

Environmental Mitigation at 1500 Capitola Road

What you need to know about how Santa Cruz County, MidPen Housing, Santa Cruz Community Health (SCCH) and Dientes Community Dental are working together to keep our community safe!

Q: Is the 1500 Capitola Road site contaminated?

A: Environmental review is an important part of the development process. Following best practices, the Development Partners (MidPen, SCCH, & Dientes) hired an environmental consultant to conduct soil sampling at 1500 Capitol Road, to determine the presence of any potential contaminants on the site. The results, provided in January 2020, revealed the presence of tetrachloroethylene, or PCE, at levels that exceed environmental screening level (ESL) thresholds.¹

Q: Does this mean the project is still going forward?

A: Yes. These types of issues are relatively common throughout the U.S., and mitigation has been shown to be effective. Safe reuse of urban properties often requires some form of environmental remediation. This type of redevelopment is important to create new jobs and reuse existing infrastructure rather than expanding urban sprawl, and has been used to locate new hospitals, new housing, new schools and other infrastructure critical for a healthy community. Furthermore, project financing has been restructured to provide for mitigation of existing issues. Without a project, the contamination would either go unaddressed or would be addressed in a similar fashion should the land be sold for another purpose (see below).

Q: What is the source of the contamination?

A: The source of the contamination is believed to be a former dry cleaner located ***directly adjacent*** to the 1500 Capitola Road site, based on historical land use records and the testing data. The former presence of Fairway Dry Cleaning, which operated from 1966 to 1984, was previously unknown to the development partners. The current owners of the contaminated site have been notified by the Regional Water Quality Control Board – Central Coast (Water Board), and the current and/or past owners of 1600 Capitola Road will be responsible for the clean-up of the site to its satisfaction. To date, the current owners have been responsive to Water Board directives and have hired an experienced, environmental consultant to assist them with the process of assessment, source cleanup, and application for a State cleanup grant.

Q: What is being done about it?

A: The plan approved for this project by State authorities uses effective techniques that are considered a best practice by those authorities. The terms of the property sale have been restructured to offset these mitigation costs. The State of California requires the current owner, the County Redevelopment Successor Agency (RSA), to sell this property in a timely manner. If the proposed transfer and project were to be cancelled for any reason, the RSA would have to put it back on the market and sell it to the highest bidder, and that buyer would have to implement the same type of mitigation plan for its

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proposed development project, which might not include any of the planned community benefits included in the approved Project (affordable housing, two public health clinics, a small neighborhood retail space, and an open community plaza).

Q: Are other adjacent properties impacted by the contamination?

A: A comprehensive environmental study of the 1500 Capitola Road site determined that the PCE contamination has not spread beyond the 1500 Capitola Road property boundary to the south and west.² A full assessment of the source site (1600 Capitola) is on-going.

Q: What are the health impacts of PCE?

A: PCE pose a health threat when they migrate into building interiors through vapor intrusion. They are harmful to human health *only* when vapors are inhaled within a closed or poorly ventilated building over a prolonged period of time and are not harmful when they are released into the open air.³

Q: What process did the County of Santa Cruz and the Development Partners follow to address the PCE contamination?

A: After conducting extensive testing, analysis, and mapping to verify the contamination, the County of Santa Cruz and Development Partners followed standard procedures and notified the Water Board, the governmental agency tasked with overseeing clean-up and remediation of contaminated sites⁴, to open a formal investigation and seek guidance for how best to proceed. In April 2020, the Water Board responded, [providing technical guidance](#) to install a Vapor Intrusion Mitigation System (VIMS). The Development Partner's plan to address the issue has been approved by the responsible environmental regulatory agencies, including the Water Board.

Q: What are VIMS?⁵

A: Vapor intrusion mitigation systems (VIMS) are common systems used in construction to protect human health by preventing the vapors in contaminated soil from being inhaled by indoor occupants. The type of VIMS designed for 1500 Capitola Road works by first installing a vapor barrier beneath the foundation of each building and then actively pushing underlying vapor up through a series of pipes which are vented out through the roof. VIMS have been installed and operated at sites across the country so that properties may be safely reused.

Q: What type of VIMS will be built at 1500 Capitola Road?

A: At the recommendation of the Water Board, the Development Partners elected to go with the most protective VIMS option, which is called an active ***subslab depressurization system***⁶ (SSDS). The active SSDS is the most common type of active VIMS installed nationwide and is the preferred system by the Water Board for slab on grade foundation types because it provides greater protection and allows for simpler monitoring. According to the EPA, passive mitigation methods tend to be cheaper, but active methods as will be implemented at 1500 Capitola Road, are considered more effective.

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The Development Partners worked with GeoKinetics, an experienced geotechnical engineering firm, to design the VIMS and to create a 30-year Operation, Maintenance, and Monitoring Plan (OM&M Plan). An OM&M plan is an industry best practice for ensuring the long-term effectiveness of a VIMS system. Both the VIMS design and the OM&M Plan were formally reviewed and subsequently [approved by the Water Board](#) in October 2020. The Water Board and Monterey Bay Air Resources District (MBARD) will provide ongoing oversight over the VIMS.

Q: When will the VIMS be completed?

A: The VIMS design is included in the construction documents that are reviewed and approved by the County of Santa Cruz prior to receiving a building permit. Once a permit is approved and construction begins, the VIMS will be built as a part of the normal construction process.

Q: Will the PCE release into the air around the buildings?

A: As stated above, PCE is detrimental to human health *only* when the vapors are inhaled within a closed or poorly ventilated building. They are not harmful when released into the open air, as is currently the case. Therefore, the proposed outdoor spaces of the future development (public plaza, community garden, resident courtyard, other landscaped areas around the buildings and parking) are not impacted by the presence of PCE in the soil vapor.

Q: Is the groundwater affected by the contamination?

A: The Water Board is working with the current owners of 1600 Capitola Road (the site of the contamination) to investigate the extent of contaminants in the groundwater. A [work plan](#) was published in December 2020 and the remediation work is on-going. The future developed properties will use municipal water just as surrounding properties currently do, and none will draw well water from the site.

Q: Who is responsible for cleaning up the groundwater contamination?

A: It is the current and/or past property owners/operators of the former dry cleaner site at 1600 Capitola Road who are designated by the Water Board as “the responsible party” for cleanup of both on-site and off-site impaired groundwater.

Q: Why is 1500 Capitola Road being sold?

A: The County’s Redevelopment Agency originally purchased the site 25 years ago but was unable to utilize it prior to the dissolution of Redevelopment Agencies in 2011. Under State law, assets of former redevelopment agencies must be sold, and the proceeds distributed to local agencies including schools, fire districts, and other agencies. The County could have sold it to the highest bidder and allowed that buyer to propose any commercial or mixed commercial/residential use of the site consistent with its zoning and land use designation, which could have been more intensive than the proposed project,

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without the same public benefits. Instead, the County opted to do a “managed sale”, which included an extensive community outreach process to determine the neighborhood’s priorities for the site. Through that process, the County selected the Development Partners, and based on community feedback entered into an Exclusive Negotiating Agreement (ENA) with the Development Partners in December 2017, which permitted the negotiation to acquire the site for the explicit purpose of developing affordable housing and affordable health and dental services.⁷

Q: Why did the County of Santa Cruz lower the purchase price of 1500 Capitola Road at the November 2020 Board of Supervisors meeting?

A: The County Board of Supervisors reduced the purchase price of 1500 Capitola Road in an amount equal to the cost to be incurred by the Development Partners to mitigate and monitor the environmental contaminants found on site. The total cost of all mitigation and monitoring over the next thirty years will be ~\$2.1M. The purchase price was reduced by this amount to offset these costs.

Q: How can the public stay informed on the mitigation effort and its status? Where can the public learn more?

A: The best resource for staying updated on these environmental investigations, including technical reporting and correspondence, is the State Water Board’s GeoTracker website: <https://geotracker.waterboards.ca.gov/>. There are separate investigations for the 1500 Capitola Road and 1600 Capitola Road sites and the GeoTracker allows you to search based on physical address.

¹ The Environmental Screening Levels (ESLs) provide conservative screening levels for over 100 chemicals found at sites with contaminated soil and groundwater. They are intended to help expedite the identification and evaluation of potential environmental concerns at contaminated sites. ESLs address a range of media (soil, groundwater, soil gas, and indoor air) and a range of concerns (e.g., impacts to drinking water, vapor intrusion, and impacts to aquatic habitat).

² A map of the contaminated area can be found on the Water Board website, [here](#).

³ You can read more about the health impacts of PCEs [here](#).

⁴ The State Water Resources Control Board (SWRCB) and Regional Boards have legal authority to regulate this site via [Division 7 of the California Water Code \(WC\)](#), [State Board plans and policies](#), and the [Regional Water Quality Control Plans \(Basin Plans\)](#) – more information about their regulatory powers is found [here](#).

⁵ The EPA provides a guide to understanding vapor intrusion mitigation [here](#).

⁶ A sub-slab depressurization system works by generating a constant negative pressure beneath a building’s slab foundation to prevent contaminated vapors from migrating into the interior of a building; it then diverts these sub-slab vapors using active ventilation to push air from beneath the foundation of a building up through a series of pipes which are vented out through the roof. A blower fan is connected to a small suction pit dug into the slab.

⁷ Board of Supervisors Dec. 2017 decision can be found [here](#).