

**From:** [Cochran, Brian](#)  
**To:** [-- City Council](#)  
**Cc:** [Flynn, Peggy](#); [Kendall Sawyer](#); [Danly, Eric](#)  
**Subject:** Agenda Questions from Councilmembers  
**Date:** Monday, February 27, 2023 2:13:43 PM  
**Attachments:** [CouncilMember Questions.docx](#)

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Hello Mayor and Councilmembers,

We received questions on several agenda items for tonight's meeting. See below for responses. Specifically on agenda item #9 (Scott Ranch), please see attached memo that addresses most of the questions, other than the questions shown toward the bottom of this email with text in red.

### **Agenda Item #4 – Treasurer's Report**

**I saw in investment report that one of the account values is now much less than cost and the managed account made 35K this quarter. Could staff please explain the drop in valuation?**

Depending on a variety of factors, including current bond yields, it is possible that the market value of securities that the City holds at any given time is lower than the amortized cost basis of those investments. These valuations will fluctuate during the lifetime of the investment as the market values are updated with each quarterly investment report. This is not uncommon, since in a rising interest rate environment such as we find ourselves right now, rising market yields drive down the values of the investments in the City's existing portfolio.

It is important to know that this phenomenon creates "unrealized losses" based on valuations, and does not mean that the City is losing money on its investments. The vast majority of the time, the City acts as a "hold to maturity" investor. In other words, unless either (1) we were in an emergency cash situation or (2) our investment advisors determine that selling at a loss makes sense for the portfolio to re-invest in higher-yielding securities, the City will never realize an investment loss due to reduced market values. Over time, as the maturity date of a security gets closer, the market value will get closer and closer to the par value of the investment, which will be paid back to the City's account once the security matures and the principal is repaid.

Finally, as an overall comment about the City's investment strategy, our investment policy emphasizes security, liquidity and yield, in that order. Thus the City has a very conservative investment policy with job #1 being the protection of taxpayer and City funds. The City's investment portfolio is well diversified with approximate equal amounts invested in either overnight money market-type instruments (LAIF and CAMP w/shorter term maturities of 1 year or less) or in federal treasury / agency securities with a slightly longer maturity of 3 years or less. The City does not currently invest in corporate debt or other types of investment categories due to the increased risk and the potential for investment losses.

**The Exhibit page 2 shows an Investment balance of \$197m.**

**What does City policy proscribe as level of required investment or reserve funds? In other words, why is this money in the bank rather than in the budget to solve needs?**

**The Exhibit page 6 shows that the return on the investments (summary) are negative for 3 years and 0.71% over 5 years.**

**Why does the City borrow bond funds at 3% while having funds in the investments at negative return rate?**

**As an example (of my thinking), if \$150m is needed in reserve funds, then \$47m is still available to the budget and would offset the need to take bonds.**

The Council is being asked to adopt the resolution to receive and file the City Treasurer's Quarterly Report.

Reserve policies are set based on best practices issued by the Governmental Accounting Standards Board. Typically, this includes a 15% operating reserve which is equivalent to, on average, 2 months of operating costs in addition to a capital reserve which provides the funds necessary in the event an emergency capital replacement is needed, such as repairing a water or wastewater transmission main/line.

The City's investment portfolio is diversified with a large portion invested in shorter term overnight money market-type instruments (LAIF and CAMP) which provide liquidity when needed with the remaining portion of the portfolio invested in slightly longer-term investments with less flexibility for liquidity but higher yields in the long term(federal treasury / agency securities) . Much of the cash invested is programmed into the budget and is held in the City's shorter-term portfolio until the point in time cash is needed.

It is important to know that the returns shown for quarterly, annual or 3/5 years, except for the Yield to Maturity, include "unrealized losses" based on valuations, and does not mean that the City is losing money on its investments. The vast majority of the time, the City acts as a "hold to maturity" investor. In other words, unless either (1) we were in an emergency cash situation or (2) our investment advisors determine that selling at a loss makes sense for the portfolio to re-invest in higher-yielding securities, the City will never realize an investment loss due to reduced market values. Over time, as the maturity date of a security gets closer, the market value will get closer and closer to the par value of the investment, which will be paid back to the City's account once the security matures, and the principal is repaid. Yield to Maturity reflects more accurately the City's yield at maturity of current investments. Our interest rates have significantly increased over the past 6 months and are nearly double what they were due to sharply rising short term interest rates and now hover around 3-4%.

A large portion of the cash balances reside in the wastewater, water, and impact fee funds. Borrowing funds is not advised as it could impact the ability of the these funds to meet capital budgeting needs and reserve requirements.

## **Agenda Item #6 – Geothermal Energy Storage**

**Thank you for the update on item 6. However the information does not say how the superheating is happening, just "local materials". Picture includes solar panels but those alone can not do the superheating so maybe a hot salt tank? What is storing the thermal energy? Not Li-ion it says but not what it is - maybe a "patentable technology" not released as yet?**

According to SCP, the thermal storage system is as follows:

- The existing turbines at the Geysers geothermal site would run at a higher efficiency and produce more power if the steam were higher temperature
- Structures containing materials (Staff are still waiting to hear back what exactly the material is) with suitable heat retention properties would be installed on the Geysers property in proximity to existing turbines
- During peak solar production periods, when there is low cost for electricity, electric resistance heaters would heat the materials
- During peak electrical demand periods (i.e. evening, when solar production plummets), steam produced by the Geysers is directed through the new structures
- The heat from the material is transferred to the steam, heating the steam further, allowing the turbines to produce more power
  - In this case, the process would take place during peak demand (evening), when natural gas peaker plants would be coming online
- Lithium ion batteries are not used in this project and the picture of solar panels is indicative that the materials are heated during the day, when solar panels are producing electricity. SCP did not indicate that new solar panels would be installed at the Geysers for this project.

## **Agenda Item #8 – Housing Element**

**In reading the workshop #8 agenda item Housing staff report, can staff provide an example to Program 7? ie: Johnson Property or Oyster Cove project?**

Program 7 is an overarching program that commits the City to modify existing zoning code regulations that are identified as development constraints to the production of housing in Petaluma. As outlined in the narrative this includes parking, density bonus, residential care facilities, supportive housing, open space requirements, etc.. For purpose of the question I assume that the example sought is how future code updates to reduce open space and parking requirements would impact a typical development. It is difficult to provide a concrete example because the program language in the Housing Element provides general direction but not specifics, which would be presented as part of a future code update with full analysis and comparison. More specifically, Program 7 commits the City to study private open space requirements for comparable housing types in the region and reduce Petaluma's open space requirements to align with the regional trends and to ensure maximum allowable density in each district can be achieved. The program does not specify how much to reduce requirements or specify metrics for the different zoning districts. That level of specificity will be part of the ultimate code update process when the amendment is brought back for consideration and adoption.

The Housing Element itself commits the City to making these code updates by December 2024 so they are not anticipated to impact current projects in the pipeline that have been approved or deemed complete.

**Housing for Disabilities- Does Petaluma have any that are more than 2 stories now?**

For care homes (commercial, not single family dwelling types) we have 2 story buildings. Senior housing facilities, we do have 3 story buildings.

**I apologize, but I got a bit confused with Attachment 3 refers to Attachment A - G?**

Attachment 3 is the Planning Commission staff report which references alpha attachments instead of the numeric attachments used in City Council packets. The full packet for that Planning Commission meeting is available here:

[https://petaluma.granicus.com/GeneratedAgendaViewer.php?view\\_id=31&clip\\_id=3841](https://petaluma.granicus.com/GeneratedAgendaViewer.php?view_id=31&clip_id=3841)

**Page 27- Drought Ready ordinance - can wording about new landscaping include installation of purple piping? No sod, only mulch or drought resistance plants?**

The Housing Element may not be the best place to include specifics about landscaping. However, staff is working on Objective Design Standards and will look closely at appropriate landscape standards for housing projects as part of that effort. Additionally, a drought ready ordinance would include these types of discussion about recycled water and drought resistant plant palettes.

**Page 39- in yellow, Target 20 percent of rental units to have 3+ bedrooms. If the City continues with rent ordinance, then we might lose our rental market of Single Family Units. ?**

Throughout the community process, a desire and demand for all types of housing – rental, for sale, size – was identified as a critical need. This Housing Element program ensures a goal to accommodate rental units for larger family units as one way to address this need. Currently, staff is working with the community to prepare a tenant protection ordinance that reflects City Council direction and is scheduled for a public hearing at City Council's March 20, 2023 meeting.

**Could staff please share the comment letters submitted to HCD and referenced in the first paragraph of HCD's January 27 letter?**

Those letters are attached as public comments to the Housing Element agenda item from the October 3, 2022 meeting - <https://cityofpetaluma.primegov.com/Portal/Meeting?meetingTemplateId=4339>

**Agenda Item #9 – Scott Ranch (All responses, other than those in red below, are in the attached memo)**

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In Attachment 3 the CC reso, is this a typo

***5. State law limits the number of times a local agency can amend its general plan to more than four times per year. The proposed amendment represents the first amendment request for 2022.***

Should it be "amend .. to NO more than"

Yes, staff will make this correction and have an updated resolution available. Additionally, the year needs updated in that recital – should be 2023 instead of 2022.

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**Comment re Page 8 cut and fill** – it is good to see the cut and fill reduced ~30% from the DEIR. However, it is concerning that the unit clustering was not part of the proposed in the DEIR. When such a measure is not included in the DEIR, it makes one wonder what additional feasible mitigation measures have been intentionally or unintentionally omitted.

- What approaches were studied from 2021 when the DEIR was reviewed by council and now to further reduced cut and fill, project footprint, impact to Kelly Creek, and VMT? What were the findings?

**Concerns that the applicant did not study feasible mitigation measures requested by council** – When the DEIR was brought to council in 2021, a councilmember made specific requests. Some of the requests were addressed, while others do not appear to be addressed. Please summarize how each of the following points were studied, findings from said studies, and rationale for why the alternative was or was not included in the proposed project. Specifically:

- To achieve 4, 5, 7 and 8, I was expecting to see an alternative studied that had townhomes and/or condos oriented to Windsor Drive – especially on the Kelly Creek side of Windsor Drive. Was this alternative studied? If so, what were the findings? If not, why? Given the request for general plan amendments and zoning amendments to make this a PUD, it seems there was plenty of room to be creative about how to reduce VMT, minimize environmental harm, and minimize the city's long-term maintenance obligations.
- Regarding 9, was this alternative studied? If so, why is it less environmentally damaging to have the pathways bisecting the open space?

Request text: "Please study a project that:

1. Does not include any fossil gas in the homes or to any onsite amenity
2. Eliminates development where units 20-28 are
3. Clusters development where units 1-10 and 15-19 are located
4. Eliminates single-family uses and replaces with attached townhomes or apartment/condos
5. Minimizing the potential for excessive irrigation by eliminating resident-maintained areas

6. Maximizes groundwater recharge and catchment of water runoff in the infiltration basin
7. Minimizes and/or eliminates the construction of new roads
8. Minimizes cut and fill
9. Minimizes fragmentation of the wildlife corridor by moving the pedestrian trail closer to the backyards on Oxford Court”

**Comment re page 26 PUD terminology** – the staff report states that the PUD “allows the project to cluster development, minimize the footprint of development, minimize disturbance to hillside topography, set development away from the riparian corridor along Kelly Creek, avoid sensitive Red Legged Frog Habitat, and maximize open space preservation” The use of the words minimize and maximize are misleading. It would be more accurate to state that the PUD has “reduced” and “increased”. There are still ways to reduce footprints and disturbance further, while increasing open space preservation. Such measures would have also helped reduce VMT and long-term maintenance cost burdens on the city.

### **Questions about approvals –**

- Can the council approve the GPA and ZTA, but not approve the VTSM until the applicant has looked at additional measures to reduce VMT and environmental damage?
- If the council wanted to, could it condition its support for certifying the EIR on eliminating the trail on the south side of Kelly Creek? **While construction of the trail along the south side of Kelly Creek is not one of the items in Phase 1 to be completed by Kelly Creek Protection Project, it is a component of the long term operations and maintenance once turned over to Regional Parks. Representatives from Regional Parks have indicated that the future potential for the path along the south side of Kelly Creek is needed flexibility for their ability to properly maintain the property and ensure proper operation of the park. Representatives from Regional Parks will be present at tonight's public hearing and available to response to specific questions.**

**Attachment 2 Exhibit C re VMT** – the document claims there was an exhaustive list of feasible mitigation measure reviewed, but I could not find that review. Please address the following:

- Did the applicant study the potential VMT benefits of approaching this as a 15-minute neighborhood? For instance, what was the VMT impacts of a small 1000-2000 sqft neighborhood retail shop oriented to Windsor drive? If this was not studied as a VMT mitigation measure, why?
- What were the VMT impacts of eliminating new roads from this project?
- What types of VMT mitigation measures were studied? For instance, the project offers 2 car garages and on street parking. Did the applicant study the VMT impacts of offering 1-car garages with no on street parking? Did the applicant consider limiting the number of cars a homeowner is allowed to have using the HOA?
- It seems that the applicant is set on making these large \$1M+ homes. These are widely

regarded as the most inefficient and environmentally taxing forms of development. What type of land use and lifestyle measures did the applicant consider? Asking for a statement of overriding considerations for VMT without considering that the developer is promoting the most auto-dependent forms of housing makes one question if the applicant was seriously trying to satisfy our VMT regulations.

**Concerns about habitat destruction** – In a meeting with Regional Parks staff, the staff person acknowledged that the project’s prior configuration of having homes on the downhill slope of Kelly Creek would have given no means to prevent runoff of pesticides and herbicides from residential back yards into Kelly Creek. Even with this knowledge, the DEIR was brought forward as if all potential harms to Kelly Creek had been mitigated. Thus, I have concerns about the harms to Kelly Creek, and as a coworker says, “hope is not a strategy.” Please address the following:

- Will the trails have fences to keep off leash dogs from running through RLF habitat?
- How will regional parks respond if dogs are indeed being allowed off leash regularly?

In addition to education and signage, regional parks would increase patrols and enforcement with rangers and county animal regulation officers. As mentioned above, representatives from Regional Parks will be at tonight's public hearing and will be available to answer questions about their standard operation and maintenance approach and/or any specific approach anticipated for Helen Putnam Regional Park expansion.

### **Brian Cochran**

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Petaluma is in a drought. There are many programs and incentives to help you conserve water! Learn more [HERE](#).

## MEMORANDUM

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**To:** Olivia Ervin, Principal Environmental Planner, City of Petaluma      **Job No.** 1222.001  
**From:** Rima Ghannam and Matt Goynes  
Impact Sciences team  
**Subject:** Responses to questions from a Councilmember  
**Date:** February 27, 2023

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### Comment #1:

**Page 8 cut and fill** – *it is good to see the cut and fill reduced ~30% from the DEIR. However, it is concerning that the unit clustering was not part of the proposed in the DEIR. When such a measure is not included in the DEIR, it makes one wonder what additional feasible mitigation measures have been intentionally or unintentionally omitted.*

- *What approaches were studied from 2021 when the DEIR was reviewed by council and now to further reduced cut and fill, project footprint, impact to Kelly Creek, and VMT? What were the findings?*

### Response #1:

**Project Footprint and reduction in cut and fill.** As described in the Responses-to-Comments document, the proposed subdivision has been designed to cluster the minimum density and minimize the footprint of development in order to preserve approximately 47 acres as designated open space for public use and an additional 5 acres as private open space associated with the residential component. The layout of the project seeks to minimize impacts to sensitive resources, steep topography, and riparian corridor. Additionally, the project is laid out to utilize existing infrastructure and provide off-site improvements to enhance bicycle and pedestrian facilities in the area.

Other alternative to the proposed project, such as a multi-family development, was analyzed and is documented in the Responses-to-Comments document under **Master Response 15 – Project Merit and Alternative**.

**Impacts to Kelly Creek.** The proposed project revisions, avoids placing new residences and infrastructure within the identified critical habitat line for California red-legged frog identified by the USFWS, which encompasses a majority of the project site and extends north of Kelly Creek.

As part of the FEIR and in response to comments, a Wildlife Habitat Assessment, dated September 13, 2021 (Appendix A to the FEIR) was prepared by the City's consulting biologists. The Wildlife Habitat



Assessment confirmed the findings of the previous biological assessment and provides evidence to support the technical response to comments raised on biological resources.

As stated in the RDEIR, preliminary correspondence with representatives of the USFWS and the California Department of Fish and Wildlife (CDFW) indicate agreement with the proposed approach to mitigation including habitat avoidance and habitat enhancement south of Kelly Creek. With incorporation of mitigation measures, the FEIR concludes that impacts to biological resources onsite, including sensitive natural communities, wetlands, listed and special status species, and protected trees would be reduced to less than significant levels.

**VMT.** The RDEIR was prepared using the VMT threshold of significant relying upon the 15 percent below the citywide VMT average as recommended in OPR's Technical Advisory, 2 and above which a project would be considered to have a significant environmental impact. Prior to August of 2020, the best available tool for calculating VMT was the Metropolitan Transportation Commission (MTC) model, an activity-based regional travel demand model covering the nine-county Bay Area. In August of 2020, the Sonoma County Transportation Authority (SCTA) updated the Sonoma County travel demand model and in July of 2021 the City of Petaluma adopted the SCTA travel model as the acceptable model for VMT analysis in compliance with SB 743. The SCTA model was further updated in August 2021 with a base year reflecting the 2019 conditions.

The following table shows the VMT metrics as calculated in the RDEIR using the MTC model and in the FEIR using the SCTA model. Revisions to the VMT estimates from the RDEIR to the FEIR are a result of changes to the modeling program utilized, and not due to project revisions. Furthermore, no new substantive information has been introduced and the identified VMT impact continues to be significant and unavoidable.

	RDEIR Scott Ranch VMT (MTC Model)			FEIR Scott Ranch VMT (SCTA Model)		
	Site TAZ	Citywide Average	Threshold 15% Below Citywide Average	Site TAZ	Citywide Average	Threshold 15% Below Citywide Average
Existing	19.6	19.1	16.2	20.5	17.8	15.1
Cumulative	16.1	16.3	13.9	21.4	17.4	14.8

In order to fall below the VMT threshold of significance, using the SCTA model, the Scott Ranch project would need to reduce project generated VMT by approximately 26 percent under existing condition. Opportunities to achieve a quantifiable VMT reduction were explored during preparation of the RDEIR and no feasible measure was identified. This effort was continued during the FEIR preparation and is documented in Appendix B Transportation to the FEIR, which presents an assessment of potential VMT reduction measures that were investigated in an effort to identify quantifiable VMT offsets.

Consistent with the California Air Pollution Control Officers Association (CAPCOA) recommendations, potential VMT reduction strategies were examined, but given the project type, location, low demand for public transit services in the project vicinity, lack of an administrative process, outside agency control, or other factor, no feasible quantifiable VMT reduction strategies were identified. Furthermore, the City and region currently do not have a comprehensive VMT reduction program to which the project could contribute. As such, like the RDEIR, the FEIR concludes that the proposed project would result in significant and unavoidable impacts due to VMT.

In Summary, revisions to the proposed project resulted in the following:

Shifts residential development outside of the critical habitat line for CRLF • Further clusters homes by reducing the lot size and setbacks • Shift more lots north of Windsor Drive and precludes development of homes south of B street • Reduces the size of the residential homes, increases private open space, and increases the area to be dedicated to Helen Putnam Regional Park • Introduces Junior Accessory Dwelling Units to at least 9 of the 28 residences • Reduces the volume of earthwork from 224,000 cubic yards of cut and fill to 161,00 cubic yards and achieves a balance of cut and fill materials onsite • Avoids grading on existing mapped landslides to accommodate residences • Eliminates expansion of natural gas and provides for an all-electric development including roof top solar • Reduces the garage size from accommodating 3 cars to 2 car spaces within attached garages. • Clarifies that construction of the loop trail south of Kelly Creek would not occur during the first phase of the Putnam Park Extension Project component and ultimate construction of conceptualized parkland amenities would depend on Sonoma County Regional Parks (SCRIP) management priorities • Shifts the restoration and enhancement of the stock pond, eroded gullies, and riparian corridor along Kelly Creek to the first phase of the Putnam Park Extension Project • Minimizes tree removal to 27 existing trees on site, to accommodate the roundabout, residences, and pedestrian crossings of Kelly Creek, and another 3 offsite trees along D Street to accommodate the sidewalk gap closure • Proposes planting of 327 trees including 112 oak trees of various sizes, as part of the residential component, and at least 215 additional trees as part of the Putnam Park Extension component • Revises the Fuel Management Plan to reflect changes in fire management zone boundaries due to the reduction of residential acreage and an increase in the park acreage • Clarifies that Kelly Creek Protection Project and the SCRIP will enter into an agreement regarding the transfer of the 47-acre Putnam Park Extension property and implementation of the Putnam Park Extension Project

#### **Comment #2:**

***Concerns that the applicant did not study feasible mitigation measures requested by council – When the DEIR was brought to council in 2021, a councilmember made specific requests. Some of the requests were addressed, while others do not appear to be addressed. Please summarize how each of the following points were studied, findings from said studies, and rationale for why the alternative was or was not included in the proposed project. Specifically:***

- *To achieve 4, 5, 7 and 8, I was expecting to see an alternative studied that had townhomes and/or condos oriented to Windsor Drive – especially on the Kelly Creek side of Windsor Drive. Was this alternative studied? If so, what were the findings? If not, why? Given the request for general plan amendments and zoning amendments to make this a PUD, it seems there was plenty of room to be creative about how to reduce VMT, minimize environmental harm, and minimize the city's long-term maintenance obligations.*
- *Regarding 9, was this alternative studied? If so, why is it less environmentally damaging to have the pathways bisecting the open space?*

*Request text: "Please study a project that:*

- 1. Does not include any fossil gas in the homes or to any onsite amenity*
- 2. Eliminates development where units 20-28 are*
- 3. Clusters development where units 1-10 and 15-19 are located*
- 4. Eliminates single-family uses and replaces with attached townhomes or apartment/condos*
- 5. Minimizing the potential for excessive irrigation by eliminating resident-maintained areas*

6. *Maximizes groundwater recharge and catchment of water runoff in the infiltration basin*
7. *Minimizes and/or eliminates the construction of new roads*
8. *Minimizes cut and fill*
9. *Minimizes fragmentation of the wildlife corridor by moving the pedestrian trail closer to the backyards on Oxford Court*

## Response #2:

As noted in the FEIR under **Master Response 15 – Project Merit and Alternative**, an alternative multi-family development at the project site as compared to the proposed project. The FEIR examines and presents potential impacts associated with this alternative. As noted in the FEIR, compared to the proposed project, this alternative would result in a smaller footprint, have fewer biological impacts, and would increase environmental impacts tied to population including air quality, GHG, noise, public services, and utilities. As with the proposed project, a multi-family concept would be able to reduce impacts to less than significant levels through mitigation, except for VMT, which would remain significant and unavoidable. As density increases, trip generation rates decrease as illustrated through the SCTA's VMT Reduction Calculator<sup>1</sup> and by the trip generation rates in ITE Trip Generation Manual 11<sup>th</sup> Edition. Daily trip generation rates from the for single-family detached household (9.43 trips per household per day, ITE code 210), single family attached household/duplex (7.2 trips per household per day, ITE code 215), or 2-3 multi-family apartments (6.74 trips per household per day, ITE code 220). However, the average number of residents per household also decrease for smaller units. Therefore, the VMT per capita value is typically similar for single-family and multi-family in automobile-centric areas at the urban fringe, such as the project site, and thus multi-family development would not reduce the VMT impact of the project to less-than-significant.

With respect to question #9 related to the fragmentation of the wildlife corridor, as noted under **Response C-Barnacle-9** in the FEIR, revisions to the proposed development would place new residences further away from Kelly Creek and increase the width of the “wildlife corridor” between the existing residences along Oxford Court and the closest new residence of the proposed project. In addition, these revisions would provide a larger setback for fences from the existing Oxford Court development and the closest new residences. However, this area is bordered by existing residences to the west and northwest, which limits the likelihood that it serves an important function for wildlife movement, or that wildlife utilizing the area wouldn't already be acclimated to moving through developed areas. Most wildlife movement at the project site would continue to occur between the portion of the site to be retained as open space and Helen Putnam Regional Park to the west.

In addition, **Mitigation Measure BIO-4d** calls for removal of the existing wire fencing that severely interrupts wildlife movement along the western edge of the site where it borders Helen Putnam Regional Park. Replacement of this existing fencing with wildlife-friendly fencing would still allow for containment of domesticated animals used for grazing as part of vegetation management. However, it would allow non-volant wildlife direct access across upland areas away from the proposed loop trail along Kelly Creek and the proposed residences south of Windsor Drive.

## Comment #3:

**Page 26 PUD terminology** – the staff report states that the PUD “allows the project to cluster development, minimize the footprint of development, minimize disturbance to hillside

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<sup>1</sup> <https://scta.ca.gov/planning/vmt-reduction-calculator/>

topography, set development away from the riparian corridor along Kelly Creek, avoid sensitive Red Legged Frog Habitat, and maximize open space preservation” The use of the words minimize and maximize are misleading. It would be more accurate to state that the PUD has “reduced” and “increased”. There are still ways to reduce footprints and disturbance further, while increasing open space preservation. Such measures would have also helped reduce VMT and long-term maintenance cost burdens on the city.

### **Response #3:**

Comment noted. As discussed under **Response #2** above, an alternative of a multi-family concept was examined during the preparation of the FEIR and was found that similar to the proposed project, this alternative would be able to reduce impacts to less than significant levels through mitigation, except for VMT, which would remain significant and unavoidable

### **Comment#4:**

#### **Questions about approvals –**

- Can the council approve the GPA and ZTA, but not approve the VTSM until the applicant has looked at additional measures to reduce VMT and environmental damage?
- If the council wanted to, could it condition its support for certifying the EIR on eliminating the trail on the south side of Kelly Creek?

### **Response#4:**

With respect to VMT reduction, **Master Response 10 – VMT Mitigation**, describes the effectiveness of the proposed on-site TDM mitigation measures and off-site measures that the proposed project would need to implement to reduce the proposed project’s VMT impact to a less-than-significant level. In addition, the memorandum Scott Ranch VMT Mitigation Measure Assessment included in **Appendix RTC-B** of the FEIR, presents the detailed calculations. As documented in the FEIR, the proposed on-site and near site improvements proposed by the project including installation of sidewalks, sidewalk gap closure, multiuse pathways on the west side of D Street south of Windsor Drive, and pedestrian crossing improvements at D Street and Windsor Drive, would offset approximately 105 VMT under existing conditions and 144 VMT under cumulative conditions. However, there are no other feasible and quantifiable onsite or offsite VMT mitigation measure that would adequately reduce the remaining VMT (approximately 271 VMT under existing plus project conditions and 321 VMT under cumulative plus project conditions) to levels below significance. Therefore, as concluded in the FEIR the proposed project’s impact to VMT would be significant and unavoidable.

### **Comment #5:**

**Attachment 2 Exhibit C re VMT** – the document claims there was an exhaustive list of feasible mitigation measure reviewed, but I could not find that review. Please address the following:

- Did the applicant study the potential VMT benefits of approaching this as a 15-minute neighborhood? For instance, what was the VMT impacts of a small 1000-2000 sqft neighborhood retail shop oriented to Windsor drive? If this was not studied as a VMT mitigation measure, why?
- What were the VMT impacts of eliminating new roads from this project?

- What types of VMT mitigation measures were studied? For instance, the project offers 2 car garages and on street parking. Did the applicant study the VMT impacts of offering 1-car garages with no on street parking? Did the applicant consider limiting the number of cars a homeowner is allowed to have using the HOA?
- It seems that the applicant is set on making these large \$1M+ homes. These are widely regarded as the most inefficient and environmentally taxing forms of development. What type of land use and lifestyle measures did the applicant consider? Asking for a statement of overriding considerations for VMT without considering that the developer is promoting the most auto-dependent forms of housing makes one question if the applicant was seriously trying to satisfy our VMT regulations.

#### **Response #5:**

The full list of potential VMT mitigation measures is provided in the memorandum Scott Ranch VMT Mitigation Measure Assessment included in **Appendix RTC-B** of the FEIR and summarized below. These measures were selected based on guidance contained within the CAPCOA *Handbook for Analyzing Greenhouse Gas Emission Reductions, Assessing Climate Vulnerabilities, and Advancing Health and Equity* ("2021 CAPCOA Handbook")<sup>[1]</sup> and consistent with those included within SCTA's VMT Reduction Calculator, which accounts for the land use context of the project. These include the following on-site and off-site VMT measures listed below:

#### On-Site VMT Reduction Measures

- T-1. Increase Residential Density
- T-4. Integrate Affordable and Below Market Rate Housing
- T-18. Pedestrian Network Improvements
- T-19-A. Construct or Improve Bike Facility
- T-25. Extend Transit Network Coverage or Hours
- T-35. Provide Traffic Calming Measures
- T-40. Implement School Bus Program
- T-49. Replace Traffic Controls with Roundabout
- T-35. Provide Traffic Calming Measures
- T-40. Implement School Bus Program
- T-49. Replace Traffic Controls with Roundabout

#### Off-Site VMT Reduction Measures

- T-22-B. Implement Electric Bikeshare Program
- T-20. Expand Bikeway Network
- T-26. Increase Transit Service Frequency
- T-9. Implement Subsidized or Discounted Transit Program
- T-46. Improve Transit Access, Safety, and Comfort
- T-18. Pedestrian Network Improvements

15-minute neighborhoods and providing a mix of land uses can be a strategy for reducing trips generated by a project, such as through providing walkable retail uses convenient to residential uses.<sup>[2]</sup> Research on the effectiveness of mixed-use projects is based on developments that are much larger, denser, and infill settings. While a small, neighborhood serving retail shop would allow residents of the

future development and adjacent neighborhood to replace some of their driving shopping trips with walking trips, resulting in some reduction in VMT, it is unlikely to reduce VMT substantially. VMT for residents includes both home-based work (VMT associated with the travel to or from work) and home-based other trips (VMT associated with the travel to or from shopping, recreational, school, or other similar trips). Given the location of the project site to regional jobs and lack of regional transit to the project site, the home-based work trips make up a much larger component of VMT generated at this site than the shorter home-based other trips. These VMT estimates do not account for changes to telecommute patterns associated with the COVID-19 pandemic that may reduce the proportion of VMT generated by work trips compared to other trips, although these trends are evolving quickly as hybrid work patterns evolve. This measure would support the reduction in VMT generated by the project site; however, the research is limited to support a quantifiable reduction for a project in this location.

Additionally, the 2021 CAPCOA Handbook, which presents the state of the practice for VMT mitigation in California, did not include the mix of land uses as a VMT reduction measure. Given these limitations and the lack of consistency with the General Plan, this measure was not evaluated for the project and included memorandum Scott Ranch VMT Mitigation Measure Assessment included in **Appendix RTC-B** of the FEIR.

The local roadways proposed by the project would not have a measurable effect on VMT. Caltrans latest research on the topic of induced demand acknowledges that the expansion of highways often results “in more trips and longer travel times, as people are forced to drive farther to get to work and other destinations.” [3] This concept is known as induced demand, which is describing in the following excerpt from the landmark study on induced demand in California:<sup>[4]</sup>

*Increased highway capacity can lead to increased VMT in the short run in several ways: if people shift from other modes to driving, if drivers make longer trips (by choosing longer routes and/or more distant destinations), or if drivers make more frequent trips (Noland and Lem, 2002; Gorham, 2009; Litman, 2010). Longer-term effects may also occur if households and businesses move to more distant locations or if development patterns become more dispersed in response to the capacity increase. Capacity expansion can lead to increases in commercial traffic as well as passenger travel (Duranton and Turner, 2011).*

Caltrans has prepared an Induced Demand Calculator that estimates VMT changes based on percent increase in highway miles in a region. Caltrans notes that this calculator “is limited to use for capacity expansions on or construction of new publicly owned roadways with FHWA functional classifications of 1, 2, or 3.” [5] These facilities are limited to US-101, Lakeville Highway, Petaluma Blvd, East Washington Street, and Bodega Avenue. [6] Therefore, this methodology is not applicable to local-serving roadways, such as proposed by the project.

As noted in the 2021 CAPCOA Handbook, limiting the amount of parking available creates scarcity and adds additional time and inconvenience to trips made by private auto, thus disincentivizing driving as a mode of travel. Reducing the convenience of driving results in a shift to travel by other modes, where feasible, and thus a reduction in VMT. However, this measure is ineffective in locations where unrestricted street parking or other offsite parking is available nearby and has adequate capacity to accommodate project-related vehicle parking demand. The context for the research supporting this measure is for infill sites with transit and nearby destinations that are available to walk and bike. Therefore, this measure would support the reduction in VMT generated by the project site; however, the research is limited to support a quantifiable reduction for a project in this location.

Other types of residential land uses that were considered, such as multi-family or apartments are discussed above and their relationship to VMT.

As noted above, the suggested VMT mitigation measures would support the reduction in VMT generated by the project site; however, there is limited evidence to support the reduction of approximately 30 percent of the project-generated VMT for residential land uses at this site to reach a less-than-significant finding

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[1] California Air Pollution Control Officers Association, *Handbook for Analyzing Greenhouse Gas Emission Reductions, Assessing Climate Vulnerabilities, and Advancing Health and Equity*, December 2021. <https://www.caleemod.com/handbook/index.html>

[2] For more information, visit <https://www.fehrandpeers.com/mxd/> or the American Planning Association PAS Memo “Getting Trip Generation Right: Eliminating the Bias Against Mixed Use Development” by Jerry Walters, Brian Bochner, and Reid Ewing (May 2013). This paper can be accessed here: [https://www.fehrandpeers.com/wp-content/uploads/2019/11/APA\\_PAS\\_May2013\\_GettingTripGenRight-2.pdf](https://www.fehrandpeers.com/wp-content/uploads/2019/11/APA_PAS_May2013_GettingTripGenRight-2.pdf). These methodologies were revalidated as documented in the November/December 2020 issue of the APA’s PAS Memo, entitled “[Still Getting Trip Generation Right: Revalidating MXD+](#)”.

[3] Caltrans presents an explanation of Induced Demand here: <https://dot.ca.gov/programs/sustainability/sb-743>; Accessed by Fehr & Peers, October 4, 2022.

[4] *Impact of Highway Capacity and Induced Travel on Passenger Vehicle Use and Greenhouse Gas Emissions Policy Brief*; Susan Handy, University of California, Davis Marlon G. Boarnet, University of Southern California; September 30, 2014

[5] <https://travelcalculator.ncst.ucdavis.edu/about.html>

[6] Roadway types in Petaluma can be seen accessed here: <https://caltrans.maps.arcgis.com/apps/webappviewer/index.html?id=026e830c914c495797c969a3e5668538>

#### **Comment #6:**

**Concerns about habitat destruction** – In a meeting with Regional Parks staff, the staff person acknowledged that the project’s prior configuration of having homes on the downhill slope of Kelly Creek would have given no means to prevent runoff of pesticides and herbicides from residential back yards into Kelly Creek. Even with this knowledge, the DEIR was brought forward as if all potential harms to Kelly Creek had been mitigated. Thus, I have concerns about the harms to Kelly creek, and as a coworker says, “hope is not a strategy.” Please address the following:

- Will the trails have fences to keep off leash dogs from running through RLF habitat?
- How will regional parks respond if dog are indeed being allowed off leash regularly?

#### **Response #6:**

Controls provided under **Mitigation Measures BIO-1b, BIO-4a, BIO-4b**, and the Final CRLF Mitigation Plan would require leashing of all pets in open space areas, restrictions on public access, use of exclusionary fencing or other barriers, interpretive signage, and other methods to minimize the potential impacts to listed and non-listed species as a result of increased human activity associated with development and open space use of the site. These measures would serve to mitigate the project's potentially significant impact on wildlife habitat and movement to a less than significant level, as concluded on **page 4.3-59 of the RDEIR**. Therefore, the proposed project would result in the protection of sensitive habitat at the project site from human encroachment.