



Planning & Transportation Commission Action Agenda: October 12, 2022

Council Chambers & Zoom
6:00 PM

Call to Order / Roll Call

6:00 pm

1. Adoption of a Resolution Authorizing Use of Teleconferencing for Planning and Transportation Commission Meetings During Covid-19 State of Emergency

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.

MOTION

Commissioner Hechtman moved to adopt the resolution.

SECOND

Vice Chair Summa seconded.

VOTE

Ms. Klicheva conducted a roll call vote and announced the motion passed 7-0.

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

Commission Action: Motion by Hechtman, seconded by Summa. Pass 7-0

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, called on Giovanni Ottolini [phonetics].

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1 Giovanni Ottolini [phonetics], a field representative for Carpenters Local 405, requested that
2 the PTC consider implementing labor standards on all future proposed developments in the
3 City. The standards should include paying standard wages, health care coverage and a
4 commitment to hiring local carpenters.

5 **Agenda Changes, Additions and Deletions**

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

7 Chair Lauing asked if there were any agenda changes, additions or deletions to the agenda.

8 Amy French, Chief Planning Official, answered there were no proposed changes from Staff.

9 **City Official Reports**

10 2. Directors Report, Meeting Schedule and Assignments

11 Amy French, Chief Planning Official, announced the Planning and Transportation Commission
12 (PTC) will consider a Planned Home Zone (PHZ) project at 660 University, hear a traffic safety
13 report, and consider a project at 1700 Embarcadero Road at the October 26, 2022 meeting. In
14 November, PTC will consider the Comprehensive Plan implementation report, a zoning
15 ordinance on heat pump water heaters, and several other items. The PTC will attend a joint
16 meeting with City Council to discuss the Housing Element near the end of November. She
17 inquired if it was correct that Chair Lauing and Commissioner Reckdahl were Council liaisons for
18 December.

19 Chair Lauing suggested discussing it offline.

20 Ms. French reported PTC representation will be needed for Council's meeting on October 24,
21 2022, a meeting in November and then in December as well.

22 Rafael Rius, Senior Transportation Engineer, reported for the Charleston/Arastradero corridor
23 project, portions of Arastradero Road Charleston Road were repaved and contained temporary
24 markings. Staff received comments from the public about the median island at Clemo and
25 confirmed it was removed but will be replaced along with the median flashing beacon.

26 Chair Lauing asked if transportation Staff will return for an update on high accident areas within
27 the City.

28 Mr. Rius confirmed that is correct.

29 Commissioner Chang asked why the Charleston/Arastradero corridor was scraped and paved
30 twice.

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1 Mr. Rius explained that the median island at Lewis Road had to be reconstructed due to an
2 error made.

3 Commissioner Hechtman referenced a letter dated October 1, 2022 from the President of Palo
4 Alto High School's Parent-Teacher-Student Association (PTSA). The letter requested a seat at
5 the table during the discussions about grade separations. He asked if Staff will be responding to
6 the letter.

7 Mr. Rius remarked the letter will be relayed to the appropriate Staff in the Office of
8 Transportation. He confirmed Palo Alto Unified School District (PAUSD) participates already in
9 the discussions.

10 Commissioner Templeton mentioned that during the Expanded Community Advisory Panel
11 (XCAP) discussions, PAUSD was invited to participate in the discussion but declined the
12 invitation. She appreciated PTSA stepping forward and showing interest in the project.

13 **Study Session**

14 Public comment is Permitted. Three (3) minutes per speaker.

15 3. 3200 Park Boulevard/200 Portage [22PLN-00287 and 22PLN00288]: Request for a
16 Development Agreement, Planned Community Zoning, Tentative Map, and Major
17 Architectural Review to Allow Redevelopment of a 14.65-acre site at 200- 404
18 Portage Avenue, 3040-3250 Park Boulevard, 3201-3225 Ash Street and 278 Lambert.
19 The Scope of Work Includes the Partial Demolition of an Existing Commercial Building
20 That has Been Deemed Eligible for the California Register as Well as an Existing
21 Building With a Commercial Recreation use at 3040 Park and Construction of (71)
22 new Townhome Condominiums, a one Level Parking Garage, and Dedication of 3.25
23 acres of Land to the City for Future Affordable Housing and Parkland Uses. The
24 Existing Building at 3201-3225 Ash Street Would Remain in Office use, and an
25 Automotive use at 3250 Park Boulevard Would Convert to R&D use. Environmental
26 Assessment: The City of Palo Alto, Acting as the Lead Agency, Released a Draft
27 Environmental Impact Report for the 200 Portage Townhome Development Project
28 on September 16, 2022 in Accordance with the California Environmental Quality Act
29 (CEQA). The Proposed Development Agreement is Evaluated as Alternative 3 in the
30 Draft EIR. Zoning District: RM30 (Multi-Family Residential) and GM (General
31 Manufacturing). For More Information Contact the Project Planner Claire Raybould at
32 Claire.Raybould@cityofpaloalto.org.

33 Claire Raybould, Planner, stated the goal of the study session was to provide orientation,
34 familiarize the Commission and the public with the project, and provide background. Staff
35 requested feedback on the Draft Environmental Impact Report (dEIR) and the Development

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1 Agreement (DA) terms. Several members of the public submitted written comments stating
2 that the 45-day window to provide written comments on the dEIR was not sufficient. The City
3 responded by extending the deadline to 60-days and the comment period was to close on
4 November 15, 2022. The project site is nestled between Olive Avenue, Park Boulevard, Portage
5 Avenue, and Ash Street. The Cannery building was included in the site and its existing uses
6 included a warehouse, Research and Development (R&D) uses and former retail uses. The Audi
7 building at 3250 Park Boulevard as well as 3040 Park Boulevard was also included in the project.
8 The site is located within the boundaries of the NVCAP. The City received a significant amount
9 of feedback on how the public and property owners wished to see the site redeveloped. That
10 feedback was used to identify key objectives for the City and the property owner to discuss and
11 negotiate. In March 2021, the applicant filed an application for a 91 townhome project and the
12 project fell within the bounds of Senate Bill (SB) 330. Additionally, the applicant requested
13 clarification on the Municipal Code language regarding the retention of non-conforming uses.
14 Council discussed the language and in October 2021, the Council stayed the interpretation and
15 formed an Ad Hoc Committee to explore the potential for shared redevelopment of the site.
16 The Ad Hoc Committee concluded its work in the summer of 2022 and presented it to Council.
17 Upon discussion, Council directed Staff to execute a Tolling Agreement which placed the
18 townhome project on hold until a public process and DA was completed. On September 16,
19 2022, the City released the dEIR for the project. The dEIR evaluated Alternative Three, the
20 proposed 200 Portage Avenue townhome project, which required demolishing a portion of a
21 California Register Eligible historic Cannery building. The dEIR also evaluated a no-project
22 alternative and an adaptive reuse alternative. Alternative Two, adaptive reuse, proposed to
23 retain the Cannery building and reuse it for housing and ground-floor retail. The dEIR identified
24 a significant and unavoidable impact on a historic resource for all development alternatives.
25 Mitigation measures were identified to reduce impacts on resources labeled as less than
26 significant. The proposed DA included the DA Comprehensive Plan Amendment, Planned
27 Community (PC) rezoning, Tentative Map and Final Map, and Historic Resources Board review.
28 Staff predicted additional study sessions would be held for all Boards and Commission and City
29 Council. The DA did not have hearing limitations. The applicant was seeking to retain R&D uses
30 and office uses at the site while the City was seeking more housing, park space and other key
31 objectives. Key negotiated terms of the DA included, but were not limited to, the construction
32 of a parking garage behind the Cannery, the dedication of 3.25 acres for park space and
33 affordable housing to the City, and 74 ownership market-rate townhomes. A Comprehensive
34 Plan Amendment was needed to allow the retention of commercial uses at the site and several
35 implementation options were available. The first option was to designate the Cannery, Audi and
36 Ash parcels as mixed-use. The second was to designate the Audi and Ash parcels as service
37 commercial with the Cannery building as mixed-use. The third option was to designate all three
38 parcels as commercial services and revise the text of the Comprehensive Plan. The proposed
39 project included merging and subdividing the existing parcels to create five new parcels. The DA
40 alternative included a rezone for each new parcel. There was no development proposal for two

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1 of the parcels and one would be dedicated to the City. With respect to historic considerations,
2 Page and Turnbull evaluated the project and determined that the Cannery building as well as
3 the office building at 3201 Ash Street were eligible for the California Register of Historic
4 Resources.

5 Tim Steele, representative of the Sobrato Organization, reported the Sobrato Organization
6 purchased the site in 2010. Discussions with the City about the future development of the site
7 were discussed over the following 10 years. The Organization agreed to match the City's grant
8 funding application with Metro Transportation Commission (MTC) to execute the NVCAP
9 process. The Organization participated in the NVCAP discussions as well as PTC and Council
10 discussions. The proposed DA was similar in many ways to the NVCAP Working Group
11 discussion and PTC's preferred 3B alternative recommendation to Council. Among other
12 benefits, the proposed project provided an access easement to enhance pedestrian and bicycle
13 connections between Park Boulevard and Portage Avenue. The project voluntarily proposed a
14 Traffic Demand Management (TDM) plan with a 15 percent trip reduction goal.

15 David Burton, KTGy, architect, restated the proposed project included 74 townhomes located
16 between Park boulevard and the R&D building at the center of the site. The site included four
17 rows of buildings that were stepped back from Park Boulevard. The design of the townhomes
18 engaged the street on all four frontages. The project included sidewalks throughout the site
19 that increased walkability and widened spaces to encourage community connections. The
20 intention with the massing and architecture was to establish a strong base to separate the
21 homes from each other, mediate between the scale of the commercial buildings and the
22 existing warehouse buildings, and remain in compliance with the 35-foot height limit. The
23 colors and details for the buildings were chosen to respond to the surrounding context.

24 Evan Sockalosky, Arc Tec, restated approximately 142,000 square feet of the Cannery building
25 will be rehabilitated for R&D uses. A low-profile parking garage would be constructed to
26 accommodate parking from the townhome and R&D uses. The proposed rehabilitation design
27 incorporated many elements of the original design of the Cannery building. The proposed
28 project included 2,600 square feet of retail and a plaza near the retail space. Additionally, the
29 proposed project included indoor/outdoor spaces that minimized the impact of the parking
30 garage.

31 Chair Lauing invited the Commission to ask clarifying questions of Staff. He noted PTC did not
32 have purview over the historic review.

33 Ms. Raybould concurred.

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1 Commissioner Hechtman stated he did not have enough time to digest, process and thoroughly
2 review the materials. He inquired if the item would be returned to PTC for additional
3 consideration and how would that affect public comment.

4 Chair Lauing concurred the item will be before the Commission multiple times and public
5 comment will be reopened at the next meeting. Any comments made by the Commission would
6 be considered preliminary.

7 Albert Yang, City Attorney, restated the purpose of the meeting was to introduce the project
8 and provide a public meeting where members of the public could speak to the dEIR. Staff was
9 not seeking direction from the PTC at this time. Staff will return in November and December
10 with additional documents for PTC to consider and then in January of 2023 for
11 recommendations. Staff did not intend to have another PTC hearing on the dEIR and the PTC
12 did not hold a formal role with respect to the dEIR. Staff was not expecting uniform consensus
13 on the dEIR from the PTC. Written comments could be submitted to Staff during the public
14 comment period.

15 Chair Lauing inquired if the Final EIR will be considered by PTC.

16 Mr. Yang answered yes.

17 Commissioner Hechtman was concerned that PTC and the public only had one chance to make
18 oral comments on the dEIR. He suggested the dEIR return to PTC before the November 15, 2022
19 deadline to allow more thoughtful comments from the PTC and the public.

20 Commissioner Roohparvar understood the project was no longer an SB330 project and with a
21 DA, the City had greater discretion.

22 Ms. Raybould confirmed that is correct.

23 Commissioner Roohparvar understood that if the DA process ended and was not carried
24 forward. The application for the townhomes could continue forward under the SB330 process.

25 Mr. Yang confirmed that is correct.

26 Ms. Raybould asked Commissioner Hechtman if he wished to have a formal recommendation
27 from the PTC on the dEIR instead of individual Commissioner comments.

28 Commissioner Hechtman wanted to provide feedback from the PTC to help guide Staff in the
29 direction where there was consensus. He noted there was a full agenda for the October 26,
30 2022 meeting and the following meeting on November 9, 2022 was a day after the election. He

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1 suggested the November 9, 2022 meeting be moved to November 16, 2022 and the comment
2 period be extended to November 16, 2022 to allow for more public comments on the dEIR.

3 Commissioner Chang shared Commissioner Hechtman's concerns.

4 Vice Chair Summa agreed with Commissioner Hechtman and Commissioner Chang. She found it
5 unfortunate that the DA was only made available to the Commission and the public on the day
6 of the meeting.

7 Commissioner Reckdahl echoed the concerns regarding timing. He inquired when the dEIR was
8 completed.

9 Ms. Raybould shared the dEIR was released on September 16, 2022.

10 Commissioner Reckdahl stated it would have been nice to have the materials earlier.

11 Chair Lauing concurred the Commission should have another chance to discuss the dEIR.

12 Ms. Raybould remarked a Housing Element community meeting was scheduled for November
13 16, 2022.

14 Mr. Yang commented Staff would discuss offline when to bring the item back to PTC for further
15 discussion. Staff did not anticipate the Commission to debate any of the items but rather
16 provide comments.

17 Chair Lauing recommended the item be continued until October 26, 2022.

18 Commissioner Reckdahl inquired if the dEIR will evaluate the proposed 74 townhomes instead
19 of the original proposal of 91 townhomes.

20 Ms. Raybould clarified the dEIR considered 91 townhomes for the proposed 200 Portage
21 Avenue townhome development. The DA considered up to 149 units which included 74
22 townhome market-rate units and 75 unit rental development.

23 Mr. Yang added the City received the 91 townhome application and an EIR process was started
24 and the DA alternative was presented afterward. Staff considered both projects and found
25 them to be very similar. Staff used the existing EIR work and encompassed the additional units
26 in it.

27 Commissioner Reckdahl asked why the City was proposing to rezone the parcels to PC.

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1 Mr. Yang noted the City will receive 3.25 acres of the parcel. This resulted in the remaining lots
2 not meeting the Floor Area Ratio (FAR) for lot coverage.

3 Commissioner Reckdahl wanted to understand why a new zone was not being created that had
4 a different FAR requirement that was consistent with the proposed uses.

5 Mr. Yang explained creating a new zone may only apply to the specific project and nowhere
6 else in the City.

7 Vice Chair Summa asked if the City had evaluated the monetary value of allowing the applicant
8 to exceed the Development Standards by using the PC Zone versus the City receiving parkland
9 and affordable housing. She noted the problem with the PC Zone was the City has never
10 evaluated the comparison of the valuation between what the City was getting and what was
11 given.

12 Mr. Yang explained the City was not allowing the applicant to build a bigger project. The site
13 contained existing buildings that are to be retained but the parcel was shrinking due to the land
14 being dedicated back to the City. The Ad Hoc Committee's process did include a monetary value
15 evaluation.

16 Vice Chair Summa asked if that could be made available to the public and the Commission.

17 Mr. Yang answered Staff could explore releasing it for future hearings.

18 Vice Chair Summa wondered if it was legal for the City to make smaller parcels that made non-
19 conforming scenarios where they didn't exist before. She noted there were non-conforming use
20 and non-conforming Development Standards.

21 Ms. Raybould explained the rezoning to PC would address the non-complying standards and the
22 land use designation would address the non-complying use for commercial uses.

23 Commissioner Chang predicted there was a financial implication in terms of the value of the
24 land versus the value to the owner of a piece of land that had different types of zoning. Also,
25 there was a financial component of the dedication of the land where if the land was not
26 dedicated. There would be inclusionary units constructed as well as parking. That information
27 should be made available to the public and the Commission to understand if the trade-off is
28 beneficial to the City.

29 Ms. Raybould mentioned the original 94 townhome project did include 11 units of inclusionary
30 housing. The DA alternative allowed for the development of up to 75 affordable units but did
31 not require those units to be inclusionary.

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1 Mr. Steele remarked that the DA alternative was proposing to dedicate three and a half times
2 more parkland back to the City than was required by the Municipal Code.

3 Mr. Yang stated Staff will return with a more thorough analysis.

4 Commissioner Chang wanted to understand the relationship between the proposed project and
5 the Housing Element.

6 Ms. Raybould answered the site was not considered a new housing opportunity site. The
7 existing Housing Element identified 221 housing units that could be placed on the site if all of
8 the existing non-conforming uses were discontinued. Currently, the site had a non-conforming
9 use allowance without an amortization date tied to it.

10 Commissioner Chang summarized the proposed project would not impact the new Housing
11 Element.

12 Ms. Raybould understood that is correct.

13 Chair Lauing could not recall the Housing Element Working Group has identified a specific
14 number of housing units for the site in the inventory.

15 Commissioner Chang inquired if there was a deadline associated with the Tolling Agreement or
16 obligations that the City had in terms of the timeline.

17 Mr. Yang reported the Toll Agreement gave the City until April of 2023 to decide whether to
18 adopt or reject the project. If no decision is made, the applicant can proceed with the project
19 under SB330.

20 Commissioner Chang asked if changing the Comprehensive Plan to allow the continuation of
21 the non-conforming use would impact the City's existing office cap.

22 Ms. Raybould noted the change would not affect the office cap because the uses were existing.

23 Commissioner Templeton asked if adding additional housing added value to the City.

24 Mr. Yang confirmed that is correct but not something that had a monetary value.

25 Commissioner Templeton agreed and concurred that it would be difficult to present a balanced
26 financial analysis. She encouraged Staff to convey how housing adds value to the City in any
27 future analyses.

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1 Commissioner Roohparvar agreed it would be helpful to have a quantitative and qualitative
2 analysis of the social impacts, impacts on families, diversity, etc. rather than just a financial
3 analysis.

4 Commissioner Hechtman recognized the project was not a typical project because meaningful
5 negotiations were done that identified different elements that were not there in the project
6 that was submitted under SB330.

7 Chair Lauing invited members of the public to share their comments with the Commission.

8 Jeff Levinsky supported full retention of the Cannery and Ash building. He suggested using the
9 Cannery as the parking garage and placing townhomes where the proposed parking garage was
10 to be located. He did not support adding a third floor as suggested in Alternative Two and
11 suggested going with only two stories to allow for more housing. He pointed out there was an
12 error in Table 6-1 and dEIR Page 6-2 because there was no distinction between proposals that
13 demolished part of the Cannery and ones that did not. Under Alternative Three, the Audi
14 building was proposed to be converted into office space which added more office. The goal of
15 the NVCAP was to create a more pleasant residential neighborhood and converting spaces to
16 more R&D went against that goal. He agreed with the Commission's comments about
17 understanding the financial deals and intangibles. He strongly recommended that the Cannery
18 and Ash building be placed on the California Register and Local Historic Register immediately.

19 Addie [phonetics] Gardner stated the parcel was a 100 year opportunity for the City to come
20 together and do something right for future generations. While she appreciated the applicant
21 and the City working together to come to a solution that bettered the City as a whole. She
22 expressed disappointment that much of the land will be used for commercial use and market-
23 rate townhomes. The site would be best used for housing that could accommodate low-wage
24 workers. She requested there be a separation between the park designation and the parcel
25 dedicated to affordable housing.

26 Terry Holzemer appreciated the dEIR's evaluation of Alternative Two. He shared concerns about
27 adding a third story to the Cannery but believed it was a better proposal than Alternative Three.
28 He shared briefly the history of the Cannery building and how important it is to retain historical
29 structures for future generations. He concurred with the previous speaker that the Cannery
30 building should be added to the California Register as well as the Local Historic Register.

31 Commissioner Roohparvar asked if the public comment will be left open until November 15,
32 2022.

33 Ms. Raybould concurred that public comment on the dEIR will be closed on November 15,
34 2022.

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1 Commissioner Roohparvar believed it would be beneficial for the Commission to read all the public
2 comments on the dEIR and hold a meeting after public comment is closed.

3 Ms. Raybould remarked Staff will return on November 30, 2022 per the PC Zone process.

4 Mr. Yang added all comments on the dEIR will be included in the Final EIR.

5 Commissioner Hechtman predicted Staff would not have enough time to respond to the
6 comments before the November 30, 2022 meeting. He mentioned the Staff report identified an
7 anticipated shortfall in vehicle parking compared to the standard. He predicted that the
8 shortfall would be addressed in the PC zoning.

9 Mr. Yang confirmed that is correct and stated it could be addressed under the existing Code as
10 well.

11 Commissioner Hechtman mentioned there was also a bicycle parking shortfall but believed that
12 would be addressed during the design of the project. He wanted to understand why Staff
13 recommended the project establish a TDM that reduced traffic by 15 percent.

14 Ms. Raybould shared the 15 percent reduction was established during negotiations with the DA.
15 The project was unique and it was unclear if a TDM should be applied or not. Under the current
16 requirements, a TDM was not required unless the City's affordable housing project was
17 included.

18 Commissioner Hechtman appreciated Staff's explanation and the applicant's willingness to
19 implement a TDM plan. He acknowledged preservation of historic structures is always a
20 challenging issue. There must be a balance between retaining the structural ties with the past
21 while supporting modernization and growth. He believed the project was trying to establish
22 that balance. With respect to trees, he understood that many of the trees proposed to be
23 removed were not heritage trees but some are protected trees.

24 Ms. Raybould confirmed that none of the trees were heritage trees. The original project filed
25 under SB330 was not subject to the newly adopted Tree Ordinance. The DA was filed after the
26 adoption of the Tree Ordinance. When that is analyzed, the City will want to understand the
27 baseline compared to the current Tree Ordinance.

28 Commissioner Chang wanted to understand what the proposed trees to be removed were
29 considered under the newly adopted Tree Ordinance.

30 Ms. Raybould stated Staff has asked the applicant to reanalyze the plans based on the new Tree
31 Ordinance.

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1 Commissioner Chang appreciated that and wanted to understand how many currently
2 protected trees would be impacted.

3 Commissioner Reckdahl was worried about the Cannery having 150,000 square feet of
4 commercial space.

5 Mr. Steele explained an R&D use instead of the existing office use would decrease the density
6 of office space in the building.

7 Commissioner Reckdahl pressed about what density was anticipated.

8 Mr. Steele answered 3.5 people per 1,000 square feet. He explained the R&D designation, with
9 the lower parking requirement and 15 percent reduction. The volume of the people in the
10 space will be controlled.

11 Commissioner Reckdahl argued that would be 500 employees.

12 Mr. Steele remarked currently there were roughly 500 employees at the site.

13 Commissioner Reckdahl had mixed feelings about the project. He appreciated the creek
14 restoration and having more affordable housing. The NVCAP Working Group envisioned the site
15 would provide more housing and he believed the proposal presented was a lost opportunity.

16 Chair Lauing asked what the assortment of bedroom sizes was for the proposed townhomes.

17 Mr. Steele answered they would be three and four bedrooms in the inclusionary townhomes.

18 Mr. Burton added that more than half will be four bedrooms.

19 Vice Chair Summa believed that California Environmental Quality Act (CEQA) could not consider
20 the City's affordable housing project because it was not physically there.

21 Mr. Yang noted the purpose of CEQA was to evaluate what was being proposed. CEQA
22 evaluated the proposed townhomes that are non-existing. The purpose of including affordable
23 housing in the CEQA review was to eliminate that step when a developer does present such a
24 project to the City.

25 Vice Chair Summa was not sure if the compatibility of the proposed townhomes and the
26 affordable housing project was considered when compared to the historic structure.

27 Ms. Raybould concurred there was no plan presented for the affordable housing project and its
28 compatibility could not be analyzed.

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1 Vice Chair Summa remarked the setting of a historic resource was an important part of what
2 makes the structure important. She predicted if Alternative Three were approved, the Cannery
3 would lose its historic status.

4 Mr. Yang answered no, that was not the case. The dEIR was a different analysis of whether the
5 resource retained its designation.

6 Vice Chair Summa wanted to know if the applicant was interested in using the Cannery for
7 parking.

8 Mr. Steele commented various options were explored and the best solution was to have the
9 townhomes located along Park Avenue.

10 Vice Chair Summa stated that an all-deed restricted affordable housing project will be labeled
11 between 30 to 60 area median income (AMI) with inclusionary between 100 and 120 AMI. She
12 questioned why the project did not include both types of housing.

13 Mr. Yang agreed the City needed as much affordable housing as possible at all income levels
14 but the proposal was the result of negotiations.

15 Vice Chair Summa stated the issue of how much commercial was being retained compared to
16 how much of the historical structure was being removed was concerning.

17 Chair Lauing asked for more details about the hazardous plume.

18 Ms. Raybould explained the plume was a known impact and that the impacts would be
19 addressed through the Conditions of Approval for the project.

20 Mr. Yang confirmed the City was working with the applicant to provide all the studies and
21 mitigation plans for the site the City was obtaining.

22 Chair Lauing underscored that the proposed project would provide significantly less housing
23 than was desired by the community.

24 Commissioner Hechtman mentioned the agenda indicated that 71 units of housing were being
25 proposed but the Staff report stated 74 units. He inquired if there was a way to increase the
26 unit count in an economically viable way.

27 Mr. Steele restated the original proposal was 94 townhomes but that conflicted with the
28 concept of naturalizing the creek. Any additional housing would result in losing more of the
29 Cannery building.

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1 Commissioner Hechtman acknowledged that it was a confined space and appreciated Mr.
2 Steele's comment. He wanted to understand for a future meeting what mechanisms the City
3 would be using to incentivize the City to build the future affordable housing project. He
4 mentioned that the dEIR had identified that Alternative Two met most of the project's
5 objectives. He referenced Table 6-2 and asked what the square footage was for the portion of
6 the existing Cannery building that would be rehabilitated for R&D use.

7 Ms. Raybould answered it was the same as proposed in the DA.

8 Commissioner Hechtman understood Alternative Two proposed to remove 142,000 square feet
9 of R&D space.

10 Ms. Raybould answered yes.

11 Commissioner Hechtman understood the primary objective of the original project was to have
12 91 townhomes and 142,000 square feet of R&D space.

13 Ms. Raybould remarked the goals of the DA were different from the stated objectives of the
14 dEIR.

15 Commissioner Hechtman noted the primary objectives listed for the original project did not
16 include R&D space, but that space was a part of the applicant's vision of the project. He
17 wondered if the project's objectives were incomplete in a way that made Alternative Two
18 appear to meet most of the objectives.

19 Mr. Yang commented the application for the 91 townhomes did not address what would
20 happen with the remaining portion of the Cannery.

21 Commissioner Hechtman was concerned that someone reading the dEIR would think that
22 adopting Alternative Two would end up with the same uses as the original project . He
23 understood that the 281 units in Alternative Two were all proposed to be in the Cannery
24 building.

25 Ms. Raybould answered yes, with a small cluster outside of the building.

26 Commissioner Hechtman understood within Alternative Two there would not be a separate 75
27 unit affordable housing project.

28 Ms. Raybould confirmed that is correct.

29 Commissioner Hechtman appreciated Staff's work on the project.

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1 Mr. Yang answered with respect to ensuring the affordable housing project is built, \$20 to \$30
2 million or less was a reasonable range of what the City can expect to have to provide for the
3 project. The \$5 million contribution from the applicant was intended to jump-start that funding.

4 Chair Lauing agreed that the City receiving the land for free greatly impacted the financial
5 implications of an affordable housing project.

6 Commissioner Reckdahl appreciated that the townhomes are family units. He inquired if the
7 applicant had considered an apartment building similar to the one near Heritage Park.

8 Mr. Steele stated it was not economically feasible to design a project that could not be built for
9 three to four years.

10 Commissioner Reckdahl wanted to understand the market for rental housing versus purchase.

11 Mr. Steele answered value-wise to the underlying, it was better to build for-sale units in the
12 City than it would be to build apartments.

13 Commissioner Reckdahl understood there was a high demand for townhomes.

14 Mr. Steele concurred.

15 MOTION

16 Vice Chair Summa moved to continue the item to a date certain, October 26, 2022.

17 SECOND

18 Commissioner Chang seconded.

19 VOTE

20 Ms. Klicheva conducted a roll call vote and announced the motion passed 7-0.

21 MOTION PASSED 7(Chang, Hechtman, Lauing, Reckdahl, Roohparvar, Summa, Templeton)-0

22 Chair Lauing stated the Staff report and oral presentation was outstanding.

23 **Commission Action:** Motion by Summa, seconded by Chang. Motion passed 7-0

24 **Approval of Minutes**

25 Public Comment is Permitted. Five (5) minutes per speaker.^{1,3}

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1 4. September 14, 2022 Draft Verbatim and Summary Meeting Minutes

2 MOTION

3 Commissioner Hechtman moved approval of the September 14 verbatim minutes as revised
4 and summary minutes as unrevised.

5 SECOND

6 Commissioner Chang seconded.

7 VOTE

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

10 MOTION PASSED 7(Chang, Hechtman, Lauing, Reckdahl, Roohparvar, Summa, Templeton)-0

11 **Commission Action:** Motion by Hechtman, seconded by Chang. Pass 7-0

12 [The Commission moved to Commissioner questions, comments and announcements]

13 **Committee Items**

14 **Commissioner Questions, Comments or Announcements**

15 Commissioner Chang referenced a letter from the public regarding 650 Seale Avenue. A primary
16 home with a junior accessory dwelling unit (JADU) was being marketed differently than what
17 was permitted by the City.

18 Albert Yang, City Attorney, stated the City could not take any enforcement action if the JADU
19 meets the City's requirements.

20 Commissioner Chang understood the City does not follow up after the structures are inspected.

21 Mr. Yang answered the City only inspects structures if a report were filed from a concerned
22 resident.

23 Chair Lauing supported Commissioner Hechtman's earlier recommendation to move the
24 November 9, 2022 PTC meeting to a later date.

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1 Commissioner Templeton suggested a poll be taken on who will be able to attend the
2 November 9, 2022 meeting.

3 Chair Lauing indicated that Commissioner Reckdahl will be out of town for the November 9,
4 2022 meeting.

5 Commissioner Templeton stated she could not attend the November 9, 2022 meeting.

6 Commissioner Chang also was unavailable on November 9, 2022.

7 Chair Lauing remarked he could attend the meeting but was not comfortable having the
8 meeting on that date due to elections.

9 Amy French, Chief Planning Official, asked if it would be helpful to change the start time.

10 Chair Lauing answered no.

11 Commissioner Templeton stated it was exhausting, as a person who ran for Council in a prior
12 year, to have a PTC meeting right after the elections.

13 Vice Chair Summa agreed.

14 Commissioner Reckdahl agreed.

15 Commissioner Hechtman recommended November 15, 2022 or November 16, 2022 be
16 scheduled as a special PTC meeting.

17 Ms. French restated there was a Housing Element community meeting on November 16, 2022
18 but Staff could explore changing the start time for the PTC meeting.

19 Chair Lauing inquired if any Commissioners were unavailable for November 16, 2022; seeing
20 none he supported moving the November 9, 2022 PTC regular meeting to November 16, 2022.

21 Ms. French suggested a 5:00 pm start time.

22 **Adjournment**

23 8:49 pm

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