

**PALO ALTO PLANNING & TRANSPORTATION COMMISSION
2013-2014 REPORT TO COUNCIL**

October 20, 2014

Dear Mayor Shepherd and Council Members:

Each year the Chair of the Planning & Transportation Commission (PTC or Commission) makes a report to the City Council (Council). The style and format of this report has varied. It may be useful to begin by describing the duties and responsibilities of the PTC, namely: "what are we supposed to do" and "how do we operate." This leads to "what we did." Finally, we have highlighted some "next steps" and suggestions for potential improvements to the Commission's role in City governance.

I. Background

Looking to the Palo Alto Municipal Code, the PTC is an advisory body composed of seven members appointed by the Council that makes recommendations to the Council. The duties and powers of the PTC are described in PAMC Section 2.20.050:

"The Commission is an advisory commission. In addition to the duties set forth for the Planning Commission in Titles 18 [Zoning] and 19 [Master Plan] of this code, it shall, as requested by the Council, the City Manager, or the Director of Planning and Community Environment ("Director") provide advice on any matter pertaining to land use planning and transportation systems affecting the City."

The City of Palo Alto's (City) website summarizes the PTC's primary responsibilities as including:

- Preparing and making recommendations to the Council on the City's Comprehensive Plan regarding development, public facilities and transportation in Palo Alto
- Considering and making recommendations to the Council on zoning map and ordinance changes
- Reviewing and making recommendations to the Council on subdivisions, on appeals on variances and use permits
- Considering other policies and programs affecting development and land use in Palo Alto for Council action
- Reviewing and making recommendations on individual projects such as Planned Community Zones, Open Space development, and those other projects as are directed by the zoning code, staff and Council

The PTC has an explicit responsibility for the City's Comprehensive Plan, as set forth in PAMC Section 19.04.010, which states:

"The Planning Commission shall have the primary duty to prepare, adopt and recommend to the Council for their adoption, a long-range, comprehensive general plan to guide the future development of Palo Alto and of any land outside of its boundaries which in the commission's judgment bears relation to its planning. Such plan may contain basic recommendations as to the distribution of land use areas within the City, each logically and properly related to each other, standards for population distribution and density, and standards and recommendations for circulation routes as between the various land use areas and through and around the City. In addition to the above, the general plan may contain other elements including a recreation plan, a transportation plan, a community design plan, a housing plan and such additional plans, which in the Commission's judgment relate to the physical development of the City. The comprehensive general plan may comprise any, all, or any combination of these plans."

Other statutory responsibilities of the PTC include:

- **Review of general plan** -- the Planning Commission shall annually review the general plan and recommend to the City Council such extensions, changes or additions to the plan as the Commission may consider necessary in the view of any change in conditions (PAMC Section 19.04.030)
- **Review of the capital improvement program** -- the general plan shall be the guide for the capital improvement program insofar as the capital improvement program affects the physical development of the city. The Planning Commission shall submit an annual report to the Council regarding the capital improvement program, which shall review each project for its conformity to the master plan; review the program as a whole in order to suggest any improvement in economy or efficiency which might be effected through the combining of various projects; and suggest any needed improvements which do not appear in the program (PAMC Section 19.04.040)
- **Monitoring physical development of the city and conformity with master plan** -
- all matters affecting the physical development of the City shall be submitted to the Commission for a report to the Council as to conformity to the master plan (PAMC Section 19.04.050)
- **Initiation of Planned Community District** -- prior to recommending approval by the City Council of any PC district application, the Planning Commission must determine that:

1. application of existing zoning will not provide sufficient flexibility to allow the proposed development;
 2. public benefits not otherwise attainable will result from using a planned community district; and
 3. the use(s) permitted will be consistent with the Palo Alto Comprehensive Plan and compatible with uses of adjacent sites (PAMC Section 18.38.060)
- **Additional duties** of the Planning Commission may be prescribed by the ordinances of the City or resolutions and motions of the Council (PAMC Section 19.04.070)

The PTC's bylaws are posted on the City's website. In addition to the duties described above, the bylaws note that the PTC will have officers, consisting of a Chair, Vice Chair and Secretary. Such officers are elected annually. The Chair (or Vice Chair) presides over meetings. The chair may appoint special committees as required or desired. Mark Michael is currently Chair and Arthur Keller is currently Vice Chair of the Commission. Robin Ellner serves as Secretary.

Currently, members of the PTC serve as representatives of the Commission on the Regional Housing Mandate Committee (RHMC) and on the Housing Element Community Panel. The PTC designates one of its members to serve as liaison to the Council each month, on a rotating basis.

II. PTC Processes

Regular public meetings of the PTC are typically held bi-monthly on Wednesday evening in the second and last weeks of each month. The Chair and Vice Chair, together with the Director and other staff members, including the senior assistant city attorney, attend a pre-commission meeting. A tentative agenda listing is prepared by the Director, in consultation with the Chair that includes descriptions of matters expected to be on the agenda of future PTC meetings. This list seeks to project the timing of agenda items up to six months in advance. Some matters on the PTC agenda relate to current planning applications and other matters concern long-range planning.

Whereas the PTC has previously created *ad hoc* or special subcommittees for such purposes as reviewing the capital improvement program or updating drafts of elements of the Comprehensive Plan, there are currently no subcommittees of the PTC and all agenda items come directly to the full Commission.

In a recent discussion by the PTC of its priorities and effectiveness, the Vice Chair noted that the PTC functions in three different modes, namely: *reactive*, *proactive* and *integrative*. Using this terminology, the PTC is reactive when it receives and acts upon staff reports that may include data, analysis and recommendations. Likewise, if and when the Council makes a request to the PTC, the Commission would respond to such

direction. When not responding to a staff report or council direction, the PTC may proactively engage in research, analysis and discussion of topics related to its responsibilities. For example, one or more commissioners may generate a colleagues memo that may be discussed in a subsequent PTC study session. Integrative work of the PTC is exemplified best by the work undertaken in subcommittees and the full Commission to review draft elements of the Comprehensive Plan, in collaboration with the staff and prior to submitting a recommendation to the Council.

III. Productivity

Since the last PTC report to the Council on September 1, 2013, the Commission has held approximately 23 meetings. Public hearings or study sessions were held or are scheduled on the following matters:

- 2080 Channing Avenue — review certification of Final Environmental Impact Report and amendment to Planned Community zoning
- 2755 El Camino Real — initiation of Planned Community zone district
- Parking Exemptions Code Review -- eliminate the "exempt floor area" parking exemption and review interim ordinance
- Transportation Element — review draft vision statement, goals, policies and programs
- On-Street Accessible Parking Space Policy — review proposed policy
- Urban Forest Master Plan — review and comment on draft master plan
- Matadero-Margarita Bicycle Boulevard — review Matadero-Margarita Avenue bicycle boulevard project and phasing plan
- California Avenue Streetscape — update on planned construction schedule
- California Avenue/Fry's Area Concept Plan — review and provide recommendation of incorporating revised draft area concept plan into the draft Comprehensive Plan
- Traffic Impact Analysis Methodology — study session on traffic impact analysis and methodologies
- Housing Element — review zone code changes for implementation of the 2007-2014 Housing Element programs
- Business & Economics Element — review draft of updated Business & Economics Element of the Comprehensive Plan
- 441 Page Mill Road — review application for State density bonus concessions and design enhancement exception
- Governance Element — review draft Governance Element
- Draft Ordinance Modifying Building Setbacks in the CN and CS District — review draft ordinance regarding build-to-line standard and context-based design criteria, including allowable Floor Area Ratio on CN-zoned sites
- PTC Retreat — Our Palo Alto Initiative, Planning Department Work Plan, and PTC priorities and schedule of major projects

- Building Setbacks and Sidewalk Width — review draft ordinance addressing building setbacks, sidewalk width along El Camino Real and to reduce allowable Floor Area Ratio on CN-zoned sites
- Grand Boulevard Initiative — study session and update on Grand Boulevard initiative
- Our Palo Alto — update on public engagement related to updating the Comprehensive Plan and the Our Palo Alto Initiative
- Capital Improvement Program — review 2015-2019 proposed Capital Improvement Program for consistency with the Comprehensive Plan
- Bicycle & Pedestrian Transportation Plan — update on active projects
- Housing Element Update — study session on proposed housing sites inventory and program revisions for the 2015-2023 Housing Element update
- 1451-1601 California Ave — review application by Stanford University for Tentative Map for subdivision arising from Mayfield Agreement
- Downtown Development Cap — study session on Phase 1 of Downtown Development Cap Study
- 441 Page Mill Road — site and design review, including State density bonus concessions and design enhancement exceptions
- Residential Permit Parking — study session and update on Downtown RPP program
- Comprehensive Plan Update — discussion of "alternative futures" and issues for consideration in the Environmental Impact Report scoping meeting
- PTC priorities — study session on commission priorities for 2nd half of 2014
- Draft Modifications to Build-To-Line Requirements — review proposed revisions to ordinance
- Planned Community Reform — study session
- 405 Curtner Avenue — tentative map
- Shuttle Services — information item on new shuttle services for Palo Alto, East Palo Alto, and potentially North Bayshore area of Mountain View
- RPP Program status update — study session on Citywide and Downtown RPP programs
- Housing Element update review
- Annual report from PTC to Council and Joint Session with Council
- Future topics will include: study sessions for 2555 Park Blvd. Draft EIR, Transportation Demand Management and Matadero Creek Trail; status report on Bike Boulevards; update on Downtown Development Cap; and, public hearings on Build-To-Line Ordinance and RPP Recommendation to Council

IV. Organizational Changes

During the last year there were notable organizational changes and transitions. Former Chair Eduardo Martinez resigned, due to serious health issues, and subsequently passed away. Also, former Commissioner Panelli resigned. Council appointed

Commissioners Eric Rosenblum and Przemek Gardias to fill the unexpired term of these vacancies. Hillary Gitelman joined the Department as the new director. Recently, the Assistant Director position became vacant, to be filled by Jonathan Lait. Shortly after Director Gitelman joined the staff, she created a Department work plan that the PTC has used to guide certain commission priorities.

V. Year In Review

A major focus of the PTC during 2013-2014 has related to efforts of the Commission, staff and Council to complete the update of the Comprehensive Plan. Indeed, the Municipal Code makes this task the primary duty of the PTC. Currently, this effort is moving ahead on parallel tracks: (i) drafts of all elements except for Governance have been completed and forwarded to the Council; (ii) preliminary work is underway on the program EIR for the Comprehensive Plan update; and (iii) outreach to and engagement with the public is being done via the Our Palo Alto Initiative. Completion of the update was expected by the end of 2015.

Planning issues have become of increasing concern to the residents of the City. Perennial frustrations with traffic congestion and parking issues have escalated into broader debates and conversations about quality of life and livability of neighborhoods. While Palo Alto has enjoyed the benefits of recovery from the Great Recession of 2008-2009, with a strengthening local economy, the associated growth in jobs, demand for housing, increased traffic, and other pressures are perceived by many as threatening the qualities and values that residents enjoy and that attract new people, including visitors and employees, to the City.

As the City nears certification of the 2015-2023 Housing Element, it may be worthy of reflecting on Palo Alto's relationship to the broader Bay Area region. Forecasting long-term growth in population and jobs in the region necessarily involves estimates and assumptions. Economic forecasts are far from perfect. For better or worse, Palo Alto is centrally located in one of the most dynamic and fastest growing metropolitan areas in the United States. This area is a magnet for creative, talented and entrepreneurial people from around the world. Adapting to and managing inevitable changes to or impacts upon our community may be best served if the City could undertake more prompt and regular updates, not just for housing, but for all elements of the City's long-range planning policies.

Following the Measure D referendum, a temporary moratorium on Planned Community zoning was adopted, thereby providing an opportunity for the Department staff, the Commission and the Council to study and consider potential reforms to the Planned Community ordinance. While, at the margins, there may be a debate between "no growth", "slow growth" or "development", analyzing the data about how PC zones have been used in the City illustrates the beneficial potential of flexible zoning tools to effectuate good land use. The practical impact of such flexibility is underscored by the

protracted nature of updating the City's Comprehensive Plan and zoning map. Balancing the complexity of competing interests is a challenge that arises in virtually every current and long-range planning effort.

Funding for the City's Capital Improvement Program has been increased as a result of the stronger budget conditions. While the PTC's duty with respect to the CIP program focuses on reviewing the proposal for consistency with the Comprehensive Plan, the City has been able to allocate more funds for maintenance of infrastructure. This goal was analyzed by the Infrastructure Blue Ribbon Commission's report in December 2011 as "catching up, keeping up and moving ahead." However, one might query whether the PTC has been fully engaged on the question of how the CIP program affects the physical development of the City. Notably, the PTC requested the addition of a study of tidal flooding, as a similar study was performed in Mountain View in 2012 and the San Francisquito Creek Joint Powers Authority for East Palo Alto and Menlo Park is initiating studies. The last time the PTC requested an additional CIP item was in 2009 for a study of a bicycle and pedestrian bridge over U.S. 101 in the vicinity of Adobe Creek.

VI. Next Steps

Throughout the year, the PTC has continued an inquiry regarding how we operate and whether the Commission can be more effective. Such challenges necessarily and appropriately relate to the role of the PTC as an advisory body that makes recommendations to the Council. We also function in close collaboration with the staff of the Department. When the PTC uses subcommittees or circulates colleagues memos that analyze specific issues, such activities necessarily require an allocation of staff resources.

The PTC is mindful of its role in providing a forum for residents to participate, observe and otherwise engage in local governance regarding planning and transportation matters. At stake is nothing less than the "future development of the City" including all elements of the Comprehensive Plan. We understand that this is a major responsibility, one that deserves public scrutiny and will hopefully earn public trust. In the relationship of the PTC to the Council, we intend to be a trusted partner whose recommendations and advice are practical, insightful and useful.

The Council establishes policies for the City. Whereas boards and commissions serve in an advisory capacity and make recommendations, Council is vested with sole power to take action and make decisions. Planning matters typically come to Council in the form of "action items" and begin with a staff report, much like the reports from staff to the PTC. Members of the public may submit speaker cards and be recognized to deliver remarks on the agenda topic. Often, even on important or controversial topics, there may be minimal public turnout at the PTC for discussion of a matter that draws a large crowd to the subsequent Council deliberations. Because of the back-end loaded public focus on the Council discussion, it may be difficult to manage time effectively at

well-attended or over-crowded Council sessions. Paradoxically, this precludes robust public participation. More often, it forces strict time limits on both public speakers and Council members. Some important topics are continued to later meetings, or delayed. And, the time and energy of the Council is constrained in making the most important decisions and debating the key City policies. Perception of dysfunction may contribute to residents' cynicism or distrust regarding local governance, lead to grassroots referendum campaigns, and other contentious issues.

There may be a better way.

The PTC's recent discussions of the Commission's effectiveness have identified areas in which the PTC may be more proactive (*i.e.*, provide thought leadership on planning and transportation issues and other matters for which the PTC is responsible) and integrative. With the recent changes in membership of the PTC and changes in the senior staff of the Department, we are beginning to explore opportunities for enhancing the value of our work.

Among the opportunities and challenges within the PTC's jurisdiction might include increased attention to:

- long-range transportation challenges (*e.g.*, traffic congestion, parking deficit, neighborhood parking intrusion, TDM, TMA, transit, shuttle service, CalTrain, etc.)
- housing (*e.g.*, growth, density, mixed use, PTOD, size of units, affordability, height restrictions)
- retail (*e.g.*, changing nature of retail and community need for services)
- improving data and analysis of PTC issues (*e.g.*, traffic model, parking studies, demographic trends, cost/benefit analysis, developer *pro forma* or other financial disclosure)
- engagement with public (*e.g.*, planning related visuals, early dissemination of meeting materials, on-line public participation, use of infographics, etc.)
- additional topics (*e.g.*, completion of Comp Plan update, specific plans, Downtown Development Cap, PC Zoning reform, bicycle/pedestrian planning, ...)

When it may be appropriate for the PTC to increase its understanding of such issues, the colleagues memo process can be a tool for issue identification, proceeding to collection of relevant data, analysis, research and then synthesis of a well-structured discussion. A colleagues memo may become the basis for a study session, and it may also be the opportunity for virtual engagement with the public using readily available and proven on-line tools (such as Google Moderator). Engagement with the public can be broadened to include both the traditional open public meetings of the PTC and newer and more flexible mechanisms for public input through open and transparent public communication, while being mindful of Brown Act requirements and limits on staff time.

Consistent with the PTC bylaws, and sensitive to limited staff resources, the Commission may make better use of special and *ad hoc* subcommittees to conduct preliminary investigations before coming to the full commission. A subcommittee should be created when there is a clear purpose, with a well understood objective or deliverable. Examples of such subcommittees might include: (i) completion of the Comprehensive Plan update, (ii) development of neighborhood or district specific plans, (iii) analyzing transportation solutions, or even (iv) reviewing the Capital Improvement Program.

VII. Reporting to Council

The current protocol, when a matter is heard first by the PTC and then referred to Council, relies on providing Council with verbatim minutes of sometimes lengthy hearings that include testimony from public speakers, multiple rounds of comments and questions from the Commission, followed by motions, debate and voting on a potential recommendation to Council. The undigested mass of such materials may not be particularly useful or efficient for Council members to use as a basis for subsequent action. Consequently, the Council hearing on the same matter may take the form of starting over: presentation is made by staff, public speakers are heard, questions and comments from Council members are voiced, followed by motions and voting. There is little benefit from, much less force or effect, of the prior PTC hearing, notwithstanding many of the public speakers are the same and factoring in the diligence and subject-matter expertise of the PTC. This process inevitably burdens staff when they are asked to deliver what is essentially the same report twice, to different audiences, and attend duplicate meetings often late into the night.

Observant and concerned members of the public may simply bypass the earlier stage of a PTC hearing, and come directly to Council, thereby precluding the Commission from hearing the full range of public questions and comments. On matters with the most public interest, high levels of attendance at Council meetings and large number of speaker cards create a challenge for Council to conduct its public hearing in a timely and efficient manner.

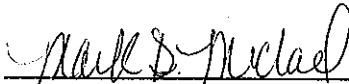
On a recent topic -- considering potential reforms to the PC zoning ordinance -- staff and the PTC prepared an executive summary of the PTC discussion and recommendations. If Council finds this useful, such summaries could become a regular addition to staff reports to Council following a PTC review.

Another option for better informing the Council about the PTC's prior review, would be to include a new section in the staff report that sets forth: the final motion considered by the PTC, the vote by commissioners, the relevant factors and evidence cited by commissioners pro or con, and substantive points raised by public speakers. When and if Council may have questions about the PTC record, either staff or the PTC liaison to Council should be available to respond.

Given that Council sets City policy, and when projects or applications are properly reviewed by the PTC pursuant to such Council-set policies, the resulting recommendation by the PTC may be placed on the Council's consent calendar. In that situation, Council members may request shifting a matter to the action calendar when appropriate.

If these suggested changes to the reporting process are implemented, the public interest in diligent and transparent consideration of land use and zoning matters will be fully respected and the Council's valuable time and attention may be focused on the highest priority policy setting and decision making.

Respectfully submitted:

A handwritten signature in cursive script, reading "Mark D. Michael", is written over a horizontal line.

Mark D. Michael, Chair
Planning & Transportation Commission