

CALL TO ORDER AND ROLL CALL

Chair Targ called the Planning Commission regular meeting to order at 7:00 p.m. Planning & Building Director Russell called the roll.

Present: Planning Commissioners: Hasko and Kopf-Sill; Vice Chair Goulden; Chair Targ
Absent: Commissioner Taylor
Town Staff: Laura Russell, Planning & Building Director, and Arly Cassidy, Associate Planner

ORAL COMMUNICATIONS

None.

OLD BUSINESS

(1) Study Session on Accessory Dwelling Units (ADUs): Consideration of Ways to Encourage ADUs in Portola Valley

Chair Targ explained that tonight's meeting is a continuation of the study session. At the last meeting, Items 1 through 9 of the staff report were discussed. Tonight's session will include the discussion of Policy and Code Changes and Next Steps.

Planning & Building Director Russell advised that the staff report, a glossary of terms, and flyers for the upcoming ADU tour were available for everyone. She invited participants to ask staff if they would like more explanation of some of the technical issues.

Associate Planner Cassidy provided the background and discussion items as detailed in the staff report. She explained that this continuation of the study session will pick up on Section 3 of the staff report, Policy and Code Changes.

Associate Planner Cassidy presented Items 10 through 13 under Policy and Code Changes as detailed in the staff report and invited questions.

Chair Targ invited questions from the Commissioners.

Commissioner Hasko asked if staff had data indicating what people are looking for regarding floor area. Associate Planner Cassidy said she did not have that data. She said anecdotally she could state that people often choose to build only up to the ASCC trigger and have frequently asked for more floor area.

Commissioner Hasko asked where Portola Valley's requirements were in comparison to neighboring communities. Associate Planner Cassidy said she would have to research it further, but she knew that Woodside allowed two ADUs on some or all properties.

Commissioner Hasko asked if the utility undergrounding requirements were driven by the natural environment piece of the General Plan or if there were safety issues. Associate Planner Cassidy said her understanding is that it was mostly about design and aesthetics. Planning & Building Director

Russell said there are also sometimes conflicts with overhead lines and trees. It was further noted that there can be conflicts with underground lines and tree roots.

In response to Vice-Chair Goulden's question, Associate Planner Cassidy said it is assumed the ADUs would be subject to the usual AMFA standards.

Vice-Chair Goulden asked about the history of the requirements for covered parking. Associate Planner Cassidy said she would guess it was about design aesthetics and maintaining the rural feeling by not seeing cars.

Vice-Chair Goulden asked if there is a separate undergrounding requirement just for the new ADU as opposed to redoing the main house. Associate Planner Cassidy said that whether the wires from the main panel to the ADU would be considered separately needs clarification. She said the code generally refers to the connection from the pole to the house. She said she would assume that once a property is required to underground, all of their wires must be underground. She said if that requirement is not in place, wires might be strung above ground, although she thinks that is unlikely. Vice-Chair Goulden said he was thinking about the possible situation of separate meters.

Commissioner Kopf-Sill asked if the Fire Department was okay with using driveway aprons and gravel areas for parking. Associate Planner Cassidy said she has not checked with the Fire Department specifically on this issue but that fire truck turnaround is supposed to be kept free.

Commissioner Kopf-Sill asked if she knew how built out and dense Portola Valley would be if everyone were allowed to use their total floor maximum. Associate Planner Cassidy said she does not have a number, but said that most applications come in pretty close to the maximum. She said more often than not they see 1,000- to 3,000-square-foot homes being replaced with houses of 4,000 to 6,000 square feet.

Chair Targ asked about the CEQA process and noted that the decisions about what to move forward could impact the CEQA analysis. Associate Planner Cassidy said staff has begun thinking about the exemption for complying with State law, looking at other jurisdictions and is in touch with 21 Elements, the San Mateo County organization.

Chair Targ asked about the anticipated cost for undergrounding utilities for a separate ADU. Associate Planner Cassidy said she doesn't have a specific figure. She said it ranges quite a bit, depending on distance, whether it has to go under a road, if there are grading changes, if it's difficult to dig up and repave, etc. She said typically, ADUs are farther from the front of the property, and there would be the additional cost of running the wires.

Chair Targ invited questions or comments from the public.

Bruce Roberts, 40 Hillbrook. Mr. Roberts said his two-story home, built in approximately 1960, is on a one-acre lot. He said his second story is approximately 3,500 square feet with four bedrooms and three bathrooms. He said downstairs is approximately 1,632 square feet with two bedrooms and two bathrooms. He said his father lived downstairs with a bedroom for the caregiver, a kitchenette, a front room. There is also a covered parking place for his father and the caregiver. He said now that his father has passed away, he would like to turn the downstairs into an internal ADU. He said an internal ADU should have no floor area limitation because it is within the existing structure of the home. He said his ADU is well over the 1,000- or 1,200-square-foot limit. He said in his case, all of the electrical for both floors comes into the same place, and he would prefer not to underground.

Michael Boskin, 150 Corte Madera Road. Mr. Boskin said he has lived in his home since 1974. He said he wants to build an ADU, but his property is just under .9 acres. He said they appreciate the consideration and hope that a good set of proposals will be adopted soon. He said the Town is under enormous pressure from the State to provide affordable housing. He said the alternative is not a minor variation on the theme, and the Town will be forced to have a much denser population. He suggested any changes made are consistent with what the Town has done to defend itself against additional demands from the State. He said it is important that external ADUs have a separate address as a practical consideration for mail and utilities and, more importantly, to designate them as separate low-income housing. He said many friends and neighbors want to stay in town and not be forced to move somewhere else or into the Sequoias. He said it is necessary to do something sensible, aside from the State regulations, to accommodate that wish in a reasonable manner. He said everybody wants to retain the character of Portola Valley, and it makes sense to have sensible restrictions regarding setbacks that maintain the character of the town. He urged the Commission to sensibly accommodate the needs, desires, and demand for new ADUs expressed by the current residents of Portola Valley.

Virginia Bacon, 205 Golden Oak Drive. Ms. Bacon said she's lived in Portola Valley since 1972. She said she is concerned about sewer and septic. She said she is on a septic tank system and adding an ADU would be exorbitantly expensive to connect to the sewer. She said she would like the ability to add another septic tank, which has not been addressed. She said it would be easier for people to manage a separate address with separate utilities.

Carrie Diller. Ms. Diller said she is an architect who focuses on ADUs. She said they've been looking at one on their in-laws' property on Escobar. Ms. Diller said the ADUs are typically pulling electrical, water, and gas from the main residence and then trench back. She said the new State laws allow pulling off the main house without adding a new service. She said there will need to be trenching for gas, water, and sewer, so to ask for undergrounding electrical would be a minimal cost. She said the difficult cost would be undergrounding the main service from the main house, even if the 200-amp upgrade is triggered due to the second unit. She said they focus a lot on senior housing for their clients. She said there is no ADA code that mandates housing to be accessible to seniors. She said when they choose to make bathrooms and bedrooms accessible, square footage is being added. She said only about one in five houses in the United States is designed for aging in place, with most having hallways and doors that are too narrow, stairs, etc. She said building separate units to allow people to stay in their community with a caregiver often requires more square footage to be accessible.

Chair Targ asked Ms. Diller to expand on her thoughts about ADU size. Ms. Diller said they have surveyed the boomer generation and found they are not looking to live in an open studio loft area, but are trying to replicate their state of being. She said having things like multiple accessible bathrooms with adequate turning radius, caregiver suites, and a kitchen with an accessible turning radius and side access, requires more space. She said an accessible ADU can be creatively achieved in 1,000 square feet, but if the goal is trying to provide for aging in place, 1,200 or 1,500 is more amenable to keeping the quality of life the same.

Bud Eisberg, 233 Wyndham. Mr. Eisberg said there was a situation in his neighborhood 10 or 15 years ago where someone was replacing a furnace and wanted to add an air conditioning unit. But it triggered an upgrade from their 100-amp service, which turned it into a very expensive problem. He said it is important to research the costs of sewer and undergrounding so as not to add to the burden. He said he is supportive of simplifying the process, but said it is particularly important that the offsite impact be considered with units on small lots. He said he would hope that could be handled by a couple of ASCC members reviewing instead of several meetings and a full review.

Lindsay Bowen, 195 Portola Road. Mr. Bowen asked how many lots in Portola Valley have second units. Associate Planner Cassidy said there are 1,700 parcels in Portola Valley and approximately 220

ADUs. Mr. Bowen asked how many parcels were larger than one acre. Associate Planner Cassidy did not know that number. Chair Targ said that information is available and can be provided at the next Planning Commission meeting.

With no further public comment, Chair Targ brought Item #10, ADUs on All Parcel Sizes, back to the Commission for discussion.

Commissioner Hasko said she was generally supportive of expanding the access to ADUs on smaller parcels. She said the way it is done will be particularly sensitive. She said she would want reassurance on safety and infrastructure and the parameters that might be imposed to meet Fire Department needs. She said there may be a difference regarding attached or detached ADUs that makes sense on smaller lots, and she would be inclined to be permissive depending on safety aspects and impacts on neighbors. She said it will be important to determine the appropriate level of review for that. She said there may be design requirement differences for smaller lots that might be more appropriate, and she would like the ASCC's input on that.

Commissioner Kopf-Sill was supportive of allowing attached or detached ADUs on lots of any size, considering the allowable floor area is still limited. She said she would prefer ASCC review for building heights on smaller lots. She said there are some neighborhoods that feel dense with narrow roads, and she would be concerned about a lot more cars and more density on those roads – i.e., Santa Maria, Wayside.

Vice Chair Goulden said he generally would not want ADUs treated separately. He said there seem to be a lot of piecemeal regulations with caps here and there to try to limit things, which should be avoided. He said, for example, saying ADUs are allowed on any size lot, but with review of setbacks. He said design, for example, doesn't need to have an ASCC review, but there must be some element of design review. He said the unintended consequences of making it more open should be considered, perhaps building into the overall code rules to prevent unwelcome problems.

Chair Targ said he shared the concerns about health and safety. He said some of the roads are substandard and in extreme fire danger locations, and he would be concerned about density increased there. He said it could be potentially addressed as a general matter with design criteria that takes into consideration capacity of the roads, circulation, and acceptability and accessibility of the roads for safety vehicles. He said he considers ADUs distinct from primary units, and there are issues of density and intensity of the zone in which they're located that can be impacted if increased by a potential factor of 2. Chair Targ said he is supportive of having no minimum lot size requirement if there is prescriptive design criteria. He said that would lead to allowing attached ADUs on smaller lots. He said the ASCC should review, at least on the consent calendar, smaller lot ADUs. He said staff could put together a recommendation, taking into full consideration design review criteria, and then sent to ASCC on their consent calendar so they would have the opportunity to pull it from the consent calendar for review. He said that would create some uncertainty to the applicant, but would maintain a level of quality assurance, particularly in the case of smaller lots where the impact may be greatest, and also create the opportunity for greater public involvement wherein neighbors may be more impacted in a more densely built-out area.

Commissioner Hasko agreed that in a denser environment she would want the process to include a notice component.

Planning & Building Director Russell said that in another community she worked in, there is a requirement upon submittal of certain types of applications that the applicant has already reached out to neighbors, indicating how the neighbors have been noticed and the comments received. Commissioner Hasko said she would want a more formalized noticing process to provide the ability to

have a discussion. Chair Targ said that would be a useful supplement, but does not replace Town notice. He noted that conversations between neighbors may be different, and the comfort level may be different than in a more public forum. Planning & Building Director Russell clarified that the preliminary reaching out to neighbors would be in addition to formal public notice. Commissioner Kopf-Sill said she supported requiring the applicants to also reach out to the neighbors. Vice Chair Goulden said they often advise applicants to speak with neighbors so he would support a reminder on the application package.

Associate Planner Cassidy provided a brief review of Item #11, Floor Area Allowed for ADUs.

Chair Targ asked if trip generation was based upon max floor area or number of rooms. Planning & Building Director Russell said it is based on the type of dwelling unit. She said single family home dwelling units have an ITE rate, for example, and it does not take into consideration number of bedrooms or size.

Commissioner Hasko said there is a large consensus that people have an interest in increasing the allowable size. She said she would support maintaining a maximum, but would consider how to thoughtfully increase it to be workable for the people who want to stay in town and the people that need more available housing. She said if there are no parameters, there will be a different allocation of built space. She wants to know what's going on in nearby communities as helpful benchmarking. She said she would consider different maximums for attached and detached, such as the basement example described by Mr. Boskin. She said she would still have concerns about intensity of use, but being within the footprint of the existing building eliminated the concerns about the appearance of density when driving through a neighborhood. She said, depending on the changes made to the max size limits, consideration should be given about sizes that may require additional criteria.

Commissioner Kopf-Sill said she would be supportive of removing all ADU maximums while staying within the AMFA, with ASCC being triggered at the current numbers. She said an ASCC review should not be waived on a 2,500-square-foot home just because it is an ADU. She said staying within the AMFA could possibly result in more modest main homes to allow for larger ADUs. She said the maximum sizes should not be different for attached or detached ADUs.

Vice Chair Goulden was supportive of Proposal #2 if the second structure really is an accessory dwelling unit and not just a way to effectively subdivide a lot. There should be a criteria such as a percentage of the main house. He said having trigger points for review should be part of the new set of processes.

Chair Targ said he shared the concern about effectively subdividing lots. He said he would recommend changing the maximum floor area for 1- to 2-acre parcels and also at 3.5 acres if it has two units on it, from 1,000 to 1,200 square feet so that a different demographic could take advantage of the ADU. He would not support having an unrestricted size being only bound by the AMFA. He said that would change the character, the massing, and the feel, and has the potential for significantly changing the intensity of the use.

Planning & Building Director Russell said they would not be allowing the subdivision of lots. She said the question is if two units equal or close to equal in size would be acceptable or not. She said the question is, if it starts to become a duplex situation with two evenly-sized units, what does accessory really mean in this context, and what are we trying to achieve? She said there appears to be some support from the Commission with design criteria with units becoming more equally sized and also some concern about that.

Vice Chair Goulden said there should be some definition of accessory unit that works for the community. He said he would like to get rid of a lot of the extra rules for ADUs and make it more generalized, but at the same time not end up with an effective subdivision. He said he would want something additional in the code to ensure a duplex situation is not created. He said he does not want to loosen rules so much so that other problems are created. He said he wants to assure that the code achieves the desired goal while remaining as simple as possible.

Commissioner Kopf-Sill said she was not averse to two equal-sized houses. She is less supportive of one 7,000-square-foot house than two smaller homes on one lot.

Commissioner Hasko said the goal is to create additional housing – hopefully affordable, hopefully suitable for seniors. She said if that is the goal, it may not be necessary to have the freedom to create two equally-sized houses on one lot. She said when you are walking down a street it is a different experience to see equally sized houses versus a house and an accessory structure that is attached or detached. She said she thinks it would create a different environment, and she would prefer to have an accessory dwelling unit defined in a way that is more reflecting of the community.

Vice Chair Goulden said Palo Alto, for example, has much smaller lots, more expensive than Portola Valley. He said if the Town allows effectively subdividing lots, the result would be two very expensive homes, which does not address the Town's goals of what they want the ADUs to be used for – such as helping people age in place and providing housing for policemen and teachers.

Chair Targ said he is also concerned about the change of character and feel of the town.

Associate Planner Cassidy provided a brief review of Item #12, Parking.

Commissioner Hasko said her concern is maintaining safety. She said there are areas in town where parking on the gravel right up against the street is not practical if the fire truck can't get by. She said it is not clear why there was the original requirement for covered parking. She said this should all be investigated if it moves the dial on how practical the ADUs will be.

Commissioner Kopf-Sill said she does not want more cars on the street for both aesthetic and safety reasons. She was concerned that less restrictions regarding parking will put more cars on the street. She asked staff how many applicants were deterred because of the current parking rules. Associate Planner Cassidy said she didn't have exact figures, but said it had been a struggle for one or two units. She said additional paving is allowed in the setback for the ADU parking, but that often pushes it closer to the exterior setbacks and visibility from the street. Associate Planner Cassidy said most people do not own four cars so are not using their guest parking spaces on a regular basis. She said the idea here is that applicants would not have to find the additional parking space on more constrained lots if there was some flexibility in providing it for a house with a longer driveway and hammerhead for the fire truck turnaround. She said because most people do not have four cars, it's just a matter of not having to pave or find an additional space when there is not a need for all those parking spaces.

Vice Chair Goulden said he was supportive of allowing the guest space to be used.

Chair Targ said he would not change the parking criteria.

Associate Planner Cassidy provided a brief review of Item #13, Utility Undergrounding.

Commissioner Hasko said that this is a technical topic and she does not know the costs involved so it is difficult to comment. She said if the costs are minimal to go from the house to the ADU, then an exception may not be required. She said she would need more information to opine about whether

encouraging ADUs is more important than undergrounding. She said she does understand how the connection to the main house is relevant to the ADU piece and does not know that the Planning Commission needs to address that connection. She said it did not seem to be a critical component of the decisions people have to make and, if it is a reasonable cost, she would keep it given the other parameters. She said she would need more information if there was a specific proposal.

Chair Targ asked how Commissioner Hasko would consider it if one were required to add a new box for an internal ADU, and they already had overhead utilities coming in. Commissioner Hasko said she was referring to detached units. For internal ADUs, she said that cost of the bigger panel could be out of whack, and she would need additional information in that scenario.

Commissioner Kopf-Sill said news reports indicate that even towns that are very afraid of wildfire due to wires won't pay the high costs to underground. She said it seems a shame to require people underground all the way from the street to their house if they want to build an ADU. She said she supported exempting ADUs from undergrounding.

Vice Chair Goulden asked if the Undergrounding Committee would be looking at this issue. He said it does seem to be a question of what's more important – ADUs or undergrounding – and he would think it would be a different body to study that issue, perhaps the same body who initially made the decision to require undergrounding. Chair Targ said it would ultimately come back to the Planning Commission and then to Town Council. Associate Planner Cassidy said they have not yet discussed this with the Undergrounding Committee. Vice Chair Goulden said he was supportive of being more flexible with the internal ADU.

Chair Targ said his general view is that undergrounding should be required unless the cost is prohibitive, which may or may not be the case with an internal ADU and may not be the case with an external ADU. He suggested pulsing the Undergrounding Committee.

Associate Planner Cassidy said it sounded like the Commission agreed that for a detached ADU any connection from the house to the ADU should be underground and that internal ADUs should have some flexibility. She asked for clarification regarding the Commission's opinion about the connection from the pole to the house for a detached ADU.

Chair Targ said they would need more information.

Commissioner Kopf-Sill said there could be cases where the ADU is sited far from the main house and it would be a shame to require undergrounding between them unless a trench were already being dug.

Chair Targ called for a five-minute break.

Associate Planner Cassidy presented Items 14 through 17 under Policy and Code Changes, as detailed in the staff report, and invited questions.

Commissioner Hasko asked about the negatives regarding second addresses. Associate Planner Cassidy said it is mostly physical impact of the utilities and the mailbox. She said if the ADU already exists, there is not much of a change. She said they are still discussing with the utilities to learn if placing utility boxes at the property edge is a requirement or preference, even with main houses, which could have potential impact of clutter along the streets, which could be mitigated with vegetation and screening.

Commissioner Hasko asked how long the owner-occupancy rule has been in place. Associate Planner Cassidy said it was at least since 2012. She said Kol Peterson, an ADU expert, has said the restriction

is quite common and is one of the main obstructions to ADU creation and people embracing it on their own property. Chair Targ said there had been concerns regarding personal security and potential transients that may be engendered through second units used for short-term rentals.

Commissioner Kopf-Sill asked for clarification regarding the non-residential zone categories. Associate Planner Cassidy said the two main categories are Community Commercial (CC) and Administrative Professional (AP). She said there is also Open Area (OA), which is not very common, that goes along Alpine Road on the way out of town and includes the Alpine Inn. She said most zones are residential.

Commissioner Kopf-Sill asked about the term subservient. Planning & Building Director Russell said the Town does not have a definition yet, but other zoning codes have definition around what is an accessory or ancillary use to the primary use. She said staff will need to develop that language.

Commissioner Kopf-Sill asked if someone could have a commercial garage and build another building that is a side garage with nobody living in it. Associate Planner Cassidy said that was not the intended implication. She said the Town does not currently have any enforcement measure to ensure that someone lives in an ADU. She said the goal of the proposal is building accessory housing in non-residential zones.

Chair Targ said if there was a commercial use where an ADU were built, that would not mean the ADU could be used for a commercial purpose.

Planning & Building Director Russell said commercial uses have CUPs associated with them, so an expansion of the commercial use would trigger an amendment to the CUP.

Commissioner Kopf-Sill asked if a house without an ADU could be rented out however the owners wanted. Associate Planner Cassidy said the Town's current short-term rental restriction only applies to ADUs. She said if the owner lives in the ADU, the main house does not have any short-term rental restriction, which may be a loophole in the intent. Associate Planner Cassidy said she has seen various options employed by other jurisdictions – some requiring CUPs, yearly renewals and reviews.

Vice Chair Goulden asked how this proposal would be different from the process used for something like the Priory. Associate Planner Cassidy said the Priory's housing is part of the Affiliated Housing Program, as described in the General Plan, and also includes the Sequoias and the Stanford Wedge. She said the Town is currently working on expanding that program to other partners, but it hasn't happened yet. She said the Affiliated Housing Program specifically targets the larger landowners and employers with the goal that the housing is restricted to employees of those institutions. She said there is no current requirement in the proposal before the Commission that the unit be rented to an employee, although that would be attractive. She said it would also likely be much smaller commercial uses such as Roberts Market, the Garage, the Deli, and Village Square – with the idea being there would be fewer units, perhaps fewer restrictions on who could rent them, and likely a much more subservient or accessory feel. In response to Vice Chair Goulden's question, Associate Planner Cassidy said their CUPs could be reopened and brought to the Planning Commission to add the ADU use. Planning & Building Director Russell said that is potentially more process and people with existing CUPs are cautious to reopen them.

In response to Chair Targ's question, Associate Planner Cassidy confirmed that ADUs are allowed in all residential zones. She said the limitation is based upon the size of lot, and there has to be a main residence in existence on the residentially-zoned parcel.

Chair Targ invited public comment.

Bruce Roberts, 40 Hillbrook. Mr. Roberts said the Alpine Hills Tennis Club has an employee who travels from Manteca daily. He said there is a .75- to 1-acre parcel behind Roberts Market, which seems like a great place for housing, maybe at a higher density. He said most important to him is a second address. He said it would keep the utility rates down for both parties. He said his basement unit is set up for that if it is ever permitted. He said his property at one time had three driveways, and they removed one at the Town's request. He said he is not in favor of short-term rentals.

Lindsay Bowen asked if a fallout shelter would be considered an ADU. Associate Planner Cassidy said that would depend on the specific proposal. She said it could be an ADU. Associate Planner Cassidy said an ADU would be a full living unit that includes a full bathroom and kitchen facilities, electricity, and a stovetop. She said without those things it is just considered extra space, and if it is not under a building, it counts as floor area.

Michele Morhenn, 5 Buckeye. Ms. Morhenn said that as the owner occupancy requirements are discussed, there should be a clear understanding of the landlord-tenant law, which may be changing statewide. She said if a property owner wants to move, but has a lease with a tenant, the owner cannot necessarily evict the tenant. She said this puts the owner in a difficult place if they can't rent out the main residence.

Chair Targ said the issue of septic tanks should be flagged but not addressed right now. Associate Planner Cassidy said sewer and septic connection was considered at the Town Council Study Session and was put in the category to look at later. If a property is on septic and it is not sized correctly, it would need to be expanded, which would be a normal process. She said there was a proposal to work with the County to look at alternatives with gray water and black water systems, but that would be a much longer process. Planning & Building Director Russell said the Town Manager has done the original outreach to County Environmental Health to start the conversation, but it will take a while. Chair Targ asked that a note be sent to Virginia Bacon regarding that issue.

Chair Targ invited discussion regarding Item #14, Allowing ADUs in All Zones.

Commissioner Hasko said she was previously part of an ad hoc committee that looked at this issue, perhaps adding apartments above some of the more viable structures. She said it serves to create density where there is already some construction and does not take away from the open landscape. She said she is not sure how much would be viable space, but she would support looking at the issue. She said, for example, she has no idea if Roberts Market would be interested in building something new. She said she would support exploring the idea, but did not know how practical it would be in the end.

Commissioner Kopf-Sill said on the surface, this proposal appears desirable by allowing employees to live closer to their jobs. She said she worries, however, that someone could build a 1,000-square-foot unit and rent it for \$3,000 a month, which is not affordable housing. She asked how enforcement would work to make sure the units are rented to employees. She said, for example, if the PV Garage was allowed to build up to their floor area maximum, they might choose to build several small ADUs in their parking lot. She said she wouldn't want to see business owners deciding it would be more profitable to build and rent out houses rather than operate their business. She pictures one or two units on a property as acceptable.

Vice Chair Goulden said he has no objection to it. He asked whether it would help if we can't control what people do with them. He said that question should be explored before initiating a lot of low-level changes. He said the business owners' level of interest in building ADUs should be gauged before spending a lot of time on it.

Chair Targ asked if residential units were generally permitted as conditional uses in the commercial or nonresidential zones. Planning & Building Director Russell said residential is permitted in the AP zone. Chair Targ said he could imagine adding ADU as a conditional use within all zones, but further consideration would need to be given to simply providing it either as a ministerial or as-of-right opportunity. Vice Chair Goulden said if the hesitancy was about asking the Planning Commission, perhaps an extra right could just be added. Chair Targ said the underlying zoning would need to be modified. He said where it was not permitted, it would also need to be determined if there was consistency with the General Plan. He said creating an additional Conditional Use in an area that isn't designated for that land use under the General Plan may require a General Plan amendment. Associate Planner Cassidy said the hinge is accessory, the same way an ADU does not change zoning or single-family nature of the property. Chair Targ asked if the use was changed, for example, from commercial industrial to commercial industrial with the opportunity for residential, even if it's accessory, it may be a bridge too far because of the change to the underlying use designation. Chair Targ recommended creating an additional use under a CUP.

Chair Targ invited discussion regarding Item #15, Second Addresses.

Commissioner Hasko said it made sense to allow second addresses. She said it will be a meaningful right of the residents of the ADU to have an independent unit. She said the ASCC can help with the issues around post boxes. She said there have been a lot of utility boxes placed in very ugly places, and she would recommend figuring out what has to happen there versus what's being requested. She said she would allow but not require it because not everyone wants a second address.

Commissioner Kopf-Sill was supportive of the proposal. She agreed second addresses should be allowed but not required. She said she is the Chair of the Emergency Preparedness Committee, and her first instinct would be that they did not need to be involved in creating a process or reviewing address assignments. She said they would probably just look to the Fire Chief's advice.

Vice Chair Goulden and Chair Targ were supportive of allowing but not requiring second addresses.

Associate Planner Cassidy provided a brief review of Item #16, Second Driveways.

Commissioner Kopf-Sill asked if an ADU that was built more than 150 feet from the roadway but had a fire truck turnaround would be allowed. Associate Planner Cassidy said having the fire truck turnaround would probably be satisfactory, but she would need to confirm that.

Commissioner Hasko said she has reservations about this. It has a real potential to impact the look and feel of the town and traffic patterns, parking, etc. She said if this were shown to be a significant factor in people's decisions to build ADUs, it should be looked at, but she would not be supportive of this proposal without a lot of limitations. She said she is not convinced this is a driving factor in people's decisions to build an ADU.

Commissioner Kopf-Sill said she was not supportive of allowing second driveways unless very necessary. For bicyclists, every driveway is a hazard.

Commissioner Hasko said the horse community would not be supportive of more driveways. She said there have been accidents on paved driveways, and people do not always conform with the requirement to score.

Vice Chair Goulden said this proposal goes too far toward subdividing. He said on the occasions where this could make sense it could go through the variance process.

Chair Targ agreed with his fellow Commissioners.

Associate Planner Cassidy provided a brief review of Item #17, Owner Occupancy & Short-Term Rentals. Planning & Building Director Russell said these items became grouped together because of how the research happened and how they checked with other cities and towns. She said they do not have to be coupled and can be separated.

Chair Targ invited discussion regarding the owner occupancy aspect of Item #17.

Commissioner Hasko said in a small town, people building additional units on their property impacts neighbors, and the community should be participating in the decision-making regarding what happens on their neighboring property. She said it is important to have some nexus to the community when building the ADU. She said it might make sense to require a certain amount of residency over some period of time instead of at the time the ADU is being built. She said having people building investment properties does not feel right to her.

Commissioner Kopf-Sill supported removing the owner-occupancy requirement because it is difficult to enforce and because it would cause a problem if the owner did need to move.

Vice Chair Goulden said the questions are: what the Town is trying to accomplish, and what they are legally able to restrict? He said he was surprised that Councilmembers were interested in removing the restriction. He said all of the discussions about aging in place or having a place for children or the nanny to live have been connected with owner occupancy. He said there can be a process to deal with exceptions such as when an owner needs to move. He asked if there would be an attempt to limit something else in terms of usage of the units that was closer to what the Town really has in mind. He said if he were asked to decide today, he would not be supportive of removing the owner-occupancy requirement because that would seem to be opening up a regular rental community rather than ADUs. He said they should figure out a process to deal with the potential problems mentioned.

Commissioner Kopf-Sill said if somebody built an ADU and rented it to a teacher for a low price and then rented the main home to the teacher's family at a low price, that would be a good thing. Vice Chair Goulden agreed, but did not know how that could be regulated or if it was even legal to do so. He asked if the ADUs were really meant to help the community or merely to become rental units.

Commissioner Hasko said if the owner-occupied rule is not currently being enforced, it may not be an impediment to applicant decisions.

Vice Chair Goulden agreed that property is more valuable if the owner has complete flexibility on what to do with it. He said the whole point of the General Plan is to limit that flexibility to make the community nicer.

Chair Targ said there are compelling arguments in both directions. He said there is not the expectation today that everybody is going to own a house. He said the idea that in order to have a good and right community there should be a preponderance of home ownership may be changing. He said, given the fact of the current housing situation, having two units instead of one unit available for rental that is comparatively easier to get into and out of may be desirable. He said he could be supportive of removing the owner occupancy requirement.

Commissioner Hasko said the question is if someone can build an ADU if they are not physically occupying the main residence. In response to Commissioner Hasko's additional question, Associate Planner Cassidy said that under the current code, the applicant would not be able to build an ADU and then rent out both the main house and the ADU. Commissioner Hasko asked how that would be

enforced. Associate Planner Cassidy said there is no deed restriction in place although the HCD strongly recommends that a deed restriction be used if such an owner-occupancy requirement is stated in the code. She said the Town needs to make a change in one direction or the other. She said if there is an owner-occupancy requirement or a short-term rental restriction on any units or houses, a deed restriction is the most effective legal tool to enforce those restrictions. She said, however, it adds an impediment.

Commissioner Kopf-Sill asked about the consequences of violations of the restriction. Planning & Building Director Russell said every community she's worked in has deed restrictions recorded, but she has never had a violation that required follow up. She said enforcing that deed restriction, even though it is recorded against the property, could be a challenging legal position. She said it would take a significant action by the Town Attorney. Planning & Building Director Russell said by and large the people in this community try to abide by the regulations.

Vice Chair Goulden said he is more interested in the question of what the Town is trying to achieve with the ADUs. He said he would like to better understand if other communities regulate what can be done with ADUs or if there are incentives to use them in certain ways. Associate Planner Cassidy said the most common tool that she is aware of is waiving fees in exchange for a deed restriction that the unit will be rented affordably. Planning & Building Director Russell said all the fair housing laws come into play so there could be a deed restriction by income category as defined in the Affordable Housing HCD regulations, but other factors could not be taken into consideration.

Commissioner Hasko predicted that deed restrictions would get a visceral reaction in Town. She said she does not think they are the right way to go and is not even sure they're enforceable. She said she would not invest a lot of time and effort there. She said the two-teacher scenario is probably already out there and that's great, but to open it up more formally and have speculative real estate investors come in to take advantage of the lucrative housing market is not the goal. She said for those reasons she was more in favor of owner-occupancy with a lot of flexibility for those invested in the house and community. She said since it is not being enforced anyway, she does not see how important it is.

Commissioner Kopf-Sill said if it's not being enforced or can't be enforced, then it should be removed or it penalizes the people trying to follow the rules. She said there are a lot of active and good people in the community who do not own their homes.

Chair Targ noted his agreement.

Chair Targ invited discussion regarding short-term rentals.

Commissioner Kopf-Sill said she was shocked to learn that short-term rentals were allowed of regular houses or ADUs on owner-occupied properties. She said there should be a 30-day restriction on everything. She asked staff if that was more easily enforced. Planning & Building Director Russell said it is more complicated than that. She said a broad restriction not been thoroughly vetted and discussed as part of this process, but they would like to hear any feedback from the Commission.

Commissioner Kopf-Sill said she would want all rentals to be restricted to being rented for 30 days or longer. She said there would be more opportunity for enforcement and community pressure to not allow short-term rentals.

Vice Chair Goulden agreed.

Commissioner Hasko said she doesn't understand why the disconnect in the rules exists. She agrees with 30-days or longer, and the rule should apply similarly. She said that it is not being enforced

practically, but complaining goes a long way. She said she does not want to over-legislate, but said it makes no sense to retain disconnects like this.

In response to Commissioner Kopf-Sill's question, Associate Planner Cassidy said there is no rule about how many people can live in an ADU or a house. Planning & Building Director Russell said it becomes problematic to put regulations around the composition of a household and the number of people that live in a household because of basic Constitutional rights.

Chair Targ said he didn't see how short-term rentals situations would promote affordable housing in Portola Valley. He would support harmonizing the two and keeping the requirement to 30 days or longer.

Chair Targ said next steps is that a write up of these items will go to the ASCC to address process issues, to the Underground Committee to evaluate the undergrounding issue, a letter to Virginia Bacon to let her know the issue of septic systems is being considered, and there may be an additional forum in which public comment will be taken. He said the results of the ASCC meeting will be processed by staff and some ordinance language will come back to the Planning Commission in a couple of months. Associate Planner Cassidy said the goal is to bring everything back to the Commission on November 7. Chair Targ suggested that it would be difficult to bring all of that information in that timeframe. He said he would not expect they would have the CEQA documentation by that time. Planning & Building Director Russell said they are not proposing to bring a complete package for approval, but are proposing to bring draft language for discussion and molding.

Commissioner Hasko said there is also information that needs to be processed before she would be comfortable commenting even on a draft ordinance. She said there were a couple of points that she indicated she did not feel well enough informed to comment on.

Planning & Building Director Russell said staff will try to balance all of the Planning Commission's interests as well as what they've heard from the Council and think about the appropriate package to bring back.

COMMISSION, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

(2) Commission Reports

None.

(3) Staff Report

Planning & Building Director Russell said she and Associate Planner Cassidy recently attended the Cal APA conference in San Diego, and she included the Conference-At-A-Glance in the staff packet to give them a sense of what kinds of sessions they and all the other planners attended.

(4) News Digest: Planning Issues of the Day

Planning & Building Director Russell shared an article of interest with the Commissioners – "Turn schools into teacher housing? Unique idea sparks backlash in Bay Area community."

APPROVAL OF MINUTES: October 3, 2018.

(5) Planning Commission Meeting of October 3, 2018

Vice Chair Goulden moved to approve the minutes of the October 3, 2018, meeting with the following amendments:

- Page 5, first paragraph, revise to “He said, for example, a basement in the ordinary context is not thought of as bedrooms whereas it may well turn into space for bedrooms in an ADU.”
- Page 6, first paragraph, change “lot size” to “floor area”
- Page 6, one-third way down, remove “cost” and just leave “benefit”;

Seconded by Commissioner Kopf-Sill, the motion carried 4-0.

ADJOURNMENT [9:55 p.m.]