



Planning & Transportation Commission Action Agenda: September 28, 2022

Council Chamber & Zoom
6:00 PM

Call to Order / Roll Call

Approximately 6:02 pm

Madina Klicheva, Administrative Assistant, conducted a roll call vote and announced all Commissioners were present.

Amy French, Chief Planning Official, read aloud protocols and procedures for hybrid meetings.

Oral Communications

The public may speak to any item not on the agenda. Three (3) minutes per speaker.^{1,2}

Chair Lauing invited members of the public to share comments with the Commission on non-agenda items.

Madina Klicheva, Administrative Assistant, announced there were no speakers for oral communications.

Agenda Changes, Additions and Deletions

The Chair or Commission majority may modify the agenda order to improve meeting management.

Amy French, Chief Planning Official, announced there were no additional agenda changes.

City Official Reports

1. Directors Report, Meeting Schedule and Assignments

Amy French, Chief Planning Official, reported on October 12, 2022, the Planning and Transportation Commission (PTC) will hear a proposal from the Sobrato organization for several parcels in the North Ventura Neighborhood. At the October 26, 2022 meeting, Staff will present the pilot program for heat pump water heaters and a scoping item for 460 University Avenue. In November 2022, PTC will review the Comprehensive Plan's implementation, hold a study session on State regulations, review the Development Agreement with Stanford University

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1 Medical, and hear a transportation item. City Council will be discussing the North Ventura
2 Coordinated Area Plan (NVCAP) refined preferred alternative at their October 24, 2022
3 meeting. The Council will also be discussing the Permanent Parklet Program and the 575 Los
4 Trancos project during their October meetings. On November 7, 2022, the City Council will
5 discuss the Conditional Use Permit (CUP) thresholds item. She shared a slide of all the recently
6 passed State legislation for land use. This included Senate Bill (SB) 897, Assembly Bill (AB) 2221,
7 AB 157, AB 2097, AB 2011, AB 2668, SB922, AB2206, and SB379.

8 Rafael Rius, Senior Engineer, restated Staff will be presenting an item on high incident locations
9 within the City at the October 6, 2022 PTC meeting. The Municipal Code clean-up item
10 regarding bicycles will be heard in the November/December timeframe.

11 Commissioner Chang inquired when the lights on Charleston Avenue will be synchronized.

12 Mr. Rius explained an accident at Fabian Way and Charleston Avenue damaged equipment, but
13 Staff anticipated the light to be fully functional by November. The light will be synchronized
14 with the light at San Antonio Road. Staff was waiting for fiber optics to be installed at Louis
15 Road and Montrose Avenue.

16 Commissioner Chang remarked traffic backup was very bad in that area.

17 Commissioner Templeton asked when Safe Routes to school locations along El Camino Road
18 will receive extra crossing time.

19 Mr. Rius confessed he had not heard that the Governor had signed such a law for extra crossing
20 time. The City does not control the timing along El Camino Real but was happy to look into it
21 further.

22 Commissioner Templeton recommended the City advocate for Palo Alto be considered a top
23 priority for the extended crossing times.

24 Commissioner Reckdahl looked forward to the timing being synchronized for Louis Road. He
25 mentioned the timing at Nelson Drive conflicted with Middlefield Road's timing.

26 Mr. Rius believed the lights at Nelson Drive and Middlefield Road should be synchronized
27 already but would double-check. One cause for delays was the extra time for pedestrians to
28 cross.

29 Commissioner Reckdahl asked if there should be two crossing buttons, one for bicycles and one
30 for pedestrians.

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1 Mr. Rius answered it was possible but not the City’s standard practice. Standard practice was
2 for bicyclists to be detached in the bicycle lane and not have a button. Staff was experimenting
3 with new technology that indicated to bicyclists that they are being detected in the bicycle lane.

4 Commissioner Roohparvar wanted to know when the extra equipment will be removed at
5 Fabian Way and Charleston Avenue.

6 Mr. Rius explained the old equipment will be removed the same day the new equipment is
7 installed. That will take place in November.

8 **Action Items**

9 Public Comment is Permitted. Applicants/Appellant Teams: Fifteen (15) minutes, plus three (3) minutes rebuttal.
10 All others: Five (5) minutes per speaker.^{2,3}

11 2. PUBLIC HEARING/LEGISLATIVE: Review and Recommend Amendments to Palo Alto
12 Municipal Code Chapter 18.09, Accessory and Junior Accessory Dwelling Units and
13 Related Sections of Title 18. Environmental Assessment: Exempt from the provisions
14 of the California Environmental Quality Act (CEQA) pursuant to Public Resources
15 Code Section 21080.17 and CEQA Guidelines sections 15061(b)(3), 15301, 15302 and
16 15305 (Continued From July 13, 2022, August 10, 2022, and September 14, 2022)

17 Garrett Sauls, Planner, announced the item was a continuation of the July 13 and August 10,
18 2022 PTC meetings. At those meetings, PTC discussed basements, noise-producing equipment
19 (NPE), parking, attached parking for accessory dwelling units (ADU), privacy, corner lot
20 incentives, affordable ADU policies, and Policies E 1-8 of the July 13, 2022 Staff report. PTC
21 requested additional information about NPE and affordability standards. The Staff report
22 provided information about the Inverse Square Law for NPE which stated that doubling the
23 distance from a point source typically reduced sound by 6 decibels (dBA). Staff discussed with
24 the Fire Department about NPE being located in a setback and they concurred the equipment
25 could impact ingress and egress during life safety events. They noted though that the design
26 aspect of the structures allowed flexibility to resolve any conflicts between the presence of NPE
27 and the Fire Department’s access to the structure. With respect to affordability, Staff provided
28 data on the distribution for 80 percent area median income (AMI) units and Impact Fees.
29 Impact Fees were designed to offset the increased demand for public services that occurred
30 due to the increasing population. If Impact Fees were waived, City service/maintenance would
31 decrease over time due to lack of funding. Additional, there were pending State law changes
32 under consideration including Senate Bill (SB) 897 and Assembly Bill (AB) 2221. SB 897 allowed
33 up to an 18 foot ceiling height for a detached ADU on lots within one-half mile walking distance
34 from major transportation as well as ADUs for multi-family, multistory dwelling units. Lastly, SB
35 897 would allow for a 25 foot attached ADU that did not exceed two stories internally in height.

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1 AB 2221 proposed to clarify that an ADU may be attached to or located within a detached
2 garage of a primary dwelling unit. The City must provide a full set of comments to the applicate
3 if an ADU or junior accessory dwelling unit (JADU) application is denied. Both provisions for AB
4 2221 were already part of Staff's practice when reviewing ADU applications. Another AB 2221
5 provision was to prohibit enforcement of front setbacks when an 800 square-foot ADU was
6 being proposed with 4-foot side and rear setbacks and 16 feet in height. Staff recommended
7 that the PTC recommend approval of the draft ordinance to City Council with any suggested
8 modifications.

9 Commissioner Hechtman appreciated Staff's response to the questions that were posed at the
10 last meetings. He referenced Packet Page 11, discussed the incentives for affordable ADUs and
11 asked if Staff's calculations included Impacts Fees and Plan Review Fees.

12 Mr. Sauls answered the calculations only included Impact Fees because they were fairly
13 predictable. Plan Review Fees ranged between \$400 to \$10,000 for ADUs but PTC could
14 consider recommending waiving those fees as well.

15 Commissioner Hechtman noticed no language in the draft ordinance that covered waiving
16 Impact Fees for deed-restricted ADUs.

17 Mr. Sauls explained if adopted, a separate policy document would be drafted and that would
18 allow an easier process to update the document more frequently.

19 Commissioner Chang was surprised to see that the biggest factor in Staff's calculations was the
20 relative size of the ADU to the primary residence. She asked how are Impact Fees for the main
21 house calculated.

22 Mr. Sauls explained the City has a Development Impact Fee Schedule. Currently, a single-family
23 home proposal for vacant lots was the only time an Impact Fee is charged. The State adopted
24 2020 a calculation that compared the size of the ADU to the primary residence.

25 Commissioner Chang understood currently there was a flat fee for single-family homes. That
26 policy disincentivized building an ADU because it encouraged single-family homes to remodel
27 instead of constructing a new home.

28 Mr. Sauls restated that existing single-family homes that are redeveloping are not charged
29 Impact Fees. The homeowner could build an ADU that was less than 750 square feet or build an
30 additional bedroom attached to the primary home to avoid the Impact Fee.

31 Albert Yang, Assistant City Attorney, believed Commissioner Chang was pointing out something
32 counterintuitive and the calculation was part of one of the mandates of State law. He

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1 mentioned other pending legislation will require all cities within the next 5-years to shift all
2 Impact Fees to per-square-foot fees rather than per-unit fees.

3 Commissioner Chang appreciated Mr. Yang's comment and asked if there was a way to
4 implement that change faster.

5 Mr. Yang mentioned that studies have to be prepared and other technical work to determine
6 what the per square foot fee should be.

7 Commissioner Reckdahl stated there should be incentives for affordable ADUs but Impact Fees
8 are not arbitrary. For that reason, he was hesitant to use waiving Impact Fees as an incentive
9 for affordable ADUs unless there was another way to pay back the lost revenue.

10 Chair Lauing invited comments from the public; seeing none he returned to the Commission for
11 discussion. He suggested the conversation begin with NPE and asked if the design flexibility for
12 structures in the 4-foot setback will be defined.

13 Mr. Sauls noted the location standards of the equipment can facilitate flexibility along with the
14 design of the structure.

15 Commissioner Hechtman shared information he learned from a noise consultant. He confirmed
16 Staff's explanation of the Inverse Square Law was correct and recalled Commissioner Reckdahl
17 had brought up the concept at a prior meeting. He encouraged the Commission to consider the
18 Inverse Square Law in their decision-making. Another item to consider was that the equipment
19 needed airflow and equipment housing would constrict the airflow. He noted the ordinance
20 suggested housing the equipment or providing insulation without housing if permitted by the
21 Planning Director. He suggested the language read "the Planning Director may permit insulation
22 without housing and/or housing without insulation".

23 Mr. Sauls confirmed Staff will make the recommended adjustment to the language.

24 Chair Lauing believed it was automatic that without the NPE being housed, it will be louder.

25 Commissioner Hechtman believed that concern was addressed in the ordinance.

26 Mr. Sauls concurred Staff will request a noise study that proves that the NPE will not cause an
27 impact.

28 Commissioner Reckdahl clarified that equipment housing can accommodate airflow. He
29 believed Staff would be reasonable and use their judgment of when housing is needed and not
30 needed. He referenced Packet Page 35 and suggested additional language that read

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1 “equipment placed in the setback must be placed to minimize interference with any fire, public
2 safety activity in the setback” or similar language to address the concern about fire access.

3 Chair Lauing asked if the Fire Department could provide that language.

4 Mr. Sauls explained that during plan review, each department reviews the application, and each
5 department makes necessary changes. The Fire Department has been diligent in about
6 resolving any conflicts with equipment and fire access.

7 Commissioner Reckdahl saw no downside to inserting the statement.

8 Chair Lauing agreed.

9 Commissioner Hechtman clarified that the language on Packet Page 35 did not allow NPE to be
10 inside the 4-foot setback. If the Commission agreed to allow NPE inside the 4-foot setback, then
11 he supported Commissioner Reckdahl’s language addition.

12 Commissioner Reckdahl pointed out that the language on Packet Page 22 allowed NPE inside
13 the setback.

14 Vice-Chair Summa wanted to understand how noise that was produced by multiple sources was
15 being addressed.

16 Mr. Sauls explained that noise studies evaluate ambient noise levels and identify have the NPE
17 will impact those levels. The noise study will consider all NPEs on the site and consider if
18 together they exceed the City’s existing Noise Ordinance.

19 Vice-Chair Summa commented that every time equipment is added, the ambient noise levels
20 increase.

21 Mr. Sauls understood that over the last 6 years since the Comprehensive Plan update, the
22 ambient levels in the City had not changed.

23 Commissioner Roohparvar recalled either the California Building Code or the Fire Code
24 provision that stated that if a structure was within 5 feet of a property line. The applicant must
25 install special fire-rated walls. Many folks build outside of the 5-foot setback in order to not
26 trigger that provision.

27 Mr. Sauls understood that any structure in the zero to 3 foot setback was required to have a 1
28 hour rated fire wall.

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1 Commissioner Reckdahl inquired if a motion must include fire access language or could that be
2 covered by Staff.

3 Chair Lauing believed the motion did not have to include that language.

4 Mr. Sauls agreed.

5 Commissioner Reckdahl restated that fire review was required for all ADUs.

6 Mr. Sauls answered yes.

7 MOTION #1

8 Commissioner Reckdahl moved that PTC accept Staff's recommendation for NPE in the ADU
9 setback.

10 SECOND

11 Commissioner Chang seconded.

12 VOTE

13 Madina Klicheva, Administrative Assistant, conducted a roll call vote and announced the motion
14 passed 7-0.

15 MOTION #1 PASSED 7(Chang, Hechtman, Lauing, Reckdahl, Roohparvar, Summa, Templeton) -0

16 Chair Lauing invited comments on incentives for affordable ADUs and exemptions from Impact
17 Fees.

18 Commissioner Chang was concerned that the City did not know what the demand will be as
19 well as what type of budget impact there would be if Impact Fees were waived. She suggested a
20 pilot program be done before implementing a permanent program. If adopted, she
21 recommended Impact Fees be waived until an identified annual budget threshold is reached.
22 She strongly encouraged Staff to pursue changing the Impact Fees to square footage.

23 Vice-Chair Summa referenced Packet Page 13 and requested more details about the California
24 Housing Finance Agency (CalHFA) ADU Grant Program. She questioned whether only applicants
25 who qualified for that program should receive Impact Fee waivers. She shared Commissioner
26 Chang's concern about removing Impact Fees but noted many residents did not have a lot of
27 money.

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1 Mr. Sauls explained the CalHFA program only covered pre-development costs but did not help
2 with loan funding.

3 Commissioner Templeton understood the incentive of waiving the Impact Fee would only apply
4 to affordable ADUs.

5 Mr. Sauls confirmed it was only for ADUs that met the 80 to 100 percent AMI county threshold.

6 Commissioner Templeton restated that several Commissioners were concerned that waiving
7 the Impact Fee would be too effective. She stated if the incentive was effective then the City
8 should endorse it.

9 Mr. Sauls understood that Commissioner Chang was concerned about not having enough data
10 on how meaningful and impactful the incentive would be.

11 Commissioner Reckdahl believed having a fixed fee for ADUs made more sense and that change
12 will happen when Impact Fees changed to per square foot. He asked why Staff was proposing to
13 waive Impact Fees instead of providing a cash incentive.

14 Mr. Sauls shared that in 2020, Council discussed whether this type of policy would be effective
15 or not.

16 Chair Lauing inserted that the Commission could recommend that Council consider a cash
17 incentive instead of waiving Impact Fees.

18 Commissioner Reckdahl believed a cash incentive was a lot cleaner. He asked how much it
19 currently costs to have an 80 to 100 percent AMI unit.

20 Mr. Sauls explained for Wilton Court, the City contributed approximately \$20 million which
21 equated to \$345,000 per affordable unit.

22 Commissioner Reckdahl believed the City would receive the same type of affordable unit that it
23 would get with inclusionary units.

24 Mr. Sauls answered yes.

25 Commissioner Reckdahl remarked that Staff should know how much those units will cost the
26 City because the City had Inclusionary In-Lieu Fees.

27 Mr. Yang shared that In-Lieu Fees for condos under the Inclusionary Program were \$56 per
28 square foot.

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1 Commissioner Reckdahl questioned whether the incentive was large enough to encourage
2 more affordable units. If not then the City should consider applying the incentive to multi-
3 family developments.

4 Chair Lauing noted that the proposal was for an existing homeowner constructing an ADU and
5 the other addressed developers.

6 Commissioner Reckdahl explained that PTC should endorse a reasonable deal and not waste
7 money that could be spent on providing more affordable apartments elsewhere in the City.

8 Chair Lauing did not believe that was the right comparison.

9 Commissioner Reckdahl restated the City has a finite amount of money that can be spent on
10 affordable housing. The City should identify how that money can produce the most affordable
11 units.

12 Commissioner Chang appreciated Commissioner Reckdahl's comment. She emphasized that she
13 supported affordable housing but the challenge was that affordable housing required a subsidy.
14 Based on Staff's analysis, the Commission knew the differential between an affordable unit at
15 80 percent AMI versus market-rate. She believed and supported having a flat dollar amount
16 incentive instead of waiving the Impact Fee.

17 Chair Lauing was suspicious of Staff's data because it compared one-bedroom apartments to an
18 ADU as well as the calculation used Santa Clara figures instead of Palo Alto figures. He
19 recommended capping the Impact Fees for affordable ADUs which would make it simpler to
20 administer.

21 Commissioner Hechtman wanted to be a part of a PTC that showed initiative in developing and
22 promoting to City Council a program that had an opportunity to increase the amount of
23 affordable housing within the City. He referenced Packet Page 26 which referred to providing
24 affordable rental units for households earning up to 100 percent of AMI. Staff's calculations for
25 Impact Fees used 80 percent AMI.

26 Mr. Sauls explained the calculation used 80 to 100 percent AMI and that reflected the City's
27 below-market-rate (BMR) rental rates. Staff used 80 percent of AMI in the calculation because
28 the was more representative of ADUs. He agreed that data was very difficult to collect.

29 Commissioner Hechtman was interested in using the 80 percent figure calculated by Staff in the
30 ordinance. This would allow for a more deeply affordable unit. He supported only focusing on
31 the Impact Fees and omitting the Plan Review Fees to allow for a cleaner analysis of fee

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1 amounts. He recommended that any affordable unit be deed restricted for 8 years and
2 supported the incentive because if it became too popular the City could adjust it.

3 Commissioner Templeton appreciated Commissioner Hechtman's remarks. She predicted that
4 waiving the Impact Fee for affordable ADUs would be a nominal impact. If the City can lower
5 barriers by incentivizing different types of affordable housing through discounted Impact Fees
6 then she supported it.

7 Chair Lauing understood Commissioner Hechtman was proposing a 100 percent waiver of the
8 Impact Fees for 80 percent AMI BMRs.

9 Commissioner Hechtman confirmed an ADU would be deed restricted for 8 years at 80 percent
10 of AMI for 8 years and its Impact Fee would be waived.

11 Chair Lauing understood that Commissioner Hechtman's proposal would include proof that
12 folks were complying with the residency rules.

13 Commissioner Hechtman mentioned that Staff addressed that concern by requiring the Housing
14 Administrator to income-qualifying tenants prior to issuing a permit.

15 Mr. Sauls concurred that Alta Housing is the City's BMR housing administrator. They will
16 income-qualify tenants and establish a tracking mechanism.

17 Mr. Yang added that if approved, language for the deed restriction would require the unit to be
18 actively marketed.

19 Commissioner Reckdahl supported the 8-year proposal. He inquired if an ADU was built for
20 family, would that qualify for the exemption.

21 Mr. Yang commented that specific details about how the program would be administered
22 would need to be addressed.

23 Commissioner Reckdahl did not want to waive Impact Fees and strongly encouraged having a
24 cash incentive.

25 Commissioner Chang agreed with Commissioner Reckdahl.

26 Chair Lauing understood the proposal was to provide a cash incentive after the ADU was
27 constructed and rented.

28 Commissioner Chang agreed, or to provide a cash incentive to offset Development Fees up to
29 \$25,000. She restated the way Impact Fees were calculated did not make sense.

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1 Vice-Chair Summa agreed with Commissioner Chang and Commissioner Reckdahl. She
2 supported Commissioner Hechtman’s proposal of a deed restriction for 8 years at 80 percent
3 AMI. She suggested the incentive be tied to the Affordable Housing Fund. She was
4 uncomfortable waiving Impact Fees when the owner could use the ADU after 8 years from
5 something other than housing. She was concerned that folks who have been on the waiting list
6 with Alta Housing for an affordable unit will be surpassed because the homeowner wants to
7 rent the ADU to the family.

8 Commissioner Hechtman mentioned that if a person did not use the unit for housing after the 8
9 year restriction, then there would be no impact on parks or libraries and that would further
10 support the waiver of the Impact Fee. He asked if there was a prohibition on the City using
11 money from its General Fund for parks or other services covered by Impact Fees.

12 Mr. Yang stated it was common for the City to use other General Funds to supplement Impact
13 Fee services.

14 Commissioner Hechtman shared his concern with a cash incentive was that it was another
15 obstacle for Council to consider and determine how much has to be budgeted. With his
16 proposal, it could be implemented faster and provide accurate data after the first year. He
17 acknowledged that any proposal comes with an amount of unknown and the City may acquire
18 larger ADUs as folks try to game the system.

19 Commissioner Reckdahl agreed with Commissioner Hechtman that the City will have to find a
20 revenue source to fund a cash incentive. He supported waiving a specific amount of dollars as
21 opposed to waiving Impact Fees. He wanted to see any fees that are not collected be paid back
22 within 2 years by the General Fund.

23 Chair Lauing stated there was a difference between the City subsidizing affordable housing for a
24 long-term project versus a short-term affordable housing project. He inquired if the item should
25 be postponed until Staff can flush out the specific details of the incentive program.

26 Mr. Yang remarked if specific implementation pieces are important policy questions that the
27 Commission would like to comment on. Staff can return for that discussion while moving the
28 ordinance forward to the Council. He envisioned Staff working out those specific details with
29 Alta Housing at an administrative level.

30 Chair Lauing suggested a one or two-person ad hoc committee could work with Staff. He
31 commented the issue of family moving into an affordable ADU was a significant policy question.

32 Commissioner Hechtman argued that it would cost the City less to waive the Impact Fee for an
33 affordable ADU than it would for a long-term affordable project. He expressed concern that a

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1 fixed cash incentive would unintentionally exclude folks. He suggested waiving Impact Fees up
2 to \$50,000.

3 Commissioner Templeton shared that the City was anticipating potential changes in how the
4 Affordable Housing Fund will be funded if certain ballot measures passed. She reminded the
5 Commission that the tradeoff was not always dollars. It was the tradeoff between quality of life,
6 the health of the environment, and other community concerns. She requested the Commission
7 be holistic about its concerns and tradeoffs.

8 Commissioner Chang supported Commissioner Hechtman's suggestion of an Impact Fee cap as
9 well as shared Chair Lauing's concern about who was and was not eligible for the affordable
10 unit that was created.

11 Vice-Chair Summa agreed a cap is a good idea. In the coming years, the City's budget will be
12 very tight and legislation changes will impact funds. She believed a \$25,000 Impact Fee cap per
13 unit was a more appropriate approach and that the program be done as a pilot program before
14 coming permanent.

15 MOTION #2

16 Commissioner Hechtman believed that a lower cap of \$25,000 would exclude folks with larger
17 homes who wished to build an ADU. He did not support placing a sunset on the program
18 because it could be very efficient. He moved to recommend the City Council adopt the version
19 of Section 18.09.060, Affordable ADU/JADU Program, that consisted of Subparts A and B with
20 the following changes to Subpart A. That the 15 year restriction be changed to 8 years, the 100
21 percent of AMI be changed to 80 percent of AMI, and after the words "all Development Impact
22 Fees" add the language "up to a maximum of \$50,000".

23 SECOND

24 Commissioner Roohparvar seconded.

25 Commissioner Hechtman believed the motion was a compromise and addressed the concerns
26 the other Commissioners had raised.

27 Chair Lauing restated there were too many variables to consider and significant policy questions
28 that had to be answered before a decision could be made.

29 Commissioner Reckdahl agreed with Chair Lauing.

30 Vice-Chair Summa supported Chair Lauing's comment and agreed that an ad hoc committee
31 should work with Staff on a more concrete proposal.

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1 Commissioner Chang asked if the \$50,000 applied to both the Impact Fee and the Plan Review
2 Fee.

3 Commissioner Hechtman clarified just Impact Fees.

4 Commissioner Chang wanted to see the distribution of lots sizes and square feet in the City.
5 That would help identify the right amount of the Impact Fee that should be waived. She
6 believed the Council would send back the ordinance to PTC because PTC had identified through
7 the discussion that the proposal was not flushed out enough. She supported having it come
8 back after the details discussed had been addressed.

9 Commissioner Templeton stated that the PTC has seen the ordinance six times and the idea of
10 sending it back for further study was frustrating. If Council wants to send the item back to PTC
11 for further discussion, they can do that. The PTC does not always have to have precise data to
12 make a decision and now was the time to move the ordinance along to the Council.

13 Chair Lauing agreed the City has to invest in affordable housing and that additional funding
14 mechanisms beyond a Business Tax will come because the community wants more affordable
15 housing. He believed the motion was on the right track, but the reason to bring the item back
16 was to discuss the policy and not so much the subsidy amount.

17 Commissioner Hechtman loathed spending another two to three hours fine-tuning a program
18 that Council may not be interested in. Council may support the program and endorse it but
19 request PTC pursue fine-tuning it. That would be a better process and Council could change a
20 policy proposal as they see fit.

21 Chair Lauing questioned why should PTC forward a policy that is half-baked when an ad hoc
22 committee could work with Staff to forward a more complete policy.

23 FRIENDLY AMENDMENT

24 Commissioner Chang recommended the program be considered a pilot program and
25 reevaluated after one year. Also, the cap be changed to \$30,000 instead of \$50,000 per unit.

26 Commissioner Hechtman wanted to understand the concept of a pilot ordinance.

27 Mr. Yang understood the section of the Code would indicate that it was a pilot program for
28 affordability but the ordinance would be prepared as a permanent ordinance.

29 Commissioner Hechtman recommended an individual Impact Fee cap of \$50,000 with an
30 overall annual cap of \$400,000. He accepted the pilot ordinance.

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 3. The Chair may reduce the allowed time to speak from five (5) to three (3) minutes to accommodate a larger number of speakers

1 Commissioner Chang supported that.

2 Commissioner Roohparvar confirmed her second to the motion.

3 Commissioner Templeton supported the motion but found the lack of ambition in only willing
4 to support 13 or 17 new ADU was frustrating. It was Council's role to determine the financial
5 aspects and PTC's role was to propose a way to build more housing in the City.

6 Commissioner Chang agreed with Commissioner Templeton but was concerned about where
7 the funding for the housing units would come from. The money has been the barrier to building
8 more housing.

9 Commissioner Templeton clarified that Commissioner Chang was not suggesting that her fellow
10 Commissioners were fiscally irresponsible. She stated her suggestion was not to move anything
11 to Council that would be fiscally irresponsible. The suggestion was that Staff present the
12 financial implications when they present the item to Council but that PTC's consideration was
13 focused on PTC's role in finding ways to build more affordable housing.

14 Vice-Chair Summa asked if there was an average ADU size being built within the City.

15 Mr. Sauls remarked the average unit size was 550 square feet, but that had gone up since July.
16 In the year 2021, the City had taken in \$140,000 in Impact Fees from ADUs. He understood
17 from the motion that Council would not budget for \$400,000 but rather Staff would charge
18 Impact Fees after the \$400,000 cap was reached.

19 Commissioner Hechtman confirmed that is correct.

20 Chair Lauing agreed.

21 Commissioner Reckdahl asked if the ordinance would be temporary or a pilot because a pilot
22 program was effectively a permanent ordinance.

23 Commissioner Hechtman clarified the proposal was to have a pilot ordinance.

24 Commissioner Reckdahl understood there was no difference between a pilot and a permanent
25 ordinance.

26 Mr. Yang explained that the understanding is that a pilot will be revisited.

27 Mr. Sauls understood that if an applicant was under \$50,000, then the exact amount of the
28 Impact Fee for that project would be waived.

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1 Commissioner Hechtman confirm anyone under \$50,000 would have their Impact Fee waived.
2 Anyone over \$50,000 would have to pay the difference.

3 Commissioner Reckdahl stated he wanted to see an individual cap of \$40,000 with an overall
4 cap of \$500,000 and that Council pay back the lost revenue in 2 years. With that said, he
5 supported the motion as presented.

6 VOTE

7 Ms. Klicheva conducted a roll call vote and announced the motion passed 6-0 with
8 Commissioner Templeton voting no.

9 MOTION #2 PASSED 6(Chang, Hechtman, Lauing, Reckdahl, Roohparvar, Summa) -1
10 (Templeton)

11 Commissioner Templeton stated the cap was too low and the City should be removing barriers
12 to building more affordable housing.

13 **Commission Action:** Motion by Reckdahl, seconded by Chang. Passed 7-0

14 **Commission Action:** Motion by Hechtman, seconded by Roohparvar. Passed 6-0-1 (Templeton
15 no)

16 **Approval of Minutes**

17 Public Comment is Permitted. Five (5) minutes per speaker.³

18 3. August 31, 2022 Draft Verbatim and Summary Meeting Minutes

19 MOTION

20 Commissioner Hechtman moved approval of the August 31, 2022 verbatim and summary
21 meeting minutes as revised.

22 SECOND

23 Commissioner Chang seconded.

24 VOTE

25 Madina Klicheva, Administrative Assistant, conducted a roll call vote and announced that the
26 motion passed 6-0-1 with Vice-Chair Summa abstaining.

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1 MOTION PASSED 6(Chang, Hechtman, Lauing, Reckdahl, Roohparvar, Templeton) -0 -1(Summa
2 abstain)

3 **Commission Action:** Motion by Hechtman, seconded by Chang. Pass 6-0-1 (Summa abstained)

4 **Committee Items**

5 Chair Lauing announced there were no Committee items.

6 **Commissioner Questions, Comments or Announcements**

7 Commissioner Reckdahl announced he received his COVID-19 booster and the process was very
8 easy.

9 Commissioner Hechtman reported that the vegetation had been cut back at Renzel Ponds.

10 **Adjournment**

11 11:05 pm

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