



**Town of Atherton
PLANNING COMMISSION
AGENDA
June 23, 2022
1:00 p.m.**

SPECIAL MEETING

***THIS MEETING IS BEING HELD
VIRTUALLY***

This meeting is compliant with the Governors Executive Order N-08-21 issued on June 11, 2021 allowing for deviation of teleconference rules required by the Brown Act. The purpose of this is to provide the safest environment for staff and the public while allowing for public participation. The meeting will be held by tele or video conferencing. The public may participate via: Zoom Meeting.

Join Zoom Meeting:

<https://zoom.us/j/147031861>

Meeting ID: 147-031-861

Dial In:

+1 669 900 6833,147031861#

Remote Public Comments:

Meeting participants are encouraged to submit public comments in writing in advance of the meeting. The following email will be monitored during the meeting and public comments received will be read into the record.

Email Stephanie Bertollo-Davis:

sbertollo-davis@ci.atherton.ca.us

1. ROLL CALL

Planning Commissioners: Eric Lane, Randy Lamb, Nancy Lerner, Perry Narancic, Gabia Konce

Staff: Lisa Costa Sanders (Town Planner), Stephanie B. Davis (Principal Planner), Jake Garcia (Associate Planner)

2. PUBLIC COMMENTS (only for items, which are not on the agenda - limit of 3 minutes per person)

3. PUBLIC HEARING

- a. Review Draft Housing Element Update** – Review the Draft Housing Element update and provide comments to staff. No action at this time.

4. STAFF REPORTS

5. COMMISSIONERS' REPORTS

6. ADJOURN

If you challenge a Town zoning, planning, or any other decision in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this agenda, or in written correspondence delivered to the City Council at, or prior to, the public hearing. Judicial review of any Town administrative decision may be had only if a petition is filed with the court not later than the 90th day following the date upon which the decision becomes final. Judicial review of environmental determinations may be subject to a shorter time period.

Copies of all staff reports and documents subject to disclosure that relate to each item of business referred to on the agenda are available for public inspection by 5:00 p.m. the Friday before each regularly scheduled Planning Commission meeting at the Atherton Library, 2 Dinklespiel, Station Lane, and the Town Administrative Offices, 80 Fair Oaks Lane, Atherton, CA 94027.

In compliance with SB 343, materials related to an item on this Agenda submitted to the Planning Commission after distribution of the agenda packet are available for public inspection in the Town Administrative Offices, 80 Fair Oaks Lane, during normal business hours.

Planning Commission decisions are appealable by any aggrieved person to the City Council within 10 days of the date of the decision.

Pursuant to the Americans with Disabilities Act, if you need special assistance in this meeting, please contact the City Clerk's Office at (650) 752-0500. Notification of 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (29 CRF 35.104 ADA Title II)

Dated & Posted 6/16/22



Item No. Town of Atherton

PLANNING COMMISSION STAFF REPORT

TO: PLANNING COMMISSIONERS

FROM: LISA COSTA SANDERS, TOWN PLANNER

DATE: FOR THE JUNE 23, 2022 MEETING

SUBJECT: REVIEW DRAFT HOUSING ELEMENT UPDATE

RECOMMENDATION

Review the Draft Housing Element update and provide comments to staff. No action at this time.

BACKGROUND

All California cities and counties are required to accommodate their fair share of regional housing need in its General Plan. The next Housing Element cycle covers the period of 2023 through 2031 and is required to be certified by the State by January 1, 2023.

The [Final RHNA for the Bay Area \(https://abag.ca.gov/sites/default/files/documents/2021-12/Final_RHNA_Allocation_Report_2023-2031-approved_0.pdf\)](https://abag.ca.gov/sites/default/files/documents/2021-12/Final_RHNA_Allocation_Report_2023-2031-approved_0.pdf) was adopted by the Association of Bay Area Governments (ABAG) Executive Board on December 16, 2021. The Town's allocation for the period of 2023-2031 is as follows:

Income Level	Housing Units
Very Low (less than 50% of area median income) Max income of \$63,950 for single person to \$91,350 for family of 4	94
Low (50% - 80% of area median income) Max income of \$102,450 for single person to \$146,350 for family of 4	54
Moderate (80-120% of area median income) Max income of \$125,640 for single person to \$179,520 for family of 4	56
Above Moderate (more than 120% of area median income) Market rate housing	144
Total	348

The City Council held a joint session with the Planning Commission on April 28, 2021 to discuss the Housing Element process and provide direction to staff on potential strategies to consider. The City Council, at its January 12, 2022, February 24, 2022 and March 16, 2022 meetings

Draft Housing Element Update

June 23, 2022

Page 2 of 6

received update reports from Staff on the initial strategies and provided direction. The Town hosted a Community Open House on April 26, 2022 from 5:00 p.m. until 7:00 p.m. at the Holbrook Palmer Park Pavilion to discuss potential strategies with the community and receive input. The City Council met on May 18, 2022 to refine the housing strategies and again on May 24, 2022 to provide additional direction on site selection.

The Draft Housing Element was released on June 10, 2022 for a 30-day public review and comment period. The Draft Housing Element is available on the Town's website: <https://www.ci.atherton.ca.us/DocumentCenter/View/10417/Atherton-Draft-Housing-Element-Complete-6-9-2022>. At the end of the comment period, the Town has 10 working days to consider the comments. The Town will then transmit the Draft Housing Element to the State Department of Housing and Community Development (HCD) for its 90-day preliminary review and comment period.

This meeting is intended to provide an overview to the Planning Commission on the Draft Housing Element and an opportunity to receive Planning Commission comments as well as public comments.

ANALYSIS

The Town's Housing Element is required to plan for the development of 348 new housing units over the next eight years. The City Council discussed past and future housing production driven by accessory dwelling units, the potential for SB 9 related lot splits, existing vacant parcel development, a potential multi-family overlay zone, and school and facility site development. Staff incorporated feedback from the Council as well as historical production experience in the Town and future expectations. In addition to the required analysis, the Draft Housing Element includes the following programs to achieve the housing production requirement:

A. Accessory Dwelling Unit (ADU) Production

The Town currently allows the development of one Accessory Dwelling Unit (ADU) of up to 1,200 square feet and a Junior ADU (JADU) of up to 500 square feet per single family property. ADUs and JADUs are eligible to be exempted from the maximum floor area for the property.

The Town estimates approximately 35 new ADU/JADU units will be developed each year during the next housing element cycle, for a total of 280 new units. To further encourage rental of the units, the Town will partner with a local non-profit organization to assist in matching property owners with interested renters.

B. Allow Multi-Family Housing at Schools, Adjacent to Schools and at the Cal Water Bear Gulch Reservoir Site

Public and private schools in Atherton are located within the Public Facilities and Schools (PFS) zone which currently allows teacher housing with a Conditional Use Permit. The Town plans to amend the PFS zone to allow multifamily housing at the schools by right and adjust the setback and height limit to accommodate the new housing development. The Town will also consider

expanding the PFS zone to adjacent properties to allow multi-family housing if acquired by the school.

There are currently caretaker housing units for employees of Cal Water at the Bear Gulch Reservoir site. The Town will also allow additional housing units at this site for Cal Water employees to assist with its emergency preparedness and distant employee commutes.

C. Townhouse Overlay Zones

As it is unlikely HCD will support the Town’s Housing Element without multifamily housing, the City Council discussed the options to adopt an overlay Zone that would apply to a select number of single-family zoned properties. The new overlay zone would allow up to 6-16 dwelling units per acre. Councilmembers reviewed several maps with optional areas to apply the zone and provided direction to limit the overlay to the following areas:

	Address	Lot Size	Proposed density	Maximum Development Capacity	Anticipated development*
1	23 Oakwood	1.62	16 units/acre	26 units	26
	264 Bay	0.91	6 units/acre	6 units	
	296 Bay	0.93	6 units/acre	6 units	
	318 Bay	0.94	6 units/acre	6 units	
	352 Bay	0.92	6 units/acre	6 units	
	999 Ringwood	0.9	6 units/acre	6 units	
	170 Atherton	4.0	8 units/acre	32 units	32
	290 Polhemus	5.0	8 units/acre	40 units	
	97 Santiago	1.42	6 units/acre	9 units	
			<i>total</i>	<i>137 units</i>	<i>58 units</i>

* Anticipated development this RHNA cycle based on property owner/developer interest

With an overlay zone, single family homes would remain a permitted use and property owners would have the option to construct multifamily housing units up to the permitted density listed above. A portion of the new units would be restricted as affordable housing.

D. New Housing Units Resulting from SB 9

California State Senate Bill (SB) 9, effective January 1, 2022, requires jurisdictions to permit the splitting of single family lots into two parcels and the construction of up to two primary dwelling units on each parcel. The City Council adopted implementing regulations to encourage the new development comply with current setbacks, floor area and height limits. Based on recent interest from property owners, the Town estimates a total of 80 new housing units from SB 9 projects over the next eight years.

Anticipated Production

The production numbers in the table below are based on implementation of the programs listed above over the next 8-year housing element cycle:

	Very Low	Low	Mod	Above Mod	Total
ADUs	84	84	84	28	280
Lot Splits (SB9)				80	80
Vacant Sites				10	10
Townhouse overlay			11	47	58
School & Facility sites	4	10	10	10	34
Total	88	94	105	175	462
RHNA	94	54	56	144	348
Amount above or below RHNA	-6	+40	+49	+31	+114

Community Open House and Outreach

The Town hosted a well-attended Community Open House on April 26, 2022 from 5:00 p.m. until 7:00 p.m. The event was advertised with a town-wide mailer to each property owner, an email invitation to housing advocates that requested notification, several electronic news flash announcements and social media postings; as well as the mailed notifications to the identified properties considered by the Council for an overlay.

The event was set-up in an open house format where information was provided on each of the Housing Element strategies and participants were asked to provide their comments. This included a table on ADUs, affirmatively furthering fair housing policies, and strategies to reach the Town's housing allocation, including the multi-family overlay zone. To accommodate City Council and Planning Commissioner attendance, the open house was noticed as a Special Meeting. The Mayor provided welcoming comments and the Town Planner provided an overview of the event. Opportunities for public comments were provided. In addition to the Community Open House, Planning Staff provided information on the Housing Element programs at the Earth Day event at Holbrook Park that took place on Saturday, April 23, 2022.

Staff noted the following comments received at the outreach events:

- The Town should fight the new RHNA allocation and assess residents to pay the fine.
- The Town should fight SB 9.
- Concern with the location the chosen of multi-family properties.
- Concern that the selected multi-family properties may not realistically develop given recent property improvements (specifically the homes along Marsh Road).
- Several property owners expressed interest in having their property included in the multi-family overlay zone and asked more questions about potential development opportunities.
- Many residents supported allowing additional ADUs on properties and encouraging people to rent the units.
- Consider property tax incentives for renting ADUs at affordable rents.

Draft Housing Element Update

June 23, 2022

Page 5 of 6

- Allow ADUs to be built above garages.
- Concern with traffic from new multi-family housing, including potential development at or near school sites.
- The Town should be more inclusive, identifying sites for multi-family housing throughout the community and not just along the Town's perimeter. Specific comments were provided for sites to consider in West Atherton and along Alameda de las Pulgas.
- Consider a Housing Trust Fund with other jurisdictions (Woodside and Portola Valley).
- The Town should consider design standards for any multi-family development that is ultimately produced.

The Town mailed notification of the availability of the Draft Housing Element and this Planning Commission meeting to all property owners considered in the overlay zone and properties within 500' of the sites. Notice was also published in the Almanac and distributed through the Town's electronic and social media announcements.

NEXT STEPS

As noted above, the Draft Housing Element is currently out for the 30-day public review and comment period. The City Council is scheduled to discuss the Draft Housing Element and comments at its July 20, 2023 meeting and will schedule a Special meeting the end of July to review any revisions to the Draft Housing Element and authorize its transmission to HCD.

While HCD is conducting its 90-day initial review of the Draft Housing Element, Staff plans to retain a consultant to assist the Town in developing the specific multi-family overlay zoning regulations. This will include interviews with interested parties, a community meeting, and a Study Session with the City Council and Planning Commission. This work will occur in July-September for adoption concurrently with the Housing Element.

Staff will revise the Draft Housing Element to incorporate HCD comments for consideration by the Planning Commission and adoption by the City Council in November/December 2022. The Housing Element is required to be certified by HCD by January 15, 2023.

Failure to obtain a certified Housing Element by that deadline can result in penalties and an accelerated timeline for housing and land use compliance actions.

PUBLIC NOTICE

Public notification was achieved by posting the City Council agenda, with this agenda item being listed, at least 72 hours prior to the meeting in print and electronically. Information about the project is also disseminated via the Town's electronic News Flash and Atherton Online. There are approximately 1,200 subscribers to the Town's electronic News Flash publications. Subscribers include residents as well as stakeholders – to include, but not limited to, media outlets, school districts, Menlo Park Fire District, service providers (water, power and sewer), and regional elected officials.

ATTACHMENTS

- Draft Housing Element Link:
<https://www.ci.atherton.ca.us/DocumentCenter/View/10417/Atherton-Draft-Housing-Element-Complete-6-9-2022>
- Town Housing Website Link:
 - <https://www.ci.atherton.ca.us/575/Housing>
- Town Housing Element Update Website Link:
 - <https://www.ci.atherton.ca.us/627/Housing-Element-Update>