



City of Palo Alto

City Council Staff Report

(ID # 10950)

Report Type: Action Items

Meeting Date: 1/21/2020

Summary Title: Housing Work Plan Update

Title: Update and Discussion of the Planning and Development Services Housing Work Plan and Direction to Modify or Direct New Assignments Related to Housing and Other Department Assignments

From: City Manager

Lead Department: Planning and Development Services

RECOMMENDATION

Staff recommends that the City Council review the Planning and Development Services (PDS) Department's status report on the 2018-2019 housing work plan and Council-directed assignments and provide direction as appropriate.

EXECUTIVE SUMMARY

This report provides a status update on the City's housing work plan and other initiatives directed by the City Council. A list of in-progress and pending assignments with task descriptions, relevant updates and notes are provided. The housing work plan includes a number of assignments that balance housing unit preservation, protection and production. Despite the importance of the assigned work, staff is concerned it may not result in near-term housing production without more focused attention on the factors that motivate commercial property owners to file applications for housing developments. Mid- and long-term housing unit production is more encouraging through efforts related to the North Ventura Coordinated Area Plan and other discrete zoning amendments, but these initiatives are only part of the solution needed to produce more housing.

BACKGROUND

Two years ago, the City Council adopted a housing work plan¹ that was prepared in response to a City Council Colleagues' Memo.² The Colleagues' Memo stated the desire for zoning updates to encourage diverse housing near jobs, transit and services, and discussed a number of specific concepts, many of

¹ City Council adopted housing work plan: <https://www.cityofpaloalto.org/civicax/filebank/documents/63027>

² Colleagues Memo dated November 6, 2017: <https://www.cityofpaloalto.org/civicax/filebank/documents/61770>

which were also identified in the City's Housing Element (adopted November 2014) and the updated Comprehensive Plan (adopted November 13, 2017). This report provides an update on the housing work plan and other housing-related Council-directed initiatives. Council will have an opportunity to make refinements based on any updated priorities and available resources to achieve the City's housing goals.

Many of the conditions that precipitated the Colleagues' Memo, and which are articulated in the housing work plan, continue. The median sales price for all homes in Palo Alto since the work plan was prepared has increased from \$2.24M in November 2017 to \$2.72M through November 2019. The sales price of a single family home over the same period increased from \$2.77M to \$3.01M, though condominium prices fell from \$1.53M to \$1.37M. Rental housing listings increased from \$3,500/month for a two-bedroom unit to \$4,280/month.³ The lack of affordable housing at all income levels contributes to other impacts experienced in Palo Alto related to traffic congestion, increased motorist travel time, higher vehicle miles traveled and greater greenhouse gas emissions, among other quality of life issues. Employers have expressed concerns about the challenges of hiring and retaining low wage workers due to the high transportation costs and commute travel times. And, while Palo Alto has taken measures to curb office development in favor of housing production in recent years, the City continues to have a high jobs to housing ratio, and office development continues in other nearby jurisdictions.

In terms of housing production, the City has permitted 555 units since 2015. The City's comprehensive plan has an expressed goal of producing between 3,545-4,420 new housing units from 2015 through 2030. Based on these numbers, the City would need to permit an average of 343 units each year for the remaining ten years to achieve this goal at the mid-range count of 3,982 new units. There are 144 units that have been entitled through the City's review process, but applicants have not pulled building permits. While some of the applicants are proceeding through plan review to obtain a permit, other applicants have indicated they are not pursuing development at this time due to high construction and labor costs and a lower-than-expected return on investment.

Accessory dwelling unit (ADU) building permit activity remains strong with 12, 36, and 62 permits issued in 2017, 2018, and 2019 respectively. The state legislature and Governor recently made additional changes to ADU regulations that became effective on January 1st, which is expected to further incentivize homeowners to increase ADU production.⁴ Other recent state law changes include statewide renter protections, updates to the state density bonus law, SB 35, among other measures.

The more HOMES Act of 2020 (SB 50) has been revised, including a delayed implementation date to allow local jurisdictions time to develop land use policies that reflect a jurisdiction's interests and that achieve the bill's goals related to housing density, reduced vehicle miles traveled and fair housing. For SB 50 to advance in the legislature, the measure must move out of the Senate Appropriations Committee by January 24, 2020, where it would go to the Senate floor and must be approved by January 31, 2020. If it advances, it would be subject to the typical bill deadlines for the 2020 session; it is anticipated further amendments will likely to occur as this bill is reviewed in committee.

³ Zillow Home Prices and Values for Palo Alto: <https://www.zillow.com/palo-alto-ca/home-values/>

⁴ On January 13, 2020, City Council adopted an urgency ordinance making changes to the local ordinance to align with state law; the Council staff report is available online: <https://www.cityofpaloalto.org/civicax/filebank/documents/74731>

Lastly, at the state level, the Housing and Community Development Department (HCD) has signaled that the upcoming housing element cycle (2022-2030) will result in a higher regional housing needs assessment as it accounts for the region’s percentage of rent-burdened households and overcrowding. HCD is also expected to impose new restrictions on housing opportunity sites, including limits on reusing an opportunity site to account for future housing production if it had previously been identified in two prior housing elements. Palo Alto, like many jurisdictions, has had mixed success meeting its RHNA numbers over the last several housing cycles. The City’s ability to meet its above-moderate housing targets influences the level of affordability required for streamlined review, as mandated by the passage of SB 35 in 2017. Currently, qualifying housing projects that propose 50% of the units at low-income housing levels qualify for streamlined review, as opposed to 10% on-site affordability requirement if the City does not meet its above-moderate numbers.

2015 - 2023 5th Housing Element Cycle - Regional Housing Needs Allocation Progress														
		Total Units Permitted by Year												
			YEAR 01 ¹	YEAR 02	YEAR 03	YEAR 04	YEAR 05	YEAR 06	YEAR 07	YEAR 08				
Income Level		RHNA Allocation by Income Level	2015	2016	2017	2018	2019	2020	2021	2022	Total Units Permitted by Income Level	Total Remaining RHNA by Income Level	% of RHNA Permitted	
Very Low	Deed Restricted	691	43								43	648	6.22%	
	Non-Deed Restricted									0				
Low	Deed Restricted	432	58		5		2				65	367	15.05%	
	Non-Deed Restricted									0				
Moderate	Deed Restricted	278									0	252	9.35%	
	Non-Deed Restricted		11	3	12					26				
Above Moderate		587										421	166	71.72%
			174	15	72	54	105	1						
TOTALS		1988	286	18	89	54	107	1	0	0	555	1433	27.92%	
SB35 50% Affordability Requirements Above Mod DU Need			73	147	220	294	367	440	514	587				
SB35 50% Affordability Requirements CPA Above Mod DU Permitted (Cumulative)			174	189	261	315	420							
SB35 50% Affordability Requirements Met/Not Met			Met	Met	Met	Met	Met	Pending	Pending	Pending				
ADU Permitted by Year			11	3	12	36	62							

NOTES:

1. For the Bay Area the "projection period" or the time period for which the Regional Housing Need is calculated is January 1, 2014 – October 31, 2022. The "planning period" for the Bay Area, or the time frame between the due date for one housing element and the due date for the next housing element, is January 31, 2015 – January 31, 2023. California Department of Housing & Development (HCD) combined RHNA housing production for Bay Area jurisdictions for years 2014 & 2015 for consistency.

Housing Work Plan

The 2018-2019 housing work plan identified a number of near-term actions desired by the Council to advance the City’s housing policies. The tasks were divided into five categories: 1) Ongoing Projects and Initiatives; 2) Comprehensive Plan Implementation and Housing Production Ordinances; 3) 2019 Proposed Ordinance; 4) Economic Analysis to Support BMR Housing; and, 5) Partnerships with Agencies and Organizations.

Attachment A includes a summary of the progress made on the Housing Work Plan over the past two years. Much has been completed, including changes to the City’s development standards to encourage more housing development downtown, near California Avenue, and along the El Camino Real commercial corridor. These changes convey greater development potential to a property owner than can be achieved under SB 35 or the state density bonus. Some of these recent changes include the following:

- Streamlined Review. Eliminated the discretionary site and design review application process for housing projects to reduce application processing times, application costs; no longer requires public hearings before the PTC and City Council, unless a project is appealed.
- Reduced Parking. On-site parking requirements were reduced greater than 10% and lowered parking-spaces-per-bedroom requirements across all housing types; 100% affordable housing projects are eligible for a 100% reduction in parking based on maximum anticipated demand. A parking exemption was also established for mixed-use housing projects with up to 1,500 square feet of retail.
- 100% Affordable Housing Incentives. Further streamlined review by making discretionary development incentives allowable by right for qualifying projects, eliminated the need for legislative action to approve the affordable housing overlay, and exempted projects from the retail preservation ordinance.
- Housing Incentive Program. This alternative to SB 35 and the state density bonus law increases residential floor area downtown, in the California Avenue area, and most property along El Camino Real; waives lot coverage restrictions.
- Housing Density in Commercial Zones. Residential density restrictions have been eliminated in most commercial zones.
- Multi-Family Up-Zoning. RM-15 zoning was increased to RM-20, allowing for greater housing density in these neighborhoods.
- Minimum Housing Density. The City now requires a minimum amount of housing units to be built in multi-family residential districts.
- Redevelopment of Non-Complaint Housing Sites. Residential properties that exceed permitted unit densities may be redeveloped at the same density.
- Rooftop Gardens/Landscaping. Established a uniform requirement for outdoor landscaping and now allow rooftop gardens to count toward a portion of required open space. This allows for a more efficient floor plan design and increased unit density while advancing other sustainability-related interests achieved by greening more rooftops.

In addition, the City Council established two combining districts - an affordable housing and workforce housing overlay zones, made changes to the City's ADU regulations, reserved or dedicated over \$23M of affordable housing funds toward a future teacher housing project and Palo Alto Housing's 100% affordable housing project. Progress has also been made on the North Ventura Coordinated Area Plan.

There are other tasks that were scheduled to be to be accomplished last year that remain outstanding. Progress is underway, but not complete, on a review of the City's inclusionary housing standards and opportunities to possibly expand this program to include more on-site affordability and to extend these requirements to rental housing. This report and recommendation are expected to be transmitted to the PTC in March/April and then forwarded to the City Council. Other work efforts that have not been started and remain outstanding include establishing protections for cottage clusters, exploring a no net-housing loss policy, changes to the City's pedestrian and transportation-oriented development (PTOD) overlay, residential village zoning, and clearly defining objective development standards related to SB 35, among some other discrete tasks.

Comprehensive Plan & Housing Element

In addition to the 2018-2019 Housing Work Plan, the City Council has adopted a number of policy documents that require implementation. The 2017 Comprehensive Plan includes nearly 60 pages of implementation initiatives to be carried out by various City departments. Some of this work is time sensitive. The 2014 Housing Element also has a significant number of implementation policies that must be completed prior to the end of the current housing cycle. The City reports on its progress each year to HCD; the last report is available online⁵. The next report is scheduled to be presented to Council in March.

Colleagues' Memos

On September 10, 2018, the City Council considered a Colleagues' Memo⁶ and directed staff work related to a renter protection ordinance to establish relocation standards for tenants facing eviction. This work was completed, but Council also directed staff to present the Colleagues' Memo to the Policy and Services Committee for review and further consideration of the following:

- Review of the City's existing renter protection ordinance and comparable ordinances in the San Francisco Bay Area;
- Evaluate reasonable relocation assistance to be provided for tenants of properties with 2 or more units displaced due to a change of use, sizable rental increases, or eviction without just cause, while protecting the fair rights of property owners;
- Strengthen enforcement measures to ensure compliance with and penalties for violations of Palo Alto's existing requirement to offer an annual lease to tenants; and
- Consider other updates to existing renter protection and mediation programs as needed to continue a healthy and diverse community.

Another Colleagues' Memo⁷ was discussed by the City Council on September 23, 2019, regarding affordable housing and goals to address socio-economic diversity and affordability. At that meeting, Council directed staff to prioritize the following assignments, some of which were previously identified in the Housing Work Plan and others that were new assignments:

- Continue prioritizing the City's work on the Palmer Fix;
- Direct staff to do a nexus study for commercial projects;
- Direct staff to transmit to Council an informational report on the state and local density bonus Ordinance;
- Explore feasibility of in-lieu fees or off-site replacement if existing residential units are removed from the housing stock;
- Focus on the Housing Work Plan and Comprehensive Plan language related to low-density zoning such as cottage cluster developments and existing duplexes in the R-1, R-2 RMD and commercial districts; and

⁵ 2018 Annual Comprehensive Plan and Housing Element Report:

<https://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?t=60751.24&BlobID=69492>

⁶ Colleagues memo dated September 10, 2018:

<https://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?t=65189.46&BlobID=66602>

⁷ Colleagues' Memo dated September 23, 2019:

<https://www.cityofpaloalto.org/civicax/filebank/documents/73361>

- Explore citywide protections and regulations to prevent existing housing to be converted to commercial/hotel use.

DISCUSSION

The following is a list of Council-directed assignments for PDS that are actively being worked on or pending. Each task is sourced to the Council action directing the work, if applicable. The numbered order generally reflects a possible prioritization. Where appropriate, comments are made and/or requests for clarification or direction is needed.

Assignments – Currently Resourced and Active

1. North Ventura Coordinated Area Plan (NVCAP)

Date Assigned: [November 6, 2017](#)

Description: Data-driven public process to develop policies and development standards that reflect Council adopted goals of a mixed-use neighborhood with interconnected, multi-modal connections and which balances diverse community interests.

Status: The project publicly started in October 2018 with an initial meeting with the Council-appointed working group members. There have been several working group meetings since then, a community meeting and a joint session with the City Council. Previously directed work by Council and the need to adjust the project scope and costs were supported by Council with an updated and approved scope of services, but Council did not support needed funding to implement these changes. The limited budget has forced staff and the consultants to seek ways to eliminate activities without jeopardizing the core activities of the project. Due to this, some responsibilities have been shifted to the PDS' on-call planning firms, and some activities (such as studies the City Council requested in April 2019) have been eliminated.

The consultant team has prepared three draft plan alternatives. These drafts will be modified with feedback from the community, the PTC, the Architectural Review Board, and other boards and commissions as appropriate. Staff anticipates providing City Council with a preferred plan alternative by May 2020. At that time, the City Council can consider the plan, provide feedback, and identify the preferred plan. The plan documents would then be refined, evaluated for environmental impacts, and return to City Council for adoption in late 2020.

Other Considerations: Some members in the working group have signaled their concern that development activity can continue in the plan area before the coordinated area plan is finished; some members have expressed their desire for a moratorium in the project area. Council may want to consider whether such action is warranted at this stage of the planning effort.

The City Council is also aware that one of the largest landowners in the area has indicated their interest in retaining the building at 340 Portage (formally Fry's and other present day uses, such as Global Playground). This building has been identified as an historic resource by the City's consultant and some community members have expressed their interests in the building's preservation. Another reason the owner may be interested in retaining the building is due to the existing office space located within the building. Despite being zoned RM-30, the zoning code permits the continued operation of office and other commercial uses at this location. However,

revenue generated from the office use in this building means there is less motivation or interest in providing housing units in the numbers contemplated in the housing element, which is approximately 215 units.

While it is envisioned that redevelopment of this area will include commercial uses, and, notwithstanding future consideration of the historic status of the existing structures, the City Council may want to explore whether an amortization study of the 340 Portage Avenue property is warranted to preserve opportunities that maximize housing development at this location. Either a moratorium or amortization of the structure at 340 Portage would require significant additional analysis in coordination with the City Attorney's Office.

2. Inclusionary Housing Program Changes

Date Assigned: [February 5, 2018](#) ([Housing Work Plan](#) Tasks 3.10 & 3.11; [Colleagues' Memo 9.23.19](#))

Description: Explore increasing below-market-rate percentage requirements in market-rate development up to 20% and implementing inclusionary housing requirements for rental housing.

Status: Staff has hired a consultant and work continues to determine the extent inclusionary requirements can be increased and whether it can be extended to rental housing. Initial findings are expected to be presented to the PTC in March.

3. ADU Regulations

Date Assigned: N/A

Description: Update the City's ADU regulations to respond to recent state law changes; revise ADU regulations to streamline and simplify regulations; evaluate other regulations and fees that may present a barrier to ADU production; and, use [SB 2 grant funding](#) to develop ADU prototypes and application packages that facilitate over-the-counter approvals.

Status: The City Council approved an urgency ordinance on January 13, 2020 to codify state law changes. Work continues on another ordinance to revise the ADU and JADU regulations consistent with the above description. Hearings will be scheduled before the PTC and anticipated to be presented to the City Council before the summer recess.

4. Downtown In-Lieu Parking Study

Date Assigned: [December 3, 2018](#)

Description: Prepare a detailed study and recommendation regarding whether to continue a one-year ban on allowing commercial office above the ground floor from participating in the downtown parking in-lieu program.

Status: Not started.

Notes: When reviewing the 2018 housing ordinance, Council debated whether to continue allowing office floor area above the ground floor to participate in the in-lieu parking program. Eliminating this opportunity would be a departure for a long-standing policy, but it is also seen as one of many levers to begin to shift the incentive for housing development downtown over new office growth. In its final action, the City Council concluded that it would suspend the provision for one year and directed the PTC to further evaluate this issue and forward its recommendation to Council prior to April 1, 2020.

Staff has not been able to advance this policy direction due to competing priorities and there is insufficient time to have any significant policy analysis on this topic before the deadline. Staff will present the discussion topic to PTC and hold at least one public hearing to receive public input before returning to the Council with a recommendation to extend or lift the ban before April 1st.

5. EV Chargers & Related Amendments

Date Assigned: N/A

Description: Existing City parking requirements limit placement of electric vehicle charging stations in commercial and residential areas. This ordinance would align the City's parking regulations with recently-enacted state legislation and make further refinements that would allow property owners to reduce code-required parking or parking dimensions to the minimum extent necessary to accommodate state-mandated stall dimensions for electric vehicle chargers parking spaces. A variety of other parking-related changes are proposed to address compliance with the American with Disabilities Act and routine repaving of existing parking lots.

Status: A public hearing is anticipated before the PTC on January 29th followed by review and possible action by the City Council in March.

6. Safe Parking Pilot Program (Tier 1)

Date Assigned: [June 10, 2019](#) ([Colleagues Memo](#))

Description: Council assigned this to staff and referred the topic to the Policy and Services Committee: to identify and determine interest in expanding vehicle dwelling management and transition services with local area nonprofits; to identify large commercial lots that could be used for a managed overnight program and possibly seed a program using city-owned land located on Geng Road; and to engage the County of Santa Clara to explore funding assistance and for additional program to support enabling individuals to find employment and housing.

Status: The City Council adopted the first reading of an ordinance on [January 13, 2020](#) to establish a Tier 1 pilot program authorizing religious institutions to establish a safe parking program for up to four vehicles per location, in compliance with specific regulations. Remaining staff work includes preparing the second reading of the ordinance, staff training, updating the City's website, holding a forum with interested properties to explain the pilot program and application requirements, creating a new application, and working with the Chief Communications Officer to publicize the pilot program.

7. PDA / PCAs Applications

Date Assigned: [January 13, 2019](#)

Description: The City Council directed staff to submit applications to establish a priority development area downtown and two priority conservation areas, one in the Foothills and another in the Baylands.

Status: Council approved the filing of PDA and PCA applications to MTC/ABAG on January 13th. Limited additional staff work is anticipated on this item.

8. Wireless Ordinance

Date Assigned: [April 15, 2019](#) ([Council Motion](#))

Description: Return to City Council within one year with an updated ordinance that considers hierarchies of preferred locations and antenna types based zoning, local context, and installation type; clearly define the term “infeasibility,” as used in the ordinance; create a list of City-owned buildings that would serve as appropriate antenna sites; recommend distances from homes and schools and between installations to preserve aesthetics; recommend best practices for post-construction wireless communication facilities; conduct federal legislative advocacy related to wireless facilities regulations; and review ordinance effectiveness after one year.

Status: Following adoption of the ordinance and accompanying resolution, staff returned on [June 17, 2019](#) to correct an administrative error on the resolution and establish a 300-foot distance of wireless facilities from schools. Another amendment to the resolution was made on [August 12, 2019](#) to address a conflict with street light pole replacement requirements. On [December 16, 2019](#), staff returned with a comprehensive revision to the administrative standards that address a significant component of the above direction to staff. In April, staff will return to Council to present updates to the City’s wireless ordinance that address the balance of items from Council’s direction.

9. Reach Code Follow Up / Substantial Remodel Amendment

Date Assigned: [September 23, 2019](#) ([Colleagues’ Memo](#))

Description: Direction to return with ordinances that mandate an all-electric service for new construction before the end of 2020, including a plan for electrification of accessory dwelling units. Amend the city’s zoning and building codes as appropriate to define the term “substantial remodel” to specify when a remodeled residential or commercial building becomes new construction and therefore subject to current zoning and building codes, including electrification requirements.

Status: Initial staff work is underway; public engagement expected to begin at the start of the second quarter of 2020 (April), with ordinance recommendations to Council near the beginning of the fourth quarter (Sept/Oct).

10. SB 35 Objective Standards

Date Assigned: [February 5, 2018](#) ([Housing Work Plan](#) Tasks 2.2, 2.3)

Description: Develop objective standards based on the City’s existing discretionary review findings and other subjective criteria in the code that would be applied to qualifying SB 35 housing projects and other development as appropriate; use available [SB 2 grant funding](#) to help resource consultant services.

Status: Staff has hired a consultant to review the code and recommend requisite changes. An initial hearing is scheduled before the Architectural Review Board in March to describe the project and receive feedback. This effort is expected to be completed within two years.

Assignments – Pending

11. Increase Commercial Housing Development Impact Fees

Date Assigned: [September 23, 2019](#) ([Colleagues Memo](#))

Description: Update the City’s nexus study and review Santa Clara County’s recent nexus study to determine the extent to which the City could increase commercial housing development impact fees and return to Council.

Status: Staff is preparing a contract to initiate this work, which is tentatively scheduled to begin in February.

12. Renter Protection Research & Ordinance

Date Assigned: [September 10, 2018](#) ([Colleagues Memo](#))

Description: Refer the 9/10/18 Colleagues' Memo to the Policy and Services Committee for review. The review should include at least the following:

- i. review of the City's existing renter protection ordinance and comparable ordinances in the San Francisco Bay Area;
- ii. evaluate reasonable relocation assistance to be provided for tenants of properties with 2 or more units displaced due to a change of use, sizable rental increases, or eviction without just cause, while protecting the fair rights of property owners;
- iii. strengthen enforcement measures to ensure compliance with and penalties for violations of Palo Alto's existing requirement to offer an annual lease to tenants; and
- iv. consider other updates to existing renter protection and mediation programs as needed to continue a healthy and diverse community.

Status: Staff is seeking assistance through a challenge grant (below) for supporting resources to advance this policy direction. Applications have already been filed and this work is expected to begin in spring 2020.

Notes: Recent state legislation⁸ has provided some protections that relate to the above direction including caps on rent and requiring just cause to evict a renter. Enforcement is not addressed in the state legislation.

PDS has also applied for a challenge grant from the Partnership for the Bay's Future, which will be managed by the San Francisco Foundation. Palo Alto is one of several jurisdictions that applied for the grant and the Foundation is expected to formally award grants to qualifying applicants. Participation in this effort will supplement staff work with a mid-career fellow, provide access to technical assistance, and peer cohort support. It is expected that once the fellow begins work that it will take approximately 2 years to complete this effort through final Council action. More information about the challenge grant is available online: <https://www.baysfuture.org/press-release-challenge-grants/>

13. Protections and Incentives for Cottage Clusters, Duplexes, Triplexes, Fourplexes

Date Assigned: [February 5, 2018](#) ([Housing Work Plan](#) Task 2.9)

Description: Develop protections for cottages and duplexes in the R-1 and R-2 districts and consider zoning changes to allow additional cottage clusters, duplexes and fourplexes where appropriate.

Status: Not started.

Notes: There are limited options for preserving existing cottage clusters. Offering fee reductions and flexible development standards as noted the housing element implies some form of redevelopment of the property, which could be disruptive and counter to the cottage cluster aesthetic and character. One approach that would encourage preservation of the physical form

⁸ AB 1482 (Tenant Protections Act of 2019) signed into law on October 8, 2019:

https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=201920200AB1482

and overall layout would be to allow these parcels to be subdivided and sold to individual owners, though further economic analysis would be required, as well as exploring other possible changes to City regulations to ensure there is sufficient incentive and a path to allow the subdivision. Additionally, concerns regarding housing displacement would be analyzed. Exploring incentives, including allowing subdivision of single-family zoned parcels, and fee reductions could be used to spur new cottage housing.

14. PTOD & Village Residential Zoning Amendments

Date Assigned: [February 5, 2018](#) ([Housing Work Plan](#) Task 2.10)

Description: Review pedestrian and transit-oriented development and village residential zoning overlay process to remove constraints/complexity and expand usage.

Status: Not started.

15. Safe Parking Pilot Program (Tier 2 and 3)

Date Assigned: [June 10, 2019](#) (Colleagues' Memo)

Description: Council assigned this to staff and referred the topic to the Policy and Services Committee: to identify and determine interest in expanding vehicle dwelling management and transition services with local area nonprofits; to identify large commercial lots that could be used for a managed overnight program and possibly seed a program using city-owned land located on Geng Road; and to engage the County of Santa Clara to explore funding assistance and for additional program to support enabling individuals to find employment and housing.

Status: The City Council adopted Tier 1 on January 13, 2020. Only preliminary work has begun to expand the pilot program to include more than four vehicles on a private lots (Tier 2) and City-owned property (Tier 3), but resources were shifted to focus on Tier 1. A significant amount of work remains outstanding to advance this project.

16. Housing Element Update

Date Assigned: N/A

Description: The sixth cycle of the regional housing needs assessment is underway and covers an eight-year timeframe from 2022 through 2030. The state HCD identifies the total number of housing units across all income groups that are needed for the nine county Bay Area. The Association of Bay Area Governments (ABAG) then distributes the allocation to each city and county. Local jurisdictions must then update their housing elements in the comprehensive plan to show how the local entity has planned to meet its share of the region's housing need. Draft housing allocations are tentatively scheduled to be released in January 2021 and final allocations published July 2021. Housing elements must be updated by December 2022.

Status: Not started; staff anticipates making a funding request to secure a consultant for the upcoming housing element update during the next budget cycle in May.

17. Conversations with Stanford

Date Assigned: [February 5, 2018](#) ([Housing Work Plan](#) Tasks 5.6; 5.6.1; 5.6.2; and, 5.6.3)

Description: Initiate conversations with Stanford University regarding potential residential uses at Stanford Research Park; potential residential uses near Stanford University Medical Center, potential residential uses at the Stanford Shopping Center.

Status: Not started.

18. Seismic and Resiliency Ordinance

Date Assigned: [11/13/2017](#)

Description: Prepare updates to the City's seismic ordinance

Status: On [September 15, 2014](#), the City Council referred to the Policy and Services Committee a discussion on 1) an update of the inventory of soft-story and unreinforced masonry buildings; 2) Staff alternatives regarding how to prioritize the highest risk buildings – if prioritization is feasible; 3) referral of best or strongest practices by other cities to enforce the upgrades; 4) summary of retrofit programs and incentives that exist today; and 5) discussion of any recommendation we have for state legislation to support these initiatives. On December 9, 2014, the Policy and Services Committee recommended the City Council authorize a request for proposal to prepare an update to the City's Seismic Hazards Identification Program (Ordinance 3666) and update the inventory of structurally deficient buildings in the multi-family, commercial and industrial areas of the City, categorizing building on various typologies. On [August 17, 2015](#), Council approved a contract with Rutherford + Chekene to prepare a study and recommendations on the City's ordinance. The findings of this report were presented to Council on April 17, 2017. On [November 13, 2017](#), Council authorized staff to begin the process of drafting updates to local regulations, policies, and procedures including an analysis of any potential CEQA requirements. This direction anticipated staff returning to Council for a request to enter into a new contract(s) for technical services and then work with the Policy and Services Committee and ultimately the City Council to review revised language, options, and implications associated with modifications to seismic compliance in our municipal code. Staff anticipates submitting a budget request to Council in the upcoming budget cycle for funds to support this work effort.

19. Co-Housing and Small Units (2.8)

Date Assigned: [February 5, 2018](#) ([Housing Work Plan](#) Task 2.8)

Description: Review and revise allowed uses and permit requirements (i.e., by right, use permits) for small units, co-housing, etc.

Status: Not started.

20. Special Needs Housing

Date Assigned: [February 5, 2018](#) ([Housing Work Plan](#) Task 2.4.7)

Description: Review the code and recommend removing any constraints to special needs housing.

Status: Not started.

21. No Net-Loss Housing Policy

Date Assigned: [February 5, 2018](#) ([Housing Work Plan](#) Task 3.3)

Description: Explore implementing a 'no net-loss' policy when housing is redeveloped.

Status: Not started.

22. In-lieu Payment or Off-Site Housing Replacement

Date Assigned: [September 23, 2019](#) ([Colleagues Memo](#))

Description: Explore feasibility of in-lieu fees or off-site replacement if existing residential units are removed from the housing stock.

Status: Not started.

Notes: This is related to no-net loss policy analysis (#21 above).

23. Restrict Loss of Housing to Commercial Uses

Date Assigned: [September 23, 2019](#) ([Colleagues Memo](#))

Description: Explore citywide protections and regulations to prevent existing housing to be converted to commercial/hotel use.

Status: Not started.

24. Incentives to Use TDRs for Residential Development.

Date Assigned: [February 5, 2018](#) ([Housing Work Plan](#) Task 2.7)

Description: Consider changes to transferred development rights (TDR) ordinance to increase its use for residential FAR/density.

Status: Not started.

Notes: TDR transfers are presently only allowed downtown and in the south of Forest Avenue coordinated area plan. Current law allows TDRs to be used for residential projects but given the return on investment for office development, TDRs are not used for residential floor area. Some possible incentives to encourage more use of TDRs for residential development may include parking reductions or exemptions when applied to housing, or discounting TDR floor area when used for housing by 50%, for example, and possibly a combination of both. The actual reduction has not been tested and is presented for illustration purposes. However, even with these incentives, other constraints are likely to emerge, such as building height, that unless also changed, may not yield significant results.

25. In Lieu Parking Fees for Housing Downtown and California Avenue

Date Assigned: [February 5, 2018](#) ([Housing Work Plan](#) Task 2.4.5)

Description: Allow parking reductions based on payment of parking in lieu fees for housing Downtown and California Avenue.

Status: Not started.

Notes: Downtown has an in-lieu parking program that currently does not apply to residential uses. If amended to apply, a subsidized rate would be required as the current fee of \$106,171 is cost prohibitive for a housing development. A 636-space parking garage is being built in the California Avenue area, but Planning staff is unaware of any discussion that some of these spaces would be earmarked for in-lieu parking.

26. Informational Report on State and Local Density Bonus Law

Date Assigned: [September 23, 2019](#) ([Colleagues Memo](#))

Description: Direct Staff to transmit to Council an informational report on the state and local density bonus Ordinance.

Status: Not started.

Notes: While staff has not yet prepared a report, the following links from the League of California Cities provide background on the state law as of October 2016:
<https://www.cacities.org/Resources-Documents/Member-Engagement/Professional->

[Departments/City-Attorneys/Library/2016/Annual-2016/10-2016-Annual_Hutchins_Tiedemann_Not-Just-Density.aspx](https://www.cacities.org/Resources/Documents/Member-Engagement/Professional-Departments/City-Attorneys/Library/2016/Annual-2016/10-2016-Annual_Hutchins_Tiedemann_Not-Just-Density.aspx)

Here is the accompanying PowerPoint presentation:

https://www.cacities.org/Resources/Documents/Member-Engagement/Professional-Departments/City-Attorneys/Library/2016/Annual-2016/10-2016-Annual_Hutchins_Tiedemann_Not-Just-Density.aspx

There are some changes in the law since 2016 that are not reflected above links. The City's local implementation of the density bonus program is also available online:

[http://library.amlegal.com/nxt/gateway.dll/California/paloalto_ca/title18zoning*/chapter1815residentialdensitybonus?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:paloalto_ca\\$anc=JD_Chapter18.15](http://library.amlegal.com/nxt/gateway.dll/California/paloalto_ca/title18zoning*/chapter1815residentialdensitybonus?f=templates$fn=default.htm$3.0$vid=amlegal:paloalto_ca$anc=JD_Chapter18.15)

27. Annual Office Limit: Four Year Implementation Report

Date Assigned: [May 21, 2018](#)

Description: In its review of the annual office limit ordinance, Council directed staff to return in two to four years with a report to provide data regarding business development in the areas affected by the annual office limit cap. Staff anticipates returning to Council with a report prior to May 2022.

Status: Not started.

28. Request for Funding from HCD to Implement Housing Bills

Date Assigned: [February 5, 2018](#) ([Housing Work Plan](#) Task 1.6)

Description: Transmittal of a request for funding to implement new housing bills to the state HCD.

Status: Not started; staff requests this item be removed from the work plan.

Other Assignments

The above list does not include other initiatives contained in City policy documents, directed by Council, or that require attention for other reasons, including;

- implementation of adopted comprehensive plan and housing element programs;
- routine work, including quarterly and annual reports to Council and regional entities;
- coordination with City departments on other policy initiatives, including implementation of the pedestrian and bicycle master plan, sustainability and climate action plan, green infrastructure, urban forestry master plan, and the Baylands master plan, among other policy documents;
- responding to federal and state-legislation, draft bills and implementation as appropriate;
- other areas of focus that staff is aware of or regards as important topics requiring study, such as:
 - Downtown land use and transportation coordinated area plan to address or respond direction regarding grade separation, transit center improvements, housing policy, urban design interests and mobility and parking solutions
 - Review of parking requirements for California Avenue commercial zones
 - Working with community partners to explore supportive housing opportunities⁹

⁹ As an information note to Council, the [Santa Clara County Continuum of Care](#) is in the process of updating its 5-year Community Plan to End Homelessness. The plan seeks to guide governmental actors, nonprofits, and other community members as they make decisions about funding, programs, priorities, and needs. To develop

- Revisit San Antonio Road as a place for more housing opportunities
- Review City and regional land use and transportation policies for El Camino Real

Department Resources

Much of the work directed to staff that was accomplished above occurred despite significant organizational changes, including City Council appointment of a new City Manager and several new department heads. For the planning department, transportation-related functions were separated from planning and turned into the Office of Transportation, whose work is directed by the City Manager. The City's development services (building permits and inspections) and planning operations were merged.

For the past year, vacancies have been a critical challenge for the department. While many positions have since been filled, staff in the long-range planning program, which is principally charged with carrying out the above work, has significant vacancies. This program is resourced to include a planning manager that is supported by four other full-time employees and one hourly employee. At present, three of the five full time positions are vacant including the manager, the City's housing specialist, and a senior-level policy planner. One new member of the long-range planning team has transitioned from the program responsible for application processing, but has other assignments not related to housing, such as advancing code changes related to wireless communication facilities.

These vacancies and work related to merging city department operations has resulted in less progress being made on the Housing Work Plan and the two Colleagues' Memos. It is anticipated it will take another four to six months to recruit and onboard these outstanding positions, which have been difficult positions to fill. Staff has consultant resources it is using to advance some of this work, but this also requires oversight. The department's director and assistant director are also taking on some assignments, most notably related to the inclusionary housing expansion and NVCAP, but this competes with other responsibilities required of these positions.

ANALYSIS / ALTERNATIVES

The above work program has a significant number of assignments that exceeds available resources to complete in a timely manner. Even when fully staffed, the workload is extensive and is not static. Except as may be adjusted by Council, staff will continue to work on these assignments, generally in the order listed above, understanding that things may shift as new Council priorities or interests emerge.

The housing-related work plan assignments address the need to protect, preserve and produce housing in Palo Alto, which are the cornerstones to a comprehensive housing strategy. However, the projects

a draft plan, a community plan work group, comprised of staff from the County of Santa Clara Office of Supportive Housing, the County Executive's Office, Destination: Home and the City of San Jose, and other community partners, have been gathering feedback from community-based service organizations, local government, philanthropy, business, community members, and people with lived experience through a series of community meetings, surveys, and focus groups. A draft plan is expected to be shared publicly in January 2020 and the workgroup will host another community meeting to gather additional feedback before the final plan is adopted by the Continuum of Care. The Board of Supervisors and city councils will be asked to endorse the plan in early 2020.

listed above, while meaningful and important, are not likely to advance the City toward its aspirational goal of 300 or more new housing units a year.

Work related to the NVCAP and possible amendments to the PTOD combining district would likely result in the greatest increase in commercial zoning housing production. However, it is anticipated that changes to parking, floor area and height may be required to encourage more housing. Moreover, these planning efforts that will take at least a year or more to complete. Following Council approval of any legislative action, there is still a considerable amount of time required for property owners and developers to propose and file projects, time to process applications, and time to build the project. Accordingly, it could take at least five years before any housing units are produced as a result of these distinct initiatives and this does not address other areas of the City where housing is desired, such as downtown.

If the Council is interested in a timelier production of housing units, it may want to consider allowing for a modified version of the planned community zoning designation – one that eliminates the need for a negotiated public benefit. Staff has had several conversations with property owner representatives who have a range of housing projects they are interested in pursuing, but inevitably are challenged by one or more development standards, typically involving parking, but also floor area and modest adjustments to height. Planned community zoning has received significant criticism for a variety of reasons and Council has indefinitely placed a freeze on any further planned community applications. However, it is worth noting that over the past 20 years, the City entitled approximately 3,330 housing units with planned community zoning and development agreement applications accounting for 39% and 25%, respectively – or nearly 64% (2,120 units) of the combined units produced over this period.

As an alternative to the planned community application, the City Council could establish a new housing overlay or housing combining district that could include some of the following attributes:

- Allowed only for housing projects, including mixed use housing projects.
- No negotiation over public benefits; housing alone, including required affordable housing, would be the public benefit.
- A certain percentage of pre-determined on-site affordable units at specified income levels could be mandated based on proposed housing type (rental v. ownership).
- For mixed use projects, housing units, sufficient to address any job-related housing needs generated by the project, must be provided on-site.
- Cannot exceed any of the City's office cap limits.
- Developers may request to deviate from the zoning code development standards, including but not limited to, parking, floor area, height, unit density, etc.
- A prescreening application would be required before the City Council, prior to application submittal and public hearings before the PTC, ARB and City Council. City Council would have final approval authority over any application.

To redevelop property, there needs to be sufficient profit incentive for a property owner to build housing that overcomes revenues that can be generated by existing or proposed non-residential uses on property - and sufficient return to attract investors. City regulatory processes, fees, inclusionary requirements and zoning regulations play a key role in what it costs to build in Palo Alto. Combined with

other factors,¹⁰ projects in Palo Alto tend to result in a lower return on investment, which discourages lenders or results in an insufficient profit to offset the risk of development.

In the past, the City has tried to incrementally increase development incentives to encourage housing while minimizing community impacts. This process, however, takes time. The recently adopted housing incentive program has not yielded any significant projects and it remains to be seen whether the standards were sufficient in the current economic climate.

Using the housing combining district potentially creates another tool that allows the City to articulate its housing development expectations and gives property owners and developers an opportunity to present a project and show how those housing goals can be advanced on a project by project basis.

POLICY IMPLICATIONS

This report transmits an update on the Housing Work Plan and other priority initiatives that are balanced with available staff resources. Many of the tasks on the work plan advance important policy objectives related to housing preservation, protection and production. Concern is expressed in the report that near-term housing production is not anticipated to reach the expressed interest of 300+ units a year. This is due to the length of some of the policy initiatives, but also due to the variability among properties in terms of creating sufficient incentive to motivate an owner to redevelop a site with housing.

This document is intended to serve as a status update and to receive direction from Council on updates to the work plan or other areas that require more focus and attention.

RESOURCE IMPACT

The recommendation in this report does not have any fiscal or budgetary impacts.

COMMUNITY ENGAGEMENT

The PDS work plan has been developed over time and directed by Council at several public meetings and is largely based on community planning initiatives such as the comprehensive plan and public comment received at various community meetings.

ENVIRONMENTAL REVIEW

The recommendation in this report is not subject to the provisions of the California Environmental Quality Act as it does not meet the definition of a 'project' as defined in Public Resource Code Division 13, Section 21065.

Attachments:

A: 2018 2019 Housing Work Plan Status Matrix (DOCX)

¹⁰ <https://turnercenter.berkeley.edu/construction-costs-series>

Housing Work Plan 2018-2019: Summary Status Update

Description	Status	Notes
Ongoing Projects & Initiatives		
1.1. Preparation and consideration of a code clean up ordinance with provisions relating to the State Density Bonus Law	Completed 4/1/19 ⁱ	
1.2. Preparation and consideration of an ordinance making technical changes to the City's ADU regulations to conform with new State laws effective January 1, 2018	Completed 2/26/18 ⁱⁱ	
1.3. A one-year review of the City's ADU regulations followed by preparation and consideration of an ordinance making desired adjustments	Completed 11/5/18 ⁱⁱⁱ	
1.4. Development of an intake checklist and internal procedures related to implementation of SB 35 (the "by right" housing bill) and changes to the Housing Accountability Act	Completed 7/23/19 ^{iv}	
1.5. Preparation and consideration of an ordinance establishing procedures for streamlined review under SB 35	Started, but not complete. Consultant hired to advance project.	Relates to tasks 2.1, 2.2, and 2.3.
1.6. Transmittal of a request for funding to implement new housing bills to the State Department of Housing and Community Development (HCD)	Not started.	
1.7. Preparation and consideration of an ordinance to allow for "pilot" projects aimed at providing workforce housing on Public	Completed 6/25/18 ^v	

Facilities (PF) zoned parcels. This initiative also includes a specific proposal on the old VTA parking lot at El Camino Real and Page Mill Road

1.8. Preparation and consideration of an ordinance to create an affordable housing (AH) overlay district that could be used to support housing on Palo Alto Housing's site at El Camino Real and Wilton Court

Completed 5/7/18^{vi}

1.9. Preparation and review of the City's annual report regarding Housing Element implementation

Completed 3/4/19^{vii}

1.10. Adoption of goals/objectives and a schedule for the North Ventura Coordinated Area Plan process, such that a final plan can be considered for adoption at the end of 2019

Completed 3/5/18^{viii}

1.11. Completion of a literature review and data collection regarding parking demand for different housing types/locations in Palo Alto

Completed 8/29/18^x

Comprehensive Plan Implementation and Housing Production Ordinances

2.1 Identify By Right Project Procedures (SB 35)

Started – ongoing.

A consultant has been hired, Lexington Planning, to identify subjective standards in the zoning code and SOFA CAP and to suggest revisions to make these standards clear and objective. Streamlined, by-right, development in accordance with SB35 requires a housing project with at least 2/3^{rds} of the developed dedicated toward housing with 50% of the housing units deed restricted to low income, among other criteria. These thresholds will remain in effect through the remainder of the current RHNA cycle ending in 2023. No qualifying SB35 housing project has been filed to date.

This initiative is scheduled to be completed by the end of 2022.

2.2. Strengthen objective standards (SB 35)

2.3. Comp Plan and SOFA plan changes to strengthen objective standards (SB 35)

2.4. Provide incentives and remove constraints for multifamily housing in the Downtown (CD-C), Cal Ave., (CC(2)/PTOD) and El Camino Real (CN and CS) districts

Completed 4/1/19ⁱ

Changes in PTOD zoning were not proposed in the 2018 housing ordinance. This district requires a specific study and analysis to review and adjust development standards that facilitate greater housing development consistent with the district's objectives.

2.4.1. Review and revise development standards (e.g., landscaping, open space)

Completed 4/1/19ⁱ

2.4.2. Consider eliminating dwelling unit densities and relying on FAR and average unit sizes

Completed 4/1/19ⁱ

2.4.3. Review and revise permitted uses and use mix (e.g., allow 100% residential w/ retail) Completed 4/1/19ⁱ

2.4.4. Review and revise level of permitting and site plan review required Completed 4/1/19ⁱ

2.4.5 Allow parking reductions based on TDM plans and on payment of parking in lieu fees for housing (Downtown and Cal Ave.) Partially Completed 4/1/19ⁱ

TDM plans can be used to reduced parking reductions, including a zero-parking requirement for certain qualifying affordable housing projects.

California Avenue does not have an in lieu parking program and to establish one would require direction from Council and is a specific and dedicated assignment.

Downtown has an in-lieu parking program that does not apply to residential uses – if amended to apply, a subsidized rate would be required as the current fee of \$106,171 is cost prohibitive for a housing development.

2.4.6. Convert some non-residential FAR to residential FAR Completed 4/1/19ⁱ

2.4.7. Remove any constraints to special needs housing in particular Started, but deferred

A fee waiver was considered in the housing ordinance that would further reduce development costs, but this requires further study and analysis prior to advancing a policy recommendation.

Support multifamily housing in the RM districts (2.5): Completed 4/1/19ⁱ

2.5.1. Consider establishment of minimum densities in all RM zones

2.5.2. Allow redevelopment (replacement) of existing residential units on sites that are nonconforming because of the number of units or FAR Completed 4/1/19ⁱ

Provide incentives and remove constraints in all zoning districts (2.6): Completed 4/1/19ⁱ
2.6.1. Adjust parking requirements to reduce costs (based on study in item 1.11)

2019 Proposed Ordinance

2.7. Consider changes to TDR Ordinance to increase its use for residential FAR/density Not started

2.8. Review and revise allowed uses and permit requirements (i.e., by right, use permits) for smaller units, co-housing, etc., in all zoning districts

Started, but deferred

This concept was explored in the 2018 housing ordinance with the introduction of micro units, but recommendations for reduced parking for these units was not supported.

Work on co-housing was a concept anticipated to be explored in the NVCAP, but the need to streamline this work effort to align with remaining funds is not expected to result in any new policy.

2.9. Develop protections for cottages and duplexes in the R-1 and R-2 districts and consider zoning changes to allow additional cottage clusters, duplexes, and fourplexes where appropriate

Not started

2.10. Review PTOD and Village Residential zoning overlay process to remove constraints/complexity, and expand usage

Started, but deferred

As part of the housing ordinance, staff reviewed the PTOD and Village Residential zoning standards and determined the level of effort to complete this task required a significant work effort and a decision was made to defer this work in order to advance the other Council-directed initiatives.

Changes to PTOD and Village Residential zoning relates to items 2.4 and 2.9, respectively.

These are two discrete work assignments and should be separated.

Economic Analysis to Support BMR Housing

3.1. Explore increasing BMR percentage requirements in market rate development up to 20%

Ongoing

These two tasks are being prepared concurrently. Initial draft analysis suggests different inclusionary standards may be appropriate for different geographic areas of the City and this is being further vetted with consultant.

3.2. Explore implementing inclusionary BMR program for rental units ("Palmer fix")

Ongoing

Early progress on this task required revisions with the passage of the (April 2019) housing ordinance. Further delays incurred due to limited staff resources.

Estimated timeline for completion:
Report to the PTC in March.
Recommendation to Council in April.

3.3 Explore implementing a “no net-loss” policy when housing is redeveloped

Not started

This is anticipated to be a significant policy initiative involving planning staff and the City Attorney’s office. A preliminary review of no net-loss policies in other jurisdictions did not reveal any existing standards to model.

Leveraging City Funds

4.1. Issue a Notice of Funding Availability (NOFA) and solicit proposals from non-profit developers for use of the City’s Commercial and Residential Housing Funds

Completed^x

4.2. Select projects for funding that maximize the use of the City’s funds for development of new affordable units and preservation of existing units that are at risk

With the City Council’s action to reserve \$3M for a future teacher housing project and its funding commitments to Wilton Court, now totaling \$20M, the remaining balance does not warrant issuance of a Notice of Funding Availability – though the objective of task 4.2 has been accomplished.

Partnerships with Agencies and Organizations

5.1. Explore the opportunity for developing housing over parking on City-owned downtown parking lots by participating in the 2019 NAIOP Challenge, a competition between business school students from Stanford and Cal hosted by the Bay Area chapter of a national real estate development association (See www.naiopsfba.org/28th-annual-real-estate-challenge-winner/)

Not started

No resources are currently planned for or dedicated to this task.

5.2. Work with the County to explore the opportunity for developing housing at the County courthouse site near California Avenue

Ongoing

The City Council reserved \$3 million from the City’s affordable housing fund to support this project. It is anticipated modification to the City’s Workforce Housing ordinance may require modification to accommodate this

		project. The County is the project lead for any future project.
5.3. Work with PAUSD representatives to explore opportunities for housing as part of the Cubberley Master Plan or at other publicly-owned sites	Ongoing	A draft concept plan has been released for the Cubberley Center and both the City and the school district have engaged in a discussion regarding their respective visions for the area.
5.4. Support the regional establishment of a coordinated effort to provide shared housing arrangement facilitation	Ongoing	While efforts to form a County subregion did not materialize, discussions continue about a possible Planning Collaborative to create a forum for regional housing discussions.
5.5. Work with the San Andreas Regional Center to implement an outreach program that informs families in Palo Alto about housing and services available for persons with developmental disabilities	Not Started	
Initiate conversations with Stanford University regarding (5.6): 5.6.1. Potential residential uses at Stanford Research Park	Not started	
5.6.2. Potential residential uses near Stanford University Medical Center (SUMC)		

5.6.3. Potential residential uses at the Stanford Shopping Center

5.7. Maintain an ongoing conversation with the community, regarding the need for affordable housing, the financial realities of acquiring land and building affordable housing, and the reasons that affordable housing projects need higher densities to be feasible developments

Ongoing

Some discussions have been held by the PTC and the City Council has similarly raised many of these issues. Staff will continue to find opportunities to advance community conversations.

ⁱ Second Reading Staff Report and Ordinance dated April 1, 2019: <https://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?t=52156.04&BlobID=69992>

ⁱⁱ Second Reading Staff Report and Ordinance dated February 26, 2018: <https://www.cityofpaloalto.org/civicax/filebank/documents/63523>

ⁱⁱⁱ Second Reading Staff Report and Ordinance dated November 5, 2018: <https://www.cityofpaloalto.org/civicax/filebank/documents/67438>

^{iv} Updated application planning application form: <https://www.cityofpaloalto.org/civicax/filebank/documents/73097>

^v Staff Report and Ordinance, dated June 25, 2018: <https://www.cityofpaloalto.org/civicax/filebank/documents/65525>

^{vi} Staff Report and Ordinance, dated May 7, 2018: <https://www.cityofpaloalto.org/civicax/filebank/documents/64798>

^{vii} Staff Report, dated March 4, 2019: <https://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?t=60751.24&BlobID=69492>

^{viii} Staff Report, dated March 5, 2018: <https://www.cityofpaloalto.org/civicax/filebank/documents/63646>

^{ix} Revised parking study presented to PTC; parking study begins on page 42: <https://www.cityofpaloalto.org/civicax/filebank/documents/66513>

^x Teacher Housing Staff Report, dated June 25, 2018: <https://www.cityofpaloalto.org/civicax/filebank/documents/65670>; Wilton Court Housing \$10 Million Commitment Staff Report, dated June 3, 2019: <https://www.cityofpaloalto.org/civicax/filebank/documents/71434>; an additional \$10 Million request will be considered by the City Council on February 13, 2020.