

PLANNING COMMISSION REGULAR MEETING, TOWN OF PORTOLA VALLEY, MAY 2, 2018,
SCHOOLHOUSE, TOWN CENTER, 765 PORTOLA ROAD, PORTOLA VALLEY, CA 94028

Chair Targ called the Planning Commission regular meeting to order at 7:00 p.m. Interim Planning Director Cassidy called the roll.

Present: Commissioners Hasko, Kopf-Sill, and Taylor; Vice Chair Goulden; Chair Targ

Absent: None

Staff Present: Arly Cassidy, Interim Planning Director
Cynthia Richardson, Planner

ORAL COMMUNICATIONS

Chair Targ welcomed the new member to the Planning Commission – Anne Kopf-Sill. Commissioner Kopf-Sill introduced herself. She said she's lived in Portola Valley approximately 30 years and is interested in policy that protects the open space and rural feel of Town.

An unidentified gentleman announced that Jean Lane celebrated her 90th birthday today.

Louis Ebner, 255 Wyndham Drive. Mr. Ebner said the Douglasses, owners of the property located at 888 Portola Road, formerly Jan's Valley Inn and the Spur Gallery, couldn't be here tonight but have requested that he speak on their behalf. Mr. Ebner said the Douglasses' building had undergone the final stage of remodel after a two-year process. He said they have hooked up to the sewer line and have recently strived to clean up the building. He said the prospects for the use of this beautiful building are interesting, complex, and somewhat conflicted. He said it has been the Douglasses' ambition for the building to have a more public face, and they would like to see it used in a way that gives a resource of particular character back to the town. He said the site was fondly viewed by many when it was a roadhouse, and the Douglasses have done a remarkable job of reconfiguring the entire property. He said at one time they had ambitions of having a café stop there, but that process was too complex. He said other possibilities were office or commercial use. He said there are a number of issues to do with zoning, the needs of the town, responsiveness of the building to particular needs, proximity to the school, limited parking, etc. He said it is a profound sorrow that the building is just sitting there unused. He said the Douglasses wish to avoid the costly, time-consuming, and halting back-and-forth process of applying for a particular CUP with a particular tenant in mind, a process that can drag on for years. He said the Douglasses are asking for direct guidance from the Planning Commission to find out what the realistic bounds and possibilities are for this building.

Chair Targ disclosed that at one time he had been interested in leasing that property and had a conversation with the Douglasses about it. He said he had also spoken with the Town Attorney at some length regarding the issue. He said he is no longer proceeding along the path of engaging a lease or occupancy of the property.

Chair Targ said although it is unusual to do this in the oral communications section of the agenda, he would like to address the issue briefly. Town Council Liaison Wengert advised Chair Targ that he should not address the issue this evening, but instead agendaize it for future discussion if desired. Chair Targ expressed appreciation for the observation of the Rules of Order. He directed staff to agendaize this issue for an upcoming meeting.

NEW BUSINESS

1. Review of Amended Parcel Map, File #X6D-210, 20, 30 and 40 Meadow Court (formerly 1260 Westridge Drive), Lands of Carano Trust

Planner Richardson presented the Amended Parcel Map for the Carano subdivision, described the background, and recommended adoption of a resolution recommending approval to the Town Council for the Amended Parcel Map and a resolution recommending approval of the Amended and Restated Subdivision Improvement Agreement, as detailed in the staff report. She pointed out the discussion tonight is limited to the modification of an access easement.

Commissioner Hasko asked why this easement change was not done earlier and if this change was due to new information received. Planner Richardson said it was her understanding the request to move further from the creek was to ensure the stability of the creekbank. She invited the applicant's engineer to provide additional information. The applicant's engineer said the map was recorded during the droughts, when the creek was only a trickle. He said the winter storms happened after the map was recorded, and they noticed a large amount of erosion occurring, so they decided it would be better for the future stability of the roadway to move it away from the creek.

Commissioner Hasko asked how they calculated the correct distance to move the line. The project engineer said it was moved to the other side of a large 32" oak tree. Commissioner Hasko asked if there were scientific or professional parameters or just a general "farther away is better" concept. The engineer said the change would provide the property owner and client with more time to take preventative measures to stabilize the creekbank if anything progressed.

Commissioner Kopf-Sill asked why they did not move the road further all along the creek. The project engineer said they walked the creek after the winter storms and noticed that the erosion was most severe in the corner near the oak tree. He said farther down the road, the steepness of the slope decreases as well as the amount of undercutting and erosion. He said more of the existing vegetation there is still intact versus closer to the oak tree and the bend in the creek, where there is much less vegetation protecting the creekbank.

In response to Chair Targ's question, the project engineer said there was no change in the amount of soil that would be cut. He said there is an existing gravel driveway and, for the most part, this line follows that. He said they were cautious to make sure that the square footage of the pavement being replaced for this roadway was equal to what was previously approved.

Commissioner Taylor pointed out a typo in the Agreement, Section 1, where it should say "sixteen (16) sheets."

Chair Targ invited additional questions from the Commission. Hearing none, he invited the applicant or applicant's representatives to comment further. Hearing none, Chair Targ invited public comment.

Tasha Morgridge, 107 Mapache. Ms. Morgridge said in the past they toured the property on invitation of the architect. She said they were told it was one property and could not be subdivided. She asked if that had changed.

Chair Targ pointed out that the issue before the Planning Commission tonight is limited to the change in the easement. He asked staff to address Ms. Morgridge's question. Planner Richardson said the property was divided into a three-lot subdivision a number of years ago. She said there is one owner developing the property for private use as a family compound of three homes. In response to Ms. Morgridge's question, Planner Richardson said the properties could be sold separately. Ms. Morgridge

said she and the other neighbors on the tour with the architect were told very explicitly that there was one road, one driveway, and therefore it could not be sold separately. She said this made the neighbors feel more comfortable. Planner Richardson said the intent throughout the public hearing process was that there would be three individual lots that could be sold by this owner separately at any time.

John Morgridge said the neighbors were also told at that time that the site could not be three separate properties because of the size of the driveway relative to handling fire trucks. He said at that time the road was referred to as a driveway and not a road. He said they were told there were three buildings – one for a swimming pool, one for a tennis court, and then the main house. Planner Richardson said the driveway is a shared driveway for all three parcels, and it does meet Fire Department standards for turnaround, width, compaction, weight, etc.

Tasha Morgridge said they were not told the truth. Interim Planning Director Cassidy said she was sorry to hear that something may have been misrepresented. She asked them to contact her to discuss it further. Ms. Morgridge said they would not cause a fuss, but said it just does not feel good.

Chair Targ expressed appreciation for the speakers coming forward because it is important for the Commission to understand the circumstances and have these kinds of issues ventilated.

Hearing no additional public comment, Chair Targ closed the public hearing and brought the item back to the Commission for discussion.

Commissioner Hasko referred to the Amended and Restated Declaration of Intent to Create Covenants and Private Easements for the Driveway. She asked why there was the new language regarding a common storm and drainage facility. Planner Richardson said the storm drain has not changed from the old design to the new design. The project engineer said the runoff coming off of the common driveway was originally meant to be handled within the easement by a gravel dissipation trench that would allow the water to percolate through the ground. He said after seeing the erosion that occurred during the winter storms, the geotechnical engineer reconsidered allowing them to do that for the sake of the longevity of the pavement and asked them to reconfigure the storm drainage. He said they went from the infiltration gravel trench to actual storm drain retention systems that would then deposit the water to a drainage swale at the back of the property. He said because the retention systems were added, for the purposes of future maintenance of the different retention systems that are on each separate lot, they spoke with the client and the client's real estate attorney, who both agreed it would be advantageous for them to include in the Declaration of Intent to Record Easements that the maintenance of these retention systems for the purposes of handling storm drain runoff from the driveways would be maintained jointly by all three property owners, versus each individual property owner maintaining whatever was on their property. He said that is why the language had to be included. Commissioner Hasko asked if the Town needed to have a separate brief on that or if it was immaterial. Planner Richardson said it is fairly immaterial. She said it was part of the subdivision improvement plans and has been approved by the outside Town engineering consultant, NV5, and also by the Public Works Director. In response to Commissioner Hasko's question, Planner Richardson said this had no implications that the Planning Commission needed to consider. Chair Targ asked if there was a reason why this issue was not brought to the attention of the Planning Commission. Planner Richardson said it was a change that was made in the course of reviewing the subdivision improvement documents that would normally be done within the Public Works Department.

Chair Targ reopened the public hearing. He said given the history and interest expressed by the public, he asked if there were any further comments by members of the public due to this new information. Hearing none, Chair Targ closed the public hearing and brought the item back to the Commission for further discussion.

Commissioner Hasko said from her perspective, if this is helping to address a potential issue, she would support approval of the easement adjustment.

Chair Targ agreed and called for a motion.

Vice Chair Goulden moved to approve the Amended Parcel Map for the Lands of Carano. Seconded by Commissioner Taylor; the motion carried 5-0.

Vice Chair Goulden moved to approve the Amended and Restated Subdivision Improvement Agreement between the Town of Portola Valley and Paul Carano. Seconded by Commissioner Taylor; the motion carried 5-0.

2. Annual Housing Element Progress Report for 2017

Interim Planning Director Cassidy presented the annual report, as required by the California Department of Housing and Community Development, and as detailed in the staff report. She pointed out that in 2017, 11 ADUs had been issued building permits in Portola Valley, a five-year high.

In response to Commissioner Hasko's question, Interim Planning Director Cassidy said the total remaining RHNA by Income Level number reflected the number remaining until the expiration of the Housing Element period.

Vice Chair Goulden asked how a property would be made graywater ready. Interim Planning Director Cassidy said it is the preestablished placement of extra piping, anything that would require opening the wall to install new infrastructure.

Vice Chair Goulden asked if it was anticipated that other things would come before the Planning Commission based on these different programs. Interim Planning Director Cassidy said the Council and everyone working on the housing conversations hopes that policy develops out of it. She said there is no clear direction yet, and the goal is to develop that direction after hearing from the community. She invited Town Council Liaison Wengert to comment.

Town Council Liaison Wengert said they are at the point of information gathering about the many different ideas and approaches that have been floated. She said, from a prioritization standpoint and a practical application standpoint, the focus is looking to the community to learn their thoughts on it. She said one of the challenges in looking at RHNA numbers has always been how many of the ADUs are actually being rented. She said some of the thinking has been developing around how to incentivize homeowners to build ADUs and actually put them into a rental stream. She said the Planning Commission will be critical to that as they start to ferret through what's being heard from the community via the workshops and other outreach efforts.

In response to Commissioner Taylor's question, Interim Planning Director Cassidy explained that there were 11 ADUs that had building permits issued last year, and they were plugged into the income categories based on the percentage breakdown that 21 Elements developed. In response to Commissioner Taylor's question, Interim Planning Director Cassidy said graywater systems are allowed in Portola Valley.

Commissioner Taylor asked if the Town could use their funds to buy properties outside of Portola Valley. Interim Planning Director Cassidy said she has heard that Piedmont has built their RHNA number housing in Oakland and received credit for it. Commissioner Taylor said he thought Woodside has also done that. Town Council Liaison Wengert said Woodside did it with Cañada College and that was the only example she knows of where it was allowed. She said the Town has been pushing for

that to be an option for all cities and towns for a long time; however, it is up to the County to consider that.

Chair Targ said there are a variety of virtues that can be accomplished through locally-developed affordable housing and a variety of obstacles that make it challenging to have a County or State authorize on a broader scale transferring RHNA numbers from one jurisdiction to another. He said that has generally been discouraged.

Commissioner Taylor asked if the restrictions had been changed regarding which residential areas could have ADUs. Interim Planning Director Cassidy said there was a change due to a clarification of State Law. The change is that previously the Town's ordinance limited ADUs to properties with an acre or more of land; however, the new updated State Law says that internal ADUs cannot be restricted to certain zones and are to be allowed in any residential zone where a single-family home already exists.

Chair Targ asked if fire safety concerns are no longer a basis for disallowing ADUs in certain zones. Interim Planning Director Cassidy explained there are two categories - in internal ADU with no change to the outside of the structure and an external ADU, attached or detached, with new floor area. She said there can be no requirement for sprinklers in an internal ADU if the house does not already have them. She said the Town can apply the stricter sprinkler rules for an external ADU.

Chair Targ asked if it was considered that adding an ADU could burden an existing road that already had a feeling of growth from a traffic standpoint. Interim Planning Director Cassidy said this issue was also discussed at the Council meeting. She said it is possible that any ADU created could be rented to a new person which would add an additional person to a road. She said it is more likely that internal ADUs are created for existing family members or existing household workers. In response to Chair Targ's question, Interim Planning Director Cassidy said that the law does not allow limitations to internal ADUs based upon fire road adequacy. Chair Targ suggested this may be an issue that Council might direct Town staff or the City Attorney to raise. He said it sounds like an invitation of an aggravation of an already aggravated situation. Chair Targ said he is quite worried about Woodside Highlands. He said in an urban wildfire interface location with a substandard road system on a steep hillside waiting for a fire to happen, adding density as a ministerial action seems truly troubling.

Commissioner Taylor said it seems like the vast majority of all the private road systems are private because they are substandard. He said if the density of a place like Woodside Highlands was significantly increased, it would be an issue in the event of a fire. He agrees with Chair Targ that it is important to pursue this issue. He said he understands it is unlikely that 20 more ADUs would suddenly show up on any of the private roads, but it does not seem fair to the people who maintain the private roads to add more density to those roads.

Vice Chair Goulden said that the Town increasing housing availability goes together with making sure public facilities are capable of handling the traffic and that they have the appropriate fire and public services available to them. He said the private side is a problem.

Chair Targ said it is a State requirement, and there is no CEQA involved, no consideration expressly of public services. He said the State requirement is to increase more density without regard to the adequacy of the road system, public or private, or to a wildfire risk.

Interim Planning Director Cassidy respectfully reminded the Commission that the topic tonight is the Annual Housing Report.

Chair Targ said he was not aware that the ADU ordinance had been amended. He said this was an important conversation, and they were formulating direction that they would like Council to consider.

Interim Planning Director Cassidy explained that the clarification to the State Law was brought to staff's attention between the two meetings, which is why the change happened after the Planning Commission's review.

Town Council Liaison Wengert said one of the very clear stated goals of the Council is to encourage additional housing. She said the State has moved ahead of any local legislation that they've proposed relative to this issue. She said based on some of the discussions that have occurred, the Community Conversation being held on Saturday, May 5th would be a very good time for the Commission to participate in the discussion. She said there is also the potential to increase density in smaller lot zoning.

Chair Targ said the community conversations are a great idea. He said one of the things that happened during the Planning Commission discussions of adding ADUs and adding additional density to some of the smaller lots was that they gave direction to have a working session involving Woodside Highlands, focused on those types of neighborhoods to get real participation from the people most directly affected. He requested again that there be a working session before this body. He asked Commissioner Taylor, who lives in Woodside Highlands, to draft a letter to Council addressing this particular issue. Commissioner Hasko agreed to assist Commissioner Taylor with the letter.

Chair Targ asked how many permits had been drawn both last year and this year, and whether that total of 11 could be attributed to a more robust economy or to the change in the ordinance. Interim Planning Director Cassidy said the numbers are for building permits issued, which are better numbers to build from than planning permits, which occasionally do not come to fruition. Commissioner Taylor said it would be helpful to include a spreadsheet, not just the HCD form, which clearly shows the actual progress. Commissioner Taylor said he would also like to see the model showing the percentages used to distribute the ADU numbers on the tables.

Chair Targ said the Planning Commission has previously asked for an analysis of how ADUs are actually being used. He asked if any progress has been made on that request. Interim Planning Director Cassidy said she has no hard data for how they are being used. She said whenever staff speaks to an applicant who is thinking about building an ADU, they gently ask what they're using them for. She said it is not a requirement that the applicant provide that information. She said she has had no applicants specifically say they were building an ADU to rent to a stranger. She said they are almost always used for family, with the occasional plan to use it as guest quarters that eventually aging parents can move into. She said it is not likely that an applicant who can afford to build a new home in Portola Valley would need to build an ADU as an income source. She said, however, there are people already living in town that may benefit from additional rental income and, as policy changes with ADUs are explored, also encompassing the HIP program into the housing discussion could tap an underutilized program and benefit.

Chair Targ asked if the study on how ADUs are actually being used can be done. He said he is not convinced we aren't establishing a lot of fancy pool cabanas. He said if the affordable housing policy is based around ADUs, having some empirical data would be helpful. Interim Planning Director Cassidy said staff could look at different ways of collecting data. She said a mail survey is quite expensive with a low response rate. She said it is possible an online communication may provide a better response rate.

Vice Chair Goulden asked if the ad hoc committee was already collecting this information. Town Council Liaison Wengert said there is a lot going on, not just in this arena, but moving out on multiple prongs in terms of the approaches. She said there are items at the top of the list under consideration, including Town-owned land, affiliated properties, ADUs, etc., with multiple branches coming out of each of those efforts. She said they are attempting, through the community outreach sessions, to see

where sensitivities are, where interests are, what the options will ultimately be, so they can prioritize how much effort to put on the ADU side versus affiliated properties versus Town-owned properties and other things. She said they are hoping that other things may come through with State initiatives that may allow for some different new programs that aren't here yet. She said the Council is currently in the information gathering stage so they can ultimately establish priorities and then move down specific paths.

Commissioner Taylor asked if there was Town concern about the distinction between ADUs that people could live in versus ADUs that people actually do live in. Town Council Liaison Wengert said that question is the heart of ADUs in any community and one that everyone struggles with – Who is using them? How effective are they? Are they really providing housing for people who wouldn't otherwise be here? She said she's not sure those questions can ever be answered, but hopefully some of the things they are looking at as potential future programs could more directly address that, through deed restrictions, etc. Commissioner Taylor said he understands that getting perfectly accurate information is difficult and suggested a targeted survey to the known owners of ADUs. He said if just 80 percent of those people voluntarily described how their ADUs were being used, that would be valuable information. He asked if the Town really wanted to know the answer or if it was good enough to be able to say the ADU requirement is technically being met. Town Council Liaison Wengert said that is a great topic for discussion.

Chair Targ asked the Commissioners' opinions about providing further direction to staff or the Council to advise on methodologies to validate the use of ADUs or more generally understand how ADUs are being used in Town.

Commissioner Kopf-Sill said she is not in favor of formally surveying. She said she worries that only certain people will respond, and the results will be biased. She said casual conversations may bring more accurate results. She questioned how the data would be used. She said even if it came back that 100 percent of ADUs were rented to owners' children, there is still value in encouraging ADUs and does not think it should be legislated who people can rent to.

Commissioner Hasko said she was on the early ad hoc housing committee, and they were very frustrated by not knowing what they were solving for. She said if they are solving to meet RHNA numbers, the Town is in great shape. If they're solving for what the Town Council has said is a high agenda item, they need that information, although it might not be practical to get it. She urged the Commission to remember this is a very big topic leading in many directions all at once. She said what is before the Commission tonight is a very limited scope, and a more fulsome discussion should be agendized if desired. She suggested the Commission give staff direction to assess if other communities similarly situated have actually gone out and gotten this information. She said it can inform the discussions that are happening outside of this limited housing element. She appreciated the difficulty of getting accurate information and also questioned how it would be used, but she said informing policy is a valid use. She said people will not be forced to rent their units, but there may be a policy to make that more attractive.

Vice Chair Goulden agreed that data is needed in order to inform policy. He said the Commission has picked at this one issue although they are not the main group looking at housing. He said he would prefer the main group looking at housing decide what comprehensive data they need and go after it that way as opposed to the Commission funneling individual requests to staff that may or may not fit with what else is going on. He agreed the Commission needs to see the data to make decisions but does not feel he knows enough about the topic to be directing work to staff.

Commissioner Taylor agreed. He said his intention was to direct Town Council Liaison Wengert to take that question to the larger group who could incorporate it in the bigger picture.

Chair Targ pointed out the Planning Commission drafted the Housing Element, which was adopted by Council. He said the cornerstone of the Housing Element is ADUs. He agreed with Commissioner Hasko's suggestion and added that consideration should be given to what methodologies would be appropriate in addition to looking at what other municipalities have done. He said the answer may be there are no methodologies. He asked staff to come back to the Commission at the second Planning Commission meeting following this one with a response. Interim Planning Director Cassidy said they will bring a response to the June 6 meeting.

Commissioner Hasko suggested the statement in the staff report: "...staff attributes this increase to growing attention on housing ..." be deleted if there is no factual basis for it. Interim Planning Director Cassidy said she wrote that statement, which is only in the staff report to the Commission, because since the Town has changed policy, they saw the ADU applications increase. She said, however, that the applicants were not asked if they applied for an ADU because of the change in policy. She said there is no hard data to back it up, but there appears to be a definite correlation. Commissioner Hasko said the phrase could stay in if it was not part of the HCD submittal.

Commissioner Hasko referred to Table C, Program Implementation Status, asking if the Transitional and Supportive Housing Ordinance Amendment was relevant to Portola Valley. Interim Planning Director Cassidy said most of this type of housing is built in apartment form, and it is not likely relevant to Portola Valley. She said that does not mean the Town can't get creative with how such services are provided.

Chair Targ asked if the sizes of ADUs had changed. Interim Planning Director Cassidy said they haven't been tracking the floor area of the ADUs, and she would need to refer to the permits for that information. She said the size allowance has increased. She said the 2015 update increased from 750 square feet to 1,000 square feet. She said with the two new State Law updates, the Town's Code was updated, and the more recent update also allowed for three different levels of ADUs, depending on the property size. She said she hasn't seen a request for a 1,500-square-foot ADU, which is allowed on 3.5 acres. She said more commonly they see people trying to stay within the ministerial permit track, which is under 1,000 square feet. Chair Targ asked staff to come back and report on the change in size of the ADUs since 2015.

COMMISSION, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

3. News Digest: Planning Issue of the Day

Interim Planning Director Cassidy shared timely articles of interest – "San Luis Obispo wants more affordable housing. So it made it cheaper to build smaller homes" and "The Seductive Power of a Suburban Utopia." Chair Targ shared his experience of touring Celebration, the master-planned community in Osceola County, Florida, developed by the Walt Disney Company.

APPROVAL OF MINUTES

4. Planning Commission Meeting of April 4, 2018

Commissioner Taylor moved to approve the minutes of the April 4, 2018, meeting, as amended. Seconded by Vice Chair Goulden, the motion carried 3-0, with Commissioners Hasko and Kopf-Sill abstaining.

ADJOURNMENT [8:40 p.m.]