ATTACHMENT 1 - EXHIBIT A - CEQA FINDINGS & STATEMENT OF OVERRIDING CONSIDERATIONS

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SECTION 7: STATEMENT OF OVERRIDING CONSIDERATIONS

CEQA requires the decision-making agency to balance the benefits of a project against its significant unavoidable impacts when determining whether to approve a project. If the benefits of the project outweigh its unavoidable adverse environmental effects, those effects may be considered acceptable. CEQA requires the agency to state in writing the specific reasons for considering a project acceptable when significant impacts are not avoided or substantially lessened. Those reasons must be based on substantial evidence in the Final EIR or elsewhere in the administrative record. The proposed project will result in a significant unavoidable impact related to noise, even after incorporation of all feasible mitigation measures. This significant unavoidable impact is identified and discussed in Section 5 of these Findings. The City further finds that this impact is outweighed by the project's benefits, each of which, independently of the others, constitutes overriding consideration warranting approval of the proposed project. Those benefits are as follows:

- The project will upgrade and revitalize an important urban block in Downtown Berkeley into a walkable, retail-centered, transit-friendly, residential block with active, safe and visually engaging pedestrian amenities consistent with the Downtown Area Plan and the Streets and Open Space Improvement Plan, while respecting key historic resources on adjacent blocks
- The project advances DAP Environmental Sustainability Goal ES-3 and Land Use Goal LU-1, which encourage high intensity development near transit, by introducing high-quality, transit-oriented, and sustainable market rate housing and contributing substantial affordable housing (and/or fees to support development of such housing) as required by Section 22.20.065 of the Berkeley Municipal Code. High intensity development near transit will reduce regional vehicle miles traveled and associated greenhouse gas emissions from transportation, by reducing development pressure in outlying parts of the Bay Area and beyond.
- The project will assist the State, region, and the City to achieve established housing production goals.
- The project advances DAP Environmental Sustainability Goal ES-4, which promotes sustainable building practices, by constructing a building that integrates environmentally sustainable development practices in design, development, and construction, and uses ecologically beneficial landscaping techniques.
- The project activates the pedestrian environment along Allston Way, adjacent to the Downtown Berkeley BART Station, by replacing the existing commercial building which has limited openings and visual permeability/activity with a new building that offers pedestrian amenities such as art vitrines with glass display cases as well as streetscape upgrades. This advances DAP Goal ES-3, Historic Preservation and Urban Design Goal HD-4, which emphasizes pedestrian environments that are active, safe, and visually engaging, and Policy HD-4.1, which emphasizes improving the pedestrian experience.
- The project will complement Downtown's traditional character by maintaining a continuous street wall, except for architectural expression at the site's southeast corner and for usable open space, which is consistent with DAP Economic Development Goal ED-3; building wall treatments that complement those of the historic Shattuck Hotel; and stepped massing to minimize sight lines of the building from the perspective of people on Shattuck Avenue.
- The project will encourage alternative modes of transportation by foot, by bicycle and via transit, for
 residents, employees, and retail customers by providing residents and employees with a range of
 Transportation Demand Management measures that are made possible by the income generated by the
 project's size and scale, and prioritizing the safety, attractiveness and convenience of the pedestrian
 experience.
- The Project will significant new revenue streams for the City of Berkeley through increased property taxes and property-based revenues, economically sensitive revenues such as sales taxes and business license

⁴ CEQA Guidelines, 2017. Section 15093(a)

⁵ CEQA Guidelines, 2017. Section 15093(b)

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taxes, jobs creation, gross receipts taxes, and a new residential population that supports a successful mix of retail businesses, institutions and other attractions in Downtown Berkeley.

 The Project will be required to provide Significant Community Benefits as per Berkeley Municipal Code Section 23.E.68.090.E, and will contribute to affordable housing, street and open space improvements or fees, school mitigation fees, bicycle parking, and other improvements required by the Berkeley Municipal Code.

On balance, the City finds that there are specific considerations associated with the project that serve to override and outweigh the project's significant unavoidable effect. Therefore, pursuant to CEQA Guidelines Section 15093(b), this adverse effect is considered acceptable.