



TOWN OF PORTOLA VALLEY
REGULAR PLANNING COMMISSION MEETING
765 Portola Road, Portola Valley, CA 94028
Wednesday, November 19, 2014 – 7:30 p.m.
Council Chambers (Historic Schoolhouse)

REGULAR AGENDA

Call to Order, Roll Call

Chairperson Gilbert, Vice-Chairperson Targ, Commissioners Hasko, McKitterick, and Von Feldt

Oral Communications

Persons wishing to address the Commission on any subject, not on the agenda, may do so now. Please note, however, the Commission is not able to undertake extended discussion or action tonight on items not on the agenda.

Regular Agenda

1. **Public Hearing:** 2014 Housing Element and Initial Study/Negative Declaration
(Staff: K. Kristiansson)

Commission, Staff, Committee Reports and Recommendations

Approval of Minutes: November 5, 2014

Adjournment:

ASSISTANCE FOR PERSONS WITH DISABILITIES

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Assistant Planner at 650-851-1700 ext. 211. Notification 48 hours prior to the meeting will enable the Town to make reasonable arrangements to ensure accessibility to this meeting.

AVAILABILITY OF INFORMATION

Any writing or documents provided to a majority of the Town Council or Commissions regarding any item on this agenda will be made available for public inspection at Town Hall located 765 Portola Road, Portola Valley, CA during normal business hours.

Copies of all agenda reports and supporting data are available for viewing and inspection at Town Hall and at the Portola Valley branch of the San Mateo County Library located at Town Center.

PUBLIC HEARINGS

Public Hearings provide the general public and interested parties an opportunity to provide testimony on these items. If you challenge a proposed action(s) in court, you may be limited to raising only those issues you or someone else raised at the Public Hearing(s) described later in this agenda, or in written correspondence delivered to the Planning Commission at, or prior to, the Public Hearing(s).

This Notice is posted in compliance with the Government Code of the State of California.

Date: November 14, 2014

Carol Borck
Assistant Planner



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Planning Commission
FROM: Debbie Pedro, Planning Director
Karen Kristiansson, Deputy Town Planner
DATE: November 19 2014
RE: Agenda for November 19, 2014 Planning Commission Meeting

There is only one item on the Planning Commission's agenda for the November 19th meeting:

Public Hearing – 2014 Housing Element and Initial Study/Negative Declaration

The Planning Commission last considered the 2014 Housing Element on June 4, 2014 when it recommended the draft element to the Town Council. On June 18, 2014, the Town Council reviewed the draft 2014 Housing Element and incorporated a few changes into the Housing Element to the language concerning the affiliated housing program at the Stanford Wedge. The draft element was submitted to the California Department of Housing and Community Development (HCD) for review in August and processed with a streamlined review. To respond to comments from HCD, several changes were made to the draft element, most of which were clarifications. The one substantive item was a request to include a program for the Town to update its regulations for transitional and supportive housing, as is discussed in the attached staff report.

HCD has stated that with those changes, the revised draft element would be in compliance with state housing element law. An Initial Study was developed for the 2014 Housing Element Update and found that there would be no potentially significant environmental impacts as a result of this project. The comment period extends through November 20, 2014, and no public comments have been received as of the date this staff report was prepared.

At its November 19, 2014 meeting, the Planning Commission will need to hold a public hearing and act on the IS/ND and the revised draft 2014 Housing Element. Draft resolutions are attached to the staff report which the Planning Commission could use to recommend that the Town Council approve the IS/ND and adopt the 2014 Housing Element.

Attachments/enclosures

cc. Mayor
Town Manager
Assistant Planner
Town Council Liaison
Town Attorney



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Planning Commission

FROM: Karen Kristiansson, Deputy Town Planner

DATE: November 19, 2014

RE: 2014 Housing Element

RECOMMENDATION

After reviewing the staff report, hearing comments during the public hearing, and discussing this item, the Planning Commission should act on the Initial Study/Negative Declaration and 2014 Housing Element by providing a recommendation to the Town Council. Draft resolutions are attached which the Commission can use to recommend that the Town Council approve the Initial Study/Negative Declaration and adopt the 2014 Housing Element.

BACKGROUND

Work on the 2014 Housing Element began one year ago in November 2013 with a joint meeting of the Town Council and the Planning Commission. Thereafter, with Town Council concurrence and direction, the Planning Commission began a series of study sessions, each focusing on a different housing element topic. The Planning Commission also referred some questions about the housing element to the ASCC, which examined the issues and provided recommendations. The dates of these sessions and the focus for each one are listed below; the staff reports and minutes for the meetings are available on the Town's website at www.portolavalley.net/housing:

- November 20, 2013. Consideration of project schedule and possible ideas concerning the second units program.
- December 4, 2013. Overview of housing element requirements and discussion of the second unit program.
- December 18, 2013. Discussion of the second unit program.
- January 13, 2014. ASCC consideration of potential changes to the inclusionary housing program and the second unit program.

- January 15, 2014. Discussion of the inclusionary housing program and the second unit program.
- February 5, 2014. Discussion of Regional Housing Needs Allocation numbers, the affiliated housing program, and the second unit program.
- March 5, 2014. Discussion of site inventory and potential changes to housing programs.
- April 2, 2014. Discussion of draft demographics section and draft Programs section.
- May 7, 2014. Discussion of Housing Element goals and policies.
- May 21, 2014. Discussion of Analysis of Constraints on Housing.
- June 4, 2014. Discussion of goals and policies, and review of full draft of the 2014 Housing Element. At the conclusion of this meeting, the Planning Commission acted to forward the draft Housing Element to the Town Council with the recommendation that the Council authorize submittal to HCD after consideration of specific items as discussed below.

Information about each of these study sessions was posted on the Town's website and emailed to individuals who signed up for e-Notifications on housing. In addition, information was emailed to over 40 housing advocacy and interest groups in late May, prior to the Planning Commission's June 4, 2014 meeting. The Town also posted information on the PV Forum and mailed postcards to all residents twice during the process—once in December 2013 with information about the meeting schedule, and once in early June 2014 with information about the June 18, 2014 special Town Council meeting. Town staff also met with representatives of HCD on May 13, 2014, provided them with background information about the Town, and took them on a tour to provide a context for them to use in reviewing the Town's housing element.

On June 18, 2014, the Town Council reviewed the draft 2014 Housing Element and incorporated a few changes into the Housing Element to the language concerning the affiliated housing program at the Stanford Wedge. These changes call for the Town to look more closely at the standards and density for potential development of this parcel during the planning period to ensure that they are appropriate. The Town Council then authorized submittal of the draft Housing Element to HCD for review.

DISCUSSION

HCD Initial Review

The draft element was submitted to HCD for review in August and was reviewed under the streamlined review process. In early September, HCD contacted town staff by phone to discuss the draft housing element. Feedback was generally positive and included suggestions for several changes, most of which were clarifications. The one substantive item was a request for a program for the Town to update its regulations for transitional and supportive housing to bring it into compliance with refinements that have been made to state law since the Town first adopted provisions for transitional and supportive housing in 2011.

September 24 Town Council Meeting

At this meeting, Town Council provided direction to staff on priorities related to housing in town (minutes attached). In particular, development of the three zoning ordinance amendments to further encourage production of second units was stated to be a high priority. These amendments are to: 1) allow second units up to 1,000 sf on lots with 2 or more acres; 2) allow two second units on parcels with 3.5 or more acres; and 3) allow staff level approval of second units up to 750 square feet, with any necessary revisions to the performance standards for second units. Another priority was to market the HIP Housing home sharing program more actively.

As a side note, there was some interest among Council members in possibly allowing two second units on some parcels smaller than 3.5 acres. The parcel size for this program will be analyzed further as part of the housing element implementation but at this point, changes do not need to be incorporated into the element itself.

Revisions to Housing Element

Based on the initial comments from HCD and the priorities identified at the September 24 Town Council meeting, the draft housing element was revised and re-submitted to HCD. In addition to minor errors and clarifications, the revised housing element included the following revisions:

- Update to Program 1 (Inclusionary Housing) to indicate that the Town intends to amend the program in 2015-2016;
- Updating to Program 3 (Second Units) to indicate that the Town intends to amend its zoning ordinance as called for in the element in 2015, and to mention this program as a Town Council priority;
- Additional information about publicizing shared housing and mention of the shared housing program as a Town Council priority;
- Addition of Program 8 calling for zoning ordinance amendments to ensure the Town's regulations for transitional/supportive housing fully comply with current state law; and
- Revisions to action plan to make it more specific and detailed.

As was mentioned previously, the most significant change is the addition of the new Program 8. Some information and background on that program is provided below.

New Program 8: Transitional and Supportive Housing Ordinance Amendment

Transitional housing is temporary housing for people who are working to find and afford permanent housing, while supportive housing provides permanent housing and services for people with disabilities. Program 12 of the 2009 Housing Element called for amendments to the Town's zoning code to comply with state law (SB 2) concerning transitional and supportive housing. This state law required local jurisdictions to treat these types of housing in the same way as other residential uses. As a result, zoning ordinance amendments were developed in 2010 and adopted by the Town Council on January 26, 2011. These amendments allowed transitional and supportive housing for six or fewer persons as a permitted use in residential districts in the same way that other residential group homes are allowed in town.

Since adoption of those amendments, the state law for transitional and supportive housing has been clarified such that these types of housing should be treated differently from other residential group homes. In particular, transitional and supportive housing must be allowed without restrictions on the number of persons. Implementation of this proposed housing element program would bring the Town into compliance with the letter of state law but would not change what would actually be allowed in town since the Town is already be required to comply with California law regarding transitional and supportive housing.

The Town has not received any proposals for transitional or supportive housing since adoption of the 2011 zoning amendments, and staff does anticipates that implementing this proposed program would not significantly increase the number of applications for this use.

October 7, 2014 HCD Letter

With the changes described above, HCD has found that the revised housing element "meets the statutory requirements of State housing element law." The October 7, 2014 letter from HCD is attached. This indicates that if the Town were to adopt the revised draft 2014 Housing Element as it is currently drafted and submit it to HCD, HCD would certify the element as being in compliance with California law. The Town would then not need to update its housing element again for eight years.

CEQA Analysis

An Initial Study was developed for the 2014 Housing Element Update and found that there would be no potentially significant environmental impacts as a result of this project. As a result, a Negative Declaration was prepared. The Initial Study/Negative Declaration (IS/ND) is attached and was circulated for comment starting on October 22, 2014. The comments from HCD had been received prior to finalization of the IS/ND, and the document was updated to include the revisions that were made to the element as described above.

No public comments had been received as of the time this staff report was completed; if any comments are provided prior to the November 19th meeting, they will be noted at the meeting.

Planning Commission Action

The Planning Commission will need to hold a public hearing on the IS/ND and the revised draft of the Housing Element and consider all information presented at the meeting before acting on the IS/ND and draft 2014 Housing Element. Draft resolutions are attached which the Planning Commission could use to recommend that the Town Council approve the IS/ND and adopt the 2014 Housing Element.

ATTACHMENTS

1. Draft resolution recommending that the Town Council approve the IS/ND
2. Draft resolution recommending that the Town Council adopt the 2014 Housing Element
3. Minutes of the September 24, 2014 Town Council meeting

4. October 7, 2014 Letter from the California Department of Housing and Community Development (HCD)
5. Revised Draft 2014 Housing Element
6. Initial Study/Negative Declaration for the 2014 Housing Element

Report approved by: Debbie Pedro, Planning Director

cc. Town Manager
Mayor
Town Attorney

RESOLUTION NO. 2014 - _____

RESOLUTION OF THE PLANNING COMMISSION OF THE TOWN OF PORTOLA VALLEY RECOMMENDING ADOPTION OF THE NEGATIVE DECLARATION FOR THE 2014 HOUSING ELEMENT

WHEREAS, the Town of Portola Valley has caused an updated Housing Element ("2014 Housing Element") to be prepared in accordance with California Government Code Section 65583 *et seq.*, and

WHEREAS, an Initial Study has been prepared based on substantial evidence analyzing the potential environmental impacts of the 2014 Housing Element, and

WHEREAS, the Initial Study found no significant environmental impacts, a Negative Declaration was prepared, and a Notice of Intent to adopt a Negative Declaration was issued, and

WHEREAS, the Initial Study was provided to the State Clearinghouse for review in accordance with the requirements of Section 15105(c) of the CEQA Guidelines (California Code of Regulations, Title 14), and

WHEREAS, public notice was provided in accordance with the requirements of Section 15072 of the CEQA Guidelines (California Code of Regulations, Title 14), and

WHEREAS, the public comment period on the Initial Study and Negative Declaration began on October 22, 2014 and extends through November 20, 2014, and

WHEREAS, the Planning Commission held a duly noticed public hearing on November 19, 2014 to consider the Initial Study and Negative Declaration for the 2014 Housing Element; and

WHEREAS, the Planning Commission has considered and reviewed all information contained in the Initial Study and Negative Declaration and all comments received and finds that it is complete and adequate pursuant to the California Environmental Quality Act.

NOW, THEREFORE, be it resolved that the Planning Commission recommends that the Town Council approve the Initial Study and Negative Declaration for the 2014 Housing Element.

PASSED AND ADOPTED at the regular meeting of the Planning Commission of the Town of Portola Valley on November 19, 2014.

For:

Against:

By: _____
Denise Gilbert, Chairperson

Attest: _____
Debbie Pedro, Town Planner

RESOLUTION NO. 2014 - _____

RESOLUTION OF THE PLANNING COMMISSION OF THE TOWN OF PORTOLA VALLEY RECOMMENDING ADOPTION OF THE 2014 HOUSING ELEMENT AS AN ELEMENT OF THE GENERAL PLAN

WHEREAS, the Town of Portola Valley has caused an updated Housing Element ("2014 Housing Element") to be prepared in accordance with California Government Code Section 65583 *et seq.*, and

WHEREAS, the 2014 Housing Element sets forth the Town's goals, policies and programs for housing through 2022, and

WHEREAS, the 2014 Housing Element plans for the Town of Portola Valley's share of the Regional Housing Needs Allocation, and

WHEREAS, an Initial Study and Negative Declaration have been prepared based on substantial evidence and found no significant environmental impacts from the 2014 Housing Element; and

WHEREAS, the Planning Commission held a duly noticed public hearing on November 19, 2014 to consider the 2014 Housing Element; and

WHEREAS, based on written and verbal comments from the California Department of Housing and Community Development and the Planning Commission's independent review and consideration of all the information and comments received, the Planning Commission believes the 2014 Housing Element to be in compliance with State law.

NOW, THEREFORE, be it resolved that the Planning Commission recommends that the Town Council adopt the 2014 Housing Element.

PASSED AND ADOPTED at the regular meeting of the Planning Commission of the Town of Portola Valley on November 19, 2014.

For:

Against:

By: _____
Denise Gilbert, Chairperson

Attest: _____
Debbie Pedro, Town Planner

Mr. Pleger, pointing out that digging poses the greatest danger to pipelines and other underground utilities, urged homeowners and contractors to call 8-1-1 before digging – even to plant a tree or put in a new mailbox.

CONSENT AGENDA [8:17 p.m.]

- (2) Ratification of Warrant List: September 24, 2013 in the amount of \$95,478.76
- (3) Recommendation by Town Manager: Adoption of Local Emergency Ordinance
 - a) Second reading of title, waive further reading, and adopt an ordinance of the Town Council of the Town of Portola Valley replacing Chapter 2.24 [Emergency Organization and Protection] of Title 2 [Administration and Personnel] of the Portola Valley Municipal Code (Ordinance No. 2014-404)
- (4) Recommendation by Public Works Director: Adoption of a resolution accepting as completed Town of Portola Valley 2013/2014 Street Resurfacing Project – Rehabilitation #2013-PW01 OBAG Funded Federal Project No. STPL-5390 (005)
 - (a) Adoption of a resolution of the Town Council of the Town of Portola Valley to accept as completed Town of Portola Valley 2013/2014 Street Resurfacing Project – Rehabilitation #2013-PW01 and authorizing final payment to Half Moon Bay Grading and Paving, Inc. concerning such work, and directing the Town Clerk to file a Notice of Completion (Resolution No. 2634-2014)
- (5) Recommendation by Mayor: Adoption of a proclamation of the Town Council of the Town of Portola Valley declaring October 19 through October 25, 2014 “Freedom from Workplace Bullies Week”
- (6) Appointment by Mayor: Request for appointment of member to the Bicycle, Pedestrian & Traffic Safety Committee

By motion of Councilmember Hughes, seconded by Councilmember Derwin, the Council approved the Consent Agenda with the following roll call vote:

Aye: Councilmembers Hughes, Derwin, Vice Mayor Aalfs, Mayor Wengert.

No: None.

REGULAR AGENDA

- (7) Discussion and Council Direction: Review and discuss the Affordable Housing Programs in the Draft 2014 Housing Element [8:18 p.m.]

Ms. Pedro explained that staff is seeking direction from Council on priorities for the four key programs covered in the 2014 draft Housing Element, which the Town Council unanimously approved at its June 18, 2014 meeting. She provided brief background on each of the programs:

1. *Inclusionary Housing*: The Town adopted its first Inclusionary Housing Ordinance in 1991, and the draft Housing Element calls for reviewing and updating it to
 - a) Consider applying a housing-impact fee to these projects
 - b) Require developers to build affordable-housing units with the subdivision
 - c) Reduce the percentage of lots required for below market-rate (BMR) housing

Because the housing data is needed to support any amendments to the Inclusionary Housing requirements, the Planning Commission has recommended that Portola Valley participate in the 21 Elements' countywide housing nexus study. Staff will prepare a specific request to that effect to the Council on November 12, 2014.

2. *Affiliated Housing*: Dating back to 1990, the Town's Affiliated Housing program allows employee housing, or multi-family housing, on three institutional properties – the Priory, The Sequoias and the Stanford Wedge. Upon approval of its 2005 master plan, the Priory was authorized to build 11 additional units, and intends to do so by the end of 2022, Ms. Pedro said, but at this time, nothing is planned for either The Sequoias or the Stanford Wedge.
3. *Second Units*: The Town has relied primarily on second units to provide most of Portola Valley's affordable housing stock, approving an average of about five units annually over the past five years. The draft Housing Element calls for amendments to the Town's Second Unit program that would allow:
 - a) Parcels of 2-plus acres to have second units of up to 1,000 square feet
 - b) Parcels of 3.5-plus acres to have two second units on the property, one attached and one detached
 - c) Staff review and approval of second units up to 750 square feet

In terms of the Second Units program, Mayor Wengert said she'd understood that since 2011, staff has been authorized to approve second units on the first floor within an existing home (versus detached) with no ASCC review required, provided the units are within the primary residence.

4. *Shared Housing*: The Town partners with HIP Housing on HIP's shared-housing program, which matches people who are looking for housing with people who have rooms available for rent in Town. Although participation has been low, Ms. Pedro said the Town would continue to publicize the program to residents and employees to increase the number of placements.

Councilmember Hughes said in addition to the four key programs, the draft Housing Element included proactive steps we might take or possibilities we might investigate over the course of the upcoming cycle. They may not be priorities now, he acknowledged, but we'll probably look back at what we talked about today, to pick up where we left off, when we have this discussion again next year.

Ms. Pedro said the draft Housing Element Action Plan has an item called Future Programs, which discusses future housing needs beyond 2022 and potentially addressing them by a) considering expansion of the Affiliated Housing program to commercial sites for employee housing and b) exploring the potential uses of the money in the Town's In-Lieu Housing Fund.

Councilmember Derwin said she can't recall why one of the second units on a parcel of 3.5-plus acres must be attached. Ms. Pedro said she's not reviewed all of the discussions yet, she expects it might be to minimize the number of structures or the appearance of three single-family homes on one property. Ms. Prince said the Planning Commission seemed somewhat uncomfortable with the idea of having three units on a piece of property, creating what looks like a compound of sorts. In response to a follow-up question from Councilmember Derwin, Vice Mayor Aalfs said most of the those involved in the discussion about two second units at both Planning Commission and Ad Hoc Affordable Housing Committee meetings – including those in the audience – favored having one of them attached.

Mayor Wengert pointed out that the Town allows two detached second units on parcels of 10-plus acres.

In terms of staff-level review of second units up to 750 square feet, Vice Mayor Aalfs noted that there were concerns that parking, traffic and other issues that staff hasn't examined in reviewing additions smaller than 400 square feet. In some cases, larger units might need tweaking by the ASCC or the Planning Commission. To address such concerns, he said, part of the program calls for reviewing

performance standards and updating them as necessary, and specifying that staff would be able to refer applications to the ASCC if appropriate.

To some extent, Vice Mayor Aalfs said a review of the rules and regulations would be an important element of implementing changes in any of the four key programs.

Mayor Wengert invited questions and comments from the audience. There were none.

Mayor Wengert said she continues to believe the Second Units program is the Town's best avenue to secure additional housing in Portola Valley. Toward that end, she said we may want to consider dropping the threshold for two second units (one attached, one detached) on a property below the 3.5 acres proposed. Her rationale is that the Town has many more homes in the 1-acre category, many of which are in the neighborhood of 5,000 to 6,000 square feet. When combined with the fact that the Town's population is aging rapidly, a second interior unit in some of these homes could give more people more flexibility in managing their lives – by bringing in a live-in caregiver, a child, caretaker, whatever. Many of these people may have a detached second unit already. The decision to add a second second unit would be to satisfy their individual needs, she said, but in a fashion that would also provide additional housing without affecting the visual impact. She also said that given the economics and demographics, Portola Valley may soon find itself in a situation where young families can't afford to move here.

Mayor Wengert also said she believes it should be a priority for the Town to create units above and beyond our Regional Housing Needs Assessment (RHNA) allocation. Particularly in a situation where the homeowner wants that unit, Vice Mayor Aalfs added. He pointed out, too, that the attached second unit wouldn't increase the total square footage allowed.

Ms. Pedro said that in terms of incentives to encourage the production of affordable housing, it would be important to establish a direct link based on the nexus between where money goes that results in growth of the affordable housing supply. She said that's different from Inclusionary Housing, but for that program, it's also important to participate in the 21 Elements nexus study.

Mayor Wengert stated that there are a number of ways we can potentially help people financially, but it also could create a fairly large program for the Town to administer.

Mr. Pegueros said that from July 2008 to December 2013, Portola Valley approved adding 29 second units, averaging about 5.3 units per year. Given that draft Housing Element's projections are based on that number, he asked whether the Council wants to look at programs to increase the rate of production. If so, they can explore actions that might yield higher numbers.

Ms. Pedro said the three amendments proposed for the Second Unit program are expected to raise the average to 6.5 units per year over the next eight years, an increase of about 25%.

Councilmember Derwin referred to a September 23, 2014 article in the *New York Times*, which says that in California, absence of affordable housing squeezes the middle class. Robert K. Green, an economist and director of the Lusk Center for Real Estate at the University of Southern California, is quoted in the article as saying, "It's hard to imagine how all of California doesn't become like New York City and San Francisco, where you have very rich people and poor people, but nothing in between. That's socially unhealthy and unsustainable, but it's where we are going right now – affordability is its worst ever and we're seeing a hollowing-out of the middle class here." Councilmember Derwin said this problem won't be solved by either government or businesses alone; it will take government, businesses and community, and wages must be higher and education must improve.

At this point, Councilmember Derwin said she'd like to see a diversity of housing and different price points. She's been studying "pocket" neighborhoods, she said. Architect Ross Chapin, who wrote *Pocket Neighborhoods: Creating Small Scale Community in a Large Scale World*, originated pocket neighborhoods in Washington, taking his cue from Denmark's "co-housing" practice. In a pocket neighborhood, between four and 12 houses face a green and share considerable space to promote creating community. Councilmember Derwin said she'd love to see that in Portola Valley, but it would increase density and require zoning changes. She'd also like to see backyard cottages here, which Chapin also talks about. In any event, the way we think about housing must change radically before we'll be able to solve the housing problem, she said. It's going to take a very different mindset. In the meantime, she'd favor the Town adopting a much more aggressive Second Unit program – such as two units on smaller lots, two detached units on larger pieces of property.

Vice Mayor Aalfs said he supports the recommendations on the Second Units as they stand now as our first priority.

Councilmember Hughes said figuring out what we'll be doing over the course of eight years, it makes sense to quickly get to the low-hanging fruit – such as increasing the rate of production of second units to 6.5 per year. He said he'd begin with next year's priorities, determining what we should do sooner rather than later to really start making a difference, and then decide on other priorities after that.

Mayor Wengert said we could make the Second Unit program more aggressive if further work by the Planning Commission enables us to fully understand the implications and make sure everything we need to do it is in place.

Councilmember Hughes said that as the Planning Commission investigates, a number of issues may arise that they'd have to think through, which would delay the process. For example, the current parking ratio is based on the number of bedrooms, and a second unit may mean more vehicles per bedroom because it houses another family as opposed to an additional bedroom in an existing home, which might well be for a child who isn't old enough to have a car.

Mayor Wengert said that dropping lot-size requirements for two second units from 3.5-plus acres could have a substantial near-term impact on second-unit production.

Councilmember Hughes didn't disagree, but noted that at this point, pursuing the recommendations as stated – versus trying to go beyond those recommendations – wouldn't get us bogged down in a long public process and we'd start increasing the rate of second-unit production sooner.

Mayor Wengert said she didn't see how the process would differ, because the Planning Commission would do the same thing with the current recommendations. She said all of them will take a fair amount of vetting.

Ms. Prince said the Town is obliged to implement the changes to the Second Unit program that are spelled out in the draft Housing Element, which will take some time in and of itself. She expects that the learning process that goes along with that effort to result in more awareness of and insight into issues such as parking.

Ms. Prince also suggested considering establishment of an Overlay District in the Zoning Code. When evaluating the issue of parcel size in the context of permitting additional second units, she recalled the Planning Commission shied away from lots smaller than 3.5 acres due to concerns related to topography and the winding nature of many of the Town's roads. An Overlay District that allows two second units on smaller parcels could be established in some residential districts where it makes sense.

Mayor Wengert said that's a great idea.

Councilmember Hughes said an Overlay District would be particularly relevant for one of the three Second Unit program changes outlined in the Housing Element: the one that would allow parcels of 3.5-plus acres to have two second units on the property. The other changes need only technical work, he said, which he wouldn't want to delay while revisiting the issue parcel size as it relates to two second units. He said also that the staff-level review of units up to 750 square-feet would be where we'd come up with most of the units needed to satisfy RHNA numbers.

Mayor Wengert said that implementing the staff-level review recommendation should be relatively straightforward, and should be Priority 1 for the Planning Commission. Councilmember Hughes agreed, although he noted that it requires evaluating and possibly revising the guidelines and rules that staff would need to make appropriate decisions.

Mayor said the same work program would apply to both of the other recommendations that involve parcel-size thresholds, so the Planning Commission could tackle them simultaneously.

Councilmember Hughes reiterated the importance of addressing future-oriented programs for affiliated housing and using In-Lieu Housing Fund money. He said those would likely involve forming task forces for longer-term research, evaluation and recommendations.

Councilmember Derwin asked whether we have any say in how the In-Lieu Housing Fund money is used. Ms. Pedro said it absolutely must be used for affordable-housing purposes, but when Councilmember Hughes pointed out that still leaves many different ways of doing that, Ms. Prince clarified that the In-Lieu Housing Fund should be used in ways that would directly affect and create affordable housing in Town. Mayor Wengert said it could be done programmatically with incentives, or contributing financially if, for instance, Stanford were to indicate wanting to build affordable housing in the Wedge, or other alternatives. She said we can be open to opportunities to achieve the goals to add housing for consideration as they present themselves.

Mayor Wengert asked Councilmember Derwin whether we should be doing more to support HIP's shared-housing program. Councilmember Derwin responded that there's a lot of potential in Portola Valley for this program to expand, especially among older residents who live in large homes, so more in the way of making sure people know about it would make sense. Mayor Wengert said it could be an immediate win, because there are no barriers.

Mayor Wengert said this, too, is something to consider once we get some traction and see some progress toward what we've set out to achieve in the draft Housing Element.

Council confirmed the guidance Ms. Pedro said she would take to the Planning Commission – to follow up on the Second Unit program amendments outlined in the Housing Element, and also to come back with ideas on more robust marketing of the HIP Home-Sharing program.

COUNCIL, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

(8) Reports from Commission and Committee Liaisons [9:01 p.m.]

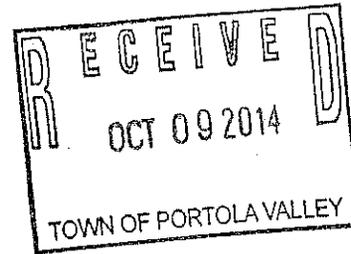
Councilmember Hughes

(a) Cable and Utilities Undergrounding Committee

Meeting on September 8, 2014, members discussed completion of the undergrounding project on Alpine Road and whether to undertake an effort to raise money to replace Rule 20A funds from PG&E. They decided against changing the Committee's charter at this time, and are still looking for a new member to fill a vacancy.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



October 7, 2014

Ms. Karen Kristiansson, Deputy Town Planner
Building and Planning Department
Portola Valley
765 Portola Road
Portola Valley, CA 94028

Dear Ms. Kristiansson:

RE: Town of Portola Valley's 5th Cycle (2015-2023) Draft Housing Element

Thank you for submitting the Town of Portola Valley's draft housing element update which was received for review on August 25, 14, along with additional revisions received on September 26, 2014. Pursuant to Government Code (GC) Section 65585(b), the Department is reporting the results of its review. Our review was facilitated by a telephone conversation with you on September 3, 2014.

The draft housing element with revisions meets the statutory requirements of State housing element law. The draft housing element with revisions will comply with State housing element law (GC, Article 10.6) when they are adopted and submitted to the Department, in accordance with GC Section 65585(g).

To remain on an eight year planning cycle, pursuant to Senate Bill 375 (Chapter 728, Statutes of 2008) the Town must adopt its housing element within 120 calendar days from the statutory due date of January 31, 2015 for ABAG localities. If adopted after this date, GC Section 65588(e)(4) requires the housing element be revised every four years until adopting at least two consecutive revisions by the statutory deadline. For more information on housing element adoption requirements, please visit our Department's website at: http://www.hcd.ca.gov/hpd/hrc/plan/he/he_review_adoptionsteps110812.pdf.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the Town must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate.

HCD Review of Portola Valley's Housing Element

October 7, 2014

Page 2

The Department appreciates your efforts and dedication in preparation of the housing element and looks forward to receiving Portola Valley's adopted housing element. If you have any questions or need additional technical assistance, please contact Jess Negrete, of our staff, at (916) 263-7437.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul McDougall". The signature is stylized and somewhat cursive, with the first name "Paul" and last name "McDougall" clearly visible.

Paul McDougall
Housing Policy Manager

Town of Portola Valley General Plan

Housing Element

Planning Commission Action Draft
October 2014

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Housing Element

Introduction

- 2400 The housing element of the general plan examines the success of the previous housing element, the need for and status of housing in the town, constraints on the provision of housing, and sites available for housing. Building on this foundation, the element sets forth the goals and policies of the town with regard to housing and establishes programs to increase the supply of housing, and especially affordable housing, in the town. This version of the housing element is an update and revision of the housing element which was first adopted by the Town of Portola Valley in 1969.
- 2401 The element also responds to the state requirements for housing elements as set forth in Government Code Section 65580 *et seq.* Accordingly, this revision of the element addresses Portola Valley's share of regional housing need as determined by the San Mateo County subregion allocation process for the 2014-2022 planning period.
- 2402 The element begins with an evaluation of the current housing element, which was adopted in 2009. Many programs from that element have been continued into the current housing element. Most of the continued programs have been updated and changed in response to situations the town has encountered over the years in implementing the programs.
- 2403 Next is a detailed examination of population, employment and housing conditions and trends in Portola Valley. The primary findings of this section are that there is a need for additional affordable housing for the elderly and for people who work in town.
- 2404 The constraints analysis looks at both governmental and nongovernmental constraints. There are a number of constraints, including necessary subdivision and

zoning standards, infrastructure and public service constraints, construction costs, and the extremely high cost of land in town. The high land cost in particular makes it unlikely that any nonprofit housing developer would be able to produce affordable housing, or even a mixed income development, if the developer had to pay the full land cost. As a result, this element includes programs that are intended to mitigate or work around this constraint.

2405 In the site inventory section, information is provided on sites available for development in town. The land available for development is limited by factors such as the San Andreas fault, steep slopes and landslides. This section demonstrates that, as a result of the town's housing programs, there are sufficient sites available for housing to meet the town's share of the regional housing need.

2406 The town's goals and policies for housing development in town are then presented, followed by detailed descriptions of the programs and quantified objectives included in the element. The action plan then summarizes the actions the town will need to take to implement the programs and describes the expected results.

2407 This housing element includes seven programs:

- 1) Inclusionary Housing
- 2) Affiliated Housing
- 3) Second Units
- 4) Shared Housing
- 5) Fair Housing
- 6) Energy Conservation and Sustainability
- 7) Explore Future Housing Needs and Potential Housing Programs

Finally, an Action Plan at the end of the element spells out the steps that need to be taken in order to implement the program, and when each step should occur during the remainder of the 2014-2022 planning period.

Public Participation

2408 During the housing element update process, the town posted information on the town's website, held 10 advertised and open study sessions on various portions of the housing element, distributed information through the Town's e-Notification system to anyone who expressed an interest in housing, mailed postcards to all town residents, and posted information on the Portola Valley Forum, an active list serve with over 2,300 members.

Town staff also participated in the 21 Elements housing element efforts in San Mateo County. This included attending panel discussions focusing on developers, housing advocates and funders, special needs and sustainability. In addition, information about the town's housing element update process was provided to

local housing advocates and stakeholders through the 21 Elements list serve and more widely to the stakeholder list developed by the 21 Elements effort.

The draft housing element has been available at Town Hall and at the library, as well as on the website. Town residents and others interested in housing in Portola Valley have had the opportunity to comment both at meetings and in writing. Comments provided at the public study sessions were used to refine the Goals and Policies section and the Programs section of the 2014 Housing Element in particular.

Consistency with Other General Plan Elements

- 2409 This element and the adopted elements of the General Plan have been compared for consistency. At the same time that the Housing Element is adopted, Section 2106e of the Land Use Element will be updated to reflect the revised name and Section number for the Affiliated Housing Program. No other conflicts with the other General Plan elements were found. Any other elements of the General Plan that are amended during the planning period will be drafted to be consistent with this housing element.

Evaluation of 2009 Element

2410 Portola Valley's current housing element was adopted in 2009. The element has thirteen programs, which are described and analyzed below.

Program 1: Inclusionary Housing Requirements

2411 This program requires that 15% of the lots in new subdivisions be deeded to the town for affordable housing. Each lot can be developed with two to four housing units. The lots are to be improved and ready for development as an integral part of the subdivision. As an incentive, a density bonus of 10% is also provided. Subdividers of sites with fewer than seven lots pay a fee in lieu of providing a lot, while subdividers of sites with seven or more lots pay a fee for fractional lots. These in-lieu fees are placed in a restricted fund titled the Inclusionary Housing In-Lieu Fund for affordable housing programs and projects.

2411a In 2009, the Town held title to four lots in the Blue Oaks subdivision which had been provided to the Town for below market rate, moderate income housing, but had been unable to find a developer to build the units. The housing element called for the Town to explore two options: 1) building the homes on the lots, or 2) selling the lots and using the funds to acquire another site in town. The intention was for the eight moderate income units to be built by the end of the planning period.

Status

2411b To implement this program, the Town first considered the constraints that developers had noted concerning development of the lots. These constraints included the small size of the project, the hilly topography of the lots, and the somewhat remote location of the lots. The Town also looked at a number of potential sites, but found that most were constrained by either availability or cost.

2411c In August 2012, the Town entered into a purchase contract for a 1.68 acre, mostly flat former plant nursery located at 900 Portola Road, on one of the major roads in town. The Town's intent was to partner with an affordable housing developer to build approximately 8-12 moderate income units on the property. The purchase contract had two major contingencies: 1) that the Town be successful in selling the four lots in the Blue Oaks subdivision that had been deeded to the Town for construction of below market rate housing units; and 2) that the property owner of 900 Portola Road provide a release from the County of San Mateo that hazardous materials contamination on the property was properly remediated by December 19, 2012. The Town was able to sell the lots in the Blue Oaks subdivision, as is discussed below, but the contingency for a closure letter relative to the hazardous materials remediation could not be met. The contract lapsed on December 21, 2012 due to uncertainty as to when the closure letter could be obtained. As of May 2014, the County had not yet issued a letter of closure for the property. It is now

the Town's understanding that the property owner and another party have entered into a purchase agreement for the site and the Town is not actively pursuing the purchase of this property.

- 2411d As was mentioned earlier, the other contingency was for the Town to be able to sell the Blue Oaks inclusionary housing lots, and this was completed. This involved amending the Planned Unit Development Agreement for the subdivision, processing a lot line adjustment to create two larger lots out of the four smaller inclusionary housing lots, and finally selling the lots. The sale closed on December 12, 2012 and resulted in the Town receiving \$2,790,096 net of closing costs, which was deposited in the Town's Inclusionary Housing In-Lieu Fund.
- 2411e Because of the sale of the Blue Oaks lots, the difficulties in attempting to purchase 900 Portola Road, the upcoming Housing Element Update, and the desire to build community consensus for future affordable housing efforts, the Town Council created an Ad-Hoc Housing Committee (AHHC) early in 2013. The AHHC was charged with developing an affordable housing mission statement for the town along with criteria for considering potential affordable housing programs and sites. The AHHC completed their work in May and their report was reviewed by the Town Council in June 2013. The Town Council accepted the report and forwarded it to the Planning Commission for consideration in drafting this 2014 Housing Element Update. The report is available on the Town's website.
- 2411f To summarize, the Town worked to implement this program during the planning period and was able to make progress by determining that construction of below market rate units at the Blue Oaks location would not be feasible and selling the lots. The Town attempted to purchase an alternative site but was not able to do so because of hazardous materials issues that could not be resolved in a timely way. As a result, the Town currently has a total of \$2,873,992 in its in-lieu housing fund. As called for in Program 7 of the 2014 Housing Element, the Town will be working to determine the best approach to using these funds to provide affordable housing to serve, at a minimum, eight moderate income households. This housing would be provided in addition to the housing allocated to the Town for the 2014-2022 planning period.

Program 2: Multifamily Housing

- 2412 This program allows multifamily housing to be built on three sites in town: the Sequoias, the Priory School, and the Stanford Wedge. Seven housing units have been built at the Priory School through this program, and eleven more have been authorized there under the Priory's adopted master plan.
- 2412a As was set forth in the adopted 2009 housing element, the town would monitor this program, work with the Priory towards construction of their authorized housing

units, and also continue to discuss the program with representatives of both the Sequoias and Stanford.

Status

2412b The Priory School has been working on implementing its master plan as funds allow. The school has not yet built the eleven housing units authorized by the master plan, but school representatives have stated that the school does still intend to construct the housing, although they may first want to amend the master plan to change the location of the housing, among other things. In any case, these units are still authorized through the approved master plan and could be built when the Priory desires to do so.

2412c Town staff has met with staff at the Sequoias to discuss the possibility of building affordable employee housing on their land and to express town support for the idea. The staff at the Sequoias are going to explore this option with the non-profit management agency and residents.

2412d Stanford University has expressed no interest in developing the Stanford Wedge parcel, and staff have been told that there are currently no plans for the parcel.

2412e This update of the housing element continues the multifamily housing program with no modifications.

Program 3: Second Units

2413 This program allows second units to be constructed throughout most of the town on lots one acre or larger in size. The 2009 called for the town to take four actions to further encourage second units and increase production so that a total of 34 second units would be permitted during the planning period. The four actions were:

1. Allow staff-level approval of second units created by converting space on the first floor of an existing home;
2. Allow staff-level approval of second units that are 400 square feet or smaller that do not require a site development permit for grading or tree removal;
3. Develop a second unit manual for homeowners and make it available at Town Hall and on the town's website.
4. Increase publicity about second units.

Status

2413a The town has carried out all four of these actions. In January 2011, the zoning ordinance was amended to allow staff level approval for units created by

converting space on the first floor of an existing home, and also for units 400 square feet in size or smaller. The second unit manual is complete and was posted on the town's webpage in February 2012. Additional information has been added to the town's website about second units, and a handout about second units has been created and is available at Town Hall.

2413b The table below shows the number of second units that were projected in the housing element compared to the actual number of permits issued each year:

Year	2 nd Units Projected	2 nd Units Permitted
2008 (6 months)	2.5	1
2009	4.9	3
2010	6	8
2011	6	5
2012	6	4
2013	6	8
2014 (6 months)	3	3 (to date)
TOTAL	34	32

2413c The number of second units permitted has been variable, but the total number of second units permitted is only two less than the number that was projected in the 2009 housing element. The average over the past five years, not including 2014 is 5.3 units per year, which is less than the target of 6 units per year, but it does appear that the number of applications for second units are increasing.

2413d Second units appear to be a very effective way of providing affordable housing in Portola Valley. This is probably due to a couple of reasons. First, second units are generally smaller and therefore more affordable. Second, second units are often used as housing for elderly relatives who may have low incomes, or for staff who work at the primary residence. As Portola Valley's population continues to age, second units may be a desirable way for older residents to remain in town, since they can rent out one of the homes to relatives or caretakers while living in the other. Second units are also the only type of affordable housing that is likely to be provided in Portola Valley by market forces, without a significant subsidy. This housing element therefore continues the second units program and adds components to the program to further encourage second units in the town.

Program 4: Waiver of Fees

2414 This program called for the town to amend its fee ordinances to allow fees to be waived for projects that dedicate at least 50% of units for people with moderate incomes or below.

Status

- 2414a The zoning ordinance was amended to include a fee waiver provision in January 2011.

Program 5: Shared Housing

- 2415 The town has encouraged residents to participate in the Human Investment Project (HIP) shared housing program for many years. This program matches people looking for housing with people who wish to rent rooms in houses they own. The quantified objective for this program was to place two to three low or very low income persons in houses in the town each year, for a total of 10-15 persons placed.

Status

- 2415a The town continues to encourage participation in the shared housing program. HIP Housing has conducted some outreach in town, including sending information to churches, schools, and Town Hall. The organization also presented information about the program at a Town Council meeting in January 2014. Approximately 3 town residents call HIP Housing each year to ask about the program.
- 2415b Information on participation was available starting in 1995. Two housing providers signed up to participate in the program in the four years from 1995 to 1999 and were matched with housing seekers. During that same time period, five other town residents who were looking for shared housing signed up with the program and were placed in housing outside the town. Between 2000 and 2008, two housing providers signed up for the program, and one was matched with a housing seeker. In addition, seven residents from Portola Valley were assisted with finding housing. From 2009 through 2013, eight Portola Valley residents and nine people who were employed in the Town were screened for participation. Two residents and one employee were able to find housing through the program.
- 2415c Because of the relatively high number of older residents living in town who may have homes larger than they need, this program seems like a good match for the town. The town will continue this program and will work with HIP Housing to provide information about the program to residents. Even though participation is low, this program does appear to address a need in the town.

Program 6: Emergency Shelters

- 2416 This program called for the town to develop and adopt a zoning ordinance amendment to comply with SB 2.

Status

- 2416a The zoning ordinance was amended to include provisions allowing emergency shelters in January 2011.
- 2416b The town continues to believe that homelessness, like most housing problems, needs to be addressed on a regional basis. As a result, the town has been involved in several regional housing efforts, including HEART (Housing Endowment and Regional Trust) of San Mateo County.

Program 7: State-Required Density Bonuses

- 2417 The 2009 housing element stated that the town would develop and adopt an ordinance to implement state density bonus law.

Status

- 2417a The Town Council adopted an implementation ordinance on May 14, 2014.

Program 8: Fair Housing

- 2418 The town provides information about fair housing services that Project Sentinel provides under the terms of a contract with San Mateo County.

Status

- 2418a Staff at Project Sentinel say that there have been minimal inquiries about fair housing issues in the town, and that discrimination and landlord-tenant problems do not appear to be significant issues in Portola Valley.

Program 9: Removal of Constraints to Housing for People with Disabilities

- 2419 The 2009 housing element identified several constraints to housing for people with disabilities and called for four changes to be made to the town's zoning ordinance, as well as adoption of a reasonable accommodations ordinance. The four changes were:
1. Allow residential facilities for six or fewer people by right, and ensure that the standards for these facilities are the same as for single family homes, as required by state law;
 2. Allow group homes with seven or more people in the C-C and A-P zoning districts with a conditional use permit;
 3. Update the definitions for residential facilities, group homes, and similar uses based on the state's definitions for these uses and the state's revised definition of "disability;" and

4. Allow access ramps to extend into required yards beyond what is currently permitted, and allow associated railings to be at least 42 inches in height to be consistent with Title 24.

Status

2419a These zoning amendments were adopted in January 2011, and the reasonable accommodations ordinance was added to the town's zoning code at the same time as Chapter 18.11.

Program 10: Housing Impact Fee

2420 In order to provide more resources for housing, the 2009 housing element called for the town to study the possibility of adopting a housing impact fee.

Status

2420a This work was delayed first to allow the completion of a comprehensive update of all planning, engineering and building fees in 2012 and then to allow staff time to be focused on the attempt to purchase a site for the inclusionary housing program and then to support the Ad Hoc Housing Committee. In this housing element, this program has been combined with the inclusionary housing program, so that the town can consider whether or not to adopt an impact fee at the same time that the town amends its inclusionary housing program.

Program 11: Farmworker Housing Zoning Amendments

2421 This program called for amendments to the town's zoning ordinance to treat farmworker housing for six or fewer persons the same way as single family homes, and for farmworker dormitories to be treated as an agricultural land use.

Status

2421a These zoning amendments were adopted in January 2011.

Program 12: Transitional and Supportive Housing Zoning Amendments

2422 To comply with state law, the 2009 housing element stated that the town would amend its zoning ordinance to provide that transitional and supportive housing be treated as a residential land use subject only to those restrictions that would apply to other residential uses of the same type in the same zoning district.

Status

2422a These zoning amendments were adopted in January 2011.

Program 13: Continue Existing Energy Conservation Measures and Implement Sustainability Element

2423 Portola Valley has had regulations that encourage energy conservation for years, including permitting solar installations, supporting energy efficient design, and clustered development. The town adopted a Sustainability Element to its general plan in 2009, which included the energy conservation program from the town’s previous housing element. The 2009 Housing Element called for the town to continue existing green and energy conservation measures, and to implement the Sustainability Element.

Status

2423a In 2010, the town adopted several ordinances related to energy and resource conservation. These were a green building ordinance using the “Build It Green Green Point Rated” system for new homes, major remodeling projects, and additions; an indoor water conservation ordinance; and a water conservation in landscaping ordinance. The town will be reviewing its green building ordinance in 2014 in light of the changes to CalGreen 2013.

2423b The town has also been encouraging energy and water conservation in existing homes through the state’s Energy Upgrade California program, California Water Service’s rebate programs, and other voluntary measures and tools developed by the town’s Sustainability Committee. The town has also appointed an Ad Hoc Water Conservation Task Force to focus on water conservation issues, and in 2014 the town expects to adopt a Climate Action Plan.

Summary

2424 The Town has adopted all of the code changes called for by programs in the 2009 Housing Element, including provisions related to fee waivers, emergency shelters, transitional and supportive housing, farmworker housing, removal of constraints to housing for people with disabilities, a reasonable accommodations ordinance, and state density bonus law. As a result, Programs 4, 6, 7, 9, 11, and 12 have been completed and no longer need to be included in the housing element. The remaining seven programs will all be continued in the 2014 Housing Element, with modifications as discussed above and in the Housing Programs section of this element.

Population, Employment and Housing: Conditions & Trends

2425 This section provides information on population trends, employment trends, housing characteristics, and special housing needs in Portola Valley. The information is required by state law and provides a context in order to assist the town in planning for suitable housing in the future.

2426 The analysis shows that there is a particular need for housing that is affordable to the elderly and to people who work in the town. The proportion of the town's population over 64 has risen from about 6.7% in 1960 to 27% in 2010, and senior citizens comprise the majority of lower income households in town. A survey of the town's largest employers reveals that most of the people who teach the town's children, work for town government, and provide services for the town's senior citizens cannot afford to live in Portola Valley.

Population Trends

2427 According to the U.S. Census, Portola Valley's population decreased 2.44% between 2000 and 2010. The table below compares the total population, the population in group quarters, the population in households and persons per household in 2000 and 2010. The population in group quarters likely consists primarily of people residing at the Priory School, and does not include the Sequoias. It appears that the population at the Sequoias did not report themselves as living in group quarters, but rather as living in individual units.

Year	Total Population	Population in Group Quarters	Population in Households	Average Persons per Household
2000	4,462	70	4,392	2.58
2010	4,353	44	4,309	2.47

Note: A group quarters is a place where people live or stay, in a group living arrangement, that is owned or managed by an entity or organization providing housing and/or services for the residents. This is not a typical household-type living arrangement. These services may include custodial or medical care as well as other types of assistance, and residency is commonly restricted to those receiving these services. People living in group quarters are usually not related to each other.

Group quarters include such places as college residence halls, residential treatment centers, skilled nursing facilities, group homes, military barracks, correctional facilities, and workers' dormitories
Source: U.S. Census.

2427a Changes in the age distribution from 1960 to 2010, as reflected in the U.S. Census, are shown in the table below. The percentage in all major age groups increased slightly between 2000 and 2010 except for people under age five and between the ages of 20 and 44. The percentage of people age 65 and over continues to grow.

These shifts are important to consider both from the town's housing and other planning/service factors.

Percentage Distribution by Age Group 1960, 1970, 1980, 1990, 2000, 2010						
Age Group	1960	1970	1980	1990	2000	2010
Under 5	11.3	5.1	3.5	5.6	5.0	4.0
5-19	29.2	30.1	22.4	15.2	19.2	20.3
20-44	35.4	32.3	30.5	32.4	21.4	14.3
45-64	17.4	22.3	29.2	28.1	33.5	34.4
65+	6.7	10.2	14.4	18.7	21.0	27
Totals	100.0	100.0	100.0	100.0	100.0	100.0

Source: U.S. Census

Employment Trends

2428 The number of employed residents in Portola Valley decreased by nearly 20%, from 2,008 in 2000 to 1,640 in 2010. This is likely related to the increase in the population of residents aged 65 and older, and the decrease in residents aged 20-44.

2428a Through the 2008-2012 American Community Survey, 1,512 Portola Valley residents reported place of employment. Approximately one quarter of these residents work in town, with another quarter working elsewhere in San Mateo County.

Portola Valley Residents' Places of Employment, 1990, 2000 and 2010						
Location	1990*	%	2000*	%	2010**	%
Portola Valley	358	17%	362	18%	373	25%
Rest of San Mateo County	565	27%	484	25%	357	24%
Outside the County	1,155	56%	1,128	57%	782	52%
Total	2,078	100%	1,974	100%	1,512	100%

* Source: 1990 and 2000 U.S. Census

**Source: 2008-2012 American Community Survey.

2428b The Town Planner estimates that there are likely approximately 1,250 – 1,500 jobs in town, based on a combination of information from surveys of employers and census data on the number of self-employed residents, plus a margin for household staff. This is consistent with the estimate of 1,500 jobs shown for the town in the Association of Bay Area Governments' (ABAG) *Projections 2013*.

2428c Little new office and commercial development is anticipated. Only 18 acres of land are planned and zoned for commercial and office uses, and most of that land is developed. The town continues to provide housing for people who work elsewhere, helping to relieve the jobs/housing imbalance in other Peninsula cities that have more jobs than employed residents.

- 2428d Many employees in town are non-residents, in part because they cannot afford to live in Portola Valley. In 2004, surveys of the four largest employers in town (the town government, the school district and two institutional employers) revealed that only about 4% of those employed in town earned incomes that would be in the above moderate income category for a family of three, whereas approximately 85% earned incomes in the very low or low income categories. While these numbers may have changed somewhat, the overall situation is likely very similar. Unless employees have other household members who earn significantly more, it appears that most of those who administer the town's affairs, teach its children, and care for its elderly cannot afford to live in town.

Housing Characteristics

- 2429 Portola Valley is a community of single family residences, mostly on lots ranging from one to two-and-a-half acres or more. The exceptions are in the older part of the town that has some lots as small as 4,000 square feet, and three other small areas with minimum lot sizes of 15,000 or 20,000 square feet. Under conditions specified in the general plan and land use regulations, the town permits cluster development, second units on single-family parcels one acre or larger, shared living arrangements and manufactured (mobile) homes. The location and density of housing development is controlled largely by natural conditions, particularly the San Andreas Fault, which crosses through the town, steep and potentially unstable slopes, and flood hazard areas along creek channels.
- 2429a According to the California Department of Finance, the number of housing units in Portola Valley is projected to increase by 130 from 1,772 in 2000 to 1,902 in 2013, an average of 10 units per year. In comparison, actual numbers from the Town's records show that from the 2000-2001 fiscal year to 2012-2013 fiscal year, a total of 111 building permits were issued for new home construction. This averages out to 8.5 units per year, which is slightly less than the state estimate.
- 2429b Portola Valley's housing supply between 2000 and 2013 is summarized in the table below, as estimated by the California Department of Finance. According to this data, 130 single family homes were added during that period. Although permitted, no manufactured homes were added. These estimates indicate that Portola Valley has 38 multifamily units in 2-4 unit structures, and 324 multifamily units in 5+ unit structures, for a total of 366 multi-family units. Portola Valley does not have a significant number of multi-family units other than the housing at the Sequoias and the Priory. The annual housing unit count reported by the California Department of Finance therefore seems to include the senior housing at the Sequoias and some housing at the Priory as multi-family units.

Housing Units, 2000, 2010-2013						
	Total Units	Single Family	Multifamily		Mobile Homes	Occupied Units
			2-4	5+		
2000	1,772	1,479	0	260	0	1,700
2010	1,895	1,533	38	324	0	1,746
2011	1,898	1,536	38	324	0	1,749
2012	1,900	1,538	38	324	0	1,751
2013	1,902	1,540	38	324	0	1,753

Source: State of California, Department of Finance, City/County Population and Housing Estimates, 2000-2008, Report E-5.

Tenure

2429c According to the 2010 Census, about 80% of homes are owner-occupied, while the remainder are rented. This has not changed significantly since 1990, as shown in the following table of the number of housing units and percentages by tenure.

Tenure of Housing Units: 1980, 1990, 2000 and 2010					
	Renter-Occupied Units		Owner-Occupied Units		Total Occupied Units
1980	97	(8%)	1,142	(92%)	1,239 (100%)
1990	303	(19.60%)	1,327	(81.40%)	1,630 (100%)
2000	257	(15.1%)	1,443	(84.9%)	1,700 (100%)
2010	354	(20.30%)	1,392	(79.71%)	1,746 (100%)

Source: 1980, 1990, 2000 SF 2 and 2010 U.S. Census SF 1.

Overcrowded Households

2429d Most houses in Portola Valley are large. The 2010 Census reports that 70% of the housing units had six or more rooms ("rooms" do not include bathrooms, storage areas, or areas separated by less than a floor to ceiling partition). Most new homes in Portola Valley are now between 5,500 and 6,000 square feet plus basements. In the past six fiscal years (2007 – 2013), Portola Valley has issued 37 new building permits for additions, indicating that the existing housing stock is also getting larger.

2429e The U.S. Census defines "overcrowding" as 1.01 or more persons per room in a housing unit. Under this definition, Portola Valley had 0 overcrowded units in 2010. Given this information, as well as the small number of units affected and the generally large size of homes in Portola Valley, overcrowding does not appear to be a significant problem in the town.

Housing Condition

- 2429f Most homes in Portola Valley are in good condition. The 2007-2011 American Community Survey estimates that all units have complete plumbing facilities and lists only 148 housing units built before 1940.
- 2429g Many houses in town are not visible from public roads, making “windshield” surveys of housing conditions difficult. However, building permit records indicate a consistently high volume of remodeling and additions. The town issued 303 permits for remodels between Fiscal Year 2008-09 and Fiscal Year 2012-13. In addition, between Fiscal Year 2008-09 and Fiscal Year 2012-13, a total of 27 homes were torn down and replaced with new homes.
- 2429h The high value of properties in the town leads to a high level of maintenance, and over any significant period of time, the private market appears to be effective in eliminating substandard conditions. None of the information available to the town indicates a significant problem with housing conditions.

Vacancy Rates

2429i Portola Valley had a 7.9% vacancy rate in 2010, as shown in the table below, Most of the vacant units were either for rent, for seasonal or occasional use, or “other,” with a few for sale or not occupied.

Occupancy Status of Housing Stock		
Type	Number	Percent
Total Units	1,895	100.0%
Occupied Units	1,746	92.1%
Vacant Units	149	7.9%
For Rent	39	2.1%
Rented, Not Occupied	5	0.3%
For Sale Only	14	0.7%
Sold, Not Occupied	4	0.2%
For Seasonal or Occasional Use	59	3.1%
For Migrant Workers	0	0.0%
All Other Vacants	28	1.5%

Source: 2010 U.S. Census SF1

Portola Valley’s vacancy rate was higher than in the rest of San Mateo County but lower than the average rate for California; in 2010, the vacancy rate in San Mateo County as a whole was 4.9%, and the vacancy rate in the State of California was 8.1%. Unlike in many other communities, foreclosures are not a significant problem in the town.

Housing Affordability

2430 As shown in the table below, the average sales price of homes in Portola Valley has increased significantly over time. In 2010 constant dollars, the average home cost was about \$1 million in 1986 and over \$2 million in 2012.

Average Sales Prices in Portola Valley, Selected Years			
Year	Number of Sales	Average Sales Price	2010 Constant Value
2012	63	\$2,200,000	\$2,089,441
2006	39	\$1,872,269	\$2,025,097
1996	65	\$1,035,603	\$1,439,257
1986	Not known	\$511,957	\$1,018,570

Sources: Multiple Listing Service (MLS) for areas 261, 262, 263, and 265 and Bureau of Labor Statistics CPI Inflation Calculator

2430a In the November 11, 2013 *Almanac*, there were seventeen homes mentioned for sale. Asking prices ranged from \$1.27 million to \$5.85 million, with one home with an asking price of \$13.9 million. Not including the \$13.9 million outlier, the average home listing price was \$3.9 million. This is much higher than the prices from 2009, when the February 11, 2009 *Almanac* listed eleven homes for sale in Portola Valley with asking prices between \$1.1 million and \$3.95 million, and averaging \$2.1 million. The February 7, 2001 *Almanac* listed six homes for sale in Portola Valley with asking prices between \$1.8 million and \$3.9 million and averaged \$2.5 million. When comparing the 2013 set of prices with those of 2001, the average asking prices have gone up, showing that the housing market has shown recovery since the most recent economic recession.

2430b Home prices in Portola Valley more than quadrupled between 1986 and 2012, and more than doubled in 2010 constant dollars. None of the housing for sale in November 2013 would be considered affordable by households with moderate incomes or less under typical financing terms

2430c Rental housing in November 2013 included a total of five rental properties listed on craigslist and Trulia. Rents ranged from \$3,300 for a two-bedroom second unit to \$9,700 for a 6 bedroom, 3.5 bathroom home. The other three homes listed ranged from \$4,900 to \$6,000 for rent per month. For comparison, there were four rental units listed in the February 7, 2001 *Almanac*, with rents ranging from \$1,500 for a one bedroom apartment to \$5,000 for a three bedroom home. While rents in town appear to have increased, they have not increased as much as the cost to purchase a home.

2430e The federal government defines “affordable housing” as housing that costs 30% or less of a household’s income. The table below shows average salaries for selected

occupations in San Mateo County, together with the affordable monthly housing cost.

Average Salaries and Affordable Monthly Housing Costs in San Mateo County		
	Annual Salary	Affordable Monthly Housing Cost
Single Wage Earner		
Senior on Social Security	\$15,000	\$375
Minimum Wage Earner	\$16,640	\$416
Plumber	\$65,200	\$1,630
Paralegal	\$71,300	\$1,783
Software Engineer	\$110,000	\$2,750
Two Wage Earner Households		
Min. Wage Earner & Software Engin'r	\$106,640	\$2,666
Biochemist & Elem'y School Teacher	\$156,000	\$3,900

Source: Employment Development Department Data for San Mateo county, Mean Annual Wage, First Quarter 2012

2430f Housing costs include rent or mortgage payments, utilities, and necessary maintenance. Households with above moderate incomes have numerous housing choices. The primary concern is for households with moderate, low and very low incomes that have few choices in the housing market.

2430g One measure of the affordability of housing is whether households, especially low income households, are overpaying for housing. The table below shows the number and percentage of both owners and renters in Portola Valley who are overpaying.

Households Overpaying* for Housing		
Owner-Occupied	Number	Percent
<\$35,000 income	71	83%
\$35,000-\$74,999	79	64%
\$75,000+	209	20%
Renter-Occupied		
<\$35,000 income	101	100%
\$35,000-\$74,999	103	100%
\$75,000+	38	18%

* Overpayment is defined by the US Census Bureau by the percentage of income spent on housing costs; owner-occupied households that spend more than 38% or renters who spending more than 30% of income on housing costs are considered to be overpaying.

Source: 2011 American Community Survey

2430h This data indicates that there are approximately 601 households in Portola Valley who are overpaying for housing, including all renters and most owners who have incomes less than \$75,000 per year.

Special Housing Needs

2431 In addition to being affordable, suitable housing also must meet households’ other needs. Some special housing needs are defined in the following sections.

Elderly

2431a The proportion of Portola Valley’s population over age 65 continues to increase, as shown in the table below. During the last forty years, the percentage of the town’s population that is over age 64 has more than quadrupled, from 6.7% to 27%. While this is partly due to the natural aging of the population, the percentage change is also in part likely due to the high cost of housing, which may prevent younger people who have not accumulated as much capital or reached their earnings peak from being able to afford to live in Portola Valley.

Percentage of People Over Age 64 in 1960, 1969, 1980, 1990, 2000, 2010			
Year	No. of People over Age 64	Total Population	Percent of Total Population
1960	145	2,163	6.7
1969	458	3,849	11.9
1980	567	3,939	14.4
1990	786	4,194	18.7
2000	938	4,462	21.0
2010	1,173	4,353	27.0

Sources: 1960 U.S. Census as adjusted by William Spangle & Associates and reported in the 1982 Housing Element; State Department of Finance Special Census for 1969 as reported in the 1982 Housing Element; U.S. Census for 1980, 1990 and 2000, 2010.

2431b The table below shows the income distribution for households aged 65 and older. There is a significant disparity in incomes for elderly households, with nearly a quarter having incomes below \$30,000, and almost half having incomes above \$100,000.

Income Distribution for Households Over Age 65 and Older		
Income	Portola Valley	San Mateo County
Below Poverty Level	1%	6%
<\$30,000	22%	28%
\$30,000-\$49,999	7%	19%
\$50,000-\$74,999	21%	16%
\$75,000-\$99,999	5%	11%
\$100,000+	45%	26%
Total Seniors	723	55,093

Source: U.S. Census Bureau, 2007-2011 American Community Survey

2431c Most elderly residents in Portola Valley own their homes. Some older residents may own houses that are bigger than they want or need. Long-term older residents often have paid-up mortgages or low mortgage payments and, under Proposition 13 provisions, low property taxes. Some literally cannot afford to move. As they grow older, some residents will have difficulty maintaining their properties due to physical or financial constraints. Despite their long-standing ties to the community, these people may be forced to move out of the area by the shortage of suitable senior housing in town, in any price range.

Households by Tenure		
	Owner Households	Renter Households
All Ages	73%	27%
Ages 65-74	82%	18%
Ages 75-84	44%	56%
Ages 85+	66%	34%

Source: 2011 American Community Survey

2431d The Sequoias, a buy-in retirement community in town operated by Northern California Presbyterian Homes and Services, is home to over 300 senior citizens. The minimum age to enter is 65, but most people are in their mid- to late 70s when they enter. The facility provides common dining and medical care geared to various levels of need. In 2013, the cost to enter ranged from \$94,500 to \$820,900 for housing, three daily meals and medical care for life. This cost varies depending on the size and type of unit. In addition, monthly costs range from about \$3,406 for a single up to \$8,492 for a two-bedroom unit. The monthly cost includes rent, utilities, meals, housekeeping, and access to on-site nursing and physician services. Over 300 people are on the waiting list for a place at the Sequoias, indicating a strong demand for this type of senior housing.

2431e While the costs to live at the Sequoias are significant, the Sequoias does have a financial assistance program for residents. People whose incomes and assets are depleted while living at the Sequoias receive aid so that they can continue to receive housing and medical care. Approximately five residents receive this aid per year.

2431f The Sequoias is an important housing option for seniors in the community. Second units and shared housing provide other options for seniors who need affordable housing but would prefer a non-institutional setting.

People with Disabilities

2431g The Census Bureau defines disability as, “A long-lasting physical, mental, or emotional condition. This condition can make it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business.” Not surprisingly, people over 65 are much more likely to have a disability.

2431h The State of California further defines developmentally disabled as a “severe and chronic disability that is attributable to a mental or physical impairment. The disability must begin before the person’s 18th birthday, be expected to continue indefinitely, and present a substantial disability.” Some development disabilities cause mental retardation and some do not. Common developmental disabilities include Down’s syndrome, autism, epilepsy and cerebral palsy.

2431i People with disabilities face many challenges when looking for housing may have unique housing needs. There is a limited supply of handicap accessible, affordable housing generally, and people with disabilities are also often extremely low income due to the challenge of securing long-term employment, and to higher medical bills.

2431j Fair housing laws and subsequent federal and state legislation require all cities and counties to further housing opportunities by identifying and removing constraints to the development of housing for individuals with disabilities, including local land use and zoning barriers, and to also provide reasonable accommodation as one method of advancing equal access to housing.

2431k SB 812, signed into law in 2010, requires Housing Elements to include an analysis of the special housing needs of people with developmental disabilities. Additionally, SB 812 requires that individuals with disabilities receive public services in the least restrictive, most integrated setting appropriate to their needs

2431l As shown below, all people with developmental disabilities in Portola Valley live with a parent or legal guardian, and none lives independently or with supportive care, nor in community care facilities.

Living Arrangements of People with Disabilities				
Lives with:	Number		Percent	
	Portola Valley	County	Portola Valley	County
Parents/Legal Guardian	11	2,289	100%	66%
Community Care Facility	0	605	0%	15%

Independent/Supportive Living	0	349	0%	2%
Intermediate Care Facility	0	191	0%	10%
Other	0	60	0%	2%
Total	11	3,494	100%	100%

Source: Golden Gate Regional Center

Note: Counts are based on zip codes and may include areas outside of jurisdictional boundaries

2431m People in Portola Valley also have non-developmental disabilities, such as hearing disabilities or vision disabilities. Some residents have both developmental and non-developmental disabilities. According to the 2008-2012 American Community Survey, 422 people living in Portola Valley suffered a disability. Of the total number of disabled people in Portola Valley, 326 were over the age of 65, equaling 77% of the disabled population.

2431n In San Mateo County, almost a third of the senior population has some kind of disability. Eight percent of the total population in the county has some kind of disability. The most common disabilities in the county are ambulatory disabilities (four percent of the population) and independent living disabilities (three percent). The census does not have numbers specifically for Portola Valley because it is too small, but the percentages are likely similar to the countywide averages.

2431o The town has no data to indicate that housing for disabled persons is a significant unmet need in town, although the need for accessible housing can be anticipated to grow as the population ages.

Large Households

2431p According to the 2010 Census, Portola Valley had an average household size of 2.47, which is a slight decrease from 2.58 in 2000. The percentage of households with five or more persons also decreased slightly, from 9.4% in 2000 to 8.9% in 2010.

2431q Most of the housing in town is well-suited to large families. According to the 2008-2012 American Community Survey, about 67% of the housing units had 6 or more rooms. The median number of rooms per unit was 6.8. During the 1990s and since 2000, new construction added larger houses to the town, with most ranging in size from 5,000 to 6,000 square feet.

Single-Parent Households with Children

2431r Households with a single parent and one or more children under the age of 18, including female-headed households, often have fewer financial resources and greater needs for day care and other services than two-parent households.

- 2431s The 2008-2012 American Community Survey indicates that there are 39 households in Portola Valley with children under 18 years and a female householder with no husband. In addition, there are 26 households with children under 18 years and a male householder with no wife. A total of 146 children live in these households.
- 2431t Housing in town is large and often suitable for families with children. Further, schools, day care, a library, and recreation facilities are all provided in Portola Valley. There is no information available to indicate an unmet need for housing for single-parent households with children. However, these households are likely to benefit from an increase in affordable housing options, including second units.

Farm workers

- 2431u The 2007-2011 American Community Survey 5-Year Estimates shows that zero Portola Valley residents list their occupation as agriculture, forestry, fishing hunting and mining. Webb Ranch, on unincorporated land owned by Stanford University, is the major employer of farm workers in the area. Farm worker housing is provided on the Ranch. As a result, there is no need for farm worker housing within Portola Valley. However, to comply with state requirements, the town revised its zoning code in 2010 to be consist with the requirements of the California Health and Safety Code Sections 17021.5 and 17021.6 regarding the regulation of farmworker housing.

Extremely Low Income Households

- 2431v Households with extremely low incomes are those with incomes at or below 30% of the Area Median Income. For San Mateo County, including Portola Valley, that means that a family would need to have an income of \$33,950 or below to be considered extremely low income. Households with extremely low incomes include those who receive public assistance, such as disability insurance or social security. However, people with full-time jobs can also have extremely low incomes. The annual income for a full-time minimum wage job is currently \$16,640 in California, and a single person household earning \$23,750 or less is considered extremely low income.

Existing Needs

- 2431w In 2010, there were 125 extremely low income (ELI) households in Portola Valley, representing 7% of the total households. About 38% of ELI households have housing problems, and nearly 17% are paying more than half of their incomes for housing. ELI households are at risk for homelessness if there are unexpected expenses, such as medical bills, or with the loss of a job.

Extremely Low Income Households			
	Renters	Owners	Total
Total ELI Households	75	50	125
Percent with Housing Problems*	17%	19%	38%
Percent with Cost Burden**	8%	9%	17%
Percent with Severe Cost Burden***	7%	9%	16%

* Housing problems include the following: 1) housing unit lacks complete kitchen facilities; 2) housing unit lacks complete plumbing facilities; 3) household is overcrowded; and 4) household is cost burdened. A household is said to have a housing problem if they have any 1 or more of these 4 problems.

**A cost burden is defined as a household paying more than 30% of its income for housing.

*** A severe cost burden is defined as a household paying more than 50% of its income for housing.

Sources: CHAS Data Book, accessed at <http://socds.huduser.org>, data current as of 2010.

2431x ELI owners are more likely than renters to have a cost burden, although approximately the same percentage of both groups have severe cost burdens. Because such a high percentage of income goes to housing, ELI homeowners are at a very high risk for foreclosure.

Projected Needs

2431y To calculate the projected housing needs, the town assumed that 50% of its very low income regional housing needs are extremely low income households. This results in a projected need for 10 housing units for ELI households over the plan period. The main program to provide housing for these households is the town's second unit program. In addition, the shared housing program could provide some housing for this income level, and the housing impact fee could eventually provide funding for ELI households.

Homeless

2431z According to the 2013 San Mateo County Homeless Census and Survey, there were 2 homeless people counted in the town. Because Portola Valley is a rural community with little access to transit or services, homeless people may not find the town as attractive as more urbanized areas of the mid-Peninsula. In the past, homeless people have occasionally visited one of the churches in town for assistance, which they offer on an as-needed basis. The town believes that homelessness is a regional problem which needs to be addressed on a regional basis.

Rehabilitation and Replacement

2432 The needs analysis identifies no need for rehabilitation or replacement of existing housing units. As described above, the condition of housing units in town is very

good and maintenance occurs privately, with no known need for government involvement.

Affordability for Assisted Housing Developments

2433 The town currently has no housing units subsidized with public funds and therefore no need to protect the affordability of such units.

Regional Housing Needs Allocation

2434 For each planning period, the state determines how much housing for each income level is needed in the region. The Association of Bay Area Governments (ABAG) then usually allocates shares of the regional housing need to the cities and counties in the region. In the current housing element cycle, all of the jurisdictions in San Mateo County banded together to form a subregion, which allowed the cities, towns and county to allocate the county's share of housing among themselves. The table below shows the total housing required for Portola Valley.

Portola Valley's Regional Housing Need Requirements, 2014-2022	
Income Level	Units
Extremely Low	10
Very Low	11
Low	15
Moderate	15
Above Moderate	13
Total	64

2434a The table below shows current (February 2008) income limits used to qualify for assistance from federal and state housing programs. The income limits vary with household size. The table lists the limits for one-, two-, three-, and four-person households.

2014 Income Limits (a) and Affordable Monthly Housing Costs (b)					
Number in Household	Maximum Income & Housing Cost	Income Categories			
		Ex Low	Very Low	Low	Moderate
1	Income Limit <i>Housing Cost</i>	\$23,750 \$594	\$39,600 \$990	\$63,350 \$1,584	\$86,500 \$2,163
2	Income Limit <i>Housing Cost</i>	\$27,150 \$679	\$45,250 \$1,131	\$72,400 \$1,810	\$98,900 \$2,473
3	Income Limit <i>Housing Cost</i>	\$30,550 \$764	\$50,900 \$1,273	\$81,450 \$2,036	\$111,250 \$2,781
4	Income Limit <i>Housing Cost</i>	\$33,950 \$849	\$56,550 \$1,414	\$90,500 \$2,263	\$123,600 \$3,090

(a) From California Department of Housing and Community Development, income limits for San Mateo County, February 2014.

(b) Assumes affordable housing costs no more than 30% of monthly income.

2434b

The amount a household can afford to pay for housing is generally expressed as a percentage of the household's income. The percentage itself varies from source to source, however, ranging at least from 25% to 42%. In general, the trend has been for the percentage to increase as housing costs have increased. The table above uses an estimate of 30% of income as a guide to affordability and shows the resulting maximum monthly payment a household in each income category can afford for housing. These maximums include all housing costs, such as rent, utilities, insurance, and taxes. The policies and programs in this element are designed to provide affordable housing within these income limits, which are updated annually by the California Department of Housing and Community Development (HCD).

Constraints on Housing

Governmental Regulations and Constraints

2440 Portola Valley is a rural, low density, town on the fringe of the San Francisco Peninsula's urban area. The physical environment of the town is challenging, with many steep slopes, unstable landslides, and the presence of the San Andreas fault. Portions of the town lack the infrastructure to support much additional development. The town's development regulations are based on these facts. These development regulations are analyzed below to determine if and how they constrain the provision of housing. The section also describes the ways in which the town is working to mitigate constraints.

Context for Portola Valley's Development Regulations

2441 The town's low-density development is consistent with current and past policies of the Association of Bay Area Governments that foster a "city-centered" pattern of urban development with an emphasis on in-filling. ABAG's Regional Plan 1980 contains this statement relevant to the Portola Valley area:

Throughout this planning area there are relatively limited opportunities to support added population growth. Most vacant residential land is located in hillside areas which lack urban services and where environmental conditions may preclude all but very low density and high cost units (p. Sub-area 1-2).

More recently, Plan Bay Area was developed for compliance with SB 375 to reduce greenhouse gas emissions in part by adjusting land use policies to promote residential development near transit and employment centers. Plan Bay Area shows Portola Valley outside of these transit and employment areas, bordering on significant conservation areas, and therefore projects limited growth for the town.

2441a The town's low density nature is consistent with and was partially based on the San Mateo County Master Plan that was in place at the time the town incorporated. This plan included the following principles:

- a) The highest population densities should occur in relatively level areas close to major centers of commerce and industry where coordinated development is possible and where transportation and other necessary public facilities can readily be provided.
- b) Population density should decrease as the distance from district centers, industrial areas, and employment centers increases.
- c) Population density should decrease as distance from local service facilities increases.
- d) Population density should decrease as steepness of terrain increases.

- e) The lowest densities and largest lots should occur on steep hillsides or in mountainous areas where it is necessary to limit storm runoff, prevent erosion, preserve existing vegetation, protect watersheds, and maintain the scenic quality of the terrain.

- 2441b The town's geologic setting is another major determinant of its policies. Starting in 1965, the town has evolved an innovative and systematic approach to regulating the development of lands crossed by the San Andreas fault and encumbered with extensive areas of steep and unstable slopes. The regulations, which have been used as models for ordinances adopted by other jurisdictions in California and in other states, control the uses of land and the intensity of development according to slope and geologic characteristics. The base regulations include a slope-density system, setbacks from the San Andreas fault and land use limitations based on landslide hazards. The town has detailed fault and landslide potential maps to support the regulations. The maps can be changed as more accurate and detailed information from site investigations becomes available.
- 2441c As the town reaches buildout, the development potential is increasingly affected by geologic regulations. Most of the remaining vacant land is in steep and often hazardous terrain. The Upper and Lower Western Hillsides, which contain most of the undeveloped land in the town, are very steep: approximately 70% of the land has slopes greater than 30% and 25% has slopes greater than 50%. Slope density provisions encourage concentration of development on flatter portions of the large holdings in these areas. These provisions lead to safer, more easily accessible and more efficiently served development than might occur otherwise.
- 2441d The town also has an important and growing role in providing open space for the region. The Midpeninsula Regional Open Space District now owns over a thousand acres of public open space within the town limits. The district lands are available for hiking and other low-intensity recreation uses and attract people from all over the region. In addition, the land preserved provides a significant conservation benefit to the region by providing habitat for wild animals and plants and protecting water and air quality. The low density housing pattern and the clustering of development in the town serves to protect this important regional resource.
- 2441e The town's development policies have evolved over the years in direct response to the town's beautiful and varied natural environment. A major goal of all planning in the town is to permit development in a way that preserves the natural environment, protects natural drainage, ensures safe development given the town's geology, and maintains the rural character of the town. The resulting low density, rural character and the provision of large expanses of open space within the town do constrain affordable housing. To mitigate this constraint, the town has designed a variety of housing programs that are largely consistent with the rural and open space character of the town.

Zoning and Subdivision Regulations

2442 The policies set forth in the general plan are implemented largely through the town's zoning ordinance. There are three residential zoning districts in town: Residential Estate (R-E), Single-Family Residential (R-1), and Mountainous Residential (M-R). Mobile and manufactured housing is considered single family housing and is permitted accordingly. The table below summarizes the uses permitted in each of these districts. Sections 18.12, 18.14, and 18.16 of the town's zoning ordinance contain the full text and detailed information concerning these regulations.

Uses in Residential Zoning Districts			
Use	R-E	R-1	M-R
Streets, utilities, etc.	P	P	P
Single-family dwellings, including residential care facilities with 6 or fewer residents	P	P	P
Temporary voting places, festivals, signs, etc.	P	P	P
Public buildings located in conformance with the general plan	P		
Public school located in conformance with the general plan	P	P	
Major utilities, signs, wireless communications facilities	C	C	C
Crop and tree farming and truck gardening	C		C
Nurseries and greenhouses, with no retail sales allowed	C		C
Churches, schools, group living accommodations for seniors, and nursery schools: only when located on an arterial or expressway	C		
Recreation facilities and boarding stables: only when located on an arterial or expressway	C		C
Residential planned unit developments	C	C	C
Multiple single family homes on parcels of 10 or 100 acres or more	C		C
Horticulture and grazing of cattle	C		C
Wineries	C		C
Publicly owned recreation and open space areas located in conformance with the general plan	C	C	C
Landscaping, growing of plants and similar uses attendant to adjoining uses in the CC district		C	
Fences, lights, parking, signs, etc.	A	A	A
Second units on parcels 1 acre or more	A	A	A
Equestrian facilities	A		A
Renting of rooms to no more than one paying guest	A	A	A
Home occupations	A	A	A
Swimming pools, tennis courts	A	A	
Garages, signs, pets	A	A	A
Sale of agricultural products grown on the premises	A	A	A

P = Permitted, C = Conditional, A = Accessory

2442a Because multifamily housing is not generally permitted in the town, Portola Valley has developed a special program to allow multifamily housing on certain sites. To that end, the municipal code allows multifamily affordable housing to be constructed with a Planned Unit Development (PUD) permit on properties designated in the general plan for such uses (Section 18.44.060.I). This is the

Affiliated Housing Program, and a detailed description can be found in the program section of this element.

2442b The town amended its zoning ordinance in 2011 to comply with SB 2 and make provisions for emergency homeless shelters in town. As a result, emergency homeless shelters are now permitted as an accessory use at all religious institutions in the town.

2442c The town's site development criteria are set forth in the town's zoning ordinance, site development ordinance, and design guidelines. In the zoning ordinance, many of the criteria are established within combining districts. These include a Design Review (D-R), a Floodplain (F-P), a Historic Resources (H-R), and a Slope Density (S-D) combining district, as well as a number of residential density combining districts. The requirements established by each of these combining districts are explained below.

Design Review (D-R) combining district.

2443 This district does three things: 1) requires all building permits to be approved by the Architectural and Site Control Commission (ASCC); 2) prohibits certain uses within 100 feet of Skyline Boulevard in order to protect the scenic nature of that corridor; and 3) requires all subdivisions of parcels 10 acres or larger to be treated as a planned unit development.

2443a Seven areas of town are in this district: the Upper Western Hillides, the Lower Western Hillides, the Stanford Wedge, the Woods property, the Corte Madera School facility, an inholding in the Portola Valley Ranch development, and Blue Oaks. All of the large, undeveloped properties in town are included in this district.

2443b These requirements are not a significant constraint on the provision of housing, including affordable housing, in Portola Valley. This is demonstrated by Blue Oaks, a recently developed subdivision which was built despite these conditions. Requirements of this combining district do not preclude the provision of affordable housing.

Floodplain (F-P) combining district.

2444 This district establishes conditions for development in floodplain areas, including requiring residential structures to be elevated above the base flood level and requiring new construction to be anchored to withstand flooding. Such conditions are standard and required by the federal government in communities that participate in the National Flood Insurance Program.

- 2444a This district includes all land within the floodplain as shown on the federal Flood Insurance Rate Maps. This land is generally that which borders the major streams in town: Los Trancos Creek, Corte Madera Creek, and Sausal Creek.
- 2444b The F-P combining district is not a constraint on the provision of market rate and below market rate housing in town. The areas which fall under this district are generally expected to develop with market rate housing, which can usually accommodate these requirements within the normal price range for market rate housing in Portola Valley. The only sites for below market rate housing that are covered by this district are a few potential sites for second units.

Historic Resources (H-R) combining district

- 2445 This district requires all properties that contain historic resources to conform to the principles and standards of the historic element of the general plan. There are 41 historic resources in town as identified in the general plan. These resources are scattered throughout town, as shown on the historic element diagram.
- 2445a The H-R combining district does not constrain the provision of housing in Portola Valley, including affordable housing. The principles and standards of the historic element simply prevent the removal of resources that are designated "to be preserved." No maintenance or restoration is necessary, although if it does occur, certain guidelines must be followed. Therefore, this district may affect the design of a development but does not necessarily increase the cost of a development.

Residential density combining districts

- 2446 The residential density combining districts determine the development standards that apply to the particular lot. These standards include required front, rear and side yards; height limits; floor area limits; and impervious surface limits. There are nine combining districts:
- 7.5M: 7,500 square feet
 - 15M: 15,000 square feet
 - 20M: 20,000 square feet
 - 1A: 1 acre
 - 2A: 2 acres
 - 2.5A: 2.5 acres
 - 3.5A: 3.5 acres
 - 5A: 5 acres
 - 7.5A: 7.5 acres

- 2446a The exact locations of these combining districts are shown on the town's zoning map. In general, the smaller-lot districts are found in the more densely developed, older subdivision areas of town while the larger-lot districts are found in the less densely developed, newer areas. This makes sense given the fact that only since town incorporation has there been a more complete understanding of the complex geological conditions and steep slopes that affect the remaining undeveloped lands in town.
- 2446b The Upper Western Hillside are the only part of town in the 7.5 acre combining district. There are no lands in the five acre combining district, but the Lower Western Hillside, Blue Oaks, the Woods property, and the Stanford Wedge are in the 3.5 acre combining district. Westridge is in the 2.5 acre combining district. The other, smaller-lot districts cover the remainder of the town.
- 2446c The development standards governed by these combining districts are summarized in the table below.

Residential Density Combining District Development Standards								
District	Min. Lot Area (sf)	Front Yard	Rear Yard	Side Yard	Height Limit ¹	Max Height ²	Max Floor Area ³	Max Imperv Surface ³
7.5M	7,500	20	20	5	15-28	34	3,019	2,231
15M	15,000	20	20	10	15-28	34	3,623	3,877
20M	20,000	20	20	10	15-28	34	3,910	5,090
1A	43,560	50	20	20	28	34	5,260	7,808
2A	87,120	50	20	20	28	34	7,013	11,358
2.5A	108,900	50	20	20	28	34	7,514	13,177
3.5A	152,460	50	25	25	28	34	8,065	15,566
5A	217,800	50	25	25	28	34	8,766	17,370
7.5A	326,700	50	25	25	28	34	9,581	19,822

¹ The height limit restricts the height as measured parallel to the ground surface.

² The maximum height restricts the height as measured from the lowest point of contact between the building and the ground to the highest point of the building.

³ The maximum floor area and maximum impervious surface are based on the total net lot area after geology, flood hazard areas, and steep slopes are taken into consideration. The numbers shown in the table indicate the maximum for a lot with the given lot area and no environmental constraints.

- 2446d The development standards established through the residential density combining districts are appropriate given the town's rural, single-family residential character. The maximum floor area requirements can restrict the size of a residence, which is a constraint to the development of housing. However, a parcel's geology, flood hazard areas and steep slopes limit the maximum floor area, and the requirements have been established to ensure safer and more environmentally sustainable development. The minimum lot area requirements in particular do act as a constraint on the provision of housing by keeping the density of development low. Many of the programs set forth in this housing element are intended to address this constraint while preserving the character of the town. For example, the affiliated housing program (formerly called the multifamily affordable housing program)

allows higher density residential development in specified areas of town. The second unit program also increases density by allowing an additional housing unit to be built on lots that are one acre in size or larger located within zoning districts requiring at least one acre per parcel.

Slope Density (S-D) combining districts

2447 Most of the residential land in town is under an S-D combining district as well. These districts modify the minimum lot size to require larger minimum lots in areas with steep slopes. As shown in the table below, there are six slope-density combining districts. The table also provides selected examples of the required minimum parcel areas at given slopes under each of the S-D districts.

Slopes and Minimum Parcel Areas in S-D Combining Districts						
Slope	Required Minimum Parcel Area in Acres					
	SD-1	SD-1a	SD-2	SD-2a	SD-2.5	SD-3
1% and under	1.02	--	2.03	--	--	3.05
15% and under	1.36	1.00	2.60	2.00	2.50	3.99
25%	1.79	1.34	3.25	2.56	3.14	5.12
40%	3.42	2.72	5.21	4.44	5.10	8.85
50% and over	8.70	8.73	8.70	8.70	8.73	17.24

2447a In general, the flatter parts of Portola Valley fall into the SD-1 and SD-1a districts, with the remaining districts used in steeper areas. The only part of town in the SD-3 district is the Upper Western Hillside, and the only area in the SD-2.5 district is Westridge. Areas in the SD-2 district include the Lower Western Hillside, Blue Oaks, the Stanford Wedge, and the Woods property.

2447b As with the residential density combining districts, the S-D districts do constrain the provision of housing by restricting the density of development. This restriction is necessary, however, given the hazards of developing steep slopes. Some of the town’s housing programs work to mitigate this constraint while still providing adequate protection. For example, the affiliated housing program allows for increased density in specified areas. In addition, the second unit program allows a second unit to be constructed on lots over one acre, thereby increasing potential residential density.

Open Space and Landscaping Requirements.

2448 The town’s residential density combining district development standards specify front, side and rear yard requirements for residential parcels. These requirements vary depending on the district, with smaller yard requirements for smaller lots. The requirements can be altered based on certain scenarios, such as if a property is located in a special setback district or if a property is adjacent to a future right-of-way. These open space requirements are applied consistently to all residential

development based on the district they are located in and are not a constraint to housing development.

2448a The Portola Valley zoning ordinance sets forth minimal landscaping requirements for residential parcels. For example, the regulations specify that parcels adjacent to the Community Commercial and Administrative-Professional districts are required to have consistent landscaping with the adjacent non-residential property. There are few parcels in Portola Valley with residences adjacent to these districts. The landscaping regulations also stipulate that for parcels with frontages along Alpine Road and Portola Road, trees and shrubs must be approved by the town's conservation committee within seventy-five feet of the road right-of-way. These two provisions are not constraints to the development of housing because they do not require significant costs or alterations for new housing developments.

2448b The town's zoning ordinance contains minimal regulation for residential landscaping, but the town's Design Guidelines provide more comprehensive landscaping policies, including a Native Plant List and Landscaping Guidelines. The Guidelines state that "The fundamental approach of the ASCC is to encourage architectural solutions that blend with the natural conditions of the site and area, and at the same time require only minimum landscaping." Typical guidelines include: "Use native plants," "Create a simple rather than elaborate landscape solution," and "Consider the future height of trees and shrubs such that major views on- and off-site will not become obstructed." ASCC consideration of applications is limited to the issues set forth in the guidelines.

Parking Requirements

2449 The town's zoning ordinance includes off-street parking provisions. The minimum number of off-street residential spaces for dwelling units is: one space for each dwelling having zero or one bedroom, and two spaces for each dwelling with two or more bedrooms. In residential districts with a minimum lot size of one acre or more, two additional guest parking spaces are required. In addition, convalescent homes must have one space for each five beds and retirement homes must have one space for each apartment, double room or family unit. As mentioned previously, second units require only one uncovered space per bedroom.

2449a Most residential parking spaces must be located in a carport or garage and all spaces have to be located on the same site as the building unless authorized by a conditional use permit. Uncovered or tandem parking spaces may be permitted with approval from the Architectural and Site Control Commission (ASCC) if there is no reasonable location for a second required covered parking space in larger parcel districts. Additionally, on parcels of 20,000 square feet or less, an uncovered parking space may occupy required yard areas with approval from the ASCC and after notification of the affected neighbors.

2449b The town requires up to four parking spaces at residences in districts requiring one acre or more, but allows exceptions if the requirements cannot be met on the parcels. In smaller parcel districts, only one to two spaces are required based on the number of bedrooms in the dwelling unit, and the location of the parking space can be changed if needed. Overall, the off-street parking requirements for larger parcels do not constrain the development of housing given the ample amount of space typically available on those properties. Additionally, the alternative provisions enable smaller parcels with space constraints to meet reduced requirements.

Second Unit Provisions

2450 Portola Valley revised its zoning ordinance provisions for second units in July 2003 to comply with California law requiring ministerial review of second unit permit applications. Government Code Section 65852.2 requires that applications for second units be processed without discretionary review or a public hearing. In addition, the law enables jurisdictions to designate areas where second units are permitted based on reasonable criteria, such as adequate infrastructure. Jurisdictions may also establish development standards, such as those for height, setback, lot coverage, architectural review and the maximum size of the unit. The law requires parking for second units to be no more than one space per unit or bedroom and permitted in setback areas as tandem parking.

2450a The town's second unit ordinance allows second units on residential parcels one acre or more in zoning districts that require a one acre parcel size or more. The areas in Portola Valley with those size parcels tend to have sufficient infrastructure and traffic capacity for additional units. Parcels with 10 or more acres are allowed to have two second units.

2450b The ordinance complies with the state's requirements because a second unit, as an accessory use, does not have to go through discretionary review to be approved. However, if the unit is detached, more than 400 square feet in size, or above the ground floor, it is subject to Architectural and Site Control Commission (ASCC) review. In addition, all second units on parcels that front onto one of the two scenic corridors in Portola Valley are required to obtain approval from the ASCC. In 2011, the town amended its zoning ordinance to allow staff-level review of second units up to 750 square feet that are created by converting area within an existing home to a second unit.

2450c ASCC review of second unit applications focuses on architectural design and compliance with the design standards set forth in Section 18.12.040.B of the Municipal Code. These design standards include requiring color, materials and architecture to be similar to those of the main structure, limiting color reflectivity, and limiting exterior lighting. The ASCC works with property owners to ensure that second units meet the design guidelines, and has never denied an application for a

second unit. In cases where the second unit is being built at the same time as the main dwelling unit, there is a single ASCC review for both structures.

2450d The zoning ordinance limits the floor area of a second unit to 750 square feet. The town also requires the vehicular access and address for the second unit to be the same as those for the primary residence. Like single family homes, second units are also subject to development standards for height, exterior color, roof reflectivity, exterior lighting and landscaping. The parking standards for second units also comply with state law because only one space is required per bedroom. Spaces do not have to be covered and can be tandem.

2450e Overall, the zoning ordinance provisions for second units are in compliance with state law because standards for second units are clearly set forth and are permitted as of right and can be administered ministerially as long as they do not exceed certain criteria. Given the costs of land and construction in Portola Valley, the requirement for architectural review and the associated cost is unlikely to be a significant constraint on the construction of second units. The town continues to work to encourage production of second units, and this housing element includes additional actions to that end, as described in the programs section of this housing element.

Subdivision Requirements

2451 The subdivision ordinance includes standards for on-site and off-site improvements including roads, trails, paths, bike lanes, utilities, drainage facilities, street trees, and conservation easements. These standards allow development that is consistent with the natural environment of the town. For instance, paved roads are narrow in order to reduce grading and impervious surface, but wide enough to safely accommodate traffic. Non-motorized movements are accommodated on easements off the roads and allow for a variety of ways of moving throughout the community. Utility requirements, ie. water, sewer, and electricity are normal for residential subdivisions. Street plantings are rarely required because the existing vegetation normally provides a natural setting. Conservation easements are required when appropriate in order to help preserve natural areas. Minimal contributions of land or fees are required to help preserve open space.

2451a These subdivision requirements have been accepted by developers. Developers find the requirements reasonable and that they enhance the quality of their projects. In some parts of town, however, connections to required utilities and roads cannot be made. For instance, in practically all of the western hillsides, public roads and utilities are not available. As noted elsewhere in this housing element, the western hillsides are hazardous and comprise steep hillsides and canyons as well as large areas of landslides. Since these areas are not suitable for development, the lack of infrastructure does not pose a problem.

Road Requirements

- 2451b The paved surfaces of roads have been set wide enough to allow for traffic but also as narrow as safety permits. Paving widths vary from 20 feet to 28 feet depending on the type of road. Since most properties include space for off-street parking, the roads are generally not designed for on-street parking. Right-of-way widths vary from 60 to 100 feet. In planned unit developments, paving and rights-of-way can be varied to fit the design of the development.

Trails, Paths and Bicycle Lanes

- 2451c Portola Valley residents value the ability to ride horses, hike and bicycle throughout the community. Accordingly, where these planned facilities pass through a proposed subdivision, the developer will be required to provide the facility and dedicate an easement that is normally 15 feet wide.

Utilities

- 2451d California Water Service Company provides water throughout the town. The company has indicated it has sufficient capacity to meet the housing needs stipulated in this housing element. Gas and electrical utilities are normally readily available.

Drainage

- 2451e Given the low density of development in the town and extensive natural areas, most drainage is surface drainage that eventually flows into one of the three major creeks in the town. By and large, the only culverts are where drainage passes under roads. Drainage improvements, therefore, are a minimal requirement on developments. In some instances, a developer will be required to pay a fee to help offset downstream impacts from a development.

Street Plantings

- 2451f As noted above, in most instances the native vegetation provides all of the planting needed along roads. In some cases, supplemental plantings may be required.

Conservation Easements

- 2451g The town may require conservation easements to protect natural vegetation, terrain, watercourses, waters, wildlife and for preventing or limiting erosion and drainage problems. Normally, these easements are on lands that are not suited for development and therefore do not interfere with well-planned developments.

Dedication and Land for Park or Recreational Purposes

- 2451h In subdivisions of more than 50 lots, the subdivider must dedicate .005 acres of land for each anticipated resident of a subdivision. For subdivisions less than 50 acres, the subdivider must pay a fee based on the above requirement. In the town, no subdivisions of 50 lots or more are anticipated, so only small in-lieu payments can be expected.

Impact of Improvement Requirements on Cost and Supply of Housing

- 2451i Fundamentally, the cost of land in Portola Valley is high. Subdivisions consequently are aimed at rather expensive housing. Given this context, the cost of improvements is a small portion of the total cost of housing. There have been no instances in recent history where the cost of improvements discouraged or prevented planned housing.

Inclusionary Housing Requirement

- 2451j All new single family homes in Portola Valley are custom built, and as a result, inclusionary housing is implemented differently in town than in other jurisdictions. Since 1991, Portola Valley has required all subdividers in town to provide 15% of their lots (for subdivisions with seven or more lots) or an in-lieu fee (for smaller subdivisions and fractional lots) to the town for affordable housing. The cost of providing this land or fee is offset by a 10% density bonus that the town provides to all subdividers who are subject to this requirement. Once the land has been provided, the town can then arrange for the construction of the below market rate units. This arrangement allows the town to set the levels of affordability for each project based on the town's current needs.
- 2451k Because of challenges the town encountered in trying to find a developer to construct units on land provided through this program, however, the town intends to revise this program to require the developer to construct the units, as is described in the programs section of this housing element.
- 2451l Some analysts believe that inclusionary housing requirements can sometimes act as a constraint on housing by either substantially raising the price of market rate housing or making housing too expensive to build. One subdivision has been developed under this requirement, indicating that development can occur under this requirement. In addition, the town's inclusionary housing program provides developers with a 10% density bonus to offset the costs of providing the land. As the program is revised to require that developers build the housing units, local architects and builders will be consulted to ensure that the requirements are not overly onerous and the incentives are appropriate.

- 2451m Because land prices in Portola Valley are high, development of affordable housing would be very difficult unless the land could be provided at no cost through a program such as the inclusionary housing requirement. Market rate housing in Portola Valley is only affordable to households with incomes well above the moderate range. Given the high cost of market rate housing in town, the effects of the inclusionary housing provisions on affordability are negligible.

Summary of Analysis of Land Use Controls

- 2452 Portola Valley's land use controls were developed to fit the town's situation on the edge of the urban San Francisco Peninsula area, with complex and unstable geology, steep terrain, and the San Andreas fault bisecting the town. Within this context, the controls the town has adopted allow for flexibility to fit development to the land. For instance, development intensity is conditioned by steepness of slope, unstable geology, areas subject to flooding and remoteness from major roads. The development approval process results in development that is appropriate to the environment. The town allows and encourages cluster development and planned developments whereby designs fit to sites rather than creating "cookie cutter" developments.
- 2452a These natural constraints, including a location well removed from public transportation and significant employment centers, have led to low density development. The low densities permitted are appropriate for the environment and location, and to ensure the safety of residents.
- 2452b Despite these constraints, the town recognizes that higher density, attached housing can be appropriate in certain locations. Therefore, the town allows multifamily housing in specified locations as set forth in the affiliated housing program of this housing element. Seven units have been built due to this program, and eleven additional units have been approved and are expected to be built in the planning period.

Building Code

- 2453 Portola Valley adopted the 2013 California Building Code. There have been no amendments or additions made to the building code by the town that present a constraint to housing development. The building code is enforced by the town's building official.

Permit and Processing Procedures

- 2454 The town's processing and permit procedures protect the community interest while permitting safe and responsible construction, additions and remodeling on private property. A key aspect is the requirement for geologic investigations to ensure safe development in areas of the town mapped as potentially hazardous.

Subdividing

2455 The town's subdivision regulations reflect the complicated and unique features of the land such as soils, land movement potential and drainage capacity. A subdivision proposal includes the following steps:

1. Review of a preliminary map by town staff and planning commission
2. Review and approval of the tentative map by the planning commission, and
3. Review and approval of the final map by the town council.

2455a It is difficult to estimate the time needed for review and approval of a typical subdivision proposal because the factors that impact timing are unique for each proposal. The Blue Oaks development, a 30-lot hillside subdivision on a site bisected by the San Andreas Fault, took about 10 years to move from the conceptual phase to final map review and approval. Approximately five to seven years of that time were spent by the applicant challenging the town's geologic information and related regulations and pursuing design proposals that were inconsistent with town plans and regulations. Eventually, a reasonable design was developed and formal application filed for processing. The project then faced delays during CEQA review, and significant measures were needed to mitigate potential adverse impacts on the environment. After final approval, three more years passed during construction of subdivision improvements.

2455b Two smaller subdivisions took significantly less time to obtain approval. The Priory, a three unit subdivision, took six years for approval and Platt, a two unit subdivision, required two and one-half years for approval. These subdivisions required more time than may be typical because there were significant design difficulties in both cases, including access issues. In addition, the complexity of the land on these sites slowed the approval process. Staff estimates that approval of a subdivision on any of the remaining larger sites in town, all of which are very complex, would take at least two to four years.

Lot by lot construction

2456 Most residential development occurs on a lot-by-lot basis. All homes, including those in approved subdivisions, require individual permits. The process for residential development includes:

1. Preliminary design review at the staff level.
2. Architectural review by the Architectural and Site Control Commission (ASCC). Some projects are also subject to homeowners' association architectural review. These reviews are usually concurrent with ASCC review.

3. Review by the Planning Commission (for proposals with grading exceeding 1,000 cubic yards only).
4. Site development permit approval.
5. Building permit approval.

2456a The review, including the first four steps listed above, takes from four months to one year. Another eight to twelve weeks are then usually needed to process a building permit application. Prior to approving a building permit, town staff and consultants review the plans, as well as outside agencies.

2456b The town's processing and permit procedures may take longer than in typical Bay Area communities because of the complexity of the environment and the level of scrutiny directed at development proposals. However, many developers, architects, and engineers who work in Portola Valley do not find the processing and permit procedures a constraint. In fact, they find that building in Portola Valley can be easier because the requirements are clearly explained from the start of a project. Staff and consultants work closely with developers to explain the process, expectations, and requirements necessary for approval. This attention given early in the process avoids delays in the long run by ensuring that the most appropriate project for the site is presented for approval.

ASCC Review Process

2457 All new residential structures must be reviewed and approved by the Architectural and Site Control Commission (ASCC), whose decisions may be appealed to the Planning Commission. The ASCC process begins with a preliminary meeting with staff to discuss the applicant's initial ideas and outline the town standards, regulations and design guidelines that would apply. The applicant then has the opportunity to revise the design before submitting the application to the ASCC. In general, the ASCC considers an application at the meeting closest to two weeks after the application was filed. Simple projects, such as second units, are usually decided at that meeting. Most projects are acted on in no more than two meetings, although occasionally a complex project may take additional time. As a result, ASCC review takes no more than one or two months from the time that the applicant comes in for the preliminary meeting. Measured from the filing of the application, the ASCC review would take even less time.

2457a All staff reports for the ASCC follow a standard format and address the same topics, that are set forth in the zoning ordinance and the design guidelines. Both the zoning ordinance and the design guidelines are written documents which applicants can consider in putting together their applications. The town uses a standard format for the ASCC staff reports in order to give consistency to the review process and ensure that each application is considered in the same way as all others.

2457b While the criteria are the same for each project, the specific physical conditions on an individual parcel of land may be unique. Given the prevalence of slope, geology, drainage and other physical issues throughout Portola Valley, individual consideration of each project is necessary. The ASCC provides this individual consideration along with consistent application of standards and guidelines.

2457c The ASCC review process is fast, is based on written standards and guidelines, and uses a standard format to ensure consistency in its decisions. The cost, as discussed below in the section on fees, deposits and exactions, is similar to the cost in other, similar communities, and is a very small percentage of the cost of a project given the high costs of land and construction in the town. For all of these reasons, ASCC review does not act as a significant constraint to the provision of housing in Portola Valley.

Site Development Permit

2458 The Site Development Ordinance establishes the framework for the removal of vegetation, including significant trees, and excavation and fill (grading) on a site. Persons conducting those activities are required to apply for a site development permit. Depending on the amount of grading, the application is acted on by either the staff, the Architecture and Site Control Commission, or the Planning Commission. Applicants can appeal a decision to the Town Council in a public hearing. This process is necessary to protect both the environment and the applicants, especially in steep and unstable areas. The process is the same for all applicants and does not act as a constraint to the development of housing.

Conditional Use Permit and Planned Unit Development Permit Processes

2459 Most residential development in town is not required to obtain either a conditional use permit (CUP) or a planned unit development permit (PUD). Subdividers who would like flexibility in the development standards may apply for a PUD, and most subdivisions in recent years have used PUDs. Since Portola Valley treats PUDs as a type of CUP, the process is similar for both. The ASCC first reviews the application as an advisory body, and then the application moves to the Planning Commission for a decision. Neither CUPs nor PUDs require action by the Town Council unless the Planning Commission action is appealed.

2459a While multifamily housing is not generally allowed, the town has developed a program to allow multifamily housing at existing institutional developments such as the Priory and the Sequoias through amendments to the existing CUPs for those projects. If, however, a new multifamily housing project were proposed that was separate from existing uses, a PUD would be needed.

2459b For example, at the Woodside Priory School, seven multifamily units were approved and built as workforce housing. To build these units, the Priory needed to amend

its conditional use permit, a process that took approximately four months. The Priory has also received approval for a master plan that includes eleven additional housing units which have not yet been constructed.

- 2459c The cost for the permits is a very small percentage of the cost for the project as a whole, and is not significant given the high costs of land and construction in Portola Valley. For these reasons, the CUP/PUD requirements for multifamily housing do not appear to be acting as a constraint on the provision of housing in the town—in fact, these permits make multifamily housing possible in Portola Valley.

Fees, Deposits and Exactions

- 2460 The town sets fees to cover the actual costs of processing development applications. For the typical house constructed in Portola Valley, the fees are a minor part of the applicant's costs and a very small percentage of the value created by approvals.
- 2460a In May 2012, the Town Council approved a resolution adopting new Planning, Building, and Engineering Department fee schedules. These fees were based upon an extensive study of actual costs to the town to administer and process permits. The study also included a comparison of the town's fees with fees charged by nearby jurisdictions, including Atherton, Menlo Park, and Woodside. This comparison showed that the town's fees are comparable to the fees in these other communities, as is shown in the table below.

Comparison of Selected Filing Fees, 2012				
Service	Portola Valley	Atherton	Menlo Park	Woodside
Pre-Application Meeting	575	161 per hour	400 dep + hrly	--
Site Development Permit (101 – 1,000 cubic yards)	2,225	1,282	--	600 dep + 1,125
Variance	2,340	2,242 min + hrly	3,000 + hrly	1,775 min
Conditional Use Permit-PUD	5,940	1,919 min + hrly	10,000 dep + hrly	2,238
CUP Amendment	1,980	1,919 min + hrly	10,000 dep + hrly	1,063
Architectural Design/Review: New House	1,115	1,282	2,000 dep + hrly	1,125
Guesthouse	660	1,282	2,000 dep + hrly	1,125
Additions	660	1,282	2,000 dep + hrly	1,125
General Plan Amendment	3,300	3,534 min + hrly	8,000 dep + hrly	4,425 dep + contractor cost + 25% overhead
Preliminary Subdivision Map	3,040	--	--	--
Tentative Map	4,640	2,242 min + hrly	6,000 + hrly	10,850 dep + contractor cost + 25% overhead
Lot Line Adjustment & Merger	1,600	1,596 min + hrly	--	2,850 dep + contractor cost + 25% overhead

Source: NBS "Town of Portola Valley Cost of Service Study for Analyzing User and Regulatory Fees" March 21, 2012

2460b Deposits are also charged for planning, engineering and geologic review, which include those provided by consultants, such as the town engineer, town geologist, town planner and town attorney. These deposits cover the cost of reviews and services needed for particular applications. As a result, the amount of the deposit will be lower for simple projects and higher for complicated projects. Selected 2013 fees and deposits for services required to evaluate applications are listed in the table below.

Standard Housing Development Fees and Deposits in Portola Valley		
	Filing Fees	Deposit for Services
Consultation Meeting	\$ 590	\$ 500
Architectural Review		
New Residence	\$1,140	\$ 2,500
Second Unit	\$ 675	\$ 1,500
Additions	\$ 675	\$ 1,500
Amendment	\$ 340	
Site Development Permit		
50-100 cubic yards	\$ 1,070	\$ 2,500
100-1000 cubic yards	\$ 2,280	\$ 4,000
1000+ cubic yards	\$ 2,890	\$ 4,000
Conditional Use Permit		
Standard	\$ 4,055	\$ 7,500
PUD	\$ 6,085	\$ 7,500
Amendment	\$ 2,030	\$ 3,500
Variance	\$ 2,400	\$ 3,500
Geology Review		
Building Permit	\$ 255	\$ 2,500
Map Modification	\$ 1,015	\$ 2,500
Deviation	\$ 890	\$ 2,500
Building Permit Review (Planner)	\$ 140	\$ 500
Building Permit Review (Engineer)	\$ 150	\$ 1,000
Zoning Permit	\$ 310	\$ 1,000
Subdivision		
Preliminary map	\$ 3,115	\$ 7,500
Tentative Map	\$ 4,750	TBD
Final Map	\$ 1,360	TBD
Map Time Extension	\$ 380	TBD
Tentative Map Amendment	\$ 760	TBD
Final Map Revision	\$ 760	TBD

Source: Town of Portola Valley, "Updated Fee Schedule" June 12, 2013

2460c Like other residential developments, second unit applications are charged fees for a building permit and plan check. In addition, detached second units, second units with more than 400 square feet, and second units located above the ground floor are required to go through architectural review and must pay the associated fee and deposit for service. However, second units that are built at the same time as the main house on the lot do not have to pay a separate fee for architectural review for the second unit. Building permit and plan check fees are essential to ensure that a building complies with local and state requirements and are not considered a constraint to the development of second units.

2460d It will be difficult for the town to waive fees and deposits entirely for affordable housing projects because of the routine use of outside consultants and the reliance on the fees to cover the cost of town services provided. However, the town is prepared to use money collected as in-lieu fees for below market rate units to mitigate the constraints of fees. Also, the town has amended the town's fee

ordinances to allow all or part of the fees to be waived, at the discretion of the Town Council, for projects with at least 50% of units for households with moderate incomes or below.

- 2460e Exactions are required in the form of drainage fees, easements or in-lieu fees for parks and open space, and off-site improvements made necessary by the development. The exaction amounts depend upon the specifics of each project. Drainage fees are only charged to subdivisions and on a per-acre assessment. These fees pay for the cost to construct drainage facilities listed in the town's master drainage plan, which is designed to protect lots and streets from flood hazards. The additional cost is a minor fee compared to the costs of the entire subdivision. These fees are essential to ensure that the town is protected from flood hazards and is developed with adequate drainage infrastructure.
- 2460f Portola Valley also charges subdivisions a fee in-lieu of the dedication of land for park or recreational purposes, as permitted by state law. On subdivisions of 50 lots or less, the subdivider is required to pay a fee determined by multiplying .005 times the land value per acre times the projected number of new residents in the subdivision. The subdivider may dedicate 5% of the total area for open space rather than pay the fee upon approval from the planning commission. Subdivisions with 50 lots or more are required to dedicate land of an amount determined by multiplying .005 times the number of acres times the projected number of residents. An in-lieu fee may be paid instead with approval of the planning commission. Residential developments that are not part of a subdivision are not required to pay this exaction. Like the drainage exaction, the additional cost is minor compared to the overall cost to develop a subdivision.
- 2460g Historically, drainage and open space exactions have not been cited as a constraint to the development of multifamily housing. The requirements do not hinder the provision of below market rate units in the subdivision, and the subdivision ordinance promotes the development of below market rate units overall. Based on experience, the exactions required for subdivisions are not a constraint to the development of below market rate housing in Portola Valley.
- 2460h Total fees for a recent house reconstruction, which would be similar to those for a new house, were approximately \$22,000. The value of the house prior to reconstruction was \$1.4 million. Therefore, the fees were less than 2% of the value of the home. Fees for a guest house are significantly less: approximately \$8,000. For the most recent multifamily development (the construction of seven attached units at the Priory), the fees totaled about \$7,000 per unit.
- 2460i Overall, fees, deposits and exactions are not anticipated to be significant constraints on the construction of housing. If these should be problem for a particular development, fees and deposits can be paid using housing in-lieu funds, and/or the Town Council can waive all or part of fees. Drainage and open space

exactions have not constrained the production of multifamily housing in the past and are not expected to during the planning period.

Infrastructure and Public Service Constraints

- 2461 The infrastructure and level of public services in town is geared to a small dispersed population. Many of the roads are narrow and winding with restricted capacity. Limited bus service is provided by SamTrans along Portola and Alpine Roads (Bus 85). Only a portion of the town is served by sanitary sewers. On-site disposal systems are used in much of the town, and in many areas, successful disposal requires large sites because of adverse soils and drainage conditions. Most local public services are provided by special districts or San Mateo County under contract. The Woodside Fire Protection District provides fire protection services. Police services are provided by the private Woodside Patrol and the County Sheriff. The town has limited control over the quality and quantity of these services.
- 2461a The town government operates on a minimal budget with a small staff. The town's ability to undertake major programs to provide housing is severely constrained by fiscal realities and limited staff time. As a result, housing programs with high administrative demands are not practical for the town and have been avoided.
- 2461b To mitigate the constraints pertaining to public services, this element provides for affordable housing on sites with current access to services or in new subdivisions that will provide services. In-lieu fees collected through the inclusionary housing program may also be used to help cover costs when no other source is available.

Nongovernmental Constraints

- 2462 Nongovernmental constraints that can affect a community's ability to provide suitable sites for affordable housing include the price of land, the cost of construction, and the availability of financing.

Price of Land

- 2462a The extremely high cost of land in Portola Valley is the most significant constraint on the development of affordable housing in the town. Land often costs around \$1-2 million per acre, a price that is probably too high to allow the development of affordable housing under market conditions. Land prices for single parcels in the similar neighboring communities of Woodside, Palo Alto, and Atherton are comparable to Portola Valley prices.
- 2462b There were two undeveloped parcels listed for sale in late 2013. One was asking \$3.6 million for a 4.48-acre parcel, and the other was asking approximately \$2.15 million for a 2.25-acre parcel.

- 2462c The challenge from the town's perspective is to provide affordable housing opportunities in the face of extreme market pressure, while at the same time preserving the characteristics that make Portola Valley a desirable place in which to live. The town's housing programs attempt to mitigate the effects of these market conditions. To offset the high cost of land, the inclusionary housing program provides affordable housing, including land. The affiliated multifamily housing program allows increased density, reducing costs per unit. The second unit program provides the opportunity for construction of second units by the private market with essentially no land cost.

Construction Cost

- 2463 The cost of construction can also constrain housing production, particularly for affordable housing. Residential construction in Portola Valley is comparable to the neighboring communities of Woodside, Palo Alto, and Atherton. The costs average around \$350-\$450 per square foot. These high costs, however, are often a result of homeowners' choices to use unique designs and expensive materials.
- 2463a The inclusionary housing program will provide land for affordable housing on sites that have been improved to serve market rate development, thereby reducing the cost of subdivision improvements for the affordable units. In addition, developers can select relatively simple and straightforward designs as well as less expensive construction materials to further reduce the cost of construction.

Availability of Financing

- 2464 Most homes in Portola Valley are custom-built homes funded by individual households. Financing for this type of construction is more difficult to obtain now that banks have increased their requirements. However, financing is no more of a constraint in Portola Valley than in other communities in the Bay Area. In fact, loans for individual homes may currently be easier to obtain than loans for speculative housing developments.

Constraints on Housing for People with Disabilities

- 2465 California housing element law now requires specific analysis of constraints on housing for people with disabilities, including developmental disabilities. This section reviews both governmental and nongovernmental constraints, and identifies actions that can be taken to mitigate the constraints.

Governmental Constraints

Zoning Ordinance

- 2466 The town's zoning code was amended in 2011 to remove the constraints to housing for persons with disabilities that were identified in the 2009 housing element. These amendments included:
- Updating the definition of household to comply with state law;
 - Adding a definition of "residential care facility" to the ordinance, allowing these facilities for six or fewer persons by right in residential districts, and allowing these facilities for seven or more persons as a conditional use in the commercial and office districts;
 - Allowing access ramps and related railings to extend into required yards; and
 - Adding a reasonable accommodations section to the zoning ordinance (Chapter 18.11).
- 2466a Portola Valley permits housing for special needs groups, including for individuals with disabilities, without regard to distances between such uses or the number of uses in any part of the City. The Land Use Element of the General Plan does not restrict the siting of special need housing.
- 2466b All dwelling units are subject to the same standards for elements such as building heights, setbacks and floor area within the district in which they are located (Section 18.48.010). Because these standards may present a constraint to housing for disabled people in certain cases, the town adopted a reasonable accommodations ordinance as Chapter 18.11 of the zoning code to allow for flexibility in the zoning regulations when a reasonable and demonstrated need appears for a person with a disability. The reasonable accommodations ordinance could also potentially be used to reduce parking requirements for developments serving people with disabilities.
- 2466c All new residential structures must be reviewed and approved by the Architectural and Site Control Commission (ASCC), whose decisions may be appealed to the Planning Commission. The ASCC bases its review upon clearly stated standards and applies these standards consistently from project to project. This process is an essential part of enforcing the zoning code and provisions in the General Plan. Because of the standard nature of the review and the ability to appeal a decision, the ASCC review process is not a constraint to housing for people with disabilities.

Site Development Ordinance

- 2466d The Site Development Ordinance establishes the framework for the removal of vegetation, including significant trees, and excavation and fill on a site. Persons

conducting those activities are required to apply for a site development permit. Depending on the amount of grading, the application is acted on by either the staff, the Architecture and Site Control Commission, or the Planning Commission. Applicants can appeal a decision to the town council in a public hearing. This process is necessary to protect both the environment and the applicants, especially in steep and unstable areas. The process is the same for all applicants and does not act as a constraint to the development of housing for people with disabilities.

Building Code and Building Permit

2466e Portola Valley adopted the 2013 California Building Code. There have been no amendments or additions made to the building code by the town that present a constraint to the development of housing for persons with disabilities. The Town also follows Title 24 of the California Code of Regulations. Title 24 regulations govern a building's access and adaptability for persons with disabilities in commercial and multi-family buildings. When there is a discrepancy between the zoning ordinance and a Title 24 provision, the Title 24 provision prevails.

2466f A building permit is required for the construction or alteration of a structure. Standard application forms and filing processes are used for all applicants and are not considered a constraint to the development of housing for persons with disabilities. A building permit is required for access ramps and other special building modifications on commercial buildings or residential multi-family buildings. These types of buildings are required by law to be accessible to the disabled.

Nongovernmental Constraints

2467 The nongovernmental constraints that could affect housing for people with disabilities include the price of land and the cost of construction. In addition, the lack of public transportation and support services in town could constrain housing for people with certain types of disabilities. There is little the town can do to mitigate these types of constraints.

Conclusion

2468 The town has addressed the constraints to housing for people with disabilities that were identified in the 2009 Housing Element, and some of these changes, such as adding residential care facilities as an allowed use, would also benefit people with developmental disabilities. In addition, given that many people with disabilities, especially those with developmental disabilities, live with their parents or other relatives, second units could be a valuable form of housing for at least a portion of the population with disabilities. As a result, the town's actions to facilitate and encourage construction of second units may help this population as well.

Sites Suitable for Housing

- 2469 State law requires the town to demonstrate that sufficient residential housing sites exist in town to accommodate the town's share of total regional housing need. The town's housing need as assigned through San Mateo County's subregional housing allocation process is shown in the table below.

Housing Need for Portola Valley, 2014-2022	
Income Category	Units
Extremely Low	11
Very Low	10
Low	15
Moderate	15
Above Moderate	13
Total	64

- 2469a The following site inventory goes through three steps to determine how much housing could be built in Portola Valley during the current planning period. First, areas that are not suitable for development are identified and removed from consideration. Second, the vacant land in the remainder of the town is identified, and the realistic development capacity for this land is determined. Finally, the suitability of the vacant land for development is described, together with the likelihood of development during the planning period.

A Process of Elimination

- 2470 Portola Valley faces different constraints on development than any other community on the Peninsula, with the possible exception of Woodside. Much of Portola Valley is unsuitable for development for one or more reasons. The major constraints on development are the presence of the San Andreas fault, large areas of landslides, the steepness of slopes, and the fire hazards due to natural conditions.

Physical Limitations

- 2470a The San Andreas Fault runs through the center of the town. The fault separates the North American Plate from the Pacific Plate and poses problems of fault offset as well as intense ground shaking. The nature of the geology on the two sides of the fault is very different. By and large, the area east of the fault possesses largely stable land devoid of landslides. The area west of the fault, however, is composed of large areas of active and potential landslides. These landslides can be triggered by rainfall or grading as well as earthquakes.

- 2470b Portola Valley has been a national leader in planning for land use that recognizes geologic instabilities. See for instance, "A Model for Effective Use of Geology in Planning, Portola Valley, California" which was included in Landslide Hazards and Planning, Planning Advisory Service Report Number 533/534, published by the American Planning Association in 2005. Portola Valley has mapped the geology of the entire town at a scale of 1" = 500'. The town geologist reviews all proposed development in geologically hazardous areas. The town's geologic map is far too detailed to include in the housing element; however, two geologic maps are included in the element to describe the hazards in some detail. First, a map of the San Andreas fault is shown on Exhibit 1. The map clearly indicates how the central part of the town is affected. Second, the state map of seismic hazard zones is shown on Exhibit 2. A brief look at the map confirms that the western part of the town is almost entirely subject to earthquake induced landslides. A somewhat lesser hazard is depicted by substantial areas that are subject liquefaction. In most instances, there are geotechnical solutions to liquefaction, provided a project can bear the high cost of a solution.
- 2470c Another major limitation are the extremely steep slopes in the western part of the town. These are shown on Exhibit 3. It is clear that there are large areas of 41% or greater in slope and significant areas in the 21% to 40% range. Development is extremely difficult in areas with slopes in excess of 41% and very difficult in areas with slopes in excess of 21%.
- 2470d Fire hazards pose another limitation on development. In 2008, the town contracted for a fire study, and the map in reduced form is shown on Exhibit 4. A review of the map with the aid of the legend makes it clear that much of the western part of the town is exposed to very high fire hazards.
- 2470e In sum, the combination of the San Andreas Fault, large areas of landslides, very steep slopes and high fire hazards form a major basis for the town's general plan and zoning regulation that permit only a very limited amount of development in the western hillsides. Further limitations include a lack of public roads and water supply. Together with the hazards listed above, these require that the town protect the public interest with strict limitations on development in the western hillsides.
- 2470f The eastern part of the town is completely different from the western part. In the eastern part of the town, landslides are few, slopes less steep, fire hazard less and the area is served by public roads and a public water supply developed to meet fire fighting requirements. It is no wonder that the historic development of the town started in the eastern part and has continued in this part in the years since the town incorporated in 1964.

Exhibit 1

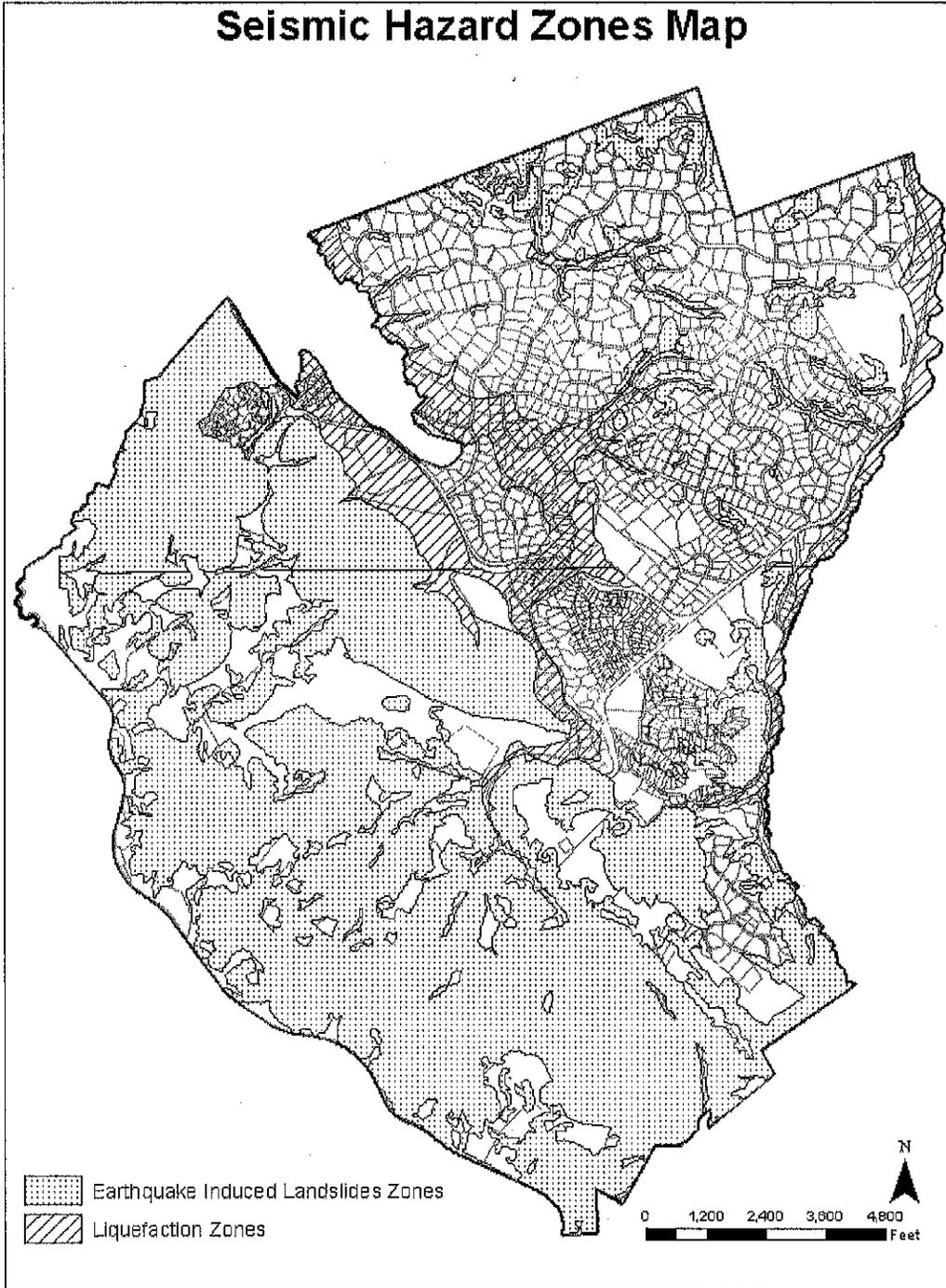
Earthquake Fault Map



Source: Data derived from Cotton, Shires, and Associates, Inc.

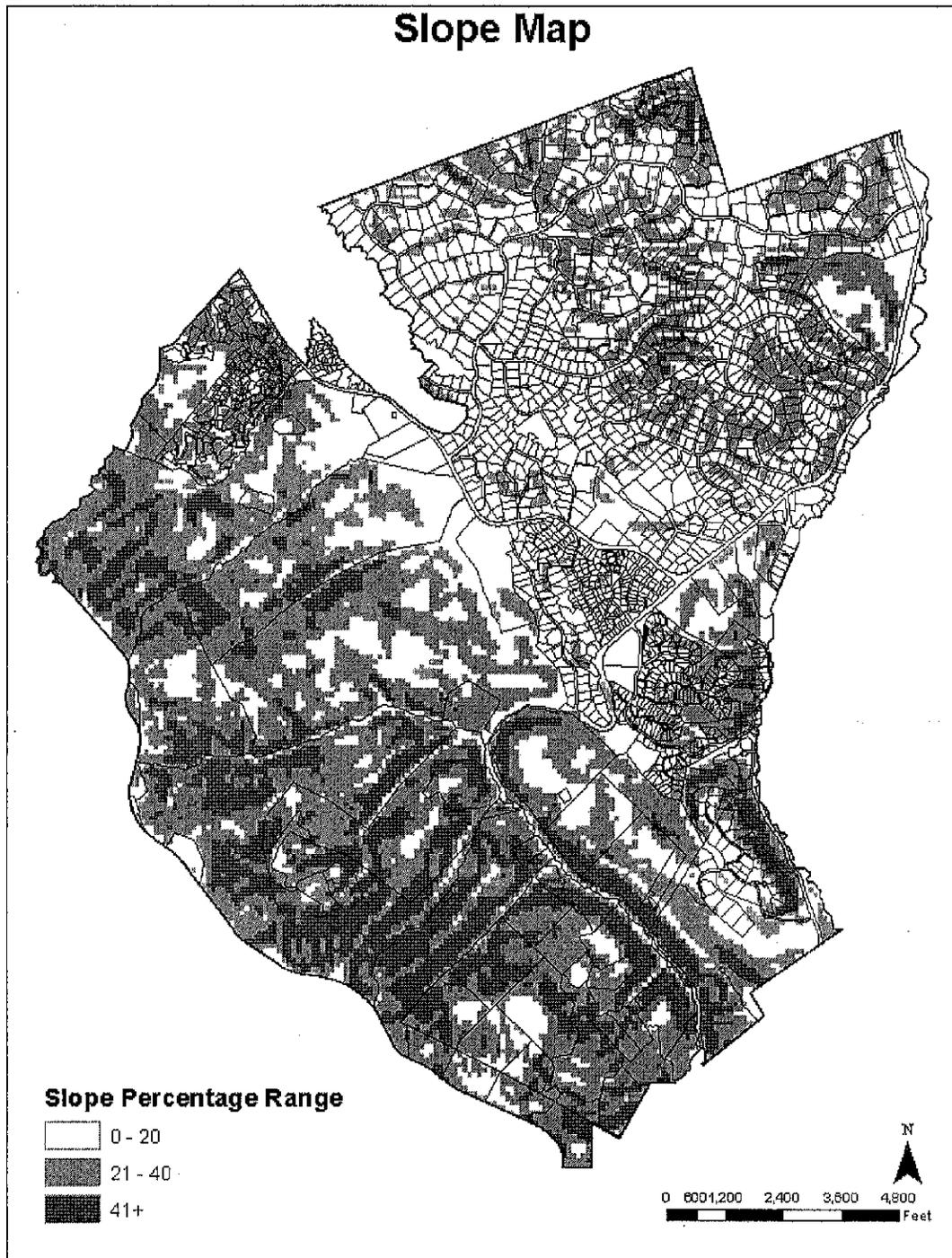
Exhibit 2

Seismic Hazard Zones Map



Source: State of California Department of Conservation (2001),
www.quake.ca.gov/WH/regulatorymaps.htm

Exhibit 3



Source: Conservation Lands Network, Bay Area Open Space Council

Exhibit 4

Fire Map



Source: Data derived from 2008 Fuel Hazard Map, Mortiz Arboricultural Consulting, Inc.

Sanitary Sewer Limitations

2470g As a “rural” community Portola Valley was developed with lots served by septic tank and drainfield systems. The town does not have a municipal sewer system. The sewers that do exist are provided by the West Bay Sanitary District. The district does not install sewers, but developers and homeowners are responsible for annexing their properties to the district and paying for the cost of extending and hooking-up to sewers. Exhibit 5 shows parcels that have been annexed to the West Bay Sanitary District and differentiates between those parcels that have connected to sewer and those that were annexed to the district but have not connected to the sewer.

Since most of the town has lots in excess of one acre, septic tank systems have in general worked well. New subdivisions including Portola Valley Ranch and Blue Oaks do have sanitary sewers. Also, in some areas individual property owners or groups of owners have banded together to annex to the district. Very few vacant properties are served by sewers, and those properties are vacant lots in new subdivisions where changes in zoning would not be expected and would likely result in incompatible development.

Water Supply

2470h Water for Portola Valley is supplied by the California Water District. The Water District has stated that it can supply the water to serve Portola Valley’s housing need throughout the 2014-2022 planning period.

Distribution to Water and Sewer Providers

2470i As is required by Chapter 727m Statutes of 2004 (SB 1087), when this housing element is adopted the town will immediately send a copy of the element to the local water and sewer providers.

Inventory of Vacant Parcels

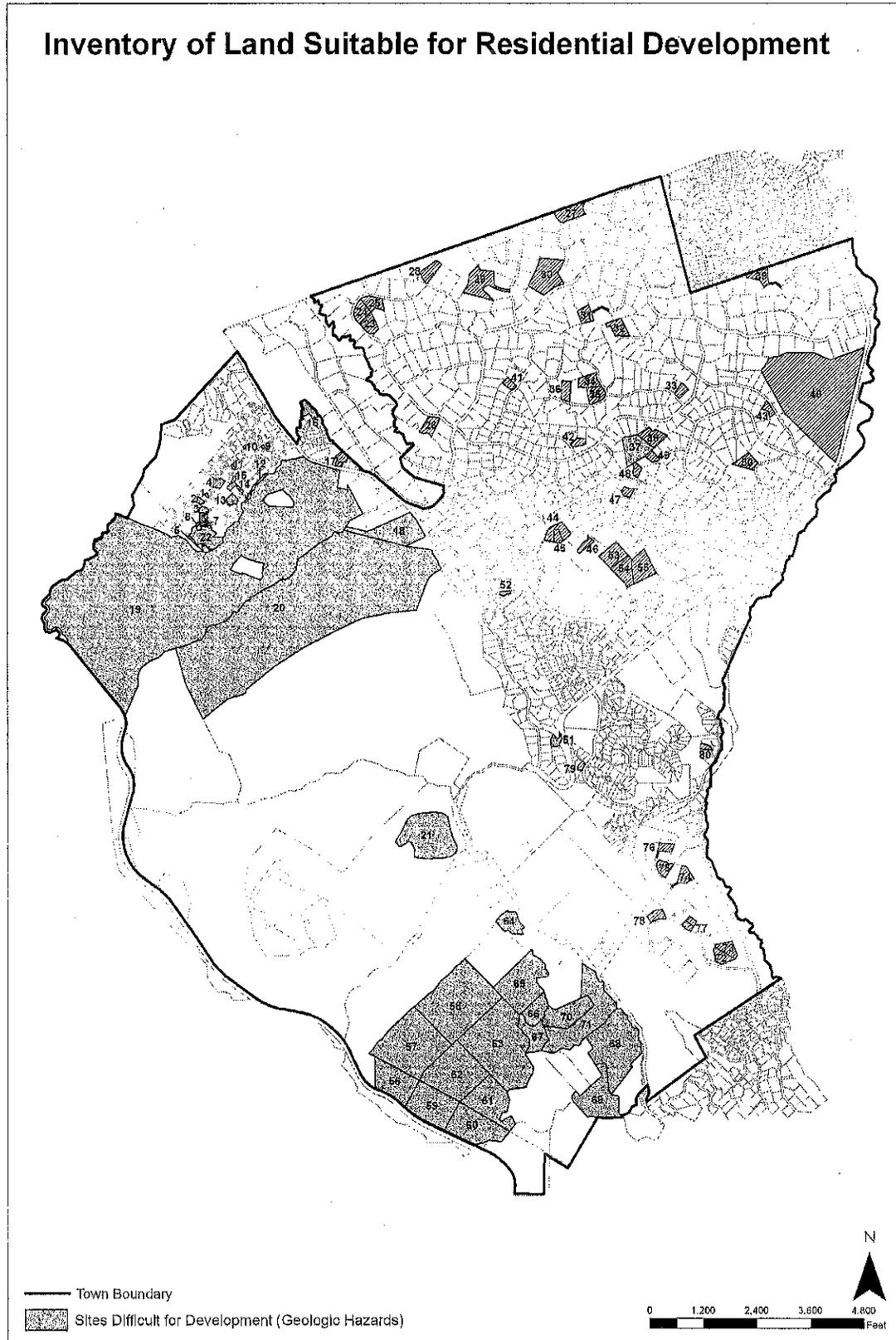
2471 The table that starts on the following page lists 84 vacant or largely vacant parcels in the town, shows the zoning and General Plan designations, summarizes environmental constraints, and estimates the realistic new unit capacity for each. Keys for the abbreviations used in the table are provided at the end of the table. Some sites have significant geologic problems and would be particularly difficult to develop; these sites are marked with an asterisk(*) and shown with a different symbol on the map.

2471a In addition to the table, a map showing the parcels described in the table and titled “Inventory of Land Suitable for Residential Development,” has been prepared (Exhibit 6).

Exhibit 5



Inventory of Land Suitable for Residential Development



Source: Town of Portola Valley General Plan, Housing Element (2009)

Inventory of Land Suitable for Residential Development in Portola Valley

Site	APN	Zone	Density District	Allowable Density (Dwelling Units/Acre)	GP Designation	Acres	Realistic New Unit Capacity**	Infrastructure Capacity	Environmental Constraints
1*	076-181-070	R-E	1A	1	Low	0.1	1	No sewer	Md
2*	076-181-090	R-E	1A	1	Low	0.4	1	No sewer	Md
3*	076-182-020	R-E	1A	1	Low	0.6	1	No sewer	Pd
4*	076-184-040	R-E	1A	1	Low	1.0	1	No sewer	Md
5*	076-192-100	R-E	1A	1	Low	0.5	1	No sewer	Md
6*	076-192-120	R-E	1A	1	Low	1.8	1	No sewer	Md
7*	076-192-130	R-E	1A	1	Low	0.2	1	No sewer	Md
8*	076-192-140	R-E	1A	1	Low	0.1	1	No sewer	Md
9	076-212-100	R-1	20M	2	Low-Medium	0.1	1	No sewer	n/a
10	076-231-070	R-1	20M	2	Low-Medium	0.1	1	No sewer	n/a
11	076-234-050	R-1	20M	2	Low-Medium	0.1	1	No sewer	n/a
12*	076-238-030	R-E	1A	1	Low	0.8	1	No sewer	Pd
13*	076-244-030	R-E	1A	1	Low	1.1	1	No sewer	Md
14*	076-244-070	R-E	1A	1	Low	0.7	1	No sewer	Md
15*	076-244-080	R-E	1A	1	Low	0.3	1	No sewer	Pd
16*	076-251-090	R-1	20M	2	Low-Medium	2.1	2	No sewer	SA Fault
17	076-261-120 076-261-130	C-C	PD	5	Local Shopping/Service	1.3	5 (55+yrs) 1 BMR in process	Sewer	SA Fault
18*	076-330-030	R-E	3.5A	0.3	Cons Res	14	1	No sewer	SA Fault, Will. Act
19*	076-330-070	R-E	3.5A	0.3	Cons Res, Open Res	356	25	No sewer	Md, Pd, Sbr
20*	076-340-060	R-E	3.5A	0.3	Cons Res, Open Res	229	29	No sewer	Md, Pd, Sbr
21*	076-350-280	M-R	7.5A	0.13	Cons Res, Open Res	23	1	No sewer	Steep Slopes
22*	076-380-110	R-E	1A	1	Low	5.9	1	No sewer	Md
23	077-040-080	R-E	2.5A	0.4	Cons Res	2.5	1	No sewer	n/a
24	077-040-090	R-E	2.5A	0.4	Cons Res	2.8	1	No sewer	n/a

Site	APN	Zone	Density District	Allowable Density (Dwelling Units/Acre)	GP Designation	Acres	Realistic New Unit Capacity**	Infrastructure Capacity	Environmental Constraints
25	077-040-100	R-E	2.5A	0.4	Cons Res	2.7	1	No sewer	n/a
26	077-050-190	R-E	2.5A	0.4	Cons Res	2.5	1	No sewer	n/a
27	077-070-110	R-E	2.5A	0.3	Cons Res	4	1	No sewer	n/a
28	077-011-050	R-E	2.5A	0.3	Cons Res	2.6	1	No sewer	n/a
29	077-060-290	R-E	2.5A	0.4	Cons Res	7.4	1	No sewer	n/a
30	077-070-070	R-E	2.5A	0.4	Cons Res	3.1	1	No sewer	n/a
31	077-090-140	R-E	2.5A	0.4	Cons Res	2.5	1	No sewer	n/a
32	077-101-170	R-E	1A	1	Low	2.7	1	No sewer	n/a
33	077-225-080	R-E	1A	1	Low	1.2	1	No sewer	n/a
34	077-232-030	R-E	2A	0.5	Cons Res	2.7	1	No sewer	n/a
35	077-232-040	R-E	2A	0.5	Cons Res	2.8	1	No sewer	n/a
36	077-232-060	R-E	2A	0.5	Cons Res	2.0	1	No sewer	n/a
37*	077-242-120	R-E	1A	1	Low	4.7	1	No sewer	Steep slopes; partial OSE
38	077-242-210	R-E	1A	1	Low	3.6	1	No sewer	Partial OSE
39	077-261-210	R-E	2.5A	0.4	Cons Res	2.7	1	No sewer	n/a
40	077-281-020	R-E	3.5A	0.4	Cons Res	75.4	29	No sewer	n/a
41	077-290-010	R-E	1A	1	Low	1.0	1	No sewer	n/a
42	077-310-210	R-E	1A	1	Low	1.1	1	No sewer	n/a
43	077-372-070	R-E	1A	1	Low	1.0	1	No sewer	n/a
44	079-053-160	R-E	1A	1	Low	3.0	2	No sewer	n/a
45	079-053-170	R-E	1A	1	Low	3.0	2	No sewer	Steep slopes
46	079-053-340	R-E	1A	1	Low	1.2	1	No sewer	n/a
47	079-060-940	R-E	1A	1	Low	1.0	1	Sewer	n/a
48	079-060-980	R-E	1A	1	Low	1.0	1	Sewer	n/a
49	079-092-480	R-E	1A	1	Low	1.1	1	No sewer	n/a
50	079-101-390	R-E	1A	1	Low	2.5	1	No sewer	Steep slopes
51*	079-140-280	R-E	1A	1	Low	1.1	1	No sewer	SA Fault

Site	APN	Zone	Density District	Allowable Density (Dwelling Units/Acre)	GP Designation	Acres	Realistic New Unit Capacity**	Infrastructure Capacity	Environmental Constraints
52	079-151-050	R-E	1A	2	Low-Medium	0.4	1	No sewer	Narrow lot, creek setback, subject to flooding
53	079-220-010	R-E	1A	1	Low	4.5	1	Sewer	n/a
54	079-220-020	R-E	1A	1	Low	4.7	1	Sewer	Narrow lot
55	079-220-030	R-E	1A	1	Open Res	5.8	1	Sewer	n/a
56*	080-010-020	M-R	7.5A	0.13	Open Res	13.6	1	No sewer	OSE
57*	080-010-030	M-R	7.5A	0.13	Open Res	33.4	1	No sewer	Pd, Sbr OSE
58*	080-010-040	M-R	7.5A	0.13	Open Res	44.0	1	No sewer	Pd, Md OSE
59*	080-020-010	M-R	7.5A	0.13	Open Res	18.0	1	No sewer	Md, Sbr, OSE
60*	080-020-020	M-R	7.5A	0.13	Open Res	14.8	1	No sewer	OSE
61*	080-020-030	M-R	7.5A	0.13	Open Res	20.2	1	No sewer	OSE
62*	080-020-040	M-R	7.5A	0.13	Open Res	25.0	1	No sewer	Md, Ps, Sbr
63*	080-020-050	M-R	7.5A	0.13	Open Res	46.0	1	No sewer	Ms, Ps, Sbr, OSE
64*	080-020-080	M-R	7.5A	0.13	Open Res	4.6	1	No sewer	Md, Ps
65*	080-020-100	M-R	7.5A	0.13	Open Res	20.6	1	No sewer	Pd
66*	080-020-110	M-R	7.5A	0.13	Open Res	4.4	1	No sewer	Pd
67*	080-040-010	M-R	7.5A	0.13	Open Res	8.0	1	No sewer	Pd
68*	080-040-040	M-R	7.5A	0.13	Open Res	33.7	1	No sewer	n/a
69*	080-040-060	M-R	7.5A	0.13	Open Res	16.4	1	No sewer	Md, Pd, Sbr
70*	080-040-110	M-R	7.5A	0.13	Open Res	10.7	1	No sewer	Pd
71*	080-040-120	M-R	7.5A	0.13	Open Res	31.0	1	No sewer	Pd, Sbr
72	080-241-020	R-E	3.5A	PD	Cons Res	2.2	1	Sewer	n/a
73	080-241-030	R-E	3.5A	PD	Cons Res	2.3	1	Sewer	n/a
74	080-241-110	R-E	3.5A	PD	Cons Res	2.1	1	Sewer	n/a
75	080-241-130	R-E	3.5A	PD	Cons Res	2.0	1	Sewer	n/a
76	080-241-150	R-E	3.5A	PD	Cons Res	1.4	1	Sewer	n/a

Site	APN	Zone	Density District	Allowable Density (Dwelling Units/Acre)	GP Designation	Acres	Realistic New Unit Capacity**	Infrastructure Capacity	Environmental Constraints
77	080-241-230 080-241-240	R-E	3.5A	PD	Cons Res	1.1	1	Sewer	n/a
78	080-241-280	R-E	3.5A	PD	Cons Res	1.7	1	Sewer	n/a
79	080-471-030	R-E	2A	PD	Cons Res	0.5	1	Sewer	n/a
80	080-500-030	R-E	2A	PD	Cons Res	0.6	1	Sewer	n/a

* Sites marked with an asterisk have greater than average geologic hazards or other environmental constraints and would be particularly difficult to develop

** The "Realistic New Unit Capacity" is based on the number of vacant lots and potential new lots that could be created through subdivision

Zones

R-E= Residential Estate, R-1 = Single Family Residential, M-R = Mountainous Residential, C-C= Community Commercial

Density District (Residential Density Combining District) sets the minimum lot size

15M= 15,000 sf, 20M= 20,000sf, 1A= 1 acre, 2A= 2 acres, 2.5A= 2.5 acres, 3.5A= 3.5 acres, 7.5= 7.5 acres, PD = set by Planned Development

Allowable Density

PD = set by Planned Development

GP (General Plan) Designation

Cons Res = Conservation Residential, Open Res = Open Space Residential, Low = Low Intensity Residential, Low-Medium = Low-Medium Intensity Residential, Local Shopping/Service = Local Shopping and Service Commercial

Environmental Constraints

SA Fault = a trace of the San Andreas Fault passes through the property

Sbr = Stable bedrock, Ps = potential shallow landslide, Pd = potential deep landslide, Md = moving deep landslide

OSE = Open Space Easement

Williamson Act = Land is under Williamson Act contract, which limits development potential

Analysis of Suitability for Development

2472 This analysis looks at four different types of potential new residential development: single family homes on existing lots; large parcels that could accommodate a number of new homes; potential locations for affiliated multifamily development; and second units. Each of these types is discussed below.

Single Family Homes

2472a As the inventory shows, an estimated 79 new single family homes could be accommodated on existing lots or through small (2 unit) subdivisions. Of these, approximately 35 have significant environmental issues and are unlikely to develop within the planning period. However, there are still over 40 existing lots for single family homes remaining in town that could reasonably be developed by 2022.

2472b There have been 32 homes built during the past ten years, for an average of 3.2 new homes per year. In the eight year planning period, a total of approximately 26 new homes would be built if this construction rate continues. This estimate appears to be reasonable given that the capacity exceeds this estimate. All 26 of these homes would be expected to be affordable only to households with above moderate incomes.

Large Parcels

2472c There are 5 sites or groups of sites listed on the site inventory that could accommodate larger amounts of housing. Each of these is discussed briefly below.

Site 17 (Sausal Creek) is a 1.3 acre parcel that has been approved for development with five single family homes for residents age 55 and older, plus one below market rate unit. This development was on hold for the duration of a lawsuit filed by a neighbor, which was resolved in late 2007 in favor of the proposed development, and the property is currently on the market. The development approvals would expire in 2015.

Site 19 (El Mirador Ranch) is one of the largest privately owned parcels in town, with 356 acres in the western hillsides. Because of steep slopes, deep canyons, and landslides on much of the property, as well as the presence of the San Andreas Fault, development on this site would likely need to be clustered in a 10 acre area located near Portola Road. The property does not have sewer access, which also limits potential density. Given all of the

constraints on the land, probably no more than 25 homes could be built on this property. However, the current property owners have stated that they intend to hold the property as open space. Therefore, no new residential development is anticipated for this site by 2022.

Site 20 (Spring Ridge LLC) is located next to Site 21 and faces many of the same challenges: steep slopes, landslides, the San Andreas Fault, and a lack of sewer service. New development on this site would likely also need to be clustered, and a maximum of 29 units could probably be built here. Much of the parcel is now being used to grow grapes for the winery on the property. Property owners have indicated that they might be interested in developing the land but that they are not in a hurry to do so. No new residential development is anticipated on this site by 2022.

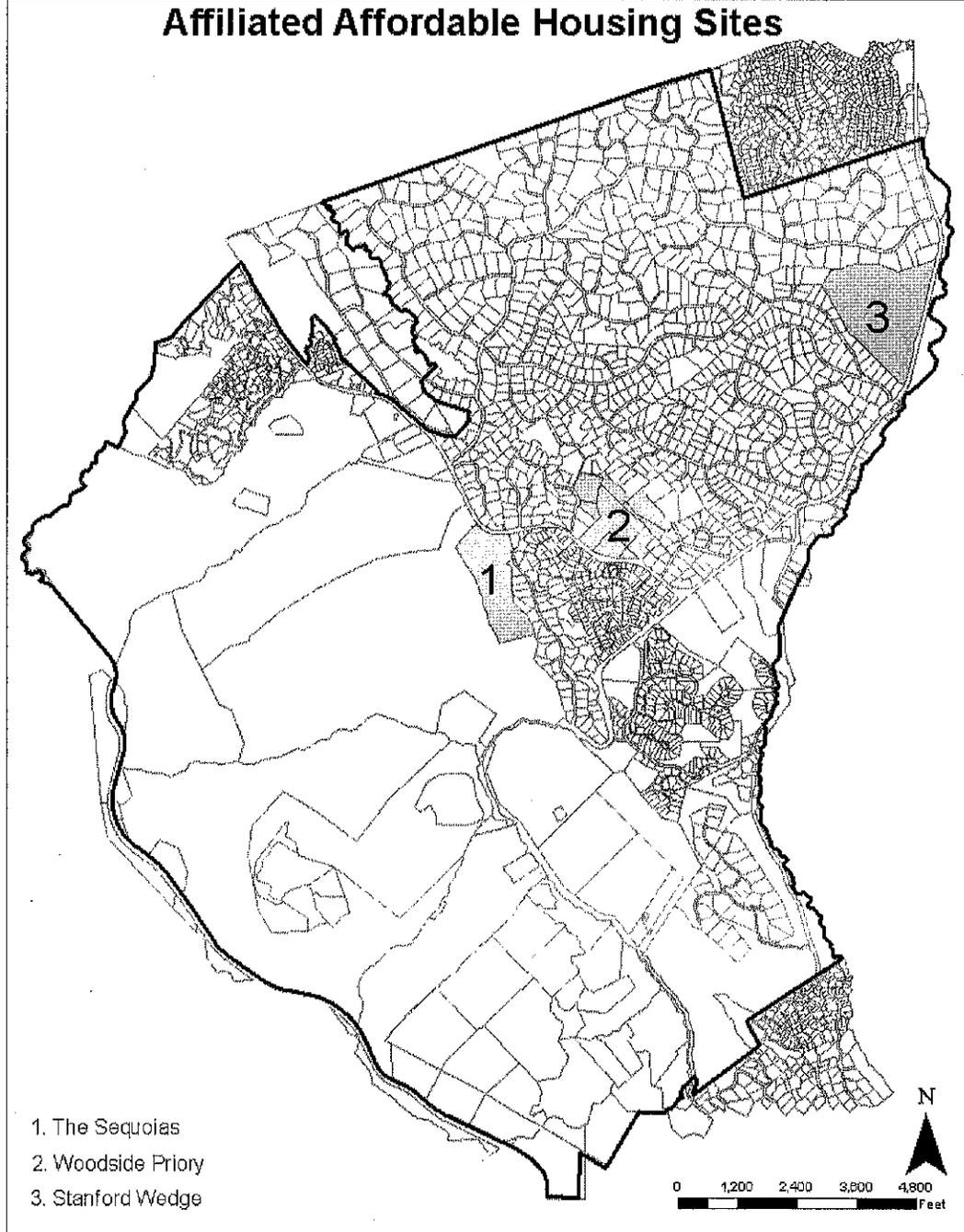
Site 40 (Stanford Wedge) is an 89 acre site owned by Stanford University. The land consists of a relatively flat portion along Alpine Road surrounded by steep hillsides to the sides and rear of the property. Development on this site would need to be clustered in the land by Alpine Road. There is approximately 4 acres of usable land on the parcel once all of the steep slopes, unstable areas and required setbacks are subtracted. Under the town's regulations, up to 27.6 single family dwelling units would be allowed on the parcel overall. Affiliated housing would also be allowed on this parcel, as is discussed further below.

Sites 56–63, 65–66 (Fogarty Winery) are occupied by an award winning winery including vineyards, storage and bottling facilities and an event center. The remote site is located in the western hillsides and includes many steep slopes and landslide hazards. In addition, an open space easement covers much of the winery. There is no sewer service or public water supply. Although these sites together could theoretically eventually accommodate some number of new homes in the future, additional development is not anticipated by 2022.

Affiliated Development

2472d Portola Valley is a rural community with a history of single family development on large lots. To accommodate some multifamily development, however, the town developed a housing program in the early 1990s that would allow multifamily housing on institutional sites for employees and staff affiliated with the institutions that own the parcels. This program allows affiliated affordable multifamily housing on three designated sites in town, each with a planned development permit. These sites are discussed below and shown on Exhibit 7, Potential Affiliated Affordable Housing Sites.

Exhibit 7



Source: Town of Portola Valley General Plan, Housing Element (2009)

2472e The Stanford Wedge is an 89 acre site owned by Stanford University, which was discussed above as one of the large parcels of land remaining in town that could be developed with housing. The town's regulations would allow 27.625 single family dwelling units on the parcel overall, and Section 2106e of the General Plan allows this density to increase by a factor of three for

multifamily affordable housing, as long as the overall floor area does not exceed the amount allowed for market rate development. Therefore, up to 82.9 units could potentially be provided on this site, although the number would likely be lower.

2472f This site could potentially be developed with faculty or graduate student housing; because of the distance from the university campus, undergraduate housing is unlikely. Town officials and staff have discussed this possibility with Stanford officials over many years, but the University has not indicated any intention to either sell or develop this land.

2472g The second site for multifamily housing is The Priory School site. In 2001, the town approved an application to construct seven multifamily units for faculty and staff on the site. These units were approved with the following condition:

"The Priory shall make every effort reasonably possible, to the satisfaction of the planning commission, to ensure a majority of the units are occupied so as to achieve the below market rate town housing element objectives. These objectives anticipate at least one unit would be for a very low income household, one unit for a low income household, and three units for moderate income households. Relative to this condition, the Priory shall file a report with the planning commission on the projected unit occupancy prior to initial occupancy and annually thereafter. The report shall advise the commission how occupancy relates to the housing element objectives."

2472h The housing element goals set forth in this condition were based on the draft housing element that was under discussion at the time the project was approved in 2001. The Priory School reports annually to the town on whether these income targets are being met. In 2012, one unit was occupied by a low income household, two units were occupied by moderate income households, three units were occupied by above moderate income households, and one unit was vacant. Each unit is being provided at rents at or below 30% of the household income. Overall, the School usually does meet the requirements, although a unit may be occupied by a higher income household for a period of time when household incomes increase. The school works to provide the housing to the lowest income staff possible when a unit turns over.

2472i In 2005, the town approved a Master Plan for the school property that includes eleven additional housing units to be built in the future. The school has been working on implementing other portions of its Master Plan to

date, but those units are still approved. Because the Priory has had difficulty maintaining units at the very low income level, this housing element anticipates that the 11 new units would be divided among the income categories as follows: 3 low income units, 4 moderate income units, and 4 above-moderate income units.

- 2472j The Sequoias has not added any housing at their facility between 2009 and 2014. The affiliated housing program would permit employee housing to be built on the site. Town staff has talked with representatives of the Sequoias about the possibility of employee housing on the site. The Sequoias is exploring options for employee housing, although the site is severely constrained by geology, including an active trace of the San Andreas fault which passes through part of the property

Second Units

- 2472k Exhibit 8 shows where second units are allowed in Portola Valley. Between July of 2008 and December of 2013, 29 new second units were approved in Portola Valley, for an average of 5.3 new units per year. This is an increase over the Town's previous average, which was 4.9 new second units per year as reported in the 2009 housing element. The 2009 element included actions to encourage additional second unit production, including increased publicity and preparation of a second units manual for the town. Second unit production does now appear to be increasing in town, and more applications are including second units.

- 2472l This housing element also includes provisions to encourage increased production of second units, including allowing staff-level review of second units up to 750 square feet in size, allowing two second units on parcels that are over 3.5 acres in size, and allowing larger second units up to 1,000 square feet on lots that are 2 acres or more.

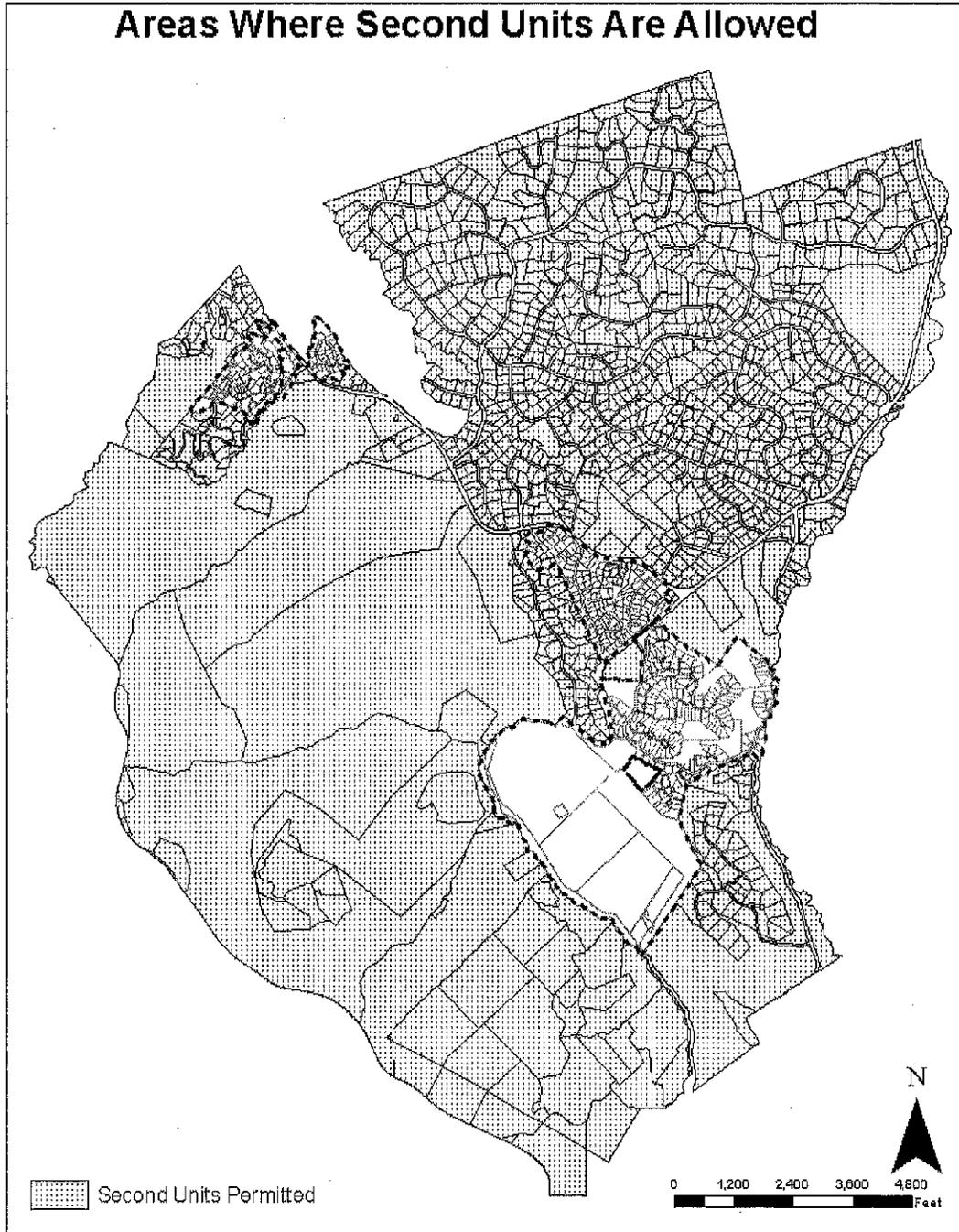
- 2472m These measures are anticipated to increase the number of second units built in the town by about one unit per year, from an average of 5.3 units annually to approximately 6.5 units annually. The town therefore anticipates the construction of 6.5 second units per year for the eight-year planning period. Total second unit production is therefore estimated to be 52 units.

Summary of Site Inventory

- 2473 As described above, there are four types of housing sites in Portola Valley: single family home sites, large parcels, affiliated housing sites, and sites for

Exhibit 8

Areas Where Second Units Are Allowed



second units. The table below shows the number of existing sites that the town would expect to develop by 2022 in each category under current town policies, as set forth above. The table then compares these results with the town's Regional Housing Needs Allocation (RHNA) numbers.

2473a The table below shows that the Town of Portola Valley would provide more than enough housing for households with extremely low incomes and with above moderate incomes, and sufficient housing for moderate income households, but not enough for very low or low income households. However, state policies allow the extra housing for extremely low income households to be counted towards housing needed for very low and low income households. All together, 40 units of extremely low, very low and low income housing are planned in this housing element, compared to the 36 units which are required to meet the Town's RHNA. As a result, there are sufficient sites to accommodate all of the housing need for Portola Valley.

Expected Sites for New Homes by 2022, Compared with Adjusted Housing Need						
	Ex Low	Very Low	Low	Moderate	Above Moderate	Total
Sites for Housing Expected from 2014-2022						
Single Family	0	0	0	0	26	26
Large Parcels	0	0	1	0	5	6
Affiliated	0	0	3	4	4	11
Second Units	26	0	10	11	5	52
Total Sites	26	0	14	15	40	95
RHNA	11	10	15	15	13	64

2473b In addition, there is a vacant site that could be developed with affiliated multifamily affordable housing under the town's regulations (Site 40, the Stanford Wedge). Because the property owner has not expressed any interest in developing the site, it has not been included as a site that is expected to develop by 2022. However, some development could potentially occur on that site during the planning period.

Goals & Policies

Goal 1

2475 Maintain and enhance the character and quality of Portola Valley's residential neighborhoods and the condition of its housing, and preserve the natural beauty of the town's scenic corridors and open spaces.

Policy 1A: Accommodate new residential development in a manner compatible with the rural character of existing residential development.

Policy 1B: Continue to control the location, design and density of new residential development in order to preserve regional open spaces, avoid areas of seismic and geologic hazards, have minimal visual impact, create minimal discernable effect on infrastructure capacity, and ensure the adequate provision of safe and convenient access to public services.

Policy 1C: Require all housing units in the town to conform to the principles and standards set forth in the general plan and town regulations, including that all housing be subservient to the natural environment.

Goal 2

2476 Endeavor to provide opportunities for a diverse population, including for people of all income levels and with special housing needs, particularly elderly residents and those employed in Portola Valley, to live in the town.

Policy 2A: Accept and fulfill responsibility for a reasonable share of the regional need for affordable housing.

Policy 2B: Encourage the creation of a diversity of housing options to meet the needs of people in different stages of the life cycle and with different income levels.

Policy 2C: Allow in-lieu funds to be used to reduce town fees for affordable or mixed income housing developments, as well as for the purchase of land and the construction of below market rate units.

Policy 2D: As possible, waive some fees, or portions of fees, for housing developments with a majority of below market rate units.

Policy 2E: Continue to encourage affordable housing that can be produced in association with market rate housing and otherwise.

Policy 2F: Distribute diverse and affordable housing options throughout the community.

Policy 2G: Use an open and inclusive process when implementing housing policies and programs, by consulting as appropriate with people with differing housing needs and income levels, housing advocates, housing developers, property owners, and the community at large.

Goal 3

2477 As set forth in the Sustainability Element of this General Plan, encourage energy conservation and green building practices, and adopt housing policies to reduce costs of living, respect wildlife and plants and protect the environment.

Policy 3A: Continue to support energy efficient building and subdivision design that protects solar access, and to allow solar installations.

Policy 3B: Continue to encourage cluster development in order to preserve resources and encourage sustainability.

Policy 3C: Continue to require native landscaping, which reduces water and power consumption, provides habitat, and helps to strengthen natural ecosystems in town.

Policy 3D: Allow and encourage green building practices.

Policy 3E: Design and locate housing to minimize impacts on wildlife and be subservient to the environment.

Goal 4

2478 Work to address housing issues on a regional basis while preserving local control and minimizing fiscal impacts on the town.

Policy 4A: Continue to participate in regional and county efforts to increase the availability of affordable housing in the region and county, including housing for people with special needs, while working to ensure that factors such as size, geographical and seismic hazards, fire risks, and land dedicated to open space are considered in establishing housing requirements.

Policy 4B: Support regional efforts to address the need for emergency and transitional shelter.

Policy 4C: Preserve local control over zoning, diversified housing locations and design.

Policy 4D: Minimize the fiscal impact of new housing on the town.

Policy 4E: Define housing needs in a manner recognizing the special cultural and historic planning conditions for the town, including the agricultural and rural history and a culture of respecting the environment.

Programs, Quantified Objectives, and Action Plan

Program 1: Inclusionary Housing

2480 To implement a program from the 1990 housing element, the town adopted an ordinance requiring developers to provide 15% of new lots to the town for below market rate housing as part of every subdivision. The Town received title to four lots as part of the Blue Oaks subdivision, but was not able to find a developer to build below market rate units on the lots. To avoid this problem in the future and strengthen the program, the Town intends to revise the inclusionary housing program as described below.

2480a The intention is to revise the program to require that developers build the housing units when one or more units would be required under the inclusionary housing program. As part of this revision, the percentage of lots required for below market rate housing may need to be reduced. The percentage should be based on a nexus study for affordable housing, such as the study underway through the 21 Elements process in San Mateo County. With the nexus study results, the town could also consider a housing impact fee. In developing the revisions to this program, the town will consult local developers and builders, and others experienced in the provision of affordable housing, to ensure that the requirements are realistic and that the program includes appropriate incentives.

2480b Objective: The town will amend the inclusionary housing program in 2015-16 to make it more effective by having developers of larger subdivisions build the below market rate housing units.

Program 2: Affiliated Housing

2481 As established with the previous housing element, affiliated multifamily housing projects are permitted on three sites—The Sequoias, Priory School and the Stanford Wedge—shown on Exhibit 7 in the Site Inventory. This program has the following features:

1. **Planned Unit Developments and Conditional Use Permits.**

Multifamily housing on the Priory School site and the Sequoias have and can be permitted through amendments of the CUPs governing those projects. Development on the Stanford Wedge could be accomplished pursuant to a CUP and/or a PUD. The PUD or CUP for a multifamily housing project shall control the siting and design of projects, the mix of units by income category of eligible occupants, methods of controlling rents and/or resale prices, provisions for ongoing management of the project and other matters deemed appropriate by the town.

2. **Inclusion of Market Rate Units.** The purpose of this program is primarily to provide affordable (below market rate) housing. The town may permit the inclusion of market rate units in a project if it determines they are necessary to make a project feasible. However, substantially over half of the units in any multifamily affordable housing project must be affordable to moderate, low or very low income households. With the approval of the Planning Commission and Town Council, an exception to this requirement may be made for housing that is ancillary to the primary use of the site.
3. **Floor Area and Density.** The floor area in multifamily housing projects shall not exceed the total floor area which would be permitted for the number of single family houses which would be allowed on the property under existing zoning. The allowable floor area, together with the amount of developable land, determines the density of development on the site. At both the Woodside Priory and the Sequoias, only a portion of the site could be used for residential development. The paragraph below explains the potential floor area and density for the Stanford Wedge site.

The Stanford Wedge site (Site 40 in the Site Inventory section) is the only multifamily site that is largely vacant. A small stable is located on the site, which could be removed if the site were developed. A small portion of the site is located on the east side of Alpine Road. Altogether, the Stanford Wedge includes 89 acres of land, most of which is extremely steep with slopes in excess of 30%. The only developable portion that has access is the relatively flat land adjacent to and west of Alpine Road. After accounting for required site setbacks, the developable portion of the site is approximately 3.5 acres in size. Under current regulations, up to 28.48 market rate homes could be clustered together on this flat land, and as stated above, more affordable multifamily homes could be built on the site as long as the allowable floor area was the same. The Land Use Element caps the density at no more than three times the number of market rate units, and the number would be further limited by the town's development standards and the need to address environmental impacts. During the 2014-2022 planning period, the town intends to look more closely at the standards and density for potential development of this parcel to ensure that they are appropriate. The town is not counting any units from development of this parcel towards its RHNA, and any adjustments would therefore not affect the town's ability to provide its share of the housing need.

4. **Development Standards.** All multifamily housing projects are expected to meet the general plan, zoning, subdivision and site development requirements that pertain to all residential development in the town, including Resolution No. 2506-2010 as amended. These standards are described earlier in this housing element, and include provisions for road widths and right-of-ways as well as landscaping. Current parking requirements are one parking space for each studio or one-bedroom unit, and two parking spaces with two or more bedrooms. Development standards may be adjusted through a PUD where appropriate.

Particular care is expected to ensure the compatibility of the projects with adjacent neighborhoods and the town's rural environment.

5. **Occupancy.** The town considers this program particularly suited to providing housing for employees and others affiliated with the institution that owns and manages the property. If units are provided for sale, resale controls to preserve affordability will be required.
6. **Monitoring.** Each year, staff will monitor the progress that has been made on this program and report to the Planning Commission on the progress compared with the goals set forth in this program. The program will be revised if necessary to meet the goals.

2481a Objective: The town will continue to work with the owners of these three properties to allow and encourage housing to be built on the sites. Eleven additional housing units are approved for the Priory under the current Master Plan, of which seven units would be for households with moderate or low incomes. The Priory has indicated that they intend to construct the units in phases, and expect all of the units to be built by 2022. The town has also started discussions with the Sequoias to encourage employee housing at the site, and they are moving forward internally to consider the options. Stanford University has no plans for their site at this time. During the planning period, however, the town will look more closely at the development standards and density for the Stanford Wedge in particular to ensure that they are appropriate. The town will continue to contact all three owners on a regular basis and assist them with any potential plans for providing housing.

Program 3: Second Units

- 2482 Second units provide most of the affordable housing in town, and are the only type of affordable housing that can be produced in Portola Valley by market forces without a significant subsidy. Town regulations allow second units in most areas of the town. Surveys of second unit rental rates show that most second units are affordable, both within Portola Valley and in San Mateo County as a whole. Second units are particularly appropriate for Portola Valley because of their compatibility with the rural nature of the town and their ability to directly serve the need for affordable housing.
- 2482a To strengthen the second unit program, Portola Valley is proposing three amendments to its zoning ordinance in addition to the changes made to implement previous housing element programs. These amendments were identified as a priority by the Town Council in September 2014, and the Town anticipates developing and adopting the ordinance amendments in 2015.
- 2482b First, the town will amend its program to allow larger second units (up to 1,000 square feet rather than the current limit of 750 square feet) on lots with two or more acres. This change is meant to address a concern stated by some residents that the 750 square feet is too small to comfortably house either themselves as they grow older, or their children's families. The town hopes that this amendment will begin to address this concern and encourage more residents to build second units.
- 2482c Second, the town will amend its ordinance to allow two second units to be located on lots with 3.5 acres or more. Both second units will need to meet the second unit requirements, including parking. In order to minimize grading and site disturbance, and to preserve the general character of the residential areas, one of the second units will need to be attached to the main house. The other second unit could be detached. This change will allow owners of larger properties to accommodate more housing, particularly for family members and employees such as groundskeepers.
- 2482d Third, the town will also amend its zoning code to allow staff level approval of second units up to 750 square feet, rather than the current limit of 400 square feet, when no other permit is needed for the project. Projects that would require a site development permit from the ASCC or Planning Commission for grading or tree removal would need Commission approval, for example. As part of implementing this item, the town will examine the current performance standards for second units as set forth in the zoning ordinance and amend them as necessary to provide further guidance for staff in reviewing second unit applications.

2482e Finally, the town will monitor the number of second units being permitted annually. If the number of second units being permitted is lower than the number expected, the town will take action to increase second unit production. This could include one or more of the following actions: increasing publicity about the program, providing a floor area bonus for larger second units on larger lots, holding a workshop on second units, or reducing fees for second units.

2482f Objective: Over the previous planning period, an average of 5.3 second units were constructed in Portola Valley each year, with an increase through the planning period. Through the actions described above, this rate is expected to increase to 6.5 units per year. As a result, a total of 52 new second units are expected to be built during the eight-year planning period.

These are likely to provide housing for the same income categories as shown in the San Mateo County study completed in December 2013. Based on a conservative interpretation of that study, the 52 new second units will result in 26 units for extremely low income households, 0 for very low income, 10 for low income, 11 for moderate, and 5 for above moderate income households.

The town will monitor this program annually and take additional steps to increase second unit production if necessary.

Program 4: Shared Housing

2484 As discussed in the section on housing characteristics, homes in Portola Valley tend to be large. For older residents who want to remain in their homes, maintaining a large home while living on their own may be difficult. One option would be to convert a portion of a home to a second unit. Another option would be to simply find someone else to share the house.

2484a The Human Investment Project for Housing (HIP Housing) is a nonprofit organization that conducts a program in San Mateo County to match housing "providers" with housing "seekers." Rents are established on a case by case basis and can sometimes be partly defrayed by services. Although Portola Valley is currently in the area served by HIP Housing, there is no formal arrangement with the organization. Portola Valley will continue to work with the organization to increase publicity about its service in the town. This could include providing additional information on the Town's website, distributing flyers and other printed information more broadly, or holding information sessions for residents. The Town Council has identified

this as a priority for the Town, and town staff will begin work on this early in 2015.

- 2484b Objective: Work with HIP Housing to improve publicity of its home-sharing program to residents and employees, with the aim of increasing the number of placements in town.

Program 5: Fair Housing

2487 Project Sentinel handles complaints of discrimination in the sale or rental of housing and in the mediation of tenant/landlord disputes in Portola Valley under the terms of a contract with San Mateo County. Information on this program will be posted or otherwise made available at Town Hall and the library, and on the town's website.

- 2487a Objective: No housing units are expected to result from this program. The town's objective is to provide brochures or post information sheets at Town Hall, the library and on the town's website to publicize this program.

Program 6: Energy Conservation and Sustainability

2488 Portola Valley has had a number of regulations that encourage energy conservation for years. These include permitting solar installations, utilizing subdivision regulations that protect solar access, and supporting energy efficient design. In addition, most new development is clustered, which reduces impacts on the land. The town also requires native landscaping, which reduces the need for both water and energy. All of these policies and regulations will continue.

2488a Since 2008, the town has employed a Sustainability Manager, and in January 2009 adopted a Sustainability Element as part of its General Plan. In 2010, the town adopted a Green Building Ordinance using the "Build It Green Green Point Rated" system for all new homes, major remodeling projects, and additions. Also in 2010, the town adopted BAWSCA's model Indoor Water conservation Ordinance and Water Conservation in Landscaping Ordinance (with reduced turf allowances).

In addition to the green building regulations and the water conservation ordinances, the town has been encouraging energy and water efficiency in existing homes through the state's Energy Upgrade California program, California Water Service's rebate programs, and other voluntary measures and tools developed by the town's Sustainability Committee. In 2014, the town will adopt a climate Action Plan, which builds on the Sustainability

Element and includes measures that target energy and water conservation in the residential sector.

- 2488b Objective: To continue existing green and energy conservation measures, revise them when necessary, and and implement new programs in accordance with the Sustainability Element and the town’s future Climate Action Plan.

Program 7: Explore Future Housing Needs and Potential Housing Programs

2489 During the housing element update process, the town identified a need for a longer-range “vision” for housing in Portola Valley. This program therefore calls for the town to examine its likely housing needs beyond 2022, with the results potentially serving as a foundation for the next housing element update.

2489a The town would conduct a more detailed analysis of housing trends and needs, with the intent of determining the best ways to address the town’s needs moving forward. Various housing “best practices” as identified by the State and advocacy groups could be considered to determine whether they would be appropriate in town.

2489b To date, two items have specifically been identified for further exploration. Both of these are topics the town would like to consider but did not think could be finalized in time to provide housing by 2022:

1. The possibility of expanding the affiliated housing program to commercial sites, so that employers could provide employee housing on commercial properties in town; and
2. Potential uses of the money in the Town’s in-lieu housing fund, including the money from the sale of the Blue Oaks BMR lots, to meet identified local affordable housing needs and provide affordable housing to serve, at a minimum, eight moderate income households.

2489c Objective: To analyze the town’s housing needs and trends, explore a commercial affiliated employee housing program, identify potential uses of money in the town’s in-lieu housing fund, and examine other potential programs as appropriate to meet the town’s future needs. The results of this program will help to create a foundation for the 2022 housing element update.

Program 8: Transitional and Supportive Housing Ordinance Amendment

2490 Due to clarifications of California law relative to transitional and supportive housing, the Town’s municipal code needs to be amended so that it is fully compliant. In order to comply, sections 18.12.010, 18.14.020, and 18.16.020 which list the permitted uses in the residential zoning districts (the R-E, R-1, and M-R districts), need to be amended so that they no longer restrict the number of persons in transitional and supportive housing when those types of housing are located in single family homes.

2490a Objective: To amend the Town’s zoning ordinance to fully comply with state law relative to transitional and supportive housing early in 2015.

Quantified Objectives

2491 Based on the programs and housing trends discussed earlier in this housing element, the Town of Portola Valley has established the following quantified objectives. The objectives focus on new construction rather than rehabilitation or conservation, because the need in Portola Valley is clearly greatest for new construction. By meeting the quantified objectives shown below, the town will provide for its share of the Regional Housing Needs Allocation.

Quantified Objectives for Portola Valley			
	New Construction	Rehabilitation	Conservation
Extremely Low	26	0	0
Very Low	0	0	0
Low	14	0	0
Moderate	15	0	0
Above Moderate	40	0	0
Total	95	0	0

2491a The quantified objectives shown in above chart are based on the information provided in the Site Inventory. More details can be found that section of the housing element, including the summary table at the end of that section.

2491b The new units will be provided through the towns’ second units program, the affiliated/multifamily housing program, and market rate housing for households with above moderate incomes.

Action Plan

2493 The actions shown below will be taken to achieve the quantified objectives and implement the programs described above.

Portola Valley 2014 Housing Element Action Plan				
Action	Program	Action	Responsible Party	Timing
1.	Inclusionary Housing	Develop and adopt amendments to the Town's inclusionary housing program to require developers of larger subdivisions to build housing. The Town could consider a housing impact fee instead of or in addition to the inclusionary housing program. Consult with local developers and builders in carrying out this program.	Planning staff	2015-16
2.	Affiliated Hsg	Continue to allow 11 additional affiliated multifamily units to be constructed at the Priory School, and expedite processing of applications to built the units as possible	Planning staff	Ongoing
3.	Affiliated Hsg	Continue discussions and work with the Sequoias to encourage construction of employee housing	Town staff	Ongoing
4.	Affiliated Hsg	Amend Section 18.44.060.1 of the Zoning Ordinance to reflect the current name and Section number for this program	Planning staff	2015
5.	Affiliated Hsg	Review the development standards and density for the Stanford Wedge to ensure they are appropriate.	Planning staff	2016-17
6.	Affiliated Hsg	Continue discussions with Stanford University concerning potential residential development of the Wedge property.	Planning staff	Ongoing
7.	Second Units	Amend the zoning ordinance to allow: a) second units up to 1,000 sf on lots with 2+ acres; b) two second units on lots with 3.5+ acres; and c) staff level review and approval of second units up to 750 square feet when no other permit is needed. As part of this action, amend the performance standards for second units to provide further guidance for staff-level approvals.	Planning staff	2015
8.	Second Units	Monitor the number of second units being permitted annually and take action to increase second unit production if fewer units are permitted than is anticipated. The monitoring will be done in conjunction with the annual housing element report and will be reported to the Planning Commission and Town Council in the spring of each year.	Planning staff	Ongoing
9.	Shared Housing	Continue to support HIP Housing, and work with their staff to improve publicity in order to increase placements in town.	Planning staff	2015 and ongoing

10.	Fair Housing	Continue to participate in the County-wide fair housing program and address concerns as necessary.	Planning staff	Ongoing
11.	Energy Conservation	Continue green and energy conservation measures, revise as needed, and implement new programs in accordance with the Sustainability Element and the future Climate Action Plan.	Town staff	Ongoing
12.	Future Programs	Explore future housing needs beyond 2022 and potential ways to address those needs. Two possibilities to examine are 1) the possibility of expanding the affiliated housing program to commercial sites for employee housing; and 2) potential uses of the money in the Town's in-lieu housing fund.	Town staff	Ongoing
13.	Transitional & Supportive	Amend the Town's zoning ordinance to fully comply with current state law regarding transitional and supportive housing.	Town staff	2015



Town of Portola Valley Negative Declaration

Project Title: Town of Portola Valley Housing Element

Project Applicant/Owner: Town of Portola Valley

Project Location: Affects all of Portola Valley

Project Planner: Karen Kristiansson, Deputy Town Planner

Permit Type: General Plan Amendment—2014 Housing Element Update

Public Review Period: October 22, 2014 – November 20, 2014

Public Comments

All comments received by 5:00 PM on November 20, 2014 will be considered by the Town of Portola Valley. Copies of the Initial Study/Mitigated Negative Declaration and the proposed Housing Element Update are on file at the Town of Portola Valley Town Hall, 765 Portola Road, Portola Valley, CA 94028. These documents are also available for review on the Town's website www.portolavalley.net.

Project Description

The project is to update the Housing Element of the Town of Portola Valley General Plan as required by Government Code Sections 65580 *et seq.* The Housing Element is a comprehensive statement by the Town describing the housing needs of Portola Valley and how the Town's plans, policies, programs and regulations facilitate and encourage the development, improvement and preservation of housing for all economic segments of the community. The draft 2014 Housing Element update contains eight programs: 1) Inclusionary Housing; 2) Affiliated Housing; 3) Second Units; 4) Shared Housing; 5) Fair Housing; 6) Energy Conservation and Sustainability; 7) Explore Future Housing Needs and Potential Housing Programs; 8) Transitional and Supportive Housing Ordinance Amendment. These programs set forth the Town's strategy for enhancing and preserving the housing stock, for expanding housing opportunities for various economic segments, and for meeting state requirements. The Housing Element also provides policy guidance for decision-making related to housing.

FINDINGS AND BASIS FOR A NEGATIVE DECLARATION:

The proposed project will not have a significant effect on the environment as it has been found that the project:

- a. will not result in significant impacts that would degrade the quality of the environment.
- b. will not result in significant impacts that would achieve short-term to the disadvantage of long-term environmental goals.
- c. will not result in significant impacts that are individually limited, but cumulatively considerable.
- d. will not result in significant impacts that would cause substantial adverse effects on human beings, either directly or indirectly.

The Town of Portola Valley has, therefore, determined that the environmental impact of the project is insignificant.

Initial Study

Town staff has reviewed the environmental evaluation of this project and has found that the probable environmental impacts are insignificant. A copy of the initial study is attached.

Initial Study Review Period: 10/22/14 to 11/20/14

All comments regarding the correctness, completeness, or adequacy of this Negative Declaration must be received by the Town of Portola Valley, 765 Portola Road, Portola Valley, CA 94028, no later than 5:00 p.m. on November 20, 2014.

Town of Portola Valley

Initial Study: Environmental Evaluation Checklist Attachment

Project Title: Town of Portola Valley Housing Element

Lead Agency: Town of Portola Valley
Planning Department
765 Portola Road
Portola Valley, CA 94028

Project Location: Affects all of Portola Valley

Project Planner – Karen Kristiansson, Deputy Town Planner

Permit Type: General Plan Amendment

Project Applicant/Owner: Town of Portola Valley
Planning Department
765 Portola Road
Portola Valley, CA 94028

Description of the Project:

The project is to update the Housing Element of the Town of Portola Valley General Plan as required by Government Code Sections 65580 *et seq.* The Housing Element is a comprehensive statement by the Town describing the housing needs of Portola Valley and how the Town's plans, policies, programs and regulations facilitate and encourage the development, improvement and preservation of housing for all economic segments of the community. The draft 2014 Housing Element update contains eight programs: 1) Inclusionary Housing; 2) Affiliated Housing; 3) Second Units; 4) Shared Housing; 5) Fair Housing; 6) Energy Conservation and Sustainability; 7) Explore Future Housing Needs and Potential Housing Programs; 8) Transitional and Supportive Housing Ordinance Amendment. These programs set forth the Town's strategy for enhancing and preserving the housing stock, for expanding housing opportunities for various economic segments, and for meeting state requirements. The Housing Element also provides policy guidance for decision-making related to housing.

Other Public Agencies Whose Approval is Required: The Housing Element requires approval from the state of California Housing and Community Development Department (HCD).

EVALUATION OF ENVIRONMENTAL IMPACTS

1. A brief explanation is required for all answers except “No Impact” answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A “No Impact” answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone).

A “No Impact” answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
2. All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
3. Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. “Potentially Significant Impact” is appropriate if there is substantial evidence that an effect may be significant. If there are one or more “Potentially Significant Impact” entries when the determination is made, an EIR is required.
4. “Negative Declaration: Less Than Significant with Mitigation Incorporated” applies where the incorporation of mitigation measures has reduced an effect from “Potentially Significant Impact” to a “Less Than Significant Impact.” The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from “Earlier Analyses,” as described in 5. below, may be cross-referenced).
5. Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration (Section 15063(c)(3)(D)). In this case, a brief discussion should identify the following:
 - a. Earlier Analysis Used. Identify and state where they are available for review.
 - b. Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
 - c. Mitigation Measures. For effects that are “Less Than Significant with Mitigation Measures Incorporated,” describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
6. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
7. Supporting Information Sources. A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
1.	AESTHETICS Would the project:					
1a.	Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 19, 28
1b.	Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 19, 28
1c.	Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 19, 28
1d.	Create a new source of substantial light or glare which would affect day or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 19, 28
Discussion:						
<p>The updated Housing Element calls for housing to be provided by 1) development of existing vacant residential lots, 2) construction of new second units, and 3) construction of affiliated housing already approved at the Priory School. All of these new housing units would need to comply with the Town's zoning ordinance standards and adopted Design Guidelines. These Design Guidelines specifically consider potential visual impacts, including those on scenic vistas, scenic resources, the visual character of the site and its surroundings, and possible light and glare.</p> <p>Because of the small amount and scale of housing called for in the 2014 Housing Element and the consideration given to visual and aesthetic impacts as part of the review and approval process, the 2014 Housing Element will have a less than significant impact on aesthetics.</p>						
2.	AGRICULTURAL AND FOREST RESOURCES In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiles by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project, and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:					
2a.	Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 2, 19

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
	California Resources Agency, to non agricultural use?					
2b.	Conflict with existing zoning for agricultural use, or a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 27
2c.	Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220 (g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104 (g))?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 27
2d.	Result in the loss of forest land or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19, 27
2e.	Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to nonagricultural use or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 2, 19, 27

Discussion:

The 2014 Housing Element is largely a policy document, but it does include programs to encourage the construction of housing and a section entitled "Sites Suitable for Housing" which provides an analysis of available land within the town where additional housing could be developed. The only sites identified for development in the Housing Element have already been designated for residential development in the Portola Valley General Plan.

One site designated for residential development identified in the Housing Element is under Williamson Act Contract. This site is site number 18 and is 3.5 acres in size. It is designated as Conservation Residential/Open Space in the general plan and would have the capacity for one additional unit. The development of one unit on the site would not affect the majority of the site and would be compatible with the Williamson Act designation. All other sites identified for housing, including sites for affiliated housing and second units, are not agricultural or forest lands, nor under Williamson Act Contract. In addition, all new development in Town must be undertaken in compliance with CEQA, and additional analysis would be provided as required. Therefore, the 2014 Housing Element would not have adverse impacts on agricultural or forest resources.

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
3.	AIR QUALITY Where available, the significant criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:					
3a.	Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 3, 19, 64
3b.	Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 19, 64
3c.	Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 3, 19, 64
3d.	Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 3, 19, 64
3e.	Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 3, 19, 64

Discussion:

The 2014 Housing Element update is a portion of the Portola Valley General Plan which sets forth the Town's vision for housing. The element includes programs to encourage the construction of housing on sites that are already zoned or designated for housing, including single family homes, second units, and affiliated housing for faculty and staff at the Priory School.

The Town of Portola Valley is within the San Francisco Area Air Basin, and the Bay Area Air Quality Management District (BAAQMD) is the regional air quality agency for this Basin. Accordingly, the Town is subject to the rules and regulations imposed by the BAAQMD, as well as the ambient air quality standards adopted by the California Air Resources Board (CARB) and national ambient air quality standards adopted by the United States Environmental Protection Agency (U.S. EPA). The amount of housing encouraged by the 2014 Housing Element would be sufficient to meet the Town's regional housing needs for all income levels and would be well below BAAQMD's thresholds for analysis (520 apartments/condominiums or resulting in less than 2,000 vehicle trips per day). Projects which do not exceed either of these thresholds are typically assumed to have a less than significant impact on air quality.

The Bay Area 2010 Clean Air Plan is the current control strategy to reduce ozone, particulate matter, air toxins, and greenhouse gases for the Town of Portola Valley. The 2010 Clean Air Plan was based on ABAG population and employment projections for the San Francisco Bay Area, including growth that would be accommodated under the Town's General Plan. The BAAQMD monitors air quality at several locations in the San Francisco Bay Air Basin. Historically, problematic criteria pollutants in urbanized areas include ozone, particulate matter, and carbon monoxide. Combustion of fuels and motor vehicle emissions are a major source of each of these three criteria pollutants. Portola

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
<p>Valley is within the San Francisco Bay Area ozone non-attainment area as delineated by the U.S. EPA.</p> <p>Potential future development permitted under the 2014 Housing Element would not increase development potential but would encourage development of sites which are already zoned and designated for housing, including single family homes, second units, and affiliated housing at the Priory School. This amount of development is consistent with the Town's current General Plan and zoning ordinance, as well as ABAG's Projections 2013.</p> <p>As a result of the foregoing, the 2014 Housing Element would not have a significant impact on criteria pollutants, including ozone; would not result in significant cumulative impacts to air quality; and would not conflict with or obstruct implementation of the applicable air quality plans. In addition, all new development in Town must be undertaken in compliance with CEQA, and additional analysis would be provided as required. The project would not result in objectionable odors affecting a substantial number of people.</p> <p>For all of the reasons discussed above, adoption of the 2014 Housing Element would not result in any significant impacts to air quality, either singularly or cumulatively.</p>						
4	BIOLOGICAL RESOURCES					
	Would the project:					
4a.	Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19, 65
4b.	Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19, 65
4c.	Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19, 65
4d.	Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19, 65

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
	impede the use of native wildlife nursery sites?					
4e.	Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19, 27
4f.	Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19, 27

Discussion:

The 2014 Housing Element is largely a policy document, but it does include programs to encourage the construction of housing and a section entitled "Sites Suitable for Housing" which provides an analysis of available land within the town where additional housing could be developed. The only sites identified in the Housing Element as available for development have already been designated for residential development in the Portola Valley General Plan. Some of the large sites may include riparian habitat and/or the potential for special status species, such as Sites 19 and 20 in particular, but none of these are anticipated to be developed during the housing element planning period. In addition, all new development in Town must be undertaken in compliance with CEQA, and additional analysis would be provided as required. As a result, adoption of the 2014 Housing Element would not have any significant impacts on biological resources.

5. CULTURAL RESOURCES						
Would the project:						
5a.	Cause a substantial adverse change in the significance of a historical resource as defined in '15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19, 21
5b.	Cause a substantial adverse change in the significance of an archaeological resource pursuant to '15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
5c.	Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
5d.	Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19

Discussion:

The Town of Portola Valley contains a number of historically designated structures, including: the Fitzhugh "Windmill", the Searsville District School Bell, the Portola School District Primary School, the Hallett Store, Our Lady of the Wayside

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
<p>Church, the Jelich House, the Tank House, and the Conolley-Melchor House. Historic sites and features along the roadway include: the Site of Corte Madera Brewery and Nahmens House, Site of Village of Portola, the Site of 1893 school house and one Coast Live Oak at the school house site. These are described and discussed in the Historic Element of the Portola Valley General Plan.</p> <p>The 2014 Housing Element is largely a policy document, but it does include programs to encourage the construction of housing and a section entitled "Sites Suitable for Housing" which provides an analysis of available land within the town where additional housing could be developed. All of the identified sites are already designated for residential development in the General Plan. Several of the sites contain historic resources, including Sites 18, 19, 20, and 21. No residential development is anticipated on the sites with historic resources during the planning period for the housing element. A development proposal for any of these sites would need to be carefully crafted to avoid impacts on the historic resources on the properties, and analysis of the potential impacts would need to be provided.</p> <p>Any type of housing development on these larger sites would require subsequent CEQA review at the time it was contemplated. Construction of housing at the Priory School was considered through a separate CEQA analysis in 2005 when the master plan for the property was adopted, and that analysis would need to be updated appropriately if the master plan were amended. All other housing development considered by the 2014 Housing Element consists of single family homes and second units on sites which are already zoned and designated for housing.</p> <p>As a result, adoption of the 2014 Housing Element update would not have any significant impacts on historic, archeological, paleontological or geologic resources or features.</p>						
6.	GEOLOGY AND SOILS					
	Would the project:					
6a.	Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:					
i.	Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 14, 15, 16
ii.	Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 14, 15, 16
iii.	Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 14, 15, 16
iv.	Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 14, 15, 16
6b.	Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 14, 15, 16
6c.	Be located on a geologic unit or soil that is	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 14, 15, 16

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
	unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?					
6d.	Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 14, 15, 16
6e.	Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 14, 15, 16
<p>Discussion:</p> <p>The 2014 Housing Element is largely a policy document, but it does include programs to encourage the construction of housing and a section entitled "Sites Suitable for Housing" which provides an analysis of available land within the town where additional housing could be developed. This analysis specifically considers constraints due to earthquake faults, seismic hazards, steep slopes, and fire risk, all of which are common in Portola Valley. In addition, all development in Portola Valley must comply with Resolution 2506-2010, which requires additional geotechnical analysis for or limits development in certain areas which are delineated on the Town's adopted Ground Movement Potential Map. These requirements are in addition to those of the California State Building Code, which has been adopted by the Town. All of the sites identified in the 2014 Housing Element as available for development are already designated for residential development in the Portola Valley General Plan. As a result, adoption of the 2014 Housing Element would not have any significant impacts relative to geology or soils.</p>						
7.	GREENHOUSE GAS EMISSIONS Would the project:					
7a.	Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 19, 64
7b.	Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19, 64

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
Discussion:						
<p>In 2006, California adopted Assembly Bill 32 (AB 32), the Global Warming Solutions Act of 2006. AB 32 established a statewide GHG emissions reduction goal to reduce statewide GHG emissions levels to 1990 levels by 2020. SB 375 became law in 2009 and requires integration of planning processes for transportation, land use, and housing. To comply with SB 375, the Association of Bay Area Governments (ABAG) developed a Sustainable Communities Strategy, called Plan Bay Area, to achieve targeted emissions reductions. This Strategy included encouraging development of more and denser housing closer to transportation facilities and employment centers. The Regional Housing Needs Assessment (RHNA), which determines the amount of housing each community needs to plan for in its housing element, was developed in conjunction with and to be consistent with this Sustainable Communities Strategy. As a result, reducing GHGs was one of the key factors shaping the levels of housing development assigned to local jurisdictions through the RHNA. In addition, all of the identified sites are already designated for residential development in the General Plan and under the zoning ordinance. Consequently, adoption of the 2014 Housing Element would result in a less than significant impact related to contributing GHG emissions that could have a significant impact on the environment and conflicting with an applicable plan for the purpose of reducing GHG emissions.</p>						
8.	HAZARDS AND HAZARDOUS MATERIALS					
	Would the project:					
8a.	Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
8b.	Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
8c.	Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
8d.	Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 6, 19
8e.	For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
	residing or working in the project area?					
8f.	For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
8g.	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
8h.	Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19, 26

Discussion:

The 2014 Housing Element is largely a policy document, but it does include programs to encourage the construction of housing and a section entitled "Sites Suitable for Housing" which provides an analysis of available land within the town where additional housing could be developed. This analysis included consideration of fire risk, and all of the identified sites are already designated for residential development. There would be no impact relative to emergency response or evacuation, and no exposure of people to any additional risk or loss, injury or death involving wildland fires.

Additionally, the 2014 Housing Element does not provide for routine transport, use or disposal of hazardous materials, nor emission or release of hazardous materials. There are no sites on the Cortese List in Portola Valley, and the town is not located within an airport land use plan or within two miles of an airport.

As a result, there would be no significant impacts relative to hazards or hazardous materials from adoption of the 2014 Housing Element.

9.	HYDROLOGY AND WATER QUALITY Would the project:					
9a.	Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 18, 19
9b.	Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
	uses for which permits have been granted)?					
9c.	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 18, 19
9d.	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 18, 19
9e.	Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 18, 19
9f.	Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
9g.	Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 17, 19
9h.	Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 17, 19
9i.	Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 17, 19
9j.	Inundation by seiche, tsunami, or mudflow?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1,19

Discussion:

The 2014 Housing Element is largely a policy document, although it does identify sites where additional housing could be constructed. All of the identified sites are already designated for residential development and would be subject to the Town's development standards. As a result, adoption of the element would not result in significant impacts to

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
<p>water quality, waste water discharge, drainage, ground water depletion, erosion or water runoff, and would not impede or redirect flood flows, or expose people or structures to additional risks due to flooding, seiche, tsunami or mudflow. In addition, all new development in Town must be undertaken in compliance with CEQA, and additional analysis would be provided as required.</p> <p>Therefore, there would be no significant impacts of adoption of the 2014 Housing Element on hydrology and water quality.</p>						
10.	LAND USE AND PLANNING					
	Would the project:					
10a.	Physically divide the physical community?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
10b.	Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19, 27
10c.	Conflict with any applicable habitat conservation plan or natural community conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19, 27
<p>Discussion:</p> <p>The 2014 Housing Element is largely a policy document, although it does identify sites where additional housing could be constructed. Potential future development permitted under the 2014 Housing Element would not increase development potential but would encourage development of sites which are already zoned and designated for housing, including single family homes, second units, and affiliated housing at the Priory School. As a result, adoption of the 2014 Housing Element would not physically divide an established community but could have a beneficial impact by providing for increased housing opportunities within the developed and established framework of the town.</p> <p>The 2014 Housing Element is consistent with the other elements of the Portola Valley General Plan and the Town's zoning ordinance. In addition, the element was developed in compliance with the Plan Bay Area Sustainable Communities Strategy plan prepared by ABAG. The project does not conflict with any other applicable land use plan, policy or regulation of an agency with jurisdiction over the project, or with any habitat conservation plan or natural community conservation plan.</p>						
11.	MINERAL RESOURCES					
	Would the project:					
11a.	Result in the loss of availability of a known mineral resource that would be of value to	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 7, 19

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
	the region and the residents of the state?					
11b.	Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 7, 19
Discussion:						
<p>There are no known mineral resources in the Town of Portola Valley. Under the Surface Mining and Reclamation Act of 1975 (SMARA), the State Mining and Geology Board has not designated Portola Valley as containing any mineral deposits of regional significance. Therefore, adoption of the 2014 Housing Element would not cause any significant impacts on mineral resources.</p>						
12.	NOISE Would the project result in:					
12a.	Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
12b.	Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
12c.	A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1, 19
12d.	A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
12e.	For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
12f.	For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
Discussion:						

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
<p>In general, Portola Valley enjoys a low ambient noise level. This low level of noise contributes to the “rural” quality of the community. Exceptions to this, however, include traffic noise along some major roads. Noise exposure from traffic is depicted in the form of noise exposure contours along the major roadways. Noise exposure contours are lines of equal loudness, similar to elevation contours that are lines of equal elevation. Per the Town of Portola Valley Traffic Noise Contour Map, the majority of noise levels in the town vary between 60-65 dB Ldn or are lower. This noise level is consistent with the Town’s daytime standard for residential uses. The Town is not located within or near an airport land use plan, or near a public airport or private airstrip. In addition, the 2014 Housing Element does not include any improvements that would result in significant noise or ground borne vibration impacts.</p> <p>As a result, there would be no significant noise impacts from adoption of the 2014 Housing Element.</p>						
13.	POPULATION AND HOUSING					
	Would the project:					
13a.	Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 19
13b.	Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
13c.	Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
<p>Discussion:</p> <p>The 2014 Housing Element is largely a policy document, although it does identify sites where additional housing could be constructed. The level of growth anticipated is consistent with regional housing policy documents such as Plan Bay Area. In any case, potential future development permitted under the 2014 Housing Element would not increase development potential but would encourage development of sites which are already zoned and designated for housing, including single family homes, second units, and affiliated housing at the Priory School.</p> <p>As a result, the project would not induce substantial population growth, either directly nor indirectly. The 2014 Housing Element does not call for demolition or replacement of existing housing and would not lead to displacement of either housing or people. Therefore, adoption of the 2014 Housing Element would have no significant impacts on population or housing.</p>						
14.	PUBLIC SERVICES					
	Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service					

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
ratios, response times or other performance objectives for any of the public services:						
14a.	Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 19, 27
14b.	Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 19, 27
14c.	Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 19, 27
14d.	Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 19, 27
14e.	Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 19, 27
Discussion: The 2014 Housing Element is largely a policy document, although it does identify sites where additional housing could be constructed. The level of growth anticipated is consistent with regional housing policy documents such as Plan Bay Area, and development anticipated in the 2014 Housing Element would not increase the development potential in town but would encourage development of sites which are already zoned and designated for housing, including single family homes, second units, and affiliated housing at the Priory School. Therefore, there would be less than significant impacts on public services from adoption of the 2014 Housing Element.						
15.	RECREATION					
15a.	Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 19, 27
15b.	Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1, 19, 27
Discussion: The 2014 Housing Element is largely a policy document, although it does identify sites where additional housing could be constructed. The level of growth anticipated is consistent with regional housing policy documents such as Plan Bay Area, and development anticipated in the 2014 Housing Element would not increase the development potential in town but would encourage development of sites which are already zoned and designated for housing, including single family homes, second units, and affiliated housing at the Priory School. Therefore, there would be less than significant impacts on recreational facilities from adoption of the 2014 Housing Element.						
16.	TRANSPORTATION/TRAFFIC					
Would the project:						
16a.	Conflict with an applicable plan, ordinance, or policy establishing measures of effectiveness for the performance of the circulation system, including mass transit and non-motorized travel and relevant components of the circulation system,	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
	including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?					
16b.	Conflict with an applicable congestion management program, including, but not limited to level of service standard and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
16c.	Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
16d.	Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
16e.	Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
16f.	Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19

Discussion:

The 2014 Housing Element is largely a policy document, although it does identify sites where additional housing could be constructed. The level of growth anticipated is consistent with regional housing policy documents such as Plan Bay Area, and development anticipated in the 2014 Housing Element would not increase the development potential in town but would encourage development of sites which are already zoned and designated for housing, including single family homes, second units, and affiliated housing at the Priory School. As such, the housing element is consistent with Portola Valley standards for effectiveness of performance of the circulation system, including mass transit and non-motorized travel, and also with the goals of the County of San Mateo Congestion Management Plan and its level of service standards and travel demand measures. The project would not affect air traffic patterns, increase any hazards, or result in inadequate emergency access, and is fully consistent with the Town's adopted policies and plans regarding pedestrian and bicycle facilities. In addition, all new development in Town must be undertaken in compliance with CEQA, and additional analysis would be provided as required. As a result, there would be no significant impacts on transportation or traffic from adoption of the 2014 Housing Element.

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
17.	UTILITIES AND SERVICE SYSTEMS Would the project:					
17a.	Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
17b.	Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
17c.	Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
17d.	Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
17e.	Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
17f.	Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19
17g.	Comply with federal, state, and local statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19

Discussion:

The 2014 Housing Element is largely a policy document, although it does identify sites where additional housing could be constructed. The level of growth anticipated is consistent with regional housing policy documents such as Plan Bay Area, and development anticipated in the 2014 Housing Element would not increase the development potential in town but would encourage development of sites which are already zoned and designated for housing, including single family homes, second units, and affiliated housing at the Priory School.

Adoption of the 2014 Housing Element would not result in substantial adverse physical impacts associated with exceeding water demand or wastewater generation/treatment requirements and capacity, nor would the project

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
<p>result in the need to construct such new facilities. The project would not substantially affect landfill capacity and would be in compliance with regulations related to solid waste. In addition, all new development in Town must be undertaken in compliance with CEQA, and additional analysis would be provided as required. As a result, there would be no significant impacts on utilities or service systems from adoption of the 2014 Housing Element.</p>						
18.	MANDATORY FINDINGS OF SIGNIFICANCE					
18a.	Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 19, 20
18b.	Does the project have impacts that are individually limited, but cumulatively considerable ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 3, 19
18c.	Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1, 3, 19
<p>Discussion:</p> <p>The 2014 Housing Element is largely a policy document, although it does identify sites where additional housing could be constructed. The level of growth anticipated is consistent with regional housing policy documents such as Plan Bay Area, and development anticipated in the 2014 Housing Element would not increase the development potential in town but would encourage development of sites which are already zoned and designated for housing, including single family homes, second units, and affiliated housing at the Priory School.</p> <p>As a result, the project is not anticipated to have a significant impact on any species identified as a candidate, sensitive, or special status species or migration of these species, nor impact riparian or wetland areas either directly or through habitat modifications. Development of larger properties which include potential habitat for sensitive species, riparian environments, or historic or archeological resources is not anticipated during the planning period for the 2014 Housing</p>						

No.	Environmental Topic	Level of Impact				Source
		Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact	
<p>Element, but any proposal would need to consider potential impacts on these resources under CEQA at the time the development proposal was brought forward. For all of these reasons, adoption of the 2014 Housing Element would not result in cumulatively considerable impacts.</p>						

Sources

1. Project Description
2. San Mateo County Important Farmland Map-2006
3. Bay Area Air Quality Management District resources including Annual Bay Area Air Quality Summaries and the 2010 Clean Air Plan
4. Project Tree Survey
5. Project Biology Report
6. Cortese List of Hazardous Places/Project Phase I Hazardous Materials Environmental Assessment
7. SMARA Map, current
8. Project Noise Study
9. Project Transportation Impact Analysis
10. Town Base Map, 1996, as updated
11. USGS Maps, 1973, as updated
12. Aerial photos: current
13. Slope Map, 1972, as updated
14. Soils Map, 1970, as updated
15. Geologic Map, 1975, as updated
16. Movement Potential of Undisturbed Land Map, 1975 as updated
17. Flood Hazard Boundary Map, 1979, as updated
18. Master Storm Drainage Report, 1970, as updated
19. General Plan, current
20. Comprehensive Plan Diagram, current
21. Historic Element Diagram, current
22. Trails and Paths Diagram, current
23. Nathhorst Triangle Area Plan, current
24. Alpine Parkway Diagram, current
25. Village Square Area Diagram, current
26. Fire Hazards Map, current
27. Zoning Ordinance and Map, current
28. Town Planner
29. Town Engineer
30. Town Traffic Engineer
31. Town Geologist
32. Town Attorney
33. Building Inspector
34. Health Officer
35. Town Historian
36. Stable Inspector
37. Town Police Commissioner
38. San Mateo County Sheriff
39. Woodside Fire Protection District
40. West Bay Sanitary District
41. Mosquito Abatement District
42. Architectural and Site Control Commission
43. Cable TV Committee
44. Conservation Committee
45. Emergency Preparedness Committee
46. Finance Committee
47. Geologic Safety Committee
48. Historic Resources Committee
49. Parks and Recreation Committee
50. Public Works Committee
51. Traffic Committee
52. Bicycle Subcommittee
53. Trails Committee
54. Applicant's Consultant's Professional Opinion
55. Finance Committee
56. Geologic Safety Committee
57. Historic Resources Committee
58. Parks and Recreation Committee
59. Public Works Committee
60. Traffic Committee
61. Bicycle Subcommittee
62. Trails Committee
63. Applicant's Consultant's Professional Opinion
64. Plan Bay Area
65. Portola Valley Biological Resources Assessment

**UNAPPROVED
MINUTES**

PLANNING COMMISSION REGULAR MEETING, TOWN OF PORTOLA VALLEY, NOVEMBER 5, 2014,
SCHOOLHOUSE, TOWN CENTER, 765 PORTOLA ROAD, PORTOLA VALLEY, CA 94028

Chair Gilbert called the Planning Commission regular meeting to order at 7:30 p.m. Ms. Pedro called the roll.

Present: Commissioners Alexandra Von Feldt, Judith Hasko and Nate McKittrick; Vice Chair Nicholas Targ; Chair Denise Gilbert

Absent: None

Staff Present: Debbie Pedro, Planning Director
Karen Kristiansson, Deputy Town Planner
Nick Pegueros, Town Manager

ORAL COMMUNICATIONS

None.

REGULAR AGENDA

(1) Public Hearing: Portola Road Corridor Plan

Ms. Kristiansson noted that the Planning Commission had reviewed the draft Portola Road Corridor Plan at its October 1, 2014 meeting, as well as its Initial Study/Negative Declaration and related General Plan amendments that are proposed. After hearing public comments and discussing options for wording for Section 6413, the Commission approved Resolution 2014-6, recommending that the Town Council approve the Initial Study/Negative Declaration and adopt the revised Portola Road Corridor Plan and proposed General Plan amendments.

As indicated in the November 5, 2014 staff report, Ms. Kristiansson continued, concerns were raised after the meeting about the changes to Section 6413, particularly the removal of phrasing about working with land owners. Kirk Neely and Holly Myers, who own the property at 555 Portola Road, submitted a letter raising this concern and others. Although it appears from the minutes that the change was intended to strengthen and clarify that section, and not to suggest that the Town would not work with land owners, the Commission did not discuss that particular phrase in detail.

Ms. Kristiansson said the Open Space Element of the General Plan identifies the front portion of the Neely/Myers parcel as a community open space preserve, and the implementation tools for these preserves are described in Appendix 2. One of those states, "As these lands come before the Town for development permits, the Town should work with the land owners to assure the retention of these important open-space preserves." Thus, she pointed out, the concept of working with land owners to implement these policies is already part of the General Plan.

This evening the Commission is being asked to revisit Section 6413 and either confirm or further refine the language. Also, because the Town Council is scheduled to consider the Portola Road Corridor Plan draft at its October 12, 2014 meeting, the Commission should provide any additional information about its intentions that would be relevant for the Council's consideration.

Chair Gilbert invited public comments about the Section 6413 phrasing in question.

Kirk Neely said he appreciated Town staff bringing this issue back to the Commission. He was surprised to have seen "work with the land owners" stricken, and raised the issue because he didn't know whether the change was inadvertent or deliberate, and the prior draft had already been tacitly approved. He said he understands the argument for broadening the ability and efforts to protect views, but also recognizes that the Town will have to work with land owners as well to do so. While also suggesting that the sentence might be written better, he noted

that there is a "huge context" here. Dr. Neely said that although he would like to see revisions to this section, their relationship with the Town is not dependent upon this one sentence.

Phil White, Portola Road, said that in the 15 years he and his wife, Cindie White, have owned Jelich Ranch, they've had great relationships with the Town. Noting that they and their neighbors, Dr. Neely and Ms. Myers, are the only two affected land owners on the Portola Road Corridor, and considering the approaching holidays along with the fact that Ms. White was busy with the Town's 50th Anniversary celebration as well as work being done on their property, he said they would appreciate more time to evaluate the potential impact of this particular language and discuss it with their neighbors.

Marilyn Walter, Coyote Hill, said the wording (in the October 2014 version) is "absolutely perfect," and agreed with the Planning Commission that it's well-covered in the rest of the document that the land owners will be consulted. Accordingly, she said she sees no reason to include it in Section 6413 too.

Chair Gilbert brought the matter back to the Commissioners.

Commissioner McKitterick said the reason the phrase was taken out was that Commissioners felt they would always work with land owners. He said it wasn't their intent to give the impression that would not happen. However, he added, in light of the problem it has created, he wouldn't object to putting that language back in. Commissioner McKitterick also pointed out that there are a few other land owners on the Portola Road Corridor besides the Whites and Neely/Myers.

Commissioner Hasko said she would also restore the phrase about working with land owners. She said working with the land owners is one vehicle for preserving and protecting the lands of the Portola Road Corridor, including their scenic qualities. Because some of those lands are privately owned while others are owned by the Town, she wouldn't suggest placing the full burden on the land owners. She said there was never an intention to take the land owners out of the equation.

Commissioner Von Feldt agreed that the Commission didn't feel that the burden should all be on the land owners, because much of the land is on the Town's right-of-way. But if removing the phrase comes across as not including people, she would restore the language, or perhaps modify it to say something like, "work with all land owners, including ..."

Vice Chair Targ said that as a proponent of the January 2014 language in the draft Portola Road Corridor Plan, and having missed the October 1, 2014 meeting, he found the change jarring. The January 2014 version stated, "Efforts should be made to work with land owners to preserve and protect these lands consistent with other provisions of the General Plan. . ." He said he understands the desire to reduce redundancy and simplify, but he doesn't understand how the deletion addresses the Commission's interest of strengthening the language. It seems wholly appropriate to restore language about working with land owners, he continued, noting that there are few greater stewards of Portola Valley than Dr. Neely, Ms. Myers and the Whites.

Another question, Vice Chair Targ said, pertains to a later part of the sentence: "nearby meadows which are essential to the open-space character of the valley." He said he's not sure which meadows are being referenced here, ones which are nearby or ones which have a visual impact from the corridor or elsewhere. In addition, the phrase "essential to the open space character" includes the term "character" which is included in the General Plan when discussing the front portion of the Neely/Myers property, and he was unsure how including that phrase here might affect the interpretation given to the General Plan.

Chair Gilbert suggested first dealing with the phrase including land owners. She said the Commissioners unanimously agree about putting it back in. What began as an attempt to make the statement shorter and more direct by removing the phrase including the land owner verbiage, she said, ultimately evolved into adding more words anyway.

As for his second question, Vice Chair Targ said he'd recommend saying, "to protect and reestablish critical views consistent with the goals and policies of the General Plan . . .," which would dispense with the whole issue, neither adding to nor subtracting from the status quo. Chair Gilbert said the Commission discussed that at the October 1, 2014 meeting. Originally, she explained, considerable language in other elements of the General Plan

would have made that an appropriate statement, but that language was taken out via the proposed General Plan amendments to eliminate the overlap. Thus, she said, it's more important to be quite specific in the Portola Road Corridor Plan, and that specificity makes it stronger and clearer as well, so that those looking at the documents would not have to wonder where else in the General Plan to look.

Commissioner McKittrick said we all know what the critical views are. Commissioner Von Feldt said she thought there was debate about that. In reviewing her notes from the October 1, 2014 meeting, she said there was a lot of public comment about strengthening the language, and Commissioners talked about not only open views but also what you see with those views.

Vice Chair Targ suggested hearing public comment on this issue. Agreeing, Chair Gilbert quoted the relevant language as it stands, with the land owners phrase restored: "Efforts should be made to work with the land owners to preserve and protect these lands, including their scenic qualities, and protect and reestablish critical views of the western hillsides and nearby meadows which are essential to the open-space character of the valley."

Ms. White said she agrees with her husband, that they need more time to get perspectives and to wrap their heads around what all of this really means because they are so directly affected. She said she has not yet looked at the entire draft Portola Road Corridor Plan.

In response to Chair Gilbert, Ms. Kristiansson recapped the noticing that pertained to the Portola Road Corridor Plan. She said there were a number of meetings, with the process beginning in 2012, when the Portola Road Corridor Plan Task Force was formed. It included members of the Town Council, the Planning Commission, the ASCC, the Conservation Committee, the Bicycle, Pedestrian and Traffic Safety Committee, the Trails and Paths Committee, the Open Space Acquisition Advisory Committee and so on. The Task Force provided a report that went to both the Town Council and the Planning Commission. She said the Planning Commission held additional meetings in 2012, 2013 and 2014, all of which were noticed, in addition to the Town Council meetings. She said she doesn't believe that individual property owners were singled out for noticing because the plan covered the Portola Road corridor as a whole.

Ms. White said she attended one of the meetings in 2013. She said she was aware it was going on, but misunderstood the significance because they were never reached out to, or asked, or told to write a certified letter to make sure they were informed. It seemed the terms were very general, such as "Orchard Preserve" versus "the Whites at 683 Portola Road and Jelich Ranch." She said it seems there would have been more of a direct outreach, considering the Whites and Neely/Myers and this part of the corridor's viewsheds. This includes the Midpeninsula Regional Open Space District, which is an entity, as well as their properties. Ms. Walter noted the Town website includes information on the Portola Road Corridor Plan process, and Ms. White said that's why they feel they need more time to read it.

Dr. Neely noted that the sentence is actually more complicated now than it was in prior versions, because it's attempting to reach two goals, both of which are now governed by the initial phrase, "Efforts should be made . . ." The first effort is to preserve and protect, with the provision for consistency with the rest of the General Plan added in January 2014, and the scenic qualities of the lands added in October 2014. He said "scenic qualities" is loaded and very open-ended, as is "preserve and protect these lands," so clearly these terms can be brought to bear on development application and used to severely limit any kind of development. Critical views have to be determined on an ad hoc basis, he said, and can be defined in any way.

"These are not trivial words," Dr. Neely stated, and to have eliminated "work with land owners" made it even more obvious that it could be used that way. He said he objected to "nearby meadows" because we spent two years arguing about what a meadow is. "Which portion of the frontage of my property is a meadow?" he asked. "Which is not? That hasn't been resolved at all." His recommendation to eliminate some of the words and make it less loaded, which he wrote in concluding the letter he and Ms. Myers had sent to Ms. Kristiansson, was: "Efforts should be made to work with the land owners to protect and reestablish critical views, which are essential to the open-space character of the valley."

Dr. Neely also said he disagreed with Chair Gilbert's suggestion that most of the language about these properties in other parts of the General Plan has been removed--there are many, many very confusing redundancies that

apply to these properties and views from the corridor. He said the Land Use Element and Open Space Element, for instance, contain a lot about preserving and protecting these lands, and they're all overlapping with different nuances here and there. It would confuse anyone to try to read it, he said.

Marilyn Walter, Coyote Hill, said she's lived in Portola Valley nearly 43 years, and one of the main reasons we know it's a valley is because we can come around the corridor and see the high hills above us. It's the centerpiece of our Town, the beauty of our Town, and is important to all 4,500 people who live here, not just one or two landowners.

Phil Vincent, Portola Road, asked whether the Planning Commission has considered undergrounding power lines. Chair Gilbert said the draft Portola Road Corridor Plan contains a reference to undergrounding, but the Commission backed off a bit. Due to the high cost involved, she explained, it's probably not going to be a near-term initiative. Ms. Kristiansson said that after discussion between the Planning Commission and Town Council, Standard 6406.6 currently reads, "Undergrounding utility lines along the corridor is desirable and should be considered."

Dr. Neely noted that when its parking lot was approved, the MROSD was required to underground utilities.

Chair Gilbert suggested finishing the wordsmithing and then taking up the issue of extending the timeline to accommodate some of the property owners' requests.

Commissioner McKitterick, who said he likes the currently proposed language but also understands the points being made about omitting the land owner phrase, suggested revising it to read, "Efforts should be made to work with the land owners to protect and reestablish critical views."

Commissioner Von Feldt asked Ms. Pedro and Ms. Kristiansson whether this language changes the land use restrictions on the major property owners, or whether the Orchard Preserve and Meadow Preserve provisions in the General Plan mean that those restrictions are in place already. Ms. Pedro said that the land use restrictions in the Zoning Code are already in place, but in terms of the Meadow Preserve, for example, it depends on the entitlements. In other words, if a use permit is requested for a particular property, the regulations that apply would be addressed at that time on a case-by-case basis. Commissioner Von Feldt asked whether the proposed language would add or change any burden aside from those that are already in place. In response, Ms. Pedro said these are quite broad statements, so while they give staff direction, they don't provide any specific standards.

Commissioner Von Feldt explained that she's asking because the Planning Commission wants to communicate the vision for the Portola Road Corridor; it's not trying to create legislation. Commissioners discussed this statement at length during the October 1, 2014 meeting. She said the phrase "consistent with other provisions of the General Plan" in the January 2014 version would require going through the General Plan to understand the provisions that were referenced. The October 2014 version encapsulates what the vision of the scenic corridor is, she said, and from what Ms. Pedro said, it doesn't impose additional burdens.

On the flip side, Commissioner McKitterick noted, if those burdens exist elsewhere in the General Plan or codes, why reiterate them here? Commissioner Von Feldt responded that it seems appropriate because it's not solely for those land owners but for the whole corridor, for the Town.

Vice Chair Targ said that in his professional opinion, the October 2014 version creates a strong statement that at least policy that modifies the General Plan provisions that address the Orchard Preserve and Meadow Preserve. He said he asked himself whether we really have an issue of vertical consistency. When Chair Gilbert asked how it changes the General Plan provisions, Vice Chair Targ said it's because it talks about the nearby meadows as being essential to the open-space character of the valley, and in the Meadow Preserve there's reference to the character of the area. Chair Gilbert said the former phrase was not just "character," but "agricultural character." Still, Vice Chair Targ stated, the language is substantially similar, and if he were to oppose a modification of the property, he said he could absolutely use the October 2014 language to interpret the other preserves. He said he doesn't know if that was the intent, to strengthen the language, but reading it in concert with other portions of the General Plan, he could come up with a quite different interpretation.

Chair Gilbert emphasized that the statement refers to views of those areas. Vice Chair Targ stated that everything following "Efforts should be made to preserve and protect these lands" refers to those lands, including qualifiers – the "western hillsides" and "nearby meadows," with its own qualifier, "which are essential to the open-space character of the valley." That's a very, very strong statement of what we're going to do with the lands we want to preserve and protect, he argued. He said while he understands the vision aspect, it gets past the policy intent.

Because the intent is strictly on the views, Chair Gilbert offered an alternative similar to the December 2013 version: "Efforts should be made to work with land owners to preserve, protect and where necessary, reestablish critical views of the western hillsides and nearby meadows which are essential to the open-space character of the valley." As Commissioner McKitterick observed, this focuses on the views as opposed to the lands.

Commissioner Hasko noted that in looking through other portions of the draft Portola Road Corridor Plan, Principle 2 (Section 6405) speaks to managing vegetation "to enhance and preserve views, especially of the western hillsides, existing orchards and open fields," while Goal 1 (Section 6404) calls for protecting and reestablishing open views within and from the corridor, especially to the western hillsides. In the context of these other references, she said, Section 6413 now seems too detailed. Considering the potential for differing interpretations of the versions that have been discussed and proposed, she said she'd favor more simplicity and less detail, referring back to the December 2013 version: "Efforts should be made to work with the land owners to preserve and protect these lands so that the view from the corridor remains largely open and undeveloped." She acknowledged that the Commission debated the "largely open and undeveloped" phrase, but said the concept is at a high enough level to work in this context.

Commissioner McKitterick said "largely open and undeveloped" has too much history, and he likes Chair Gilbert's focus on the views. Vice Chair Targ said he didn't know what "largely open and undeveloped" meant, and he could be comfortable with "Efforts should be made to work with land owners to preserve, protect and, where necessary, reestablish critical views of the western hillsides and nearby meadows."

Although somewhat reluctant to lose "essential to the open-space character of the valley," Commissioner Von Feldt said that she's more comfortable with it since Commissioner Hasko pointed out other references in the proposed Portola Road Corridor Plan (Objective 1 and Principle 2), as well as Objective 5 (Section 6404), "To serve as a scenic corridor through the Town that reflects the open space values of the Town."

Commissioner Hasko said that although she can support Vice Chair Targ's suggestion, the "critical views" detail that remains may continue to be a concern. She added that she considers it important for the public to be able to have more opportunity to comment on this.

Chair Gilbert said that when a process goes on for a long time, it's sometimes not until the very end that people realize its significance. She said the Planning Commission could have an additional public hearing, or recommend the Town Council delay the discussion scheduled for its October 12, 2014 meeting to give the land owners more time to review the proposed Portola Road Corridor Plan. Commissioner McKitterick asked the whether the land owners would prefer just dealing with the Town Council on this, or keep the process at the Planning Commission level for the time being.

Dr. Neely asked for clarification as to what the Planning Commission had decided. He said that aside from the issue of timing and public hearings, he finds the use of the term "nearby meadows" in Section 6413 problematic because it obviously targets only one property or one field, so it's tantamount to spot-zoning. Chair Gilbert said "nearby meadows" was intended to be broader than the Meadow Preserve. She stated the updated version based on tonight's discussions states: "Efforts should be made to work with landowners to preserve, protect, and where necessary, reestablish critical views of the western hillsides and nearby meadows."

Chair Gilbert then said that the next item to discuss was the process going forward. She said the choice was whether the Planning Commission should continue this item to a future Commission meeting or act tonight and pass the Corridor Plan on to the Town Council. If the latter, she said that she would urge the Council to not consider the Corridor Plan on November 12 but to schedule it later so as to provide more time for public review.

Ms. Pedro recommended that if Commissioners have a consensus on what they are comfortable forwarding to the Town Council, they make that decision tonight and then ask the Council to delay its public hearing on the Portola Road Corridor Plan, giving the land owners more time to work with staff to understand the details of the document. In response to a question from Chair Gilbert, she noted that there is no timeline for adoption of this plan and the Commission could continue this and talk about it further.

Commissioner Von Feldt said there have been problems in the past when matters have been forwarded to the Council but the Council doesn't have all the history. She would prefer to keep this at the Planning Commission level for now to allow the landowners who are the most interested to bring back any questions to the body which worked the most on developing the Corridor Plan.

Mr. White said that he had recently finished with the ASCC a couple months ago, and everyone interprets the General Plan differently, including the Planning Commission and the ASCC. As a result, he'd prefer the language to be as general as possible. What was a critical view when the Jelich Ranch was established in the early 1900s may not be critical today, he said, or may be even more critical. He doesn't know what "critical" means so it has to be interpreted by whoever's on the Council every time he wants to do something on his property, or the Neely/Myers want to do something on their property. He would like the language to be more general, and would also like to have more time to look at the documents and talk with Dr. Neely and others.

Chair Gilbert said she's leaning toward the Planning Commission scheduling another public hearing, in part because it would be best to resolve as many issues as possible before it goes to the Council. The Commission's role is really to work with the public and come to the best resolution they can, and it doesn't sound like they are there yet. Commissioners agreed to that approach.

Chair Gilbert noted that the public will have the change to comment on the language for Section 6413 again, or anything else in the document, when the Corridor Plan comes back to the Commission. Vice Chair Targ said the minutes should reflect the Planning Commission having reached a general consensus around the language proposed so they have a common point of reference:

"Efforts should be made to work with land owners to preserve, protect and, where necessary, reestablish critical views of the western hillsides and nearby meadows."

Commissioners suggested that the public review draft of the Corridor Plan be updated with the language from tonight's meeting. Ms. Pedro said the draft will be updated and added to the Town website.

(2) Discussion and Commission Action: Designation of Land Acquisition Negotiator

Ms. Pedro recapped the background for this item, noting that the Town Council amended the Town's Capital Assets Policy at its meeting on June 18, 2014. Revisions included the requirement to select two individuals in addition to the Town Attorney, Leigh Prince, to serve as negotiators on land-acquisition matters. At their July 9, 2014 meeting, the Council appointed Councilmember Craig Hughes as one of the negotiators, and requested that the Planning Commission choose the third member.

As Ms. Pedro explained, there is no set schedule for negotiator meetings or any specific recommendations concerning any piece of land to consider for acquisition.

Chair Gilbert, noting that appointees would "conduct due diligence, evaluate and make recommendations on potential land acquisition," asked whether they would also actually participate in negotiations. Commissioner McKitterick said that as he understands it, there will be discussions with property owners, and the negotiators would participate in those discussions. Although that's been done in the past, he added, it's been more on an ad-hoc basis. It may not involve price, but a lot of other discussions are involved before the Council sits down in closed session.

Mr. Pegueros said Commissioner McKitterick is exactly right.

Commissioner McKitterick said he'd love to be the Planning Commission's designee, but that Vice Chair Targ has the best skill set. Vice Chair Targ said he's flattered, but clarified that he's not a real estate attorney but rather a

land use and environmental attorney, so he practices in more of a regulatory than transactional sphere. In response to Commissioner Von Feldt, Commissioner Hasko said her practice is in intellectual property.

Vice Chair Targ also noted that he might not be the ideal choice because he'd have to recuse himself if any potential acquisitions were to involve properties within 500 feet of property he owns, which is located near the Woodside border, toward the Morshead property. Mr. Pegueros said that if Vice Chair Targ is appointed, he would appreciate an alternate being named too, in the event recusal is necessary. Commissioner McKitterick, noting that his favorite part of the job is trying to get two parties to come together in a business deal, agreed to serve as Vice Chair Targ's alternate.

COMMISSION, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

Ms. Kristiansson said the revised Housing Element draft would be on the agenda for a public hearing at the Planning Commission meeting on November 19, 2014. She noted that a letter from the California Department of Housing and Community Development (HCD) indicates that the document is basically in compliance with only a few relatively minor changes. The Town Council has a public hearing on the document scheduled for January 14, 2015.

Ms. Pedro confirmed that the Planning Commission need not attend the site meeting for 40 Antonio Court because the applicant has revised plans to keep the grading under the threshold that requires Planning Commission approval.

Approval of Minutes: August 6, 2014 and October 1, 2014

Chair Gilbert moved to approve the minutes of the August 6, 2014 meeting, as amended. Seconded by Commissioner McKitterick, the motion carried 5-0.

Chair Gilbert moved to approve the minutes of the October 1, 2014 meeting, as amended. Seconded by Commissioner Von Feldt, the motion carried 4-0-1 (Targ abstained).

ADJOURNMENT

The Commission adjourned at 8:37 p.m.

Denise Gilbert, Chair

Debbie Pedro, Planning Director