Section 1
Introduction

1.1 Purpose of This Environmental Impact Report

This Environmental Impact Report (EIR) addresses the potential environmental effects of the construction and operation of the Stanford University Medical Center Facilities Renewal and Replacement Project (SUMC Project). For the purposes of this analysis, the SUMC Sites collectively refers to the two sites wherein the SUMC Project would occur: the Main SUMC Site and the Hoover Pavilion Site, as explained further in Section 2, Project Description. The SUMC Sites are located within the City of Palo Alto (City) and generally are bounded to the south and west by Stanford University lands in unincorporated Santa Clara County (County).

The SUMC Project is proposed jointly by Stanford Hospital and Clinics (SHC), the Lucile Packard Children’s Hospital (LPCH), and the Stanford University School of Medicine (SoM), which are collectively referred to here as the SUMC Project sponsors. The SUMC Project would demolish and replace on-site structures, adding approximately 1.3 million square feet of net new floor area, broken down as follows:1

- Demolition, renovation, and construction of SHC facilities, providing a net increase of approximately 824,000 square feet;
- Demolition, renovation, and construction of LPCH facilities, resulting in approximately 442,000 additional square feet;
- Demolition of four existing SoM buildings and construction of three replacement buildings, with no net increase in square feet;
- Demolition of shops and storage space, renovation of existing Hoover Pavilion, and net addition of approximately 46,000 square feet of new medical, office, research, clinic, and administrative facilities at the Hoover Pavilion Site for medical offices for community practitioners, and SUMC-related medical offices, clinical facilities, and support uses;
- Demolition of existing parking spaces and construction of 2,985 new and replacement spaces, for a net increase of 2,053 spaces to address additional demand for the SUMC Project, to be located in surface parking, and aboveground and underground structures;
- Construction of a new road connecting Sand Hill and Welch Road, and provision of interior driveways and improved circulation connections including the extension of Quarry Road to Roth Way;

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• Widening of Welch Road by the addition of a third lane to accommodate left turns in both directions; and
• Related on-site and off-site improvements.

The SUMC Project sponsors have applied for amendments to the City’s Comprehensive Plan, adoption of a new zoning district, changes in zoning boundaries, a jurisdictional boundary change, and design review approvals. The SUMC Project sponsors have also applied to the City for a development agreement, as authorized by Section 65865 of the California Government Code. This EIR is intended to satisfy CEQA’s environmental review requirements applicable to the City’s approval of necessary entitlements and execution of the requested development agreement with the SUMC Project sponsors.

The lead agency for an EIR is the public agency that has the principal responsibility for carrying out or approving a project. This EIR has been prepared by the City of Palo Alto, which is the lead agency for the SUMC Project. This EIR assesses the potential for significant impacts including, but not limited to, those concerning land use issues, visual quality, transportation, air quality, climate change, noise, cultural resources, biological resources, geology, hydrology, hazardous materials, population and housing, public services, and utilities. As defined in the CEQA Guidelines Section 15382, a “significant effect on the environment” is:

. . . a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. An economic or social change by itself shall not be considered a significant effect on the environment. A social or economic change related to a physical change may be considered in determining whether the physical change is significant.

Because the SUMC Project involves significant changes to the City’s existing zoning for the sites in question, as well as development agreement approval, it is anticipated that the City Council, in the exercise of its legislative police power authority, will require modifications to the SUMC Project from what is proposed by the applicant. This EIR anticipates the potential for such modifications, and analyzes their environmental impacts as well, primarily in the analysis of project alternatives.

This EIR is prepared in accordance with CEQA, as amended, and the CEQA Guidelines. As the CEQA Guidelines state, an EIR is an “informational document” intended to inform public agency decision-makers and the public of the significant environmental effects of a project, identify possible ways to minimize the significant effects, and describe reasonable alternatives to the SUMC Project. Although this EIR does not control the decision to approve the SUMC Project, the City of Palo Alto will use the certified EIR, along with other information and public processes, to determine whether to approve, modify, or disapprove the SUMC Project, and to specify any applicable mitigation measures as part of conditions of project approvals. Further, because development agreements are optional, and are not required entitlements, the City may approve the SUMC Project but disapprove the SUMC development agreement. If the City approves the SUMC Project, the City must consider and apply the information in this EIR and adopt findings regarding each significant effect identified in this EIR.
1.2 EIR Process

Initiating the Environmental Review Process

The City distributed a Notice of Preparation (NOP) on August 22, 2007, announcing its intent to prepare and distribute an EIR analyzing the impacts of the SUMC Project. Appendix A contains the NOP. The NOP identified two separate projects, including the SUMC Project and the Simon Property Stanford Shopping Center Expansion. In 2007, the Simon Property Group submitted an application to expand the Stanford Shopping Center and construct a boutique hotel. Stanford University owns the property occupied by the Stanford Shopping Center, and the Simon Property Group leases this property from Stanford University and operates the Stanford Shopping Center. As such, the application was submitted with the approval of Stanford University. However, this application was withdrawn in April 2009. Given Stanford University’s statement that it intends to focus its development efforts on the SUMC Project, and due to the current economic downturn and changing retail trends, the scope of any future development at the Stanford Shopping Center is too speculative to analyze at this point. As such, this EIR addresses only the SUMC Project. (See Section 3.1, Introduction to the Environmental Analysis, for a discussion of the assumptions in defining cumulative scenario.)

As indicated in the NOP, the City provided a 41-day comment period from August 22 to October 1, 2007 (this comment period was longer than the 30 days required by CEQA). In response to the NOP, public agencies and private individuals submitted comment letters to the City. The written comments that were received are listed and attached to a separate Scoping Report that is available at the City’s Department of Planning and Community Environment upon request. During the NOP comment period, the City also received oral comments at the Planning and Transportation Commission on September 5, 2007 and at the City Council scoping session on September 24, 2007. The Scoping Report includes all oral comments that were identified as NOP scoping comments.

Generally, the written comments pertained to the description of the SUMC Project; impacts related to land use, visual quality, traffic, air quality, noise, hydrology and water quality, cultural and historic resources, population and housing, community services and utilities, hazardous materials, and growth inducement; alternatives to the SUMC Project; cumulative impacts; and other miscellaneous issues. Each NOP comment has been reviewed and considered in preparing this EIR. The Introduction to each environmental topic within Section 3 provides a summary of the relevant NOP scoping comments.

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3 Barbara Schussman, Bingham McCutchen LLP, Letter to Cara Silver, Senior Assistant City Attorney, April 16, 2009.
4 Trixie Martelino, Project Manager, PBS&J, Scoping Report memorandum prepared for the City of Palo Alto, December 4, 2007. Available upon request from the City of Palo Alto Department of Planning and Community Environment, 250 Hamilton Avenue, Palo Alto, CA 94301.
Draft EIR

As previously stated, this Draft EIR provides an analysis of physical impacts anticipated to result from the SUMC Project and any other activities that might be authorized through the development agreement. Where significant impacts are identified, the Draft EIR recommends feasible mitigation measures to reduce or eliminate the significant impacts and identifies which significant impacts are unavoidable. Alternatives to the SUMC Project are also presented. This environmental document is considered a draft under CEQA since it must be reviewed and commented upon by public agencies, organizations, and individuals before being finalized.

Public Review

This Draft EIR is being distributed for a 62-day public review and comment period. Readers are invited to submit written comments on the document (e.g., does this Draft EIR identify and analyze the possible environmental impacts and recommend appropriate mitigation measures? Does it consider and evaluate a reasonable range of alternatives to the SUMC Project?). Comments are most helpful when they suggest specific alternatives or measures that would better mitigate significant environmental effects. CEQA Guidelines Section 15096(d) calls for responsible agencies to provide comments on those project activities within the agency’s area of expertise and to support those comments with either oral or written documentation.

Written comments should be submitted to: Steven Turner, Advance Planning Manager City of Palo Alto Planning and Community Environment Department 250 Hamilton Avenue Palo Alto, CA 94301 Email: Stanford.Project@cityofpaloalto.org

A public hearing to take oral comments on the Draft EIR will be held before the Planning and Transportation Commission and possibly also the City Council. The hearings may be held separately or jointly. Hearing notices will be mailed to responsible agencies. Additionally, all hearings will be noticed and advertised in the following ways, including but not limited to:

- Notice in local newspapers;
- Written notice to all persons on the Stanford Projects “interested persons” list, which includes those who have attended public meetings and who have specifically requested to be added to the "interested persons" list, and other known parties;
- Written notice to all neighboring jurisdictions, including but not limited to Santa Clara County, the cities of Menlo Park, East Palo Alto, Mountain View, Los Altos Hills, Portola Valley, and Woodside; and
- Notice on the City’s website.

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5 The public review period is longer than the required 45 days under CEQA.
6 CEQA Section 21069 defines a responsible agency as a public agency, other than the lead agency, which has responsibility for carrying out or approving a project.
Final EIR

Following the close of the public review and comment period, written responses will be prepared that address all substantive written and oral comments on the Draft EIR. The Final EIR will consist of the Draft EIR, the comments received during the public review period, responses to the comments, and any revisions to the Draft EIR as a result of public agency and public comments.

Project Review and Approval

The Palo Alto City Council must ultimately certify that it has reviewed and considered the information in the EIR and that the EIR has been completed in conformity with the requirements of CEQA before any decision can be made regarding the SUMC Project. Pursuant to CEQA Guidelines Section 15091, no public agency shall approve or carry out a project for which an EIR has been certified which identifies one or more significant effects of that project unless the public agency makes one or more of the following findings, which must be supported by substantial evidence in the record:

- Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.
- Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
- Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the Final EIR.

Mitigation Monitoring and Reporting Program

Pursuant to CEQA Guidelines Section 15097, if it approves the SUMC Project, the City must adopt a Mitigation Monitoring and Reporting Program (MMRP) for the SUMC Project. An MMRP is a mechanism used for the monitoring and reporting of revisions to the project or conditions of approval that the public agency has required as mitigation measures to lessen or avoid significant environmental effects. The City can conduct the reporting or monitoring, or it can delegate the responsibilities to another public agency or a private entity that accepts the delegation. Implementation of the MMRP would reduce the severity or eliminate the identified significant impacts.

Statement of Overriding Considerations

If the City of Palo Alto decides to approve the SUMC Project, and if the SUMC Project would result in significant impacts that cannot be mitigated to less-than-significant levels, then the City must indicate that any such unavoidable significant impacts are acceptable due to overriding considerations as described in CEQA Guidelines Section 15093. This is known as a “Statement of Overriding Considerations.” In preparing this statement, CEQA requires the City to balance the benefits of the project against its unavoidable environmental effects. If the City finds that the benefits of the project
being considered outweigh the project’s unavoidable adverse environmental effects, then the adverse environmental effects may be considered acceptable (CEQA Guidelines Section 15093).

Even if a Statement of Overriding Considerations is adopted for the SUMC Project, a MMRP (as described above) would be adopted to reduce significant project impacts to the extent feasible, including those impacts that cannot be reduced to a less-than-significant level. The City would use the MMRP as a mechanism to ensure that mitigation measures imposed as conditions of approval are implemented during and after construction so as to control and minimize project impacts.

### 1.3 Use of This Report

An EIR is an informational document, with the purpose to make the public and decision-makers aware of the environmental consequences of a project. As noted earlier, the City of Palo Alto is the lead agency for the EIR. Thus, the Palo Alto City Council and Planning and Transportation Commission will review this report and weigh its contents against economic, social, neighborhood, and other considerations to determine whether the SUMC Project and any other activities contemplated by the Development Agreement should be approved as proposed, approved with conditions, or not approved.

Applicable City departments have reviewed this Draft EIR to ensure it reflects the City’s independent judgment. The surrounding residents and businesses, and any other interested individuals, may also review the EIR to evaluate the effects of the SUMC Project and any other activities approved through the development agreement on existing conditions in the City, and to assess the proposed mitigation measures’ ability to reduce potential environmental consequences.

Other public agencies, in addition to the lead agency, may have discretionary approval over the SUMC Project. These agencies, known as responsible agencies, will also review the Draft EIR and may comment during the public review period. A list of approvals that may be required from these responsible agencies is provided in Section 2, Project Description. Those agencies will in turn use this EIR to inform their own decision-making processes for the SUMC Project.

### 1.4 Report Organization

This section provides an overview of the EIR, its purpose, and its intended uses. Section 2, Project Description, provides a description of the SUMC Project’s land use, development, circulation, and design features, and summarizes the various approvals that might be granted for the SUMC Project. Section 3, Environmental Analysis, analyzes the potential environmental impacts from the SUMC Project in various categories, including land use, visual quality, transportation, air quality, climate change, noise, cultural resources, biological resources, geology, hydrology, hazardous materials, population and housing, public services, and utilities. The analysis for each category in Section 3 is divided into two parts:
- The **Setting** section provides a general overview of existing conditions on and adjacent to the SUMC Sites. Federal, State, and local regulations are also identified and discussed when relevant.

- The **Impacts and Mitigation Measures** section provides a description of the criteria used to evaluate whether an impact is considered significant. Here, the City’s significance criteria are applied. The City’s significance criteria are based on standards identified in CEQA, the State CEQA Guidelines, applicable public policies and regulations, professional judgment, and judicial decisions. The Palo Alto City Council has not formally adopted local significance criteria, but over the past few years the City has developed and utilized criteria based on the CEQA Guidelines and current City policy. The thresholds of significance identified in this document are based upon the same thresholds that are or have been used in other major City environmental documents, although the City continues to refine these thresholds to ensure that they address all potential environmental impacts.

The potential environmental impacts of the SUMC Project are enumerated, summarized, and discussed. If the potential impact is determined to be less than significant, no mitigation measures are required. If the potential impact is determined to be significant, potentially feasible mitigation measures that would reduce the impact are identified. The significance of the impact after mitigation is also indicated.

Section 3 also includes an analysis of the cumulative impacts of the SUMC Project combined with other past, present, and reasonably foreseeable future projects. (In the case of the climate change discussion, the entirety of that discussion is in a cumulative context because climate change is a global cumulative impact.)

Section 4, Other CEQA Considerations, discusses other topical issues required by CEQA, such as unavoidable adverse effects, and growth-inducing effects. Section 5, Alternatives, contains a description and assessment of alternatives to the SUMC Project, including, among others, two No Project Alternatives, and identifies the environmentally superior alternative.