



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Ad Hoc Housing Element Committee

FROM: Laura C. Russell, Planning & Building Director

DATE: August 15, 2022

RE: Initial HCD Draft Housing Element Update

I. Background

At its June 20, 2022 meeting, the Ad Hoc Housing Element Committee (AHHEC) discussed Planning Commission questions and concerns from the June 15, 2022 meeting. Below is a summary of the AHHEC conclusions:

1. **Opt-In Rezoning:** A strong majority preferred to maintain the Opt-In approach as an alternative to SB9 that provides more local control and enables disbursement, a priority indicated by the community.
2. **Dorothy Ford Field and Open Space Site:** A majority supported affordable housing at Dorothy Ford Field and Open Space site based on the conclusion it was the only realistic path to the required number of very low-income units, other than increased development at Nathhorst which was strongly opposed by the Nathhorst neighbors.
3. **ADUs/JADUs:** The Committee unanimously rejected using ADU/JADUs to achieve the Town's very-low-income category asserting it would not be a viable approach with HCD. The Committee was split on smaller increases to ADUs/JADUs and requested they be evaluated separately.
4. **Buffer:** The Committee was split on lowering the buffer for moderate and above moderate categories to 15% versus maintaining all categories at 20%.
5. **Sunrise Strategy:** A strong majority rejected the Sunrise approach based on the limited information available at the time; the discussion suggested many felt this approach would prolong the process with delayed negative community impact and confusion, and add complexity.
6. **Glen Oaks:** There was general consensus to adjust the approach at Glen Oaks to decrease density and maintain the horse operation, if possible, to maintain the Town's rural equestrian character and mitigate some of the density along Alpine Road.

The Planning Commissioners reviewed the Draft Housing Element at their June 15 and June 29, 2022 meetings. The Town Council then reviewed feedback from the AHHEC, Planning Commission, and public at their July 13, 2022 meeting. Table 1 below includes

a summary of Planning Commission feedback and Town Council direction on key issues related to the Draft Housing Element.

Table 1. Draft Housing Element Key Issues

Issue	Planning Commission Feedback	Town Council Direction
Opt-In Rezoning Program	Consensus to remove the Opt-In approach and replace with the SB 9 alternative given the significant effort to implement and concerns about the parameters. However, some interest in keeping a version of this approach if revised to be more like the Planning Commission Subcommittee's approach with clear limitations.	Consensus to preserve the Opt-in Program. However, limit the program to allow a maximum of four dwelling units per acre, or four per site, whichever is more restrictive.
ADUs/JADUs	Three Commissioners supported increasing ADU/JADU projection and breaking out ADUs and JADUs citing an aggressive marketing plan and additional incentives would promote more development. Two Commissioners did not support increasing ADU/JADU allocation and pointed to lack of historical data to support increasing the Town's projection as well as the difference between building versus renting units.	Consensus to keep the ADU/JADU projection; however, there was interest in seeing if a rationale could be made for slightly increasing the projected units in the Above Moderate Income (AMI) Category.
Buffer	Two Commissioners supported lowering the buffer, particularly for units proposed on Town-owned land. One Commissioner felt no buffer was needed. Another Commissioner suggested keeping the 20% buffer except for units on Town-owned land. One Commissioner suggested lowering the Moderate-income category to 15% (similar to the AMI category).	A Council subcommittee was formed to further explore the formula and structure of the buffer.
Sunrise Program and Gateway District	Three Planning Commissioners supported the Sunrise program and adding a Gateway District that would include the Dorothy Ford Field and Open Space site and Ladera Church site. Development would not begin until January 2025 to assess Town's progress with their RHNA. The emphasis for this District would be to preserve the Town's gateway feeling	Consensus to add a Gateway District to include the Dorothy Ford Field and Open Space site and the Ladera Church site. Support to start the process in the second year of the 6 th Cycle.

	along Alpine Road; and if new development were to occur, the goal would be to preserve the two Oak trees and baseball field, if feasible. Two Planning Commissioners were concerned it would add another layer of complexity to an already time-sensitive process.	
Glen Oaks	Three of the Planning Commissioners agreed the Glen Oaks site should be added to the Sunrise program and be developed only as a last resort. They suggested another dialogue with Stanford to see if there was interest in keeping the equestrian facility and developing housing for workers (through the Affiliated Housing Program). The other two Planning Commissioners supported keeping the Glen Oaks site in the inventory because there are no other known replacement sites for the proposed 29 units.	Council requested the Town reach out to Stanford and the Equestrian Center owner about interest in developing housing for workers through the Affiliated Housing Program to try to preserve the Equestrian Center.

II. Revisions to Initial HCD Draft Housing Element

Based on concerns from the community and from Council Members, the full Council asked the Council Subcommittee to explore whether it would be feasible to preserve the horse operation at the Glen Oaks site and develop a portion of the site with housing for workers of the existing business. The Mayor and staff met with Stanford representatives and with the equestrian center owner. Based on those conversations, the Council Subcommittee directed staff to keep the site on the inventory but reduce the density and resulting number of units from 29 to 16. The Town encourages continued discussion between Stanford and the business operator about the long term use of the site.

Table 2 below highlights additional changes made to the Initial HCD Draft Housing Element by section.

Table 2: Changes to Initial HCD Draft Housing Element

Section	Changes
1. Introduction	<ul style="list-style-type: none"> Added more detail to Community Engagement summary
2. Housing Needs Assessment	<ul style="list-style-type: none"> Added summary of key facts to Introduction Updated San Mateo County unsheltered homeless survey data from 2022
3. AFFH Summary	<ul style="list-style-type: none"> Added Background section highlighting Portola Valley's past and current efforts to affirmatively further fair housing

	<ul style="list-style-type: none"> Updated Program 1-1 to include new “Gateway” land use designation in Fair Housing Action Plan
4. Constraints	<ul style="list-style-type: none"> Added more detail to Environmental Constraints, including hazards maps with proposed housing sites
5. Resources	<ul style="list-style-type: none"> No changes
6. Adequate Sites	<ul style="list-style-type: none"> Updated the Sites Inventory to reduce the number of AMI units for the Glen Oaks site which reduced the overall total from 29 to 16 units Reduced the new Multi-Family Zoning District that will apply to Glen Oaks to allow up to 4 dwelling units per acre (du/ac) (instead of 8) Reduced overall RHNA buffer from 21% to 16% Expanded Realistic Capacity discussion with additional justification for Town’s Housing Sites Inventory Updated Opt-in Single-Family Rezoning to have a maximum of four dwelling units per acre or four units per site, whichever is more restrictive Moved Dorothy Ford Field and Open Space Housing site to non-vacant category (to better fit HCD categories) Added more detail on the feasibility analyses for the Non-Vacant Sites
7. Goals, Policies, and Programs	<ul style="list-style-type: none"> Updated the quantified objective/metric for Programs 1-1 and 1-2 with revised number of units. Updated Policy 1 with new “Gateway” land use classification Updated Program 1-1 to: <ul style="list-style-type: none"> Include Dorothy Ford Field and Open Space site and Ladera Church site in new “Gateway” land use classification Reduce one of the new Multi-Family Zoning Districts to allow up to 4 du/ac (instead of 8) Updated Policy 3-1 with: <ul style="list-style-type: none"> Initiate a site planning process for the sites in the new “Gateway” land use classification Consider improvements to baseball field as part of site planning process Consider collaborating with Ladera Church to integrate their site into Town’s affordable housing project Begin site planning process in Jan 2024 and issue RFP by Sept. 2024 Updated Program 6-4 to reevaluate sites to determine if any new ones are needed or if new fire prevention measures are needed (once new fire hazard maps available) Updated Program 6-5 to evaluate ADU and Senate Bill 9 ordinances to determine if any new fire prevention measures are needed (once new fire hazard maps available) Updated Program 7-1 to:

	<ul style="list-style-type: none"> ○ Create new informational materials on JADUs ○ Track ADUs and JADUs separately to help analyze how well each program is working
Appendix A. Community Engagement	<ul style="list-style-type: none"> ● Updated with additional Ad Hoc Housing Element, Planning Commission, and Town Council meetings ● Added more detail and images of Town’s Housing Element Update website, Town-wide postcard/mailers sent ● Highlighted Town’s efforts to reach out to local employers and employees ● Added demographic detail from two Community Meetings ● Added Public Review Draft Comments Summary and how feedback was incorporated into the Initial HCD Draft ● Attached results from Town’s Housing Preferences and Priorities Survey
Appendix B. ABAG Housing Needs Data Report	<ul style="list-style-type: none"> ● Updated San Mateo County unsheltered homeless survey data from 2022
Appendix C. AFFH Report and Fair Housing Action Plan	<ul style="list-style-type: none"> ● Updated Program 1-1 to include new “Gateway” land use designation in Fair Housing Action Plan
Appendix D. Evaluation of Past Performance	<ul style="list-style-type: none"> ● No Changes
Appendix E. Sites Inventory Spreadsheet	<ul style="list-style-type: none"> ● New Appendix required by HCD
Throughout	<ul style="list-style-type: none"> ● Correction of minor mistakes such as typos

I. Next Steps

The Initial Draft Housing Element was submitted to HCD on August 11, 2022 and the Initial HCD Draft Housing Element is available online at www.portolavalley.net/housingelement.

Town staff expects a phone call with HCD in the next 60 days (by mid-October 2022) to discuss preliminary comments on the Initial Draft Housing Element. Afterwards, the AHHEC will reconvene to discuss HCD’s preliminary comments and Town staff and the consultant team will immediately begin addressing comments.

Written comments from HCD are anticipated in early November 2022. Once HCD comments are received, staff and the consultant team will update the draft based on HCD’s comments and then seek additional public feedback prior to formal adoption of the Housing Element.

Over the next few months, staff and the consultant team will begin working on the zoning code amendments necessary to implement the Draft Housing Element. Due to the details

of State law, the Town Council directed staff to complete the zoning changes for adoption by January 2023 to maintain as much local control as possible. Planning Commission will review the zoning amendments followed by Council review and approval.

Environmental analysis under the California Environmental Quality Act (CEQA) has begun. The Initial Study/Mitigated Negative Declaration (IS/MND) will be available in Fall 2022.

An updated timeline of the Safety Element and Housing Element Updates, Rezoning, and Environmental Compliance is provided below.

