

City of Palo Alto

Office of the Mayor and City Council

July 20, 2021

Re: Comment Letter – Plan Bay Area 2050 Draft Plan, Draft Implementation Plan, & Draft EIR (SCH# 2020090519)

Therese McMillan, Executive Director
MTC and ABAG
375 Beale Street, Suite 800
San Francisco, CA, 94105

Submitted via email to:

tmcmillan@bayareametro.gov
eircomments@bayareametro.gov
info@bayareametro.gov

Dear Ms. McMillan,

The City of Palo Alto (Palo Alto) submits the following comments to the Metropolitan Transportation Commission / Association of Bay Area Governments (MTC / ABAG) regarding the Plan Bay Area 2050 Draft Plan, Draft Implementation Plan, and Draft Environmental Impact Report (Draft EIR) (SCH# 2020090519).

Plan Bay Area 2050 Draft Plan Comments

As reflected in prior correspondence and the City of Palo Alto's RHNA appeal, the City of Palo Alto does not support the underlying assessment of development potential, densities, and regional growth reflected in the Final Blueprint and proposed Draft Plan Bay Area 2050.

Examples of our concerns include:

- **Decreasing office development—and thus job growth—through local public policy should not result in an increased housing allocation.** MTC/ABAG staff indicated that the City's proactive measure to reduce its jobs/housing imbalance by instituting an office development cap served to increase housing growth in the Palo Alto. Meaning the Plan Bay Area 2050 development assessment from the underlying modeling assigned the reduction in office square footage to housing square footage. This reasoning represents a false dichotomy. There is not a one-to-one ratio of office to housing development. The inability to construct new office space does not mean a property owner will necessarily build housing. Instead of recognizing Palo Alto for taking measures to minimize job production in favor of creating a better jobs/housing balance, the proposed Draft Plan Bay Area 2050 shows more housing units for Palo Alto than the City otherwise would have been assigned without the cap.

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- **The impacts of telecommuting are not adequately modeled.** MTC/ABAG staff indicated that Strategy EN7 accounts for significantly more telecommuting, as well as more use of transit and active transportation modes. However, the strategy still appears to attribute jobs to headquarters, assuming employees come to the office some days a week. The City encourages MTC/ABAG and the proposed Draft Plan Bay Area 2050 to consider a higher reasonable percentage of telecommute-friendly sector jobs to be reassigned away from job headquarters, as well as to make a stronger push for to model telecommuting in employment dynamics beyond an assumption of 17% of the workforce for some jurisdictions.

Further, the model should more specifically project telecommuting trends. At this point in time, many major employers in Palo Alto and throughout the nation are beginning “hybrid” telecommuting models. Under these models, many employees may only spend a fraction of a given week on site and commuting to a physical work site. The current projects are too blunt to reflect these trends. While the City understands the California Air Resources Board (CARB) has limited the percentage of telecommuting that MTC/ABAG can include, the City continues to urge this percentage to be increased.

Plan Bay Area 2050 Draft Implementation Plan Comments:

- **New revenues will be needed to implement the Plan.** Given the gap between existing and needed revenues, new funding sources for implementation will be essential to advancing Plan Bay Area 2050’s strategies. While new funding could be generated, some strategies are unrealistic if specific sources of funding are not identified.
- **The Plan should align the investments with the anticipated timeline.** The implementation plan should correspond to the RHNA allocation by allocating additional funding to near-term investments. Likewise transportation investments should be aligned with the accelerated implementation as expressed by the adopted RHNA methodology.

Positive Aspects of Proposed Draft Plan Bay Area 2050

Despite concerns with the proposed Draft Plan Bay Area 2050, the City of Palo Alto looks forward to Implementation Plan partnership opportunities when they occur. Areas where the Plan aligns with Palo Alto’s priorities and needs include:

- Funding affordable housing preservation, protection, and production
- Protecting natural resources and addressing climate change and sea level rise
- Expansion of parkland and open space
- Implementation of enhanced mobility options, including multi-modal transportation alternatives and transportation demand management
- Fleet electrification and associated infrastructure
- Supporting a diverse business climate

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Plan Bay Area 2050 Draft EIR Comments

- **Create clarity in the mapping notation.** Please adjust the location of the place name “Palo Alto” to be more central to the City’s overall jurisdictional boundaries and the boundary with San Mateo County. This will increase the legibility of the maps for the general public, including our local constituents.
- **Clarify why sea level rise risk acreage is 2 feet instead of 3.5 feet.** Regarding Sea Level Rise, please clarify the difference in risk acreage from assuming a 3.5-foot rise, instead of a 2-foot rise. Or clarify why two feet in sea level rise is the relevant assumption to use for the Draft EIR analysis.
- **Clarify if, due to sea level rise and associated groundwater, there will be any aesthetic, land use, geotechnical, groundwater quality or other potential impacts from this associated rise in the groundwater table.** As examples, it is our understanding that taller construction or other construction methods and types may be necessary in susceptible areas to account for below-ground design constraints from hydrostatic pressure. Likewise, we understand that groundwater quality is anticipated to be reduced from sea level rise.
- **Indicate overlap between the land use growth footprint and existing open space and/or parkland.** Regarding Potentially Significant Impact LU-2: “Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect” on Page 3.11-22 and Table 3.11-4 on Page 3.11-23, please include a map of the overlap between the land use growth footprint (approximately 740 acres) with existing open space and/or parklands in order to help jurisdictions understand this potential overlap and comment effectively.
- **Plan should reflect a greater decrease in work commute trips based on widespread adoption of telecommuting.** Regarding modeling of EN7, the City is encouraged that the Draft EIR anticipates that the Draft Plan Bay Area 2050 would result in an overall net reduction in auto modes from 71% to 51% of all commute trips. However, the City requests updated modeling that accounts for a higher reasonable percentage of telecommute-friendly sector jobs as reassigned away from job headquarters, reducing the number of commute trips to headquarters overall per week for these sectors.
- **Re-run models and comparison results as strategies are adjusted.** Regarding Alternatives, it appears that Alternative 1 TRA Focus is identified as the environmentally superior alternative. If MTC/ABAG has interest in adjusting only some of the strategies in the Draft Plan, the City requests rerunning the models and the preparation of a

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comparison of the results with the currently proposed Draft Plan strategies and Alternatives strategies prior to any Final EIR certification and Plan Bay Area 2050 adoption.

- **Development anticipated as part of the upcoming RHNA cycle may cause acute and accelerated land use impacts that should be examined in the EIR.** The release of the final RHNA methodology accelerated near-term housing production in certain areas across the region. The draft EIR should examine the associated potential environmental impacts caused by the accelerated development in the upcoming RHNA cycle. This accelerated development may have acute impacts in the next 8 years.

Palo Alto Utilities' Specific Draft EIR Comments

The City of Palo Alto is proud to operate its own Utilities Department. Palo Alto currently serves water to about 18,000 residential customers and about 2,000 businesses and other non-residential customers. This section reflects specific comments regarding the Draft EIR related to water resources.

Palo Alto acknowledges that the proposed Plan's goal is to make the Bay Area more affordable, connected, diverse, healthy, and vibrant for all residents, while also achieving regional greenhouse gas emissions reduction targets established by the California Air Resources Board. The approach taken, however, neglects to adequately consider the impacts of the proposed Plan on the region's, including Palo Alto's, water supply reliability and ability to accommodate projected increased population and housing water supply needs.

Specifically, the Draft EIR should:

- **Account for Phase 1 of the State Water Resources Control Board's (State Board) San Francisco Bay/Sacramento-San Joaquin Delta Estuary Water Quality Control Plan Bay-Delta Plan (Bay-Delta Plan), which is an adopted regulation as of December 12, 2018,¹ that will directly impact Palo Alto's water supply during droughts.** The Bay-Delta Plan requires the release of 30-50% of the "unimpaired flow" on the three tributaries to the San Joaquin River from February through June, which will significantly impact water supply availability from the Tuolumne River and the San Francisco Regional Water System (RWS), Palo Alto's single source of potable water supply. The Draft EIR fails to account for the adopted Bay-Delta Plan, the resulting impacts, and adequacy of existing water supplies to accommodate planned growth and to meet Palo Alto's customer needs during single and multiple dry years.
- **Account for the requirements of re-licensing of the Don Pedro Reservoir on the Tuolumne River by the Federal Energy Regulatory Commission (FERC) (FERC Project**

¹ https://www.waterboards.ca.gov/plans_policies/docs/2018wqcp.pdf

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Nos. 2299 and 14581) and associated Clean Water Act section 401 Water Quality Certification (WQC). The re-licensing of the Don Pedro Reservoir by FERC may require additional water to be released from the reservoir for the preservation of aquatic species in the lower Tuolumne River, potentially affecting the dry year water supply yield of the RWS by reducing the balance of water stored in the water bank at Don Pedro Reservoir. The Final Environmental Impact Statement for the Don Pedro project was released by FERC on July 7, 2020 (FERC/EIS-0293F, July 2020).² On January 15, 2021, the State Board released the WQC for the Don Pedro project, which includes the 40% unimpaired flow objective from the Bay-Delta Plan amendment, as well as additional conditions that, if incorporated into FERC licenses would impact RWS water supplies.³ These related FERC regulatory requirements will reduce water supply availability during drought periods from the RWS, Palo Alto's single source of potable water supply. The Draft EIR fails to account for these impacts and the adequacy (or not) of existing water supplies to accommodate planned growth and to meet Palo Alto's customer needs during single and multiple dry years.

- **Evaluate, as part of the impact analysis, how Palo Alto, as well as other BAWSCA member agencies, will respond to the water supply shortages** resulting from implementation of the Bay-Delta Plan, the Don Pedro FERC re-licensing, the WQC (e.g., increased groundwater pumping, increased use of local surface water, tree deaths, displaced growth to areas with available water, etc.) and subsequent environmental impacts.
- **Reconsider the effectiveness of mitigation measures PUF-1 and PUF-2 to account for the water supply impacts resulting from the regulatory requirements of the Bay-Delta Plan, the Don Pedro FERC re-licensing, and the WQC.** The State Board intends to implement the Bay-Delta Plan in 2022. However, it is estimated that new (alternative) water supplies may take as long as 20 plus years to be in place, which will not be in time to address the water supply impacts resulting from the Bay-Delta Plan, the Don Pedro FERC re-licensing, and the WQC.
- **Be updated to include the current information detailed in Palo Alto's 2020 Urban Water Management Plan (UWMP) in the proposed Plan's water supply analysis.** This update should also reflect information regarding the adequacy of existing water supplies to accommodate planned growth and to meet Palo Alto's customer needs during single and multiple dry years as detailed in the 2020 UWMP. The Draft EIR uses outdated information from Palo Alto's 2015 UWMP. Palo Alto's adopted 2020 UWMP can be found at [2020 UWMP](#).

² <https://elibrary.ferc.gov/eLibrary/idmws/common/OpenNat.asp?fileID=15576184>

³ https://www.waterboards.ca.gov/docs/dplg_fwqc_complete_20210105.pdf

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As detailed in Palo Alto's 2020 UWMP, note the following:

- As a wholesale customer of the San Francisco Public Utilities Commission (SFPUC) that purchases 100% of its potable water supply from the RWS, water supply available to Palo Alto under the adopted Bay-Delta Plan could be reduced significantly in the event of a multi-year drought.
- This significant cut to water supply would force Palo Alto to take a number of significant actions. In addition to education and outreach and demand management incentives, Palo Alto will impose and enforce severe water use restrictions and likely implement water allocations. The tree canopy, a valuable asset in Palo Alto for both aesthetics and the environment, will be at risk.

Palo Alto requests that these aforementioned impacts and inadequacies of the Draft EIR are addressed before any further consideration of EIR certification or Plan adoption.

Sincerely,

DocuSigned by:

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Mayor Tom DuBois

City of Palo Alto

Cc: Nicole Sandkulla, Chief Executive Officer and General Manager, BAWSCA
Dave Vautin, Plan Bay Area 2050 Project Manager, DVautin@bayareametro.gov
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