



DATE: September 16, 2024

TO: Honorable Mayor and Members of the City Council through City Manager

FROM: Olivia Ervin, Principal Environmental Planner
Greg Powell, Principal Planner

SUBJECT: Conduct a Public Hearing, Receive Public Testimony, Provide Comments on the Draft Environmental Impact Report, Consider Planning Commission Recommendation, and Direct Staff to Prepare a Final Environmental Impact Report for the Creekwood Housing Development Project at 270-280 Casa Grande Road

RECOMMENDATION

It is recommended that the City Council:

- Conduct a public hearing and receive public comment on the Draft Environmental Impact Report (DEIR);
- Provide comments on the DEIR;
- Consider Planning Commission's Recommendation on the DEIR; and
- Adopt a resolution (**Attachment 1**) directing staff to move forward with preparation of a Final Environmental Impact Report (FEIR).

BACKGROUND

Project Summary

The City of Petaluma received an application for the proposed Creekwood Housing Development. An application for Site Plan and Architectural Review (SPAR) was submitted on November 22, 2021. The submittal of this application was preceded by submission of a Senate Bill 330 preliminary application on September 29, 2021. The SPAR application was deemed complete on August 31, 2022.

As a project subject to SB 330, there are specific provisional state requirements that the City must meet in compliance with the Housing Accountability Act and the Housing Crisis Act. For example, SB 330 provides for a streamlined review and approval of housing development projects that are in compliance with the jurisdiction's objective design and development standards. Projects that fall under SB 330 are NOT exempt from California Environmental

Quality Act (CEQA) and environmental impact must be evaluated through an environmental analysis and public review process. While SB 330 limits the number of public hearings/meeting an agency can hold regarding requested entitlements to no more than five, meetings and hearings required by the City as part of the CEQA process do not count towards the five-meeting limit.

The project requires Site Plan and Architectural Review (SPAR), a Vesting Tentative Map, and Tree Removal Permit, which are discretionary entitlements. As such, the project is subject to the California Environmental Quality Act (CEQA) and as detailed herein, a Draft Environmental Impact Report (DEIR) has been prepared and circulated for public review and comment.

Project Description

The project site consists of two parcels totaling 5.2 acres that abut the eastern boundary of Casa Grande Road in the City of Petaluma. The parcels are identified by the following addresses and Assessor's Parcel Numbers (APN): 270 Casa Grande Road (APN 017-040-051) and 280 Casa Grande Road (APN 017-040-016). The 280 Casa Grande Road (APN 017-040-016) parcel contains an existing residence and undeveloped land covered in grasses. The 270 Casa Grande Road (APN 017-040-051) parcel contains an existing residence, several associated outbuildings, a landscaped backyard, and a small orchard in the northeast corner of the project site, within a depressed area, near the Creek. Adobe Creek and its associated riparian vegetation form the eastern boundary of the project site. The Creek is an ephemeral creek that flows in a north-south direction and is tributary to the Petaluma River to the south, which then flows into the San Pablo Bay. The remaining portions of the 270 Casa Grande Road parcel are generally characterized by grasses that are routinely mowed or grazed to reduce fire hazards. Grazing of the project site (i.e., both parcels) is conducted by several sheep owned and cared for by the current property owner of 270 Casa Grande Road.

Currently, the project site is designated by the Federal Emergency Management Agency (FEMA) as being within Zone X, which is outside of the 100-year floodplain. This designation is reflected in a FEMA issued Letter of Map Revision (LOMR) dated May 11, 2023. However, historically a majority of the project site has been designated as being located within Zone AE, which is within the 100-year floodplain. Further, latest preliminary hydrology modeling conducted as part of the General Plan Update, currently in process and not yet adopted, also shows the site as being within Zone AE. For purposes of the CEQA analysis and to ensure that flood protection is maximized, the project's stormwater control plan, drainage facilities, and site design utilize the more conservative Zone AE designation. Pursuant to the City of Petaluma's Implementing Zoning Ordinance (IZO), Chapter 6.070 the project will be reviewed for compliance with floodplain development standards.

The project site is surrounded by existing residential development including the Casa Grande Senior Apartments to the north and the Makenna Housing Development to the South. Casa Grande High School/Sonoma Mountain High School is located west of the project on the opposite side of Casa Grande Road. The eastern property boundary abuts Adobe Creek and additional residential development is located on the opposite side of the Creek.

Figure 1: Project Site Boundaries

**Figure 3-2
Project Site Boundaries**



Source: Figure 3-2 DEIR

The project conforms with both its General Plan Land Use and Zoning Designation. The project site is zoned R4 and has a General Plan Land Use Designation of Medium Density Residential, which allows for single family and multi-family housing at a density ranging from 8.1-18 dwelling units per acre. The City's adopted 2023-2031 Housing Element identifies the subject Creekwood project as a pipeline activity. The prior cycle's 2015-2023 Housing Element included the Creekwood site on the residential land inventory opportunity site, as Site #11.

The project proposes to construct 59 dwellings on a 5.2-acre site (parcel #017-040-051 & #017-040-016). The existing dwelling at 280 Casa Grande would be demolished and the existing dwelling at 270 Casa Grande would remain, with the parcel area reduced to 0.637 acres (this portion of the site would not be part of the proposed Creekwood residential development). In accordance with IZO Section 3.040, the project would reserve 15 percent of the proposed 59 dwelling units (9) as Below Market Rate (BMR) units (in this case, 5 of the for-sale dwellings would be reserved for low-income households and 4 would be reserved for moderate-income households).

The site would be graded to accommodate proposed improvements including infrastructure, elevated building pads for new dwellings, stormwater outfalls, and new bio-retention/ floodwater basins that would connect to Adobe Creek, which is located on the adjacent City-owned parcel to the east (parcel #017-041-042). Vehicular, emergency, and pedestrian access would be provided from Casa Grande Road via a new private street. All new dwellings would be sold as condominiums.

The project also proposes to construct a multi-use pathway adjacent to Adobe Creek to connect to the Makenna Subdivision that abuts the site to the south, and stubs out at the Casa Grande

Senior Apartments to the north, providing an opportunity for future connection. The proposed multi-use pathway would also connect to a new pedestrian bridge (also located on the City-owned parcel to the east) over Adobe Creek to connect with the existing pathways and residential areas to the east of Adobe Creek on Spyglass Road.

Entitlements required by the Project include Site Plan and Architectural Review (SPAR), a Vesting Tentative Parcel map, and a Tree Removal Permit, as detailed below:

Site Plan and Architectural Review

Pursuant to IZO Section 24.050, Site Plan and Architectural Review is required for proposed uses of more than one dwelling unit per lot, except for accessory dwellings. The purpose of the review is to ensure compliance with the development standards set forth by the IZO and to promote the orderly and harmonious development of the City. The project would consist of 59 units on a single lot. As such, the project is subject to Site Plan and Architectural Review, which will be considered for approval by the Planning Commission.

Vesting Tentative Parcel Map

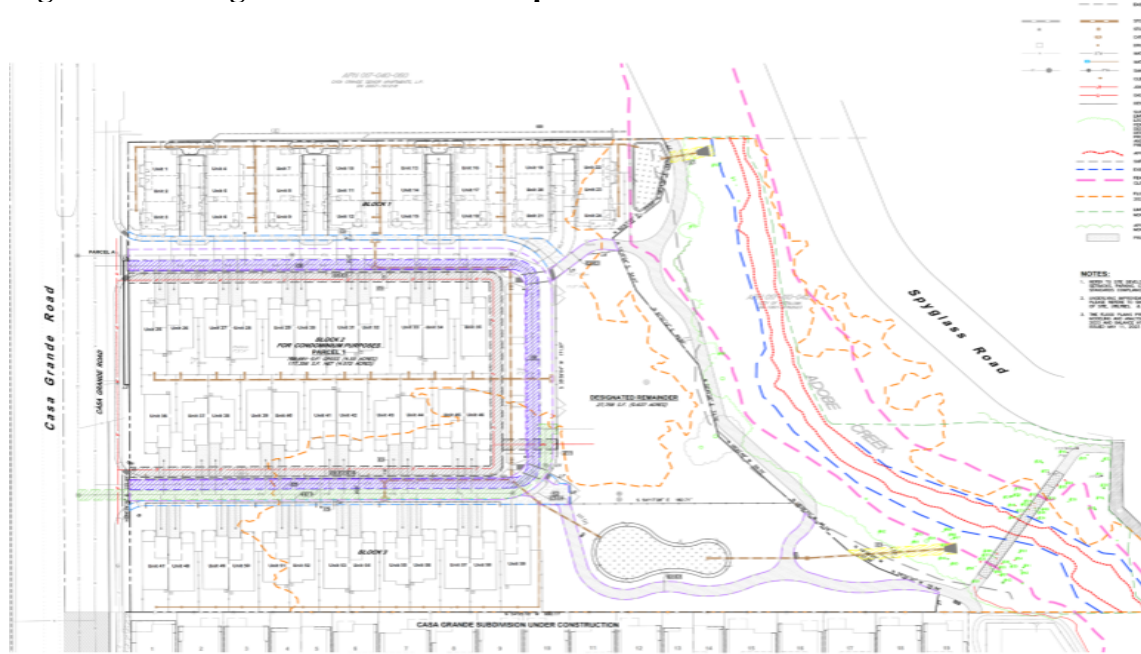
The proposed project includes a request for approval of a Vesting Tentative Parcel Map to establish a single 4.55-acre parcel and a 0.637-acre remainder parcel. The remainder parcel allows the existing resident at 270 Casa Grande Road to retain the existing residence and continue to occupy the property. The 4.55-acre parcel accommodates the proposed 59 dwelling units and associated improvements. A vesting tentative parcel map is subject to administrative review and Director approval.

Tree Removal Permit

The project would require the permanent removal of 31 trees, including seven unprotected trees outside the riparian dripline and 24 trees that are designated as protected by IZO Section 17.040. The 24 protected trees that would require permanent removal are generally located within the alignment of the proposed off-site bridge, within the City-owned parcel associated with the Creek. In addition, tree #'s 30, 31, 53, 64, and 72 are protected trees (2 buckeyes, 2 red willows, and 1 Oregon ash) located in proximity to the off-site bridge and are not proposed for removal but would be subject to pruning as part of installation of the bridge connection and proposed outfall structures.

In accordance with IZO Section 17.060, the removal, cutting down, or otherwise destruction of a protected tree requires a Tree Removal Permit issued by the City of Petaluma Community Development Department. All other trees in on-site areas and along the riparian corridor would be retained and protected in place during construction. The project includes the planting of 73 new trees for the purposes of mitigating project impacts to protected trees, in accordance with IZO Section 17.065. The Tree Removal Permit will be considered in conjunction with SPAR by the Planning Commission, along with the proposed Tree Protection and Removal Plan, which shows the planting of 73 replacement trees.

Figure 2: Vesting Tentative Parcel Map



Source: Figure 3-3 of DEIR

Outside Agency Approvals

In addition to City approvals, the project may be subject but not limited to the following outside agency review and approvals:

- Section 401 Water Quality Certification (Regional Water Quality Control Board [RWQCB] – San Francisco Bay Region);
- Section 1600 Lake and Streambed Alteration Agreement (California Department of Fish Wildlife – Region 3);
- National Pollutant Discharge Elimination System (NPDES) Construction General Permit (RWQCB – San Francisco Bay Region); and
- NPDES Phase II MS4 General Permit (RWQCB – San Francisco Bay Region).

While not a State Responsible Agency, the proposed project would require issuance of a Clean Water Act Section 404 permit by the U.S. Army Corps of Engineers, if the project would result in discharges of fill below the Ordinary High-Water Mark (OHWM) of the Creek.

Environmental Review

Upon receipt of a complete application and due to the proposed project's potential to result in significant environmental impacts, the City initiated an Environmental Impact Report in compliance with CEQA. On October 21, 2022, the City released an Initial Study and a Notice of Preparation of an EIR.

The Initial Study analyzed the possible effects to all resource areas identified in Appendix G of the CEQA Guidelines. Based upon the analysis contained in the Initial Study (IS), it was anticipated that the EIR would not need to further address the CEQA topics: Aesthetics, Agriculture and Forestry Resources, Air Quality, Cultural Resources, Energy, Geology and Soils, Hazards and Hazardous Materials, Land Use and Planning, Mineral Resources, Noise, Population and Housing, Public Services, Recreation, Tribal Cultural Resources, Utilities and Service Systems, and Wildfire. This determination was made based on substantial evidence in the record as presented in the Initial Study and Notice of Preparation that impacts under these environmental categories would be reduced to levels below significance with mitigation.

Between October 21, 2022, and November 21, 2022, the City held a public comment period on the Initial Study and proposed scope of the EIR. On November 14, 2022, the City held a virtual public scoping meeting and provided the opportunity for the public to learn more about the project, the potential environmental impacts, to comment on the results of the Initial Study and the scope of the EIR, and to inform the community of how to provide public comment. Following the scoping meeting and after reviewing public comments received on the IS/NOP, it was determined that the EIR would focus on the following topics: Biological Resources, Greenhouse Gas Emissions, Hydrology, and Transportation which are summarized below. As required by CEQA, the EIR also contains an analysis of cumulative impacts and project alternatives. On July 26, 2024, the City released the public DEIR for a 45-day public comment period extending through September 9, 2024. The DEIR will be considered by Planning Commission on September 10, 2024, and by the City Council on September 16, 2024, at which time public comment and input from decision makers will be received.

Planning Commission September 10, 2024, Hearing on DEIR

At the September 10th hearing, the Planning Commission received a staff report, heard public comment, and provided comment on the adequacy of the DEIR.

Please note that as of writing/publication of this City Council staff report, the September 10th Planning Commission hearing had not yet occurred. As such, staff will provide a summary of those proceeding separately following completion of the Planning Commission hearing and in advance of the September 16, 2024, Council Hearing.

DISCUSSION

The purpose of this staff report and the associated public hearing is to provide an opportunity for public comment and facility the gathering of comments on the DEIR. This staff report provides an overview of the contents of the DEIR, summarizes key considerations, and described the California Environmental Quality Act (CEQA) process including consideration on the adequacy of the DEIR in disclosing and assessing environmental impacts of the project, the procedure for providing comments on the DEIR, and the City's obligations as the lead agency in accepting and responding to comments on DEIR. The CEQA process and review steps for requested project entitlements is also provided, though it should be noted that no project entitlements are being considered as part of the DEIR. Rather, project entitlements will be brought forward for consideration during future public hearing(s), and following certification of the Final EIR.

California Environmental Quality Act

The DEIR is intended to inform decision makers, responsible agencies, and the public of the potential environmental consequences of implementing the Creekwood Housing Development Project. The DEIR has been prepared in accordance with and in fulfillment of the California Environmental Quality Act (CEQA) and Guidelines for the Implementation of CEQA (State CEQA Guidelines). The City of Petaluma, as the public agency that has the primary responsibility for approving the proposed project, is the Lead Agency for the EIR under CEQA. Other public agencies, known as "responsible agencies," may be asked to issue approvals or permits required to implement the project. These responsible agencies including the California Department of Fish and Wildlife, and Regional Water Quality Control Board, may also use this EIR in their review and approval processes.

As described in CEQA and the State CEQA Guidelines, public agencies are generally under a substantive obligation to avoid or substantially lessen significant environmental effects of a project where feasible. Consistent with that obligation, this DEIR identifies the following:

- The potentially significant environmental effects of the proposed project, including cumulative effects resulting from the proposed project together with other past, present, and probable future projects; Mitigation measures that could substantially lessen or avoid any such significant environmental effects;
- Any significant effects that cannot be mitigated to a less than significant level, and thus are unavoidable; and
- Reasonable, potentially feasible alternatives to the proposed project that would meet most of the basic objectives of the proposed project while substantially lessening or avoiding at least one significant effect of the proposed project.

Public Review of the DEIR

The City Council hearing on the Creekwood Housing Project DEIR does not involve consideration of requested entitlements for the project. Rather, the purpose of public hearings on the DEIR provides an opportunity to receive and collect comments on the adequacy of the analysis in identifying and disclosing potential environmental impacts that may result from implementation of the proposed project.

When providing comments, the City Council and public should consider the adequacy of the DEIR in disclosing potential impacts of the project and identifying mitigation measures as well as any changes, clarifications, or additional information that should be addressed in the Final EIR. Comments received on the DEIR in writing and verbally at public hearings from the public, state agencies, decision makers, stakeholders, and other interested parties will be collected and responded to in the Final EIR. Comments responded to in the FEIR will be those related to the environmental analysis of the DEIR. Comments provided on the project merits (e.g. those expressing support or opposition to the project) are not required to be responded to in the Final EIR unless specifically related to an environmental issue.

The City's Environmental Review Guidelines direct that based on a review of the DEIR,

consideration of related City staff reports, and any comments received during the public review period, the decision-making body shall:

- Consider the adequacy of the DEIR in disclosing the potential impacts of a project and identifying mitigation measures,
- Identify any changes, clarifications, or additional information which should be incorporated in the Final EIR for certification, and
- Authorize preparation of a Final EIR which incorporates these revisions and responds to all significant environmental points raised during the public review period on the DEIR.

Public comments on the DEIR may be submitted at any time during the DEIR public review and comment period through September 9, 2024. The City will continue to accept public comment for consideration by decision makers through the end of the City Council hearing on the DEIR (September 16, 2024).

Comments about the overall merits of the project that are not related to its potential environmental impacts (e.g., those in support of or in opposition to the project) should be reserved for a later public hearing when the project's requested entitlements, limited to Site Plan and Architectural Review are agendaized for consideration. Comments provided on the project's merits will be documented but not responded to in the Final EIR, unless they are specifically related to a CEQA issue.

Role of Planning Commission

The Planning Commission is a recommending body to City Council on the EIR and has the principal responsibility for acting on the on the project's SPAR entitlement, which will be brought before the Planning Commission at a future public hearing and may only be acting upon following certification of the EIR. Certification of the EIR fall under the City Council's authority.

The Planning Commission is responsible for receiving public comment and providing input on the DEIR, requesting any clarification or additional information to be addressed in the Final EIR, and if determined to be adequate adopt a resolution recommending that City Council direct staff to proceed with preparation of the Final EIR. The Planning Commission considered the DEIR at a public hearing on September 10, 2024.

Role of City Council

The City Council will receive a staff report, a summary of the input and discussion on the DEIR at the Planning Commission hearing, and as the decision-making body will be asked to provide input on the adequacy of the DEIR in assessing environmental impacts of the project, to identify any changes, clarification, or additional information to include in the Final EIR, and direct staff by resolution to proceed with preparation of the Final EIR.

Final EIR Review Process and Certification

Following close of the public comment period on the DEIR (September 9, 2024), and completion

of the Planning Commission and City Council hearing on the DEIR, all comments received will be assembled and a Final EIR (FEIR) will be prepared. The FEIR will include all written comments received on the DEIR, a summary of verbal comments received during public hearings on the DEIR, and additional information, clarification, and corrections to the DEIR.

Due to SB 330's five hearing limit, the FEIR will not be brought before the Planning Commission and will be brought directly to City Council. The Planning Manager will provide a report out to the Commission on the FEIR progress and inform the Commission when the FEIR is available. In their individual capacity, Commissioners are able to comment on the FEIR during the future City Council meeting. As the lead agency under CEQA, the City Council will review the EIR (inclusive of the DEIR and the FEIR) for certification at a future public hearing.

If the City Council determines that the EIR is adequate at a subsequent public hearing, it will certify the EIR in compliance with CEQA requirements including adoption of a Mitigation Monitoring and Reporting Program and Findings of Fact. As the project is expected to have one or more significant and unavoidable environmental effects, prior to taking action on the requested project entitlements, a 'statement of overriding considerations' explaining why the project's economic, social, technological, legal and other benefits outweigh its significant and unavoidable environmental effects must also be adopted.

Creekwood Housing Project DEIR Contents

The DEIR (available at cityofpetaluma.org/creekwood-housing-development/) is comprised of the following:

Chapter 1: Introduction

An introduction and overview describing the purpose of the Environmental Impact Report, the environmental review process, and the scope of topics addressed in the DEIR.

Chapter 2: Executive Summary

A brief description of the proposed project, and summarizes environmental impacts anticipated with implementation of the proposed project. It provides a summary table that denotes potentially significant environmental impacts, identifies mitigation measures, and indicates the resulting level of significance of each impact with mitigation. In addition, this section presents a brief description of alternatives to the proposed project and identifies the environmentally superior alternative.

Chapter 3: Project Description

Provides a detailed description of the proposed project, including the requested approvals and entitlements, as well as on and off-site project improvements such as access and infrastructure to serve the proposed development, and states the project objectives.

Chapter 4: Analysis

Chapter 4 contains an analysis of the project's environmental impacts on [Biological Resources](#), [Greenhouse Gas Emissions](#), [Hydrology and Water Quality](#), and [Transportation](#), as well as cumulative impacts.

Chapter 5: Statutorily Required Sections

This chapter includes a discussion of the proposed project's potential to result in growth-inducing impacts; the cumulative setting; significant irreversible environmental changes; and significant and unavoidable impacts caused by the proposed project.

Chapter 6: Project Alternatives

The Alternatives Analysis chapter includes the purpose of an alternatives analysis, alternatives considered but dismissed, a reasonable range of project alternatives and their associated impacts in comparison to the proposed project's impacts, and the environmentally superior alternative.

Chapter 7: EIR Authors and Persons Consulted

This chapter lists the authors and consultants involved in the preparation of the document.

Chapter 8: References

The final chapter includes the documents and sources of information used in the DEIR.

Appendices

The Appendices to the Draft EIR include the NOP and Initial Study, comments received during the NOP comment period, and all technical reports prepared for the proposed project.

Appendix A - Notice of Preparation (NOP) and Initial Study

Appendix B - NOP Comment Letters and Summary of Verbal Comments

Appendix C - Biological Resources Assessment

Appendix D - Tree Protection and Removal Plan

Appendix E - Hydraulic Assessment

Appendix F - Stormwater Control Plan

Appendix G - Focused Traffic Study

To facilitate an understanding of the DEIR's contents and to focus public comment at the Planning Commission hearing, the DEIR Executive Summary is included at **Attachment 2**. Additionally, the following discussion includes a summary of DEIR analysis.

DEIR Analysis Summary

The following environmental topics are discussed in detail in the DEIR and summarized below. All other environmental impacts due to the proposed project were found to be less than significant or mitigated to less than significant levels through the incorporation of mitigation measures (see Appendix A to the DEIR, NOP and Initial Study).

Biological Resources

The project site consists of development/distributed land containing existing residences and associated outbuildings, landscaping, and small orchard, annual grasslands, and the Adobe Creek riparian habitat. The annual grassland and developed areas are of low quality for accommodating plant and wildlife species due to routine mowing, grazing, and disturbance. The sensitive biological community is primarily associated with aquatic resources including the 0.22 acres of Adobe Creek riverine habitat and its riparian corridor, as well as 0.09 acres of seasonal wetlands located in the southeast portion of the project site.

Special status species that have the potential to occur onsite include the Western Bumble Bee, Foothill Yellow- Legged Frog, California Red-Legged Frog, Northwestern Pond Turtle, Swainson's Hawk, and Pallid Bat. Additionally, Adobe Creek is designated by National Oceanic and Atmospheric Administration (NOAA) Fisheries/ National Marine Fisheries Service (NMFS) as critical habitat for steelhead and as Essential Fish Habitat for Pacific salmon. While no special status plants were found on the site during several years of survey, suitable habitat exists for three sensitive plant species including Congested-headed Hayfield Tarplant, Sanford's arrowhead, and Pacific Grove clover. Furthermore, over 72 trees were inventoried and identified 56 qualifying as protected pursuant to the City's IZO including Coast Redwood, Coast Live Oak, Valley Oak, Red Willow, California Buckeye, Oregon Ash, and Toyon, as well as a variety of other native trees within the riparian zone.

The Biological Resources Chapter of the DEIR concludes that the project could have significant impacts on:

- Sensitive plant and animal species noted above
- Trees (Removal of 31 trees including 7 unprotected and 24 protected trees within the riparian corridor, as well as pruning to an additional 5 protected trees to accommodate the proposed bridge and stormdrain outfalls)
- Riparian habitat (0.07 acres) and protected trees State or federally protected wetlands (0.09 acres)

However, through the implementation of Mitigation Measures (e.g. 4.1-1, 4.1-2, 4.1-3(a-c), 4.1-4(a-g), 4.1-5(a), 4.1-6, 4.1-7(a-c), and 4.1-8(a-c)), impacts to biological resources due to the project would be mitigated to a less than significant level.

Furthermore, there are a number of local, state, and federal regulations that provide for the protection of biological resources including the City's IZO Section 17.060 for Tree Protection, California Endangered Species Act, Federal Endangered Species Act, Native Plant Protection Act, Clean Water Act, Porter Cologne Act, and Migratory Bird Treaty Act. State and federal agencies are charged with the protection of state and federally listed species and their habitats and ensure their protection through issuance of permits (e.g. CDFW's Lake and Streambed Alteration Agreement for activities occurring within a bed, bank, or channel of a stream, the RWQCB's Section 401 Certification and the United States Army Corp of Engineers (USACE) Section 404 Permit for activities affected regulated waters, and the Section 7 consultation with the United States Fish and Wildlife Service and NOAA/NMFS). Additional details regarding the potential impacts, mitigation measures, state and federal agency permit requirements, can be found in Section 4.1 Biological Resources of the DEIR.

Hydrology and Water Quality

According to a Letter of Map Revision (LOMR) issued by FEMA on May 11, 2023, for Flood Insurance Rate Map (FIRM) 06097C1001G, the majority of the project site, including the portions of the site in which the proposed residences would be developed, are designated as being within Zone X (DEIR Figure 4.3-1), which is outside the regulated 100-year floodplain and outside a Special Flood Hazard Area. The Zone X portions of the project site include areas within the 500-year floodplain. In addition, the Creek corridor is shown as being within Zone

AE, which is the 100-year floodplain and a Special Flood Hazard Area (SFHA).

Nonetheless, to ensure consistency with the citywide hydraulic model developed by WEST Consultants for the City's General Plan 2045 Update (currently in process and not yet adopted) and that any risks of flood are examined and addressed, the City has elected to employ the same modeling results to the project site in the DEIR in order to provide a conservative analysis. Under this model, a majority of the project site is within the regulated 100-year floodplain, which is a SFHA.

The City of Petaluma's Implementing Zoning Ordinance identifies regulation for activities within the 100-year floodplain, e.g. the Floodplain Combining District (FP-C). Development projects within FP-C areas must obtain a development permit at the discretion of the floodplain administrator, the application for which must include, among other things, the proposed elevation in relation to mean sea level of the lowest floor of all structures, proposed elevation in relation to mean sea level of any structure that would be floodproofed, and a description of the extent to which any watercourse would be altered or relocated as a result of the proposed development. Provided that these regulations are met, the City's IZO, Chapter 6, allows for development to occur within the FP-C. Pursuant to the City of Petaluma's Implementing Zoning Ordinance (IZO), Chapter 6.070 the project will be reviewed for compliance with floodplain development standards.

The USACE Hydraulic Engineering Center's River Analysis System (HEC-RAS) two-dimensional (2D) model (version 6.3.1) was used to perform the post-development hydrologic calculations, which inform the Project's Stormwater Control Plan and infrastructure improvements. Development of the proposed project would result in a substantial increase in the on-site impervious surface area, due to new roofs, driveways, and the proposed internal looped private street, which total approximately 120,654 sf. As such, the proposed project would alter the existing drainage pattern of the site, could potentially result in the increase of stormwater runoff, and could have a significant impact if flooding would release pollutants due to project inundation. However, project plans adhere to the project specific preliminary Storm Water Control Plan by incorporating elevated building pads and stormwater infrastructure including conveyance, outfalls and retention basin facilities. The Basin Retention Areas within each Drainage Management Area would exceed the required minimum facility area. As such, the proposed Basin Retention Areas would be sized to adequately retain and treat all stormwater flows from the developed project site.

The DEIR further states that under post-project conditions, the 100-year floodplain would not encroach upon the developable areas of the project site (DEIR Figure 4.3-3) and the proposed bridge over Adobe Creek would not result in flooding on or offsite. Adobe Creek would experience water surface elevation changes of approximately +0.3 feet and -0.3 feet upstream and downstream of the proposed bridge connection, respectively, due to the bridge abutments constricting flow. During the 100-year storm event, the minor increases to water surface elevation attributable to the proposed project would not result in adverse effects to upstream or downstream properties, as all waters during the 100-year storm would be contained within the Creek channel. Therefore, the DEIR finds that the proposed project will not result in on- or off-site flooding.

During construction and operation, the project would have potentially significant impacts due to violating water quality standards or waste discharge requirements through the introduction of pollutants into the City's stormwater. Mitigation measures 4.3-1(a-b) and 4.3-2, require a SWPPP that incorporate best management practices, a final grading plan prepared in accordance with Chapter 17.31 of the City's Municipal Code, and a final Stormwater Control Plan, which ensure that potential impacts to hydrology and water quality as a result of the proposed project are reduced to less than significant levels.

Furthermore, there are a number of local, state, and federal regulations that provide for flood control and water quality protection (e.g. City of Petaluma's Phase II MS4 general permit and Chapter 17.31 of the City's Municipal Code, Storm Water Pollution Prevention Control Plan (SWPPP) pursuant to the State Water Resource Control Board requirements, a project specific Storm Water Control Plan prepared in accordance with the Bay Area Stormwater Management Agencies Association (BASMAA) Post-Construction Manual, and Federal Emergency Management Agency Flood Insurance Rate Maps).

Additional details regarding the potential impacts, mitigation measures, local, state and federal requirements, can be found in Section 4.2 Hydrology and Water Quality of the DEIR.

Transportation

In accordance with state guidance and the City's local Guidelines, a Focused Traffic Study was prepared for the proposed project and used to inform the analysis in the DEIR, which found the following:

- During construction activities, truck traffic could interfere with roadway operation if not properly controlled. With implementation of a Construction Management Plan (MM 4.4-1) potentially significant impacts would be reduced to less than significant levels.
- At operation, the proposed project would not conflict with adopted policies, plans, or programs supporting alternative transportation (i.e., bus turnouts, bicycle lanes, bicycle racks, public transit, pedestrian facilities, etc.). Thus, the project would result in a less-than-significant impact to pedestrian, bicycle, and transit facilities.
- At operation, the proposed project would result in Vehicle Miles Traveled (VMT) that exceeds the City's threshold of significance and impacts would be significant and unavoidable.

The balance of this discussed focuses on VMT. Pursuant to CEQA Guidelines Section 15064.3, Vehicle Miles Traveled (VMT) is the primary metric used to identify transportation impacts under CEQA. VMT is a metric that accounts for the number of vehicle trips generated and the length or distance of those trips. VMT does not directly measure traffic facility operations (e.g. level of service or delay due to congestion). VMT per capita is measured as the total length of vehicle travel divided by the total population, and tends to increase as land use density decreases and travel becomes more reliant on the use of single-passenger vehicles.

In July 2021, the City of Petaluma adopted the Senate Bill 743 Vehicle Miles Traveled Implementation Guidelines, which established methods for calculating VMT, VMT thresholds, screening criteria, and mitigation options. Pursuant to the City's Guidelines, projects that generate VMT per capita at 16.8 percent below the Citywide average (17.8 VMT per capita as determined by the 2019 Sonoma County Transportation Model) are considered to have a less than significant impact and those above, are considered to be potentially significant. The VMT threshold applied to the project is 16.8 percent less than 17.8, or 14.8 VMT per capita.

The project site is located within Transportation Analysis Zone (TAZ) 341 of the Sonoma County Travel Demand Forecast Model (SCTM19) which has a baseline VMT per capita of 19.0 miles, which is well above the Citywide average due to the existing land use development pattern in that portion of the City. In order to meet the applicable threshold of significance of 14.8 VMT per capita, a 22.0 percent reduction in VMT per capita would be required. According to the project specific Traffic Study and taking into account adjustments for density, inclusionary housing, and the Pedestrian-Bicycle Bridge (with reliance on California Air Pollution Control Officers Association [CAPCOA] guidance), the VMT per capita for the proposed project would be 16.0 VMT which exceeds the applicable threshold of significance of 14.8 VMT per capita resulting in a potentially significant impact.

While the project incorporates a number of CAPCOA strategies, their feasibility or effectiveness is insufficient to reduce VMT of the project to levels below significant. CAPCOA strategies incorporated by the project include the following:

- Increase Residential Density (T-1): The project increases the residential density relative to the existing use onsite and surrounding uses, and at the proposed density of 14.5 falls within the upper range of density allowed by the Medium Density Residential land use designation (8.1-18.0)
- Integrate Affordable and Below Market Rate Housing (T-4): The project provides for 15% of the units as inclusionary
- Provide Pedestrian Network Improvements (T-18): The project proposes to install pedestrian facilities including a multi-use pathway along the site frontage to Adobe Creek as well as a pedestrian and bicycle bridge across Adobe Creek.

Several other CAPCOA strategies were considered but determined to be infeasible or provide minimum VMT reduction such as increasing transit service frequency, implementing e-bike share program, implementing a subsidized or discounted transit program, and otherwise improving transit access, safety and comfort.

As previously stated, although the project does implement a number of CAPCOA strategies such as increasing density, including affordable housing units, and installing new pedestrian pathways and a new bridge connection, VMT generated by the project is not sufficiently mitigated to fall below levels of significant. It should be understood that the VMT estimates of the project are a result of the existing develop pattern within the City and specifically the project site's travel zone area, the region's existing travel patterns, driven by economic factors, as well as the City of

Petaluma's location within the economic region, and is not a result of the proposed project's specific use or failure to incorporate feasible VMT reduction strategies. Furthermore, due to the relatively recent shift in measuring transportation impacts based on VMT, the City has yet to establish a land use plan, or VMT reduction strategy that realizes reductions in VMT in line with adopted VMT thresholds. Finally, regional VMT reduction strategies or programs have yet to be established that provide a pathway to realize effective, feasible and measurable VMT reduction. As such, there are no available feasible mitigation measures that would further reduce VMT of the project. Therefore, the project's impacts to VMT would remain significant and unavoidable.

Greenhouse Gas Emission

The Bay Area Air Quality Management District (BAAQMD) is responsible for preparing and updating the Clean Air Plan to address the non-attainment issues within the Air Basin. This includes the establishment of CEQA Guidelines and thresholds related to Air Quality, Greenhouse Gas Emissions, and health risks related to emissions. The most current version of the Clean Air Plan was adopted in 2017 and on April 20, 2022, BAAQMD adopted updated CEQA Guidelines which were implemented in 2023. Because the environmental impacts of Greenhouse Gas Emissions are at a global scale and no one project would quantitatively have a significant impact, the State and BAAQMD take what is called a "fair share" approach to considering whether a project would have significant impacts on GHGs, and that projects are incorporating design elements and complying with plans to reduce GHGs. The BAAQMD 2022 Guidelines includes the following threshold:

- *A.2.a. The project will achieve a reduction in project-generated vehicle miles traveled (VMT) below the regional average consistent with the current version of the California Climate Change Scoping Plan (currently 15 percent) or meet a locally adopted Senate Bill 743 VMT target that reflects the recommendations provided in the Governor's Office of Planning and Research's Technical Advisory: Evaluating Transportation Impacts in CEQA:*

- *Residential projects: 15 percent below the existing VMT per capita [City of Petaluma has an established threshold of 16.8 percent below the existing Citywide VMT per capita for residential project]*

Because the project does not achieve the established VMT reduction threshold of 16.8 percent below the existing citywide VMT average, the project is considered to have significant and unavoidable impacts related to Greenhouse Gas Emissions (GHGs). As such, the project is considered to be in conflict with an applicable air quality plan, policy or regulation adopted for the purpose of reducing greenhouse gas emissions, and impacts to GHGs would be cumulatively considerable, significant, and unavoidable.

Alternatives Analysis

Consistent with CEQA requirements, a reasonable range of alternatives was evaluated that could feasibly avoid or lessen any significant environmental impacts while substantially attaining the basic objectives of the proposed project. The Alternatives Chapter identifies Alternatives Considered but Dismissed from Further Analysis including an Offsite Alternative and a Reduced

Density Alternative. The alternatives analyzed in the DEIR include the following:

- No Project/No Build Alternative
- No Bridge Alternative, and
- Affordable Housing Alternative

The Alternatives Analysis is presented in Chapter 6 of the DEIR and concludes that the Affordable Housing Alternative would be considered the environmental superior alternative to the proposed project.

PUBLIC OUTREACH

Public Meetings Public Scoping Meeting

A notice of preparation of an EIR and notice of public scoping meeting was published in the *Argus Courier* on October 21, 2022, and mailed to all property owners and occupants within 1,000 feet of the project site. A public scoping meeting was held on November 14, 2022, which provided an opportunity for members of the public to learn about the project, the results of the Initial Study and proposed scope of the EIR, and to provide feedback on the scope of the EIR.

Neighborhood Meeting

Additionally, a neighborhood meeting in compliance with IZO Section 24.100.A to inform and solicit feedback from the neighborhood was held on June 17, 2024. Public notices were sent out consistent with the City's public outreach policy. Approximately 40 members of the public attended the virtual neighborhood meeting. The applicant team presented the site history, shared the details of the proposed project, and responded to questions and concerns expressed by participants.

Public Noticing

The public notice of completion/availability (NOC/NOA) of the DEIR was published in the *Argus Courier* on July 26, 2024, and mailed to all property owners and occupants within 1,000 feet of the project site. Further, notices for the DEIR Planning Commission and City Council public hearings published in the *Argus Courier* on August 30th and September 6, respectively, and mailed to all property owners and occupants within 1,000 feet of the project site.

Additionally, an onsite public hearing sign was posted on the site's frontage to Casa Grande Road providing notice of the Planning Commission and City Council hearings on the DEIR. Additionally, all notices, environmental documents and technical appendices were posted to the City's Creekwood Project webpage and published on CEQAnet (the Office of Planning and Research's State Clearinghouse portal) in conformance with California Code of Regulations Section 15201.

Public/Agency Comments

The 45-day public comment period on the DEIR extends through September 9, 2024, and the City will continue to accept comments through the City Council hearing on the DEIR, scheduled for September 16, 2024. As of publication of this staff report, no public comments have been received on the DEIR. State agency comments have been received from Caltrans and the Department of Toxic Substance Control, which are included in Attachments 3 and 4 respectively.

Public comments received, following publication of this staff report, will be published to the agenda, summarized at the public hearing, and retained in the project record as required by the City's retention policy (City Council Resolution No. 2021-179 N.C.S.). All public and agency comments received on the DEIR will be reviewed and responded to in the Final EIR.

COUNCIL GOAL ALIGNMENT

Based upon the information presented above, the proposed project is in general compliance with applicable Citywide goals and priorities, specifically:

A City that Works

Item 18 Establish and improve paths, as useful transportation options, and make walking and biking easy, fun and safe.

Item 218 Look at ways/locations to increase river footbridges.

The Project includes a multi-use path along the site frontage to Adobe Creek as well as a pedestrian and bicycle bridge over the Creek. These proposed improvements provide for enhancement to the City's pathways and offer an easy, fun, and safe options available for public use.

Environmental Legacy

Item 54 Consider requiring electric vehicle charging systems and solar energy in new or substantially upgraded housing and commercial structures.

New residences will comply with the Building Energy Efficiency Standard of the California Building Code Title 24, consistent with the requirements of CalGreen. Each garage will contain an electric vehicle charging connection. The project is designed to be all electric.

Item 197 Inform and invite local California Native peoples into our ongoing dialogue as part of cultivating respectful and collaborative relationships with indigenous communities with the intention to understand, highlight, and integrate their community needs, climate action priorities, and ecological insight and values into our climate actions.

The Federated Indians of Graton Rancheria (FIGR) were notified of the project in accordance with AB 52 and requested consultation. The City entered into consultation and several meeting between City staff and FIGR were conducted during 2023 and 2024. The consultation process involved review of the Cultural Resources Report, additional investigation onsite, and the development of Mitigation Measures. Additionally, FIGR has been informed of the DEIR availability and invited to review and provide further comment.

CLIMATE ACTION/SUSTAINABILITY EFFORTS

On December 10, 2020, the City's Climate Action Commission approved the Climate Emergency Framework and forwarded a recommendation for its adoption to the City Council. Subsequently, on January 11, 2021, the City Council and the Climate Action Commission held a joint hearing which resulted in adoption of the Framework. The Framework is intended to guide the City's ongoing response to and discussion about the climate crisis and guides and informs subsequent policies and implementation strategies. The principles identified in the Framework establish Petaluma's shared vision of a healthy, sustainable, and equitable community. By setting the shared intention of this framework and working from the framework in subsequent planning efforts to create policy and implementation, the City will actively work to avoid catastrophic climate change and adapt to its expected impacts.

Goals identified in the Framework that are particularly relevant to the project include elimination of transportation emissions by reducing VMT through active transportation, land use policy, increased density, increased public transit investment, and encouragement of and support for non-combustion vehicles. Though the DEIR concludes that the project will have significant and unavoidable impacts related to the generation of VMT, the project is subject to Traffic Impact Fees which are used to fund transportation infrastructure improvements citywide including pedestrian and bicycle and transit facilities.

Residences would incorporate sustainable design features, including solar energy generation, in compliance with the new Building Energy Efficiency Standards of California Building Code Title 24. New residences introduced by the project would be all electric and no natural gas use is proposed by the project.

The project includes a pedestrian bridge, sidewalks, and multi-use pathways furthering opportunities for pedestrian access and connection, and thereby potentially reducing some trips that otherwise would travel to Casa Grande Highschool by vehicle. Improvements proposed by the project include native tree plantings, will further enhance and preserve the land consistent with goals of the Framework.

ENVIRONMENTAL REVIEW

The purpose of this hearing is to review the DEIR for the project. The subject of this staff report and public hearing is the environmental analysis conducted for the proposed project. The DEIR has been prepared in full conformance with CEQA and local CEQA guidelines. The City is in the process of receiving and collecting comments on the DEIR both in writing and verbally at public hearings. All comments received will be assembled and those relating to environmental concerns will be responded to in the Final EIR.

The Final EIR will be considered for certification prior to granting any project entitlements or approvals. The Petaluma City Council is responsible for certifying the Final EIR for the project and Planning Commission is responsible for approving the Site Plan and Architectural Review, which may only be considered following certification of the EIR by the City Council.

A determination of adequacy on the DEIR, does not imply or otherwise indicate the ultimate decision that the Planning Commission will make regarding the project entitlements, which will be considered at a future public hearing and may only occur following certification of the Final EIR.

FINANCIAL IMPACTS

The Project has a cost recovery account to pay for time and materials for environmental review and for processing entitlements. The City entered into a Professional Services Agreement with Raney Planning & Management, Inc. to prepare the EIR, which is funded through the cost recovery account. As such, there are no direct financial impacts to the City.

ALTERNATIVES

If the City Council does not find the EIR to be adequate and does not wish to direct staff to prepare a Final Environmental Impact Report (FEIR), the Council should explicitly identify the DEIR inadequacies in accordance with CEQA and direct staff to prepare a Revised DEIR. However, it should be noted that additional information, clarification, and response to comments will be provided in the Final EIR. Furthermore, given that the project is an SB 330 application and subject to the Housing Accountability Act, implications of finding the DEIR to be inadequate should be taken into consideration with the HAA along with input from City legal Council.

ATTACHMENTS

1. Resolution to Prepare Final EIR
2. DEIR Executive Summary
3. Caltrans Comment Letter
4. DTSC Comment Letter
5. Supplemental Memo – Published 09.12.24