

1. What is the Opt-In Housing Diversification Program?

The Opt-in Housing Diversification Program was created to promote/increase multigenerational housing in the community. The purpose is to diversify the Town’s housing opportunities and to allow younger generations to stay and/or return to the town, seniors to downsize, and the local workforce to live in town. The concept for the program was developed by the Ad Hoc Housing Element Committee (<https://www.portolavalley.net/government/town-committees/housing-element-committee>) based on feedback they received from residents during the Housing Element process including a town-wide survey that prioritized “dispersement” of affordable housing throughout the community vs. concentration in certain areas (i.e. along Alpine Rd., Portola Rd. or in the Nathorst neighborhood) and from property owners in Portola Valley during an interest-based focus group on the program.

The Opt-in Program will allow qualifying single-family residential parcels to develop up to six dwelling units per lot, which must be one acre or greater in size, that meet the safety criteria and objective criteria yet to be defined (see questions #3 # 4). The initial target for this program is to provide 3 low-, 6 moderate-, and 12 above-moderate income residential units during the 2023-2031 planning period.

2. Why was this program created?

State Housing Element law (Government Code Sections 65580-65589.8) requires that every city/town and county in California adopt a Housing Element approximately every eight years to study the existing housing conditions to set housing production goals, and to ensure that jurisdictions are meeting them. Portola Valley’s previous 5th Cycle Housing Element, adopted in 2015, covers the planning period from 2014-2022 and the new 6th Cycle Housing Element covers 2023-2031. As part of the Housing Element process, the State Department of Housing and Community Development (HCD) reviews and certifies that each jurisdiction’s Housing Element meets all the requirements of the law. Every jurisdiction in California receives a target number of homes to plan for, also known as the Regional Housing Needs Allocation (RHNA). There is a new requirement to ensure that site selection is furthering fair housing goals, and that affordable housing is not concentrated in one particular area of the jurisdiction. As such, the State requires that housing opportunities be provided throughout the community. The Opt-in Housing Diversification Program’s goal is to help encourage diverse housing development and types across Portola Valley.

As indicated in question #1 above, the program was also created based on feedback from residents during the Housing Element process including a town-wide survey that prioritized “dispersement” of affordable housing vs. concentration in certain areas (i.e. along Alpine Rd., Portola Rd., or in the Nathorst neighborhood) and from property owners in Portola Valley during an interest-based focus group on the program. It was also proposed as an alternative option to SB 9 to retain local control.

3. When will this program go into effect?

This program is not currently available. This program is targeted to go into effect in September 2025. California state laws require housing development projects to be reviewed against objective standards. These standards must be verifiable and measurable, and certain projects may only be denied approval by local governments if they violate these objective standards. Before the program can go into effect, objective design and development standards, incentives, and process to implement the program needs to be completed, which is anticipated to be in June 2025.

The newly-drafted objective design and development standards, incentives, and implementation measures will be reviewed by the Architectural and Site Control Commission (ASCC) and Planning Commission through a series of public meetings in early 2025. After the standards are developed and the program is being implemented, program effectiveness will be evaluated in 2026 and annually thereafter to determine whether the intended outcomes are being achieved.

Implementation of the Opt-In program is not impacted by HCD’s Revocation of the Town’s Housing Element Certification.

4. How will it be implemented?

As part of the program’s objective to streamline the planning process for projects under the Opt-in Program, project applications will be subject to limited review. Each project is limited to two public meetings (one before Planning Commission and one before the ASCC). The Planning Commission will screen the applications for conformance with the following minimum safety criteria:

- Accessible to two ways of ingress and egress,
- Located on a slope less than 30%,

- Outside of a very high fire hazard severity zone,
- Outside of a fault zone, and
- Outside of areas identified with unstable soils or at risk of landslide or liquefaction.

Only conceptual plans will be required for consideration, and projects will be encouraged to include a variety of housing types and sizes; consideration of natural terrain; and a comprehensive planning approach to achieve design and community benefits through diversified housing types. If the Planning Commission finds the property meets all the safety criteria, then the project will be forwarded to the Architectural and Site Control Commission (ASCC) and measured against the objective design and development standards. The objective development and design standards will encourage and facilitate the development of up to 6 units per lot. Objective design and development standards created for this program will include, but are not limited to, floor area, setback, height, lighting, exterior material, landscaping, and water usage standards. ASCC review will be limited to one public meeting per project application.

5. What is the Difference between SB 9 and the Opt-in Program?

SB 9 is an existing state law that went into effect in 2021 that allows qualifying single-family residential parcels to be subdivided into two and allows the development of two units on each lot for a total of four units (which includes ADUs). The minimum lot size for SB 9 is 1,200 square feet and projects are approved through ministerial review. You can find more information on the Town's SB 9 Ordinance online here:

https://library.municode.com/ca/portola_valley/codes/code_of_ordinances?nodeId=TIT17SU_CH17.13SB9LOSP.

The Opt-in Program will provide more flexibility on housing types and requirements and will allow qualifying single-family residential parcels to develop up to six dwelling units per lot, which must be one acre or greater in size, that meet the safety criteria discussed above (see question #4) and yet to be defined objective design and development standards and limited review from the Planning Commission and ASCC. (see question #4). The Opt-in Program allows the Town to provide more input than permitted under SB 9. For this reason, the Ad Hoc Housing Element Committee suggested that additional incentives be considered under the Opt-in Program, including additional floor area and impervious surface coverage, and a reduction of required minimum covered parking and guest parking.

The incentives will be considered by the Planning Commission and ASCC in conjunction with review of the objective standards and program implementation procedures.

6. Is further subdivision permitted on an Opt-In lot?

No. The Opt-In Program does not allow for subdivisions of lots.

7. Can this Opt-in Program be applied in addition to SB 9?

No, properties may utilize either SB 9 or the Opt-in Program, but not both. Properties that apply to the Opt-in Program are not eligible to further subdivide the site under SB 9.

8. Will a rezoning be required?

No rezoning will be required any time during the planning period for a property to participate.

9. Does the Town receive credit from HCD for units generated by the Opt-In Program?

Yes, the Town will receive credit for units generated by the Opt-in Program. All units created, regardless of whether they are included in the Housing Element Inventory, count.