



TOWN OF PORTOLA VALLEY

7:00 PM – Regular Meeting of the Planning Commission
 Wednesday, May 15, 2019
 Historic Schoolhouse
 765 Portola Road, Portola Valley, CA 94028

REGULAR MEETING AGENDA

7:00 PM - CALL TO ORDER AND ROLL CALL

Commissioners Kopf-Sill, Targ, Taylor, Vice-Chair Hasko, Chair Goulden

ORAL COMMUNICATIONS

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

NEW BUSINESS

1. Preliminary Review of a Proposal to Amend the Zoning Map, John Hanson & Sausal Creek Associates, LLC, 846-850 Portola Road, File # PLAN_ZONA 1-2018 (A. Cassidy)
2. Annual Report on Cannabis Land Uses Ordinance (A. Cassidy)

COMMISSION, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

3. Commission Reports
4. Staff Reports
5. News Digest: Planning Issues of the Day

APPROVAL OF MINUTES

6. Planning Commission Meeting of May 1, 2019

ADJOURNMENT

ASSISTANCE FOR PEOPLE WITH DISABILITIES

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Planning Department at (650) 851-1700. 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 Library located adjacent to Town Hall.

PUBLIC HEARINGS

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



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Planning Commission

FROM: Arly Cassidy, Associate Planner

DATE: May 15, 2019

SUBJECT: Preliminary Review of a Proposal to Amend the Zoning Map, John Hanson & Sausal Creek Associates, LLC, 846-850 Portola Road, File # PLAN_ZONA 1-2018

RECOMMENDATION: Staff recommends that the Planning Commission offer comments, reactions and directions to assist the applicant to make any adjustments or clarifications that Commissioners conclude are needed before considering formal action on the application.

APPLICATION

On November 30, 2018 staff received an application for an Amendment to the Town's Zoning Map. The application requests that three parcels, identified as 846, 848 and 850 Portola Road, be rezoned from Administrative-Professional (A-P) to Single Family Residential (R-1). The three addresses share a single access driveway from Portola Road (See diagram on next page). In addition to the required forms, the applicant submitted the following documents and plans:

- Rezoning Application Attachment 1
- Plan Sets Available at Town Hall & Planning Commission Meeting

To view plan sets and proposed materials before the meeting, visit Town Hall Monday – Friday, 8am – noon, 1pm – 5pm.

Review Required

The following sections of the Portola Valley Municipal Code were used for the project's review:

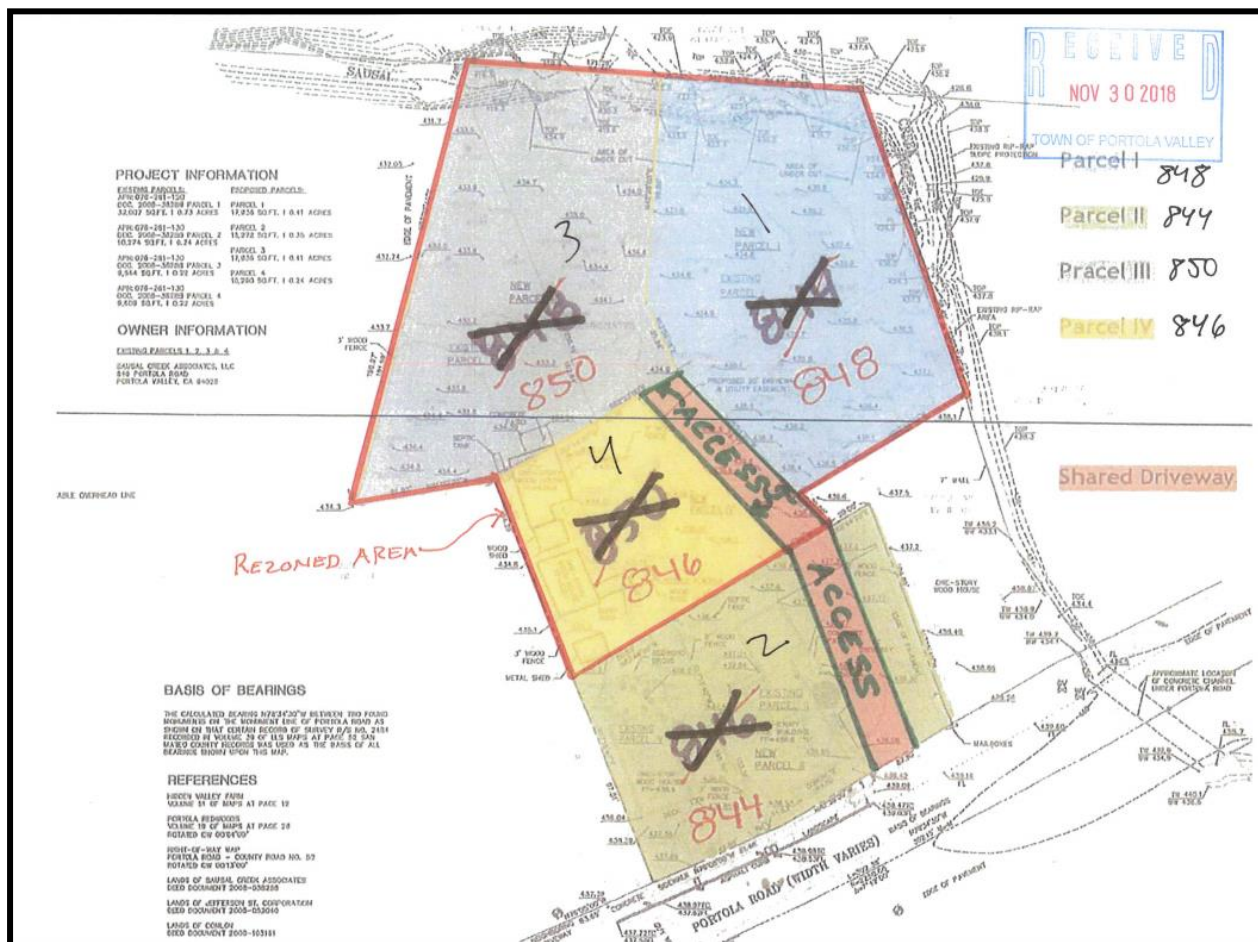
PVMC Section	Chapter Title	Section Title	Meaning
18.74	Amendments and Reclassifications	Planning Commission – Findings – Recommendations	The Planning Commission must find that the proposal meets certain conditions in order to recommend approval. Town Council is final approving body.

Background

The rezoning application was made by John Hanson, owner of 846 Portola Road, and Fred Krefetz, on behalf of Sausal Creek Associates, LLC, which owns 848 and 850 Portola Road. If approved, the zoning amendment would apply to these three parcels. A fourth parcel, 844 Portola Road, known as the Hallett Store, is also owned by John Hanson but is not included in this rezoning application.

In 1996, the four parcels, then under different ownership, were the location of a Planned Unit Development (PUD) and tentative map approved for five senior housing units. Due to the expense of a retaining wall to support the creek bank at the rear of the property, as well as other required site improvements, the application decided not to pursue the project and allowed the approvals to expire.

In 2015, the Planning Commission approved an application for a Lot Line Adjustment (LLA) for the existing four parcels. The approved map represents the current property lines at the site today, and includes an access easement which travels across both 844 and 846 Portola Road in order to provide shared driveway access to the two rear lots.



In 2016 the properties at 844 and 846 Portola were purchased by John Hansen; Sausal Creek Associates, LLC, (SCA) owns the remaining properties at 848 and 850 Portola Road. Mr. Hansen then submitted an application for a Conditional Use Permit (CUP) to create a PUD at

846 Portola Road, in order to apply zoning standards similar to the R-1 Zoning District. That application was discussed by the Planning Commission on August 1, 2018 (Staff Report and Minutes, Attachments 2 & 3), but no action was taken. On November 30, 2018, John Hansen and SCA submitted for the current Zoning Map Amendment application, which proposes to rezone all three of the rear properties from A-P to R-1.

Under separate applications, SCA gained approvals from the ASCC on February 25, 2019 for a new single family home on each of their two lots. The A-P zone allows single family homes by right, and the two houses were designed according to the A-P development standards.

PROJECT DESCRIPTION

Setting

Parcel Area	Easements/ Trails	Surrounding Properties	Existing Conditions
<u>846 Portola</u> 10,290 SF (Gross) 8,390 SF (Net)	Creek and fault line setbacks at rear of 848 & 850.	East: houses which contain office uses. North across Sausal Creek: residential uses in Woodside. West: Village Square and C-C zoning. South: Hallett Store. Across Portola Road: an open field and Christ Church, in R-E/3.5A zoning. All surrounding properties are within the Town Center Area Plan of the General Plan.	Rear parcels (848 & 850) are undeveloped but have entitlements. Story poles for separate development application at 846 are up on the property.
<u>848 Portola</u> 17,936 SF	Access easement across 846.		
<u>850 Portola</u> 17,936 SF			

Description

The application is to amend the Town's Zoning Map to change 846, 848 and 850 Portola Road from A-P to R-1 zoning. There is no physical development proposed as part of the rezoning application. A separate application to develop a single family home and ADU at 846 Portola is currently suspended, but would likely go forward if this Zoning Map Amendment were to be approved. That proposal is for a house larger than what is permitted in the A-P zone, and thus would require the proposed zoning map amendment in order to be approvable.

Entitlements for a new house have been approved for both 848 and 850 Portola Road under the A-P zoning. The owner of these parcels, SCA, is a co-applicant for the zoning map amendment application, but has made no indication to staff that it plans to change its current entitlements if this application is approved.

The Rezoning Application document (Attachment 1) includes the applicant's responses to the municipal code requirements for a zoning map amendment. In sections A, B, and C, the applicant lists a number of supporting documents, describes sections of the General Plan's Town Center Area Plan which apply to the parcels in question, and describes the expected impacts of the proposed amendment, respectively.

STAFF ANALYSIS

The relevant section of the Municipal Code pertaining to amending the Zoning Map is titled Amendments and Reclassifications (PVMC Section 18.74). It describes the submittal requirements, review process, and findings required for a zoning map amendment. Staff has analyzed the applicant's submittal according to the findings described.

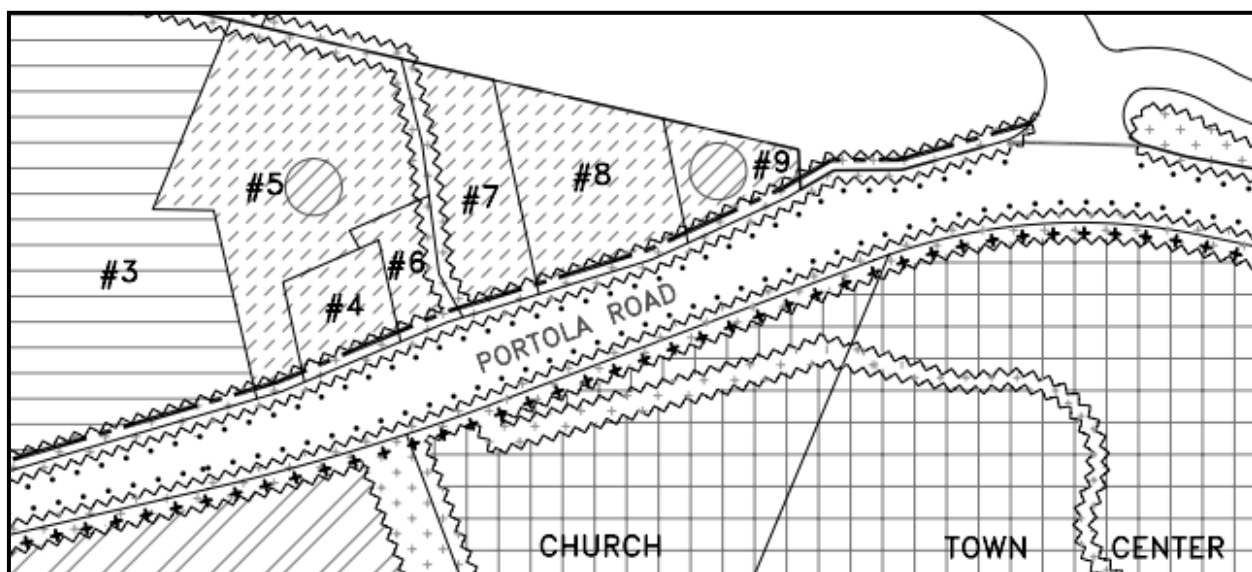
Findings

In order to recommend approval of the proposed amendments to the Town's Zoning Map, the Planning Commission will need to find as follows:

1. That the proposed amendment is in general conformance with the general plan; and
2. That the public necessity, convenience and general welfare require the proposed amendment or any part thereof.

The General Plan Land Use Element (Attachment 4) makes no mention of residential uses within the *Commercial and Research – Administrative* section, either from a point of support or concern. The Town Center Area Plan (Attachment 5) can therefore be used as the main policy guide on this matter.

The Town Center Area Plan discusses all of the commercially zoned parcels in the area individually. The Plan's *Description: Community Commercial and Community Service Areas* section refers to the four parcels at 844-850 collectively as Parcel 5, and describes this parcel as one of two parcels in the plan area where the Town might consider residential uses, should it find that there is an oversupply of commercially zoned parcels (pp. 5-6). Therefore, residential uses on these three lots can be found to conform to the Town Center Area Plan, as they are explicitly allowed for in the Area Plan.



Detail from the Town Center Area Plan Diagram. Circles signify "Alternate Land Use."

In the zoning code, the A-P zone already allows residential use as a principle permitted use. The A-P chapter of the code directly references “Uses permitted by Section 18.14,” which is the R-1 chapter. This means that no additional zoning approvals are needed for an R-1 residential use. (This is why entitlements for the houses on the rear lots required only architectural review by the ASCC, and not use permits from the Planning Commission.)

Based on the submittal packet materials, it is Staff’s understanding that the applicant is interested in building residential units larger than those permitted by the A-P zone. The applicant submitted an analysis of buildable floor area based on zoning, demonstrating that the buildable floor area for each lot would increase under R-1 zoning. Based on this submittal, staff has surmised that the desired impact of the rezoning is the allowance of greater buildable floor area for each of the three lots. No other change to the lots or their development potential is described by the applicant.

Based on preliminary analysis, staff does not find support for creating a larger buildable floor area in the General Plan. The first Standard listed in the *Commercial and Research – Administrative* section of the Land Use Element describes keeping large areas unbuilt within local shopping areas:

- 1. In local shopping and service areas, a small percentage of the total net site area (exclusive of street and road right-of-way) should be occupied by buildings. A substantial percentage of the site area should be left as natural and/or developed as landscaped open space using native plants.*

This General Plan Standard discourages development of a large percentage of any parcel within the commercial areas, which includes the Town Center Area. The applicant’s floor area analysis for the parcels shows that approving the Zoning Map Amendment would increase the buildable floor area for each parcel. The Planning Commission must find that this increase would still be consistent with the General plan Standard above.

(The applicant’s analysis of buildable floor area for 846 Portola is based on the gross floor area of 10,289, and includes the access easement which acts as a shared driveway for the two rear lots. However, per PVMC Section 18.50.020 – Parcel Area, access easements may not be included in parcel area or used to calculate buildable floor area. Instead, the net parcel area (8,390 SF) should be used when calculating the current and potential buildable area.)

The second finding necessary for approval is “that the public necessity, convenience and general welfare require the proposed amendment or any part thereof.” Staff can find no support for this finding in the General Plan, Town Center Area Plan, Municipal Code, or in the applicant’s submittal. These guiding documents allow for R-1 residential uses on the subject parcels, but do not consider the development standards of the R-1 district and the larger buildable floor area which would accompany them. Therefore, based on staff’s preliminary analysis, this finding cannot be made.

Public Comments

Staff has not received any public comment at the time of this report’s publication.

CEQA

The proposed Zoning Map Amendment is found to be exempt from the California Environmental Quality Act (CEQA) under the general rule at 15061(b)(3), as it can be seen with certainty that the activity would have no significant impact on the environment. The proposed amendment would allow larger single family homes where single family homes are already allowed.

Further, the proposed Zoning Map Amendment is found to be categorically exempt from CEQA under Section 15303 of the Guidelines, pertaining to new construction or conversion of small structures. The proposed zoning map amendment would restrict the subject parcels to R-1 zoning, which allows for single family residential uses. Each of these single family homes would be exempt under 15303.

CONCLUSION

Staff recommends that the Planning Commission consider the application, staff report and attached documents, public comment, and any other relevant information before providing comments and direction to staff and the applicant on whether the findings for approval can be made the project as proposed.

ATTACHMENTS

1. Rezoning Application
2. Staff Report to the Planning Commission, August 1, 2018 ([Report with Attachments](#))
3. Minutes of the Planning Commission, August 1, 2018
4. Land Use Element of the General Plan
5. Town Center Area Plan & Diagram

Report approved by: Laura Russell, Planning and Building Director



Hallett Store
 844 Portola Road
 Portola Valley, CA

October 11, 2018

REZONING APPLICATION

Portola Valley Ordinance: 18.74.040 – Accompanying information:

- A. Reclassification of Land. An application for an amendment for any change of district boundaries or reclassification of any land shall be accompanied by maps, drawings and data necessary to demonstrate that the proposed amendment is in general conformance with the general plan and the public necessity, convenience and general welfare require the adoption of the proposed amendment. An accurate legal description and a map of the land and any existing buildings shall be submitted with the application.
- Please see that the following attached maps & documentation:
 - Lea & Braze – Proposed Lot Line Adjustment.
 - Town - Affiliated Affordable Housing Sites.
 - Town - Areas Where Second Units are Allowed.
 - Town – Inventory of Land Suitable for Residential Development.
 - Town - Sausal Creek Parcel Assignment.
 - Town – Zoning Map.
 - Town – Village Square Area Plan Diagram.
 - Lea & Braze – Plats & Legal Descriptions.
 - CJW – Floor Area Limitations.
- B. Change of Classification of a Listed Use. An application for change of classification of a listed use shall be accompanied by information showing wherein there has been a change in process, equipment or procedures employed, or in other methods of operations or ways of serving the public, which warrants or requires the change in classification applied for, including information on such items listed in subsection C of this section as apply to the use under consideration.
- The change from A-P to R-1 is a direct reflection of the General Plan and The Village Square Area Plan that recognized the reduced need in Portola Valley for Administrative Professional Space and that this land would be better utilized as residential.
 - In reference to the attached Village Square Area Plan Diagram, the Town of Portola Valley General Plan, Town Center Area Plan states:
 “**Parcel 5**, designated as community service, lies behind parcels 4 and 6 except for a narrow corridor extending to Portola Road. The parcel in reality consists of three smaller parcels, each of which is a legal parcel having been created prior to the establishment of planning regulations under San Mateo County. This parcel lacks substantial direct frontage on Portola Road. It could be developed for office use if properly related to the parcel in front. If office were developed, consideration should be given to vehicular access to parcel 3 in the north to provide for a higher degree of integration.

On the other hand, based on studies of the town's need for office space, it appears that there is slightly more land designated for commercial and office uses in the town than is needed. The most appropriate alternate use for parcel 5 is for residential purposes. Because the parcel is bounded by commercial property on one side and office property on the other side, it would be appropriate to allow residential uses of a density commensurate with these adjoining uses. This housing could be in the form of either detached or attached units. The appropriate density and design should be controlled through the provisions of the zoning ordinance for planned unit developments, but in no case shall exceed 5.8 housing units per net acre (exclusive of street and road rights -of-way).^{*} Any additional development on the rear of the parcel should be undertaken so as to minimize any adverse effects on the creek and on the residential uses lying across the creek to the northeast.

^{*}This standard is based on the existing minimum lot size of 7500 square feet, which is a density of approximately 5.8 housing units per acre.

- C. Additional information. Such of the information outlined below as may apply to the particular use under consideration shall accompany applications for classification or reclassification of uses:
1. Number of residents, employees, patrons or visitors in relation to the size of the parcel.
 - There will be 3 single family residences on the 3 lots
 2. Probable amount and type of traffic to be generated by the use.
 - Normal residential driveway traffic.
 3. Probable production and emission of dust, smoke, odor, vibration, electrical disturbance, radiation, resulting from the use, or other potentially dangerous or objectionable elements.
 - Normal residential emissions.
 4. Type and volume of materials to be handled in relation to site area.
 - Normal residential materials.



Sausal Creek

October 20, 2016

Floor Area Limitations

Residential improvement of A-P zoned property in lieu of other conditional uses.

Assumptions;

- The properties zoned A-P
- Minimum parcel size is 43,560 square feet for the A-P Zoning District
- The A-P zoning district allows single family dwellings as a principal use in accordance with Chapter 18.22.020 "principal permitted uses in A-P district shall be as follows:"
- Paragraph "B" of article 18.22.020 by reference establishes all uses within Chapter 18.14 – R-1 (Single Family Residential) District Regulations as permitted uses without conditional use permit.
- Chapter 18.14 governs and establishes the rules for all single family residential development.
- When the principal use on the property is single family residential Chapter 18.14 is the governing regulation for development.
- Article 18.14.010 establishes the applicable regulations for all those residential uses.
- Paragraph 18.14.010.B establishes the parcel area, and bulk requirement set forth in Chapters 18.42 and 18.48 through 18.60.
- Chapter 18.42 allows and establishes the regulation of accessory structures while Chapters 18.48 through 18.60 provide for the regulations governing parcel area, open space, bulk, yards, building bulk, impervious surface, landscape, special setbacks, creek setbacks, and off-street parking.
- Article 18.54.050 – Floor Area establishes how floor area is calculated.
- Paragraph 18.54.050.A establishes that floor area is calculated differently between residential and all other uses.
- Under paragraph 18.54.050.A residential floor area is the gross floor area measured from the exterior walls while all other uses floor area is the net usable floor area after allowed exclusions.
- Residential uses are discriminated from other uses.
- Because of the difference established in paragraph 18.54.050.A the maximum allowable floor area of all residential uses must be based on the computational results using Table 1A within Chapter 18.48.
- Table 1A applies to all districts with residential uses. Table 1A was established to provide parity of home and impervious surface sizes while controlling of the overall development intensity based on the carrying capacity of the land.
- Table 1A is the computational path to establishing the adjusted maximum Floor Area for residential uses.

Therefore;

- The floor area limits for each parcel is to be calculated using Table 1A. Attached are the three parcel computations for your review.
- Floor Area Comparisons

Parcel	Residential AMFA	A-P Coverage Limit	C-C Coverage Limit
○ I	3,714	2,690	3,587
○ III	3,727	2,690	3,587
○ IV	3,235	1,543	2,057

Presented initially for discussion with Debbie Pero and Cynthia Richardson by Carter Warr 10/13/16.

Pursuant to the Planning Department request, during the 10/13/16 meeting, this document has been refined to show the regulation flow within the Zoning Ordinance to support the conclusion.

Sausal Creek Parcel III

Building and Site Data

Table IA Computation

Adjusted Parcel Area

Parcel Area

Average Slope

0.4117539 acres
7.4747561 percent

Area of Unstable Ground 920 0.5

Area of flood Plain 0 0.5

Adjusted Parcel Area 0.385805 acres

Adjusted Maximum Floor Area

Floor Area from 20M Combining District

Floor Area from 15M Combining District

3,910
3,623
287

-0.0574

Interpolation

Floor Area from 20M Combining District

Adjusted Parcel Area

3,910

Adjusted Maximum Floor Area

-0.0574

(183)

Maximum Floor Area in a single building

3,727

CJW Architecture

10/20/2016

Notes	FAR	A-P Coverage	FAR	C-C Coverage
	2,331.68	13%	15%	18%
	2,690.40	2,690.40	3,228.48	3,587.20
1*				
			(R-1)-(A-P) delta	(R-1)-(C-C) delta
			1,036.25	139.45
			3,168	

Sausal Creek Parcel IV

Building and Site Data

Table 1A Computation

Adjusted Parcel Area

Parcel Area

Average Slope

0.236208 acres
2 percent

10,289 sf
(103) sf

0.05

Notes
FAR 13% 1,337.60
A-P Coverage 15% 1,543.38
FAR 18% 1,852.06
C-C Coverage 20% 2,057.84

1*

Area of Unstable Ground

0

0.5

Area of flood Plain

0

0.5

Adjusted Parcel Area

0.2338459 acres

10,186 sf

Adjusted Maximum Floor Area

Floor Area from 15M Combining District

Floor Area from 7.5M Combining District

3,623

3,019

604

15,000

7,500

7,500 -0.080533

Interpolation

Floor Area from 15M Combining District

Adjusted Parcel Area

3,623

10,186

4,814

-0.080533

(388)

3,235

3,623

3,235

2,750

0.85

2,750

(R-1)-(A-P) delta 1,691.96

(R-1)-(C-C) delta 1,177.49

Maximum Floor Area in a single building

CJW Architecture

10/20/2016



TOWN OF PORTOLA VALLEY STAFF REPORT

TO: Planning Commission

FROM: Cynthia Richardson, Planner

DATE: August 1, 2018

RE: Review of a proposal to apply the R-1 Zoning Regulations to a .19 acre lot in the A-P Zone District to allow for a 2,316 square foot single family home with a 833 square foot basement and an attached 784 square foot Accessory Dwelling Unit (ADU) by using a Conditional Use Permit and Planned Unit Development process. The property is owned by Pacific States Capital Group and is located at 846 Portola Road and identified as APN: 050-282-150, File 8-2017.

RECOMMENDATION

Staff recommends that the Planning Commission direct the applicant to return with a conforming project using the A-P Zone District regulations.

REQUEST

The property is zoned A-P (Administrative Professional) and is located within the Town Center Area Plan that is a sub-area plan within the General Plan (Attachment 1). The applicants are requesting that the project be considered under R-1 Zoning District requirements where it is currently zoned A-P. The project includes the construction of one two-story single family residence with an attached ADU. The applicants in their request letter (Attachment 2) indicate that the property is unique in nature and in order to maximize the housing possibilities on the site they are requesting a Conditional Use Permit and Planned Unit Development as a mechanism to construct one single family residence.

The letter also requests the approval of an ADU on a lot that is less than the minimum one acre lot size required for an ADU. Staff notes that the ADU Ordinance is currently being reviewed and may allow ADU's on smaller lots; however this amendment has not gone through the public hearing process yet. The applicants have indicated that they feel that the ADU is in the spirit of the Town's Ordinances.

BACKGROUND

There is a long history for the combined four parcels that was once called Sausal Creek Associates. In 1995 the Town adopted an amendment to the zoning map to reclassify the area of the four lots from C-C to A-P. In addition the Town granted a CUP to establish a mixed

residential and office use PUD with senior housing. This project was never constructed and all approvals have expired.

In 2015, a lot line adjustment was approved to reconfigure the subject parcel along with three other non-conforming lots. (File # 43-214, recorded on July 14, 2016). This allowed for each lot to be developed individually as permitted under the A-P zoning district. Within the A-P Zone District single-family dwellings are listed as principal uses. Conditional uses allowed are administrative and professional offices that meet the domestic needs of the residents of the town are allowed such as medical and dental offices, physical therapy, veterinary, real estate, insurance, consumer services, residential care facilities. The staff report for the lot line adjustment is attached for your information and includes historic information on the property (Attachment 3). At the time the lot line adjustment was under review, the Town considered the development of the four individual parcels to be less intense compared to the PUD approved in 1995. The Commission stated that the lot line adjustment resulted in fewer single family residences, more office space, and less square footage total. The Town considered the proposed lot line adjustment to be a less intense use of the parcels and therefore approved the lot line adjustment.

Maximum floor area limits for each lot were discussed on page 6 of the 2016 staff report. It should be noted that the floor area determination contained in the previous staff report did not take into consideration the access easement and that the net lot size does not include the areas of the easement. With the removal of the easement area from the gross lot size, the lot is reduced from 10,290 square feet to 8,395 square feet and thus the floor area is also reduced.

Subsequent to the Lot Line Adjustment approval each of the four lots has proceeded with development including the Hallett Store that obtained a CUP, Variance and Site Development approval and is currently under construction. Staff has received applications for new single family residences on each of the rear lots. The proposals for both rear lots follow the A-P Zone regulations and do not require any exceptions. These two lots are larger in size than the subject property; however, they both have creek impacts and increased creek setbacks.

PROJECT DESCRIPTION

The 8,395 square foot property is accessed through a shared access easement off of Portola Road. Located to the west is Village Square Shopping Center, to the east an office building, to the rear are two vacant parcels and to the south is Hallett Store. The request includes the construction of a 2,316 square foot house (833 square foot basement not included) with an attached 784 square foot ADU, new driveway, patios, fencing and landscaping.

The project data table found below compares the zoning requirements that would apply for the A-P Zone District and the R-1/20M Zone District. The 20M combining district was used due to its close proximity to the project site. The proposed project exceeds the maximums for the A-P Zone District in maximum floor area, front, side and rear setbacks and proposes an ADU on a parcel less than one acre.

Project Data Table

Lot Size	Gross 10,290 Net 8,395 (.19 ac)				
Existing A-P Zone	Code Requirement A-P	Maximum Applied to Lot	Code Requirement R-1/20M	Maximum Applied to lot	Proposed
ADU allowed	1 ac min	0	1 ac min	0	1 (784 sf)
Max Floor Area	13%	1,091	3,074 max	3,074	2,316 sf (not incl. 833 sf basement)
MFA in main house	NA Garage space doesn't count	1,091	85%	2,613	3,149
Max Impervious Surface	NA	NA	2,381 max	2,381	3,000
Height	28	28	15'/28'	15'/28'	25'-7"
Front Setback	50	50	20	20	17 (with averaging)
Side Setbacks	20	20	10	10	10
Rear Setback	20	20	20	20	17 (with averaging)
Parking Spaces	2 spaces: can be uncovered doesn't count towards FAR	2 spaces: can be uncovered doesn't count towards FAR	2 Garage 2 Uncovered	2 Garage 2 Uncovered	2 Garage 3 Uncovered
ADU Parking	1 space	1 space	1 space	1 space	1 space
Required Landscaping	40% in front yard	760	25%	475	820 (43.2%)

DISCUSSION

The applicant's request is for a Planned Unit Development which is authorized through a Conditional Use Permit. The following discussion includes an analysis of key General Plan and zoning requirements and staff's assessment of whether the project is consistent with those requirements.

General Plan

The Town Center Area Plan discusses each of the parcels located within the planning sub-area. Four parcels make up the Parcel 5 (Attachment 4) that is discussed in the plan. The plan states that residential use is appropriate for this site and that the density should be controlled through the PUD process. An excerpt of the plan is paraphrased below.

6316- "The most appropriate alternate use for Parcel 5 is for residential purposes. Because the parcel is bounded by commercial property on one side and office property on the other side, it would be appropriate to allow residential uses of a density commensurate with these adjoining uses. This housing could be in the form of either detached or attached units. The appropriate density and design should be controlled through the provisions of the zoning ordinance for planned unit developments, but in no case shall exceed 5.8 housing units per net acre (exclusive of street and road rights-of-way)."

- Staff Analysis: The Area Plan considered all of Parcel 5 which was 1.41 acres. The language encouraging housing and a PUD was intended for one development site. At that time, the Town would not have contemplated the future lot line adjustments which created four parcels that could be developed individually. Therefore, the Area Plan language supporting a PUD need not be applied directly to the subject site, which is only a small portion of the original Parcel 5.

Planned Unit Development

The purpose and intention of a Planned Unit Development (PUD) outlined in the Portola Valley Municipal Code (PVMC) Section 18.44.010 (Attachment 5) provides for diversification in use and in the relationships of various buildings, structures, and open spaces in building groups and variations in the allowable heights of buildings and structures, while insuring substantial compliance with the provisions of the code. Development is intended to achieve a higher quality of development through better adjustments to terrain and greater preservation of natural features that could otherwise be achieved.

- Staff Analysis: As proposed, the project would not achieve a higher quality of development than what would be allowed by the base zoning. Due to the small project site, there are no benefits in regards to terrain or preservation of natural features associated with the project.

General requirements of a PUD (PVMC Section 18.44.050) in all districts require the property be in one ownership and include an area of at least ten acres or be bounded on all sides by streets, public open spaces, boundary lines of less restricted zoning districts or other conditions which the Planning Commission finds would make the parcel more desirable to develop as a single unit.

- Staff Analysis: This property is .19 acres and does not meet the size limitations or the surrounding requirements outlined in the municipal code. Staff finds that no physical conditions exist that make this project more desirable to develop under the PUD provisions.

Residential planned unit development requirements outlined in PVMC Section 18.44.060 (Attachment 6) indicates that a residential planned unit development is a development consisting of single-family dwellings, together with related uses serving only the individual

planned unit development. Related uses may include a community stable, provisions for park and recreation areas, open space, wooded conservation areas or residential open space preserves.

- Staff Analysis: The Code language further clarifies the purpose of residential PUDs; they are intended for sites with multiple homes and associated amenities. This .19 acre parcel does not include any related uses that would benefit the residences of the PUD.

The residential PUD requirements outlined in PVMC Section 18.44.060.J discusses housing in C-C and A-P Zone Districts. This section allows for single family homes in these zoning districts and requires that the number of units, floor area, impervious surface, parking, height and setback limits be compatible with adjoining and nearby existing and permitted uses. The project data table found above in this report compares the zoning requirements that would apply for the A-P Zone District and the R-1/20M Zone District which the applicants are requesting for their project. The 20M combining district was used because it is the closest residential zone to this parcel.

- Staff Analysis: The project exceeds the maximums for the A-P Zone District in maximum floor area, all setbacks and proposes an ADU. The table below is a comparative analysis of the properties in the Town Center Area Plan.

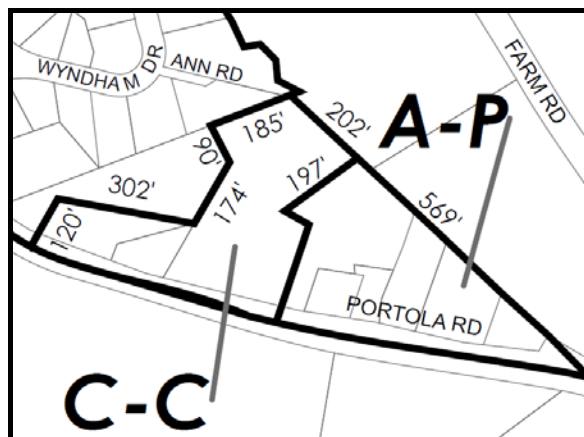
Staff compared the intensity of use for the 11 properties that surround the project site. The table below indicates the proposal exceeds the average floor area ratio which is calculated to be 16.7% for the lots listed. The highest floor area ratio is 35.5% and the lowest is 8.6%. The proposed project has a floor area ratio of 37.5% which is higher than the average and higher than the densest surrounding property; therefore staff finds that the project is not compatible with adjoining and surrounding uses.

[Table on following page]

Analysis of Town Center Properties Table

Property Address	Zone District	Net Parcel Size	Type of Use	Floor Area Square Foot	Floor Area Ratio
846 Portola Rd (Proposed PUD, CUP)	A-P	8,395	Single Family Residence and ADU	3,149 (Includes 833 of basement)	37.5%
846 Portola Rd (Conforming)	A-P	8,395	Single Family Residence	1,091	13.0%
900 Portola Rd	C-C	69,696	Windmill Preschool	7,327	10.5%
888 Portola Rd	C-C	11,327	Douglas Property Commercial and Single Family Residence	4,020	35.5%
886 Portola Rd	C-C	98,097	Village Square Commercial and Single Family Residence	15,492	15.8%
850 Portola Rd	A-P	17,936	Single Family Residence	Proposed SFR 2,332 Not including garage	13.0%
848 Portola Rd	A-P	17,936	Single Family Residence	Proposed SFR 2,332 Not including garage	13.0%
844 Portola Rd	A-P	13,192	Hallett Store Commercial	2,910 Existing non-conforming	22.0%
838 Portola Rd	A-P	7,750	Bennicas Commercial	838	10.8%
828 Portola Rd	A-P	21,206	Commercial	1,824	8.60%
808 Portola Rd	A-P	25,347	Commercial	5,816	22.9%
802 Portola Rd	A-P	10,974	Single Family Residence	1,764	12.60%

Zoning Map



Location Map



Conditional Use Permit

The PUD process requires that a CUP be applied to the project to control the uses proposed. The Conditional Use Permit (CUP) process (PVMC Section 18.72) is used for uses declared to possess characteristics of such unique and special qualities as to require special review to determine whether or not any such use should be permitted in a specific location. The Planning Commission should evaluate the CUP for compliance with the findings listed in PVMC Section 18.72.130 provided below.

- a. *The proposed use or facility is properly located in relation to the community as a whole and to land uses and transportation and services facilities in the vicinity.*
 - b. *The site for the proposed use is adequate in size and shape to accommodate the proposed use and all yards, open spaces, walls and fences, parking, loading, landscaping and such other features as may be required by this title or in the opinion of the commission be needed to assure that the proposed use will be reasonably compatible with land uses normally permitted in the surrounding area and will insure the privacy and rural outlook of neighboring residences.*
 - c. *The site for the proposed use will be served by streets and highways of adequate width and pavement type to carry the quantity and kind of traffic generated by the proposed use.*
 - d. *The proposed use will not adversely affect the abutting property or the permitted use thereof.*
 - e. *The site for the proposed use is demonstrated to be reasonably safe from or can be made reasonably safe from hazards of storm water runoff, soil erosion, earth movement, earthquake and other geologic hazards.*
 - f. *The proposed use will be in harmony with the general purpose and intent of this title and the general plan.*
 - g. *The proposed use shall serve primarily the town and its spheres of influence, the approving authority must find that it is reasonable to conclude, based on the evidence before it, that the proposed use will meet a need in the town and that a majority of the clientele of the proposed use will come from the town and its spheres of influence.*
- Staff Analysis: The proposed project includes more intensive development than the surrounding area. The new residence would have reduced setbacks and increased floor area compared to the surrounding properties. The floor area ratio for this parcel would not insure the privacy and rural outlook of the neighboring residences or properties. In addition this project is not in harmony with the general purpose and intent of the PVMC and the General Plan. Therefore, staff concludes that the findings cannot be made.

Site Development Review

The project was reviewed against the Zoning Ordinance and Site Development Ordinance for project completeness. The proposed grading totals are within the amount requiring ASCC review (100-999 cubic yards). The Town Engineer has reviewed the project and has provided staff with standard conditions.

The Town Geologist, in his memo dated June 19, 2018 (Attachment 7), recommended approval of the site development permit, with continued involvement of the geotechnical consultant in the building permit process. The Town Geologist outlined on page 2 of his report the difficulties of constructing a basement on this site due to the shallow ground water. The basement will require a conservative design and diligent construction will be necessary to adequately mitigate the geotechnical hazards.

In addition the Fire Marshal and the Conservation Committee have performed their reviews of the proposed project and have provided staff with conditions for the project.

PUBLIC COMMENT

No public comments have been received.

CONCLUSION

Based on the analysis of the General Plan, Planned Unit Development requirements, and findings for approval of the Conditional Use Permit above, staff concludes that the Planned Unit Development is not the appropriate approach to development at the subject site. Therefore, staff recommends that the Planning Commission direct the applicant to return with a conforming project using the A-P Zone District regulations.

ATTACHMENTS

1. Vicinity Map
2. CJW request letter dated July 28, 2017
3. Lot Line Adjustment staff report July 14, 2016
4. Town Center Area Plan Parcel 5
5. PVMC Section 18.44.010 PUD
6. PVMC Section 18.44.060 PUD requirements
7. Comments from Town Geologist, dated June 19, 2018
8. Architectural Plans (Commission only)

Report approved by: Laura Russell, Planning Director



Commissioner Kopf-Sill moved to approve Resolution No. 2018-9, making the required findings and approving the requested amendment to Spring Ridge LLC Conditional Use Permit and Exhibit "A" Conditional Use Permit Conditions of Approval. Seconded by Vice Chair Goulden, the motion carried 3-1; with Commissioner Taylor opposing.

NEW BUSINESS

- (2) **Review of a proposal to apply the R-1 Zoning Regulations to a .19 acre lot in the A-P Zone District to allow for a 2,316 square foot single family home with an 833 square foot basement and an attached 784 square foot Accessory Dwelling Unit (ADU) by using a Conditional Use Permit and Planned Unit Development process. The property is owned by Pacific States Capital Group and is located at 846 Portola Road and identified as APN: 050-282-150, File 8-2017**

Planner Richardson presented the history of the parcels and the project description, as detailed in the staff report. She said there was a field meeting scheduled at the property today, but there was no quorum so it was not held. She said the Planning Commission may decide to reschedule the site visit. Staff recommended the Planning Commission direct the applicant to return with a conforming project using the A-P Zone District regulations.

Vice Chair Goulden asked if there were any guidelines around why zoning would be changed. Planner Richardson said the zoning was not being changed. She said the applicant was using the measurable aspects of the R-1 Zone District in the PUD [Planned Unit Development] process to create a project of this size.

Commissioner Kopf-Sill said she also thought they were being asked to approve a zoning change. Planner Richardson said the A-P Zoning allows for single family residential, and the applicant has not requested a zoning change.

Commissioner Taylor clarified that the applicants were not asking for a zoning change. He said the application was also not in compliance with the R-1 Zoning regulations.

In response to Vice Chair Goulden's question, Planner Richardson said the PUD is not considered multi-family. She said it is a single-family residence with an ADU; however, an ADU is not allowed in this zoning district or on a lot this small.

With no further questions from staff, Chair Targ invited the applicant to comment.

Carter Warr said he was acting as an advisor to John Hansen, the property owner. He said the architect, Tim Peterson, was also present. Mr. Warr said they had hoped for a more informal setting when it was agendaized in November of last year so the issues could be discussed before they spent a lot of time developing detailed plans. He said they wanted to come before the Commission to discuss some anomalies in the Zoning Ordinance. He said only two Districts in Town use a floor area ratio directly proportional to the size the lot – the A-P and the C-C Zoning Districts, at 13 and 15 percent respectively. He described historical parity issues between homes on larger properties and smaller properties. He said that during his 21 years on the ASCC, they worked at creating parity so that if you had a small property next to a big property, the homes and their relative improvements would be more in keeping with each other. He said, as a consequence, the R-1 Zoning District was completely revamped in the way those numbers were created so that the smaller properties were not disadvantaged as much and bigger properties were substantially reduced in their opportunity. He said the residential use is calculated completely different from office use, which would be the normal way to use this property, and it presents a problem. He said the General Plan has identified this land as best

used as residential, which is what the owner desires. He said, however, the difficulty is in using the A-P numbers, where on a 10,000-square-foot lot, you can only build an 1,100 square-foot building, which makes for a very small residence. If the lot were residentially zoned, for example, in the Wyndham or Brookside neighborhoods, the home could be approximately 3,100 square feet on a lot of this size. He said the need for offices in town is very low. He said this proposal is in conformance with the General Plan and the way the Town has governed residential development, both in numbers and use. He said they anticipate the Town will be moving to allow ADUs on properties of less than one acre. He said while the development may not be compliance with the zoning, it could be found to be in compliance with the spirit of the Town and the way the parity was developed in the 1990s for residential use.

Mr. Warr said he also served on the ASCC when the Area Specific Plan was developed for this property. He said there was a lot of discussion by both the ASCC and Planning Commission regarding the appropriate uses for this property, and it was decided and recommended that residential use was appropriate. He said the Planned Unit Development that was previously approved, but abandoned with the lot line adjustment, allowed for five single-family homes of about 3,200 square feet. He said the Planning Commission arrived at that figure by figuring the balance of the back of the property divided equally among five properties and compared the numbers to the R-1 Zoning District. He said the setbacks between those buildings were similarly defined to be in compliance with the spirit of the R-1 Zoning District. He said this is now a single property inside of that overall property, and it is logical that development under the R-1 Zoning District would make sense.

Mr. Warr pointed out that since that time, there has been ever-growing pressure for affordable housing. He said one unit of 1,100 square feet versus a 2,300 square-foot home plus a 700- or 800 square foot home would do substantially more to improve the opportunity for housing in Portola Valley on a property that wouldn't normally have been developed. He said the issues of higher quality, better design, diversification, and providing amenities can be found, although not in the way the Town has traditionally looked at PUD use. He said they feel that providing additional housing stock in an affordable way on a property that otherwise would not ever have it is a substantial reason to support this effort.

Chair Targ disclosed that Warr Associates is helping his family with an unrelated project.

Chair Targ invited questions from the Commissioners.

Chair Targ asked who owned the adjacent properties that were formally part of the subdivision. John Hansen said he owns Lot 4 and the office building under an LLC. He said the owners of the back two lots are also present – Fred Krefetz and Tom Lodato. In response to Chair Targ's question, Mr. Hansen said there is no operating agreement or partnership among the three of them. He said the other two gentlemen initially owned all four parcels, and he purchased two of them in November 2016.

Commissioner Kopf-Sill asked why the previous owner abandoned the attempts to develop. Mr. Warr said the previous project suffered from poor economy, timing, costs associated with the creek rehabilitation, and the need for additional studies for the bank stabilization. It was decided that a similar economic return could be developed by using the existing four lots that were previously on record, realigning them into a more rational use pattern. Commissioner Kopf-Sill said rezoning seemed much more to the heart of the issue. Mr. Warr said this was one of the reasons he wanted a study session in November, before they spent so much time and money, so they could have the opportunity for the Planning Commission to opine about their preferences. If the Planning Commission preferred rezoning the back three lots, a consortium could be developed to apply for that. Mr. Warr said a PUD can be found approvable, even on this small property, as an A-P Zoned property.

Commissioner Taylor asked if the square footage of the main house included the basement. Planner Richardson said the main house is 2,316 square feet, not including the 830 square-foot basement, plus the 784 square-foot ADU. Mr. Warr said the proposal is 175 square feet bigger than the R-1 Zoning District will allow, including the ADU, but not including the basement, which doesn't count in the R-1 Zoning District. He said if the Planning Commission could find that the R-1 Zoning District makes sense, the applicants could reduce the size by 175 square feet. Mr. Warr said the ASCC has the opportunity, in all cases on small properties, to allow 100 percent concentration.

Planner Richardson said garage spaces counted toward floor area in the R-1 District, but not in the A-P Zoning District.

Commissioner Taylor asked what were the smallest, largest, and average setbacks. Mr. Warr said 17 feet is the minimum, and the average is in excess of 20. He said 16 feet is allowed in that Zoning District. Planner Richardson showed the setbacks where the averaging provision was used.

In response to Commissioner Kopf-Sill's question, Planner Richardson said the building envelope under the A-P Zoning District is roughly 1,000 square feet. Mr. Warr said the building would require a basement and a second story.

Chair Targ invited public comment.

Georgia Bennicas, owner of 838 Portola Road, the small adjoining parcel. She said any buyer of this property was aware of all of the restrictions involved going in. She said she actually looked at the property before she bought hers, but chose not to get it because of the restrictions. She said she already feels like the store has somehow expanded and grown and feels very crowded. She said the amount of coverage this project is proposing is very out of the spirit of what Portola Valley is supposed to be about. She said they can build 1,000 square feet with a 1,000 square-foot second story and an 800 square foot basement, and she does not want to see it a lot larger than that as an adjoining neighbor. She said that's what she assumed would be there when she bought her property, and a bigger building would never be allowed there. She said the buildings on the properties behind her represent 13 percent of the coverage, and hers is at 10 percent. She said if a variance is allowed for the subject property, she will apply to do the same thing on her parcel.

Bud Eisberg, 233 Wyndham. Mr. Eisberg was on the ASCC during many of the iterations on this property. He said he has also been part of the affordable housing ad hoc committee and attended the recent affordable housing meetings. He said, understanding that the Town may be going toward allowing ADUs on smaller than one-acre properties, he found the design very interesting and creative – with a garage between the attached ADU and the main structure. He said he does not find the project to be out of character. He said it is an odd parcel, and something creative can be done there. Chair Targ asked Mr. Eisberg to speak to the issue of the character of the massing and of the floor area ratio of this particular structure. Mr. Eisberg said the massing is mainly influenced by the views from offsite. He said although there has been an objection to this from one neighbor, from Village Square he did not think there would be any particular problem.

Fred Krefetz said he owns the rear two lots in partnership with Tom Lodato. He said it is a unique situation, but they, as the rear property owners, have no objections to the proposed project. Chair Targ asked Mr. Krefetz if he had plans for development of their site. Mr. Krefetz said they do, and if this variance is approved, it would perhaps have an impact on what can be approved for his property. As of right now, he said they are in design conceptualization and working with staff for a project that will fully conform to the current Zoning Guidelines.

With no further public comment, Chair Targ brought the item back to the Commission for discussion. Chair Targ apologized for not attending the site walk this afternoon. Chair Targ reminded the Commission of the preliminary nature of the issue and suggested looking at the project in general terms as well as in terms of the findings that need to be made.

Vice Chair Goulden said he is not comfortable with the proposed approach in dealing with this property. He said there are too many exceptions and attempts to make things fit that do not fit. He said if the Town does approve it, a precedent will be set for other properties in the vicinity. He would have preferred to consider a zoning change for the entire area.

Commissioner Kopf-Sill said she shared Vice Chair Goulden's discomfort. She said she was not sure she would approve the R-1 Zoning, but felt that discussion would address the question more directly. She was not supportive of an application for an ADU on a parcel smaller than one acre before the Town considers changing the regulations.,

Commissioner Taylor agreed with the other Commissioners and said he was not sure the ASCC would be able to make the findings to support the 85 percent rule. He said this will impact the neighbors. He said there is an expectation that if you buy in a certain zone there are specific rules for that zone. He said either the zoning should be changed to avoid having so many exceptions or the applicants should stay within the rules of that zone.

Chair Targ said he is more sympathetic to the idea of adding density in general. He said the form of the ADU and the connection to the primary residential structure is an interesting path. He was not supportive of a PUD, which felt like a spot zone by another name. He said he thinks of a PUD for preservation of space to gain particular efficiencies. He said the idea of a tiny PUD for the sole purpose of generating additional density is something that bears some thought. He said he would feel more comfortable, even with the different ownership structure, with a PUD for this area encompassing the different lots. He said he would also be comfortable in thinking about a change in zoning more generally. He said a .19-acre PUD is unusual. He said looking at the upcoming development also raises questions. He said it is a difficult site, and flexibility and thought about it is useful. He said real intentionality has gone into the design. He said the ADU issues are not even pending before Council yet.

Commissioner Taylor said this would potentially set precedent for R-1 and A-P. While he appreciates it is a special lot in an odd place, he said there are too many exceptions to be made across multiple zones, and he would like to find a cleaner way to get through it.

Chair Targ invited comment by the applicant.

Mr. Warr asked if there was a consensus amongst the four Commissions present that they would prefer to see this as a rezone.

Commissioner Kopf-Sill said she did not want to leave the impression she would be in favor of rezoning. She would have to look at it as a package, and she doesn't know much about rezoning. She said she was only commenting that rezoning felt like a more direct path to address the question.

Vice Chair Goulden said he is not sure he would approve a change in zoning, but it appeared to be what is going on here. He said it would be more effective to rezone the whole area. He said all of the historical discussion appeared to show it was clearly the intent to it being an A-P Zone. He said this appears to be a request for a different zoning designation.

Mr. Warr referred to the Area Specific Plan. He said the recommendation for Parcel 5, of which his project and the two rear lots are a majority, is that rezoning would not require a change to the General Plan. He said he had hoped for a study session versus an application review. He said they're trying to head toward a rational solution. He said the reason an ADU became part of the application was to sweeten the deal and the improvement, providing a 2,300 square-foot house and a below market rate house at the same time – two housing units more affordable than anything else in town. He said this was the mechanism to rationally use the residential use and the Town's and State's desire to improve the housing stock.

Mr. Warr asked if there was a consensus with the Planning Commission that improving the housing stock is a valuable effort. Chair Targ said generally, it would hopefully be the policy of any jurisdiction to improve the housing stock and achieve affordable housing goals. He said that's not the issue before the Commission. He said one of the issues is character, and there has been some concern about the size and intensity of the use in this location. He said they've heard issues of potential precedential effect of the decision made, both for the two properties under consideration as well as, more broadly, in R-1 and A-P, as well as potentially getting ahead of Council's ADU decisions. He said there would likely be affirmative responses to the questions Mr. Warr asked as individual pieces – if the property should be put to a good and beneficial use and if there should be more quality and affordable housing in Town. He said the answer of whether or not findings could be made that this is a conceivable land use tool to allow the applicants to do what they're proposing is less clear. Chair Targ said he would rather see an application for a PUD than a rezone of this little nub of property, and it would be more consistent with the General Plan.

Mr. Warr asked if there was any specific direction from any individual Planning Commissioner or a consensus for what they should do next.

Commissioner Taylor said the simplest thing to do would be to provide something to fit in the A-P Zoning designation. He said they could look at what would be required to rezone this to R-1. He said the ADU will be problematic until the ADU discussion is held. He said putting 3,200 square feet on .19 acres is going to raise serious discussions. Mr. Warr said a design without an ADU would be easy to do, but they were providing it hoping the Planning Commission saw it as something of value. He said if it was .19 acre elsewhere in town that was residentially zoned, it would be allowed, such as on Wyndham. He said the ASCC would have to make a finding to collapse that much floor area in one building, but it would be allowed. Commissioner Taylor said in the Woodside Highlands, there was a slightly larger property, and the ASCC didn't make the findings to allow going over the 85 percent, and the applicant could not rely on the presumption that the finding can be made. He pointed out there was a dissenting neighbor who would oppose that finding.

Vice Chair Goulden said he has a hard time answering Mr. Warr's question because there are so many exceptions to consider.

Mr. Warr said adding a couple of smaller residences in this location will do more for the Town than any 1,100 square-foot office building ever would. He said he's argued for a couple of decades with the Planning Commissioners and the Town Council that if housing is desired, something must be zoned for it. He said there is no property in town zoned for it and, consequently, none has ever been built because none has ever been proposed. He said until the Governor demanded that ADUs could be approved by right, the Town didn't do anything. He said there needs to be consensus developed around the concept, and then something done about it. He said he had an owner who thought this was a good idea, something he might like to live in, that meets his lifestyle, and maybe his kids or helpers could live in the guest house. He said previously, the Planning Commission saw fit to approve more than 16,000 square feet of residential use on a combined 33,000 square feet of space, asking for only one below market rate unit. He said he's providing a below market rate unit for only 2,300 square feet.

He said he was hoping for a little more encouragement because this is a property that has fumbled and stumbled for 30 years, and something good needs to come out of it. He said even if all three properties were rezoned, it would result in only 10,000 square feet of residential use, versus the 16,000 that had been previously approved.

Commissioner Taylor said there will be three separate projects that aren't related to each other, except for in historical reference. He said if it was a PUD, it would be looked at differently, but it is a single piece of property.

Mr. Warr said he appreciated the opportunity to discuss and have what was essentially a study session today. He said they will take the comments and go back and see what needs to be retooled and bring it back before the Commission.

Chair Targ and Commissioner Taylor asked to take a site tour. Mr. Warr said he would lead a site tour. Mr. Warr said he was hoping to truncate the time. He said if it was continued to a date specific to a field meeting, they can avoid re-noticing and avoid another 10-day delay. Chair Targ said while he understands the burden, it can't happen right now without giving the absent Planning Commissioner the opportunity to participate. Mr. Warr pointed out they have been waiting since November just to have this meeting. He added there were three units of affordable housing on this property that were torn down as a consequence of the lot line adjustment.

Commissioner Taylor asked Mr. Warr how he makes sure an ADU gets used for that purpose and doesn't just become additional living space. Chair Targ suggested that issue be discussed at another time.

COMMISSION, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

(3) News Digest: Planning Issues of the Day

Associate Planner Cassidy shared articles of interest with the Commissioners – “California Achieved its Climate Goal; How the Hard Part Begins” and “CityLab University: Inclusionary Zoning.”

In response to Chair Targ's question, Planning & Building Director Russell said there were no minutes included for review in this staff packet but that they would be available for review at the next meeting.

ADJOURNMENT [8:35 p.m.]

Town of Portola Valley General Plan

Land Use Element

Last amended March 11, 2015

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Land Use Element

Introduction

- 2100 The land use element sets forth guidelines for land occupancy and describes the location and distribution aspects of land uses. Land use interrelationships and land use circulation relationships are also defined.
- 2101 Land use proposals in the plan include those for residential areas, those for community facilities and services, and those for region-serving facilities. For the purposes of this plan, all land uses are discussed separately in the following sections: residential areas; parks, recreation areas and open spaces; commercial and research - administrative areas; institutions; and public facilities and services. In these sections, objectives, principles, and standards are given, followed by a description of the plan proposals.

General Objectives

- 2102
1. To provide for residential uses and related facilities and services that will preserve and enhance the quality of living enjoyed by local residents.
 2. To maintain the natural character of the planning area and to provide for limited park, recreation and open space uses in appropriate scenic areas where the uses will be compatible with the maintenance of the residential nature and quality of the planning area.
 3. To minimize the need for non-local traffic to penetrate the planning area.
 4. To minimize consumption of energy from non-renewable sources and to encourage the use of renewable energy sources while preserving the scenic and aesthetic qualities of the area.

5. To encourage and, where appropriate, require the conservation of water in new and existing developments and buildings.
6. To ensure that development in areas subject to geologic, fire and flooding hazards is controlled so that people and structures are not exposed to unacceptable levels of risk.

General Principles

- 2103
1. The planning area should have the low intensity of development which is appropriate to its location on the fringe of the urban area of the Peninsula and should provide a transition between urban densities of adjoining communities and non-intensive land uses west of the skyline.
 2. Uses of land should include homes, open spaces, agricultural pursuits and such other private, office and commercial uses as are required to serve the frequent needs of local residents.
 3. In addition to uses serving primarily local residents, public, private and limited commercial recreational facilities serving a broader area would be appropriate in locations on the periphery of the planning area but so located as not to encourage traffic through the town.
 4. Those public and private facilities such as schools, parks, churches, public buildings, stores and offices which serve all or a major portion of the planning area should be grouped in readily accessible centers to the greatest extent permitted by site and location requirements of the individual facilities.
 5. In any development within the planning area, full consideration should be given to the geologic conditions so that development on unstable land can be avoided or minimized.
 - 5.1. In areas subject to flooding, including those identified in the safety element, development shall be precluded or designed to minimize risk.
 6. In order to maintain the rural atmosphere of Portola Valley, all buildings should be subordinate to their natural surroundings in size, scale and siting. Monumental buildings should be avoided.
 7. Non-residential buildings should generally be of small or moderate size and, where groups of buildings are used, connected by plazas, terraces, porches, arcades, canopies or roofs to provide a pleasant environment and safety and shelter to pedestrians.

8. In order to help minimize the adverse effects of higher intensity uses upon lower intensity uses, landscaping areas of primarily native plants appropriate to the site should be provided. Such buffers should be of a size and design that will provide an effective visual buffer.
9. In all developments in the planning area, full consideration should be given to fire protection needs, including those identified in the safety element, and adequate measures should be taken to ensure that these needs are met.
 - 9.1. Development should be limited in areas when fire risk cannot be reduced to an acceptable level and adequate emergency access cannot be provided. Also, recognizing fire protection measures could have adverse effects on native vegetation, development should be configured to minimize damage as well as fire hazard.
10. The rate of development and location of projects should not exceed the capacity of the town, special districts and utility companies to provide all needed services and facilities in an orderly and economic manner.
11. Conservation of energy from non-renewable sources should be considered in the design, improvement, reconstruction and remodeling of buildings.
12. The use of passive and active solar energy should be encouraged in the siting, design and construction of buildings.
13. Where feasible, development proposals should incorporate unified planning for the largest land area practically possible in order to preserve open space, conserve unique natural features of the area, allow logical extensions of the trail and paths system, maximize the opportunities for controlling the extent and impacts of development and otherwise help ensure the application of good land use planning principles.
14. Grading shall normally be the minimum necessary to accommodate development; however, in those instances where increased grading can provide for greater compatibility of development with the natural setting and not cause significant adverse effects on the environment, such grading shall be preferred.
15. For all new developments within the planning area, full consideration shall be given to the fiscal ability of the town and other affected local governmental agencies to provide essential services. When fiscal impact will exceed tax revenue to be generated, provisions may be made to require off-setting fiscal impact fees.

16. In the planning, design, construction and operation of development within the planning area, water conservation should be a high priority.
17. In all new developments, the undergrounding of utilities should be considered a high priority.

Residential Areas

Objectives

- 2104
1. To assure that all building sites and residences are developed in a manner minimizing disturbance to natural terrain and vegetation and maximizing preservation of natural beauty and open space.
 2. To organize residential areas in a manner providing maximum convenience in the daily use of local facilities such as parks, recreation area, commercial facilities and access to major roads, consistent with the attainment of other objectives stated within the general plan.
 3. To provide for the grouping or clustering of residential buildings where this will maximize the opportunity to preserve natural beauty, habitat and open space without generally increasing the intensity of development otherwise possible.
 4. To maintain the present character of established residential areas.
 5. To control the occupancy of parcels so as to:
 - a. Prevent overcrowding of dwellings.
 - b. Insure that occupancy of land and dwellings will be in balance with service facilities such as on-site parking, traffic capacity of access streets and capacity of utilities such as water and sewage disposal.
 - c. Insure against adverse impact on neighboring residences.
 - d. Fix responsibility for use, occupancy and conduct on the premises in relation to town standards and requirements. That is, on each parcel and in each main dwelling, someone must be "in charge" as owners or tenant of the owner.

Principles

- 2105
1. Lands indicated for residential use on the comprehensive plan diagram should be used primarily for residential living, a use of land characterized by a single household occupying a main detached dwelling as the principal use of a parcel, together with uses and structures customarily accessory to a main dwelling in a rural residential community.
 2. In addition to other accessory uses and structures, accessory living quarters within the main dwelling or in a separate structure should be deemed an appropriate accessory use on parcels large enough and under conditions adequate to insure the objectives cited in Sec. 2104.5 are met. Specific limits on accessory living quarters should be included in the zoning ordinances.
 - 2.1. Agricultural uses are encouraged as interim or long-term uses in residentially designated areas provided they are compatible with nearby nonagricultural uses and do not result in the significant degradation of the natural environment.
 3. Population densities within the planning area should be guided by considerations of topography, geology, vegetative cover, access to transportation and services, fire hazards, emergency access, impact on pre-existing residential development and other factors such as:
 - a. The highest densities should be located on relatively level land close to local shopping and service areas, other local facilities and transportation facilities. Densities should decrease as the distance from these facilities increases.
 - b. Population density should decrease as steepness of terrain increases.
 - c. The lowest densities and largest lots should be located on the steepest hillsides on which the town allows development and in mountainous areas where it is necessary to limit storm runoff, prevent erosion, preserve existing vegetation, protect watersheds, avoid potentially unstable ground and maintain the scenic quality of the terrain.
 4. Steep slopes, potentially unstable ground, canyons and ravines should be left undisturbed as residential open space preserves.
 - 4.1 When residences are grouped or clustered in areas where intensity standards require one acre or more per dwelling unit:

- a. Each residence should have substantial direct frontage on a common open space of sufficient size to convey a feeling or being on the edge of a large and significant open space.
 - b. Clusters should generally consist of a small number of detached residences, and each cluster should be well-separated from adjacent clusters rather than interconnected in a linear form.
5. On tree covered buildable slopes, development should be designed to preserve groves of trees as well as individual trees and native understory to the maximum extent possible.
6. (Not used.)
7. To the extent feasible, all structures (including residences) should complement and blend in with the natural setting of the planning area; and to this end, the following principles should be adhered to:
 - a. Structures may be located in existing tree covered areas to the extent possible and still be consistent with slope, geologic and related conditions and the need to preserve locally unique or especially beautiful wooded areas.
 - b. Largely bare slopes and sparsely wooded ridges visible from large portions of the town or planning area should be kept free of structures to the maximum extent possible.
 - c. If development does take place on highly visible barren slopes or ridges, it must be unobtrusive and of a scale and design to maintain the character of the natural setting, and with required planting of native trees and plants where appropriate.
8. In all residential areas of the town, or its spheres of influence, particular attention must be given to the effects of approaching the maximum amount of development permitted on individual parcels. The cumulative effect of buildout under appropriate ordinances and policies should be examined and steps taken to ensure that its effect will not be injurious to the unique and desirable characteristics of each area. Overall development levels as measured by floor area ratios and impervious surfaces should be limited so as to preserve the rural setting.
9. To the extent feasible, the design of subdivisions should retain a representative composition of habitats on the site and their interrelationships.

10. Residential development should not occur in areas subject to flooding as shown on the Flood Insurance Rate Maps issued under the National Flood Insurance Program by the U.S. Department of Housing and Urban Development.

Standards.

2106 Residential areas are shown in four land use intensity categories:

1. **Low-medium**—Existing developed areas where net residential land area per housing unit is less than 1 acre.
2. **Low**—Existing developed areas where net residential land area per housing unit averages from 1 to 2 acres. These areas are generally geologically stable, in only moderately steep terrain, and have good accessibility.
3. Conservation-Residential—Includes:
 - a. Existing developed areas where net residential land area per housing unit averages from 2 to 4 acres.
 - b. Relatively accessible undeveloped lands with few to considerable potential geologic instabilities. To be developed with a slope-intensity standard whereby the net residential land area per housing unit increases from 2 acres on level to 9 acres on slopes of 50 percent or greater.
4. **Open Residential**—Relatively inaccessible sparsely developed and undeveloped areas generally with extreme geologic instabilities and steep slopes. Fire hazards are often high and erosion potential great. These areas are often also of ecologic, scenic or historic importance. To be developed with a slope-intensity standard whereby the net residential land area per housing unit increases from 3 acres on level land to 18 acres on slopes of 50 percent or greater.

2106a Portions of some of these residential areas are classified as “residential open space preserves.” These preserves possess one or more of the following characteristics: slopes, canyons and ravines generally in excess of 30% in slope, unstable lands, lands of significant scenic value to the town, historic resources, riparian environments, and lands inaccessible without traversing potentially unstable lands. To the maximum extent possible, these preserves should be kept free of structures and left in a natural condition with respect to terrain and vegetation. New residential subdivisions should provide for the clustering of residences outside of residential open space preserves so that these areas are left undisturbed for visual enjoyment and limited local use. However, on lands also shown as open

residential, residences might be appropriate, if clustering is not possible, if acceptable development standards for access, utilities and geologic stability can be met, and if scenic qualities and historic features are preserved. Low intensity recreation uses would be appropriate in residential open space preserves, and drainage and erosion control measures should be undertaken where necessary.

- 2106b The slope-intensity standards for the conservation residential and open residential categories recognize in part the overall problems of the development in areas with potential geologic instabilities. However, the intensity of development in individual developments should be further reduced as necessary to reflect specific geologic conditions encountered, to minimize significant visual impacts, to preserve scenic qualities and historic features, and to avoid high fire hazards and inadequate emergency access.
- 2106c Residential development and related improvements should be permitted only where geologic stability meets the standards of the town for the specific uses.
- 2106d Land use intensities may be increased beyond those specified in this section in accordance with provisions for the inclusionary lot program specified in Section 2478 of the housing element.
- 2106e Population densities are a function of the number of housing units per acre and the number of persons per housing unit. Based on the 1990 U.S. Census, the average persons per household unit in the town was approximately 2.6. Applying this average to the land use intensity categories (typical land area per dwelling or housing unit) of the general plan, and assuming one household per housing unit, the following typical anticipated population densities are derived(Persons/Acre):

Residential Category	Acres/HU	Persons/Acre
Low-medium	less than 1	2.6 plus
Low	1 - 2	2.6 - 1.3
Conservation-Residential	2-4	1.3 - 0.65
Open Residential	more than 4	less than 0.65

Where geologic conditions limit development on properties, these densities will be less.

Second units, where permitted, may increase densities; however, based on Section 2487, it would appear the increase would not exceed 15% - 30%.

Densities in multiple family affordable housing, as provided for in Section 2482, may be greater than the densities in the above table as a result of there being

more housing units. Such densities, however, shall not exceed 3 times the densities stipulated in the above table.

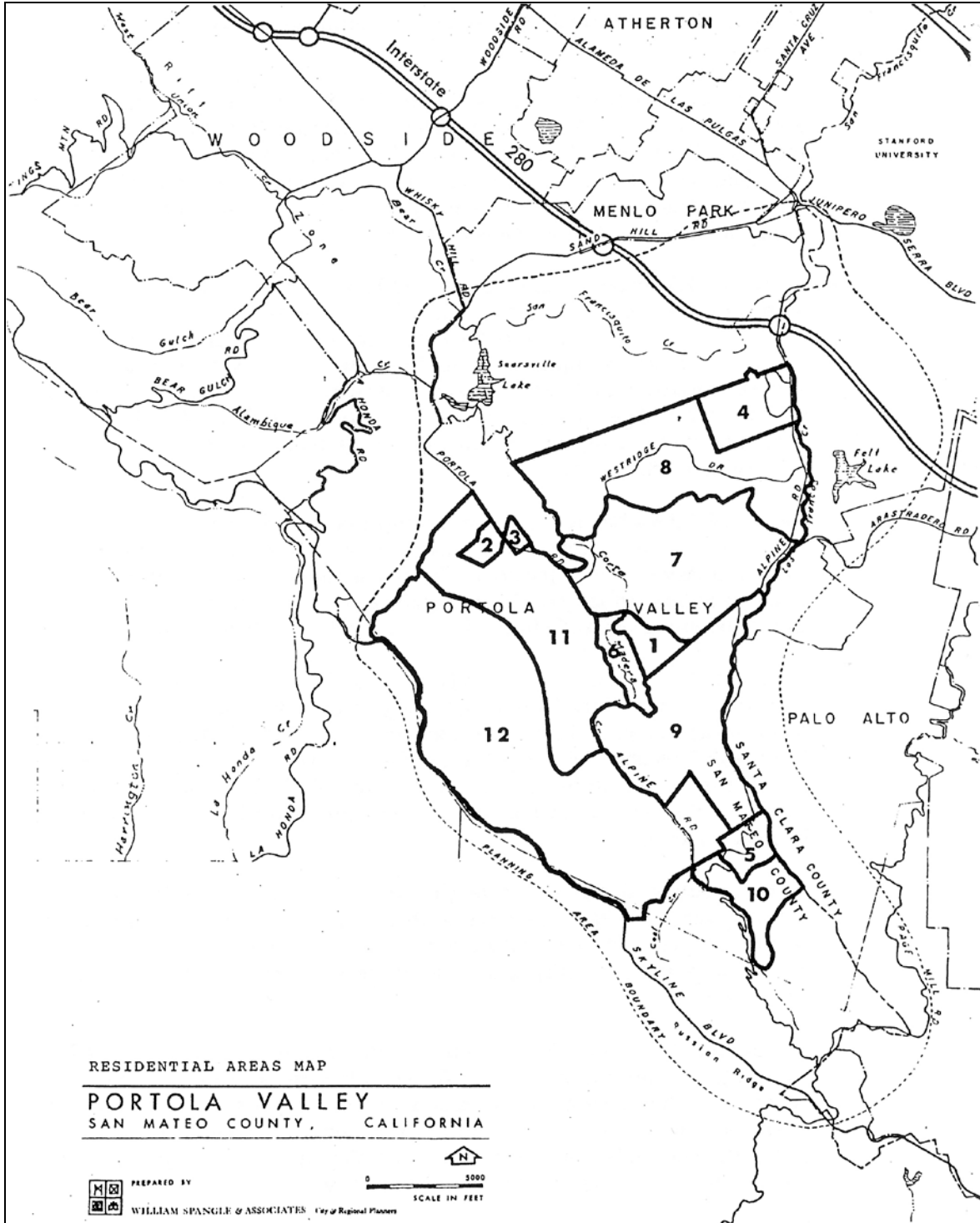
Description

- 2107 Residential areas of low intensities are the predominant land use proposed in this general plan. Four categories of residential land use intensities are indicated. The low-medium and low intensities are restricted to areas of existing development. The conservation residential intensity is assigned to less steep land close to community and circulation facilities and existing development. The open residential intensity is applied to most undeveloped lands which have generally rugged topography, scenic qualities or historic features, are further from community facilities and major circulation routes, and have extreme geologic instabilities. These several residential intensities are similar to and compatible with intensities existing and proposed for most areas adjacent to the planning area.
- 2107a In addition to the four residential land use intensities described in Section 2107 above, possible residential land uses are indicated in Section 6100, Nathhorst Triangle Area Plan, and Section 6300, Town Center Area Plan. These sections should be consulted to determine the recommended residential land use intensities and population densities for these areas.
- 2108 Land use intensity standards provide a guide for the intensity of residential development within which considerable flexibility remains as to design solutions. They indicate the maximum number of housing units to be permitted on a given piece of land but do not prescribe type of design in relation to a minimum lot standard. Specific conditions may require lower intensities.
- 2109 Superimposed upon the residential land use indicated on the comprehensive plan diagram is a tree symbol representing residential open space preserve. The residential open space preserve should be primarily a permanent open space, but should in addition accommodate a variety of recreational uses well suited to the natural terrain and which preserve the continuity of native vegetation. Such uses include riding and hiking trails, informal play areas, scenic walks, picnic areas, and residences subject to suitable conditions (see foregoing standards). These areas can be either privately controlled by the local property owners or held by a public agency.
- 2110 The delineation of the residential open space preserve usually is intended to be general in nature. As specific areas develop, it will be necessary to apply with care the objectives, principals and standards set forth in this plan in the preparation of detailed designs.

- 2111 Based on an evaluation of the slope and geologic constraints for each residential area, estimated holding capacities have been prepared and are included in Appendix 1 of this land use element. The holding capacity figures represent the maximum number of housing units estimated to be feasible under the criteria included in this plan.
- 2112 Each residential area is generally described below and shown on the following residential areas map.
- 2113 **Residential Area No. 1.** This area comprises the Brookside Park and Brookside Orchard subdivisions. The low-medium intensity recognizes the long-established character of the area. The area is almost fully developed with homes. Attention should be continually given to conserving and enhancing this residential area.
- 2114 **Residential Area No. 2.** This area comprises the Woodside Highlands subdivision. The low-medium intensity recognizes the character of this old subdivision. Originally an area of summer homes, this area has been converted to year-around living, is served by narrow roads and individual sewage disposal systems, and includes some areas of unstable ground. Some few lots are without homes. Continuing attention should be given to improving the quality and amenities of this area while protecting its individual character.
- 2115 **Residential Area No. 3.** This area comprises the Portola Redwoods subdivision. The low-medium intensity is consistent with the long-established nature of this subdivision. Virtually all lots are developed with homes. The character of this small residential area should be preserved and continual attention should be given to maintaining appropriate land use relationships between this area and surrounding and nearby non-residential uses.
- 2116 **Residential Area No. 4.** This area, in the town's sphere of influence, comprises the Ladera subdivision. The low-medium intensity recognizes the established character of this area. The area contains but a very few vacant lots. The existing character of Ladera should be maintained and attention should be continually given to assuring compatibility of uses on the Webb Ranch with the residential character of Ladera.
- 2117 **Residential Area No. 5.** This area, in the town's sphere of influence, consists of the Los Trancos Woods subdivision. The low-medium intensity is consistent with the character of the long-established residential area. Originally an area of summer homes, it is now used for year-around living, is served by narrow roads and individual sewage disposal systems, and is affected by some areas of geologic instability. Some lots are still vacant. Efforts should be made to improve the quality and amenities of the area while preserving its character.

- 2118 **Residential Area No. 6.** This area comprises the Willowbrook subdivision, with parcel sizes of 1 acre or more, and several larger parcels along the eastern side of the area. The area is shown in the low intensity category and is virtually entirely developed with homes. The character of this area should be preserved and efforts should be made to reduce through traffic.
- 2119 **Residential Area No. 7.** This area is composed primarily of the Arrowhead Meadows, Alpine Hills, Hillbrook, Stonegate, Stonegate Meadows, Corte Madera Acres, Palmer Estates, Portola Terrace, Portola Heights, and Pine Ridge subdivisions. All of these subdivisions have minimum parcel sizes of 1 acre or more. In addition, there are unsubdivided areas of larger parcels, namely in the vicinity of Georgia Lane. The entire area is shown in the low intensity category.
- 2120 As the unsubdivided areas are developed, attention should be given to ensuring careful integration into the largely already developed area so as to ensure compatibility. Particular attention will need to be given to land use relationships in the vicinity of the non-residential uses along Portola and Alpine Roads.
- 2121 **Residential Area No. 8.** This area is composed of the Westridge and Oak Hills subdivisions plus a steep undivided area between Westridge and Alpine Hills subdivision. The area is shown in the conservation residential intensity. Few lots are vacant in the subdivisions. The character and quality of the area should be conserved as the area plays an important part in maintaining the open space character of the town.
- 2122 **Residential Area No. 9.** The development pattern for a large portion of this area has been set by the Portola Valley Ranch subdivision where there are slightly in excess of two acres per housing unit. Most of the balance of the area is in large ownerships. The area is shown in the conservation residential intensity category.
- 2123 Most of the area has good access to local town roads, most utilities, schools, and shopping. Parts of the area are quite stable geologically, while other parts are highly unstable, and slopes range from moderate to steep. The plan diagram indicates large areas in the residential open space preserve category.
- 2123a In the area along Alpine Road, any development should be kept well back from the road so as not to encroach on the Alpine Road Corridor, Portola Road Corridor, and Nathorst Triangle Area.
- 2124 **Residential Area No. 10.** This area, in the town's sphere of influence, comprises the Vista Verde subdivision. The area is shown in the conservation residential intensity category. There are some vacant lots in the subdivision. Geologic instabilities in the area warrant careful continuing evaluation as additional homes are built.

- 2125 **Residential Area No. 11.** This area consists of the lower portion of the western hillsides and is unsubdivided except for the old Coombsville subdivision, which occupies a small part of the area. The area is shown in the conservation residential intensity category. It is characterized by gentle to steep slopes, geologically stable to unstable lands and grass covered slopes to tree covered canyons. The major development potential on the western slopes is confined to this area, which is less steep, enjoys somewhat more stable lands than the upper portion of the western hillsides, and has greater accessibility to roads, utilities, schools, and shopping. A major portion of this area is owned by the Midpeninsula Regional Open Space District.
- 2126 Most of the undeveloped portion of this area is in a few large holdings. This provides an opportunity for imaginative designs making full use of the range of



natural features present. It should be possible and practical to preserve a large amount of the area in a natural state. In particular, it is desirable that the natural character of the open ridge leading up to the Windy Hill Open Space Preserve and the orchards and meadow adjacent to Portola Road and town center be retained.

- 2127 **Residential Area No. 12.** This area consists primarily of the upper portion of the western hillsides. It is similar in character to residential area No. 11; however, it is more removed from local town roads, utilities, schools and shopping, has steeper slopes, has a significantly colder, more foggy, and more windy climate and is somewhat less geologically stable. The most feasible access appears to be from Skyline Boulevard, and fire protection is minimal. Its reduced density is compatible with the adjoining agricultural, recreational, and forest resource region west of Skyline Boulevard. This area is shown in the open residential intensity category.
- 2128 It is envisioned that development in this area will be minimal. The foregoing factors make the area unsuitable for more than very sparse development. Large areas are shown in the residential open space preserve category. Any development in this area should have adequate access by roads which ensure prompt access to and from public facilities and commercial areas, and for fire, police and other emergency services.
- 2129 The barren ridge leading up to Windy Hill from the east is a visually dominant feature of Portola Valley and highly noticeable from much of the Midpeninsula area. It should remain in its natural state to the maximum extent possible. Development which might go on these lands should preferably be located elsewhere on the same parcel of land. If any development takes place in this area, extreme care should be taken to ensure absolute minimum disruption of existing visual characteristics. A major portion of this ridge is owned by the Midpeninsula Regional Open Space District.
- 2129a A small portion of the area lies east of Alpine Road next to Los Trancos Woods and Vista Verde. This area is included because it is similar to the balance of the area in terms of remoteness and geologic instability, and also because it contains steep slopes, scenic qualities and the historic Coal Mine Ridge Trail.

Other Residential Areas

- 2130 In addition to the areas described above, there are several other residential areas included within the planning area. These areas, although in other jurisdictions, are of concern to the planning area because of common problems relating to drainage, circulation, public facilities and visual amenities.
- 2131 The portion of the Town of Woodside northeast of Portola Road and known as Hidden Valley Farm and Family Farm is shown on the plan diagram because of its

close physical relationships to Portola Valley. This area is shown as conservation residential and is consistent with the Town of Woodside's General Plan. There is a need to maintain compatible land use relationships between Hidden Valley Farm and the non-residential uses fronting on Portola Road within the Town of Portola Valley.

- 2132 The portion of the Town of Woodside along the Portola Valley town boundary between Portola Road and Skyline Boulevard is included because of the need to maintain compatible land uses on either side of the town boundary. The area in Woodside is shown as conservation residential and is consistent with the Woodside General Plan.
- 2133 Two areas of low-medium intensity are shown on the comprehensive plan diagram in the northern portion of the planning area: the Stanford Hills subdivision and the Stanford Weekend Acres area. The inclusion of these areas at these intensities indicates concurrence with plans of Menlo Park and San Mateo County. Continued attention to traffic control measures along Alpine Road in the vicinity of Stanford Weekend Acres appears warranted in order to help assure traffic safety.

Parks, Recreation Areas and Open Spaces

Objectives

- 2134
1. To retain areas of natural terrain and vegetation sufficient to preserve the overall natural open character and quality of the area, and to buffer the town from its neighbors and its constituent neighborhoods from each other while permitting reasonable development of private lands.
 2. To provide for appropriate park and recreation areas for community and neighborhood use.
 3. To encourage public parks, recreation areas and open spaces serving other than primarily local residents only in locations where they will not be a disruptive influence on local residents and where they will preserve unique natural resources for use by residents of the larger region.

Description

- 2135 Extensive parks, recreation areas and open spaces are proposed in the plan. Each proposal is based upon the natural resources of the planning area and related to the needs of local residents, Midpeninsula residents, or other Bay Area residents. These proposals and the elements in which they are described are indicated in Table 1: Guide to Park, Recreation, and Open Space Proposals in the General Plan.

2136 Each park or recreation area proposed is so located and served by circulation facilities that it can be reached and used by the intended users without interfering with the enjoyment of nearby areas. Thus, facilities serving other than primarily local residents should be located on the edges of the planning area accessible from major thoroughfares.

2136a The comprehensive plan diagram proposes certain parks, recreation areas and open space uses on privately owned land. It is anticipated that some of these proposals will be implemented through appropriate dedications pursuant to planning regulations when private development takes place. In some instances, rights in land may be purchased by the town or other appropriate agency. In other instances, the private use of the land for a recreation or open space use constitutes conformity with the plan. Nonetheless, there may be instances when a property owner wishes to put land to a use not shown on the comprehensive plan diagram and the town or some other public agency is not able to obtain public rights through regulation and does not negotiate a purchase with the owner. In such instances and only for lands designated on the comprehensive plan diagram as neighborhood preserve, community preserve, scenic corridor and greenway, or labeled "Other Community," the general plan hereby permits:

1. private use of a character and intensity no greater than the public use indicated on the comprehensive plan diagram, or
2. private use at the lowest residential intensity suitable for the property and designed to maximize the open space character of the land.

In implementing the foregoing policy with respect to any proposal by a property owner, the approving authority of the town shall exercise judgment in approving a use to ensure compatibility with surrounding and nearby uses, circulation facilities and the applicable objectives of this general plan. Any use permitted must, of course, conform to the zoning for the property.

Table 1. Guide to Park, Recreation, and Open Space Proposals in the General Plan

<i>Park, Recreation or Open Space</i>	<i>Park and Recreation Element</i>	<i>Open Space Element</i>	<i>Trail & Path Element</i>	<i>Scenic Roads and Highways Element</i>	<i>Land Use Element</i>
Neighborhood Preserve	X				
Neighborhood Park	X				
Community Preserve	X				
Community Park	X				
Other Community Parks or Preserves	X				
Regional Park or Private Regional Facility	X				
Open Space Preserve		X			
Scenic Corridor	X				
Greenway	X				
Open Space Limited Development		X			
Agriculture		X			
<i>Secondarily Park, Recreation, or Open Space*</i>					
Residential Open Space Preserves					X
Trails and Paths			X		
Scenic Roads and Highways				X	
* These land use categories serve primarily for residential or circulation purposes, but have secondary uses as parks, recreation areas, or open spaces.					

Commercial and Research – Administrative

Objectives

- 2137
- To provide goods and services to satisfy the most frequently recurring needs of local residents.
 - To limit other commercial development to the maximum extent possible consistent with other objectives of the plan.
 - To group related facilities attractively for convenient use and to prevent continuous commercial development along arterials which would detract from the scenic character of the area.
 - To control commercial development in a manner that will minimize its impact on neighboring residential areas.

Principles

- 2138
- Convenience goods and services and limited shopping goods should be available in local shopping centers in sufficient quantity and variety to meet the most frequently recurring needs of the residents of the Town of Portola Valley and its spheres of influence.

2. The development of new commercial and office floor area should be controlled to avoid premature availability and should only be permitted when it is demonstrated that the proposed additional space and uses are needed, within the objectives of this plan, to serve the existing population or the population anticipated over a reasonable time period.
3. Local shopping and service centers should be centrally located with respect to the population served, have direct access from major streets and have sufficient parking and service areas.
4. Individual sites should be landscaped attractively with native plants so as to integrate the entire development visually with its neighbors and the overall natural qualities of the planning area. Protecting residential areas from noise, unsightliness, odor and other nuisances should be accomplished through adequate landscape buffers that also enhance pedestrian access and through other appropriate design features.
5. Night lighting visible from the exterior of buildings should be strictly limited to that necessary for security, safety and identification. All night lighting, including signs, should be low intensity and shielded from view from residential areas.
6. All commercial uses should be compatible with adjacent development in terms of scale, general visual character and siting. (For principles relating to design objectives, building size and scale, conservation of natural beauty, and landscaping, see "General Principles" of the land use element and "Principles" of the open space element and "Principles" of the Nathhorst Triangle Area Plan.)

Standards

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| 2139 | <ol style="list-style-type: none"> 1. In local shopping and service areas, a small percentage of the total net site area (exclusive of street and road rights-of-way) should be occupied by buildings. A substantial percentage of the site area should be left as natural and/or developed as landscaped open space using native plants. 2. Within local shopping and service areas, the ratio of total floor area to net site area for commercial uses shall not exceed 0.18 and for office uses shall not exceed 0.13. |
|------|---|

Description

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|------|---|
| 2140 | The major shopping, service and employment opportunities in nearby areas are recognized, and hence a duplication is not proposed within the planning area. Thus, while frequently needed local shopping and service facilities are proposed |
|------|---|

within the area, activity centers outside the planning area such as the Stanford-Palo Alto shopping area are relied upon for more specialized goods and services.

- 2141 Four local shopping and service centers are indicated on the plan diagram. These centers are all existing at the present time and have sufficient area to meet the needs of local residents when the planning area is fully developed. The four centers are Ladera Country Shopper, Nathhorst Triangle Area, Town Center, and Sharon Heights Shopping Center.
- 2142 The two centers within the town, the Nathhorst Triangle Area and Town Center, should strictly adhere to the objective that these centers should provide only those goods and services necessary to satisfy the most frequently recurring needs of residents of the town and its spheres of influence. Thus, these centers are seen as including but not being limited to: hardware stores, food service stores, drug stores, beauty parlors and similar convenience goods, and very limited shopping goods. Limited office uses, such as doctors, banks and real estate offices serving the same population are also appropriate. Uses which would attract a majority of patronage from outside the service area should more appropriately be located in larger and more centrally located commercial and office centers elsewhere on the Midpeninsula or the Bay Area. These centers are related by the Portola Road corridor, which is described in the Corridor Plan starting with section 6400 of this General Plan.
- 2143 It is recognized that the Sharon Heights Shopping Center and the Ladera Country Shopper and adjoining professional center do not completely meet the criteria for commercial uses described above. These centers, outside the town and developed under other criteria, do however, provide largely convenience goods and services with limited shopping goods. The Ladera professional center also provides general office space not geared to serving local residents. Both of these centers are well-served by circulation and are accepted by this plan as appropriate for the locations involved. The undeveloped hillside behind the Ladera Country Shopper should be left as open space to balance the intensive development of the remainder of the site and provide a buffer between the shopping center and nearby residences.
- 2144 Existing research-administrative areas are recognized. The major use is the Stanford Linear Accelerator Center (SLAC). This facility will have a continuing major impact on the planning area. Employment and access traffic to SLAC should be confined to Sand Hill Road. Attention should be given to assuring maximum compatibility of this installation with the surrounding area. Those aspects of the development continuing to require special attention include: power transmission to the accelerator, control of noise and exterior lighting, traffic, landscaping and building design. It is likely that continuing attention to "temporary" installations will also be required. An existing research building complex on Arastradero Road is also recognized. The existing tree nursery, because of its largely impervious gravel

surface, contributes considerable runoff to the creek. This use and similar uses should provide a buffer along the creek to minimize runoff, erosion and disturbance of habitats. In addition, present controls over these areas should be maintained or strengthened.

- 2145 Additional areas are shown for research-administrative use north of the Junipero Serra Freeway as proposed on the Menlo Park General Plan. Uses in these areas should be of very low intensity in order to be compatible with uses in nearby residential areas. Sites used for research-administrative purposes should be primarily open, buildings should be low and perhaps in small clusters, and the site development and landscaping should be designed to blend the buildings into the natural landscape.
- 2145a One area for research-administrative use is shown along Arastradero Road in Palo Alto. This use is inconsistent with Portola Valley's position as to appropriate uses in this area, but is recognized because of the substantial investment involved and the limited extent of the uses. No additional development of this intensity is shown on the comprehensive plan diagram for this area because of the adverse impact such uses have on the surrounding area. In particular, the road system is not adequate to accommodate the heavy traffic characteristic of such uses, and in addition, such uses tend to attract additional high intensity uses which are not compatible with the low intensity residential character of Portola Valley.
- 2145b Near the area for research-administrative use along Arastradero Road is a headquarters for a tree maintenance service which serves the Midpeninsula. This use is relatively low intensity and is not shown separately on the comprehensive plan diagram. The town recommends that this use be kept within limits which are compatible with the low intensity character of the surrounding area.
- 2145c The "Lee" quarry on Los Trancos Road in Palo Alto is within the town planning area. The quarry scar is visible from Portola Valley, but efforts have been made and should continue to be made to reduce the negative impacts of the quarry, including long-range restoration of the quarry to a more natural appearance.

Institutions

Objectives

- 2146
1. To provide for those institutions that are for the use of local residents and in harmony with the residential character of the Valley.
 2. To ensure that existing institutions will be properly served by trafficways and are properly related to adjacent land uses.

3. To provide an appropriate area for the grouping of major community-serving institutional facilities.

Principles

- 2147
1. All institutional uses should be served directly by major collector roads or roads with higher capacities.
 2. All institutional uses should be compatible with adjacent development in the planning area in terms of scale, general visual character and siting.
 3. Space should be provided for all local institutional uses that may be necessary such as elementary and intermediate schools, churches, libraries and local governmental buildings.
 4. Major community facilities should be located where convenient to the entire planning area.
 5. Schools should make recreation areas and facilities available for use during non-school hours.
 6. Schools should be located so as to minimize the time necessary to be spent in travel to and from school.
 7. Schools should be located to provide safe and convenient access giving particular attention to the requirements of young children.
 8. (For principles relating to building size and scale, and landscaping, see "General Principles" of the land use element.)
 9. If an institutional land use ceases to exist, the town shall consider an appropriate alternate institutional use or development for other appropriate uses giving due consideration to the relationship to adjacent and nearby land uses.

Standards

- 2148
1. Residential type institutional facilities should be limited to a density of population no greater than that proposed for adjoining residential areas in the general plan. Section 2106.e. provides guidance with respect to appropriate ranges for building intensities and population densities.
 2. Public Schools:

<u>Grades</u>	<u>Maximum Desirable Travel Time</u>
K-5	20 minutes
K-6	20 minutes
6-8	30 minutes
High School	40 minutes

Description

- 2149 Institutions needed to serve all or parts of the planning area are proposed and are located so as to be convenient to their service areas. Institutional uses proposed include schools, churches and fire stations.
- 2150 Schools. With regard to public schools, the plan indicates one elementary school and one intermediate school in the planning area.
- 2151 The Portola Valley Elementary School District serves the Town of Portola Valley plus some areas beyond the town boundary. The Ormondale elementary school serves the entire Town of Portola Valley as does the Corte Madera intermediate school. Thus, most children in the town have to travel considerable distances to school. As the population of the town grows, there may be a need for additional school facilities. The changing age composition of the population, however, makes it very difficult to project the number of school age children accurately. It is recommended that population changes be watched closely and appropriate school facility decisions be made in advance of any deficiencies.
- 2152 The Las Lomas Elementary School District serves Ladera and a considerable area to the north. The Ladera elementary school, well located to serve that local community, is integrated with the adjoining recreational facilities of the Ladera Recreational District. The school is currently leased to a private school. Should the use of the school change, any new use should be compatible with the surrounding residential uses.
- 2153 One private school is shown on the plan diagram, the existing Woodside Priory school with grades 6 through 12.
- 2154 Churches. Five churches are shown, three of which are in the town. All are well served by major thoroughfares. Additional churches may be needed in the planning area in the future. Those areas indicated as “institutional” on the plan diagram provide suitable locations for additional churches.
- 2155 Fire Stations. Fire protection to the town and most of the planning area is provided by the Woodside Fire Protection District. The district has a station on Portola Road near Alpine Road as shown on the comprehensive plan diagram. This

station will provide primary service to the town. The other district station is located to the north in the Town of Woodside. For further description of fire service and fire hazards, see the safety element.

- 2156 Other Institutional Uses. Other appropriate institutional uses that may be needed in the town would include but not necessarily be limited to local governmental buildings. Each institutional use should be judged separately and, if compatible with other uses in the area, could be located in one of the local shopping and service areas or in the vicinity thereof.
- 2156a The town center contains the historic schoolhouse, town hall (administration building), meeting rooms, indoor recreation facilities, outdoor recreation facilities and the library. The site is within the San Andreas Rift Zone and occupancy of buildings should be related to the risk due to earthquake hazards. The outdoor recreation facilities at the site should be used and augmented as appropriate as a part of the town center (see the recreation element for further description).
- 2157 An extensive area is shown as “low intensity academic reserve” for Stanford University. This area is presently being used for various radio telescopes, antennas, other experimental installations, stabling and training facilities for horses, and agriculture. Where it does not interfere with these primary uses, lands are also used for grazing. Much of this area is visible from the Portola Valley area. The retention of agricultural uses is encouraged. Any further developments in this area by Stanford University should be referred to the local governments in the nearby areas so that the effects on these areas can be properly evaluated and modifications recommended where necessary and desirable.
- 2158 Another area owned by Stanford University and shown as “low intensity academic reserve” is the area designated “Webb Ranch” on the comprehensive plan diagram, Part 5. A portion of this area designated for agricultural use is described in the open space element. A variety of uses would be appropriate on the balance of the Webb Ranch and therefore a detailed plan for this area is not appropriate at this time. Town guidelines for development are appropriate, however, and are as follows:
1. Lands within the area are appropriate for development of Stanford University’s academic program and closely related land uses provided the intensity of development and use conforms with standards and criteria set forth in this plan. Opportunities exist for outdoor education including study of plant and animal life, geology and paleontology.
 2. The retention of agricultural uses is encouraged. These activities allow use of the land while retaining the essential natural open space qualities of the area. The combining of agricultural uses with educational programs may be

feasible. Agricultural uses would be appropriate on all lands shown as low intensity academic reserve, as an interim use on lands ultimately to be used for academic purposes, or as permanent open space. Proper attention should be given to prevent stream pollution from agricultural activities.

3. Intensity of use should be compatible with present and planned uses of adjoining and nearby lands when measured by such factors as vehicular traffic, ratios of building coverage and floor space in buildings to land area, building height, daytime and nighttime population density, artificial light, glare, noise, emission of smoke, smog, dust, odor, vibration and radiation or other deleterious factors. The volume of site traffic generated (people and vehicle) should not exceed the capacity of off-site transportation facilities to handle such traffic with reasonable convenience. The limited traffic capacity of the system is a major factor in determining the appropriate intensity of development within this area. Expansion of transportation facilities should be controlled to preclude aesthetic or ecological damage. Because of physical limitations, road access within the area can be developed at only two points on Alpine Road. In addition, in the freeway design and construction, provision has been made for only one road under the freeway interconnecting the Stanford lands to the north and south. Consideration should also be given to potential failure of Searsville Dam and consequent downstream flooding.
4. Development on the "low intensity academic reserve" areas should allow very substantial open space (all natural or replanted). Paved areas and building ground coverage shall not count as open space. Each developed area should emphasize uninterrupted open space. All development should be concealed from view, through location, from Freeway 280, Alpine Road and residential uses as much as possible. The low intensity academic reserve designation is intended to help meet the objectives of Section 2158,3. and the scenic roads and highways element.

2159 – 2162 Not used.

Public Facilities and Services

Objectives

- 2163
 1. To ensure the development of public utilities in a manner that will cause minimum disruption of the natural beauty of the area.
 2. To provide utilities adequate to serve local needs in the planning area.
 3. To conserve natural resources and prevent pollution of water and air.

Principles

- 2164
1. All lines and facilities related to the transmission and distribution of power and telecommunications should be placed underground. If this is not practical and such lines or facilities are to be placed aboveground, the impact should be compensated by the undergrounding of lines or facilities in other locations within the planning area. The undergrounding of lines and facilities should be balanced against adverse effects on native vegetation.
 2. A program should be developed for progressively placing existing overhead lines underground.
 3. All utility installations should be sited, designed, developed and landscaped so as to blend with the natural scenery of the area.
 4. All utility installations should be designed to minimize damage from identified geologic hazards.
 5. Water, electric and gas supply lines should be loop systems where feasible.
 6. Water supply systems must conform with established health and fire protection standards.
 7. Waste water must not pollute ground water or streams or cause public or private nuisance.
 8. Vegetative ground cover should be sustained to prevent storm water erosion. Unobstructed natural drainage channels should remain the principal storm drainage system, and riparian vegetation along their sides should be maintained in order to reduce erosion and bank failure and preserve habitat. Publicly owned drainage structures should be provided and maintained in accordance with the current Storm Drainage Plan of Portola Valley.
 9. A solid waste and hazardous waste program which will assure adequate services, protect health, reduce waste generation and conserve energy and resources without adversely affecting the environment should be supported. Wastes resulting from animal keeping should also be controlled and disposed of in a sanitary manner.
 10. The planting of native vegetation in developments should be encouraged as a water conservation measure.

11. Utilities should first serve adjoining areas and then be incrementally extended to serve contiguous new development rather than be extended so as to allow development to “leap-frog” over intervening lands.
12. Whenever there is a known limited supply of a public facility or service which is beyond the control or ability of the town to overcome, such limited facility or service shall be allocated approximately evenly over the time period of the anticipated shortage.

Description

- 2165 It is recognized that this general plan shows areas for development which are not served by utilities or which have utilities inadequate to serve additional development. Such areas shall not be developed until all utilities are supplied.
- 2165a In the planning area, where the preservation of the natural scenery and environment is the one most important consideration by most residents, it appears appropriate to require that all public facilities not detract from the natural environment but to the maximum extent possible blend into the natural setting. In order to ensure that this is done, adequate review procedures should be established.

Land Use Element Appendix 1: Calculating Holding Capacity for the Land Use Element

The holding capacity of the general plan is an estimate of the total number of housing units and persons that could be accommodated within the planning area under the plan proposals when and if the land is fully developed. It is a maximum figure and may be approached in time, but will probably never be achieved since some properties will never be developed to their fullest potential. The holding capacity shows a reduction in the overall holding capacity projected at the time the general plan for the Portola Valley area was originally prepared in 1964. This reduction is primarily a result of greater awareness by the town of development constraints imposed by unstable lands and conscious policies to reduce unnecessary exposure of persons and property to potential geologic hazards. The housing unit and population holding capacities were derived in the following manner.

1. Within existing subdivisions, the number of existing houses, vacant lots and potential lots that could be created through resubdivisions were counted. A small percentage of the vacant lots may never be built upon due to geologic hazards.
2. In unsubdivided areas, the residential land use intensity standards and policies contained in Sections 2106, 2106a and 2106b of the land use element were applied to obtain an estimate of the potential number of lots (see the detailed explanation below).
3. The number of lots from 1 and 2 above were added to obtain the housing unit holding capacity.
4. The number of lots obtained in 3 above were multiplied by the estimated household size to yield a population holding capacity.

Estimating the number of lots in unsubdivided areas

The housing unit holding capacity for undeveloped lands was calculated by applying the residential land use intensity standards for each parcel and considering analysis of slope, unstable lands, and land that could be reasonably developed within the objectives and principles of the land use element. In some cases, the other factors analyzed reduced the holding capacity below the level that would be expected if only the basic land use intensity standard were applied. This is true in particular for lands with severe geologic stability problems whose holding capacity was calculated as follows:

1. Areas of geologic instability (Pmw, Ms, Pd, Psc, Md, Pf) and areas of geologic stability (Sbr, Sun, Sex, Sls, Ps) were identified. These areas are shown on the map "Movement Potential of Undisturbed Ground" for Portola Valley as of 1/23/76, as amended through 1995.

2. The land use intensity standards for the parcel were determined from the comprehensive plan diagram and section 2106 of the land use element. The methods of applying the standards are those in effect in the Portola Valley zoning ordinance.
3. The land use intensity standards were applied to geologically stable areas providing a housing unit yield for stable lands.
4. The land use intensity standards were applied to the geologically unstable lands to obtain a housing unit yield that would be expected if there were no severe geologic constraints present. Then, to account for geologic instability, the yield was reduced by 90%. This reduction stems from the provisions of Sec. 2106 b. of the general plan. It was assumed that the remaining housing unit yield of 10% could be transferred to stable portions of the same parcel.
5. The housing unit yield from 3 and 4 above were added to obtain total housing unit holding capacity for the parcel.

HOLDING CAPACITIES

<i>Residential Area</i>	<i>Land Use Intensity</i>	<i>Estimated Existing 1996 Housing Units</i> ¹	<i>Holding Capacity</i>	
			<i>Housing Units</i>	<i>Population</i> ²
1	Low-Medium	205	207	518
2		100	116	290
3		30	37	93
4 ³		539	542	1,355
5 ⁴		<u>149</u>	<u>157</u>	<u>393</u>
		1,023	1,059	2,649
6	Low	56	60	150
7		<u>553</u>	<u>582</u>	<u>1,455</u>
		609	642	1,605
8	Conservation Residential	268	322	805
9		224	290	725
10 ⁴		105	143	358
11 ⁵		<u>46</u>	<u>116</u>	<u>290</u>
		643	871	2,178
12	Open Residential	15	44	110
<i>Planning Area Total (all areas)</i>		2,290	2,616	6,542 approx. 6,500
<i>Portola Valley Total (Areas 1-3, 6-9, 11, 12)</i>		1,497	1,774	4,504 approx. 4,500

Totals may not add due to rounding

¹ Estimated numbers of existing housing units are from available records for approximately March 1996. The records were least accurate for areas 5 and 10. Due to the small number of housing units in these areas, however, minor inaccuracies would not significantly affect the planning area totals.

² In the 1990 U.S. Census, there were 1,675 housing units and 4,143 persons in households (excluding those in group quarters), for an average of approximately 2.5 persons per housing unit.

³ The existing number of housing units in 1996 is from the Los Trancos Woods Community Association.

⁴ The existing number of housing units in 1996 is from the San Mateo County Planning Department.

⁵ Although residential area 11 includes The Sequoias, the number of housing units and persons at The Sequoias are not included in the area 11 figures. Since the population at The Sequoias is approximately 325, the total holding capacity for the town is approximately 5,000 persons and for the planning area approximately 7,100 persons.

Land Use Element Appendix 2: Implementation of the Land Use Element

Actions to date:

1. A wide range of recommendations are set forth in Appendix 5 of the Portola Valley General Plan adopted in 1965 pertaining to needed rezonings and other regulating ordinances. These recommendations were all subsequently enacted. These regulations guide implementation of the plan except where public purchase of property may be required. (See Open Space Appendix 2: Implementation of the Open Space Element for examples).
2. The 1977 general plan amendments included provisions regarding a new “Open Residential” category, revised guidelines for clustering, allowed only partial density credit for unstable lands and added impervious surface limitations and new provisions for accessory living quarters, among other changes. These changes have been reflected in amendments to the zoning ordinance.
3. The 1980 general plan amendments, among other matters, changed the land use intensity for the “Conservation-Residential” category from one to two net acres per housing unit. This change has been reflected in the zoning ordinance.

Future actions:

1. The town should undertake the preparation of a plan for the Portola Road corridor.

Town of Portola Valley General Plan

Town Center Area Plan

Last amended April 22, 1998

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Town Center Area Plan

Introduction

- 6300 The Town Center Area Plan deals with one of the two commercial areas in the town, the other being the Nathhorst Triangle Area. While basic policy affecting the setting for the Town Center Area (TCA) is found elsewhere in the general plan, the most detailed proposals for this area are found in this sub-area plan. To obtain the fullest understanding of the town's policy for the development of the TCA, reference should be made to this sub-area plan, other pertinent parts of the town general plan, and to the town's planning regulations. A background study on file with the town which is of particular relevance to this plan is "Reevaluation of C-C and A-P Zoned Properties, Town of Portola Valley, January 9, 1992."
- 6301 The plan is intended to guide, unify and enhance, both functionally and aesthetically, the development of the separately owned private properties in coordination with public spaces and facilities, roads, trails and paths. The plan includes: objectives, principles and standards; description; and the plan diagram.

Planning Area

- 6302 This sub-area plan includes all parcels fronting on both sides of the section of Portola Road generally from Wyndham Drive east to the Woodside town limits at Farm Road and adjoining nearby lands which should be considered when planning for this sub-area of the town. The planning area therefore includes lands proposed for community commercial and community service activities serving the town, institutional uses serving the town, recreation areas and residential lands. The community commercial and community service areas are sufficient, when
-

combined with the other commercial area in the town, to meet the needs of the town for local goods and services when the town is completely developed in conformance with the general plan.

6303 (Not Used.)

Objectives

- 6304
1. To develop the Town Center Area as an integrated area for businesses and institutional type uses serving the residents of Portola Valley and its spheres of influence along with compatible residential uses.
 2. To produce a unified commercial-service-institutional-residential complex in the TCA with a scale and design quality compatible with the rural setting of the town.
 3. To serve the TCA with a system of roads, paths and trails that provide for safe, convenient and enjoyable access to, from and through the area.

Principles

- 6305
1. In order to serve as an integrated community serving area, the TCA shall provide space for:
 - a. Convenience goods and services and limited shopping goods in the community commercial areas.
 - b. Offices for businesses serving the community in the community service areas.
 - c. Institutional uses such as churches and town civic facilities.
 - d. Those facilities which tend to bring people together informally such as parks, outdoor cafe and sitting areas.
 - e. Single family residences as well as housing for senior citizens.
- 6306
2. In order to meet desired design objectives:
 - a. Growth shall be orderly and, in so far as possible, ultimately uninterrupted along property lines between commercial and service uses.
 - b. Flexibility shall be allowed as to land use on those community service parcels which due to location and access can reasonably accommodate

office or residential uses, and requirements shall be established to ensure their compatibility with surrounding land uses.

- c. Non-residential uses shall not adversely affect nearby residential properties. Noise, sight, odor and other nuisances shall be held to a reasonable minimum.
- d. Excessive grading shall be avoided and attractive natural features such Sausal Creek shall be preserved and enhanced.
- e. Structures shall be designed so that all sides open to public view are attractive.
- f. Parking lots shall permit convenient automobile movement, parking and access to facilities, avoiding unduly large, inefficiently arranged paved areas and avoiding automobile conflict with pedestrians, bicyclists and equestrians.
- g. In commercial, service and institutional areas, building service areas shall be segregated from other areas, and trash containers shall be screened. Equipment noises and emissions shall be minimized.
- h. Fire hydrants and good circulation for fire protection shall be provided as needed.
- i. Utilities including electric and communication services shall be underground, consistent with the regulatory authority of the town.

6307

3. In order to provide desired circulation:

- a. Safe vehicle ingress and egress shall be accomplished by limiting points of access to public roads.
 - 1) Driveway entrances serving different commercial and office properties shall be combined at common property lines where possible.
 - 2) Easements and/or mutual use agreements may be required among the various property owners to connect driveway entrances in order to facilitate off-street circulation and reduce the number of driveway entrances required.
- b. Safe pedestrian and bicycle access to and inter-connections among non-residential developments shall be provided.

- 1) A separate pedestrian path, preferably separated from the road, shall be installed in the front setbacks or the road right of way along the north side of Portola Road frontages of community commercial and community service properties.
- 2) Safe paths between the roadside and on-site improvements shall be required and compatible developments shall be interconnected.

6307a. In order to assist in providing housing pursuant to the provisions of the housing element, parcels of land classified as community service which are found not to be needed for such uses may be used for residential purposes if suitably located.

Standards

6308 Standards for development should be set forth in the town zoning, subdivision and site development regulations.

Description

6309 The plan sets forth a framework for the development of the TCA within which considerable latitude exists for design and development of individual properties. The basic distribution of land uses and key circulation features are set forth as controlling elements. Sensitive design on individual properties woven into the overall framework can produce an attractive and functional commercial area for the town. While the objectives, principles and standards set forth in the preceding sections are the guiding statements for future development, the plan diagram, when viewed in the context of this description, should convey an understanding of the type of development the town is seeking for this area.

Community Commercial and Community Service Areas

6310 The existing community commercial and community service areas are largely developed but can accommodate some additional growth. The land use plan has been prepared to guide any further development which can be expected as development pressures increase. The shape of the commercial and service area, lying north of Portola Road, is unusual in that it is a large triangular area with extensive frontage on Portola Road and considerable depth on several properties. This plan has been developed with recognition of the particular attributes of each parcel within this area. Each parcel is numbered on the plan diagram and described below.

6311 **Parcel 1**, designated as community commercial, is developed as a nursery on the front with the residence of the owner in the rear. This distribution of uses is

appropriate since it concentrates customers on the front of the property near non-residential uses and limits the use of the rear portion of the property to residential use which is compatible with the adjoining residential uses which front on Wyndham Drive.

- 6312 **Parcel 2**, designated as community commercial, is developed primarily as a restaurant. While the site is restricted in size and cannot supply all needed parking, it has joint use of parking at the nearby Village Square Shopping Center (Parcel #3) and customers park in the Portola Road right-of-way. The building does not meet the required setback from Portola Road since it was built prior to current regulations. It is prevented from meeting current front yard standards due to the shallowness of the parcel.
- 6313 **Parcel 3**, designated as community commercial, is developed with the Village Square Shopping Center. The parcel is virtually in full use with buildings and parking except for a portion of the rear of the parcel which is used largely for open air storage. The architectural style of the shopping center building is well-suited to the site which has a number of redwood trees. Any additional development on the rear of the parcel should be undertaken so as to minimize adverse effects on the creek and residential uses across the creek to the north.
- 6314 **Parcel 4**, designated as community service, is a small parcel containing an office building which has some historical significance. The building, described in the historic element of the general plan, was constructed in 1904 and known as "Hallet's Store." It subsequently had a saloon added to the front. In 1972, it was extensively remodeled so as to lose much of its historical character. If it is not preserved as a historical building, a suitable marker should be installed on the site. The parcel is well-suited to office use having direct frontage on Portola Road.
- 6315 **Parcel 5**, designated as community service, lies behind parcels 4 and 6 except for a narrow corridor extending to Portola Road. The parcel in reality consists of three smaller parcels, each of which is a legal parcel having been created prior to the establishment of planning regulations under San Mateo County. This parcel lacks substantial direct frontage on Portola Road. It could be developed for office use if properly related to the parcel in front. If offices were developed, consideration should be given to vehicular access to parcel 3 to the north to provide for a higher degree of integration.
- 6316 On the other hand, based on studies of the town's need for office space, it appears that there is slightly more land designated for commercial and office uses in the town than is needed. The most appropriate alternate use for parcel 5 is for residential purposes. Because the parcel is bounded by commercial property on one side and office property on the other side, it would be appropriate to allow residential uses of a density commensurate with these adjoining uses. This housing

could be in the form of either detached or attached units. The appropriate density and design should be controlled through the provisions of the zoning ordinance for planned unit developments, but in no case shall exceed 5.8 housing units per net acre (exclusive of street and road rights-of-way).* Any additional development on the rear of the parcel should be undertaken so as to minimize any adverse effects on the creek and on the residential uses lying across the creek to the northeast.

- 6317 **Parcels 6, 7 and 8**, designated as community service, are currently used for offices. These uses appear appropriate and should be allowed to continue or be replaced with other office uses.
- 6318 **Parcel 9**, designated as community service, is very small and currently occupied by a residence. Since the parcel is next to office uses, it could be used for offices as long as parking requirements and other standards of the zoning ordinance can be met. Alternatively, the parcel could continue to be used for a small residence.
- 6319 It is intended that normal yard setbacks of the zoning ordinance would be reduced or waived as necessary between community commercial and community service parcels in order to achieve a unified design.
- 6319a. Any residential development in the community service areas shall create an internal and external environment that is consistent with the residential qualities of the town including appropriate open spaces, planting and building design. While the intensity of development may be higher than generally found in the town, the overall feeling should blend in with the residential quality of the town rather than being distinctively different.

Institutional

- 6320 A church occupies the parcel west of parcel 1. This use provides a transition between the residences fronting on Wyndham Drive and the commercial uses to the east. The use of Parcel 1 should always be controlled so as to minimize disturbance to the adjoining residential uses.
- 6321 To the south of Portola Road, there are two churches and the town center. These are all important community-serving facilities.

Residential

- 6322 The Wyndham Drive area is shown as Low-Medium Intensity Residential (typically less than 1 acre per housing unit.) North of the TCA, in the Town of Woodside, the typical land area per housing unit is 3 acres or more. West of Portola Road, two

* This standard is based on the existing minimum lot size of 7500 square feet, which is a density of approximately 5.8 housing units per acre.

residential densities are shown: Low Intensity Residential (typically 1-2 acres per housing unit) and Conservation Residential (typically 2-4 acres per housing unit).

Community Park, Recreation Area, Greenway

- 6323 A major town recreation area is a part of the town center and contains playing fields, a recreation area for small children and tennis courts. This area functions in conjunction with the buildings of the town center.
- 6324 A private stable that boards horses and provides lessons is located adjoining the town center.
- 6325 A greenway is shown extending from Portola Road behind a church and the town recreation area. This greenway is shown on the comprehensive plan diagram as extending to the southwest behind The Sequoias to connect with lands in the ownership of the Mid-Peninsula Regional Open Space District and Alpine Road.
- 6326 A greenway is shown along the both sides of Portola Road. It is intended that this area be retained as an open corridor planted with native vegetation. Buildings on properties should be subordinated to the greenway in so far as possible.
- 6327 Sausal Creek is a major feature of the planning area. It supports considerable riparian vegetation and presumably a significant amount of wildlife. The creek bed, its banks and vegetation should be protected and enhanced as appropriate as development takes place along the creek. The creek is shown within a greenway.

Circulation

- 6328 Portola Road is classified as an arterial road in the circulation element of the general plan. As such, it is well-suited to providing access to the TCA. In addition, it is striped with a left turn acceleration and deceleration lane in front of the commercial and office designated areas.
- 6329 A possible future street is shown entering Portola Road from the southwest. This is part of a loop road which, if developed, would provide access to several properties in the western hillsides of the town.

Trails, Paths and Bicycle Lanes

- 6330 The adopted trails and paths element of the general plan shows a pedestrian path along the entire frontage of the TCA on the north side of Portola Road.- This path needs to be enhanced and completed to properly interconnect these parcels.

6331 Several pedestrian paths, bicycle paths and riding trails are shown on the south side of Portola Road. All of these facilities are also shown on the trails and paths element of the general plan.

6332 Bicycle lanes are shown along Portola Road.

Sanitary Sewers

6333 Many of the non-residential uses in the planning area are served by septic tanks and drainfields. As further development takes place, these facilities should be abandoned and connections should be made to the sanitary sewer.

Fault Constraints

6334 The San Andreas Fault crosses parcels 7, 8 and 9 and is to the rear of parcel 5. Construction on these parcels will have to comply with the fault setback regulations of the town zoning regulations.

6335 –

6339 Not Used.

Plan Diagram

6340 The plan diagram is part of this sub-area plan and is labeled Town Center Area Plan Diagram. The plan diagram is found in a pocket following this general plan.

Town Center Area Plan Appendix 1: Implementation of the Town Center Area Plan

Actions taken:

1. The town center area plan is subject to the same zoning provisions as specified for the Nathhorst Triangle area plan (see Nathhorst Triangle Area Plan Appendix 1: Implementation of the Nathhorst Triangle area plan) except that provisions related to frontage on Alpine Road do not pertain.

Future actions:

1. The town should continue to apply the zoning standards and procedures that are in place



TOWN OF PORTOLA VALLEY

STAFF REPORT

TO: Planning Commission

FROM: Arly Cassidy, Associate Planner
Laura Russell, Planning and Building Director

DATE: May 15, 2019

RE: Annual Report on Cannabis Land Uses Ordinance

RECOMMENDATION

Staff recommends that the Planning Commission review this annual report and associated documents, receive public comment, and recommend to Town Council that no changes to the Cannabis Ordinance be implemented at this time.

BACKGROUND

On March 28, 2018 the Town Council adopted Chapter 18.39 – Cannabis Land Uses into the Portola Valley Municipal Code (Attachment 1). The chapter allowed for commercial cannabis cultivation, which was a new land use to be allowed in Town. Section 3 of the ordinance requires an annual review as follows:

Section 3. ANNUAL REVIEW. For five years following adoption of this Ordinance, the Planning Commission shall conduct an annual review of this Ordinance. This annual review shall include the number of applications received, the number of permits issued, the number of complaints received and an assessment of whether modifications to the ordinance are required. Following the first annual review, in the Council's reasonable discretion, the Council may direct the Planning Commission to extend the time periods for the review or to eliminate such review altogether.

This staff report represents the first annual review of the Cannabis Land Uses ordinance since its adoption.

DISCUSSION

The Annual Review section of the ordinance requires an annual report on permit-related

numbers for the previous year. The following numbers pertain to the time period between adoption of the ordinance on March 28, 2018 and publication of this staff report on May 10, 2019:

Applications received: 0
 Permits Issued: 0
 Complaints Received: 0

The Annual Review section also states that it shall include “an assessment of whether modifications to the ordinance are required.” There was some discussion by the Planning Commission during its preliminary review of the ordinance on whether the requirements for a commercial cannabis permit were too onerous and would discourage applicants (February 7, 2018 Meeting Minutes, Attachment 2, page 9). As a result, the Commission added the above provision requiring an annual review for five years. At its final review of the ordinance, the Commission discussed a comment letter from John & Patti Zussman, which outlined requested modifications to make the ordinance more lenient (February 21, 2018 Meeting Minutes, Attachment 3, Page 3). Although the Commission did not adopt any of these amendments, it did request that the comment letter be included in the first annual review of the ordinance (Attachment 4).

In the year since the ordinance’s adoption, staff has not received any public input regarding the regulations. Staff has received approximately five inquiries from callers, and most of these were in the form of general questions or data gathering. No members of the public have made serious inquiry into what would be required to apply for a commercial cannabis permit, either from a point of interest or a point of concern.

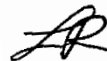
CONCLUSION

Given this general lack of interest by the public in pursuing a commercial cannabis permit, staff recommends that no amendment to the ordinance be made at this time. The Planning Commission’s recommendation on the Annual Report will be forwarded to the City Council for further consideration.

ATTACHMENTS

1. Cannabis Land Uses Ordinance, PVMC 18.39
2. Planning Commission Meeting Minutes, February 7, 2018
3. Planning Commission Meeting Minutes, February 21, 2018
4. Comment Letter from John & Patti Zussman, received February 21, 2018
5. Town Council Meeting Minutes, March 28, 2018

Report approved by: Laura Russell, Planning and Building Director



ORDINANCE NO. 2018-422**ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF PORTOLA VALLEY ADDING CHAPTER 18.39 [CANNABIS LAND USES] TO TITLE 18 [ZONING] AND AMENDING SECTION 8.12.010 [DEFINITION OF NUISANCE] OF CHAPTER 8.12 [NUISANCE ABATEMENT] OF TITLE 8 [HEALTH & SAFETY] OF THE PORTOLA VALLEY MUNICIPAL CODE**

WHEREAS, Proposition 64 or the Control, Regulate, and Tax Adult Use of Marijuana Act (“AUMA”) took effect on November 9, 2016 and made it legal for persons 21 years of age or older to smoke or ingest marijuana or marijuana products; possess, process, transport, purchase, obtain or give away to persons of 21 years of age or older 28.5 grams of marijuana or eight grams of concentrated marijuana; and possess, plant, cultivate, harvest, dry or process up to six living marijuana plants for personal use; and

WHEREAS, the AUMA allows local governments to impose reasonable regulations on indoor cultivation and to regulate or ban outdoor cultivation or other cannabis land uses; and

WHEREAS, Senate Bill 94 took effect on June 27, 2017 and blended together the non-medical marijuana regulations in the AUMA and the Medical Cannabis Regulation and Safety Act (“MCRSA”) to create the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”); and

WHEREAS, after a study session on December 6, 2018, the Planning Commission of the Town of Portola Valley (“Town”) formed a subcommittee consisting of Commissioner Targ and Commissioner Gould to help Town staff prepare an ordinance relative to the reasonable regulation and/or ban of cannabis land uses;

WHEREAS, on February 7 and 28, 2018, the Planning Commission held public hearings to review the draft ordinance regarding cannabis land uses at which all interested persons had the opportunity to appear and after considering the entire record of proceedings, including but not limited to, the staff report and all written and oral comments received, the Planning Commission voted to recommend that the Town Council approve the ordinance; and

WHEREAS, on March 28, 2018, the Town Council held a public hearing to review the proposed ordinance regarding cannabis land uses at which all interested persons had the opportunity to appear and after considering the entire record of proceedings, including but not limited to, the staff report and all written and oral comments received and the Planning Commission recommendation, the Town Council voted to approve the ordinance.

NOW, THEREFORE, the Town Council of the Town of Portola Valley does **ORDAIN** as follows:

1. ADDITION OF CODE. Chapter 18.39 [Cannabis Land Uses] is hereby added to Title 18 [Zoning] of the Portola Valley Municipal Code to read as follows:

Chapter 18.39 Cannabis Land Uses

18.39.010	Purpose
18.39.020	Definitions
18.39.030	Prohibited and Permitted Cannabis Activities
18.39.040	Specific Non-Commercial Cannabis Activities Allowed
18.39.050	Town Commercial Cannabis Activity Permit Required
18.39.060	Commercial Cannabis Activity Application Requirements
18.39.070	Review of Commercial Cannabis Activity Permits
18.39.080	Grounds for Denial of an Application
18.39.090	Appeal to Town Council
18.39.100	Permit Renewal
18.39.110	Permit Nontransferable
18.39.120	Fees
18.39.130	Taxes
18.39.140	Commercial Cannabis Development Criteria and Operating Requirements
18.39.150	Record Retention
18.39.160	Track and Trace Program
18.39.170	Revocation or Suspension of Permit
18.39.180	Enforcement and Penalties
18.39.190	Implementing Regulations

18.39.010 Purpose

Proposition 64 or the Control, Regulate, and Tax Adult Use of Marijuana Act (“AUMA”) took effect on November 9, 2016 and made it legal for persons 21 years of age or older to smoke or ingest marijuana or marijuana products; possess, process, transport, purchase, obtain or give away to persons of 21 years of age or older 28.5 grams of marijuana or eight grams of concentrated marijuana; and possess, plant, cultivate, harvest, dry or process up to six living marijuana plants for personal use. Senate Bill 94 took effect on June 27, 2017 and blended together the non-medical marijuana regulations in the AUMA and the Medical Cannabis Regulation and Safety Act (“MCRSA”) to create the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”). Pursuant to these laws, local agencies may impose reasonable regulations on indoor cultivation and regulate or ban outdoor cultivation or other cannabis land uses. The purpose of this Chapter is to implement reasonable regulations for cannabis land uses that protect the health, safety and welfare of the Town.

18.39.020 Definitions

For the purposes of this Chapter, the following words and phrases shall have the meanings set forth herein:

- A. "Applicant" means a Person who has applied for a Permit under this Chapter.
- B. "Application" means that form approved by the Town Planning and Building Director and provided by the Department in accordance with this Chapter for the purpose of seeking a Permit.
- C. "Cannabis" means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. Cannabis also means the separated resin, whether crude or purified, obtained from cannabis. Cannabis does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this Chapter, Cannabis does not mean "industrial hemp" as defined by Section 11018.5 of the Health and Safety Code.
- D. "Cannabis Products" has the same meaning as in California Health and Safety Code Section 11018.1 as may be amended from time to time.
- E. "Commercial Cannabis Activity" includes the Cultivation, Manufacturing, Distribution, Processing, warehousing, storing, Testing, packaging, labeling, transportation, delivery, Retail Sale of Cannabis and Cannabis Products or Cannabis events as provided for in this Chapter or under State rule, law, or regulation.
- F. "Cultivation" means any activity involving the planting, growing, fertilizing, irrigating, harvesting, drying, curing, grading, trimming, and/or storing of Cannabis whether in or outdoors and the related sale of such cultivated Cannabis.
- G. "Customer" means a natural person 21 years of age or over or a natural person 18 years of age or older who possesses a physician's recommendation or a natural person 14 years of age or older with parental/guardian permission.
- H. "Department" means the Town of Portola Valley Planning and Building Department.
- I. "Distribution" means the procurement, sale, and transport of Cannabis and Cannabis Products between Permittees.
- J. "Indoor Cultivation" means Cultivation indoors using exclusively artificial lighting.

K. "Manufacturing" means compounding, converting, producing, deriving, or preparing, either directly or indirectly by chemical extraction or independently by means of chemical synthesis, Cannabis or Cannabis Products.

L. "Mixed-Light Cultivation" means Cultivation using light deprivation and/or any combination of natural and supplemental artificial lighting. Greenhouses and similar structures or spaces of sufficient size to permit entry enclosed with a nonporous covering or light deprivation systems are included in this category. This category does not include structures constructed of porous cloth or other porous material(s).

M. "Outdoor Cultivation" means Cultivation using no artificial lighting conducted in the ground, in containers outdoors, or in structures constructed of porous material(s).

O. "Permit" or "Cannabis Permit" means a permit issued by the Town for Commercial Cannabis Activity permitted pursuant to this Chapter.

P. "Permittee" means any Applicant issued a Permit under this Chapter.

Q. "Person" includes any individual, firm, partnership, joint venture, association, corporation, limited liability company (LLC), estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.

R. "Premises" means the property specified in the Application that is owned by the Applicant/ Permittee where the Commercial Cannabis Activity will be or is conducted. The Application shall specify the area of land on the property and/or the structure or structures where Commercial Cannabis Activity will be or is conducted. The Premises shall be a contiguous area and shall only be occupied by one Permittee.

S. "Retail Sale" means any transaction whereby, for any consideration, Cannabis or Cannabis Products is sold to a Customer, and includes the delivery of Cannabis or Cannabis Products.

T. "Sensitive Receptor" means schools providing education to K-12 grades, day care centers, Youth Centers, public parks, including but not limited to the following: Windmill School (900 Portola Road); Creekside Learning Lab (884 B-1 Portola Road); Christ Church (815 Portola Road); Ormondale School (200 Shawnee Pass); Corte Madera School (4575 Alpine Road); Woodside Priory School (302 Portola Road); Ladera Church (3300 Alpine Road); Town Hall Campus (765 Portola Road); Rossotti Field (3919 Alpine Road); Ford Field (3399 Alpine Road); Alpine Hills Swim & Tennis Club (4139 Alpine Road); Triangle Park (Portola/Alpine Roads).

U. "State" means the State of California.

V. "State Permit" means a permit to conduct Commercial Cannabis Activity issued by the State.

W. "Testing" means the testing of Cannabis or Cannabis Products by an authorized laboratory, facility, entity, or Person.

X. "Youth Center" shall have the same meaning as defined by California Health and Safety Code Section 11353.1 and shall also include publicly owned facilities and properties that support activities for youth and children.

18.39.030 Prohibited and Permitted Commercial Cannabis Activities

A. Prohibited. Unless expressly authorized by this Chapter, no Commercial Cannabis Activities for either medical or personal purposes are allowed in the Town of Portola Valley. The intent of this Chapter is only to permit cultivation of up to 12 commercial cannabis plants on any single property in any residential zoning district. No Permit for Commercial Cannabis Activity shall be issued for any other purpose or in any other zoning district, including but not limited to land zoned O-A or C-C.

B. Permitted with State and Local Permit. Only the following Commercial Cannabis activity may occur in the Town of Portola Valley pursuant to valid State and Town Permits:

1. Commercial Cultivation of Cannabis. Commercial cultivation of up to a maximum of twelve cannabis plants may be conducted subject to a Cannabis Permit only on residentially zoned lands.

C. Permitted with State Permit. The following Commercial Cannabis activities may occur in the Town of Portola Valley pursuant to a valid State Permit:

1. Transportation of Cannabis on public roads as expressly authorized under California Business and Professions Code Section 26080(b).

2. Lawful delivery of Cannabis to a Customer on public roads; however, no physical location for such delivery service shall be permitted within the Town of Portola Valley.

18.39.040 Specific Non-Commercial Cannabis Activities Allowed

The following are exempt from the permitting requirements of this Chapter:

A. Personal Indoor Cultivation. A natural person 21 years of age or older who engages in Cannabis Cultivation, subject to the cultivation limit in subsection C below, exclusively for personal use inside a private residence or inside a permitted accessory structure to a private residence located upon the grounds of a private residence as authorized by California Health and Safety Code Section 11362.1.

B. Personal Outdoor Cultivation. A natural person 21 years of age or older who engages in Cannabis Cultivation, subject to the Cultivation limit subject to the cultivation limit in subsection C below, exclusively for personal use outside a private residence as

authorized by California Health and Safety Code Section 11362.1. Notwithstanding the foregoing, any personal outdoor Cultivation shall be in compliance with the following requirements:

1. Shall not be in ordinary public view from public rights of way, publicly owned or maintained trails and public parks;
2. Shall be at least 600 feet away from any Sensitive Receptor. The 600 feet shall be measured in a straight line from the closest property line of the Sensitive Receptor to the actual Cultivation site; and
3. The odor from Cultivation must not be detectible off the grounds of the private residence or from any place accessible to the public.

C. Cultivation Limit. For both personal indoor Cultivation and personal outdoor Cultivation, not more than six living plants may be planted, cultivated, harvested, dried, or processed within a single private residence, or upon the grounds of that private residence, at one time. No Cannabis may be grown within the minimum setback required for the zoning district.

18.39.050 Town Commercial Cannabis Activity Permit Required

A. Any Person who intends to engage in a permitted Commercial Cannabis Activity in the Town shall obtain a Cannabis Permit in accordance with this Chapter for each Premises in the Town where proposed Commercial Cannabis Activity is to occur. A Cannabis Permit from the Town is not valid and the Commercial Cannabis Activity may not commence unless and until the Applicant obtains a valid license from the State for the same Commercial Cannabis Activity permitted by the Town. An Applicant shall provide a copy of the State license to the Department prior to commencing Cultivation.

B. Any Cannabis Permit issued under this Chapter does not provide any protection or immunity for any Person from State or federal laws, or from prosecution pursuant to any applicable State or federal laws.

18.39.060 Commercial Cannabis Activity Application Requirements

A. Each Application shall be filed with the Town, under penalty of perjury on the form provided and in the manner required by the Department.

B. An Application shall not be deemed complete until all required Application fees have been paid, and all questions, comments and/or requests for information have been addressed to the satisfaction of the Planning and Building Director.

18.39.070 Review of Commercial Cannabis Activity Permits

A. Processing of Application. The Department will review the Application. The Department will provide a copy of the Application for review and comment to the San Mateo County Sheriff's Department and the Woodside Fire Protection District. The proposed Premises may be subject to an inspection by the Department, the Sheriff's Department and Fire District prior to the public hearing on the Application, which will not be set until the Department determines that the Application is complete. If the Department determines the Application is incomplete, the Department will provide notice to the

Applicant, who shall have 30 days to complete all deficiencies. If the Applicant fails to complete the deficiencies within the 30-day period, the Application shall be deemed abandoned. The Applicant may reapply at any time following an abandoned Application. The Department will not refund any fees for incomplete or abandoned Applications.

B. Commercial Cannabis Permit Required. A Cannabis Permit shall be required for Commercial Cannabis Cultivation. The application procedures for the Cannabis Permit shall be as provided for in Chapter 18.72 of this title. The Planning Commission may grant a Cannabis Permit if it makes the following findings:

1. The proposed activity complies with the findings set forth in 18.72.130 (Conditional Use Permit findings).

2. The proposed activity is no more objectionable than the conditionally permitted uses allowed in the underlying residential zone with respect to public safety, security, environmental impacts, level of noise, traffic, odors, glare and other impacts normally associated with other listed uses.

4. The proposed activity complies with all of the development criteria and operating requirements in Section 18.39.140.

5. The Applicant has an established account in a State-approved track and trace in accordance with Section 18.39.160.

6. The proposed activity complies with the requirements set forth in this Chapter and State law.

C. Duration of Permit. Each Permit shall be granted for a one-year period and shall expire one year after the date of its issuance. Nothing herein is intended to limit the number of times an Applicant may apply to renew the Cannabis Permit issued by the Town.

D. Permit Conditions. In addition to any conditions imposed by the Planning Commission, all Permits shall include statements conveying the following information, displayed prominently on the Permit itself:

1. A warning that Permittees, supervisors, employees, and any other Persons involved in Commercial Cannabis Activities may be subject to prosecution under State or federal laws; and

2. An acknowledgment that, by accepting the Permit and engaging in a Commercial Cannabis Activity, the Permittee has released the Town and its officers, insurers, sureties, agents, Town Council members, attorneys, employees, and representatives from and against any all liability, and will defend and indemnify them, for any monetary damages related to or arising from issuance of the Permit, authorizing Permittee to engage in an authorized Commercial Cannabis Activity, enforcement of requirements or conditions related to the Permit, and/or revocation of the Permit.

3. All Cannabis Permits shall be valid only while the Permittee is in possession of a valid State license for the same cannabis activity authorized by the Town issued Cannabis Permit.

18.39.080 Grounds for Denial of an Application

A. The Planning Commission shall deny an Application for a Commercial Cannabis Permit for any of the following reasons:

1. The Planning Commission is unable to make the findings in Section 18.39.070(B) above.

2. The Applicant made a knowingly false statement of a material fact in the Application or knowingly omitted a material fact from the Application;

3. The proposed Commercial Cannabis Activities do not fully comply with the requirements of this Chapter or any State law or regulation;

4. The Applicant failed to provide all information required in the Application and/or failed to allow a pre-inspection of the proposed Premises;

5. An Applicant is subject to prosecution or has been convicted or sanctioned for an offense or violation set forth under California Business & Professions Code Section 26057(b)(4), (b)(6);

6. An Applicant has been sanctioned by the State or any other licensing authority for unauthorized Commercial Cannabis Activities or has had a State Permit or any other Permit for Commercial Cannabis Activities suspended or revoked in the three (3) years immediately preceding the date the Application is filed; or

7. Any other valid reason in the Planning Commission's reasonable discretion.

B. Notice of the decision to deny an Application specifying the reason(s) for the denial shall be provided in writing to the Applicant. The Applicant may appeal denial of its Application to the Town Council as set forth below in Section 18.39.090. No new Application(s) for a Permit on Premises where an Application has been denied shall be accepted for a period of one (1) year from the date of denial.

18.39.090 Appeal to Town Council

Action of the Planning Commission in approving or disapproving the grant of a Cannabis Permit may be appealed to the Town Council in accordance with Sections 18.78.010 through 18.78.110 or the Town Council may elect to review the action of the Planning Commission in accordance with the provisions of Section 18.78.120.

18.39.100 Permit Renewal

A. To renew a Permit, a completed Permit renewal Application on a form approved by the Planning and Building Director and renewal fee shall be received by the Department no fewer than sixty (60) calendar days before the expiration of the Permit. The Permit renewal Application shall not be deemed complete until all renewal fees have been paid. Upon receipt of a complete Permit renewal Application, the Department shall notify all adjacent property owners of the submittal at least 30 days prior to the issuance of the renewal.

B. In the event the Permit is not renewed prior to the expiration date, it shall be deemed expired and the Permittee must cease all Commercial Cannabis Activity until such time that the Permittee is issued a new Permit in accordance with this Chapter. The Permittee will be subject to enforcement actions pursuant to Chapter 1.12, Code Compliance, for continuing operations after a Permit has expired without a renewal.

C. Permit renewal applications are subject to review and decision by the Planning and Building Director. The Planning and Building Direction, however, has discretion to elevate

any Permit renewal Application to the Planning Commission for review and decision. The Planning and Building Director shall deny any request for a Permit renewal for any of the following reasons:

1. The Permit renewal Application is filed fewer than sixty (60) calendar days before expiration of the Permit;
2. The Permittee does not fully comply with the requirements of this Chapter or any State rule, law, or regulation;
3. The Permittee has failed to provide all information required in the Permit renewal application and/or has failed to allow a requested inspection of the Premises;
4. The Permittee has any outstanding taxes, fees, or fines owed to the Department or to the Town;
5. The Permit is suspended or revoked at the time of the request for Permit renewal;
6. The Permittee is subject to prosecution or has been convicted or sanctioned for an offense or violation set forth under California Business & Professions Code Section 26057(b)(4), (b)(6);
7. The Permittee has been sanctioned by the State or any other licensing authority for unauthorized Commercial Cannabis Activities or has had a State Permit or any other Permit, permit, or authorization for Commercial Cannabis Activity suspended or revoked between the time the original Permit was issued and the filing of the request for Permit renewal; or
8. The Permittee no longer meets the residency requirements of this Chapter.

D. If a request for a Permit renewal is denied, a new Application may be filed pursuant to this Chapter. However, no new Application(s) for a Permit on Premises where an Application to renew a Permit has been denied shall be accepted for a period of six (6) months from the date of denial.

E. Notice of the decision to deny or approve a request for a Permit renewal specifying the reason(s) for the denial shall be provided in writing to the Permittee. The Permittee may appeal the denial of a request for a Permit renewal to the Planning Commission.

F. The Planning and Building Director shall provide an informational item to the Planning Commission regarding any and all Permit renewals prior to the effective date of the renewal. The informational report shall include, but not be limited to, any comments received on the Permittee's Commercial Cannabis Activities within the year prior to the renewal Application. The Planning Commission may request that a public hearing be conducted on any Permit renewal Application. The public hearing shall be conducted de novo pursuant to the criteria set forth in this section. The Planning Commission's decision shall be appealable to the Town Council. Any appeal to the Town Council shall be subject to a de novo public hearing pursuant to the criteria set forth in this section.

18.39.110 Permit Nontransferable

A. A Permit issued under this Chapter does not create any interest of value, is not transferable, and automatically terminates upon attempt to transfer ownership of the Permit. Any change in the Permittee's ownership, control or management requires a new

Application pursuant to Section 18.39.070. In the event a new Permit is not issued by the Town prior to transfer of ownership, the Permit shall be deemed revoked and any activities on the Premises for which the Permit was issued must cease all Commercial Cannabis Activity until such time that the new owner is issued a new Permit from the Department. The Permittee and all owners of the Premises will be subject to enforcement actions pursuant to Chapter 1.12, Code Compliance, for continuing operations after a Permit has expired without a renewal.

B. A Permit is issued to and covers only the Permittee with respect to the Premises identified on the Permit. The Permit does not run with the land.

18.39.120 Fees

The filing of an initial Application and/or an Application for renewal of a Permit shall be accompanied by payment of such fees as the Town Council may establish to recover the cost of administration and enforcement of this Chapter. Such fees are non-refundable. Applicants and Permittees are responsible for the costs of inspections, investigations, and any other activity required pursuant to this Chapter. All fees and costs specified by this Chapter shall be established by resolution of the Town Council and may be amended from time to time.

18.39.130 Taxes

All Permittees shall comply with any Town-imposed Commercial Cannabis Activity taxes that may be enacted.

18.39.140 Commercial Cannabis Development Criteria and Operating Requirements

A. A maximum of 12 plants may be grown on the Premises for commercial purposes.

B. Residency and Ownership Requirements. Permittee must have his or her primary domicile in the Town of Portola Valley and must own the Premises.

1. If the Premises is owned by one or more individuals, at least one of the individuals must satisfy the residency requirements of this section.

2. If the Premises is not owned by an individual, the residency requirement specified in this section shall be met by the Permittee's chief executive officer, a member of the Permittee's board of directors or a Person with an aggregate ownership interest of 20 percent or more in the Permittee or other individual associated with the Permittee as approved by the Planning and Building Director.

3. The residency and ownership requirements specified in this section shall be maintained during the term of the Permit.

C. Property Setbacks. Commercial Cannabis shall not be grown in the zoning setbacks for the Premises.

D. All Premises shall also be located a minimum of 600 feet from any Sensitive Receptor. The 600 foot distance shall be measured in a straight line from the closest property line

of the residentially designated or otherwise protected site to the closest property line of the parcel with the Cannabis Cultivation.

E. Surveillance and Security. Commercial Cannabis Activity shall comply with security requirements acceptable to the Department on an individual project basis. The security requirements may include provisions for perimeter fencing plan (compliant with Municipal Code Chapter 18.43, Fences), interior and exterior lighting plan, security camera layouts, security team plan, alarm system details, transportation, remote monitoring, electronic track and trace, fire suppression plan, and record keeping.

F. Ventilation. All Premises shall be equipped with odor control filtration and ventilation system(s) to control odors and mold to the reasonable satisfaction of the Planning and Building Director.

G. Inspections. Premises shall be subject to inspections by, without limitation, the Department, the Town of Portola Valley, County of San Mateo, the Woodside Fire Protection District, and any or agency, office or similar department thereof. Agents or employees of such agencies shall have unrestricted access to the Premises, including, without limitation, all rooms, buildings, structures, facilities, and limited access areas, for the purpose of conducting inspections. If a Permittee refuses or interferes with an inspection, the Permittee will be subject to enforcement efforts pursuant to Chapter 1.12, Code Enforcement and the Town may order the immediate cessation of all Commercial Cannabis Activities on the Premises.

H. Display of Permit. The current Permit, State Permit, and an emergency contact phone number shall be maintained on the Premises at all times and shall be immediately accessible upon request of any entity conducting an inspection.

I. No Consumption on Premises. Consumption of Commercial Cannabis shall not be allowed within 100 feet of the commercial Cultivation area. This provision is not intended to prohibit personal use by the owner or occupant of the Premises.

J. Parking Requirements. Adequate on-site parking and delivery drop off and pick up zones shall be provided. No off-site parking shall be used in conjunction with the Commercial Cannabis Activity.

K. Notification to Department. A Permittee shall provide the Department with notice in writing, either by mail or e-mail to the attention of the Planning and Building Director, within 24 hours of the following:

1. A criminal conviction rendered against the Permittee;
2. A civil penalty or judgment rendered against the Permittee;
3. Notice of revocation of a State Permit or other local authorization to conduct Commercial Cannabis Activities;
4. The Permittee becomes aware of, or has reason to suspect, a diversion, theft, loss, or any other criminal activity involving its Commercial Cannabis Activities.

L. Cultivation Types Allowed. The following State Permit types, as defined by California Business and Professions Code Section 26061, will be permitted in the Town, subject to issuance of a Commercial Cannabis Permit:

1. "Specialty Cottage Outdoor" is an outdoor Cultivation site with up to 12 mature plants.
2. "Specialty Cottage Indoor" is an indoor Cultivation site with up to 12 mature plants.
3. "Specialty Cottage Mixed-Light Tier 1 and 2" is a mixed-light Cultivation site with up to 12 mature plants.

M. Number of Permits. The Town may issue up to 5 new permits during the first year of this ordinance. During the second year following the effective date of this ordinance, and each year thereafter, the Town may issue up to five new permits provided that there shall be no more than 10 issued Permits in effect at any one time. There may not be more than one Permit issued per Premises.

N. Building Requirements. All structures used for Cultivation, including greenhouse or similar structures shall comply with all applicable State or local building and design review regulations, zoning, and land use requirements.

O. Fire Code Requirements. A Permittee shall prepare and implement a fire prevention plan, which shall include, at minimum, emergency vehicle access to the Premises vegetation management, and fire break maintenance around all structures. The plan for compliance with this Section shall be proposed at the Application stage and shall not be approved without the concurrence of the Woodside Fire Protection District Fire Marshall.

P. Lighting. All lighting visible from the exterior of the Cultivation area shall comply with the dark sky lighting requirements. Light shall not escape at a level that is visible from neighboring properties or the public right of way.

Q. Runoff and Storm water. Runoff containing sediment or other waste or byproducts, including, without limitation, fertilizers and pesticides, shall not be allowed to drain to the storm drain system, waterways, or adjacent lands, and shall additionally comply with all applicable State and federal regulations. A plan for compliance with this Section shall be proposed at the Application stage and included as a condition of approval.

R. Wastewater Discharge. Permittees shall submit verification of compliance with the Waste Discharge Requirements of the applicable Regional Water Quality Control Board, or waiver thereof. All domestic wastewater shall be disposed of in a permanent sanitary sewer or on-site wastewater treatment system (OWTS) with demonstrated adequate capacity. A plan for compliance with this Section shall be proposed at the Application stage. The plan must, at minimum, identify the amount of wastewater, excess irrigation, and domestic wastewater anticipated, as well as treatment and disposal facilities.

S. Pest Prevention. All Cannabis and Cannabis Products shall be kept commercially clean in respect to established pests of general distribution so that exposure to such pests is

under effective control. Permittees shall comply with all applicable State and federal pesticide laws and regulations, including, without limitation, those enforced by the State Department of Pesticide Regulation. A plan for compliance with this Section shall be proposed at the Application stage. The plan must, at minimum, include the product name and active ingredient(s) of all pesticides to be applied to Cannabis during any stage of plant growth and integrated pest management protocols, including chemical, biological, and cultural methods the Permittee anticipates using to control or prevent the introduction of pests on the Cultivation Site.

T. Energy Use. Electrical power, including, without limitation, for illumination, heating, cooling, and ventilation, shall be provided by 100% renewable energy source or on-site zero net energy renewable source. A plan for compliance with this Section shall be proposed at the Application stage.

U. Noise Limits. Noise generated at the Premises shall comply with the Town's Noise Control requirements.

V. Hazardous Materials. No hazardous materials shall be used in conjunction with the Cultivation of cannabis at the Premises.

W. Waste Management. All Cannabis waste must be properly stored and secured to prevent access by the public. All garbage and refuse on the Cultivation Site shall be accumulated or stored in nonabsorbent, water-tight, vector resistant, durable, easily cleanable, galvanized metal or heavy plastic containers with tight fitting lids. No refuse container shall be filled beyond the capacity to completely close the lid. No garbage and refuse generated in conjunction with the Cultivation of cannabis shall be allowed to accumulate for more than seven (7) calendar days, and shall be properly disposed of before the end of the seventh (7th) day. All non-Cannabis waste, including, without limitation, refuse, garbage, green waste, and recyclables, must be disposed of in accordance with Town and State codes, laws and regulations. A plan for compliance with this Section shall be proposed at the Application stage. The plan must address the storing, handling, and disposing of all waste by-products of Cultivation and, at minimum, characterize the anticipated amount and types of waste generated, identify the designated holding area(s) for Cannabis waste, and describe the operational measures that are proposed to manage, track/identify, and dispose of Cannabis waste in compliance with County and State standards.

X. Water Usage. Permittees must identify a water supply source adequate to meet all Cultivation uses on a sustainable basis for the Premises, provide the Department with proposed conservation measures, demonstrate that Permittee is in compliance with all statutes, regulations, and requirements of the State Water Resources Control Board, Division of Water Rights, and allow the Department and/or other County departments access to the Premises to monitor water usage. Domestic water sources must be from a source permitted by the Town. A plan for compliance with this Section shall be proposed at the Application stage.

Y. Insurance Requirements: A Permittee shall maintain insurance in the amounts and of the types that are acceptable to the Town Manager or his or her designee. The Town of Portola Valley shall be named as additional insured on all city-required insurance policies.

Z. Indemnity: To the extent permitted by law, the Applicant shall indemnify, defend and hold harmless the Town, its Town Council, its officers, attorneys, employees and agents (the "indemnified parties") from and against any claim, action, or proceeding brought by a third party against the indemnified parties and the applicant to attack, set aside or void, any permit or approval authorized hereby for the activity subject of the Cannabis Permit, including (without limitation) reimbursing the Town for its actual attorneys' fees and costs incurred in defense of the litigation. The Town may, in its sole discretion, elect to defend any such action with attorneys of its own choice.

18.39.150 Record Retention

A. A Permittee shall keep and maintain the following records for at least seven (7) years from the date of permit issuance by the Town:

1. Financial records including, without limitation, bank statements, sales invoices, receipts, tax records, and all records required by the California State Board of Equalization, other State of California agencies, the Department, or other County departments;

2. Personnel records, including each employee's full name, social security, or individual tax payer identification number, date of beginning employment, and date of termination of employment if applicable;

3. Training records, including, without limitation, the content of the training provided and the names of the employees that received the training;

4. Contracts with other Permittees;

5. Limited-access area logs and copies of current versions of any applicable plans required under this Chapter, including, without limitation, security plan, waste disposal plan, water management plan, water conservation plan, access restriction procedures, record keeping policy, odor and ventilation measures, energy usage plan, fire prevention plan, parking plan, and pest management plan; and

6. State permits, and other local Permits or authorizations to conduct Commercial Cannabis Activity.

B. A Permittee shall provide all books and records for review by the Department or its designee upon request. Records shall be kept in a manner that allows the Department, or its designee, to review the records in either hard copy or electronic form, whichever the Department requests. A Permittee may contract with a third party to provide custodial or management services of the records; however, such a contract shall not relieve the Permittee of its responsibilities under this Chapter.

18.39.160 Track and Trace Program

A. A Permittee must have an established account in a State-approved track and trace system prior to engaging in any Commercial Cannabis Activities. A Permittee may use any track and trace program approved by State agencies and shall comply with all State laws, rules, and regulations relating to track and trace, including, without limitation,

system unique identifier (UID) requirements, user requirements, reporting requirements, and inventory requirements.

B. The Permittee is responsible for the accuracy and completeness of all data and information entered into the track and trace system. Data entered into the track and trace system must be accurate. Inaccuracies, if not corrected, may result in enforcement action against the Permittee.

C. The Permittee shall designate at least one track and trace system administrator who shall complete initial training prior to accessing the system and participate in ongoing training as required by the Department, the State, and/or their respective agents/designees. The designated administrator must maintain an accurate and complete list of any other track and trace system administrators and users and update the list immediately when changes occur.

D. It is a violation of this Chapter for any Person to intentionally misrepresent or falsify information entered into the track and trace system. The Permittee shall monitor all notifications from the track and trace system and resolve all the issues included in the notification in the time frame specified in the notification. A Permittee shall not dismiss a notification from the track and trace system until the Permittee resolves the issues identified in the notification.

18.39.170 Revocation or Suspension of Permit

A. Any of the following shall be grounds for revocation or suspension of a Permit:

1. Failure to comply with the terms and conditions of the Permit.
2. Any act or omission that violates the requirements of this Chapter, the County Code, or State rule, law, or regulation.
3. Any act or omission that results in the denial, revocation, or suspension of the Permittee's State Permit.
4. The Permit was granted on the basis of false material information, written or oral, provided knowingly or negligently by the Permittee.
5. Conduct of Commercial Cannabis Activities in a manner that constitutes a nuisance, where the Permittee has failed to comply with reasonable conditions to abate the nuisance.
6. The Permittee no longer meets the residency requirements of this chapter.

B. Revocation or suspension proceedings shall be conducted in accordance with Chapter 1.12, Code Compliance.

18.39.180 Enforcement and Penalties

A. Any activity in violation of this Chapter is hereby deemed a per se nuisance.

B. As part of any code compliance efforts, any Permittee found to be in violation of this Chapter shall be assessed in addition to the cost of code compliance a penalty in the amount of three times (3x) the amount of the Permit fee.

C. The remedies in this Chapter are in addition to and do not supersede or limit any and all other remedies provided by law. The remedies provided in this Chapter are cumulative and not exclusive.

18.39.190 Implementing Regulations

The Planning Commission shall have the authority to adopt regulations implementing this Chapter.

2. AMENDMENT OF CODE. Subsection Q is hereby added to Section 8.12.010 [Definition of nuisance] of Chapter 8.12 [Nuisance Abatement] of Title 8 [Health & Safety] is amended to read as follows:

“Q. A Commercial Cannabis Activity emitting odors that are detectible off site.”

3. ANNUAL REVIEW. For five years following adoption of this Ordinance, the Planning Commission shall conduct an annual review of this Ordinance. This annual review shall include the number of applications received, the number of permits issued, the number of complaints received and an assessment of whether modifications to the ordinance are required. Following the first annual review, in the Council's reasonable discretion, the Council may direct the Planning Commission to extend the time periods for the review or to eliminate such review altogether.

4. CALIFORNIA ENVIRONMENTAL QUALITY ACT DETERMINATION. The Town Council hereby finds that this ordinance is not subject to the provisions of the California Environmental Quality Act (“CEQA”) because the activity is not a project as defined by Section 15378 of the CEQA Guidelines. The ordinance has no potential for resulting in physical change to the environment either directly or indirectly.

5. SEVERABILITY. If any part of this ordinance is held to be invalid or inapplicable to any situation by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance or the applicability of this ordinance to other situations.

6. EFFECTIVE DATE AND POSTING. This ordinance shall become effective 30 days after the date of its adoption and shall be posted within the Town in three public places.

INTRODUCED: March 28, 2018

PASSED: April 25, 2018

AYES: Councilmember Hughes, Derwin and Aalfs

NOES: Vice Mayor Wengert and Mayor Richards

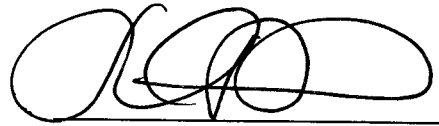
ABSTENTIONS: None

ABSENT: None


ATTEST None

APPROVED


Town Clerk


Mayor

APPROVED AS TO FORM


Town Attorney

Attachment 2

PLANNING COMMISSION REGULAR MEETING, TOWN OF PORTOLA VALLEY, FEBRUARY 7 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 Gilbert, Hasko, and Taylor; Vice Chair Goulden; Chair Targ

Absent: None

Staff Present: Arly Cassidy, Interim Planning Director
Cara Silver, Town Attorney

ORAL COMMUNICATIONS

None.

OLD BUSINESS

1. Recommendation to Town Council on Proposed Ordinance Adding Chapter 18.39 [Cannabis Land Uses] and Amending Section 8.12.010 [Definition of Nuisance] of the Portola Valley Municipal Code

Town Attorney Cara Silver presented the recommendation by staff and the Cannabis Subcommittee regarding a proposed ordinance addition and section amendment, as detailed in the staff report.

Vice Chair Goulden reported on the Cannabis Subcommittee's discussions, research, studies, and findings regarding the need for local regulations and what is appropriate for Portola Valley. Chair Targ discussed the comments made by the Fire Marshal and San Mateo County Narcotics regarding the importance of being able to police and inspect at a localized level and whether or not Portola Valley has an administrative infrastructure able to address this emerging need. He said these considerations affect the scale by which the Town wants to approach cultivation, manufacturing, and distribution.

Chair Targ invited questions from the Commissioners.

Commissioner Gilbert asked if a greenhouse was considered indoor or outdoor. Town Attorney Silver said if a building has a roof and four walls and a foundation, it is considered indoor.

In response to Commissioner Gilbert's question, Town Attorney Silver and Interim Planning Director Cassidy explained the differences between RE and R1 zoning designations.

In response to Commissioner Hasko's question, Town Attorney Silver said the cannabis definition for the ordinance came from the State law, which is also used by the County.

Commissioner Hasko asked if the definition of youth center covered the Nathhorst Triangle. Town Attorney Silver said under the State definition of youth center, it would not apply to Nathhorst, so staff expanded that definition to include Town-owned properties that serve children, which would cover the Nathhorst Triangle Park. Chair Targ said the Nathhorst Triangle Park is used as a functional part of the school for pick-up and drop-off.

Commissioner Hasko asked if the requirement for 100 percent renewable energy was a difficult hurdle for growing 12 plants. Chair Targ said it should be trivial for those that haven't opted out of the Peninsula Clean Energy.

Commissioner Hasko asked if an applicant not living on the premises would need to co-apply with the owner of the property. Town Attorney Silver said that would be the typical way to handle those types of applications.

Commissioner Taylor said the requirement to use 100 percent renewable electricity was unclear.

Commissioner Taylor asked if there was a definition of odor and how it would be monitored or measured. Town Attorney Silver said one of the concerns with this provision is that it would be difficult to enforce. She said it is somewhat subjective, but code enforcement should be able to make a reasonable person judgment. Chair Targ said it became a serious enough issue in Colorado that they reduced the larger scale operations on residential properties down to a maximum of 12 plants, except under unusual circumstances. He said there is a standard nuisance ordinance that goes along with it with regard to odor. Chair Targ said the issue of odor, as with the issues of sound, has subjective components; however, the kind of enforcement around odors in terms of qualitative tests, comes down to a reasonable person's standard. Interim Planning Director Cassidy said the language is quite common and is a standard already in the code for noise. Commissioner Taylor said the noise ordinance, however, is measured and quantitative, whereas odor is different.

Hearing no further questions from the Commissioners, Chair Targ opened the public hearing and invited public comments.

Alison Polkinhorne, 19 Valley Oak. Ms. Polkinhorne asked if the permit process described was for delivery services or only for cultivation. Town Attorney Silver said a delivery service must receive a permit from the State, but does not need a Town permit. Ms. Polkinhorne said allowing a professional, discreet, safe, highly-regulated service to continue to function in this community for the people who need it is very important to her.

Max Polkinhorne, 19 Valley Oak. Mr. Polkinhorne thanked the Commission for agreeing to have an open and ongoing conversation about the current state of cannabis-related activities in Portola Valley. He said he agrees with the Commission's proposed ordinance to ban dispensaries in Portola Valley. He does support delivery service and suggests considering retail sales with tight safety and quality regulations via delivery services which have none of the downsides enumerated by the community and significant upsides as it allows the discreet delivery of medical cannabis to members of the community who may be housebound. He cited some of the key points of the new cannabis legislation put forth by the California Bureau of Cannabis Control and the California Department of Public Health, which go live March 1, 2018. He said if Portola Valley were to accommodate retail sales of cannabis products via delivery service, he thinks this would protect young people in the community, would not attract any sort of outside unwanted traffic, but would allow the community to serve its residents by offering local access to needed medication. He said he and his family have been in contact with veterans struggling with PTSD, people who are housebound due to disease, people living with chronic diseases, and others who rely on cannabis when other forms of medication have failed them.

Anne Kopf-Sill, 30 Minoca. Ms. Kopf-Sill was supportive of the subcommittee's recommendations. She asked for clarification on part of the map regarding the buffer zone.

Margaret Wilmer, 2 Portola Green Circle. Ms. Wilmer has a 7th grader at Corte Madera School and grew up here, also attending Corte Madera and CMS. Her father still lives on Portola Road in the idyllic house she grew up in, and she'd like to keep it that way. She said she is concerned with delivery trucks

and vans coming in with marijuana advertising and asked if there is any regulation around this. Town Attorney Silver said the current regulation does not address advertising on delivery businesses. She said it would be the delivery vehicles that are used in various cities, and there are First Amendment and constitutional issues with regard to regulating signs placed on vehicles. She noted, however, that the current delivery services use smaller unmarked cars for security reasons, so there has not been concern about it.

Kim Zamboldi, 30 Alhambra Court. Ms. Zamboldi thanked the Town with the thoughtfulness and speed in getting this ordinance prepared. She said she was particularly concerned about the Triangle as a dispensary spot and the expansion of the definition of a youth center was perfect. She asked if the next steps could be explained.

Jeff Booth, 250 Nathhorst Avenue. Mr. Booth said he has been a resident for 45 years. He said he is in general agreement. He asked if cultivation included growing, drying, trimming, extraction, etc., and if there were any restrictions in that process. Town Attorney Silver read the definition of cultivation in the proposed ordinance. Mr. Booth asked why a delivery service would be permitted, but not a retail site. He said in the discussions of setbacks in the Nathhorst Triangle that the Country Offices at the corner of Nathhorst and Alpine were not discussed. He said these offices are not in the normal flow for children. He said if a delivery service was housed there, it would seem to be an ideal spot and would certainly serve the community better than the long distance some of the services have to travel to get to Portola Valley. He said he would like to see a provision for a mandatory yearly review of the set of ordinances.

John Zussman, 5 Bear Paw. Mr. Zussman said he has lived in Portola Valley for 31 years. He said he is one of the 68 percent of the Portola Valley voters who voted in favor of Proposition 64 to allow cannabis products to be available in town and to allow cannabis businesses to operate in California. He commended the Town Council for allowing the community to consider entering the brave new world of cannabis. He commended the subcommittee for recommending that we stick our toe in the water and allow limited commercial cultivation. He said, however, this is one of those times when sticking our toe in the water isn't enough. He said this is labeled a commercial cannabis ordinance, which means commerce, which means business. He said with all the licenses, regulations, taxes, and fees that are mandated at both the State and local level, there is no way to operate a viable cannabis cultivation business with only 12 plants. He said if the Town wants to encourage and allow small-scale cannabis cultivation, then the limit of plants needs to be raised. He suggested using the same types of cultivation licenses, such as specialty cottage, as recommended by the State. He said instead of the 12-plant limitation, the Town ordinance could be aligned with the State ordinance, which allows for up to 25 plants for an outdoor license, 500 square feet for an indoor license, or 2,500 square feet for a greenhouse, also called a mixed light license. He said small scale cannabis cultivation may be the most unprofitable part of the cannabis ecosystem because the cannabis producers will compete with Big Ag cannabis operations. He said if the desire is for small scale cannabis cultivation to flourish, then they must be allowed to form microbusinesses. He said a microbusiness license would allow a business to grow, manufacture, distribute, and sell. He said this could encourage craft cannabis along the same level as a microbrewery, a micro-distillery, or a micro-winery, which is the only way small scale wine and beer production has been able to compete with Anheuser-Busch or Gallo, encouraging small scale operations that are craft and artisan based. He urged the Town to consider this license category to encourage small scale cannabis cultivation and businesses to prosper within Portola Valley while remaining consistent with the Town's small scale rural values and culture.

Tera Bonora, 229 Grove Drive. Ms. Bonora thanked the subcommittee for all of their work. She was supportive of their recommendations. She said she did not vote for Prop 64 and was completely against it. She said she supports personal use of cannabis. She was supportive of the Sequoias having a dispensary to help with the residents' medical issues. She said she was not supportive of commercial

dispensaries around children. She was supportive of a 12-plant limit to discourage small businesses growing and distributing. She said that could be reviewed in 5 or 10 years and consider raising the limit at that point. She said she moved to Portola Valley for the sense of community. She said there is an obligation to protect the children by not having access to cannabis. She asked if someone renting a house in Portola Valley would be allowed to have six plants unless otherwise stated in the lease agreement. Town Attorney Silver said whether the household is occupied by a tenant or owner, up to six plants can be grown in the house. She said landlords can put a restriction in their lease agreements to prevent that, but the Town would not enforce that restriction, and it would be a private matter. Ms. Bonora said she is concerned about wind blowing marijuana seeds onto her property.

Laurie Duvall, 350 Golden Oak Drive. Ms. Duvall thanked the Planning Commission and the subcommittee. She was supportive of the recommended ordinances and was particularly pleased with the delivery possibility.

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

Town Manager Dennis said if the Planning Commission makes a recommendation tonight, the item will be placed on the Town Council's next agenda on February 28. He said the Council will then deliberate, finish their discussions, and an ordinance will be put in place. If the Planning Commission is unable to finish the business tonight, it will be agendaized for the next Planning Commission meeting and then go to the Council. He said staff is committed to get this ordinance in place as quickly as possible.

Vice Chair Goulden said, in general, a distribution operation of any kind was not likely something that would interest Portola Valley or fit within the Town guidelines.

Vice Chair Goulden said the subcommittee did not feel like Portola Valley wanted to be pioneers in this area, which is fraught with potential concerns. He said the fact that Colorado arrived at the limit of 12 plants after a lot of experience was influential in their decision-making.

Commissioner Gilbert asked what Colorado learned and why they reduced the maximum plants allowed to 12. Chair Targ said along with the legislation that was enacted this past year, there were a series of findings made, and asked the Town Attorney to review them.

Town Attorney Silver said Colorado previously allowed unlimited growing on residential properties for medicinal purposes. They found there were a series of problems allowing an unlimited amount resulting in very large grows. Effective January 1, 2018, Colorado passed a law that ratcheted cultivation for medicinal use to 12 plants. Town Attorney Silver reviewed the series of findings: "The extended plant count and primary caregiver provisions have created a situation in which individuals are cultivating large quantities of marijuana in residential homes. These large-scale cultivation sites in residential properties create a public safety issue and are a public nuisance. A site in a residential property can overburden the home's electrical system, resulting in excessive power use and creating a fire hazard that puts first responders at risk. A site can also cause water damage and mold in the residential property. A site in a residential property can produce a noxious smell that limits the ability of others who live in the area to enjoy the quiet of their homes. Often the site is a rental home, and the renters cause significant damage to the home by retrofitting the home to be used as a large-scale cultivation site. When residential property is used for a large-scale cultivation site, it often lowers the value of the property and thus the property value of the rest of the neighborhood. Finally, a site in a residential property can serve as a target for criminal activity, creating an untenable public safety hazard. Large-scale, multi-national crime organizations have exploited Colorado laws, rented multiple residential properties for large-scale cultivation sites, and caused an influx of human trafficking and large amounts of weapons as well as the potential for violent crimes in residential

neighborhoods. Large-scale cultivation sites in residential properties have been used to divert marijuana out of state and to children.” Town Attorney Silver said Colorado adopted its marijuana laws a few years before California. Chair Targ asked Town Attorney Silver to include these findings and that portion of the ordinance with their transmittal the Planning Commission makes to the Town Council.

Commissioner Taylor asked if the Town was proposing one permit for one person, allowing 6 plants per person or 12 plants if for cultivation. Town Attorney Silver said the proposal is one permit per premises.

Chair Targ said the issue of microbusinesses were specifically raised by the head of the Narcotics Task Force for the San Mateo County Sheriff, who identified that if there is going to be an issue with organized crime, that’s where it will be located. The ad-hoc committee also considered the fact that Portola Valley would be the only jurisdiction in the vicinity that would allow a micro-enterprise, which might create an unusual concentration within this area. He said the idea of being a pioneer in certain aspects seemed appealing; however, with the admonition from the Sheriff and being a town without its own police department, it seemed too far forward from the ad hoc committee’s perspective.

Commissioner Gilbert said there appear to be substantially more restrictions for growing 12 plants outside for commercial use, in terms of wastewater, fire, and security that are not required for the 6 personal use plants. She asked if some of the restrictions required for 12 plants should also be considered for 6 plants. She said, for example, if the 6 plants are grown inside, there is no consideration regarding lighting impact, as there is for the 12 commercial plants. She said there seems to be some discontinuity between the two. Chair Targ asked Town Attorney Silver to explain the distinction between commercial restrictions required as a matter of State law versus the restrictions on personal cultivation. Town Attorney Silver said in order to grow more than six plants, a State license is required, which has a series of requirements. She said staff’s proposed ordinance includes requirements taken from the County ordinance since the same people will be enforcing the ordinance. She said there are requirements imposed by both the Town and the State. She said the policy question for the Commission is whether or not they want to replicate the State requirements or eliminate them and defer to the State to ensure that those safeguards will be put in place.

Commissioner Gilbert asked if plants are grown for personal use indoors if some protections can be put in place regarding lighting and the Fire Code. Town Attorney Silver said reasonable requirements can be put in place. Commissioner Taylor asked if there was a quantitative way of thinking about it, such as amps per plant. He said it did not seem right that 12 plants are subject to regulation, but 6 plants are not. Chair Targ said there is a desire to be consistent with State requirements as well as being consistent with County requirements. He said they did not want to create an island of regulation that puts the Town apart from the surrounding jurisdictions. They also wanted to take a gentle hand with respect to personal cultivation. He said someone trying to operate a grow operation with maximum intensity for personal cultivation in an unsafe manner seemed unlikely and was not a concern of the Fire Marshal. He said the two issues of consistency with the surrounding jurisdiction and the County and the non-objection on the part of the Fire Marshal were the two driving issues.

Vice Chair Goulden said for something small, six plants or less, the existing lighting ordinances and electrical codes were sufficient. He said although 12 plants are not much more, from the State law perspective, the regulations are different. Commissioner Taylor said someone could get the highest intensity lights as possible, which could draw a lot of power, for their six plants, and he wondered how these types of things would be normalized. He said it appeared that when it hit the commercial trigger point of 12 plants, extremely onerous restrictions were applied, but basically giving freehand to everyone else. He said it didn’t feel like a gradient, but very much a harsh step function.

Commissioner Hasko asked if the lighting concern was fire safety or light pollution. Vice Chair Goulden said it could be both. He said they felt the new lighting ordinance would probably handle greenhouses. He said the Fire Marshal's biggest concern was about fire safety related to illegal operations, where people are stringing electrical cords, over-powered circuits, removing fuse boxes, etc.

Commissioner Gilbert asked if a commercial applicant lived in Portola Valley, but not living on the property where they would be growing, would both the applicant and the person living on the property need to be on the application. Town Attorney Silver said that is not clear in the ordinance. Commissioner Gilbert suggested it should be specified in the ordinance. She said the tenants may change on a rental property where cannabis is being grown commercially, and the Town needs to know who is responsible. Commissioner Hasko said she is more concerned about the consent piece of it because there are properties in town where people are not there day-to-day and may or may not be as aware of what's going on on their property. She said if she was an owner, she would want to be aware there had been an application to grow on her property and that it would require her consent. She asked the Town Attorney to consider the legal liability.

Commissioner Taylor presented the scenario where a property owner gave consent, and an applicant has a renter who has committed a felony. He asked if the Town would know the renter as part of the chain, living on the same property where the cultivation is occurring. Town Attorney Silver said the ordinance could be written so that the tenant is also an applicant if that is the Commission's intent. She said the original staff recommendation was that the applicant needed to live on the property. The subcommittee's recommendation was that that may be too strict and suggested that the applicant needed to live in Portola Valley, but did not need to live on the site. Staff wanted some local person to call if a problem arose. Vice Chair Goulden said the subcommittee also discussed that it was reasonable to allow a resident who had a second property in Portola Valley to be able to use that second property for cultivation. Commissioner Gilbert said her concern was making sure the Town knew who was accountable and who was watching over the operation.

Commissioner Taylor asked what the intent was behind the requirement for an applicant to notify the Town if convicted of a crime. He asked if the Town just wanted to know if the applicant, the responsible party, had been convicted of a crime or if they also wanted to know if the applicant's tenants had been convicted of crimes. He confirmed with Town Attorney Silver that that requirement was for the applicant and not for who was in proximity to the cultivation.

Commissioner Gilbert asked regarding the 600-foot versus 1,000-foot buffer. She asked if any portion of a property was within 600 feet, would the entire property be disallowed for cultivation. Town Attorney Silver said that is how it is defined in the County and State law. Chair Targ said such a property would not be granted a State license anyway. Commissioner Gilbert asked why the County used 1,000 feet versus 600 feet. Town Attorney Silver said the County is anticipating larger-scale grows, but she does not know the genesis. Commissioner Gilbert asked if the subcommittee had discussed 600 versus 1,000 feet. Vice Chair Goulden said it was discussed as part of the youth centers, and it seemed like the 600 feet would be adequate if the definition of a youth center was expanded. He said they weren't adamantly wedded to 600 or 1,000 feet, and using 1,000 feet would affect more properties, but would not likely affect any public areas.

Commissioner Taylor asked if there was a definition of a youth-oriented area. Town Attorney Silver read Definition Y under Section 18.39.020. "Youth Center shall have the same meaning as defined by California Health and Safety Code Section 11353.1 and shall also include publicly owned facilities and properties that support activities for youth and children." She said that the added language captured Triangle Park. Commissioner Taylor asked why they couldn't just call out Nathhorst specifically. He said, for example, there is a small piece of Town-owned property at the top of Old La Honda that, if

children started playing there, could be considered Town-owned property that is a youth facility, and the 600 feet would then apply.

Commissioner Taylor said R-1 should not be excluded if they met the requirements. He asked why not use the existing prescription rather than the Zoning designation. Town Attorney Silver said the thought was there would be very few R-1 properties that would qualify, being smaller in size and not appropriate to support cultivation. She said it was felt it would be more transparent to say R-1 properties are going to be carved out of the ordinance rather than setting up a false expectation. Commissioner Gilbert asked what criteria R-1 properties would not meet. Town Attorney Silver said the buffer and size of the R-1 lots, with the proximity to neighbors being more intrusive. Commissioner Gilbert asked if the visibility issue applied to plants in the ground or also included planting in a greenhouse. Town Attorney Silver said the subcommittee wanted to encourage outdoor cultivation as opposed to greenhouse grows, especially in an R-1 neighborhood where the sudden construction of a big greenhouse would have more impact. Chair Targ said from the experience in Colorado and the observations of the Sheriff's Office, concentrating marijuana plants in a confined area with a limited number of vents tends to create more odor issues than if you have more dispersed open air. Greenhouses must also deal with light spill and impervious surface issues.

Chair Targ asked Commissioner Taylor, who lives in a higher density area, to share his thoughts about commercial cultivation in denser areas. Commissioner Taylor said the existing criteria, such as light spill and impervious surfaces, must and should be applied and should be made clear, and those restrictions would apply across the board, rather than arbitrarily restricting certain zoning designations. He agrees that a lot of the R-1 properties will not qualify, but does not think the zoning should be one of the restrictions. Chair Targ suggested the Commissioners think about if there should be a requirement regarding appropriate lot dimension, size, and areal extent. Commissioner Taylor asked, for example, if someone put up an allowable garden shed equivalent to a greenhouse, why they wouldn't be allowed to grow. In response to Chair Targ's question, Commissioner Taylor said he would be supportive of using the same sort of structure model in addition to the other requirements such as for odor, setbacks, height requirements, etc., and removing the zoning restriction entirely.

In response to Commissioner Gilbert's question, Interim Planning Director Cassidy said a homeowner's association could supersede the ordinance by being more restrictive.

Commissioner Taylor said he understands the reasons for keeping cannabis out of sight of the public through public nuisance, such as via trail easements, etc. He asked regarding the goal of keeping the cannabis out of sight of neighbors. He also asked regarding visibility versus distance. He said he understands the issue of not wanting children to walk by a property and see a grove of marijuana plants. He said, however, there are places he could stand and see a marijuana plant from a great distance. Chair Targ said there were people who objected to seeing turf from the top of Windy Hill and the same may be true for marijuana plants that could be discerned from a couple of miles away. Commissioner Taylor said he may be more comfortable with some kind of distance measure because it did not seem fair to object to something someone may be able to see from half a mile away. He did not think it is reasonable to make sure no one ever sees a marijuana plant, but rely more on the public nuisance factor of someone walking by a fence, seeing marijuana plants, and climbing over the fence to get to them.

Commissioner Hasko pointed out that the plants grow up to 10 feet tall. She said the trail system is as extensive as the road system and fencing is discouraged. She said there will be a lot of properties that children and visitors walk by. She said a distance requirement will not be enough. She said 10-foot plants will be visible, and people will know who grows. She understands that topography makes visibility difficult, but if outdoor cultivation is going to be allowed, she is concerned about the trail issue.

She said there were comments about going over fences to get to the plants, but Portola Valley is not supposed to be constructing incentives to build fences.

Commissioner Taylor said the fencing ordinance limits fences to 6 feet, but marijuana plants grow to 10 feet so additional plant screening would be necessary. Commissioner Gilbert said the ASCC has expressed concern about hedging along roads and the desire to open up the views. Chair Targ said the issue becomes magnified with more plants. He said the easier thing to do would be to not allow cultivation whatsoever and to obviate the whole discussion. He said it's also important to recall they are talking about five permits and there is a question of whether that means five permits per year cumulative or five permits total, and what the level of tolerance is for fencing, visibility, screening, and size. Commissioner Taylor said some of the tension is because they'd like to encourage outdoor growing rather than indoor growing. Commissioner Taylor asked if a 12-foot tall greenhouse would be allowed. Interim Planning Director Cassidy said they would be treated as any other structure. Commissioner Taylor said he would be supportive of the standard requirements for an auxiliary structure to be used for commercial purpose. Interim Planning Director Cassidy said they look at ceiling heights, how finished the structure is, if there's HVAC, the intent of the structure, etc., to determine if it is also considered additional floor area.

Commissioner Taylor asked if there were restrictions regarding business hours. Town Attorney Silver said that could be incorporated into the ordinance.

Commissioner Gilbert referred to Section 18.39.070.B, Commercial Cannabis Permit Requirement. She asked for clarification regarding "The proposed activity is no more objectionable than the listed activities ..." Town Attorney Silver said that appeared to be a drafting error and should be no more objectionable than the types of conditionally permitted uses that are permitted in that particular zone. Commissioner Gilbert said a normal CUP would list what can be done on the property, but this kind of property will not have an existing CUP. Chair Targ said it would still need to be consistent with the residential neighborhood and consistent with the other uses permitted by right within the zone. Interim Planning Director Cassidy said uses are listed various ways – permitted by right, which is very limited; accessory uses permitted; conditionally permitted uses; and others. She said if the desire is to specifically reference what that is, it should be clear if it's all other types of permitted uses or accessory, utility, conditionally permitted, or if it's one only.

Commissioner Gilbert said it appeared the ordinance used "permittee" when referencing both personal use and commercial cultivation; however, only commercial cultivation required a permit. Town Attorney Silver said she will correct that.

Commissioner Gilbert referred to 13.39.180.B, which referred to a penalty of three times the amount of permit fee. She asked what the permit fee would be. Town Attorney Silver said they have not yet determined the amount of the permit fee. Commissioner Gilbert's concern was that if the permit fee was low, the 3x penalty would not be a deterrent. Chair Targ said the issue was abatement or closing of the facility.

In response to Commissioner Hasko's question, Chair Targ said a person could have both 6 personal plants and 12 plants for commercial use.

Commissioner Taylor said the ordinance seemed onerous for a prospective commercial grower permittee. He said, for example, there is a requirement to have trash picked up within seven days. He asked if the Town could revoke a permit because the trash was picked up a day late due to a holiday. Town Attorney Silver said there would not be code enforcement activity in that situation. She said the intent behind the provision is that the Town doesn't want cannabis-related waste sitting in front of

somebody's property for long periods of time. Commissioner Taylor said the grower's cannabis related waste should be kept out of sight until pickup day.

Commissioner Taylor said another example of harshness was allowing only 30 days to rectify an incomplete application or the permit would be considered abandoned. He said there are only five permits being allowed, and he would like to assure an applicant that the Town's goal is to work with them to get their permit granted within the restrictions. He said the ordinance reads more harshly. Interim Planning Director Cassidy said most of the code is not written to specifically call out good faith effort, and there is an understanding that people are generally doing their best to follow the code. She said since there is not a patrolling code enforcement officer, and the Town does not take an active role in looking for violations, when violations are reported, the Town's general goal is to assume that good faith effort and the first contact is usually a courtesy notice and not the initiation of a notice of violation, which basically starts the clock for the person to come into compliance. She said there is generally a phone call, an email, or some informal contact letting the person know a complaint has been received and the Town would like to see it brought into conformance. She said the majority of complaints are addressed before a first notice of violation goes out. She said this is a more sensitive issue, and there will be more eyes on cultivation; however, she would assume the Town would continue their process with the assumption that when a complaint is made, someone will probably jump to address it, especially because it is a sensitive issue. Commissioner Taylor asked if a permittee has recourse if the Town tells them they have abandoned their permit and need to start over. He said there should be some mention of recourse options for the permittee. Chair Targ said staff is reasonable, and the accessibility to Town leadership and staff's treatment are relief valves that have worked effectively. He would recommend to leave things tighter and, if they are enforced in an unreasonable matter, they can be reviewed and titrated down rather than try to hit directly on the nose and try to define best efforts. He suggested letting the enforcement process play itself out through the discretion the Town has effectively exercised on a day-to-day basis. Commissioner Taylor agreed that they should not get into trying to define good faith and said he would like to see a relief valve offered in the ordinance. Chair Targ said it was not necessary because the Town Manager was always available, and if he was not responsive, people could reach out to the Councilmembers. He said he did not want to end up being the marijuana board of appeals. Town Attorney Silver said before a permit could be revoked or suspended, there is an appeal process. Commissioner Hasko said 18.39.030.A indicates permitting "cultivation of up to 12 cannabis plants on any single property in the R-E or M-R zoning districts." She said "for commercial activity" needs to be added there. Town Attorney Silver said she will correct that.

Commissioner Taylor asked if five permits per year was five new per year or five total growers per year and if there is a cap. Commissioner Gilbert said if she had a permit, she would want to know that she would have preference to renew the following year in order to be running a business. She said the yearly review could be a good way to start it because the Town will learn a lot about the process, the restrictions, etc. Chair Targ said they talked about a five-year sunset. He said the understanding of issues of enforcement and tolerance in Town will likely change over time, as well as the effectiveness of over- or under-regulation that may be embodied here. He said one year seems too short to allow for adequate ventilation or change in morays, and five years may be too long. In response to Commissioner Taylor's question, Chair Targ said he was talking about a sunset where something new would happen after a mandatory review; an action forcing a requirement to come to an end and then reconsider what has been done. Commissioner Gilbert said she was talking more of just a review at one year, particularly in terms of whether or not the restrictions are too onerous and need to be rephrased, or if a lot of neighbor complaints about a particular issue are received. Commissioner Hasko said for a cultivation permit, the applicant would need more than a year visibility to invest in it and agreed sunset may be the right mechanism to force renewal or revisitation. She said she was supportive of revisiting it, and optimizing will likely be needed, but the question is when there will be enough data. The Commission agreed with a review one year after the first permit is issued, followed by recommendations to the Town Council.

Commissioner Taylor asked if the information collected by the Town for the cannabis permits would be available to the DEA. Interim Planning Director Cassidy said it is a matter of public record, and all of the information on the application must be released.

Commissioner Taylor said the ordinance states a grower can be inspected at any time. He said he understood it was not likely the Town would come by at 2:00 a.m. to inspect a property, but suggested random inspection be limited to business hours. Interim Planning Director Cassidy said there is a scheduled inspection done by Town staff or an inspection on a complaint; however, people can call the police at any time to complain about noise, a party, large lights, etc., which would be answered immediately. She said this would carry forward and cover concerns about these businesses as well.

Commissioner Taylor said the Track and Trace had to be registered with the State and asked if the Town had access to that data. Town Attorney Silver said this is a new area of regulation, and it is assumed the Town can have access to those records, but it is not known for sure at this point. She said she is not sure the Track and Trace program is up and running yet.

With no further discussion items from the Commissioners, Chair Targ brought the discussion back to the Outstanding Issues for Discussion as listed in the staff report.

- Personal outdoor cultivation: Should the ordinance establish a numeric buffer from the adjacent properties or just contain a qualitative buffer (i.e., not be visible from public locations). (Ordinance Section 18.39.040 B.)

Commissioner Taylor said his assumption was that this was dealing with the attractive nuisance issue, not having easily accessible marijuana plants, rather than “I don’t like the look of marijuana plants.” Commissioner Taylor suggested restrictions about visibility along ordinary public view such as public trails, public street views, public parks, etc. Commissioner Gilbert agreed with a qualitative standard versus a specific distance because the distance would be different for different properties. Commissioner Hasko said although it might be known that marijuana is being grown on a property even though it’s screened, but she would prefer there be some effort to screen and not just rely on distance. Vice Chair Goulden said a Conditional Use Permit gives the Commission the leeway to make a decision, especially in the early permits, and he would prefer the Commission have the ability to use discretion while this is being figured out, using ordinary public view versus specific numeric buffers.

Chair Targ suggested striking the issues pertaining to screening, distance, and neighbor view and just use ordinary public view, setbacks, and proximity to youth centers.

Chair Targ said he was interested in concluding this this evening and asked staff if they had enough information and direction on the adjustments requested to the ordinance. Commissioner Gilbert said she would not likely be comfortable voting on this without seeing all the changes in writing. In response to Commissioner Taylor’s question, Interim Planning Director Cassidy said no one had applied to grow, but there has been interest expressed in a general sense for distribution. Town Attorney Silver said, with respect to timing, that Town Manager Dennis indicated the February 28 date is not firm, and there may not be enough time to notice it in the newspaper; it was more likely to be put out in March.

In response to Town Attorney Silver’s question, Chair Targ said a neighbor view is private and not an ordinary public view, from a publicly accessible spot. Commissioner Taylor cited examples of a public road or trail, but not standing atop Windy Hill looking down on all of Portola Valley.

- Should permittees be allowed to possess more than one permit (Ordinance Section 18.39.040 C.)

Commissioner Gilbert said since the limit was five total, one person should not be allowed to have more than one permit, at least initially. Commissioner Taylor agreed. He said if there is an initial rush of 15 applicants and only five permits are issued, then it may be reconsidered in a year. Vice Chair Goulden said part of the consideration was the amount of staff time this takes. He said they don't normally do five Conditional Use Permits a year, so staff could be overloaded if the number of permits allowed is too generous.

The Commission agreed on one permit per permittee.

- Should the "sensitive receptor" buffer be 600 feet (State law) or 1,000 feet (County buffer for larger parcels). (Ordinance Section 18.39.140 D.)

In response to Commissioner Gilbert's question, Town Attorney Silver said the 600-foot buffer does not apply to personal outdoor cultivation under State law, but the Town can apply a local regulation.

The Commission was in general agreement with a sensitive receptor buffer of 600 feet. Commissioner Hasko said it seemed odd to be able to grow personal outdoor plants near the schools and her impression of the commentary was the assumption that 600 feet was more broadly applicable to outdoor availability. She said it wouldn't reflect what the community may be comfortable with and being out of sight would definitely help. Chair Targ suggested coming up with bracketed language to be reviewed at the upcoming meeting.

- How many permits should be permitted on an annual basis. If five new permits are granted, what about renewals? Should the original five incumbents receive preference or should there be a rotation? (Ordinance Section 18.39.140 M.)

Commissioner Taylor proposed five permits the first year, five additional permits the second year, with a cap of 10 total. He said in the annual review, if there is a lot of interest, the Commission can rethink their position, but if there is none, then 10 could cover it forever. The Commission agreed that rather than a lottery system, the applications will be considered on a first-in basis. Interim Planning Director Cassidy asked if there should be a waiting list if there are more than five applications, or if those additional applications would automatically be in the second group to be considered in the second year. The Commission agreed with renewals of existing permittees first, with a lottery at the beginning of the second year for new applications. The total cap will be 10 unless reconsidered after review.

- Are the additional requirements relating to runoff, storm water, wastewater discharge, energy use and the like necessary or are they too onerous for just 12 plants? (Ordinance Section 18.39.140 Q-Y.)

The Commission agreed that the existing requirements should stay in place, and they will be better able to assess their necessity at the time of the first annual review. Commissioner Gilbert said she was still bothered by the fact there is such a big difference in the regulations between 6 and 12 plants, but was supportive of tabling that discussion until after the one-year review. Commissioner Taylor suggested keeping track of comments indicating the requirements are too onerous for prospective growers.

- Since record retention and Track and Trace Program are both required by the State, is it redundant for Town to also require. (Ordinance Section 18.39.150-18.39.160.)

Commissioner Taylor said since the State requires those records, it is redundant, but he wants to make sure the Town has access to that information. Commissioner Gilbert said it doesn't hurt to be

redundant because applicants would need to fulfill that requirement for the State anyway and it would just emphasize the importance of it.

- Should commercial cannabis Permittees be required to live on the property for cultivation or just in Portola Valley? (Ordinance Section 18.39.140 B.)

Commissioner Gilbert said she was leaning toward not requiring an owner to live on the property, but was concerned there may be a lot of other issues not fully considered, such as letting a friend grow and things getting out of control because someone is not watching what's going on. Commissioner Hasko said if somebody unknown to the owner applied for a permit to grow on the owner's property, there are property rights that could be asserted in addition to possible redress for doing things inappropriately through the Town's permitting process, but she doesn't feel she knows exactly what those boundaries are. She said it needs to be clear who is legally responsible for noncompliance – the owner or the tenant. Chair Targ suggested a unity in ownership between the applicant and the owner of the property, but they don't necessarily have to live on the property. Commissioner Taylor suggested requiring written owner consent with the permittee being responsible.

Town Attorney Silver said if there was an issue, most of their code enforcement activity is directed at the property, such as liens or violations. She said it is difficult to envision a situation where the property owner is not liable for the activity on the property. Interim Planning Director Cassidy said when an ASCC application comes in for an addition, the applicant can be anyone – the person living there, the owner, the architect – and anyone can sign a Memorandum of Understanding saying they agree to pay, but the property owner has to agree because in the end it does come back to the property owner as ultimately responsible for what occurs. It is the Town's responsibility to ensure that the property owner knows about and agrees to the proposal. She said when the Town does a site review, they contact the owner as listed on the application, and if there is a renter, the owner will contact the renter and get permission from them as well.

- What is the appropriate setback limits for public easements, trails and properties which the Town possesses a legal interest? (Ordinance Section 18.39.140)

The Commission agreed this was addressed with ordinary public view.

Commissioner Taylor asked if a trail could ever be considered a youth facility. Commissioner Hasko said there are certain trails designed as Safe Paths to School that get special attention for maintenance. Town Attorney Silver said it would affect a commercial grower within the 600-foot buffer unless the previous suggestion of being explicit regarding the youth facilities is adopted. Interim Planning Director Cassidy said they could map it, applying the 600-foot buffer to the Safe Routes to School and see where it lands.

Chair Targ said the Town possessing a legal interest does not seem like the appropriate item that gets to the issue of the excess property at the top of Old La Honda and the 35 miscellaneous pieces of property the Town owns. He suggested an explicit list be created to which they could add the Safe Routes to School.

- Should the ordinance have a sunset provision?

The Commission agreed a sunset provision was not necessary. The Commission agreed on a review at one year after the ordinance passes with recommendations to Council, and then yearly for five years.

Chair Targ asked if there should be designated business hours. Interim Planning Director Cassidy said there may be such designations for home occupations, but she would need to look into it further. Town Attorney Silver said that is typically addressed in the Conditional Use Permit process.

Chair Targ said an issue was raised about normalizing the different power requirements between personal cultivation and commercial cultivation and recommended waiting to evaluate in a year.

The Commission supported developing a list of youth-oriented facilities and Safe Routes to School and eliminating the zoning requirements generally.

The Commission agreed that neighbor views, distance views, and screening have been dealt with through ordinary public view.

The Commission agreed to add “permissible uses” to Section 18.39.070.B.2 for clarity.

The Commission agreed that in Section 18.39.030.A, the 12 plants be identified as commercial use and striking the R-E and M-R zoning.

The Commission agreed to add to the ordinance the requirement for a review in one year after the ordinance is adopted with recommendations provided to Council for action.

The Commission agreed on 12 plants for commercial growing; 5 permits per year with a maximum of 10, and a process for distributing the permits; a prohibition on manufacturing; a prohibition on microbusinesses; and a prohibition on distribution except for delivery service which is permitted unregulated, including with respect to signage.

The Commission thanked the ad hoc committee for all of their work and time spent on this issue.

Vice Chair Goulden moved to continue this item to the next agenda meeting. Seconded by Commissioner Taylor; the motion carried 5-0.

NEW BUSINESS [10:42 p.m.]

Chair Targ called for a brief recess.

2. Review of Modification to the Town’s Ground Movement Potential Map, File # PLN GMM 3-2017, 380 Escobar Road, Freccia/Giblin

Interim Planning Director Cassidy presented the background of the proposal and staff’s recommendation to adopt the resolution approving the requested modifications to a portion of the Town’s Ground Movement Potential Map, as detailed in the staff report.

Chair Targ invited comment by the applicant. Hearing none, he invited questions from the Commission.

Commissioner Gilbert said the report noted the proposal is to change the designation on the adjacent property. Interim Planning Director Cassidy said the report noted that their findings could be reflected in a change to the adjacent property, but there is no current proposal to do so.

Commissioner Gilbert asked if the structures on the adjacent property were in the Md zone that is potentially changing to Ms. Interim Planning Director Cassidy said the applicant may have anecdotal information, but it has not been mapped.

Commissioner Gilbert asked if the owner of the adjacent property was noticed. Interim Planning Director Cassidy said a 300-foot buffer was noticed.

Hearing no additional questions, Chair Targ invited questions from the public. Hearing none, Chair Targ closed the public hearing and brought the issue back to the Commission for discussion.

Hearing none, Chair Targ called for a motion.

Vice Chair Goulden moved to approve Resolution 2018-3, A Resolution of the Planning Commission of The Town of Portola Valley Approving Modifications to The Ground Movement Potential Map. Seconded by Commissioner Gilbert; the motion carried 5-0.

COMMISSION, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

3. News Digest – Planning Issues of the Day

Interim Planning Director Cassidy introduced the News Digest and two articles included in the packet. She invited feedback from the Commission such as requests for additional information. She invited the Commission to suggest articles they'd like to see in future packets.

Interim Planning Director Cassidy announced that the San Mateo County Bicycle and Pedestrian Advisory Committee has one elected and two public seats open if anyone is interested. She said the deadline for public members to apply is February 21 and February 23 elected members.

APPROVAL OF MINUTES: January 17, 2018.

4. Planning Commission Meeting of January 17, 2018

Commissioner Taylor moved to approve the minutes of the January 17, 2018, meeting, as amended. Seconded by Commissioner Gilbert, the motion carried 5-0.

ADJOURNMENT [11:00 p.m.]

PLANNING COMMISSION REGULAR MEETING, TOWN OF PORTOLA VALLEY, FEBRUARY 21 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 and Taylor; Chair Targ

Absent: Commissioner Gilbert, Vice Chair Goulden

Staff Present: Arly Cassidy, Interim Planning Director
Cara Silver, Town Attorney

ORAL COMMUNICATIONS

None.

OLD BUSINESS

1. Recommendation to Town Council on Proposed Ordinance adding Chapter 18.39 [Cannabis Land Uses] and amending Section 8.12.010 [Definition of Nuisance] of the Portola Valley Municipal Code (continued from February 7, 2018, meeting).

Town Attorney Silver presented the background, executive summary, and staff's recommendations regarding the proposed Ordinance and Municipal Code amendment, as detailed in the staff report.

Chair Targ invited questions from the Commission.

Commissioner Hasko asked for discussion and clarification regarding the link between the ownership of property and the Applicant.

Commissioner Hasko asked for discussion and clarification about using the defined term for "cultivate" in certain areas of the Ordinance.

Commissioner Hasko asked if the link between Nathhorst would be appended to the youth center definition. She said just being on the list of Sensitive Receptors would not be legally binding. She also asked if its inclusion on the list of Sensitive Receptors was appropriate, considering the list can change at any time. Town Attorney Silver said they added the language "publicly-owned facilities that support activities for youth" to the definition of youth center, so it would capture Nathhorst Triangle Park. Commissioner Hasko pointed out that Nathhorst Triangle Park also supports activities for adults. She said there was a lot of public concern about Nathhorst Triangle being a site where these commercial activities should not be present around the children, and she was not convinced that the youth center definition would include Nathhorst Triangle. She said there is not a clear-enough link between something that's Nathhorst and something that's a Sensitive Receptor or youth center.

Commissioner Taylor asked if the Sensitive Receptors list (Attachment 3) was part of the Ordinance and legally binding. Commissioner Hasko said it was indicated the Town could maintain a list of Sensitive Receptors, but it was not clear if it could be modified. Town Attorney Silver said the definition of Sensitive Receptor states the Town shall maintain a publicly available list of Sensitive Receptors. She said Attachment 3 is not part of the Ordinance and would not be codified in the Municipal Code, but would be a living document that would be continually updated. Town Attorney Silver agreed that

language should be added that clarified that Nathhorst Triangle should be designated as a Sensitive Receptor, and also to clarify that the list may be updated from time to time.

Chair Targ suggested making the list part of the Ordinance, and that the Ordinance further state that the list may be updated from time to time by the Planning Director. Interim Planning Director Cassidy said an Ordinance cannot be updated by the Planning Director and would need to return to the Planning Commission, unless it is specifically allowed in the Ordinance.

Commissioner Taylor said he thinks the list is pretty static and will not be growing and shrinking, but if the list does change, there should be a public hearing. Commissioner Hasko said she agreed the list is probably static, but her concern is that Nathhorst does not fall cleanly into the categories listed.

Chair Targ asked Town Attorney Silver if there was any issue with having the list being incorporated into the Ordinance and modified by way of the Planning Commission. Town Attorney Silver suggested everything be itemized in the list of Sensitive Receptors. She asked if the Planning Commission wanted to be able to change the list or if it would require an Ordinance amendment each time the list changed. Commissioner Taylor suggested the list remain as an attachment that can be altered by the Planning Commission rather than incorporating it into the Ordinance. Interim Planning Director Cassidy said the Ordinance, if it is recommended for approval tonight, will go to the Town Council and have two readings, at which time the staff report can clearly call out that if the list is included in the Ordinance it becomes a hard list and will require a process to change it. She agreed that the list is unlikely to change unless a new facility, including a playground, comes online. She said there is also an annual review process in place for the next five years. She said she did not think it would add an extreme amount of extra work to codify the list. Commissioner Taylor said if a new school opened in Town, it would automatically be covered by the Ordinance. He said the explicit list is an attempt to be as clear as possible and make sure that Triangle Park is explicitly included.

Commissioner Taylor asked about the underlying logic for the different buffers required for personal and commercial – 600 feet to the site versus 600 feet to the property line. Town Attorney Silver said there was a Commissioner's comment that if there was a very large residential property, they may be prevented from growing personal cannabis because of their property line being within 600 feet of a Sensitive Receptor, even though the personal cannabis could be grown well away from a Sensitive Receptor with no impact.

Commissioner Taylor asked for clarification regarding Section 18.39.080(A)(5), where it mentions "conviction of an offense." Town Attorney Silver said it was taken from State Law, California Business & Professions Code Section 26057(b)(4), (b)(6): *"The applicant, owner, or licensee has been convicted of an offense that is substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, except that if the licensing authority determines that the applicant, owner, or licensee is otherwise suitable to be issued a license, and granting the license would not compromise public safety, the licensing authority shall conduct a thorough review of the nature of the crime, conviction, circumstances, and evidence of rehabilitation of the applicant or owner, and shall evaluate the suitability of the applicant, owner, or licensee to be issued a license based on the evidence found through the review. In determining which offenses are substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, the licensing authority shall include, but not be limited to, the following: (A) A violent felony conviction, as specified in subdivision (c) of Section 667.5 of the Penal Code. (B) A serious felony conviction, as specified in subdivision (c) of Section 1192.7 of the Penal Code. (C) A felony conviction involving fraud, deceit, or embezzlement. (D) A felony conviction for hiring, employing, or using a minor in transporting, carrying, selling, giving away, preparing for sale, or peddling, any controlled substance to a minor; or selling, offering to sell, furnishing, offering to furnish, administering, or giving any controlled substance to a minor."*

In response to Commissioner Taylor's question, Chair Targ said it was discussed that there needed to be an appropriate waiting period to reapply after losing a license.

Commissioner Taylor asked if a Permittee needed to report a change of address immediately or only at the next renewal process. Commissioner Hasko said the Permit only covers the Permittee with respect to the premises and does not run with the land. She asked what happens if the Permittee gets the Permit and then moves a day later. Town Attorney Silver said the language could be clarified to require notification of a change. She said the intent is the Permittee should retain residency throughout the period of the Permit. Commissioner Hasko said the Ordinance reads that the Applicant must have the primary domicile and does not say the Permittee. Interim Planning Director Cassidy suggested another bullet point could be added under 18.39.070(D), Permit Conditions, that the Permittee shall maintain residency. She suggested it could be made clearer that the Permittee must have physical residency, and not just have the status of residency. Town Attorney Silver said many residents live in Portola Valley six months and somewhere else six months. She said staff researched the different definitions of "resident," and decided on "primary domicile," which does require being on the premises 100 percent of the time. Chair Targ suggested more specificity under Section 18.39.170(A)(4) – Revocation or Suspension.

Commissioner Taylor asked why a Colorado statute was attached to the Ordinance. Chair Targ said he requested that because the basis for the 12-plant limit is material.

Commissioner Taylor asked if there was anything to prevent an owner from subcontracting the growing to someone else. Town Attorney Silver said someone could be hired to do the work for the Applicant or Permittee.

Commissioner Taylor asked for an update on the status of Track and Trace. Town Attorney Silver said it is up and running now, but she does not know if the Town can access the information yet.

With no further questions, Chair Targ invited public comment. Hearing none, Chair Targ asked Interim Planning Director Cassidy to summarize the letter received from John and Patti Zussman.

Interim Planning Director Cassidy said Mr. Zussman commented at a previous meeting that the maximum allowance of 12 plants is not enough for a viable commercial operation. She said in his letter, he requested allowing up to 25 plants and 500 square feet for an indoor license or 2,500 square feet for a greenhouse or mixed-light license. He also requested microbusiness licenses be considered, from production and growing to drying, curing, etc., into sales, possibly on-site.

Chair Targ invited comments from the Commission regarding the Zussmans' letter.

Commissioner Hasko said these are things that should be taken into consideration as the Town gains more experience, perhaps over the next year, rather than be implemented right now. She said there has been a lot of public participation and concern about making sure the metes and bounds of the new Ordinance are carefully considered in light of community values and children coming and going. She said the points are well taken from an economical point of view, although she does not have personal experience to know what scale is correct to achieve economic viability. She said it should be looked at in the longer term after the initial steps have been taken of setting up the basics.

Commissioner Taylor agreed with Commissioner Hasko. He suggested making sure the Zussmans' letter is part of the one-year review. He said at that time, additional data (local, statewide, and other states) would be available for review.

Chair Targ agreed with the Commissioners. He said he was initially intrigued by the concept of the microbusiness. He said, however, that the Sheriff's office pointed out where the problems would be, and said Portola Valley did not have staffing capability to handle it. He said he was also influenced by the decision in Colorado to limit residential cultivation to 12 plants. He said Proposition 64 put most of the issues soundly and squarely before the municipalities that would be deciding the issues, except for the limit of six plants for personal use. Commissioner Taylor asked Chair Targ if the Narcotics Officer was concerned about sales or manufacturing. Chair Targ said it was both – that it is a high-valued commodity once manufactured, and a high-valued cash-oriented business with opportunity for problems to arise.

Chair Targ returned the discussion to property ownership. Town Attorney Silver suggested changing 18.39.140(B) from "Applicant" to "Permittee" – Permittee must have his or her primary domicile in the Town of Portola Valley. She also suggested adding a third bullet under that section stating that the residency requirements shall be maintained during the life of the Permit.

Commissioner Hasko asked where the link was between the Permittee and the owner of the property as opposed to the primary resident. Commissioner Taylor said it reads as though someone could be an individual who does not own the premises, but still be the Applicant. He said if that were tightened up a little bit to be clear about the requirements for an individual or LLC that owns a property. Town Attorney Silver said she will make that clarification before it goes to Council. Commissioner Hasko suggested it may be as simple as adding that the individual must own the property to which the Permit attaches.

Chair Targ returned the discussion to the subject of Sensitive Receptors. Commissioner Taylor said he did not like that the 600-foot buffer automatically applied to any trail system labeled as a Safe Route to School. He said a trail did not feel like a youth center. He said the map shows some trails that appear to be arbitrarily defined as a Safe Routes to School. Commissioner Hasko asked if the Safe Routes to School were conferred with any other special treatment in Town, such as safety, etc. Interim Planning Director Cassidy said maps like this can be used for grants, such as applying for grants improving sidewalks or crossings along these routes. She said having an already-established Safe Routes to School map increases the likelihood of being allowed to apply for such a grant. She said the map is not a Town map, but is the School District's map. Commissioner Taylor suggested not including the Safe Routes to School on the Sensitive Receptors list. Chair Targ said the trails would still have an appropriate shield or buffer with the existing restriction that personal outdoor cultivation not be allowed in the ordinary view from public rights of way or publicly owned or maintained trails. Commissioner Hasko agreed. Interim Planning Director Cassidy said she did not know if Portola Valley organizations used the Safe Routes to Schools map for events such as Bike to Work Day. Commissioner Hasko asked if the routes labeled Safe Routes to School, even if not listed on the Sensitive Receptor list, would be considered youth centers. Commissioner Taylor said he considered a youth center a place people congregate, not pass through. He said a trail or a Safe Route to School is a passageway, not a place to congregate. Commissioner Hasko said the Safe Routes to School can be taken out of the Sensitive Receptor list, and it can be left for another day to decide if they would be considered youth centers. Chair Targ suggested it be added that the Town shall maintain a publicly available non-exclusive list of Sensitive Receptors. Commissioner Taylor asked if a Permit could be revoked if a school opened up next door, or if it would just not be allowed to be renewed. Chair Targ said it could be revoked based on a material change in fact upon which the Permit was granted.

Chair Targ suggested adding the non-exclusive list of Sensitive Receptors to the Ordinance at 18.39.030(T). The Commission agreed.

Commissioner Taylor asked for discussion about the underlying logic for the difference between the buffer requirements for personal and commercial – 600 feet to the cultivation site for personal versus 600 feet to the property line for commercial, as stated in Section 18.39.040(B)(2). Town Attorney Silver

said State law requires a minimum 600-foot buffer from Sensitive Receptors as measured property line to property line.

The Commission discussed amending Section 18.13.170(4). Town Attorney Silver said the Permit structure was intentionally couched as a one-year Permit and does not run with the land. She said it would not be fair to a Permittee that they be found in violation because a sensitive receptor neighbor moved in. Chair Targ said it is a Use Permit and not an entitlement and, renewal could be denied at the annual review. Interim Planning Director Cassidy said a family daycare requires a State permit, not a Town permit, and could potentially open right away next door. The Commission agreed that the Permittee would not lose their Permit immediately upon such a development; however, the Permit would not be renewed at the year review. The Commission decided to leave Section 18.13.170(4) as is and revisit it at the yearly review.

Commissioner Taylor said “odor not detectable” feels too strongly worded and suggested using the reasonable person standard. Town Attorney Silver said the reasonable person standard is always incorporated into enforcement procedures. Commissioner Taylor said he did not want to create insurmountable hurdles, but also did not want things to get out of hand. Town Attorney Silver pointed out that cannabis is a seasonable crop, and there may be more odor during blooming times, so the Commission might want to consider a time restriction; however, she said staff does not have the technical expertise at this point to make that kind of determination. The Commission agreed that could be a topic of discussion during the yearly review.

Commissioner Taylor said the Zussmans’ letter should be included in the yearly review, and disparity in the buffer requirements for personal and commercial should also be reviewed at that time.

Town Attorney Silver said staff will:

- Clarify the owner versus Applicant language;
- Modify Section 18.39.020(T) to read “Sensitive Receptor means schools providing education to K-12 grades, daycare centers, Youth Centers, and public parks, including, but not limited to, the following” and include the itemized list of Sensitive Receptors;
- Modify Section 18.39.140(b), changing “Applicant” to “Permittee,” add “and shall own the property” to the end of bullet point #1, and add a third bullet stating the residency requirement shall be maintained during the life of the permit;
- Modify Section 18.39.170(A)(4) to remove the word “or.”

Commissioner Hasko moved to recommend that the Town Council find the Proposed Cannabis ordinance exempt from the California Environmental Quality Act. Seconded by Commissioner Taylor; the motion carried 3-0.

Commissioner Taylor moved to recommend that the Town Council approve amending Section 8.12.010 [Definition of Nuisance] of the Portola Valley Municipal Code, including the modifications as discussed. Seconded by Commissioner Hasko; the motion carried 3-0.

Chair Targ congratulated staff and the Town Council in the excellent work in bringing the Planning Commission to this point. Commissioner Taylor also commended staff and the Town Council for getting this done in only two months, as has been commented on by the public as well.

COMMISSION, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

2. News Digest: Planning Issues of the Day

Interim Planning Director Cassidy included in the staff packet articles concerning peak motorization and providing housing specific to teachers. She invited the Commission to suggest articles of interest for future staff packets.

APPROVAL OF MINUTES.

3. Planning Commission Meeting of February 7, 2018.

This agenda item was continued to the next meeting.

ADJOURNMENT [8:23 p.m.]

Arly Cassidy

From: John Zussman
Sent: Wednesday, February 21, 2018 10:33 AM
To: Arly Cassidy; Town Center
Cc: Jeremy Dennis; Taylor Craig; Jeff Aalfs; Zussman John; Zussman Patti
Subject: Comments on revised draft Portola Valley commercial cannabis ordinance

Follow Up Flag: Follow up
Flag Status: Completed

Dear Members of the Planning Commission:

Since we're unable to attend tonight's Planning Commission meeting, we wanted to update the comments that John made at the meeting of February 7.

We've lived in Portola Valley for 31 years, and are also among the 68% of your constituents of Portola Valley voters who voted for Prop 64 to make cannabis products available in town and to allow cannabis businesses to operate in the state. We commend the Town Council for allowing us to enter this brave new world of legal cannabis, and the subcommittee for recommending that we stick our toe in the water and allow limited commercial cultivation.

As John said at the previous meeting, this is one of those times when sticking our toe in is not enough. This is called a commercial cannabis ordinance; commercial means commerce, and commerce means business. But with all the licenses and regulations and taxes and fees, there is no way to operate a viable cannabis business with just 12 plants. The numbers just don't add up.

Now we understand that it's precarious for a small town without its own enforcement staff to be the pioneer. So we're happy that the ordinance calls for annual reviews over a 5-year period. And we urge you, at that first review next year, to evaluate whether the ordinance is sufficiently encouraging commercial cannabis activity, and to consider expanding it in two ways:

1. Promote small-scale cannabis cultivation by raising the limit of 12 plants. We can go into the water up to our knees, if you will, by sticking with the same kinds of cultivation licenses you are recommending, the Specialty Cottage category—the smallest type of state license available. Just align the Town ordinance with the state ordinance, which allows up to 25 plants for an outdoor license, 500 sq ft for an indoor license, or 2,500 sq ft for a greenhouse or mixed-light license.
2. Go further by allowing Microbusiness licenses. Small-scale cultivation may well be the least profitable (or most unprofitable) node in the cannabis ecosystem, because growers will soon end up competing with Big Agriculture cannabis operations. It will take vertical integration to compete, and the state has provided a Microbusiness license category to help them do that. This allows small-scale cannabis businesses to grow, manufacture, distribute, and sell their products—to function as “craft cannabis” producers, much like microbreweries, micro-wineries, and micro-distilleries have been able to hold their own against Anheuser Busch and Gallo.

Licensing microbusinesses is the way to achieve the will of the voters and foster small-scale, artisan cannabis businesses in Portola Valley while remaining true to our local small-town culture and values.

John & Patti Zussman

5 Bear Paw
Portola Valley, CA 94028

PORTOLA VALLEY TOWN COUNCIL REGULAR MEETING NO. 964, MARCH 28, 2018**CALL TO ORDER AND ROLL CALL**

Mayor Richards called the Town Council's Regular meeting to order at 7:00 p.m. and led the Pledge of Allegiance. Ms. Hanlon called the roll.

Present: Councilmembers Mary Ann Moise Derwin, Jeff Aalfs, Craig Hughes; Vice Mayor Ann Wengert; Mayor John Richards

Absent: None

Others: Jeremy Dennis, Town Manager
Cara Silver, Town Attorney
Sharon Hanlon, Town Clerk

ORAL COMMUNICATIONS

Resident Marilyn Walters requested a plaque be placed on the hut recognizing the Chilean woodcutters.

CONSENT AGENDA [7:04 p.m.]

- (1) Approval of Minutes – Town Council Regular Meeting of March 14, 2018.
- (2) Approval of Warrant List – March 28, 2018, in the amount of \$195,113.26. *[Removed from Consent Agenda.]*
- (3) Recommendation by Public Works Director – Adoption of a Resolution for the 2017/2018 Street Resurfacing Project – Surface Seals Project No. 2018-PW01
 - (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Approving Plans and Specifications and Calling for Bids for the 2017/2018 Street Resurfacing Project Surface Seals No. 2018-PW01 (Resolution No. ____) *[Removed from Consent Agenda.]*
- (4) Recommendation by Town Manager – Join the “Yes on 68” Effort
- (5) Recommendation by Town Manager – Opposition to Two Potential Propositions
- (6) Recommendation by Town Manager – Grand Jury Request, ALPR Policy Website Access *[Removed from Consent Agenda.]*
- (7) Recommendation by Interim Finance Director – Budget Amendment to Support Future San Mateo County Sheriff Gun Buyback Programs *[Removed from Consent Agenda.]*

Councilmember Hughes moved to approve Items 1, 4, and 5 the Consent Agenda. Seconded by Councilmember Derwin, the motion carried 5-0.

- (2) Approval of Warrant List – March 28, 2018, in the amount of \$195,113.26.

Councilmember Hughes asked regarding the surety deposit refund to the Douglasses. Town Manager Dennis said all of the required trees have been planted and they have had a 100 percent survival rate. He

said all of the other mitigations are in place and no additional maintenance work was recommended. He will provide the Councilmembers with the report.

- (3) Recommendation by Public Works Director – Adoption of a Resolution for the 2017/2018 Street Resurfacing Project – Surface Seals Project No. 2018-PW01
- (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Approving Plans and Specifications and Calling for Bids for the 2017/2018 Street Resurfacing Project Surface Seals No. 2018-PW01 (Resolution No. 2755-2018)

Vice Mayor Wengert updated the Council that the 2017/2018 Street Resurfacing Project will go forward with all the neighborhood streets within the next fiscal year, and then potentially circle back around this year to conduct a few tests on the shoulders, anticipating there may be potential solutions or recommendations for the next fiscal year.

- (6) Recommendation by Town Manager – Grand Jury Request, ALPR Policy Website Access

Councilmember Derwin asked Town Manager Dennis to clarify this item. Town Manager Dennis said the letter received from the Grand Jury included items that staff felt could be addressed easily with an improved website. He said he is working with Vigilant regarding information that will be posted on the Town's website.

- (7) Recommendation by Interim Finance Director – Budget Amendment to Support Future San Mateo County Sheriff Gun Buyback Programs

Councilmember Hughes asked how this program would be advertised. Town Manager Dennis said on Monday the Town will start significant outreach to the schools, PV Forum, Next Door, flyers, etc.

Vice Mayor Wengert asked how long the County anticipated keeping the buyback program open. Town Manager Dennis said the County is planning a buyback event in May. He said Capt. Corpus said there is also an option to do one in Portola Valley, if desired. Vice Mayor Wengert suggested the Sheriff's plans be clarified and defined more clearly to be sure it is in alignment with how the Town sets it up.

The Council directed Town Manager Dennis to hold this item until receiving additional clarification.

Craig Taylor, 11 Santa Maria. Mr. Taylor said his concern was asking students to join this program. He said he was supportive of curbing the guns, but this buyback program is a bad idea from an economic point of view and asked if there was any evidence that such programs were helpful. He said he understood and was supportive of the underlying philosophy of the idea but asked the Council to relook at the issue and said there were better ways to spend \$15,000.

Councilmember Derwin said she has heard this argument from several other community members as well as Councilmembers from Hillsborough and South San Francisco who are not doing gun buybacks.

Mayor Richards agreed and said it was a quick and enthusiastic response to a crisis and it made sense to consider the issue further. Councilmember Hughes said he understood the economic argument but said it overlooked the PR and community engagement aspects of a gun buyback program, which may not translate to a direct financial impact but was impactful in terms of public perception and was symbolic. He said the youth engagement piece of it was particularly powerful. Vice Mayor Wengert said it is incumbent upon the Council to have clarification of the details.

Councilmember Hughes moved to approve Items 2, 3, and 6 the Consent Agenda. Seconded by Vice Mayor Wengert, the motion carried 5-0, by roll call vote.

Item 7 was held over for further discussion.

REGULAR AGENDA

COMMITTEE REPORTS & REQUESTS

(8) Discussion – Town Center Master Plan – Architect Study Session

Town Manager Dennis introduced architect Larry Strain of Siegel & Strain. Mr. Strain said they received a list of 28 areas to be evaluated, with six designations: Facility Improvements, Facility Maintenance, Safety and EOC Planning, Community Gathering, and Nature/Outdoor Recreation and Library. He said specific items were discussed regarding multi-use space included building community, sustainability, historic, impact on recreation and fitness programs, etc. He said at this point it is not a community-wide process, but their recommendations will be going back to the Town Center Master Plan Committee.

Mayor Richards invited questions from the Council.

In response to Vice Mayor Wengert's question, Mr. Strain said he anticipated the process will take a couple of months, which could be affected by when they can meet with the Committee. He added that he will be taking a three-week trip in about a month and Susi Marzuola, a principal at Siegel & Strain, will be stepping in if necessary in his absence.

In response to Councilmember Hughes' question, Mr. Strain said the cost estimate was approximately \$19,000. He passed around the breakdown of estimated costs to the Councilmembers.

Councilmember Hughes said the Committee was asked to evaluate the projects and also think through a timeline. He asked if Mr. Strain's assessment will include staging and the order of the projects. Mr. Strain said they will do that in conjunction with the Committee, considering costs, logistics, sizes and impacts of projects, etc. He said they will work with the Committee to develop prioritization, but an actual timeline will depend on several considerations.

Vice Mayor Wengert suggested there be a column "Estimated Time to Completion" included in the analysis. She said that information, combined with the costs and impact, will help with the phasing/staging analysis. Mr. Strain agreed.

Mayor Richards invited questions from the public.

Craig Taylor, 11 Santa Maria, suggested assigning cost and impact ranges to some of the projects. Mr. Strain agreed and said the projects need to be more clearly defined in order to develop cost estimates.

STAFF REPORTS AND RECOMMENDATIONS

PUBLIC HEARING

(9) Public Hearing – Recommendation by Town Attorney -- Introduction of Proposed Ordinance adding (133) Chapter 18.39 [Cannabis Land Uses] and amending Section 8.12.010 [Definition of Nuisance] of the Portola Valley Municipal Code and Adoption of Finding that Ordinance is Exempt from the California Environmental Quality Act (The Planning Commission recommended adoption.)

- (a) First Reading, Waive Further Reading, and Introduce an Ordinance of the Town Council of the Town of Portola Valley Adding Chapter 18.39 [Cannabis Land Uses] and Amending Section 8.12.010 [Definitions of Nuisance] of the Portola Valley Municipal Code and Adoption of Finding that Ordinance is Exempt from the California

Environmental Quality Act (The Planning Commission Recommended Adoption)
(Ordinance No. ____)

Town Attorney Silver presented the background of the laws concerning cannabis use, cultivation, and commercial activity. She presented staff's recommendation for a Town Ordinance, as detailed in the staff report.

Mayor Richards invited questions from the Council.

Councilmember Hughes asked for clarification regarding locations of sales. Town Attorney Silver said a plant in its natural state can be sold in the location where it's grown. If the plant is harvested and dried it would be considered a retail sale, which would not be allowed. Councilmember Hughes pointed out that, in Section 18.39.020 (S), the definition of a "retail sales" includes cannabis or cannabis products. He asked if the Planning Director would need to establish a regulation under the new section. Town Attorney Silver said the many ordinances they looked at do not make that particular distinction. She said State Law has determined the difference between cultivation and retail, so she did not anticipate this being a problem.

In response to Councilmember Hughes' question, Town Attorney Silver said the setbacks referenced in Section 18.39.140(C) are the building setbacks.

In response to Councilmember Hughes' question regarding Section 18.39.140(F), odor control and ventilation systems, Town Attorney Silver said that did not apply to outdoor cultivation.

Councilmember Hughes asked regarding Section 18.39.180(Q) regarding cannabis odor not being detectible offsite. He asked if the Planning Commission discussed having that requirement be applicable to any commercial activity in Town that emitted obnoxious odors. Town Attorney Silver said the Planning Commission did not address that particular issue. She said that would be a big enough change to the ordinance that it would require another reading.

Councilmember Aalfs asked for confirmation that commercial cultivation of 12 plants is allowed, but that any processing or testing of the product would have to be done out of Town. Town Attorney Silver said the grower can sell the plants on-site to a wholesale distributor. Councilmember Aalfs asked if testing was a requirement for the State's tag and trade requirement. Town Attorney Silver said she did not think testing was required as a precondition for wholesale selling. Councilmember Aalfs asked if someone could grow here and transport the plants to another location to process and sell from there. Town Attorney Silver said retail sale is prohibited in Portola Valley, but if a grower wanted to test or cultivate for retail from a different location that permits it, they can do that. She said the sale of a plant in Portola Valley can only be to a distributor, not to a neighbor, which would be a retail sale.

Councilmember Hughes said his understanding is that the intent was to keep it at the scale of neighbors helping each other out instead of requiring the product being exported from Town.

Vice Mayor Wengert said her understanding is that once the live plant is cut down, no processing would be permitted on-site in Portola Valley.

In response to Mayor Richards's question, Town Attorney Silver said the 12 commercial plants allowed is in addition to the 6 private plants.

Vice Mayor Wengert asked if the Committee was aware that the County had gone forward with their regulations that prohibited any commercial activity on anything but Ag-zoned and previously farmed lands. Town Attorney Silver said both the Subcommittee and the Planning Commission were aware of the County ordinance. Town Attorney Silver said the County ordinance is currently being litigated and it may change as a result.

Councilmember Derwin asked for clarification regarding the steps a resident would go through if he/she wanted to grow 12 plants. Town Attorney Silver said the seller would first get a State permit to cultivate and then obtain a permit from the Town of Portola Valley to cultivate cannabis in Town. In response to Councilmember Derwin's question, Town Attorney Silver said she did not know the exact cost of the State permit, but knew it was surprisingly affordable, and Portola Valley had not yet set a permit fee. Town Attorney Silver said the Portola Valley applicant would then have a hearing before the Planning Commission, providing detailed plans including irrigation, lighting, etc. She said if the permit is granted, a neighbor could file an appeal, or if the permit is denied, the applicant can appeal.

Councilmember Derwin pointed out that is a lot of work for only 12 plants, particularly considering those plants could only be sold in their plant form to a wholesaler.

Mayor Richards invited comments from the public.

Planning Commissioner Craig Taylor said there is a requirement to review the ordinance annually for five years. He said he thinks it is a mistake to allow the Planning Director to make changes to the regulation, at least in the first couple of years. He said proposed changes should be in an open public hearing brought before the Planning Commission. In response to Councilmember Derwin's question, Planning Commissioner Taylor said that if a proposed change was brought before the Planning Commission, it would not necessarily be a lengthy process. He said if it was a lengthy process, that would indicate there was a problem, and a public hearing should be held to work through it.

Nicholas Targ, Chair of the Planning Commission and member of Cannabis Subcommittee. Mr. Targ said the recommended limit of 12 plants came out of discussion with the County Head of Narcotics and the Fire Marshal, both of whom raised concerns regarding their ability to police, inspect, and ensure compliance with a number of plants. He said this is a small jurisdiction in an area of evolving law. He said that for issues of grow and processing, the Head of Narcotics identified that as the point at which organized crime participation was more likely. Mr. Targ said they also looked at the State of Colorado, who has the greatest experience with legalized marijuana in the United States. He said Colorado initially allowed for a larger number of cannabis plants to be grown at residences; however, in the past year they have dialed that back to 12 plants based upon issues of crime, risk of fire, lighting, and odor. He said for Portola Valley's first foray into the issue, the Subcommittee found the experience and recommendations of local experts, and the experience of Colorado, who has the most experience, to be compelling. He said he wondered if it was appropriate to allow any growing within the Town. He said the General Plan states the Town will be mindful of the interference or intervention of the municipality upon the individuals. He said the Subcommittee considered it was appropriate to allow it, even in the face of other municipalities in the area not allowing it, just because of the values enshrined within the Town's constitution – the General Plan. He said if somebody wants to be a hobbyist or wants to have a very small boutique grow operation, the Town should be mindful of that opportunity and those values that are in the General Plan. He said the limit of 12 plants has a predicate to it and was adopted with mindfulness.

Councilmember Aalfs asked how much marijuana would come out of a residence growing 12 plants. Mr. Targ said he learned that one plant can generate from about 1 pound or less per life cycle to about 1-1/2 pounds. He said that is largely dependent upon the amount of light the plant receives. He said 12 plants could produce up to 18 pounds of marijuana. He said the additional six personal cultivation plants could produce another 9 pounds, for a total of perhaps 27 pounds of marijuana growing at one residence.

In response to Councilmember Aalfs' questions, Town Manager Dennis said the sizes of plants can vary greatly – with indoor plants between 2 and 6 feet tall and outdoor plants 10 feet or larger. He said one pound of cannabis can produce 450 joints at 1 gram per joint. He said there were a lot of different statistics regarding water use – 50 plants in 1/8 acre uses 24,000 gallons over eight months, so 480 gallons for one pound of product. He said another source suggested six gallons a day per plant. He said there are power issues because of the high wattage lighting used to grow. He said a plant life cycle is between 8 weeks and 6 months. He said, at the time staff gathered data, according to Marijuana

Business Daily, the price per pound for marijuana in California was \$1,300, ranging from \$500 to \$2,500. He said another source suggested the average price per pound was closer to \$1,400 nationwide.

Councilmember Hughes asked if it was intended that all commercial growing would be exported from Town and there be no informal sales in Town amongst neighbors. Mr. Targ said the issue was considered and they were advised by the County Head of Narcotics that the safest way to proceed was by way of export only. He said this raises concern if it is a goal to serve residents. He said the other factors, including public safety, fire safety, and potential crime, outweighed the advantage that local services could provide. He said a backyard dispensary or dealer would be even more difficult to regulate than a larger, more organized dispensary.

Mayor Richards asked Mr. Targ if there were many residents clamoring for commercial use. Mr. Targ said residents raised interest in having delivery occur from out of town. He said a handful of people were interested in micro-enterprises. He said there was overwhelming concern about dispensaries and sale of marijuana within the Town, given the nature of the Town, the nature and state of the law, and concern that Portola Valley could become a marijuana destination spot.

In response to Councilmember Hughes's question, Town Attorney Silver clarified that under State law if a person is growing cannabis for personal use, they cannot sell it, but they are allowed to gift no more than 8 grams in concentrated form and no more than 28.5 grams in unconcentrated form, and only persons over 21 years old.

George Andreini. Mr. Andreini said he's lived in Portola Valley for a long time. He questioned why the Town needed to have a commercial approach to dope. He said he feels it is a problem to allow growing it in personal homes, exposing the growers' children or grandchildren or neighbors, but understands it is going along with State law. He said potentially exposing children to an additional avenue by allowing commercial growing is a mistake. He said Portola Valley is getting to be a elitist location to begin with and does not think exposing narcotics to children should be added. He said he does not understand how intelligent people can spend an hour and a half, after going through two committees and two reviews, etc., considering commercial growing of marijuana in Portola Valley. He said the Westridge HOA does not allow commercial operations in their neighborhoods and that should also apply to all residential areas. Mr. Andreini questioned how gifting personal use marijuana could possibly be regulated.

Councilmember Aalfs asked if commercial activities such as processing were allowed in San Mateo County. Town Attorney Silver said it is not allowed in San Mateo County.

Mayor Richards asked Town Manager Dennis if there had been any inquiries regarding cannabis permits. Town Manager Dennis said there have been no serious inquiries; however, staff does get an occasional call from someone, usually from out of State, inquiring about retail opportunities in Town.

With no further public comment, Mayor Richards brought the item back to the Council for discussion.

Vice Mayor Wengert said it is not often the Council deals with something at a local level, when it is still illegal at the Federal level. She said the Planning Commission is adept and creative and said she was supportive of how they organized the study in a way that made the most sense for this type of ordinance. She said she had two primary questions – what problems are being addressed and have the residents' needs, concerns, or requests been the driver. She said with this issue, a problem is not being addressed. She said while Portola Valley has the values of individual rights of property owners, there are also very strong values regarding things such as open space, lack of crime, lack of noise, and lack of odors. She said those additional values, in the aggregate, trump the other potential issues that might be pointed to for rationale for going forward. She said her next level of questions include a test for reasonableness. She said the very severe restrictions on the definition of commercial and the fact that the County has banned commercial growth on anything residential weighed heavily in her opinions. She said it would be very difficult, costly, and complex for somebody to move forward growing 12 to 18 plants and that fails the

reasonableness test. She said that weighing the two sets of issues, she was not supportive of the commercial portion of the ordinance.

In response to Councilmember Hughes's question, Vice Mayor Wengert confirmed that her intention would be to leave the personal use portion and remove all of the commercial aspect.

Councilmember Aalfs said there is a moral issue with that because the Town voted 68 percent in favor of personal use and the marijuana has to come from somewhere. He said to allow personal use and no commercial use feels like NIMBY. He said he is not saying he wants to see commercial cultivation in Town, but if the Town allows personal but no commercial it is basically pushing all of the burden of it to some other far away communities, which creates a moral problem for him. Vice Mayor Wengert said even if Portola Valley allowed commercial growing, it would be exported out of Town. Councilmember Aalfs said that is the inconsistency. He said no one would want to have a commercial permit to grow 12 plants they could only sell wholesale to a distributor. He said they would likely want to create their own product. He said taking a local issue and creating a burden somewhere else is not good governance in general.

Vice Mayor Wengert said at this point people cannot process or sell cannabis products in Portola Valley, so allowing commercial growing would take on a set of risks with no return, even to residents who might be interested in creating their own product. Councilmember Aalfs said as it is written now, anybody who uses cannabis personally will take delivery from somewhere else.

Councilmember Hughes said there is broad agreement in Town that personal use is reasonable. He said his question is around the fact that the Town has a lot of unusual properties where someone might not have the opportunity to grow even one plant on their property and they might want to partner with a neighbor who has some land. He said a simple commercial agreement, under an LLC to protect them from liability, is the kind of commercial activity that makes sense in Portola Valley. He said growing plants to export from Town is much more commercial than what he had in mind. He said his thinking was along the lines of agreements between neighbors, like a co-op, which could technically be considered commercial because there is money changing hands and corporation is being formed. He said there is a problem that needs a solution that allows some level of something technically commercial, as long as it's simple enough and of a small scale. He said perhaps the personal cultivation can be allowed, review it in a year, and if people start clamoring to set up co-ops with neighbors, it can be revisited. He said he does not want to prohibit that possibility.

Councilmember Derwin said she personally does not see marijuana as a demonized substance. She said her personal family life was eviscerated by alcoholic family members, so she has a difficult bias to consider. She said she has appreciated all of the discussion, particularly Mr. Targ's explanation about how they arrived at this recommendation and the 12-plant limit. She said only five people would be allowed to grow commercially in the first year, and she questioned if anyone would even go through that process to be only allowed to sell a plant to a wholesaler. She said she knows people who would want to grow marijuana for horticulture reasons, including garden club members, but not 12 plants and probably not for use. She was supportive of the ordinance.

Mayor Richards said he was supportive of approving six plants for personal use, with restrictions such as some other jurisdictions that restrict use of gas products in growing. Councilmember Hughes said the proposed ordinance for Portola Valley requires that all energy consumption would have to be fully renewable. Mayor Richards said he understood Councilmember Aalfs' point, and he could envision a desire to have a boutique with special plants, but he does not see that solving burden sharing and does not see a need for allowing commercial growing.

Councilmember Aalfs said it was more of a principle thing and he did not think Portola Valley would become a self-sufficient local provider of cannabis products. He said he was uncomfortable about the Town wanting the privilege of being able to smoke, but for all the difficult part to happen somewhere else. He was supportive of the ordinance as written because the Town will be coming back to this issue yearly

for review. He doubted there would be requests for the commercial permit because of the restrictive nature of it.

Vice Mayor Wengert said no one was questioning the support for personal use, which was the spirit of Proposition 64. She said it was also recognized how unlikely it is that people would follow the very complicated process to get a commercial permit. She was not supportive of allowing any commercial cannabis activity in Town at this time. She said if there is a request for a small-scale operation, the Town can always revisit the ordinance.

Councilmember Hughes asked Town Attorney Silver if the commercial section of the ordinance could be deleted or if it would need to be changed to specifically prohibit it. Town Attorney Silver said it would need to be specifically prohibited. Councilmember Hughes said he would support approving the ordinance as is, acknowledging that it is imperfect and because it is unlikely that there will be many, if any, applicants for commercial permits. He said he does not want to discourage people from discussing possible changes to the ordinance by a complete prohibition now.

Vice Mayor Wengert said the Council's responsibility is first and foremost to the residents and community. She said there are enough concerns relative to some of the potential negative outcomes on this issue that she is uncomfortable supporting it at this point in time. She said it's enough of a change for the Town to allow the personal growth. She said Colorado is running into issues that they believe outweigh the personal liberties side of the discussion. She said her intention is not to limit personal liberties as much as it is to weigh in the balance which are the bigger risk factors for the community. She said, at this point in time, she thinks the risk factors outweigh the benefits or moving forward with a very complicated new ordinance that will be very difficult to enforce.

Mayor Richards said it should also be considered that Portola Valley did not pass the moratorium and the idea was to move forward and approve the private use of six plants. He said there has not been a demand for anything beyond six plants. He was supportive of approving only private use.

In response to Councilmember Aalfs' question, Town Attorney Silver said a rewritten ordinance would need to go back to the Planning Commission.

Councilmember Derwin said she goes back to the passing of Proposition 64 and Mr. Targ's explanation of why commercial growing was considered and why they felt 12 plants was appropriate for Portola Valley. She was supportive of the ordinance.

Councilmember Aalfs asked Mr. Targ if the narcotics person and the Fire Marshal were comfortable with the 12-plant commercial grow or if they would rather see none. Mr. Targ said they were initially looking at the micro-business opportunity which was 25 plants and they were not comfortable with that. He said they did not raise an objection or concern about 12 plants, but they also did not affirm that 12 was the right number. Town Attorney Silver said the Fire Marshal was primarily concerned with indoor operations.

Councilmember Derwin asked Town Attorney Silver if the ordinance could be looked at in a year and, if there were issues with odor, water usage, lighting, etc., the Town could then say no to commercial growing. Town Attorney Silver said they could, but an issued permit would not be able to be changed mid-permit. Councilmember Hughes said the Planning Commission's intention is to review the ordinance annually for five years. Councilmember Aalfs said he assumed the Council would also be looking at the ordinance regularly.

Councilmember Hughes moved to introduce for First Reading the Proposed Ordinance along with the modifications noted by the Town Attorney with an additional amendment to Chapter 18.39.190 requiring that the Planning Commission have the authority to adopt regulations and not the Planning Director. Seconded by Councilmember Aalfs; the motion carried 3-2. Councilmembers Hughes, Derwin and Aalfs voted in favor, Vice Mayor Wengert and Mayor Richards opposed.

Councilmember Hughes commended the Planning Commission and the Subcommittee for the thoughtful and very fast work they did on this issue.

At the end of the Liaison reports, Councilmember Hughes pointed out that a vote was not held regarding CEQA.

Councilmember Hughes moved to find the Ordinance Exempt from the California Environmental Quality Act. Seconded by Councilmember Aalfs; the motion carried 3-2. Councilmembers Hughes, Derwin and Aalfs voted in favor, Vice Mayor Wengert and Mayor Richards opposed.

(10) COUNCIL LIAISON COMMITTEE AND REGIONAL AGENCIES REPORTS [8:49 p.m.]

Councilmember Hughes – Attended, with Vice Mayor Wengert and Town Manager Dennis, the Sheriff's Contract Committee meeting with Sheriff's Department, where there was a presentation of the services provided by the Sheriff's Department and the relative costs compared with Towns that have their own police departments. The Sheriff's Department showed how the contract with Portola Valley does not nearly meet the costs of the services provided to the Town. They will be drawing up a version of the contract, merging the supplemental and basic contract. He said they are discussing a 3 percent annual increase. Councilmember Hughes said he asked if that was a concern about the sustainability of that considering the cost of living in the Bay Area rising much faster than 3 percent a year and they did not seem to think it was a concern.

Councilmember Derwin – Attended a Resource Management Climate Protection Committee meeting where there was a presentation on California's plans for deployment of hydrogen vehicles. She said the Committee will begin working on updating the San Mateo County Energy Strategy. They also received the March 21 BAWSCA water report. She said there is currently action in the legislature to implement the new water use objectives and BAWSCA will help agencies comply with the proposed legislation. There will be an indoor/outdoor water use study in the area. She said BAWSCA will hold a smart water meter workshop. They discussed the Governor's Climate Summit to be held in September. They are gathering information from cities and towns that should be submitted by March 30. She attended the March Council of Cities dinner meeting hosted by the City of Daly City where the speaker was Assemblyman Phil Ting. She attended the March 26 ASCC meeting where they discussed amendments to the ADU ordinance to meet State regulations and an amendment to the yards ordinance. She said they also discussed updating the Town's historic ordinance. She attended a C/CAG Administration meeting with Town Manager Dennis. She attended a Grand Boulevard meeting today. She attended a Home for All workshop on March 23 with Vice Mayor Wengert on "How to Talk About Housing So People Will Listen, Think, and Act." Councilmember Derwin said the presenters were social scientist PhDs from Frameworks in Washington, D.C. She attended a workshop the following day, also with Vice Mayor Wengert, in Belmont at the Department of Housing for the pilot cities.

Councilmember Aalfs -- Attended the March 20 Trails & Paths Committee meeting where they discussed the Spring Down plan. He said they discussed opening Old Spanish Trail to bikes as a safe route to school, which the Bicycle, Pedestrian & Traffic Safety Committee supported and the Trails & Paths Committee opposed. He said Coal Mine Ridge probably couldn't be opened to bikes anyway. Councilmember Hughes said the Bicycle, Pedestrian & Traffic Safety Committee were generally supportive of people cycling in Town, but acknowledged it was not within their purview to make that decision about the Old Spanish Trail. Councilmember Aalfs attended the 2018 Yosemite Policymakers Conference presented by the Local Government Commission where they discussed building decarbonization and eliminating natural gas usage. He said Sonoma County and Sonoma Clean Power are working to try to incentivize new replacement buildings after the fires to be all electric. He said he learned how harmful natural gas cooktops are because they emit carbon monoxide, formaldehyde, nitrous oxides, etc., and should only be operated while using a vent hood. He said another keynote speaker was Carl Guardino of the Silicon Valley Leadership group. He said local officials commented on some of the problems caused by Silicon Valley technologies such as AirBNB taking up housing stock,

Next Door being a venue for flaming local government, problems caused by Uber, etc. They discussed affordable housing in general and specifically SB-827 which would allow large scale construction in the vicinity of transit stops. Councilmember Aalfs said they heard from two Sonoma County Commissioners, one Santa Barbara County Supervisor, and the Mayor of Santa Rosa, who discussed the aftermath of their natural disasters. Councilmember Aalfs suggested Portola Valley join the Local Government Commission. He attended a lunch with the Funders Network for Smart Growth and Livable Communities, who are sponsoring a study and report by the Local Government Commission on water management and land use.

Vice Mayor Wengert – Attended the meeting to review the Sheriff's Contract with Councilmember Hughes. She attended the Home for All event with Councilmember Derwin. Vice Mayor Wengert attended a luncheon today with Supervisor Simitian and colleagues from Woodside to discuss Stanford lands.

Mayor Richards – Attended the March 27 Conservation Committee meeting where they discussed Spring Down and developing plans to deal with ongoing maintenance. He attended the Annual Meals on Wheels event where they discuss funding.

(11) Town Manager Report – Town Manager Dennis reported that the recruitment for Finance Director will begin on Monday, April 2. He said the recruitment for Planning and Building Director is scheduled to begin the week of April 9. He reported that the contest to name the Vernal Pond starts next week that will culminate in a display at Earth Day. He said staff is beginning work on the 2020 census. He said the '18-'19 FY Budget process is underway, which will include an annual performance review of staff software. Town Manager Dennis reported that two staff members attended an Active Shooter Class held by the San Mateo County Sheriff's Department. He reported that staff participated in an EOC training with Mayor Richards in attendance. He acknowledged Assistant to the Town Manager Brandi de Garneau for putting together an excellent program. Councilmember Hughes said he understands that the concepts in the current plan deemphasize the role of the Council and asked if it was in the plan the Council to do a refresher training for the Councilmembers. Town Manager Dennis said that could be arranged.

WRITTEN COMMUNICATIONS

(12) Town Council Digest – March 16, 2018

None.

(13) Town Council Digest – March 23, 2018

None.

ADJOURNMENT TO CLOSED SESSION [9:25 p.m.]

(14) Conference With Legal Counsel – Initiation of Litigation

Government Code §54956.9(c): One Case

REPORT OUT OF CLOSED SESSION

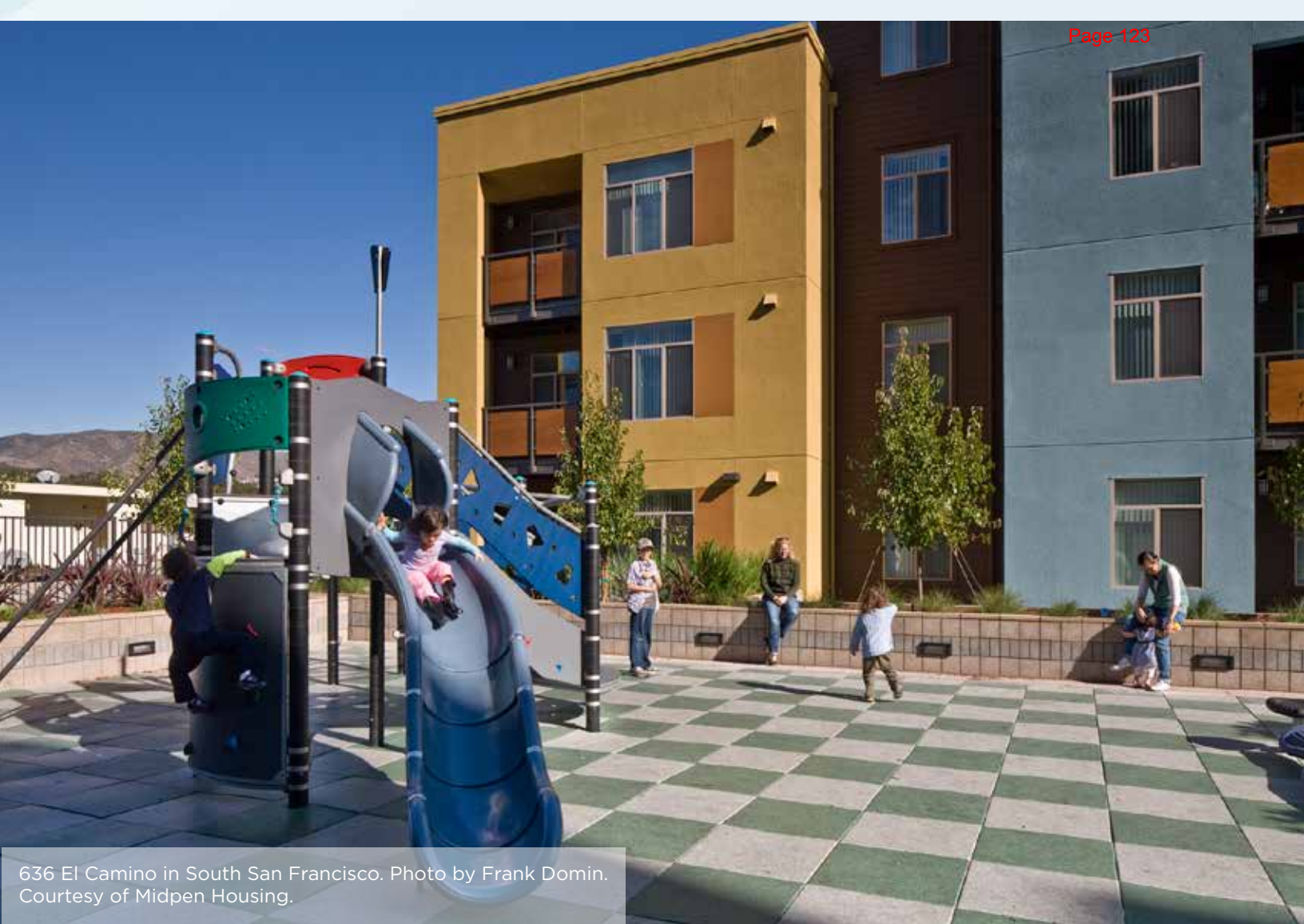
None to report.

ADJOURNMENT [10:00 p.m.]

Mayor Richards adjourned the meeting.

Mayor

Town Clerk



636 El Camino in South San Francisco. Photo by Frank Domin. Courtesy of Midpen Housing.

SAN MATEO COUNTY'S HOUSING EMERGENCY UPDATE



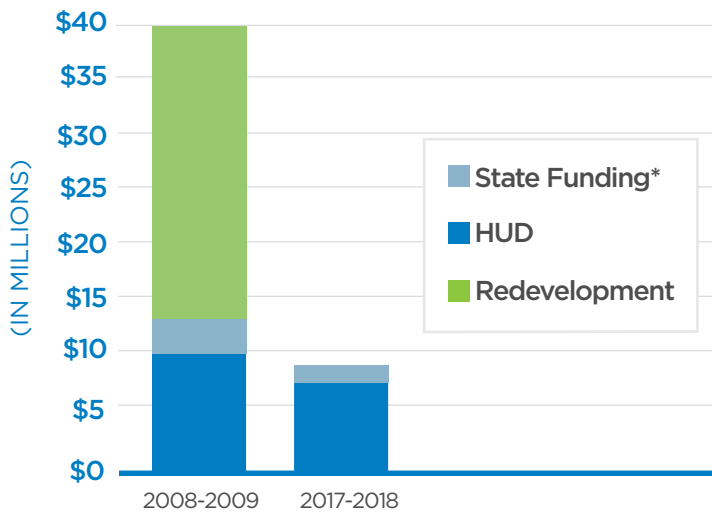
**California
Housing
Partnership**

*California's Experts on Affordable
Housing Finance, Advocacy & Policy*

KEY FINDINGS

- Low Income Housing Tax Credit production and preservation in San Mateo County declined by 25% overall from 2016 due to Federal tax reform.
- Cuts in Federal and State funding have reduced investment in affordable housing in San Mateo County by more than \$31 million annually since 2008, a 78% reduction.
- San Mateo County needs 22,269 more affordable rental homes to meet current demand.
- 74% of ELI households are paying more than half of their income on housing costs compared to just 2.5% of moderate income households.
- Renters in San Mateo County need to earn \$67.54 per hour - 4.5 times the local minimum wage - to afford the median asking rent of \$3,512.

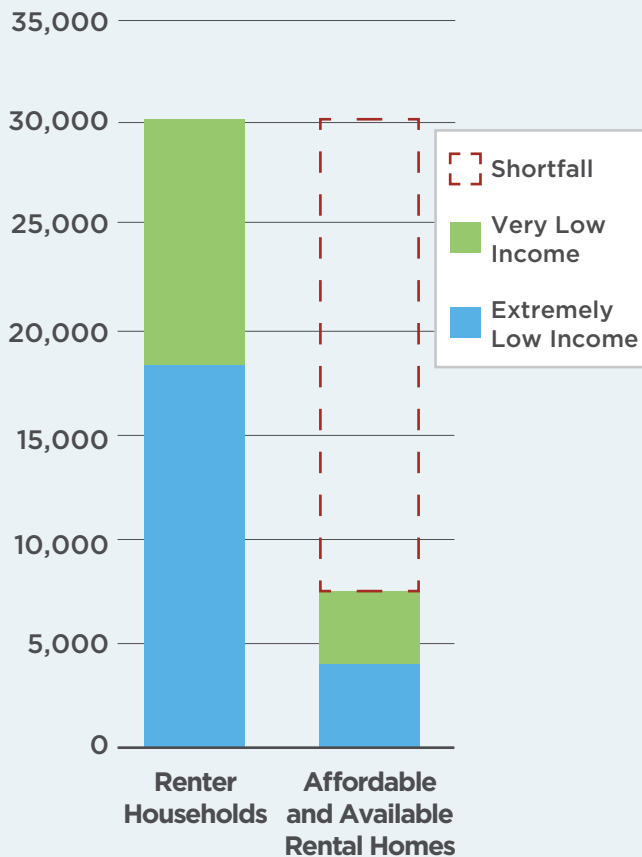
SAN MATEO COUNTY LOST 78% OF STATE AND FEDERAL FUNDING FOR HOUSING PRODUCTION AND PRESERVATION FROM FY 2008-09 TO FY 2017-18



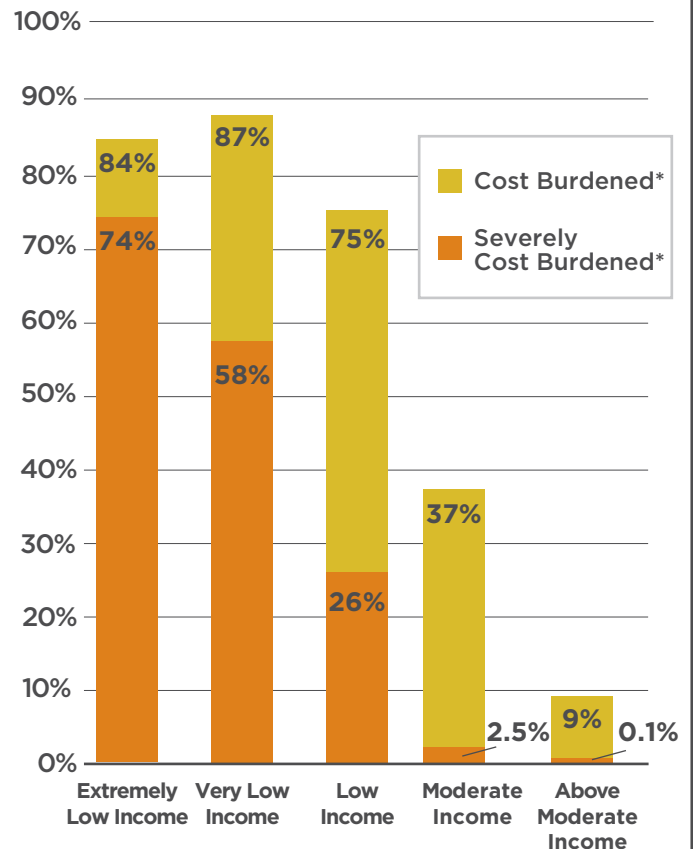
FUNDING SOURCE	FY 2008-09 (In thousands)	FY 2017-18 (In thousands)	% CHANGE
Redevelopment	\$27,148	\$0	-100%
State Housing Bonds and Housing Programs	\$2,910	\$1,500	-48%
HUD	\$9,780	\$7,134	-27%
TOTAL	\$39,858	\$8,634	-78%

Source: California Housing Partnership analysis of 2008-2009 annual Redevelopment Housing Activities Report; 2008-2009 and 2017-2018 Annual HCD Financial Assistance Programs Reports; 2008-2009 and 2017-2018 HUD CPD Appropriations Budget Reports.
 *FY 2017-2018 does not include No Place Like Home Funding (NPLH) and no funds for the Affordable Housing Sustainable Communities (AHSC) program were awarded.

SAN MATEO COUNTY NEEDS 22,269 MORE AFFORDABLE RENTAL HOMES



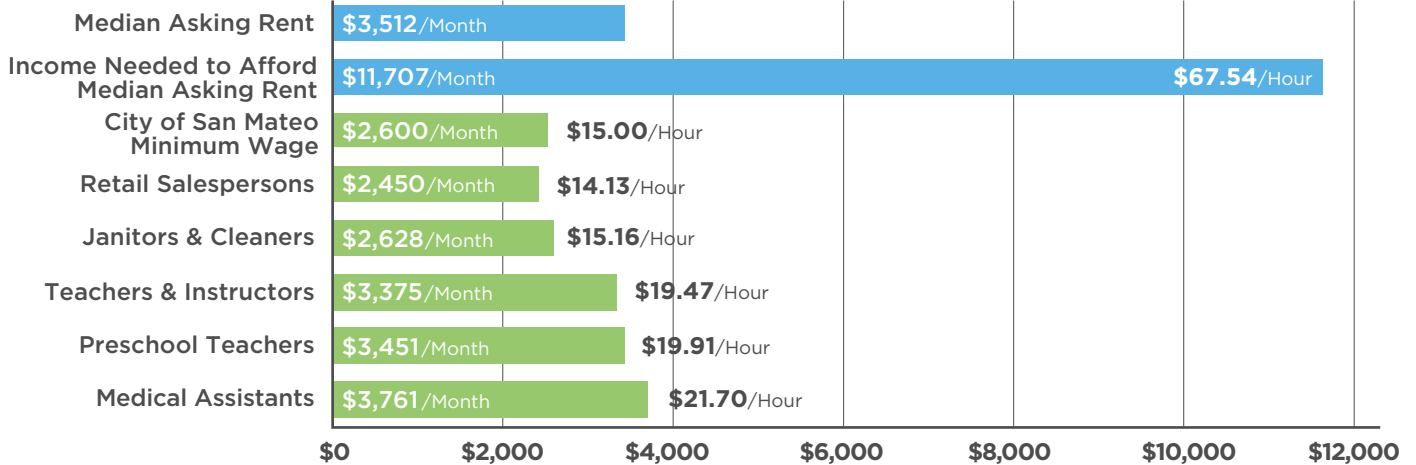
LOWEST INCOME HOUSEHOLDS ARE DISPROPORTIONATELY AND SEVERELY COST BURDENED



Source: NLIHC analysis of 2017 PUMS data.
 *Cost burdened households spend 30% or more of their income towards housing costs. Severely cost burdened households spend more than 50%.

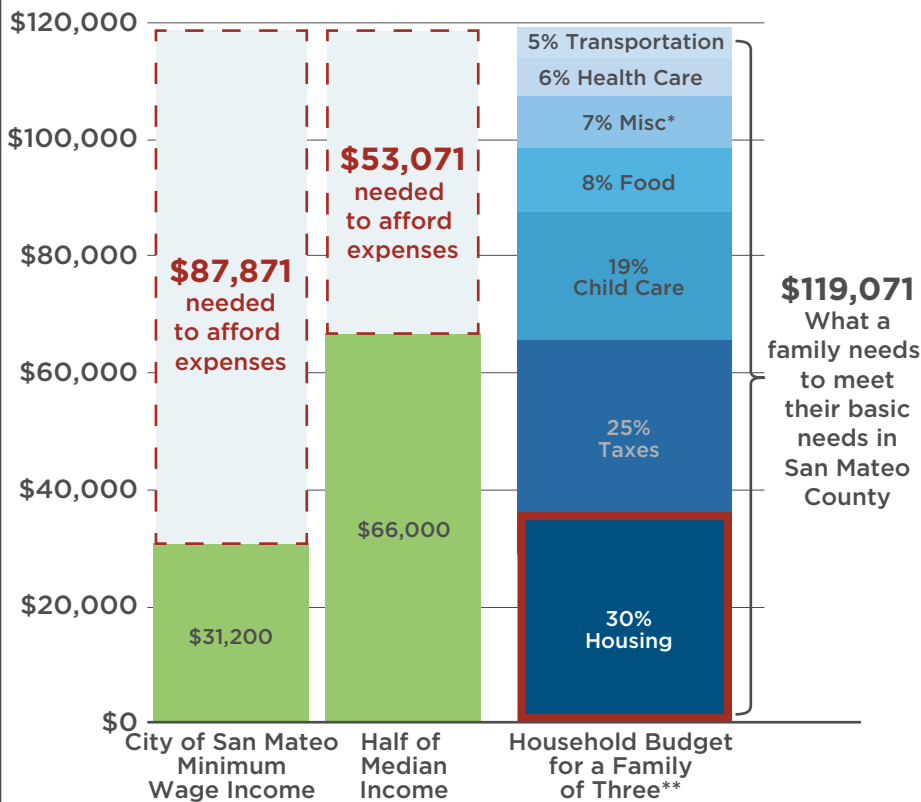
Source: NLIHC analysis of 2017 PUMS data.

RENTERS NEED TO EARN 4.5 TIMES LOCAL MINIMUM WAGE TO AFFORD THE MEDIAN ASKING RENT IN SAN MATEO COUNTY



Source: Paul Waddell, Urban Analytics Lab, University of California, Berkeley, retrieved from analysis of online Craigslist listings in February 2019. Bureau of Labor Statistics Median Annual Wage Data for CA Occupations, 2018.

HOUSING PRICES ARE DRIVING COSTS OF LIVING OUT OF REACH FOR LOW INCOME FAMILIES IN SAN MATEO COUNTY



Source: The above budget is a preview of United Way's forthcoming data release on the Real Cost Measure. Please visit <https://www.unitedwaysca.org/realcost> for more information about what it takes to meet basic needs in San Mateo County.

*The "miscellaneous" budget category includes all other categories not defined.

**The household budget for a family of three uses a population weighted average to estimate the costs associated with one working adult and two children (one school-aged child and one toddler). Each percentage represents how much a family's annual budget is captured in each cost category (housing, child care, etc.).

SAN MATEO COUNTY'S LOW INCOME HOUSING TAX CREDIT PRODUCTION AND PRESERVATION DECREASED 25% FROM 2016-2018

STATEWIDE			
TYPE	2016	2018	% CHANGE
New Construction	9,285	9,373	1%
Acquisition & Rehab	15,032	9,430	-37%
All	24,317	18,803	-23%
SAN MATEO COUNTY			
TYPE	2016	2018	% CHANGE
New Construction	299	249	-17%
Acquisition & Rehab	80	35	-56%
All	379	284	-25%

Source: California Housing Partnership analysis of 2016-2018 California Tax Credit Allocation Committee data.

Note: The data does not include manager or market rate units created through the LIHTC program.

STATEWIDE POLICY RECOMMENDATIONS

The California Housing Partnership calls on State leaders to take the following actions to provide relief to low income families struggling with the high cost of housing:

- » Replace Redevelopment funding for affordable housing with at least \$1 billion annually to help local governments meet their State-mandated production goals.
- » Expand the State's Low Income Housing Tax Credit Program by \$500 million per year to jump-start affordable housing production and preservation.
- » Create a new California capital gains tax credit to preserve existing affordable housing at risk of conversion and to fight displacement pressures in Opportunity Zones.
- » Reduce the threshold for voter approval of local funding of affordable housing and infrastructure from 67% to 55% as was done for educational facilities in 2000.

REGIONAL AND LOCAL RECOMMENDATIONS FOR SAN MATEO COUNTY

Regional Recommendations

- » Condition discretionary transportation funds to cities on progress in providing affordable housing and preventing displacement.
- » Ensure that all cities and counties in the Bay Area are accountable to produce their fair share of affordable housing through the region's next Regional Housing Need Allocation.

Local/County Recommendations

- » Adopt a system-wide three county Caltrain affordable housing policy that prioritizes housing production and requires minimum 20% affordable housing on Caltrain's publicly-owned land.
- » Invest at least 25% of Measure K funds annually to create permanent affordable homes.
- » Adopt affordable housing impact fees on commercial developments and pass or update inclusionary housing policies.
- » Prioritize affordable housing on publicly-owned land and require a minimum of 25% of all homes be affordable to very low income and low income households.
- » Allow accessory dwelling units to be approved through ministerial review.
- » Adopt policies and programs that protect renters from unreasonable rent increases and evictions.

This report was produced by the California Housing Partnership.

Local policy recommendations provided by:
Housing Leadership Council of San Mateo County

For questions about San Mateo County's housing need, contact:
Evelyn Stivers, estivers@hlcsmc.org, (650) 242-1764



PLANNING COMMISSION
Regular Evening Meeting, 765 Portola Road

MAY 1, 2019

CALL TO ORDER AND ROLL CALL

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

Present: Planning Commissioners: Kopf-Sill, Targ, and Taylor; Vice Chair Hasko; Chair Goulden
Absent: None
Town Staff: Laura Russell, Planning & Building Director

ORAL COMMUNICATIONS

Caroline Vertongen, 100 Palmer Lane. She said they've been residents since 1994 and previously served on several committees. She thanked the Commissioners for their dedication and time. She introduced herself and wanted to make sure her email was received. She asked questions and commented about the Annual Housing Element report, but could not stay for the meeting when it would be discussed. Planning & Building Director Russell said she responded to Ms. Vertongen's email this afternoon and offered to answer additional questions directly.

NEW BUSINESS

(1) Annual Housing Element Progress Report

Planning & Building Director Russell provided the annual report for calendar year 2018 on the Housing Element to be submitted to the California Department of Housing and Community Development (HCD). She noted that this year HCD updated the reporting forms to reflect the changes in State law. She described the background and discussion items, as detailed in the staff report. Upon completion of the Planning Commission review, the HCD report will be forwarded to the Town Council.

Commissioner Taylor asked regarding the term "entitlement." Planning & Building Director Russell said that means a Planning approval, most commonly being the ASCC approval. She said going forward, it could be staff discretionary review.

Commissioner Taylor asked if there was a sense of what might happen next when the Housing Element cycle ends in 2022. Planning & Building Director Russell said they would expect another Regional Housing needs allocation to come forward and expect another set of units the Town will be expected to build in the next planning period. She said legislation has already come forward that will change what's going to happen in the next planning period. She said San Mateo County's 21 Elements program has acted as a subregion and redistributed the total number of required units coming from ABAG MTC among the jurisdictions within San Mateo County. She said the legislation is making the subregion requirements stricter so there will likely be much less redistribution, if any, across different jurisdictions in the next housing element cycle. She said the Town should expect to receive a specific number.

Commissioner Taylor asked if residents have a way to be emailed directly regarding housing-related issues on the Town website. Planning & Building Director Russell said housing was added to the Subscribe to Notices list during the ADU process. Commissioner Taylor is concerned about the number of comments from residents claiming to have not been notified about issues. He said the Town staff is doing a great job, but asked if there were other things the Town could do that haven't been done regarding noticing. He asked if it was possible for one of the selections to be receiving timely

emails regarding specific topics. Planning & Building Director Russell said they have begun adding it to the printed materials at the bottom with contact information, and she will make sure it is also on the website.

Commissioner Kopf-Sill asked if RHNA judged against all the income categories or only the totals. Planning & Building Director Russell said there is not a simple answer to that right now because of the State law changes. She said there had been a tradition in previous Housing Element cycles that if you met the number, you met the number. As additional scrutiny and attention has come to these issues on a Statewide basis, there has been more attention given to meeting the number of units in each of the income categories. She said larger communities are faced with situations where they need to rezone properties during the Housing Element cycle in order to accommodate units if they're not going to be able to build out to meet their numbers. She said the situation is different in Portola Valley since the work involves single family homes and ADUs.

Commissioner Kopf-Sill asked if there were any penalties associated with not meeting the numbers. Planning & Building Director Russell said historically there have been very few penalties. She said legislation has stepped in and provided a more streamlined ministerial process path including CEQA bypass for those that have not met the RHNA number. She said this has occurred in only a handful of projects in the Bay Area so far.

Commissioner Taylor asked if this was developer driven. Planning & Building Director Russell said the State publishes Housing Element figures, and developers are aware and specify they are going through the streamlined process.

Commissioner Kopf-Sill asked how Portola Valley compared with other cities and towns in California. Planning & Building Director Russell said there is a very large range. She said San Mateo cities and towns are working together now to get the word out that everyone is working hard and lot of communities are becoming more receptive. She said there is a lot of communication across the jurisdictions with a lot of journalistic and academic writing on this intensely studied topic. She said there is a lot in mainstream media and the academic world around how people are doing in their Housing Elements. Planning & Building Director Russell said Portola Valley is doing quite well.

Vice Chair Hasko confirmed with Planning & Building Director Russell that the RHNA requirements are to plan for and facilitate the units and not actually build them. Vice Chair Hasko asked how the number of units for 2018 were linked to very low, low, moderate, and above moderate permits issued. Planning & Building Director Russell said there are assumptions that come into play. She said staff is discussing whether different data needs to be collected. She said the methodology that is used commonly in San Mateo County is based on a report and study completed by 21 Elements in 2013/2014, adjusting the Portola Valley number to include more above moderate-income units. Vice Chair Hasko asked how the very low income, non-deed restricted box gets checked for a particular unit. Planning & Building Director Russell said it is assigned generally by using the total number of ADUs in that year and, according to the percentages used by the Town for the last three years, assigning them. Vice Chair Hasko asked if it is understood on the report filed that the figures are based on statistical likelihood derived from the 21 Elements report. Planning & Building Director Russell said she believes that's understood.

Vice Chair Hasko asked why demolished/destroyed units are being reported. Planning & Building Director Russell said that item was not seen before because the report form was changed. She said they are trying to track in larger jurisdictions to make sure people are replacing the housing units they demolish – not demolishing 10 and only building 8. Vice Chair Hasko asked if that was happening. Planning & Building Director Russell said it was definitely happening in other communities.

Commissioner Targ said the income categories were derived from a survey done in 2013 and asked if that study could be provided to Planning Commission. Planning & Building Director Russell it could be. Commissioner Targ asked if the County had discussed redoing that survey or reconsidering the distribution of it. Planning & Building Director Russell said to her knowledge they had not. She said they did a similar survey in the last Housing Element cycle and used the same numbers throughout the cycle. In response to Commissioner Targ's question, Planning & Building Director Russell said that she believed the 24 units in the very low-income category are all ADUs. Commissioner Targ said it appears that since the adoption of the Housing Element in early 2015, there has been an approximate 4.5% increase in housing. He said within that, a little less more than half are ADUs. Vice Chair Hasko said they were designated as "planned for and facilitated," but does not know if they were actually built. Planning & Building Director Russell said the total units to date that count for RHNA are building permits issued, and there is always a slight chance they are not all completed. Commissioner Targ said that means there has been an approximate 2.5% net growth in housing during that period of time.

Commissioner Targ asked how many ADUs were reflected in the 69 total units. He said he realizes this is not relevant for the purposes of State compliance, but said it would be interesting to know the growth trends, how it feels as a town, and what implications it might have. In response to Chair Goulden's comment, Commissioner Targ said the total population has declined by about 10 percent over the longer period, which is interesting in that there are more units and fewer people.

Commissioner Targ asked how many units Stanford has proposed within the Wedge. Planning & Building Director Russell said right now it is in the upper 20s. She said the very preliminary plans show three affordable housing buildings, and the number of units in each of those buildings is not yet known.

Commissioner Targ asked how the RHNA process views or judges for future allocation efforts of municipalities that are overachievers. He asked if the State recognized the great job and wanted it maintained or if they would be expecting even more. Planning & Building Director Russell said they would not expect an increase for doing a good job. She said she has seen cities meet their numbers and ask for less numbers next time, which they do not get. She said the sub-region process in San Mateo County has allowed for a little more wiggle room because the jurisdictions have cooperated with each other with some give and take.

Commissioner Targ said Menlo Park is planning for tremendous growth. He asked if that intent is reflected in the last round of RHNA numbers or what effect having a subregion has for a town aiming to be a small city. Commissioner Taylor asked if Menlo Park will have to shoulder a bigger burden because of the newly created jobs in their city or if that just gets distributed across the County. Planning & Building Director Russell said the methodology has evolved over the last two cycles. She said in general, the numbers are generated through ABAG-MTC and distributed out to the different jurisdictions according to their models that include the sustainable community strategy, population growth, employment growth, bringing all of those things together, and taking into consideration plans of local jurisdictions. She said the units are then distributed to the different jurisdictions. She said the subregion process has acted to modify those allocations, which is what has happened with 21 Elements the last few times around. Vice Chair Hasko said they can also take into consideration geological issues such as in Portola Valley.

Chair Goulden said tonight is procedural in terms of passing along the report. He asked if staff anticipated actual projects and actions to come in soon to the Planning Commission based on what's happening with housing. Planning & Building Director Russell said a lot of these things are in the Council's court at this time. She said under affiliated housing, the Priory will go to ASCC, not the Planning Commission, and Stanford will presumably go through Planning Commission extensively when that project goes forward with an application. She said if the Sequoias come forward with an

application that would also come to the Planning Commission. She said she did not anticipate anything new in the immediate horizon.

Vice Chair Hasko said on the chart with 17 properties, the dates go from 2016 to 2018. Planning & Building Director Russell said they had to include the year the properties that got their finals, so they had to go back into records and pull out houses that got finalized in 2018.

Commissioner Taylor asked regarding the Town's limitations for deed restrictions. Planning & Building Director Russell said deed restrictions are a common tool for below market rate (BMR) housing units in larger communities that have an inclusionary housing requirement. She said Portola Valley collects inclusionary housing money when someone builds a subdivision here because there are no multi-family housing developments, which is where these kinds of units are normally deed restricted. She said Portola Valley does not fall into the category of how deed restrictions have been commonly used. She said there are starting to be discussions regionally about pooling funding together to help a property owner build an ADU or subsidize the ADU and then place a deed restriction on it so it would remain affordable. She said there will likely be some case studies and funding opportunities that might come out of this, but it is very early in those stages. Chair Goulden said that was included on the list presented to Council of things that might be considered in the future. Planning & Building Director Russell said there is also mention of it in the 2016 Housing Strategic Plan. Commissioner Targ said one issue about that is that it was contrary to trying to generate ADUs, and the jury is still out on how the ADUs are being used. He said for a town of 4,300 people, it would be quite taxing to maintain a program of deed restriction monitoring enforcement.

Chair Goulden invited public comment. Hearing none, Chair Goulden brought the item back to the Commission.

Commissioner Targ moved to Recommend the Housing Element Progress Report be Forwarded to the Town Council. Seconded by Commissioner Kopf-Sill; the motion carried 5-0.

COMMISSION, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

(2) Commission Reports

Commissioner Kopf-Sill attended the 21 Elements Planning Commissioners Training Series last night. She said they discussed what the new legislation might be, the substantial increase in housing legislation, streamlining approvals, and the challenges of financing ADUs for below market rate.

(3) Staff Reports

Planning & Building Director Russell said she sent out an email regarding the noticing radius for larger projects. She heard back from an ASCC Commissioner who felt it was warranted to discuss it. Planning & Building Director Russell shared the Priory as an example of the current process of using the County GIS system for noticing. She said because their site is big, using a 300-foot radius does not include a very good swathe of the community that might be interested. She said 300 feet is the standard number that comes from the State law around public hearing notices for routine projects throughout the state. She said some cities have requirements for more noticing for different types of projects. She said the Town has the ability to set their own policy. Staff looked at 500 feet for the sample Priory project and found it was also not a sufficient radius for outreach and transparency in the Town's development and review process. Staff settled on a 1,000 foot radius as appropriate for larger projects. For single family homes and routine projects, the 300-foot radius would continue.

Commissioner Targ asked what defined a large project. Planning & Building Director Russell said the 1,000-foot radius would be for affiliated housing projects, multi-family projects, or other projects of Town-wide significance. Commissioner Targ suggested that there be a set policy with criteria and parameters for the definition of a project of Town-wide significance. Commissioner Kopf-Sill asked if the 1,000-feet would be a new rule or merely a policy applied. Planning & Building Director Russell said it would just be a policy applied. She said Commissioner Targ's feedback is well taken, and they will take it to the Mayors and Chairs meeting to set a policy.

In response to Commissioner Kopf-Sill's question, Planning & Building Director Russell said she did not know the extent of Stanford's outreach. She said the Priory asked staff regarding a suggested radius and will be noticing a 1,000-foot radius.

Commissioner Taylor added that because of the Town's topography, not all impacts are equal. Planning & Building Director Russell agreed and said it is a very challenging situation.

Planning & Building Director Russell said they are continuing with the Home For All convenings and will be holding another town-wide convening on Saturday, June 1, from 10:00 am to 12:00 pm. She said the idea is to bring people back into the fold around the Town's housing efforts, remind people about the Housing Strategic Plan, what's been accomplished since the last two convenings, what's coming up next, and receive feedback.

(4) News Digest: Planning Issues of the Day

Planning & Building Director Russell shared an article of interest with the Commissioners – "After Years of Explosive Growth, Migration to the West and South Slows"

APPROVAL OF MINUTES: April 17, 2019.

(5) Planning Commission Meeting of April 17 2019

Commissioner Kopf-Sill moved to approve the minutes of the April 17, 2019, meeting, as amended. Seconded by Commissioner Targ, the motion carried 5-0.

ADJOURNMENT [8:10 p.m.]