metal Yard will become a non-conforming use. Once the Chico Scrap Metal Yard becomes a non-conforming use, the City shall adopt an ordinance providing for its amortization.~~

~~Time Frame: Ongoing~~

Neighborhood Rehabilitation

Neighborhood Clean-Up

The City and County shall assist community based organizations in their efforts to organize a neighborhood clean-up program.

Time Frame: Ongoing

~~Relocation of the Chico Scrap Metal Yard~~

~~The City and County shall cooperatively take the necessary steps to relocate the Chico Scrap Metal Yard to a more appropriate location.~~

~~Time Frame: Ongoing~~

Community Design

Neighborhood Design Guidelines

The City Community Development Department shall institute procedures that will ensure that all development proposals and building permits approved in the Chapman/Mulberry Neighborhood are consistent with the Chapman/Mulberry Design Standards contained in the -SD overlay district.

Time Frame: Ongoing

Chapman/Mulberry Neighborhood Streets

The City Community Development Department, Planning Division and the Public Works Department shall ensure that all new discretionary development proposals that affect existing

**Draft Initial Study / Environmental Checklist
City of Chico
Environmental Coordination and Review**

I. PROJECT DESCRIPTION

- A. Project Title:** Chico Scrap Metal (DA 15-01, RZ 15-06 and AR 15-17)
- B. Project Location:** 878 East 20th Street, Chico, CA 95928
- C. Application:** Development Agreement, Rezone (text amendment) and Architectural Review
- D. Assessor's Parcel Number (APN):**
005-422-009, 005-422-013, 005-422-017, 005-450-030 and 005-450-014
- E. Total Parcels Size:** 2.02 acres
- F. General Plan Designation**
005-422-009, 005-422-013, 005-422-017 and 005-450-030: Neighborhood Commercial
005-450-014 – Low Density Residential
- G. Zoning**
005-422-009, 005-422-013, 005-422-017 and 005-450-030 – CN-PD- SD6
(Neighborhood Commercial with Plan Development and Special Design Considerations 6
overlay zone)
005-450-014 – R1-SD6 – (Single Family Residential with Special Design Considerations
6 overlay zone)
- H. Environmental Setting:** The project site is 2.02 acres, located at 878 East 20th Street within an urbanized area of incorporated City of Chico, Butte County, California. The Site is between East 16th Street and East 20th Street and northeast of C Street in the Chapman neighborhood of Chico. The site is bounded on the north and west by a residential neighborhood and to the south and east by commercial and industrial uses and zones. The Chapman Elementary School is located within 300 feet of the northern edge of the site. The site is served by existing utilities.

As early as 1964 the site was an active auto wrecking business. The site was purchased by Chico Scrap Metal (CSM) in 1983, which conducts a business of a scrap metal collection and recycling facility (not auto wrecking or dismantling of vehicles). After purchasing the site, CSM poured concrete over portions of the site between 1983 and 1984 (APNs 005-450-014 and 005-422-017). Parcel 005-450-003 was paved with a concrete driveway installed in 1983 and is utilized as employee parking. The site contains 5 structures, which are used for storage of tools and batteries, service counter for customers, the administrative office and a metal building used to maintain equipment and secure storage of non-ferrous materials.

The topography of the project site is flat, and there are no trees or other prominent vegetation on the site with the exception of street trees along East 20th Street. Most of the ground is either exposed soil or paved with concrete.

Project Description:

The project involves the continued operation of CSM as a large scale collection and recycling facility, by removing an amortization requirement found in Chico's Municipal Code (CMC) as directed by the Chapman-Mulberry Neighborhood Plan. The amortization requirement directs that nonconforming commercial and industrial uses to be amortized, or terminated no later than December 31, 2014. Through a series of City Council actions, CSM has been granted extensions and allowed to continue to operations. Removal of the amortization requirement would allow the

existing use to continue at the site with modifications to operational standards and site aesthetics as called for by other project components discussed in more detail below. The project includes the following:

- 1) An amendment the Chapman-Mulberry Neighborhood Plan and Section 19.51.070 – Special Design considerations (SD) zoning overlay of the CMC to remove language regarding the amortization of the scrap metal use at the project site (Rezone 15-06).
- 2) Installation of onsite improvements, including:
 - Remove and replace fencing along East 16th and East 20th Streets along with the installation of new entrance and exit gates.
 - Inclusion of art elements along the new fence that are made from recycled materials found on site.
 - Façade remodels to 3 existing structures.
 - Reorganizing and improving onsite parking and circulation for both customers and employees, including the relocation of stored materials away from vacant residential property.
 - Comprehensive landscaping along both public right-of-ways and on-site including shade streets, shrub screens, chip mulch and drip irrigation (Architectural Review 15-17).
- 3) Modifications to operational standards, including:
 - Upgrade, replace and maintain equipment located on site including a new bailer (2011 Model 580 CL), which has already replaced an older, louder model. The bailer is placed along the West 20th Street frontage, the furthest location from existing residential uses.
 - Maintain existing operating hours which are 8:00 am to 4:00 pm, Monday through Friday, Saturday 8:00 am to Noon and closed on Sundays.
 - Develop and maintain a new comprehensive Best Management Practices manual, which will address on-site operations, incident and emergency planning and response requirements, and house permit requirements from regulatory agencies.
 - Continue dust suppression measures, including installation of gravel over unused portions of the site that are not paved.
 - Install new and updated signage informing customers of CSM best practices and requirements for material intake.
 - Prohibit on-site bailing and shredding of whole vehicle shells. Vehicles shells may still be collected on site, so long as they do not contain any liquid material. The shells would then be transferred off-site for processing (Development Agreement 15-01).

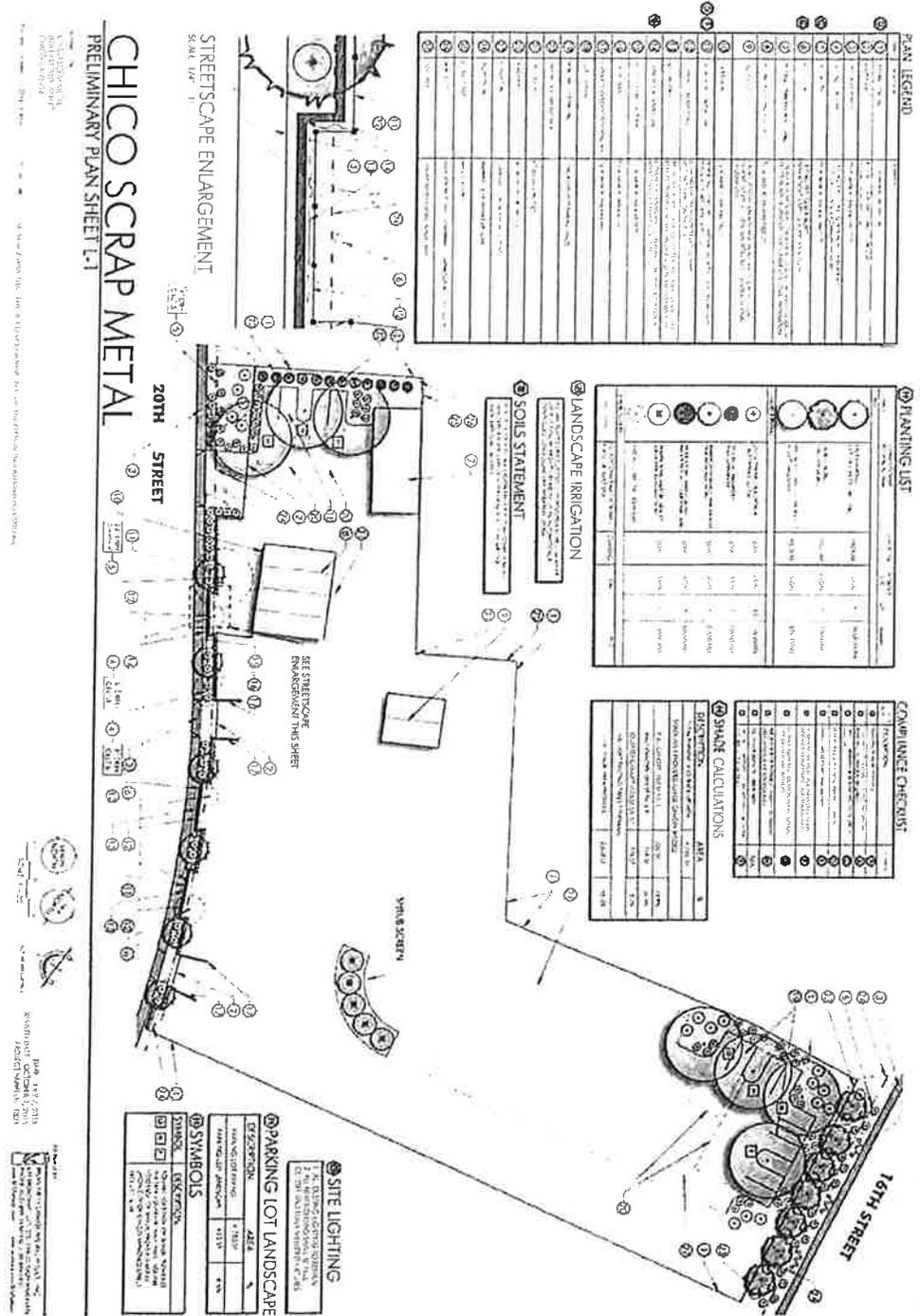
I. Public Agency Approvals:

1. Rezone (text amendment) to Chico Municipal Code 19 and Chapman/Mulberry Neighborhood Plan (City of Chico).
2. Architectural Review (City of Chico).
3. Development Agreement (City of Chico).

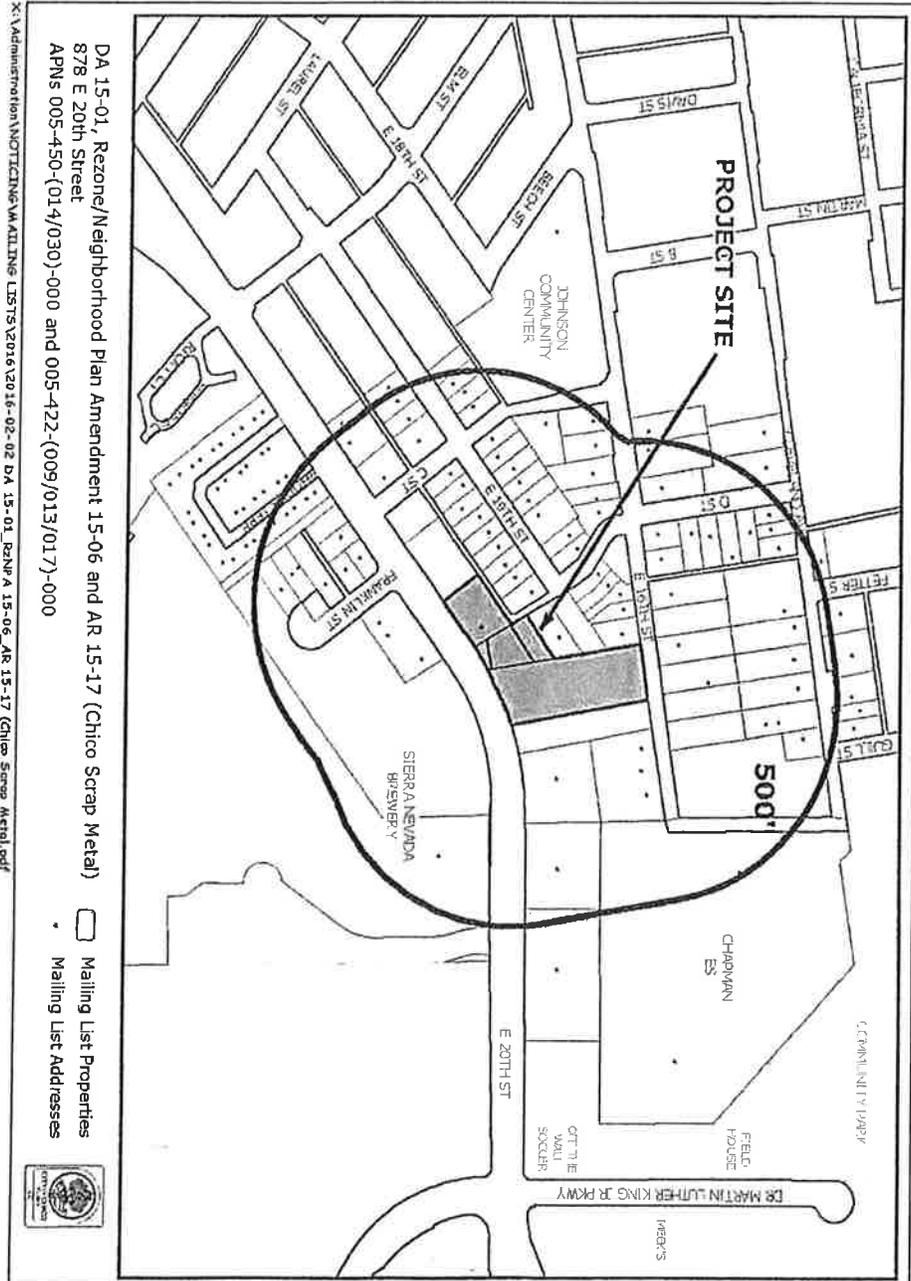
J. Applicant: Chico Scrap Metal, Attention: Kim Scott, 878 East 20th Street, Chico, CA 95928

K. City Contact:
Jake Morley, Associate Planner, City of Chico, 411 Main Street, Chico, CA 95928
Phone: (530) 879-6810, email:jake.morley@chicoca.gov

PROPOSED SITE IMPROVEMENTS



PROJECT LOCATION



II. ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

- | | | |
|---|--|---|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Geology/Soils | <input type="checkbox"/> Noise |
| <input type="checkbox"/> Agriculture and Forest | <input type="checkbox"/> Greenhouse Gas Emissions | <input type="checkbox"/> Open Space/Recreation |
| <input type="checkbox"/> Air Quality | <input type="checkbox"/> Hazards/Hazardous Materials | <input type="checkbox"/> Population/Housing |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Hydrology/Water Quality | <input type="checkbox"/> Public Services |
| <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Land Use and Planning | <input type="checkbox"/> Transportation/Circulation |
| <input type="checkbox"/> Utilities | | |

III. COMMUNITY DEVELOPMENT DIRECTOR DETERMINATION

On the basis of this initial evaluation:

- I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- I find that the proposed project MAY have a potentially significant impact or have a potentially significant impact unless mitigated, but at least one effect has been adequately analyzed in an earlier document pursuant to applicable legal standards, and has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT (EIR) is required, but it must analyze only the effects that remain to be addressed.
- I find that although the proposed project could have a significant effect on the environment, there WILL NOT be a significant effect in this case because all potentially significant effects have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards and have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION including revisions or mitigation measures that are imposed upon the proposed project. No further study is required.

Signature

Date

Jake Morley, Associate Planner, for

Printed Name (for Mark Wolfe, Community Development Director)

IV. EVALUATION OF ENVIRONMENTAL IMPACTS

- Responses to the following questions and related discussion indicate if the proposed project will have or potentially have a significant adverse impact on the environment.
- A brief explanation is required for all answers except "No Impact" answers that are adequately supported by referenced information sources. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g. the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors or general standards.
- All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- Once it has been determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there is at least one "Potentially Significant Impact" entry when the determination is made an EIR is required.
- Negative Declaration: "Less than Significant with Mitigation Incorporated" applies when the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less than Significant Impact." The initial study will describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from Section 4, "Earlier Analysis," may be cross-referenced).
- Earlier analyses may be used where, pursuant to tiering, a program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration [Section 15063(c)(3)(D)].
- Initial studies may incorporate references to information sources for potential impacts (e.g. the general plan or zoning ordinances, etc.). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated. A source list attached, and other sources used or individuals contacted are cited in the discussion.
- The explanation of each issue should identify:
 - a. The significance criteria or threshold, if any, used to evaluate each question; and
 - b. The mitigation measure identified, if any, to reduce the impact to less than significant.

A. Aesthetics	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Will the project or its related activities:				
1. Have a substantial adverse effect on a scenic vista, including scenic roadways as defined in the General Plan, or a Federal Wild and Scenic River?				X
2. Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?			X	
3. Affect lands preserved under a scenic easement or contract?				X
4. Substantially degrade the existing visual character or quality of the site and its surroundings including the scenic quality of the foothills as addressed in the General Plan?			X	
5. Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				X

DISCUSSION:

A.1, A.3. The project will not have a substantial adverse effect on a scenic vista, including scenic roadways as defined in the General Plan, Federal Wild and Scenic River, historic buildings, or state scenic highway as there are no designated scenic vistas or designated scenic resources associated with or neighboring the project site. The project site is neither located in the vicinity of a designated Wild and Scenic River, nor is it preserved under a scenic easement or contract. The project will have **No Impact** on any scenic vista or roadway, and **No Impact** on any lands preserved under a scenic easement or contract.

A.2, A.4. Development associated with the project will improve the visual character along East 16th and East 20th Street with the installation of a new fence, art and landscaping. All other improvements are located on-site and not visible from the public right of way. Improvements on-site consist of a façade remodels of existing structures and parking lot improvements, landscaping such as shrub screens, climbing vegetation to soften fences, chip mulch and drip irrigation system. Proposed improvements are consistent with the City of Chico Design Guideline Manual (DG), in that the manual discusses art elements, providing interest to projects, creating awareness and creating a sense of place that by including elements and materials found on site (DG 6.1.45, DG 6.1.6, DG 1.4.11, DG 1.2.32 and DG 1.4.13). The proposed project is a visual enhancement over existing conditions, specifically along the public right-of-ways where the majority of landscaping and improvements will take place. The site is not considered sensitive with regard to scenic resources, therefore, the project would have **Less Than Significant** impact on the visual character or quality of the site and its surroundings.

A.5. The project will introduce pedestrian scale lighting on site in areas that are currently devoid of such improvements. Proposed lighting will be a shoe-box design, downward directed illumination with full cutoffs. Proposed lighting is typical for the urban environment. The project would have **Less Than Significant** impact on light or glare that could affect day or nighttime views.

MITIGATION: None Required.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
B. Agriculture and Forest Resources: Would the project or its related activities:				
1. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X
2. Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
3. Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code Section 4526, or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?				X
4. Result in the loss of forest land or conversion of forest land to non-forest use?				X
5. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?				X

B.1.–B.5. The project will not convert Prime or Unique Farmland, or Farmland of Statewide Importance. The California Department of Conservation, Division of Land Resource Protection, Farmland Mapping and Monitoring Program’s ‘Butte County Important Farmland 2010’ map, the project site is identified as “Other Land” (see <ftp://ftp.consrv.ca.gov/pub/dlrp/FMMP/pdf/2010/but10.pdf>).

The project will not conflict with existing zoning for agricultural use or forest land and is not under a Williamson Act Contract. The project will not result in the loss of forest land, conversion of forest land, or involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland or forest land. The site is located on a parcel that is already developed with a scrap metal and recycling facility that does not contain agriculture or timber resources, is surrounded by existing urban development. Therefore, the project will result in **No Impact** to Agriculture and Forest Resources.

MITIGATION: None required.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
C. Air Quality Will the project or its related activities:				
1. Conflict with or obstruct implementation of the applicable air quality plans (e.g., Northern Sacramento Valley Planning Area 2012 Triennial Air Quality Attainment Plan, Chico Urban Area CO Attainment Plan, and Butte County AQMD Indirect Source Review Guidelines)?				X
2. Violate any air quality standard or contribute substantially to an existing or projected air quality violation.				X

C. Air Quality Will the project or its related activities:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
3. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?			X	
4. Expose sensitive receptors to substantial pollutant concentrations?			X	
5. Create objectionable odors affecting a substantial number of people?				X

DISCUSSION:

C.1–C.4. The project will neither conflict with nor obstruct implementation of the applicable air quality plan for the Northern Sacramento Valley, nor will the project violate any air quality standard or contribute substantially to an existing or projected air quality violation. The project will not result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard.

According to Butte County Air Quality Management District (BCAQMD or Air District) CEQA Air Quality Handbook, October 23, 2014, <http://www.bcagmd.org/page/files/CEQA-Handbook-Appendices-2014.pdf>, Butte County is designated as a federal and state non-attainment area for ozone and particulate matter.

BUTTE COUNTY AMBIENT AIR QUALITY ATTAINMENT STATUS (September, 2014)		
POLLUTANT	STATE	FEDERAL
1-hour Ozone	Nonattainment	--
8-hour Ozone	Nonattainment	Nonattainment
Carbon Monoxide	Attainment	Attainment
Nitrogen Dioxide	Attainment	Attainment
Sulfur Dioxide	Attainment	Attainment
24-Hour PM10**	Nonattainment	Attainment
24-Hour PM2.5**	No Standard	Nonattainment
Annual PM10**	Attainment	No Standard
Annual PM2.5**	Nonattainment	Attainment
**PM10: Respirable particulate matter less than 10 microns in size. PM2.5: Fine particulate matter less than 2.5 microns in size.		

Potential air quality impacts related to development are separated into two categories:

- 1) Temporary impacts resulting from construction-related activities (earth moving and heavy-duty vehicle emissions), and
- 2) Long-term indirect source emission impacts related to ongoing operations.

Construction-related activities such as grading and operation of construction vehicles would create a temporary increase in fugitive dust within the immediate vicinity of the project site and contribute temporarily

to slight increases in vehicle emissions (ozone precursor emissions, such as reactive organic gases (ROG) and oxides of nitrogen (NOx), and fine particulate matter). All stationary construction equipment, other than internal combustion engines less than 50 horsepower, require an "Authority to Construct" and "Permit to Operate" from the District. Emissions are prevented from creating a nuisance to surrounding properties under BCAQMD Rule 200 *Nuisance*, and visible emissions from stationary diesel-powered equipment are also regulated under BCAQMD Rule 201 *Visible Emissions*.

With regard to fugitive dust, the majority of the particulate generated as a result of grading operations is anticipated to quickly settle. Under the Air District's Rule 205 (Fugitive Dust Emissions) all development projects are required to minimize fugitive dust emissions by implementing Best Management Practices (BMPs) for dust control. These BMPs, include but are not limited to, the following:

- Watering de-stabilized surfaces and stock piles to minimize windborne dust.
- Ceasing operations when high winds are present.
- Covering or watering loose material during transport.
- Minimizing the amount of disturbed area during construction.
- Seeding and watering any portions of the site that will remain inactive for 3 months or longer.
- Paving, periodically watering, or chemically stabilizing on-site construction roads.
- Minimizing exhaust emissions by maintaining equipment in good repair and tuning engines according to manufacturer specifications.
- Minimizing engine idle time, particularly during smog season (May-October).

Continuing the City practice of ensuring that grading plans include fugitive dust BMPs and compliance with existing BCAQMD rules will ensure that construction related dust impacts are minimized.

The District's CEQA Air Quality Handbook provides screening criteria for when a quantified air emissions analysis is required to assess and mitigate potential air quality impacts from non-exempt CEQA projects. Projects that fall below screening thresholds need only to implement best practices to ensure that operational air quality impacts remain less than significant. The screening criteria are as follows:

LAND USE TYPE	Model Emissions for Project Greater Than:
Single Family Unit Residential	30 units
Multi-Family Residential	75 units
Commercial	15,000 square feet
Retail	11,000 square feet
Industrial	59,000 square feet

The proposed project would not result in any expansion of CSM operations. Therefore, impacts related to air quality would be considered **Less Than Significant**.

C.5. The proposed project does not involve the introduction objectionable odors. **No Impact.**

D. Biological Resources Will the project or its related activities:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
1. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species as listed and mapped in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?				X
2. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service.				X
3. Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				X
4. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				X
5. Result in the fragmentation of an existing wildlife habitat, such as blue oak woodland or riparian, and an increase in the amount of edge with adjacent habitats.				X
6. Conflict with any local policies or ordinances, protecting biological resources?				X

DISCUSSION:

D.1, D.2, D.4 – D. 6. The subject site is substantially developed and allowing the proposed project will not result in an impact upon habitat, as the site does not contain any species identified as a candidate, sensitive, or special status species as listed and mapped in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service. The site does not contain any riparian habitat, including oak wood lands, riparian corridors or other natural communities as identified in plans, policies or regulations. Therefore, the project will have **No Impact** upon special status species.

D.3: The project site has been in operation, in some capacity, as a scrap metal and recycling collection facility since 1964. The site is developed, and has historically been graded several times and routinely heavily disturbed, including the removal of contaminated soils in 2007. There are no federally protected wetlands on site. **No Impact.**

E. Cultural Resources Will the project or its related activities:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
1. Cause a substantial adverse change in the significance of an historical resource as defined in PRC Section 15064.5?				X
2. Cause a substantial adverse change in the significance of an archaeological resource pursuant to PRC Section 15064.5?				X
3. Directly or indirectly destroy a unique paleontological resource or site or unique geological feature?				X
4. Disturb any human remains, including those interred outside of formal cemeteries?			X	

DISCUSSION:

E.1. – E.3. The project site is in an area of medium archaeological sensitivity as designated the Chico 2030 General Plan. The subject site has been in operation as a scrap metal and recycling collection facility since 1964. The site is developed, and has historically been graded several times, including the removal of soils in 2007. There are no historic resources on site as defined by PRC Section 15064.5, nor any unique paleontological resources or geological features. Due to the chronically disturbed nature of the site, and historical activities that were/are present there would be **No Impact** on cultural resources.

E.4. Grading and construction activities for the project will be required to adhere to BMP protocols in the instance that archaeological resources or human skeletal remains are discovered during excavation activities. Halting construction work and observing BMP protocols for evaluating cultural resources in the case of a discovery is standard notation required on grading and building plans. Since existing regulations require implementation of BMPs for archaeological resources, potential future impacts to archaeological resources are considered **Less Than Significant**.

F. Geology/Soils Will the project or its related activities:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
1. Expose people or structure to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
a. Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? (Div. of Mines & Geology Special Publication 42)?			X	
b. Strong seismic ground shaking?			X	
c. Seismic-related ground failure/liquefaction?			X	

F. Geology/Soils Will the project or its related activities:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
d. Landslides?			X	
2. Result in substantial soil erosion or the loss of topsoil?			X	
3. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?			X	
4. Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?			X	
5. Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water, or is otherwise not consistent with the Chico Nitrate Action Plan or policies for sewer service control?				X

DISCUSSION:

F.1. The City of Chico is located in one of the least active seismic regions in California and contains no active faults. Currently, there are no designated Alquist-Priolo Special Studies Zones within the Planning Area, nor are there any known or inferred active faults. Thus, the potential for ground rupture within the Chico area is considered very low. Under existing regulations, structural improvements structures will incorporate California Building Code standards into the design and construction that are designed to minimize potential impacts associated with ground-shaking during an earthquake. The potential for seismically-related ground failure, or landslides is considered **Less Than Significant**.

F.2.-F.4. No aspect of the proposed project will cause a substantial amount of soil erosion or soil instability. No new structural foundations are proposed that would be effected by expansive soils. As a result, potential future impacts relating to geology and soils are considered to be **Less Than Significant**.

F.5. The project is already connected to the City sewer system, resulting in **No Impact** relative to policies governing sewer service control.

MITIGATION: None Required

G. Greenhouse Gas Emissions Will the project or its related activities:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
1. Generate greenhouse gas (GHG) emissions, either directly or indirectly, that may have a significant impact on the environment?			X	

2. Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?

X

DISCUSSION:

G.1.-2. In 2012, the Chico City Council adopted a Climate Action Plan (CAP) which sets forth objectives and actions that will be undertaken to meet the City's GHG emission reduction target of 25 percent below 2005 levels by the year 2020. This target is consistent with the State Global Warming Solutions Act of 2006 (AB 32, Health & Safety Code, Section 38501[a]).

Development and implementation of the CAP are directed by a number of goals, policies and actions in the City's General Plan (SUS-6, SUS-6.1, SUS-6.2, SUS-6.2.1, SUS-6.2.2, SUS-6.2.3, S-1.2 and OS-4.3). Growth and development assumptions used for the CAP are consistent with the level of development anticipated in the General Plan Environmental Impact Report (EIR). The actions in the CAP, in most cases, mirror adopted General Plan policies calling for energy efficiency, water conservation, waste minimization and diversion, reduction of vehicle miles traveled, and preservation of open space and sensitive habitat.

Section 15183.5(b) of Title 14 of the California Code of Regulations states that a GHG Reduction Plan, or a Climate Action Plan, may be used for tiering and streamlining the analysis of GHG emissions in subsequent CEQA project evaluation provided that the CAP does the following:

- A. Quantify greenhouse gas emissions, both existing and projected over a specified time period, resulting from activities within a defined geographic area;
- B. Establish a level, based on substantial evidence, below which the contribution to greenhouse gas emissions from activities covered by the plan would not be cumulatively considerable;
- C. Identify and analyze the greenhouse gas emissions resulting from specific actions or categories of actions anticipated within the geographic area;
- D. Specify measures or a group of measures, including performance standards, that substantial evidence demonstrates, if implemented on a project-by-project basis, would collectively achieve the specified emissions level;
- E. Establish a mechanism to monitor the plan's progress toward achieving the level and to require amendment if the plan is not achieving specified levels; and
- F. Be adopted in a public process following environmental review.

Chico's CAP, in conjunction with the General Plan, meet the criteria listed above. Therefore, to the extent that a development project is consistent with CAP requirements, potential impacts with regard to GHG emissions for that project are considered to be less than significant.

New development and redevelopment must adhere to a number of City policy documents, building code requirements, development standards, design guidelines, and standard practices that collectively further the goals and, in many cases, directly implement specific actions required by the CAP. Below is a list of measures found in the CAP which are applied on a project-by-project basis, and which aid in implementing the CAP:

- Consistency with key General Plan goals, policies, and actions that address sustainability, smart growth principles, multi-modal circulation improvements, and quality community design
- Compliance with California's Title 24 Building Energy Efficiency Standards for Residential and Non-Residential Buildings
- Compliance with the City's tree preservation ordinance
- Incorporation of street trees and landscaping consistent with the City's Municipal Code
- Consistency with the City's Design Guidelines Manual
- Consistency with the State's Water Efficient Landscape Ordinance (AB 1881)
- Compliance with the City's Residential Energy Conservation Ordinance, which requires energy and water efficiency upgrades at the point-of-sale, prior to transfer of ownership (e.g., attic insulation, programmable thermostats, water heater insulation, hot water pipe insulation, etc.)
- Provision of bicycle facilities and infrastructure pursuant to the City's Bicycle Master Plan

- Installation of bicycle and vehicle parking consistent with the City’s Municipal Code
- Coordination with the Butte County Association of Governments to provide high quality transit service and infrastructure, where appropriate
- Consistency with the Butte County Air Quality Management District’s CEQA Handbook
- Adherence to Butte County Air Quality Management District mitigation requirements for construction sites (e.g., dust suppression measures, reducing idling equipment, maintenance of equipment per manufacturer specs, etc.)
- Requirement for new employers of 100+ employees to submit a Transportation Demand Management Plan
- Diversion of fifty percent (50%) of construction waste
- Compliance with the City’s Capital Improvement Plan, which identifies new multi-modal facilities and connections
- Option to incorporate solar arrays in parking areas in lieu of tree shading requirements
- Consistency with the City’s Storm Drainage Master Plan

As part of the City’s land use entitlement and building plan check review processes, development projects in the City are required to include and implement applicable measures identified in the City’s CAP. As the proposed project is consistent with the City’s General Plan, includes development contemplated in the scope of the General Plan Update EIR, and is subject to measures identified in the City-adopted CAP, it is therefore considered to be **Less Than Significant**.

MITIGATION: None Required.

H. Hazards /Hazardous Materials	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Will the project or its related activities:				
1. Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			X	
2. Create a significant hazard to the public or the environment through reasonable foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			X	
3. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?			X	
4. Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?			X	
5. For a project located within the airport land use plan, would the project result in a safety hazard for people residing or working in the Study Area?				X
6. For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the Study Area?				X

H. Hazards /Hazardous Materials	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Will the project or its related activities:				
7. Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
8. Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?			X	

DISCUSSION:

H.1. – H.4, H.6 – H.8. The project site has been in operation as a scrap metal and recycling collection facility since 1964, and conducts all operational aspects (storage, moving, process, etc.) of material on concrete paved surfaces. Council approval of the proposed project would ensure that CSM operations do not include the collection or storage of hazardous materials, including liquids.

The project site is currently listed on the Cortese List (Government Code Section 65962.5) as a result of low level PCBs found on site after an investigation conducted by the California Department of Toxic Substance Control (DTSC). *As a result, DTSC has active oversight of the project site under State regulations. In compliance with DTSC requirements, CSM has submitted a Remedial Investigation and Feasibility Study (RIFS), which is an assessment prescribed by DTSC used to determine whether hazardous substances are present, and, if present, determine the nature of the impacts upon soils, surface water, and groundwater. DTSC provided written approval of the RIFS in correspondence to CSM dated April 12, 2012 (attached). The RIFS concluded that metals and other potentially organic contaminants were at background or insignificant concentrations in the soil samples taken. The groundwater samples were also determined to have no significant contamination. A human-health risk assessment was prepared as part of the RIFS and it concluded there was no significant human health risk from the identified on-site contaminants.

Based on the findings of the RIFS, DTSC subsequently requested the submittal of a Removal Action Workplan (RAW) detailing the evaluation and selection of the most appropriate remedial action. A RAW is defined as "a work plan prepared or approved by DTSC or a California Regional Water Quality Control Board which is developed to carry out a removal action, in an effective manner, that is protective of the public health and safety and the environment" (California HSC 25323.1). Attached is a copy of an April 20, 2015 letter from Lawrence & Associates which contains a summary of the RIFS and remedial actions activities.

In this case, the RAW represents a work plan that will serve to manage soil impacted by shallow sources of low levels of PCBs under at the project site. The focus of the RAW is APN 005-422-017 (the northeastern portion of the property). DTSC will consider the draft RAW and will direct a series of remedial activities, which include containment by capping, activity use limitations (e.g., deed restrictions limiting land uses), and/or removal and off-site disposal of soils.

Approval of the project as defined in the Project Description would authorize CSM to continue operations on-site with modifications to operational standards and installation of site aesthetics and improvements. Project implementation will not prevent CSM's implementation of DTSC requirements discussed above. Rather, by installing improvements proposed in the project, such as employee parking at the northeastern portion of the property, the project would be implementing recommendations found in the draft RAW by capping in place the low level PCBs, and reducing fugitive dust from leaving the site. Because the proposed project will aide implementation of the RAW, the project has a **Less Than Significant Impact** with regards to the releasing of hazardous materials into the environment.

H.5 and H.6. The project site is located over 4 miles south from the Chico Municipal Airport, and not within an airport land use plan or the vicinity of the airport. Therefore there would be **No Impact** on airport land uses or on people residing or working near the airport.

*Please see attached Hazardous Waste and Substances Statement (Attachment 1)

H.8. The project site is located in an urbanized area, not located near an area dominated by wildlands, therefore there is **No Impact** to risk of loss, injury or death involving wildland fires.

MITIGATION: None Required

I. Hydrology/ Water Quality Will the project or its related activities:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
1. Violate any water quality standards or waste discharge requirements?			X	
2. Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g. the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted?)			X	
3. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?			X	
4. Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on-or off-site?			X	
5. Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?			X	
6. Otherwise substantially degrade water quality?			X	
7. Place real property within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X
8. Place within a 100-year flood hazard area structures which would impede or redirect flood flows?				X
9. Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				X
10. Inundation by seiche, tsunami, or mudflow?				X

DISCUSSION:

I.1 and I.6. Existing and future CSM operations are subject to an Industrial Activities Storm Water permit through the Regional Water Quality Control Board (Board). Under this permit (number 5R04102784) a annual report for storm water discharges associated with CSM activities is submitted to the Board. The Board requires Best Management Practices (BMPs) to be implemented to minimize or prevent pollutants from discharging off-site.

As part of the Board’s BMPs requirements, a Storm Water Pollution Prevention Plan (SWPPP) has been developed by CSM, and is annually submitted to the Board. Pursuant to the Board’s authority, CSM is subject to regulatory site inspections and oversight. Since water quality standards and waste discharge requirements are regulated through an existing state permitting process the project would have **Less Than Significant** impacts on water quality.

Further, at time of issuance of building permits for implementation of new construction components of the project, a construction Storm Water Pollution Prevention Plan (SWPPP) will be required and will incorporate water quality control Best Management Practices (BMP’s). Implementing storm water BMP requirements would minimize the impacts from project related construction to a level that is **Less Than Significant**.

I.2. The project will not substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted). California Water Service Company (Cal Water) is the local water provider in the Chico area with the sole source of water for the Chico District, including the project site. Therefore, the proposed project is anticipated to result to a level that is **Less Than Significant**.

I.3. No aspects of the proposed project would substantially alter existing drainage patterns at the site. Adherence to erosion control measures required under the existing SWPP regulations will ensure that no substantial erosion or siltation results from the project. **Less Than Significant**.

I.4 and H.5. Development could result in an increase in surface water runoff due to reduced absorption from the addition of impervious surfaces. However as of July 1, 2015, the City of Chico is responsible for implementation of Low Impact Development (LID) requirements as part of the State Water Resource Control Board’s MS4 General Permit (Water Quality Order No. 2013-0001-DWQ, National Pollution Discharge System General Permit No. CAS000004). With implementation of these existing requirements, the potential impacts from changing drainage patterns and increasing surface runoff would be **Less Than Significant**.

I.7.-I.10. No substantial evidence has been identified to suggest that the long-standing levee system in the City would potentially fail and expose people or structures in the project area to significant risk of loss, injury or death involving flooding as a result of the failure of a levee. Therefore, it is concluded that the project would not expose people or structures to a significant risk of loss, injury or death involving flooding events and potential flooding impacts are considered **No Impact**. The project is not located in a Federal Emergency Management Agency (FEMA) flood zone, and would not be subject to inundation by seiche, tsunami, or mudflow; therefore, the project will result in **No Impact**.

MITIGATION: None Required

J. Land Use and Planning	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Will the project or its related activities:				
1. Result in physically dividing an established community?				X

2. Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the City of Chico General Plan, Title 19 "Land Use and Development Regulations", or any applicable specific plan) adopted for the purpose of avoiding or mitigating an environmental effect?	X
3. Results in a conflict with any applicable Resource Management or Resource Conservation Plan?	X
4. Result in substantial conflict with the established character, aesthetics or functioning of the surrounding community?	X
5. Result in a project that is a part of a larger project involving a series of cumulative actions?	X
6. Result in displacement of people or business activity?	X
7. Conversion of viable prime agricultural land and/or land under agricultural contract to non-agricultural use, or substantial conflicts with existing agricultural operations? (Viable agricultural land is defined as land on Class I or Class II agricultural soils of 5 acres or greater, adjacent on no more than one side to existing urban development.)	X

DISCUSSION:

J.1 - The project site is existing and in an urbanized area and continuation of CSM operations would not physically divide an established community. **No Impact.**

J.2 - The Chapman/Mulberry Neighborhood Plan was subject to the California Environmental Quality Act at its time of adoption, and a Negative Declaration was prepared. Amending the Plan as proposed would not conflict or negate any mitigation measures adopted for the Plan. The Neighborhood Plan and CMC discuss amortization of CSM, by approving the proposed project, the result would be an improved and enhanced compatibility with the surrounding neighborhood which was the intent of the amortization noted in the Neighborhood Plan and CMC. Therefore, the impact is **Less Than Significant.**

J.3 -There are no resource management or resource conservation plans for the area. Therefore there would be **No Impact.**

J.4 - The subject site has been in operation, in some capacity, as a scrap metal and recycling collection facility since 1964, with the community developing around the use since that time. The project includes aesthetics enhancements which would visually enhance and improve the overall look of the facility. The improvement would improve the aesthetic character of the site, but the impact on the surrounding community would not change. Therefore, **Less Than Significant Impact.**

J.5 - The project includes all necessary discretionary entitlements, and does not involve a series of cumulative actions. **No impact.**

J.6 - No people or businesses would be displaced by the project, therefore, this impact is considered to have **No Impact.**

J.7 - The subject site is not located on prime agricultural soils as identified by the California Dept. of Conservation's Farmland Mapping and Monitoring Program, which maps the site as "Urban and Built-up Land." Therefore, the project will not affect farmlands and there would be **No impact**.

MITIGATION: None Required.

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

DISCUSSION:

K.1.-2. The project would not result in the loss of availability of a known mineral resource or mineral resource recovery site. Mineral resources are not associated with the project or located on the project site. **No Impact.**

MITIGATION: None Required.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
L. Noise				
Will the project or its related activities result in:				
1. Exposure of persons to or generation of noise levels in excess of standards established in the Chico 2030 General Plan or noise ordinance.			X	
2. Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?			X	
3. Exposure of sensitive receptors (residential, parks, hospitals, schools) to exterior noise levels (CNEL) of 65 dBA or higher?			X	
4. A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?			X	
5. A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?			X	
6. For a project located within the airport land use plan, would the project expose people residing or working in the Study Area to excessive noise levels?				X

7. For a project within the vicinity of a private airstrip, would the project expose people residing or working in the Study Area to excessive noise levels?	X
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DISCUSSION:

L.1- L.4. Providing for the continuation of the existing use would not result in any new noise impacts beyond those associated with current operations. The proposed project would ensure that noise levels associated with onsite activity operate within specific operational hours, and require equipment, such as the bailer, to be kept in good working order. Aspects of the proposal contain improvements that would itself decrease noise associated with the project (e.g., higher fences along street frontages, increased landscaping widths and new parking areas against vacant residential lots). Noise levels associated with the project site would result in noise exposure levels that are equal to the existing uses and are therefore considered **Less Than Significant**.

L.5. Temporary noise events will be generated during the improvement, or construction phase, however these impacts are considered to be less than significant because they are short term, and project contractors will be required to comply with the City’s existing noise regulations which limit the hours of construction and maximum noise levels. Therefore the impact is considered to be **Less Than Significant**.

L.6. The project site is located approximately four miles from the nearest runway at the Chico Municipal Airport, which is not close enough to be subject to significant aircraft noise levels. **No Impact** on noise exposure levels due to proximity to a public airstrip.

L.7. The project site is not located within vicinity of a private airstrip, therefore noise exposure levels from aircraft would be **Less Than Significant**.

MITIGATION: None Required

M. Open Space/ Recreation	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Will the project or its related activities:				
1. Affect lands preserved under an open space contract or easement?				X
2. Affect an existing or potential community recreation area?				X
3. Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
4. Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X

DISCUSSION:

M.1.-4. The project site is private property that is not in an open space contract, nor does it contain an open space easement, or affect potential community recreation areas. The project does not involve the creation of additional residential structures nor increase users of these facilities. Therefore, with respect to open space and potential community recreation areas, the proposed project would have **No Impact**.

MITIGATION: None Required.

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

DISCUSSION:

N.1.-N.3. The proposed project would not induce substantial population growth, nor would it displace people or housing as it does not contain new residential structures or the removal of existing homes. Project impacts to population/housing are therefore considered to have **No Impact**.

MITIGATION: None Required.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
O. Public Services				
Will the project or its related activities have an effect upon or result in a need for altered governmental services in any of the following areas:				
1. Fire protection?				X
2. Police protection?				X
3. Schools?				X
4. Parks and recreation facilities? (See Section J Open Space/Recreation)				X
5. Other government services?				X

DISCUSSION:

O.1.-5. The project site is currently being served by City services including police, fire and sewer as well as water services from Cal Water. The project does not involve the creation of residential structures therefore there would be no need for park and recreation facilities nor would it impact schools. **No Impact**.

MITIGATION: None Required.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
P. Transportation/Circulation				
Will the project or its related activities:				
1. Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?				X
2. Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?				X
3. Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				X
4. Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				X
5. Result in inadequate emergency access?				X
6. Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?				X

DISCUSSION:

P.1-P.6. No aspect of the proposed project has been identified to be in conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, nor will the project conflict with an applicable congestion management program or adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities or safety of such facilities. The project does not contain new streets, or require additional emergency access. The site is not located in an Airport Overlay zone and would not affect air traffic patterns. **No Impact.**

MITIGATION: None Required.

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Q. Utilities				
Will the project or its related activities have an effect upon or result in a need for new systems or substantial alterations to the following utilities:				
1. Water for domestic use and fire protection?				X
2. Natural gas, electricity, telephone, or other communications?				X
3. Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				X

Q. Utilities	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Will the project or its related activities have an effect upon or result in a need for new systems or substantial alterations to the following utilities:				
4. Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
5. Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
6. Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?				X
7. Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				X
8. Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				X
9. Comply with federal, state, and local statutes and regulations related to solid waste?				X

DISCUSSION:

Q.1.-Q.9. All necessary utilities (water, storm drain, sewer, gas, phone or other communications, and electric facilities) are servicing the site therefore no extension, construction or additional services are required. **No Impact.**

MITIGATION: None Required.

V. MANDATORY FINDINGS OF SIGNIFICANCE

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
A. The project has the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory.			X	

B. The project has possible environmental effects which are individually limited but cumulatively considerable. (Cumulatively considerable means that the incremental effects of an individual project are considerable when viewed in connection with the effects of past, current and probable future projects).	X
C. The environmental effects of a project will cause substantial adverse effects on human beings, either directly or indirectly.	X

DISCUSSION:

A-C: The project does not have the potential to significantly degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory. Based on the preceding environmental analysis, the application of existing regulations and incorporation of identified mitigation measures will ensure that all potentially significant environmental impacts associated with the project, including those related to air quality, biological resources, and cultural resources would be minimized or avoided, and the project will not result in direct or indirect adverse effects on human beings or the environment, nor result in significant cumulative impacts. Therefore, with the incorporation of the identified mitigation measures, the project will result in a **Less Than Significant** impact.

VI. REFERENCES

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Lawrence & Associates, Summary of Recent Investigation and Remedial Action Activities (RIFS), 878 East 20th Street, Chico, CA, Letter Dated April 20, 2015

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HAZARDOUS WASTE AND SUBSTANCES STATEMENT
Chico Scrap Metal - City Files AR 15-17, RZ 15-06, and DA 15-01

This proposed development project is included on a list compiled pursuant to Section 65962.5 of the Government Code.

Name of applicant: Kim Scott/Chico Scrap Metal

Address: 2608 Fair Street, Chico, Calif., 95928

Phone number: (530) 513-7185

Address of site: 878 East 20th Street, Chico, Calif., 95928

Local agency: City of Chico

Assessor's book, page, and parcel number: 005-450-014, 005-450-030, 005-422-009, 005-422-013, and 005-422-017

Specify any list pursuant to Section 65962.5 of the Government Code: "Cortese" List

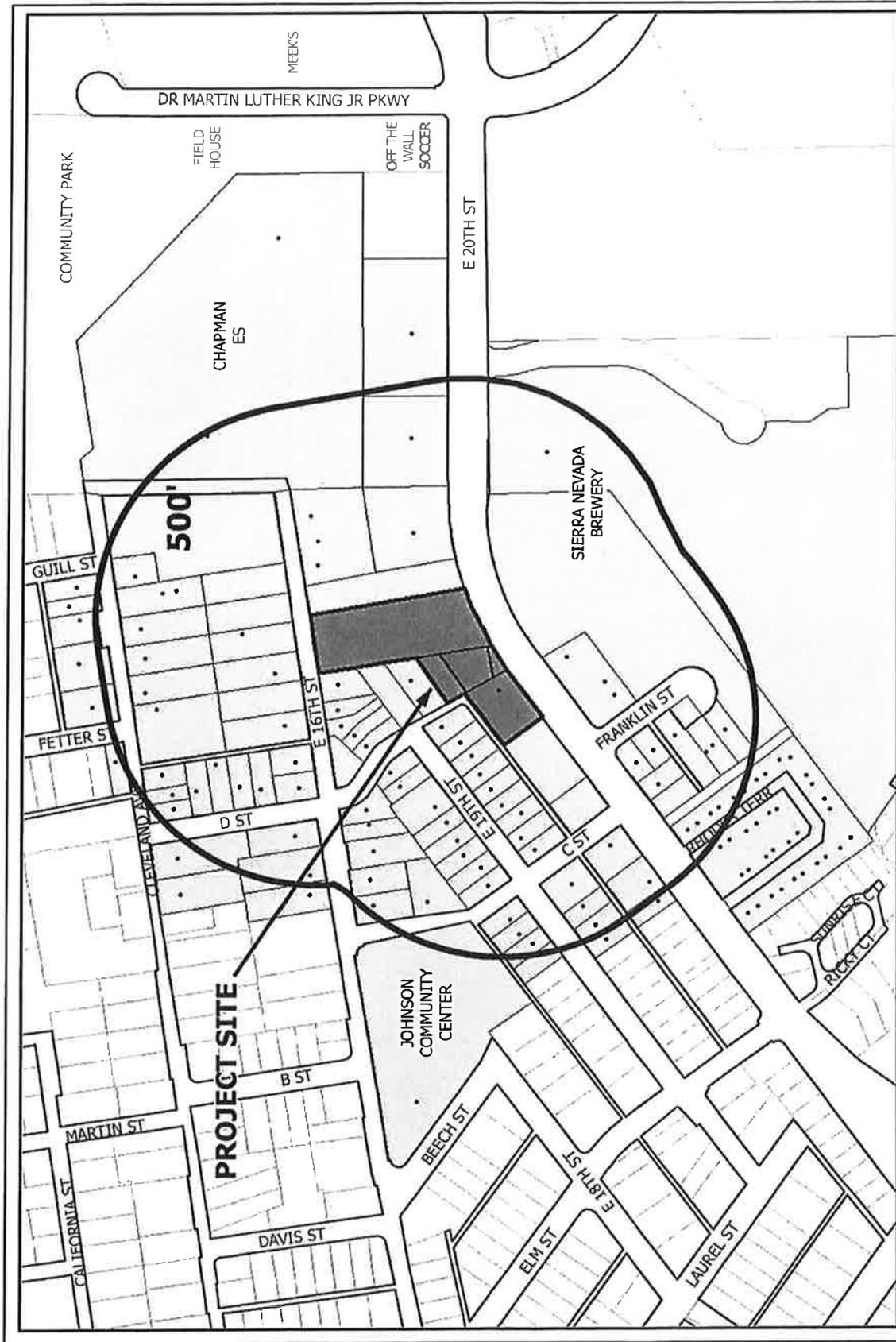
Regulatory identification number: 60000800

Date of list: As of August 2, 2016

Applicant Signature: 

Date: AUG 2 2016

ATTACHMENT 1
TO Negative Declaration



- Mailing List Properties
- Mailing List Addresses

DA 15-01, Rezone/Neighborhood Plan Amendment 15-06 and AR 15-17 (Chico Scrap Metal)
 878 E 20th Street
 APNs 005-450-(014/030)-000 and 005-422-(009/013/017)-000

Jake Morley

From: Ann Seymour <aseymour95928@gmail.com>
Sent: Friday, January 29, 2016 1:06 PM
To: Jake Morley
Subject: Scrapyard

Dear Mr. Morley,

I stopped into the planning department this morning to talk to you about the proposed zoning changes for the scrapyard on 20th St.

It looks like a good solution to me. A local business is kept and environmental concerns are addressed.

We have lived less than 250 yards from the scrapyard for over 20 years and have no problem with it staying where it is.

We are more aware of the presence of Sierra Nevada Brewery. Luckily we like the smell of brewing beer.

Sincerely, Ann Seymour

Jake Morley

From: Adela Jacobson <adelajacobson@icloud.com>
Sent: Tuesday, February 02, 2016 5:32 AM
To: Jake Morley
Cc: chic Scrap07@yahoo.com
Subject: Chico Scrap metal

Dear Me. Morley,

This letter is being sent to you to request support for keeping Chico Scrap Metal in its current location. This business is a part of the community, is family owned and run and has done everything necessary to remain in good standing with city and county regulations.

As a taxpayer, California resident and concerned citizen, I support family owned and operated small business and ask that you give this business the opportunity to remain in its current location.

Many thanks,
Adela Jacobson,
Concerned Citizen

Sent from my iPhone

Jake Morley

From: kktilton50@gmail.com
Sent: Wednesday, February 03, 2016 11:34 PM
To: Jake Morley
Cc: chicoscrap07@yahoo.com
Subject: Re: Recycling at 20th St in Chico

To whom it may concern:

Please allow CSM (Chico Scrap Metal) to continue having their 20th Street location open and operating for business. This location is perfect for convenience for my recycling efforts and others in the community. I do notice it helps out so many in the near by neighborhood who are on foot or bicycle who recycle there daily. I notice these customers every time I'm there recycling. Everyone I know in Chico goes to this location and has been since the late 90's when they opened and were the ONLY recycling in town. I also know people who travel from out of town to patronize this location by recycling at 20th Street too.

We all appreciate your considerations and understanding in keeping Chico Green and helping CSM continue business in its presents location. I thank you, Chico citizens and customers near and far thank you!

Sincerely,
Katherine Tilton

Sent from my iPhone

Bob's Plumbing Co.
1116 Orchard Way
Chico, CA 95928
530 892-1231



February 6, 2016

Mr. Jake Morley
Associate Planner
City of Chico
411 Main Street - 2nd Floor
PO Box 3420
Chico, CA 95927

Dear Mr. Morley,

I am a second generation plumber and moved to Chico in 1970 with my family. My Dad started Bob's Plumbing at that time and I became his partner in 1983. Through all those years we have experienced the growth of Chico and surrounding businesses. We have used the services of then Scotty's Auto Dismantlers and Chico Scrap Metals for over 46 years.

Their business is a necessity to environmental safekeeping and their location in Chico no doubt helps keep our city and surrounding areas cleaner by providing a convenient location to dispose of metal items and recyclables. There is no doubt in my mind that the number of discarded items along or creeks and roadways would rise dramatically if the ability to recycle it for a few dollars disappears locally.

Please work with the Scott family to help keep a valuable resource here in Chico. Their efforts to be responsible with the materials they handle are commendable and should be supported. Thank you very much for your support!

Warm regards,

Bob Francis

Bob's Plumbing Co.



Jake Morley

From: chicoscrap07@yahoo.com
Sent: Monday, February 08, 2016 9:35 AM
To: Jake Morley
Subject: Fw: Support of Chico Scrap Metal

Morning Jake, forwarding customer email

----- Forwarded Message -----

From: Aden Cullens <aden@plumbingmail.com>
To: chicoscrap07@yahoo.com
Sent: Monday, February 8, 2016 9:14 AM
Subject: Support of Chico Scrap Metal

To whom it may concern,

My name is Aden Cullens and I am the President/CEO for PlumbingSupply Group, LLC which is located just east of Chico Scrap Metal on 20th street. I was also born and raised in Chico and have many memories tied to Chico Scrap Metal.

Business wise, Chico Scrap is located just up the street from us. This is very convenient as our business collects a fair amount of recyclable material through the course of our business. Having Chico Scrap so close makes it very easy to recycle the different types of metal we collect. Even if we were not next door to Chico Scrap, their central location in Chico makes it easy for anyone to bring their traditional recyclable items as well as hard to discard large metal items.

As I said, I was born and raised here in Chico. I was also introduced to the Silver Dollar Speedway and the very active automotive culture here in Chico at an early age. In my youth, Chico Scrap was a central component to my introduction into the local automotive culture. My father built race cars and I remember trips to Chico Scrap when it was time to get rid of all the unused parts of the car. I remember watching Shane Scott at Silver Dollar Speedway when I was a child and thought it was so cool that his family owned a scrap yard. I went to high school with members of the Scott family and years later have established a nice business relationship with our 20th street neighbors.

I fully support Chico Scrap Metal in the recycling capabilities and services it offers our community. I also support its historic and central location here in Chico. Furthermore, I support Chico Scrap for being an integral part of our local automotive community and the racing activities at Silver Dollar Speedway.

Without Chico Scrap, our town would definitely lose a great resource

Jake Morley

From: alfred coppa <bornagain96022@yahoo.com>
Sent: Monday, February 08, 2016 1:18 PM
To: Jake Morley
Subject: Chico scrap metal on 20th street

Mr. Jake Morley
Associate Planner
City of Chico

For several years now I have been going to the Chico Scrap Metal yard on 20th Street. The location is centrally located making it very easy to get to and very easy to exit from. The layout of the exits and entrance make it a very safe place to do business in a very busy town. Just in the last week I have visited the yard twice looking for scrap aluminum to use in the construction of a vertical wind turbine that I am thinking about building. The scrap metal yard performs a necessary function in a growing community made up of people who are forward thinking on the future direction of the town of Chico. It is a good and necessary thing that this yard exists and is located where it is and that it continues to function in the capacity that it does.

Yours Truly, Al Coppa

Gerald Joiner
1186 Harper Valley Lane
Chico, CA 95928

February 9, 2016

To Whom It May Concern

RE: Chico Scrap Metal, Inc.

This letter addresses the need for Chico Scrap Metal to remain at its current location.

As a former business owner located on the south end of town, I repeatedly utilized Chico Scrap Metal from 1973 to 1980, for the disposal of scrap materials generated from the manufacturing of farm equipment. From 1981 to 1992, we moved our operation to the Chico Municipal Airport Complex and continued using Chico Scrap Metal for our disposals.

Since 1996, Chico Scrap Metal has hired high school welding students from the Butte County ROP Career Vocational Education programs. Also, Chico Scrap Metal continues to donate and recycle scrap metals to and from high school welding classes.

Chico Scrap Metal provides a convenient location and service to many residents and local businesses for unwanted materials to be recycled.

Sincerely,

Gerald (Jerry) Joiner
Retired Business Owner and Educator
g.joiner@sbcglobal.net

**NOTICE FOR PRE-APPLICATION
NEIGHBORHOOD MEETING**

September 14, 2015

A pre-application meeting will be held on **Friday September 25th, 2015, at 5:30 p.m.** at **Eagles' Hall at 1940 Mulberry Street, in Chico, CA** regarding the following request:

Chico Scrap Metal:

A proposal to install a new fence and landscaping along both East 20th and 16th Streets of the project frontage, while also proposing a façade remodel to the existing structures. The project involves other site improvements such as landscaping and parking improvements. The proposal is in connection with a request to remove the current amortization requirement in Chico Municipal Code and therefore to allow Chico Scrap Metal to continue operating as a scrap metal collection site located at 878 E. 20th, St. in Chico, CA. APN's: 005-450-014, 005-450-030, 005-422-009, 005-422-013, and 005-422-017.

This meeting is intended to provide an opportunity for neighbors to meet with the project applicants, to review and comment on the proposed application in advance of any formal hearing. No decision will be made at this meeting. A City staff member will be present to answer questions about the development process.

For further information regarding this project, please contact the applicant's representative:

Steven Gibson
PO Box 2306
Paradise, CA 95967
(530) 872-3427
sgib@jps.net

For further information regarding Chico's development process and regulations, please contact:

City of Chico Planning Services Department
Attn: Jake Morley
411 Main Street
P.O. Box 3420
Chico, CA 95927
(530) 879-6810
jake.morley@chicoca.gov

Distribution: Property owners/residents within 500 feet of project site, mailed 10 days before meeting. City of Chico Planning Services Department

Attendees list - 9/25/15 Eagles Hall 5:30 pm

<u>Name</u>	<u>Address</u>
Karl Ory	Chico
Ed Caldwell	Chico
Larry Wahl	Chico
Dan Everhart	Chapmantown
Woody Elliott	287 Pignon Hills, Chico, Ca 95928
Mike Lash	2242 Park Ave, Chico
Alfap Villaflos	Chico, Ca
Mark Stemen	Chico, Ca
Pat White	E. 19 th St, Chico, Ca
Marvin White	3247 Burdick Rt, Chico, Ca 95928
Chris Nelson	Chico, Ca 95928
Therese Cannata	
Moe Whitehead	1239 Bruce St
Sandree Sidney	953 Cleveland Ave, 95928-6212
Patrick Kelly	900 E. 19 th Street
Ashiah Scharager	400 E. Park Ave, Chico Chico E-R
Jon Luvaas	1980 Wild Oak Lane, Chico
Mark Collins	796 E. 20 th St, Chico, Ca 95928
Victoria Birdseye	818 W. 5 th St #5
Ken Smith	417 W. 1 st Ave
Adrienne Edwards	877 E. 16 th St
Chris Ivey	877 E. 16 th St.

CSM Community Meeting

9/25/15

NAME

ADDR Etc

Karl Ory	CHICO
Ed Caldwell	CHICO
HARRY WAHL	CHICO
* DAN EVERHART	CHAPMAN TOWN
Woody Elliott	287 Pinyon Hills 95928
MIKE OLSON	2242 PARK AVE CHICO
Alfaj. Villafior	CHICO, CA
M. Anne Steiner	CHICO, CA
tot White	825 E 19 th St Chico CA
Marvin White	3247 BORDICK RT CHICO, CA 95928
Chris Nelson	CHICO, CA 95928
Theresa Cannata	
MoE Whitehead	1239 Bruce ST

CSM Community Meeting

NAME

Samuel Sidney
Patrick Kelly
Ashiah Scharaga
Janey Lyueas
Mark Collins

ADDRESS

953 Cleveland Ave 95928-6214
900 East 19th Street
400 E Park Ave, Chico Chico ER
1986 Wild Oak Lane Chico
796 E 20th St Chico Ca 95928

CCM Community Meeting

<u>NAME</u>	<u>ADDRESS</u>
Victoria Birdseye	818 west 5th street #5
Ken Smith	417 W. 6th Ave.
Adrienne Edwards	877 E. 16th St.
Chris Ivey	877 E. 16th St.

NEIGHBORHOOD MEETING SUMMARY

The neighborhood meeting was held as announced on September 25th, 2015, at 5:30PM at the Eagles Lodge located at, Chico, California. The sign-in sheet indicates that 22 people attended the meeting in addition to the applicant and her representatives. A copy of the notice and the sign-in sheet has been provided to the City of Chico. Chico Scrap Metal was represented by:

Kim Scott	Project applicant, Chico Scrap Metal
Steven Gibson	Consultant, Gibson and Associates
Bryan Gartner	Principle Geologist, Lawrence and Associates
Dr. Bart Simmons	Environmental Chemist and Independent Consultant
Therese Cannata	Environmental and Regulatory Law Attorney, Cannata/O'Toole/Almazon/Fickes

The City of Chico was represented by:

Jake Morley,	Associate Planner, Planning Services Department
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Kim Scott facilitated the meeting. After introductions were made she opened the meeting with a brief description of the proposed changes to the site. Following this she welcomed everyone to take a look at the poster board with site plans and opened up questions to the audience

The meeting veered to issues off the subject of the site improvements when attendee Adrienne Edwards expressed concerns about dust coming from the site. At this time many of the actual neighbors of CSM expressed that CSM had been good neighbors and that they didn't have any big concerns from CSM being there. One of them, Pat Kelly, stated that had been there the longest (since 1982) and that he had not experienced any health problems even though his fence borders theirs. He also expressed that he appreciated that the noise levels were kept down, the dust wasn't an issue, and that the operation hours didn't start until 8:00AM and were done by 4:00PM. He also stated that he had more problems with the density and the noise generated from the Habitat homes than he did with CSM.

Dan Everhart stated that he had no desire for CSM to leave, but he wanted to know if they could help with problems of his trash can being gone through by transients. Others chimed in that this is a problem throughout the City. Kim stated that she would look into an offsite collection as another way of addressing the problem and would come to Mr. Everhart's home to look first hand at the issue with him.

Mark Collins spoke to concerns of strip mall replacing CSM and that he had heard that this was the part of the City plan. He stated that he would rather have CSM than a strip mall.

Moe Whitehead stated that he had been in a similar situation when asked to move his commercial property, but wanted the group to understand how difficult moving a business is without help from the City.

Most major concerns were not about the design and centered around two issues; 1) environmental issues that could cause harm to neighbors of the site, and 2) legal concerns related to the original amortization not being followed by the City.

Karl Ory spoke primarily to the City responsibility to maintain the amortization and to assist the move for CSM. He also stated to Ms. Scott that he could help them to move from the current site.

Jon Luvaas

Adrienne Edwards spoke to environmental concerns, in particular dust carrying harmful elements from the site. She also spoke to concerns that the scrap metal could cause a fire.

Woody Elliott also spoke to his concerns of contaminated dust leaving the site.

All of the questions were addressed by Ms. Scott. Environmental questions were further addressed by the geologist and the chemist, both confirming that there were no dangers to the neighbors of the site. They cited studies, including a health risk assessment that had been performed on the site. They also helped the audience to understand the technical issues of the reports, as some of this was being misinterpreted. An example of this was what "background" meant in terms of values of substance that might be found. Another example was to explain that averaging wasn't being done to hide a high level of contaminant.

City concerns were addressed by Jake Morley who reminded the audience of the actual proposal from CSM and that the primary reason for the Neighborhood Meeting was to solicit information from the neighbors of the project and that no decisions would be made at that time.

The project applicant, Kim Scott, has also walked around the neighborhood to solicit feedback. She reports that the feedback had been positive. One neighbor did speak to additional lighting that would provide some light to an adjacent alleyway, and she has added that to her proposed site plan.

Grace M. Marvin
1621 N. Cherry St.
Chico, CA 95926

August 22, 2016

Mr. Mark Wolfe
City of Chico
Community Development Department
Chico, CA

Dear Mr, Wolfe:

Please know that we continue to object to any changes to the Chapman Neighborhood Plan that would enable Chico Scrap Metal to stay where it is located now, that is, near schools and neighborhoods where the health of children (and adults) is endangered by toxic dust and dirt. CSM should not be granted a Development Agreement.

It is in the best interest of all concerned parties that the recycling operation be moved to a safer location. We should support the democratic processes of citizens who formed the Chapman Neighborhood Plan. Moreover, Habitat for Humanity (*as in the 5/29/2016 letter to the the Mayor by Jim Linhart, president of Habitat's board*) built houses on East 16th and 19th streets only with the understanding that this Plan would be recognized by the City of Chico, thus calling for the removal of Chico Scrap Metal's operation at the current site.

Please include this comment in City records. Thank you.

Sincerely,
Grace M. Marvin, Ph.D.
Julian C. Zener, MD

From: vicmakau@yahoo.com [mailto:vicmakau@yahoo.com]

Sent: Saturday, August 06, 2016 11:12 AM

To: Mark Wolfe; Melissa Daugherty; Letters Dept

Subject: Chico Scrap Metal - current issues

August 6, 2016

To: Chico Planning Commission

Subject: Chico Scrap Metal - rezone, etc

For 26 years I have owned the property and building at 994 E. 20th Street which is one lot over from Chico Scrap Metal.

I am in support of Chico Scrap Metal staying at its current location provided they improve the appearance of their property, and have their air quality monitored every few years.

As a longtime neighbor of the scrap metal yard I have experienced how they have improved their practices within the last 15 or more years. One example is that in the 1990's they used to have a very heavy machine that crushed cars. Every time they used that machine all of us neighbors would feel the ground shake. Sometimes I would see dust flying over their fence. That was many years ago.

The ground shaking and dust flying hasn't happened for many years and I haven't had any issues with them for at least 15 years. For the most part I am happy having them as neighbors.

As a strong environmentalist I feel it is VERY important that Chico have a scrap yard near the center of town that is convenient and centrally located. **Scrap metal yards are needed if we wish to have our citizens recycle.** If people have to drive/commute long distances to drop off old water heaters, used batteries, old appliances, stoves and refrigerators then they are forced to expend and waste more fuel/energy to drive there. Also, unwanted couches and appliances could be left abandoned in the streets as we see every May when students move from student neighborhoods.

It has been argued that the property purchased by Habitat for Humanity, which is next door to Chico Scrap Metal, is incompatible with the yard. The question ought to be "who was there first?" At the time, I thought

Attachment Q

it was a crazy idea for Habitat for Humanity to buy it, and it isn't fair that this argument of incompatibility is now also being used to move the yard. 20th Street is a very busy street and I hope that the city will not encourage nor allow more housing where Chico Scrap Metal is located.

Many years ago the City of Chico was eager to help Chico Scrap Metal move, including giving them money to help relocate. As I understand it their current location already had pollutants on it before they moved there and it was near a school. **Today I have not seen any written evidence where they are harming our children in any way at Chapman Elementary School.**

In conclusion:

Recycling yards are MUCH needed to help our environment and I am thrilled that the Chico Scrap Metal is located where it is as it is helping our environment. IF I see conclusive written evidence that lead or any other contaminants are being blown over their fence by the "yard" I most certainly will change my opinion.

We purchased the property on 20th in 1990, and for 15 years the scrap metal yard has been a good neighbor that has never caused any issues for us. Since I feel they are a major asset to the city of Chico, I am for them continuing to do business in their current location .

Sincerely,

Vic Makau

owner of 994 E. 20th Street, Chico, CA 95928

mailing address:

41 Edgewater Ct, Chico, CA 95928

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c.c. Chico News & Review, Chico Enterprise Record

From: ecurtis172 [<mailto:ecurtis172@gmail.com>]

Sent: Wednesday, August 10, 2016 4:36 PM

To: Mark Wolfe

Cc: movethejunkyard@gmail.com

Subject: Junkyard location

Hello,

I am writing to you today as a concerned citizen of Chico regarding the location of the junkyard in Chapmantown. I was disappointed to hear the decision was made to leave the yard of junk in its current location rather than honor the already agreed upon decision to move it.

It's close proximity to areas intended for use by children such as the Elementary school and public park are of the deepest concern. Having a junkyard so near these facilities indicates to the community a lack of caring and clearly does not further the goal of uplifting Chapmantown and it's reputation. Additionally, if it is proposed that the yard stay, a thorough study must be done to determine exactly what toxins are being released and in what amounts. Failure to do so would be negligent and could result in unknown dangers to the children of our community.

I hope you take these remarks into consideration as you determine whether the junkyard should remain in its location permanently.

Thank you,
Elizabeth Slimmer

From: Aram [<mailto:jparam@gmail.com>]
Sent: Sunday, August 21, 2016 8:35 PM
To: Mark Wolfe
Subject: Chico Scrap Metal

Dear Mr. Wolfe,

My wife and I reside in Chico of the northwest side of town (26 River Wood Loop). Although we don't live near 20th St. or Chapmantown, we do drive past Chico Scrap Metal frequently. I'm writing to you out of continued concern regarding deliberations and decisions of the Planning Commission and the City Council *vis-à-vis* the scrap yard's future. Please consider my comments in advance of granting CSM a development agreement (per the Environmental Review).

I have three primary concerns to express:

- 1. Environmental:** Continued industrial use--especially considering existing land and air contamination at the CSM site--is blatantly incongruous with redevelopment efforts of the Chapman/Mulberry neighborhoods and 20th Street corridor. To ignore this fact is to stick our heads in the sand and invite Chico's own little Love Canal or Flint, Michigan scenario.
- 2. Legal:** To provide permanent non-conforming or conditional land use adjacent to the Chapman neighborhoods and schools--for only one of several businesses that faced amortization over the past decade--is an affront to due process. It makes a mockery of our democratic process. CSM has been given ample time to comply with the amortization order after the City adopted the Chapman/Mulberry Neighborhood Plan and re-zoned the area. The politically oriented stall tactics employed by CSM's owners are both frustrating and disturbing.
- 3. Urban Blight:** The scrap yard sits directly across the street from Sierra Nevada, a Chico treasure. If recent history is any guide, any cosmetic mitigation the owners of CSM might attempt will not bring the business' appearance up to the standard we should expect. Our own citizens, and especially visitors to Chico, should not have to suffer the CSM eyesore any longer. It is an embarrassment to all that drive past the site.

I appreciate your time and consideration.

Sincerely,
James Aram
530-588-3864

RECEIVED

AUG 22 2016

CITY OF CHICO
BUILDING DIVISION

August 21, 2016

City Council Members,

Please do what is right for the Chapman Community and especially those in the Habitat homes closest to Chico Scrap Metal. Allow 20th Street to flourish. Here are my EIR comments regarding CSM-

Regarding Zoning and Planning- The 2004 Chapman/Mulberry Neighborhood Plan and 2011 General Plan call for *"Mixed Use Neighborhood Core"* (MUNC) development on the CSM site and beyond: "This designation accommodates a mix of neighborhood serving business, office, and residential uses. Allowable uses include retail shops, small-scale financial, business, personal services, and small-scale restaurants. Residential uses are allowed above ground-floor services in the medium and medium high density range. A combination of two or more use types is required, integrated horizontally or vertically. This designation is applied to areas generally between 2 and 10 acres in size."

General Plan land use Goal LU-3 is to *"Enhance existing neighborhoods"* by promoting "strategically located neighborhood serving centers with commercial, employment or entertainment uses ... within walking distance of surrounding residents... served by transit, {and} neighborhood center designations....", like MUNC. As designated, this neighborhood and site are a prime example of this need and potential.

GP policy LU-4.3 also requires the City to *"Encourage infill development that provides missing neighborhood elements, such as neighborhood retail, enhanced architectural quality, and circulation improvements for pedestrians, bicycles, and vehicles, or that otherwise contributes positively to existing neighborhoods."*

GP Goal CD-5 says: *"Support infill and redevelopment compatible with the surrounding neighborhood."*

In the context of 20th Street, Goal CD-6 says to *"Enhance gateways ... for an improved sense of arrival and direction for residents and visitors throughout Chico."* Sierra Nevada started that trend and the requirements for this site are intended to enhance it much further.

Its land Use policy 5 on page 9 requires: *"The City shall work with the County to facilitate the relocation of the Chico Scrap Metal yard to an industrially zoned location that does not have conflicts with residentially zoned and used lands."*

In Regards to Toxics-

Howard Hardee, CNR (4/23/15):

Back in 2007, a study by California's Department of Toxic Substances Control (DTSC) revealed contamination in the form of chromium, lead and zinc, as well as polychlorinated biphenyl (PCB) at the site, which sits close to Chapman Elementary School. In 2008, Butte County District Attorney

Mike Ramsey filed charges against the owners, George Scott Sr. and his adult children, for failing to comply with DTSC's order to clean up their facility. The Scotts were subsequently fined \$700,000 in Butte County Superior Court—**\$500,000 of which was to be used for cleanup. But appeals dragged on for years, and were eventually dismissed by the Ninth Circuit Court of Appeals on Jan. 17.**

CSM has a history of environmental violations dating to 2007, when *subsampling of soils at specific locations on the property by the State and two independent consulting firms revealed potentially hazardous levels of arsenic, cadmium, chromium, lead, PCBs and THP motor oils, far in excess of acceptable soil limits for residential neighborhoods* (see summary Figure 9). Sampled and tested soil from the “northern stockpile”, the “work product pile”, and soils adjacent to 20th Street sidewalks and driveways was removed to Buttonwillow Class 1 Landfill as part of the cleanup process.

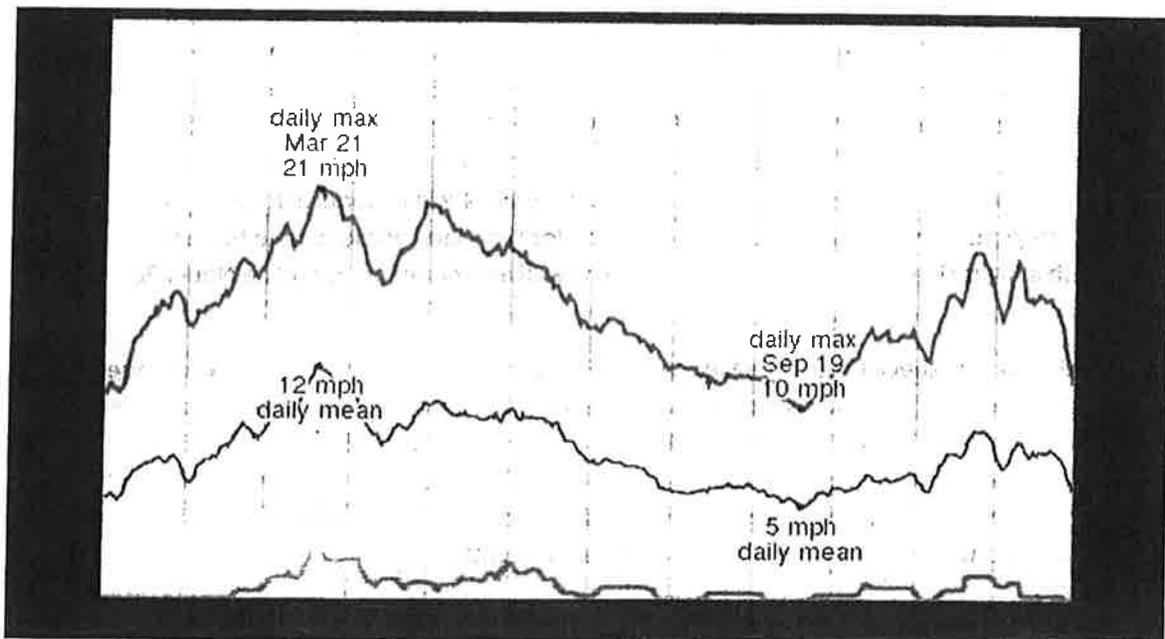
Chico Scrap Metal Environmental Study, CSUC Environment IV March 2015 findings:

High variability in hazardous compounds was apparent from the soil sampling results, and sampling was likely insufficient to adequately describe the distribution of hazards in the soil. **The scrap metal sorting and storage area was not sampled, nor were any locations along the eastern or western property boundaries** (ie, those boundaries not bordered by E. 20th or E. 16th streets).

(The public has never seen - All records regarding the abatement decision.

- All records regarding the earlier extension of the abatement order.)

Apparently high levels of one or more hazardous substances may have been sampled in runoff or at the storm drain that serves the property along E. 20th Street as well, (but that information was not available for this report.) The USEPA investigated CSM and found that **the storm water systems at the E. 20th Street site did not comply with regulations**. The Water Quality Board notified Chico Scrap Metal that they were in violation of the permit that allowed them to operate while cleaning up site. **Neither state nor federal officials appear to have followed up with enforcement proceedings.**

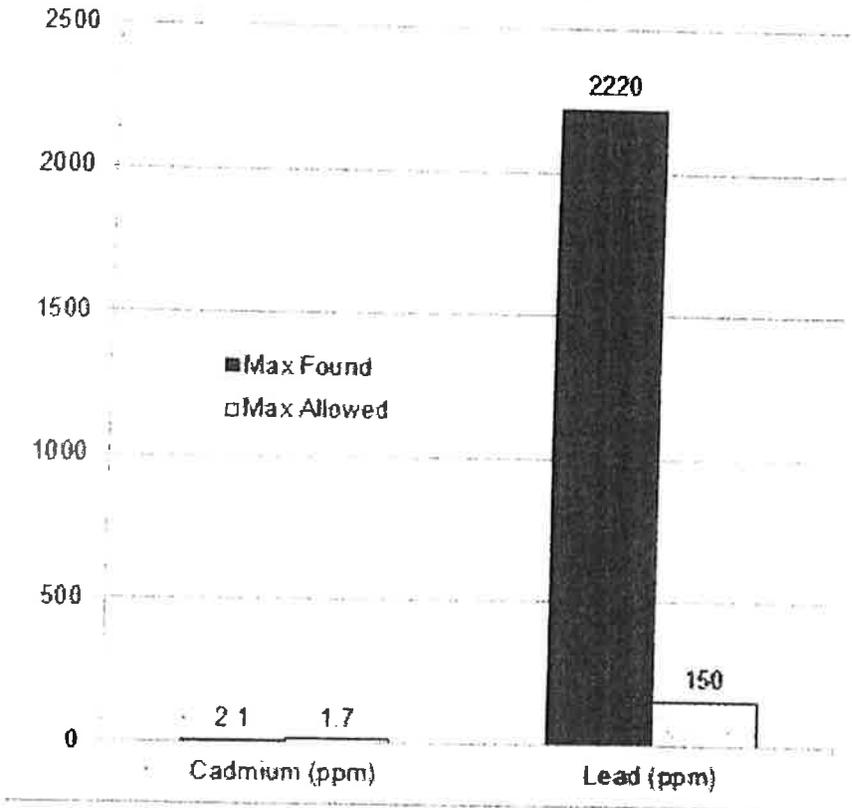


Average wind speed throughout the year in Chico, CA (WeatherSpark Beta, 2014). Wind speeds in excess of 13-18 mph can cause significant air borne transport of soil particles from bare ground.

The following concentrations found by Butte County and the DTSC on May 15, 2007, at the CSM E. 20th Street site exceeded the California residential limits for hazardous materials in soil; (Table 2):

- Total PCB concentrations were recorded between 1.41 ppm and 40.9 ppm, with the exception of a sample taken from the northern soil stockpile, measuring 57.0 ppm;
- USEPA and CHHSL residential limits for PCBs are 0.22 ppm and 0.089 ppm, respectively.
- Total cadmium ranged between 1.4 and 5.9 ppm, and soluble cadmium was found in concentrations of 1.9 mg/L to 2.1 mg/L;
- USEPA and CHHSL residential limits for total cadmium are 70 ppm and 1.7 ppm, respectively.
- Total lead concentrations were reported up to 2,200 ppm and soluble lead was reported between 12 mg/L and 27 mg/L.
- USEPA and CHHSL residential limits for total lead are 400 ppm and 80 ppm, respectively.

Substances Exceeding CA Residential Limits-DTSC-Northern Stockpile



Soil from "Northern Stockpile", "Work Product Pile", and sidewalk/driveway sweepings where high levels of contaminants were found was removed to a Class 1 landfill. **The scrap metal sorting and storage area was not sampled, nor were any locations along the eastern or western property boundaries (ie, those boundaries not bordered by E. 20th or E. 16th streets).**

Conclusions- Areas that have been cleaned up of toxic waste product residue are liable to become contaminated again due to the nature of the waste stream. Other areas were never tested and may or may not be habitually toxic to the neighborhood. Neighbors are at possible risk of exposure from air, water and soil from various and cumulative exposures originating at CSM with no one responsible to monitor or protect the populace. It would take a public health crisis and irreparable harm to human health to trigger further investigation regarding health risks to children and vulnerable groups if the CSM is allowed to remain. This would be irresponsible and reprehensible and those responsible would be legally and morally culpable.

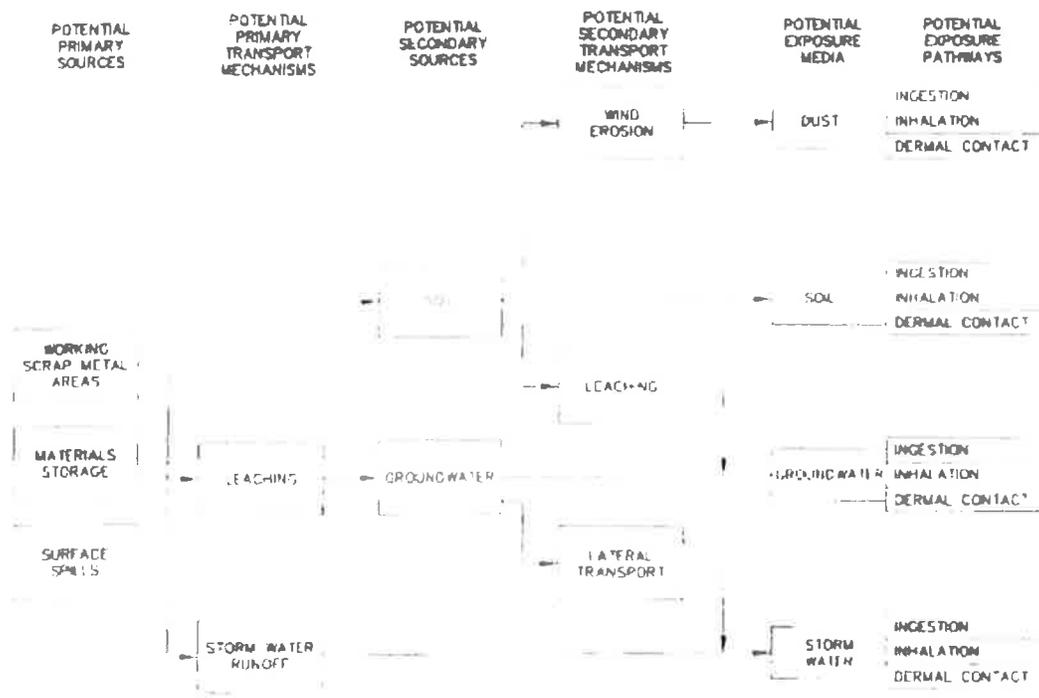
Solution: Relocation of the Chico Scrap Metal Yard

The City and County shall cooperatively take the necessary steps to relocate the Chico Scrap Metal Yard to a more appropriate location. (2004 Chapman- Mulberry Plan.)

EIR comments on 8/21/2016 to the City of Chico,

Chris Nelson, RN, Women's Health Nurse Practitioner

2300 B Estes Rd. Chico, Ca. 95928



From: Grace MM [<mailto:g-marvin@comcast.net>]
Sent: Monday, August 22, 2016 12:14 PM
To: Mark Wolfe
Cc: Move The Junkyard
Subject: Letter for Chico City records re Chico Scrap Metal

Please see the attached letter. and include it in the records regarding a NO on the proposed Development Agreement with Chico Scrap Metal.
Thank you.
Grace M. Marvin
Julian C. Zener

Grace M. Marvin
1621 N. Cherry St.
Chico, CA 95926

August 22, 2016

Mr. Mark Wolfe
City of Chico
Community Development Department
Chico, CA

Dear Mr, Wolfe:

Please know that we continue to object to any changes to the Chapman Neighborhood Plan that would enable Chico Scrap Metal to stay where it is located now, that is, near schools and neighborhoods where the health of children (and adults) is endangered by toxic dust and dirt. CSM should not be granted a Development Agreement.

It is in the best interest of all concerned parties that the recycling operation be moved to a safer location. We should support the democratic processes of citizens who formed the Chapman Neighborhood Plan. Moreover, Habitat for Humanity (*as in the 5/29/2016 letter to the the Mayor by Jim Linhart, president of Habitat's board*) built houses on East 16th and 19th streets only with the understanding that this Plan would be recognized by the City of Chico, thus calling for the removal of Chico Scrap Metal's operation at the current site.

Please include this comment in City records. Thank you.

Sincerely,
Grace M. Marvin, Ph.D.
Julian C. Zener, MD

From: Lupe Arim-Law [<mailto:lupe.arim.law@gmail.com>]

Sent: Tuesday, August 23, 2016 5:56 AM

To: Mark Wolfe

Subject: Move the Junkyard

Good morning Mark,

The purpose of this email is to express my concerns for the Junkyard on 20th Street. First, I resent that it's located on the edge of one of one of the most disenfranchised neighborhoods. I am very concerned about the toxins in the dirt and that it is so close to Chapman Elementary School, where the future of our country is being educated, I find that disrespectful. I understand that Plans change and Cities are a dynamic organism, but I believe that this time the City Plan was right, this junkyard is incapable with the neighborhood.

The City government's job is to keep the community safe and beautiful, by moving the junkyard, the city is doing its job.

Thank you.

Respectfully,
Lupita Arim-Law
530/566-4708

From: Andy Holcombe [<mailto:andytlaw@aol.com>]
Sent: Monday, August 22, 2016 4:39 PM
To: Mark Wolfe
Cc: andytlaw@aol.com
Subject: Comments for EIR In Opposition To Chico Scrap Metal

To Planning Staff and Planning Commission:

The following comments are being submitted for inclusion in the record for the EIR pertaining to the Chico Scrap Metal (CSM) matter pending before the Planning Commission. Please acknowledge receipt and inclusion in the record.

The CSM requests should not be approved. CSM has been repeatedly disapproved. Neither the applicable facts, law, or sound planning policy support approval of letting it continue to operate in its present location. CSM needs to be undeveloped, not allowed to continue with a Development Agreement.

In its present location CSM is an economic, social, and health liability to our community. It is inconsistent with the Chapman Neighborhood Plan (CNP). It is inconsistent with current zoning. Its continued presence is inconsistent with community will and values.

CSM has become an abuse to the community. It should not be "legitimized" and allowed to continue as a non-conforming use.

The existing record is clear regarding the extra time and unequivocal final extension CSM was given to move. The time for the amortization of its reasonable life span at its current location has expired.

Sound planning requires adherence to long range planning principles, and respecting the community vision and will expressed in them. The Chapman Neighborhood Plan called for CSM and other uses incompatible with the CNP to move. A planning horizon was put in place to cease operations or move elsewhere. We are now past that horizon. All have complied except CSM. There is no rational planning basis to allow it to stay.

The use is incompatible with the economic development potential of 20th Street corridor and gateway to south Chico. CSM's moving, or its outright loss, would not be a job killer. Community members doing regular recycling have several options nearby. There is no lack of nearby individual recycling locations in more suitable locations. To the extent large loads of scrap metal or junked cars are taken to the existing facility, they can just as well be easily taken to other facilities within the county, and/or taken to a properly relocated CSM.

The relevant economic issue is not any speculative "loss" resulted from the CSM shutting down. Rather, it is the very real loss of economic potential, new job creation, and community esthetic if CSM continues in place. The vision for adjacent residential and appropriate mixed use development for this economic and transportation corridor will not materialize with CSM, a junkyard, in its midst.

The existing record is also clear that the CSM poses a health risk to the adjacent housing neighborhood. That neighborhood can and will flourish to the economic and social benefit of our entire community if the CSM environmental and community toxicity is removed. A nearby car paint spraying business previously moved due to the risk it posed to the students and staff at Chapman School. The known and legally cited environmental toxins at CSM pose an ongoing risk not only to the children attending that school, but to health and potential of the entire surrounding community.

Community values and valuing community are what this issue really boils down to. This is not just an issue of Environmental Justice for the Chapman Neighborhood. It is the right thing to do for our entire community. The Chapman area is in the process of joining our city. Lets not marginalize them on the way in. This is an opportunity to respect them and the CNP. The City, County, and State have provided sewer

access to allow the Chapman Neighborhood to reach its full potential. The right thing to do is to honor those community investments, not to poison this growth potential with CSM's ongoing incompatibility.

Thank-you.

Andy Holcombe
278 East Sacramento Avenue
Chico, CA. 95926

August 23, 2016

Mark Wolfe, Community Development Director
City of Chico, CA

Re: Chapman Neighborhood/Junkyard

Dear Mr. Wolfe:

I am writing to express my serious concerns over the current decision by the City to allow Chico Scrap Metal to remain in its current location. This decision currently affects (and has been affecting) the health of an entire section of our community and research clearly supports the fact that these type of facilities cause health issues and long term health hazards.

I have researched and reviewed numerous articles regarding this issue. One hundred percent (100%) of the articles researched and reviewed by me have led me to the conclusion that the only humane solution is to move the junkyard as proposed by a group of community members, and as outlined in the Neighborhood Plan adopted for this area. The toxics from this business, both in the air, and the soil, can and will lead to current and future health issues for the residents of this area. Just because we can't physically "see" the effects, all research regarding this issue proves that those hazards exist and should be remedied. The City should act quickly to assist the business owner in finding another location and then to remediate the issues that will remain after the junkyard objects are removed from this location.

My research has provided information that would indicate that "junkyards" are usually located in areas where low income and minority groups reside. Whether because the neighborhoods are "older" or due to a lack of resident advocacy, the bottom line is that research demonstrates the real and continuing hazards to the population in that area. I provide a brief overview from a 2016 article.

I trust you will recommend to the council to take positive action on this issue due to the fact that it is the right thing to do for the citizens of this neighborhood.

Sincerely,

Cheryl A. King

Attachment per Cheryl King/Letter to Mark Wolfe, City of Chico, August 23, 2016

How Do Salvage Yards Affect The Environment?

A salvage yard is a place that contains a lot of junk products such as junked automobiles, electrical appliances, batteries and many more products. Many of these products may contain a lot of hazardous chemicals which could adversely affect the environment, including the water, air, soil and humans within and around that yard. These effects can only occur if the junked products are handled without care. This is something that is unfortunately common in some of these places. Most of the environmental effects occur during the dismantling of the reusable parts that the scrapyards target for profit. The operation of the salvage yards will in one way or the other affect the environment in several ways.

Runoff Discharges

- With junk products in the yard like air conditioning systems (with or without chlorofluorocarbons), batteries with acid, oil, gasoline and many other items, the disassembling processes leads to leakages and liquid spills onto the soil and any pool of water nearby. This is very dangerous as liquid such as oil can produce a kind of chemical "seal" in the ground hindering the entrance of oxygen into that soil and water, and thereby affecting the livelihood of underground organisms which needs oxygen for survival. The yard owner may not care about the soil or pools of water in their yard, but soil is carried away by wind, and water evaporates into the atmosphere. That means that the toxins that the yard owner allows on his property ends up on everybody else's property, and that's a problem for everyone.

Air pollution

- Many chemicals in junk products are hazardous to the health of the individuals who release them into the environment, as well as to the environment itself. Chemicals such as chlorofluorocarbons will have a harmful effect when inhaled, causing damage to the lungs and aggravating respiratory infections. How the junkyard operates will determine the amount of pollutants released into the air and the effect felt by all living creatures around it.

From: Dan E [<mailto:everhad@gmail.com>]

Sent: Tuesday, August 23, 2016 8:28 PM

To: Mark Wolfe; Move The Junkyard

Subject: Chico Scrap Metal

Put yourself in the shoes of all those who have moved into the neighborhood near Chico Scrap Metal during the 16 years since the city and county both decided they must move. A lot of plans and progress have been made around Chapmantown in those years since everyone agreed the industrial activities of CSM are inconsistent with the city's Chapman/Mulberry neighborhood plan and County's General Plan. The neighboring non-complying businesses all departed when asked, but CSM chose to wait for the government assistance suggested in both plans.

CSM probably didn't anticipate the city falling on such challenging times or the further complication of a council so fiscally disciplined its reluctant to honor inherited promises. I personally would prefer that the importance of profit realign behind some other important values, but it's hard to blame a business in this culture for taking the more traveled path.

CSM is by most accounts a thoughtful neighbor, they haul off a lot of trash for free during the annual cleanup that Love Chapman Coalition organizes, but the coalition voted nonetheless to support the junkyard moving. Nobody believes CSM belongs next to an elementary school simply because there's no way around the toxic effluvia inherent to their industry.

The current council and exceptional staff have done an admirable job of correcting the city's fiscal course, please apply the same acumen to finding a way to help Chico Scrap Metal move to an appropriate location and leave less of a mess for the future.

Sincerely,
Dan Everhart
Chapmantown

To: Mark Wolfe, Community Development Director, City of Chico

Statement regarding CEQA negative declaration finding by City of Chico regarding the application by Chico Scrap Metal (CSM) for a Development Agreement and amendment to the Chapman Mulberry Plan.

The City's process for reversing the decades old policy to eliminate industrial uses in the Chapman Neighborhood and allow the continued operation of CSM on 20th St. is fatally flawed.

The environmental review states that CSM is an existing use and therefore the review does not evaluate that use as they would have had it been an application for a new use. Indeed, it is a safe conclusion that if this was considered a new use at this site, it certainly would not be approved, and certainly would have included a diligent independent review of environmental impacts. However, CSM should be considered a new use. Its existing use was disallowed by Chapman Mulberry Neighborhood Plan and resultant zoning over ten years ago, and the amortization mitigation and the two extensions have expired. Today CSM is an illegal non-conforming use and certainly should be evaluated as such.

The City has improperly proposed a Development Agreement as the mechanism to allow and control the continued use of CSM. Studies have shown (I have provided the City with Los Angeles County study) that a Conditional Use Permit is the more common and more appropriate mechanism. I see no justification by the City for the proposal of a Development Agreement rather than a CUP.

As noted under California Government Code Section 65865, any city may enter into a development agreement with any person having a legal or equitable interest in real property for the *development* of the property. It is clearly not intended as a mechanism for allowing existing use. Government Code also requires annual review for compliance and possible termination, which I do not believe is included in the CSM document.

The City's proposal of an amendment to the Chapman Mulberry Neighborhood Plan to allow zoning compliance is disingenuous. Actively creating a permanent non-conforming use is contrary to acceptable principles of municipal planning.

The City also is violating federal and state environmental laws by allowing residential use adjacent to CSM. This residential development, by Habitat for Humanity, involves state and federal funds that should have triggered an evaluation of nearby toxic and industrial uses. I see no record of this assessment in the approvals and funding of the Habitat homes. Indeed, the City is currently considering the approval of two more homes.

There has been no neighborhood meeting regarding the environmental assessment of the City's proposed actions. There was a meeting at the Eagle's Hall early in the former process, but environmental considerations were specifically excluded in the agenda, which was limited to the topic of new fencing. There has been no neighborhood meeting in the new process required by the City's failure to include the correct Neighborhood Plan language.

Submitted this date by Karl Ory, former Mayor, City of Chico.
August 24, 2016

From: Laurel Heath [<mailto:laur3290@gmail.com>]

Sent: Wednesday, August 24, 2016 11:23 AM

To: Mark Wolfe

Subject: Chico Scrap Metal Yard

I believe that the Scrap Metal Yard should be moved as the general plan calls for. The Scrap Metal Yard is located near an elementary school in a poor neighborhood. There is no way that this yard with its toxins would be allowed to exist nearby a school in an upscale community. The same standards should adhere to poor neighborhood schools.

Laurel Heath
645 Victorian Park Dr
Chico CA 95926
530-343-3290

**Butte
Environmental
Council**



**116 W. Second Street,
Suite 3
Chico, CA 95928
(530) 891-6424
www.becnet.org**

Activities and Events

Environmental Advocacy
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Endangered Species Faire
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Chico Area Creek Cleanups
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Water Policy Analyst
Tempra Board
Marketing and Grants

August 24, 2016

Mark Wolfe, City of Chico
Community Development Department
411 Main Street, 2nd Floor
Post Office Box 3420
Chico, CA 95928
mark.wolfe@chicoca.gov

Dear Mr. Wolfe

Butte Environmental Council is submitting the following comments on the proposed negative declaration for Chico Scrap Metal.

This would remove the amortization requirement found in the Chapman-Mulberry-Neighborhood Plan. Since the approval of the Chapman-Mulberry-Neighborhood Plan, Community has developed around this property with the expectation of Chico Scrap Metal (CSM) relocating and the lot being left to Commercial Neighborhood uses.

Continued operation of CSM at this location without mitigation exposes residents, students and community members to potentially toxic airborne particles that are an inherent byproduct of CSM's business operations. It is the responsibility of our local governments to protect residents from toxic substances, regardless of cause, location or income level. Appropriate mitigation of CSM impacts on the neighborhood would likely be so expensive that they would prove cost prohibitive.

Good planning relies on dependable commitments. It is our position that the City of Chico should maintain it's commitment to the established general plan and the citizens of the Chapman-Mulberry-Neighborhood.

Sincerely,

A handwritten signature in black ink, appearing to read 'Natalie Carter', written in a cursive style.

Natalie Carter, Executive Director
Butte Environmental Council
116 W. 2nd St., Ste. 3
Chico, CA 95928
(530) 891-6426
natalie.carter@becnet.org

JANE MARTIN
1721 N. Cherry Street
Chico, CA 95926
530-521-6964

MARK WOLFE
C/O The City of Chico

Re: Adherence to the General Plan
Chico Scrap Metal

Good day,

I am writing to express my disappointment with the City of Chico for not adhering to the Butte County General Plan with regards to the mandated removal of the Chico Scrap Metal junkyard from E. 20th Street in Chico. Why the Chico City Council is allowed to lead all of us city residents down a road to face potential law suits is appalling to me.

Several people, including myself, believe the scrap yard is a source of pollution in many ways. The noise and visual pollution is bad enough to justify their having been ordered to move as per previous county and city decisions. However, the pollution of the soil, water and air is even more heinous. A thorough environmental study is legally and morally called for.

By not enforcing the General Plan and allowing the residents of the Chapman/Mulberry area to be exposed to dangerous pollutants is both legally and morally wrong. We all saw the huge Coolidge sign at the junkyard site during the last city council election. His obvious conflict of interest by voting to allow them to stay reeks of malfeasance. City staff and the council members who voted with Mr. Coolidge are setting all of us for a terrible fall.

JANE MARTIN