

From: [Scott O'Neil](#)
To: [Planning Commission](#)
Subject: Self-Certification of the Housing Element
Date: Friday, March 3, 2023 2:10:53 PM

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Planning and Transportation Commissioners,

The self-certification path the city is asking you to consider on March 8 is sometimes called the “Hail Mary” by us housing activists. It’s a bad idea. The city’s best path to adoption remains HCD certification.

Remember that the 6th Cycle Housing Element draft is founded on a strategy of reaching HCD certification. This is a sound approach, in part because HCD has clear guidance and public precedent. But also because even if HCD is too permissive in places, no one is going to challenge an HCD-certified Element. And the city has been well-advised on what HCD is likely to accept –even in places where some see tension with the letter of the law.

Self-certification will give the transient false sense of security of having “done something” faster. But it’s ultimately setting the city up for a judge to be final arbiter of substantial compliance in the case of a developer lawsuit. This is a waste of money, when a relatively transparent and speedy administrative path to compliance is readily available.

Moreover, in the case of a lawsuit, the developer would be wise to bring up all strong challenges, even ones HCD did not choose to enforce in its response. At this point, the city’s past advice predicated on threading the needle to HCD certification becomes a liability: anywhere the city has inadvertently relied on HCD being too permissive would be a vulnerability in such a suit, as the city becomes a test case.

Lose, and the builder’s remedy doors could blow open wider and for longer than they are today. In [Palo Alto Forward’s December 6 letter](#), two deficiencies are called out that are particularly difficult to remedy. First, that the Housing Element Working Group was formed illegally, leaving community outreach inadequate with respect to AFFH law. Second, the city did not properly conduct owner outreach for inventory sites when it decided to take an “opt-out” approach. Both of these would take months at a minimum to cure.

The city should be hoping HCD turns a blind eye to these issues especially -which it may. Then the city should adopt policies to address all HCD comments with an eye toward resubmittal, and certification of a second official draft. Do this well, and the city could be in compliance some time in the summer. Take Hail Mary approach, and well: the metaphor is apt. Palo Alto can't know which judge will catch the ball --or which direction they'll run with it.

Finally, in the packet staff says certain densities in the draft submitted to HCD were in error, and the city is going adopt corrected ones. I do not see how this is advisable. Under a self-certification plan, the city will want to be able to tell a judge they incorporated HCD feedback in the adopted draft, but a plaintiff could say the city incorporated the feedback into a substantially different document than the one HCD reviewed. And that would be true.

-Scott O'Neil

P.S. I am on the board of Palo Alto Forward, but am writing for myself today.

From: [Voleck Taing, SVLG](#)
To: [Planning Commission](#)
Subject: SVLG's Capitol Connection: March 2, 2023
Date: Thursday, March 2, 2023 8:03:20 AM

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March 2, 2023

TOP OF MIND

Hot news. Senator Steve Glazer announced his resignation as a member of the

Senate Select Committee on Bay Area Public Transit due to bay area leaders failing to support fiscal oversight of Bay Area Rapid Transit (BART). From the Senator's press release: "Bay Area leaders have not stepped up to fix the fiscal oversight problems with BART, as well as the underfunding of the Inspector General's office," Glazer said. "When these problems are addressed, I will join with my colleagues and support greater transit funding."

Governor Gavin Newsom, issued a statement following the Court's decision to stop the University of California, Berkeley from building new student housing. For those not following this recent court decision, Berkeley's NIMBYs (Not In My Back Yard) blocked a critical student housing project through the use of CEQA (California Environmental Quality Act), citing potential loud noise and partying from students. CEQA has long been used as a weapon in halting critical builds and is not for its environmental protection purpose, which was the original intention.

Hot legislative lingo. << SPOT BILL >> The official definition for spot bill is *a bill that amends a code section in such an innocuous way as to be totally nonsubstantive*. These empty shell of a bill is intended to be a placeholder to allow lawmakers additional time to flesh out their legislative intent while complying with Legislative deadlines.

For instance, this year's bill introduction deadline, on Friday, February 17, 2023, ended with 1,046 spot bills introduced out of the 2,632 bills (this figure does not include the six special session bills). The spot bill amendment deadline to turn in substantive language is different for the two houses; the Assembly Rules Committee is Monday, March 13 and the Senate Rules Committee is Wednesday, March 22. This legislative trick allows an additional four to five weeks to assure there is germane and substantive language for the spot bill.

In the Legislature of Iowa, South Carolina, Nevada, and Washington, these states call the spot bill equivalent a *pre-filed bill*. In California, it's common to see multiple spots bill from the Assembly and Senate Budget Committees to prepare for work on the state budget.

Legislative updates.

Governor Appointment. Have you ever considered how your expertise and

knowledge can help make major decisions on regulations and policies, oftentimes without giving up your day job? There are various California boards and commissions slots open for consideration.

Positions are publicly available to be viewed on the Governor's [website](#).

LEGISLATIVE DATES TO KEEP IN MIND

March 13 – Assembly Rules Committee Spot Bill deadline

March 22 – Senate Rules Committee Spot bill deadline

March 30 – April 10 – Spring Recess

QUICK TAKES

VP Kamala Harris heading to San Francisco to highlight AAPI businesses –

Vice President Kamala Harris will travel to San Francisco Friday for a roundtable with Asian American and Pacific Islander small businesses, a White House official told The Chronicle. [San Francisco Chronicle](#)

2023 California Bill Tracker – Your guide to upcoming laws and legislation. Use this tool to monitor key bills as they move through the state Legislature. **Dustin Gardiner** and **Sophia Bollag** in the [San Francisco Chronicle](#)

Will the state's big Medi-Cal plan really fix mental health care for low-income Californians? – A year into the rollout of CalAIM, payment details are murky and obstacles remain in finding help for Medi-Cal recipients with mental health needs. [CalMatters](#)

California's most famous homeless man is dead. His life should guide CARE Court – CARE Court, California's plan for helping those with severe mental illness, is under attack by civil rights groups. But families fighting to help their loved ones say compassion demands intervention. [Los Angeles Times](#)

California lawmakers denied an anti-slavery bill last year but they are trying again – California lawmakers will once again introduce legislation that could ban imposing forced labor on inmates. This effort to amend state's Constitution was rejected last year when lawmakers failed to pass it through the Assembly. [Sacramento Bee](#)

Family business: Meet the Legacy Caucus in the California Legislature – One in

10 state lawmakers is related by blood or marriage to other legislators past and present. How do spouses, siblings and children get into politics, and what does it mean for lawmaking? [CalMatters](#)

As a reporter, I'd braced myself to cover mass shootings. My first was in my own community – As a journalist, I knew covering a mass shooting was a matter of when, not if. It never occurred to me that the first one I covered would take place in my community. [Los Angeles Times](#)

Will California protect gay marriage in its constitution? -- California Democrats want to change the state constitution to safeguard a right that is already firmly protected across the state, just in case the U.S. Supreme Court decides to do away with it. Oh, and putting it on the ballot will probably help Democrats in the 2024 election. [CalMatters](#)

California attorney general launches unit to investigate questionable criminal convictions -- California Atty. Gen. Rob Bonta has created a new legal team that will investigate 'wrongful or improper' criminal convictions from the past. [Los Angeles Times](#)

Do California's energy policies conflict? -- Sacramento and Palo Alto offered up a tale of two California energy policies as legislators considered the best way to stick it to Big Oil and Gov. Gavin Newsom talked up Tesla's expansion plans. [CalMatters](#)

California bill penalizing oil profits makes little progress -- After gas prices in California spiked to more than \$6.40 per gallon last summer, Gov. Gavin Newsom led a charge against an industry he says is "ripping you off." Months later, it's not clear if California's Legislature is following him. [Politico](#)

One developer is seeking the builder's remedy in two Silicon Valley cities. Here's how the responses have been different -- Just four miles apart, Los Altos Hills and Mountain View represent two of the key ingredients that makes Silicon Valley a center of global technology. [San Francisco Chronicle](#)

Walters: Will California's misused environmental law finally be reformed? -- The California Environmental Quality Act has been weaponized in conflicts over housing for years, and a new appellate court decision affecting UC Berkeley has once again revived talk about reforming the landmark law. But how far are Newsom and the Legislature willing to go? [CalMatters](#)

UPCOMING SVLG EVENTS

[March 7: Diversifying the STEM Workforce: A Conversation with Genentech Foundation and SFSU](#)

Join us at SVLG member San Francisco State University on March 7 from 10:00 A.M – 11:30 A.M. PST for the first roundtable under our Inclusion & Belonging – Center of Expertise! We'll hear from experts like **Carmen Domingo**, Dean of SFSU's College of Science & Engineering, and **Kristin Campbell Reed**, Executive Director of Citizenship and Engagement at Genentech Foundation, about their groundbreaking partnership that aims to diversify the STEM workforce in the Bay Area and beyond. This conversation will be moderated by SVLG's Senior Director of Racial Justice & Equity, **Damani Wilson**.

Space is limited and is first come, first served.

[March 29: Moment to Momentum – SVLG Racial Justice & Equity Summit](#)

Nearly three years following America's racial reckoning, how are Silicon Valley companies moving the needle on racial equity promises, and what can be done to keep the momentum going?

On Wednesday, March 29, SVLG will be hosting Moment to Momentum, our in-person Racial Justice & Equity Summit, at Levi's Stadium in Santa Clara.

We've planned an evening of conversation and community with leaders in tech, social justice, and policy, and we're excited to announce that **Van Jones**, CNN host and founder of Dream.org, will be our keynote speaker! Jones has a rare track record in the modern era of bringing people together to do hard things – in areas as diverse as clean energy solutions, criminal justice reform, and racial inclusion in the tech sector.

Join us for an opportunity to directly connect with diversity officers from our member companies and other change agents. Register [here](#) to join us at the home of the San Francisco 49ers for a can't-miss event! *This is a SVLG members only event and complimentary tickets are available on a first come first serve basis.*



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From: [Jeanne Fleming](#)
To: [Lait, Jonathan](#)
Cc: [Clerk, City](#); [Kou, Lydia](#); [Stone, Greer](#); [Tanaka, Greg](#); [Lauing, Ed](#); ["Julie Lythcott-Haims"](#); ["Vicki Veenker"](#); [Planning Commission](#); [Architectural Review Board](#); [French, Amy](#); [REDACTED]
Subject: Anticipated Cell Tower Applications
Date: Tuesday, February 28, 2023 3:53:05 PM

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Dear Jon,

As I think you know, I have, in the past, been corresponding with Amy French regarding cell tower-related matters. Recently, however, Amy has informed me that she is not sufficiently involved in cell tower matters to be able to answer my questions. Hence I am writing to you.

I have only one question: Does Staff anticipate receiving applications for new small cell nodes and/or new macro towers in the first two quarters of 2023?

It is my understanding that applicants typically preview their intentions. And as I am sure you can understand, residents would appreciate knowing what those intentions are.

Thank you for your help.

Sincerely,

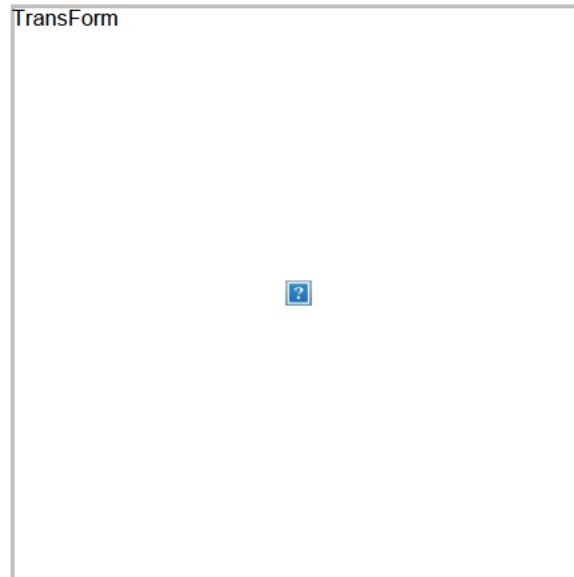
Jeanne

Jeanne Fleming, PhD
[REDACTED]

From: [TransForm](#)
To: [Planning Commission](#)
Subject: Stopping the Transit Death Spiral, 2023 Golden Sneaker Contest, and Electric Vehicle Access
Date: Friday, February 24, 2023 11:43:31 AM

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[View online](#)



The TransForm Dispatch

Improving Access to Electric Vehicles One Community at a Time

TransForm excels at connecting communities with transportation and housing policymakers. Drawing on our experience engaging communities for [Oakland's Zero Emission Vehicle Action Plan](#), we're working with UC Davis, Self-Help Enterprises, the Greenlining Institute, and Bay Area nonprofit partners including the Spanish Speaking Citizens Foundation to assess communities' transportation needs and identify ways to improve access to electric vehicles. As Californians increasingly adopt electric vehicles, our infrastructure will be reshaped. This is when we can ask questions to make sure that happens equitably. For instance, where will we put charging stations? What happens to gas stations? What are communities' transportation needs during this shift? This is the moment to make sure that historically underserved communities have a say in these changes.

This project aims to understand people's ongoing transportation experiences, and how they can be improved. From there, we'll seek to understand people's needs when it comes to electric vehicles—including cars, electric scooters and bikes, and transit—and how access can improve existing mobility options. Stay tuned for updates on this project.



Tell Your State Representatives to Save Transit from the Death Spiral and Reimagine a New Future

Bay Area transit agencies are facing a severe funding shortfall that could result in devastating service cuts and increased fares unless we get additional funds. **But you can help!**

[Contact your state legislators](#)—our online tool makes it easy—before the Transportation Committee hearing on **Monday, February 27** and ask them to support funding to keep fast, safe, and reliable public transit available to everyone.

TransForm is co-leading a coalition dedicated to securing transportation funding. We need your help to make sure public transit in the Bay Area survives and thrives. Make your voice heard today, and tell your friends to do the same.

Yes, I'll Sign On to Save Transit



The 2023 Golden Sneaker Contest is On!

Elementary and middle school students throughout Alameda County are tracking their travel to school for two weeks, receiving a point for every day they walk, bike, skateboard, scoot, carpool, or ride transit to school. Classrooms with the most points win stylish golden shoelaces for each student, and the coveted Golden Sneaker trophy.

For more than a decade, led by TransForm's Safe Routes to Schools team, the Golden Sneaker contest has encouraged thousands of students and families to use healthy and sustainable modes of transportation to and from school. **This year, more than 100 schools across Alameda County will participate.**

We wish all participants the best of luck and may the best classroom win!

The Alameda County Safe Routes to Schools Program is a program of the Alameda County Transportation Commission (alamedactc.org) and is funded with Alameda County's local sales tax Measure B, regional, state and federal funds.

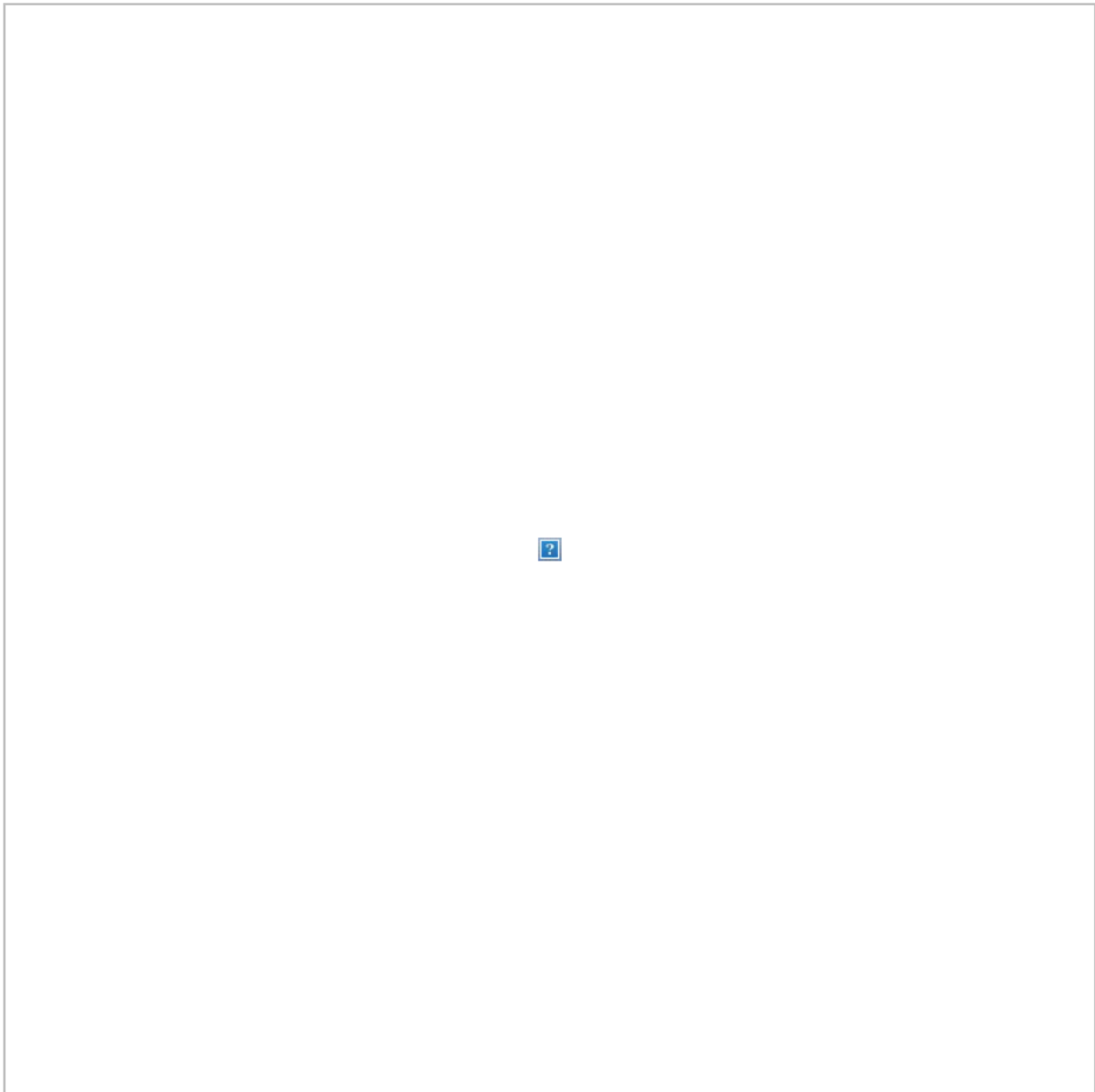
Read More About the Golden Sneaker



We're Hiring!

TransForm is looking for an Operations Manager to support our fantastic staff of 20 at our Downtown Oakland office. We're looking for the perfect person to help run the practical aspects (finance, HR, IT, maintenance coordination, snack acquisition, etc.) of our organization to help us do what we do best: working closely with partners at the local, regional, and state levels to create healthier, more connected, equitable and affordable communities. TransForm is a fun and inspiring place to work, and offers great benefits. If this sounds like you or someone you know, click below to learn more.

[Learn More](#)



Consider contributing to TranForm's work to connect people of all incomes to walkable communities with excellent transportation choices and equitable housing by making a donation.

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From: [Jeanne Fleming](#)
To: [French, Amy](#)
Cc: [Clerk, City](#); [Kou, Lydia](#); [Stone, Greer](#); [Tanaka, Greg](#); [Lauing, Ed](#); ["Julie Lythcott-Haims"](#); ["Vicki Veenker"](#); [Planning Commission](#); [Architectural Review Board](#); [Lait, Jonathan](#); [REDACTED]; [REDACTED];
Subject: Your note
Date: Thursday, February 23, 2023 12:04:53 PM
Attachments: [image001.png](#)
[image002.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[image007.png](#)

Dear Amy,

Thank you for writing. Needless to say, I am surprised by your note. I've been corresponding with you for five years regarding cell tower applications and approvals on the assumption that Palo Alto's Chief Planning Official was the appropriate person to whom to direct most of United Neighbors' questions.

But rest assured, I hear you, and I will direct my inquiries elsewhere in the future.

Thank you for your help in the past.

Jeanne

Jeanne Fleming, PhD
[REDACTED]

From: French, Amy <Amy.French@CityofPaloAlto.org>
Sent: Wednesday, February 22, 2023 5:24 PM
To: Jeanne Fleming [REDACTED] >
Cc: Gerhardt, Jodie <Jodie.Gerhardt@CityofPaloAlto.org>
Subject: RE: Cell Tower Applications

Jeanne, I am sorry to say this but I think you expect more from me than I can offer. I do receive your emails and I forward them in an effort to provide helpful answers.

My only involvement in cell towers and nodes lately is seeing your emails and trying to be helpful, but I feel I only disappoint you each time.

If there is a staff report going to ARB, PTC or Council on wireless, I will see those reports. Maybe that is the best time for me to reach out to you, when a hearing is coming up.

Garrett is your best bet for information on actual projects. I do not meet regularly with Garrett to

know what is on the horizon. Jodie, copied, is Garrett's supervisor. I always forward your emails to Garrett, as I do not have answers you seek.

From: Jeanne Fleming [REDACTED]
Sent: Wednesday, February 22, 2023 4:14 PM
To: French, Amy <Amy.French@CityofPaloAlto.org>
Cc: Clerk, City <city.clerk@cityofpaloalto.org>; Kou, Lydia <Lydia.Kou@CityofPaloAlto.org>; Stone, Greer <Greer.Stone@CityofPaloAlto.org>; Tanaka, Greg <Greg.Tanaka@CityofPaloAlto.org>; Lauing, Ed <evlauing@yahoo.com>; 'Julie Lythcott-Haims' <julieforpaloalto@gmail.com>; 'Vicki Veenker' <vicki@vickiforcouncil.com>; Planning Commission <Planning.Commission@cityofpaloalto.org>; Architectural Review Board <arb@cityofpaloalto.org>; Lait, Jonathan <Jonathan.Lait@CityofPaloAlto.org>; [REDACTED]
[REDACTED]
Subject: FW: Cell Tower Applications

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Hi Amy,

You haven't responded to my email below of February 6th, so I'm resending it with the thought that you may not have received it.

My question: Does Staff anticipate receiving applications for new small cell nodes and/or new macro towers in the first two quarters of 2023? As I understand it, applicants typically preview their intentions.

Thanks and best,

Jeanne

Jeanne Fleming, PhD
[REDACTED]

From: Jeanne Fleming [REDACTED]
Sent: Monday, February 6, 2023 3:13 PM
To: 'French, Amy' <Amy.French@CityofPaloAlto.org>
Cc: 'Clerk, City' <city.clerk@cityofpaloalto.org>; Lydia.Kou@CityofPaloAlto.org; greer.stone@CityofPaloAlto.org; greg.tanaka@cityofpaloalto.org; 'Edward Lauing' <evlauing@yahoo.com>; 'Julie Lythcott-Haims' <julieforpaloalto@gmail.com>; 'Vicki Veenker' <vicki@vickiforcouncil.com>; Planning.Commission@CityofPaloAlto.org; 'Architectural Review Board' <arb@cityofpaloalto.org>; 'Lait, Jonathan' <Jonathan.Lait@CityofPaloAlto.org>; 'Sauls, Garrett'

<Garrett.Sauls@CityofPaloAlto.org>; [REDACTED]

Subject: RE: Cell Tower Applications

Thank you for the clarification, Amy. I appreciate it.

You don't mention it, so I trust I am correct that, as of the end of January, 2023: 1) Palo Alto has 116 small cell node cell towers, and 69 macro towers; and 2) there are no submissions for new small cell nodes or for new macro towers currently under consideration.

Does Staff anticipate receiving applications for new small cell nodes and/or new macro towers in the first two quarters of 2023? As I understand it, applicants typically preview their intentions.

Thank you again,

Jeanne

PS I have few additional questions about the spreadsheet you sent and will write to Garrett separately with them.

Jeanne Fleming, PhD
[REDACTED]

From: French, Amy <Amy.French@CityofPaloAlto.org>

Sent: Monday, February 6, 2023 9:01 AM

To: [REDACTED]

Cc: Sauls, Garrett <Garrett.Sauls@CityofPaloAlto.org>

Subject: FW: Cell Tower Applications

Good morning Jean,

An update to say there were actually 29 – one more than the 28 I had previously emailed to you. This email came a little later in the day to me via email, after the data I received that I forwarded to you.

Just so you have the correct number.

Thanks for understanding

AMY FRENCH
Chief Planning Official



Planning and Development Services
(650) 329-2336 | amy.french@cityofpaloalto.org
www.cityofpaloalto.org



Service Feedback

From: [Yarkin, Genna \(SFO - X56990\)](#)
To: [Lait, Jonathan](#)
Cc: [Maclean, Chelsea M \(SFO - X56979\)](#); [John Favreau](#); [Yang, Albert](#); [Jeff.farwestern@gmail.com](#); [Planning Commission](#); [Council, City](#); [HeUpdate](#)
Subject: Request for Inclusion as Housing Element Inventory Site - 3997 Fabian Way
Date: Monday, March 6, 2023 2:11:27 PM
Attachments: [Letter to City re Housing Element Inventory Site - 3997 Fabian Way 3-6-2023.pdf](#)
[Exhibit A - Study Session Staff Report\(191109968.1\).pdf](#)

CAUTION: This email originated from outside of the organization. Be cautious of opening attachments and clicking on links.

Good afternoon Jonathan,

On behalf of Juno Realty Partners and working in partnership with Far Western Land and Investment Company, we are transmitting the enclosed letter requesting that all 6 parcels of land at 3997 Fabian Way (APNs 127-37-002, 127-37-003, 127-37-004, 127-37-005, 127-34-006, and 127-34-007) be included in the Housing Element's housing site inventory. At this time, some of the property is included but not all - the attached letter supports our request for all to be included.

We understand that the City's Planning and Transportation Commission is holding a hearing to consider the Housing Element this Wednesday evening - we would also like to include the attached letter and its exhibit as public comment on that item, Agenda Item #3.

Thank you very much for your attention to this matter, and please feel free to reach out with any questions.

Chelsea Maclean - Holland & Knight
Genna Yarkin - Holland & Knight

Genna Yarkin | Holland & Knight PRIDE

She/Her/Hers

Associate

Holland & Knight LLP

50 California Street, Suite 2800 | San Francisco, California 94111

Phone 415.743.6990 | Fax 415.743.6910

genna.yarkin@hklaw.com | www.hklaw.com

[Add to address book](#) | [View professional biography](#)

Our San Francisco office will have a new address as of March 17th:

560 Mission Street, 19th Floor | San Francisco, CA 94105

Our phone numbers and email addresses remain the same.

NOTE: This e-mail is from a law firm, Holland & Knight LLP ("H&K"), and is intended solely for the use of the individual(s) to whom it is addressed. If you believe you received this e-mail in error, please notify the sender immediately, delete the e-mail from your computer and do not copy or disclose it to anyone else. If you are not an existing client of H&K, do not construe anything in this e-mail to make you a client unless it contains a specific statement to that effect and do not disclose anything to H&K in reply that you expect it to hold in confidence. If you properly received this e-mail as a client, co-counsel or retained expert of H&K, you should maintain its contents in confidence in order to preserve the attorney-client or work product privilege that may be available to protect confidentiality.

Holland & Knight

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March 6, 2023

Jonathan Lait
Director, Planning & Development Department
250 Hamilton Avenue
Palo Alto, CA 94301

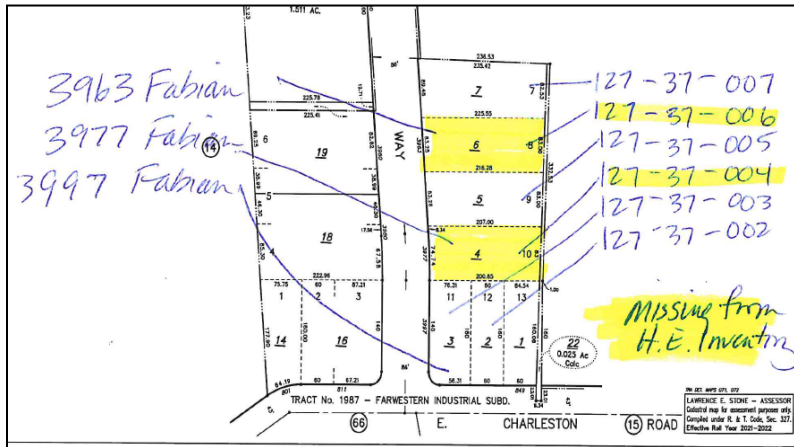
Re: Request for Inclusion as Housing Inventory Site - 3997 Fabian Way

Dear Jonathan:

This firm represents Juno Realty Partners, who works in partnership with Far Western Land and Investment Company (the "Owner"). The Owners owns the 6 parcels at 3997 Fabian Way with APNs 127-37-002, 127-37-003, 127-37-004, 127-37-005, 127-34-006, and 127-34-007 (the "Property"). We have been following the City's 6th Cycle Housing Element Update process, and we understand that while the City has now submitted its first draft to the California Department of Housing and Community Development ("HCD") for review, it is likely that further revisions will be required before the City is ready to adopt the Housing Element.

We further understand that the City's Planning and Transportation Commission is holding a hearing to consider the Housing Element on March 8, 2023. *Accordingly, we are addressing this letter to you but also copying the Planning and Transportation Commission, and would like this letter to be included as public comment to Item #3 on Wednesday evening's agenda.*

At this time, the Property is only partially included in the Housing Element's housing site inventory, Appendix D. Parcels 127-37-004 and -006 are missing entirely from Appendix D, and parcels 127-37-003, -004 and -006 are missing from Figure 3-8 which is titled "Opportunity sites Within the GM zone District." Please see the below image for context – the yellow areas are not currently in the inventory:



The Owner has previously emailed with Senior Planner Tim Wong about this omission, but it has not yet been resolved. Accordingly, on behalf of the Owner, ***we hereby formally request that the entire Property be included in the Housing Element.***

The City's housing inventory site must include:

An inventory of land suitable and available for residential development, including vacant sites and ***sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level***, and an analysis of the relationship of zoning and public facilities and services to these sites, and an analysis of the relationship of the sites identified in the land inventory to the jurisdiction's duty to affirmatively further fair housing.¹

HCD explains that “[s]ites are suitable for residential development if zoned appropriately and available for residential use during the planning period.”² HCD also explains that the types of sites that have potential for new residential development within the planning cycle include “[r]esidentially zoned sites that are capable of being developed at a higher density (nonvacant sites, including underutilized sites).”³

The Property is zoned General Manufacturing (GM). In its Program 1.1, the 6th Cycle Housing Element lays out a plan to amend the zoning for GM-zoned parcels to allow dense multifamily residential development, which makes the entire Property suitable for inclusion in the inventory. Redevelopment of the Property's parcels, which are all contiguous to one another, would require the demolition of existing structures that currently straddle parcel lines, including some structures

¹ Gov. Code § 65583(a)(3) (emphasis added).

² HCD, Housing Element Site Inventory Guidebook Government Code Section 65583.2, (June 10, 2020), at 3, https://www.hcd.ca.gov/community-development/housing-element/docs/sites_inventory_memo_final06102020.pdf (emphases added) [hereinafter “HCD Housing Element Site Inventory Guidebook”].

³ *Id.* at 5.

Jonathan Lait
March 6, 2023
Page 3

that are partially on listed sites and partially on unlisted sites. Especially because any redevelopment would require demolition of these structures, it would be illogical for the Housing Element not to include the intervening parcels.

There is also a "realistic and demonstrated potential for redevelopment" of the Property.⁴ The Owner is interested in multifamily redevelopment of the entire Property. See, for example, the enclosed Study Session report dated February 8, 2021 (Exhibit A). The Owner also has a dedicated interested in providing affordable housing as part of a project. The Property is surrounded by nearby residential development, and is steps away from high-quality transit. It would therefore be entirely appropriate to list the entire Property.

Thank you for your consideration, please feel free to reach out with any questions.

Sincerely yours,

HOLLAND & KNIGHT LLP



Chelsea Maclean
Genna Yarkin

cc: City of Palo Alto Planning and Transportation Commission
City of Palo Alto City Council
Albert Yang - Assistant City Attorney
Tim Wong - Senior Planner
Jeff Farrar - Far Western Land and Investment Company
John Favreau - Juno Realty Partners LLC

⁴ Gov. Code § 65583(a)(3).



City of Palo Alto

City Council Staff Report

(ID # 11842)

Report Type: Study Session

Meeting Date: 2/8/2021

Summary Title: 3997 Fabian Way: Prescreening for PHZ

Title: 3997 Fabian Way (20PLN-00287): Request for Pre-Screening of the Applicant's Proposal to Rezone the Subject Property From General Manufacturing (GM) to Planned Home Zoning (PHZ) and to Redevelop the Site With a 290 Unit Residential Development. Environmental Assessment: Not a Project. Zoning District: GM (General Manufacturing).

From: City Manager

Lead Department: Planning and Development Services

Recommendation

Staff recommends that Council conduct a prescreening review and provide informal comments regarding the applicant's rezoning request.

Executive Summary

This prescreening is a request by the applicant to rezone the subject General Manufacturing (GM) zoned property (six parcels) to "Planned Home Zoning (PHZ)".¹ The applicant is a long-time owner of the property, which is currently used for research and development. The owner is exploring the possibility of removing the existing commercial floor area to construct a residential only project.

This prescreening application responds to the City Council's expressed interest in learning from home builders what it takes to create more housing opportunities in Palo Alto. Utilizing the Planned Community (PC) zoning process, a PHZ application must meet two initial qualifying criteria established by the City Council: 1) provide 20% of the total units as affordable housing selected from a prescribed menu of options, and 2) provide housing units that meet or exceed the demand generated by any net new jobs.

¹ Referred to in this report as "Planned Home Zone" to emphasize the focus on housing as the benefit to the community. PAMC Section 18.38, which outlines the requirement and process for Planned Community (PC) Zoning, remains the underlying code supporting application of this policy.

The location of this project is near the San Antonio Road corridor. The property is adjacent to other high-density residential properties, near bus transit (lines on Fabian and Charleston), and near employment centers. This proximity presents unique policy considerations, described later in this report. The project would require a formal application consistent with Palo Alto Municipal Code (PAMC) 18.38 to allow for a Development Plan with increased height, increased Floor Area Ratio (FAR), and a zoning map change to Planned Community for the properties.

In accordance with Palo Alto Municipal Code (PAMC) Section 18.79.030(A), a prescreening review is required for legislative changes, including rezoning, prior to submittal of a formal application. Prescreenings are intended to solicit early feedback on proposed projects and, like all study sessions, cannot result in any formal action. Comments provided during the prescreening process are not binding on the City or the applicant. Because this proposal may return to the City Council as a quasi-judicial application, Councilmembers should refrain from forming firm opinions supporting or opposing the project.

Background

One year ago, the City Council identified housing as a key priority. At a subsequent meeting in February 2020, the Council unanimously endorsed using Planned Home Zoning (PHZ) for housing and mixed-use housing projects to help spur housing production. PHZs allow a home builder to share a plan for adding housing, but also include one or more requests to modify local zoning standards. In exchange for modifying certain development standards, the project must include at least 20% of the housing units as affordable through a menu of options including a combination of inclusionary housing and payment of an in-lieu fee. Moreover, the number of housing units must offset the number of net new commercial jobs that are generated by the project. The City Council endorsed staff's proposed approach for the inclusionary housing options and the formula to determine the jobs/housing ratio on September 21, 2020.²

Since Council signaled its unanimous interest in using PHZs to stimulate housing, staff has met with several individuals exploring redevelopment of certain properties, including representatives for the subject request.

Project Description

The owner, Jeff Farrar of Far Western Land and Investment Company, requests a prescreening review for a conceptual residential project containing 290 dwelling units. The preliminary schematic drawings (available online: <https://www.cityofpaloalto.org/civicax/filebank/documents/79745>) are conceptual, as is

² Link to 9-21-2020 Staff Report:

<https://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?t=43675.41&BlobID=78363>.

appropriate at this stage of project consideration. The applicant proposes a six-story building with two levels of parking. One of the levels is a basement while the other level constitutes the podium level (ground level) of the building so that the residential levels would be on levels two through six.

The total project floor area is 259,192 square feet resulting in a floor area ratio of 2.8 (2.8:1 FAR). The building would extend to approximately 67 feet in height. As shown in the conceptual plans, the height is uniform for the proposed building without any step backs proposed at this time. It is anticipated there would also be elevator shafts and mechanical equipment on the roof that would extend the height at some rooftop locations. The elevations are conceptual but convey that this is a residential project with uniform fenestration and private balconies. It is likely that a formal application would reflect adjustments to the design and that any design would be subject to evaluation by the City's Architectural Review Board (ARB).

The project provides all the required parking on site and includes two levels of structured parking with one level at grade and another in a basement level. The project site is located above a hazardous plume (described later in this report) and therefore there are limitations and precautions for subterranean construction, particularly when housing is proposed. Although not shown in detail at this time, all parking spaces would be standard spaces and have direct access – no mechanical vehicle lifts.

Above the first level of parking (the podium level) the proposal is for five levels for residential units with a mix of studios (45 units), one-bedroom (160 units) and two-bedroom (85 units). The plans also indicate two courtyards with unspecified amenities available to the residents that would count towards open space requirements.

Currently, the applicant proposes to provide 10% of the units as inclusionary (very low income at 50% Area Median Income (AMI)) and an in-lieu fee for full housing impact fee. This was identified as Option 3.³ This would result in an overall affordable inclusionary housing requirement of approximately 25%. The project would also result in a net housing increase and net jobs loss for the site as there is no commercial or office component proposed for the site.

The applicant's project description and conceptual project plans are included with this report as *Attachments C and D*, respectively.

Project Setting

The project site is currently developed with two existing research & development use buildings and surface parking spaces. The project site consists of six contiguous parcels on the northeast side of the intersection of Charleston Road and Fabian Way. Both Charleston Road and Fabian

³³ Connect to staff report which has the options for affordability.

Way are four-lane roads adjacent to the subject property. All subject parcels are zoned General Manufacturing (GM). *Attachment A* provides a location map with adjacent zoning designations.

The Taube-Koret Campus for Jewish Life (TKCJL) and Oshman Family Jewish Community Center is a mixed-use Planned Community (PC) on an 8.5-acre site (PC-4918 district⁴) located to the east of the subject site. The TKCJL campus also forms the boundary along the north of the subject site. To the west across Fabian Way are office buildings, private school Kehillah High School (at 3900 Fabian), and an automotive repair use at the intersection of Charleston Road and Fabian Way on GM zoned properties. To the southwest of the site is multi-family residential use on Multi-family residential (RM-20) zoned property. To the south across Charleston Road are automotive repair and office uses on GM-zoned properties. The buildings within this area range from one through five stories in height. Another notable residential project is north of the TKCJL and Community Center (Altaire apartments, PC-4917 district)⁵.

Discussion

Staff would provide a thorough analysis of the Zoning and Comprehensive Plan compliance following the submittal of a formal application. While the Comprehensive Plan allows residential uses within industrial land use districts, the GM zoning district does not allow for residential uses unlike other industrial zoning districts. A review of the conceptual plans shows that the project would exceed the typical zoning requirements allowed by the GM zoning regulations and also exceed zoning requirements of high density residential (RM-40) zoning regulations. *Attachment B* provides a comparison of the project with these development standards. The comparison demonstrates that the project would need to request increases in height, floor area, lot coverage and reductions to setbacks (Charleston). Open space proposed appears to be less than what is required; however, given the conceptual nature of the project this could likely be resolved. The project also does not specify daylight plane consistency as another development standard that would need to be addressed nor specify the location of the proposed bicycle parking.

The PHZ application provides a path for home builders and the City Council to consider adjustments in zoning that stimulate more housing units. As previously reported, the City continues to lag in housing units produced compared to the state's regional housing needs assessment for Palo Alto, but also through local objectives set forth in the adopted Palo Alto Comprehensive Plan 2030.

The subject prescreening application represents one response to the City Council's request to home builders to show what it would take to build more housing in Palo Alto. Different owners

⁴ PC-4918 – 432,200 SF mixed-use building with 193 condominium congregate care/senior units and 134,100 SF community center.

⁵ PC-4917 – 216,700 SF residential building with 103 for sale units and 56 BMR senior apartments.

with different site constraints and expectations on their return on investment may present different responses. However, as anticipated by authorizing PHZ applications, modifications to local zoning will be required to generate more housing. In exchange, the City would achieve more housing units, including inclusionary housing units, while not exacerbating the jobs/housing imbalance. It is staff's expectation that after several PHZ applications are reviewed and ultimately approved, clearer direction will be enabled for property owners. The clarity would relate to development standards requiring adjustment to support more housing development and eventually reduce the need for PHZ applications.

Key Issues

The following are key issues the proposed project raises as staff and Council consider housing development at the subject site. Some of these are common issues seen with other PHZ applications as they demonstrate the constraints of the zoning code for housing development.

- Land Use/Zoning
- Height
- Floor Area Ratio
- Lot Coverage
- Setbacks
- Open Space

Land Use/Zoning

The Comprehensive Plan land use designation for the site is Light Industrial. Based on the description for the land use residential uses may be allowed. According to the Comprehensive Plan this designation is described as:

Wholesale and storage warehouses and the manufacturing, processing, repairing and packaging of goods. Emission of fumes, noise, smoke, or other pollutants is strictly controlled. Examples include portions of the area south of Oregon Avenue between El Camino Real and Alma Street that historically have included these land uses, and the San Antonio Road industrial area. Compatible residential and mixed use projects may also be located in this category. FAR will range up to 0.5. Consistent with the Comprehensive Plan's encouragement of housing near transit centers, higher density multi-family housing may be allowed in specific locations.

Unlike other industrial zoning classifications in the City, the GM zoning district does not allow residential uses. The underlying development standards for the district do not provide good comparisons for a residential project. Therefore, *Attachment B* also compares the project to the RM-40 development standards. The RM-40 district represents the highest residential densities

for the City absent any other combining district or applying the Housing Incentive Program (HIP). No combining district or the HIP are applicable to the subject project. Consideration of the PHZ is the appropriate zoning tool for this site for housing production.

The long-time property owner for the subject property is at a decision-point as to what to do with the property. The current tenant has vacated the site. The owner could allow new tenants to occupy the buildings, redevelop the site with newer R&D office buildings, or as proposed, a housing project. The owner has not proposed or considered a mixed-use development option. While the proposed housing project would represent a loss in jobs, overall, this would help the City's jobs/housing balance because the City is rich in jobs and lower in housing.

Height

One of the common constraints for applicants seeking to produce more housing in Palo Alto is the building height limit standard. The underlying GM zoning district maintains a 35 foot height limit, while compared to the RM-40 district there is a 40 foot height limit. The proposed building height would be 66'-11". The neighboring TKCJL Planned Community's tallest structure is 56 feet.

In accordance with PAMC 18.38.150(b) (Special Requirements for PC zones), the maximum height for PC's proposed within 150 feet of residentially zoned properties including PC zones with residential is 35 feet. An exception is for PCs that propose at least 60% of the gross floor area excluding parking as residential, the height can be 50 feet when adjacent to a higher density residential district. The PAMC allows for a height of 50 feet in certain zoning districts, which is the tallest height allowed within the city except for the Hospital District (HD).

Staff identifies two components of the project that drive the height: 1) one of the levels of the parking is at grade (11 feet floor to ceiling) and 2) the parapet is 5'-6" in height. If the parapet was reduced to a minimum that would allow for a design that meets the findings for an Architectural Review and both levels of parking were to be undergrounded, then the overall height of the building is reduced to approximately 53 feet. However, as described below, the underlying groundwater contamination increases mitigation costs in addition to typically high construction costs related to subterranean garage structures.

Environmental Contamination

The project site is located within the Ford Aerospace regional plume of volatile organic compounds, which has affected groundwater, due to off-site contamination.⁶ At the time the TKCJL project was constructed, the requirement was for an above grade parking facility was proposed given housing development. The TKCJL housing begins above the first level. A vapor

⁶ State Water Board Information:

https://geotracker.waterboards.ca.gov/profile_report.asp?global_id=SL18288709

barrier is likely to be required with this project and any below grade construction would likely necessitate an active ventilation system. This has cost and design implications with ongoing monitoring as well to ensure future residents are protected. The applicant confirmed that because the site is affected by the plume, subterranean development would be difficult and infeasible at certain depths. Other options to consider to potentially reduce the height include partial undergrounding of the podium parking level and use of mechanical lift parking. The extent to which the height could be reduced by implementing this alternative has not been studied.

Floor Area Ratio (FAR)

Another common constraint for producing housing is the FAR limit. FAR is the measurement of a building's floor area in relation to the size of the lot/parcel that the building is located on. The owner proposes a 2.77:1 FAR. By comparison the maximum FAR for a project within the RM-40 zone is 1.0:1. The Housing Incentive Program (HIP) that was recently added to San Antonio Road allows an FAR of 2.0:1. For comparison, other recent prescreening projects proposing to use the PHZ include an FAR range between 1.79:1 to 2.55:1⁷.

Lot Coverage

While no information is provided by the applicant within the project plans, it is expected that the project would exceed the maximum lot coverage allowed. This appears to be consistent with other PHZ proposed projects. The City has previously allowed consideration of a lot coverage waiver for HIP projects. Comparatively, the subject PHZ proposal is a housing intensive development like that of a HIP project.

Setbacks

The project proposes setbacks that are consistent with the Special Setbacks along Fabian and Charleston. The project also provides setbacks that are consistent with the underlying GM zoning district and comparable with the RM-40 district. However, PC districts have additional development standards when located within 150 feet of any RE, R-1, R-2, RM or any PC district permitting single-family development or multiple-family development that are contained in PAMC 18.38.150, Special requirements. Since the adjacent PC district contains a mixed-use development, these special requirements are not applicable in that instance, however, the project is opposite a property that is zoned RM-20 (diagonally across from intersection). Therefore, the setback requirements along Charleston shall be consistent with the minimum setback of the RM-20 district for the front yard, which is 20 feet instead of the proposed 10 foot setback. The minimum street side yard setback within the RM-20 district is 16 feet, while the

⁷ 3300 El Camino Real (20PLN-00101), requested 1.79 FAR. Link to 6-22-2020 Staff Report: <https://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?t=73113.28&BlobID=77258>
2951 El Camino Real (20PLN-00158) requested 2.55 FAR. Link to 1-19-21 Staff Report - <https://www.cityofpaloalto.org/civicax/filebank/documents/79814>

proposed project has a 20 foot setback. The setback is consistent with the more restrictive special setback.

Open Space

The project plans include a summary of the amount of open space proposed. The project would not meet the minimum requirements established by the RM-40 district. Without any detail it is difficult to ascertain any specific solutions to remedy the open space shortages. However, staff expects that with some revisions, these multi-family standards could be achieved.

Other considerations

The City recently approved expansion of the HIP with 2.0 FAR along the San Antonio Road corridor between Charleston Road and Middlefield Road that would accommodate approximately 800 dwelling units.

Policy Implications

The subject proposal illustrates the tensions between the City's desire to increase housing unit production and the external constraints imposed by market forces and applicant tolerance for risk over return within the City's regulatory framework.

When the City Council endorsed using PHZ to encourage more housing, Council knew this process would necessarily result in potential home builders seeking relief from certain development standards. The likeliest exceptions to standards include excess floor area ratio and lot coverage, parking reductions, adjustments to retail preservation requirements, and excess height.

Each PHZ that is presented to the City Council represents the unique challenges individual developers face with specific lot constraints and their willingness to accept various returns on cost or yield for the project. This project includes no office or commercial and would help provide more housing to alleviate the jobs-housing imbalance issue.

An important policy consideration is whether a project that includes 100% residential and provides approximately 25% in affordable housing through a combination of inclusionary (very-low income) and payment of in-lieu housing impact fees is a good trade-off to allow increases in height, FAR, and lot coverage. The site is not adjacent to low-density residential and is located in an area with larger buildings and anticipated larger buildings along San Antonio Road.

Lastly, the plans and compliance review in this report are preliminary. The purpose of the prescreening process is not to exhaustively review a project for compliance with code or require significantly detailed plans, which may change before a formal application is filed. However, several key development standards have been analyzed and discussed for the purposes of this prescreening application. If a formal application is filed, the Planning and

Transportation Commission and Architectural Review Board will have opportunities to hold public hearings and make recommendations to the City Council, which makes the final decision on any PHZ application.

Stakeholder Engagement

This item was published in the Daily Post on January 29, 2021, which is 10 days in advance of the meeting. Postcard mailing occurred on January 25, 2021, which is 14 days in advance of the meeting.

Environmental Review

The prescreening application involves no discretionary action and is therefore not a project and not subject to review pursuant to the California Environmental Quality Act (CEQA). Subsequent project applications will require project-specific environmental analysis. For this site, staff anticipates the documents required for environmental review will include Phase I & Phase II Environmental Site Assessments, a Traffic Report and a Historic Resource Evaluation.

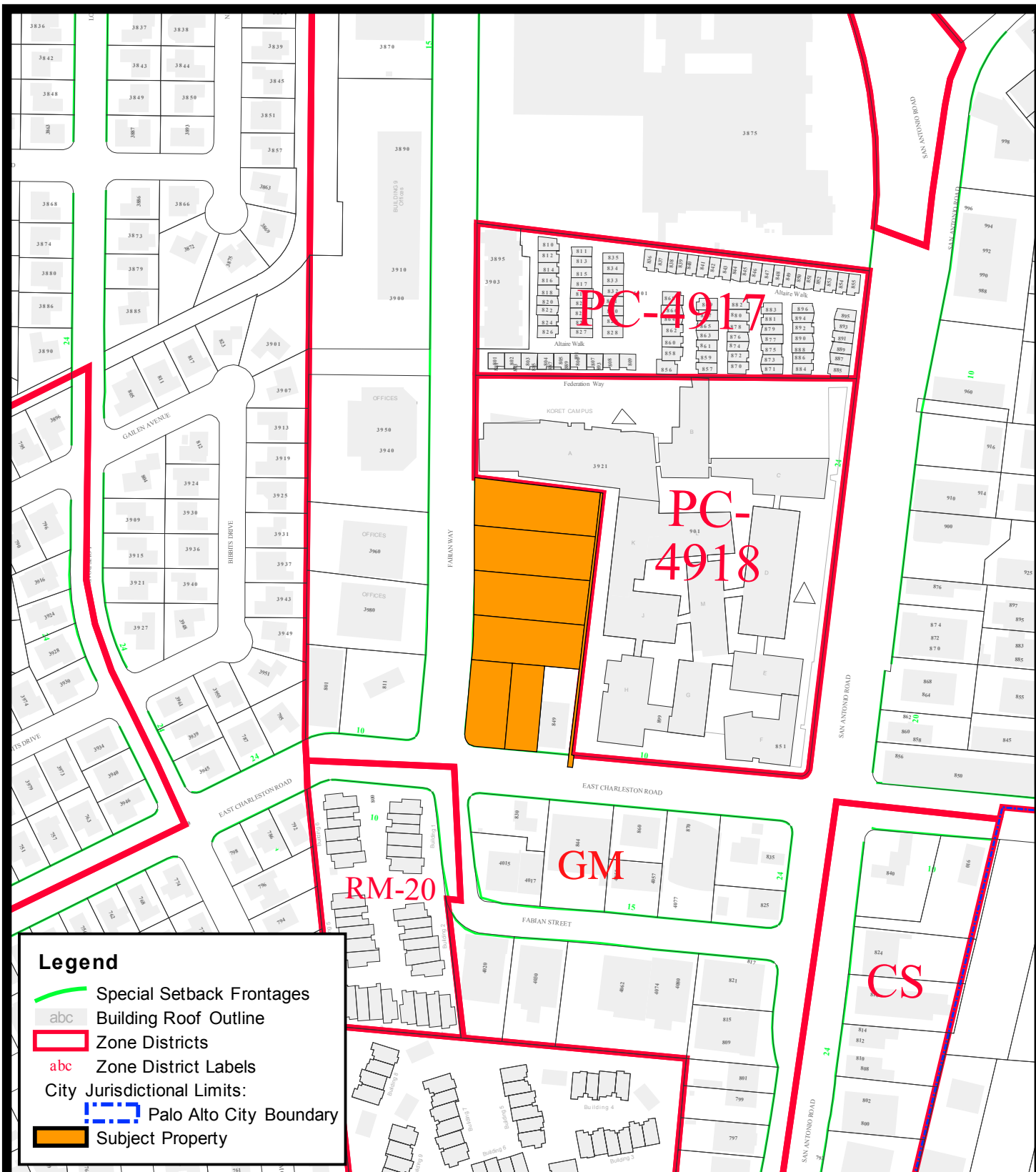
Attachments:

Attachment A: Location Map(PDF)

Attachment B: Zoning Comparison Table (DOCX)

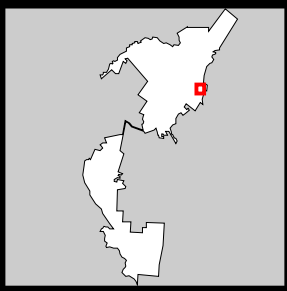
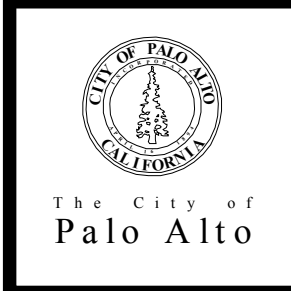
Attachment C: Applicant's Project Description (PDF)

Attachment D: Project Plans (DOCX)



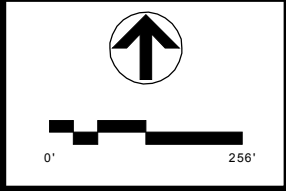
Legend

- Special Setback Frontages
- Building Roof Outline
- Zone Districts
- Zone District Labels
- City Jurisdictional Limits:
 - Palo Alto City Boundary
 - Subject Property



Location Map
3997 Fabian Way

This map is a product of the City of Palo Alto GIS



ATTACHMENT B
ZONING COMPARISON TABLE
3997 Fabian, 20PLN-00287

Table 1: COMPARISON WITH CHAPTER 18.20 (GM DISTRICT) & 18.13 (RM-40 DISTRICT)

Regulation	Required Under GM	Required Under RM-40	Existing	Proposed Under PC
Minimum Site Area, width and depth	1 acre, None, None	8,500 sf, 70 ft., 100 ft.	93,654 sf Width varies: 116 feet to 235 feet (Fabian) Depth: 492 feet (Charleston)	93,654 sf; 2.15 acres
Minimum Front Yard (Charleston) ⁽¹⁾	None	0-25 ft ⁽¹⁾	180 feet	10 feet
Rear Yard	None	10 ft	60 feet	10 feet
Interior Side Yard	None	10 ft	20 feet	10 feet
Street Side Yard (Fabian)	None	0-16 ft ⁽¹⁾	40 feet	20 feet
Min. yard for site lines abutting or opposite residential districts	None	None	50 feet	10 feet
Special Setback	10 feet for Charleston Road & 15 feet for Fabian Way – see Chapter 20.08 & zoning maps	10 feet for Charleston Road & 15 feet for Fabian Way – see Chapter 20.08 & zoning maps	40 feet from Fabian 180 feet from Charleston	20 feet from Fabian 10 feet from Charleston (Deviates from 18.38.150(d))
Max. Site Coverage	None	45% ⁽³⁾	Building 8: 15,854 sf Building 7: 14,692 sf Total: 30,977 sf	67.64% (deviates from GM zone)
Max. Total Floor Area Ratio	0.5:1 (46,696 sf)	1.0:1 (93,393 sf)	Building 8: 20,640 sf Building 7: 14,040 sf Total: 0.37:1 (34,680 sf)	2.8:1 (259,192 sf (deviates from GM zone))
Max. Building Height ⁽⁴⁾	35 ft within 150 ft of a residential zone, 35 ft within 40 ft of a residential zone	40 ft	Building 8: 2 Stories Building 7: 1-Story	66'-11" (deviates from GM zone)
Maximum number of dwelling units per acre	Not allowed	40 DU/AC	None	135 DU/AC (deviates from GM zone)

Minimum number of dwelling units per acre	Not allowed	21 DU/AC	None	135 DU/AC (deviates from GM zone)
Minimum site open space	Not Applicable	20% (18,679 sf)	None	42% (40,123 sf)
Minimum Usable open space	Not Applicable	150 sf per unit (43,500 sf)	None	102 sf per unit (29,440 sf, deviates from RM-40 zone)
Minimum Common open space	Not Applicable	75 sf per unit (21,750 sf)	None	53 sf per unit (15,476 sf, deviates from RM-40 zone)
Minimum Private open space	Not Applicable	50 sf per unit (14,500 sf)	None	48 sf per unit (13,964 sf, deviates from RM-40 zone)
Daylight Plane for site lines having any part abutting one or more residential districts.				
Initial Height	10 ft	10 ft		Not shown
Slope	1:2	45 degrees		Not shown

(1) Charleston to become front after merging lots

(2) Determined by ARB

(3) Additional area (5%) permitted to be covered by covered patios or overhangs otherwise in compliance with all applicable laws

(4) Residential zones include R-1, R-2, RE, RMD, RM-15, RM-30, RM-40 and residential Planned Community (PC) zones.

**Table 2: CONFORMANCE WITH CHAPTER 18.52 (Off-Street Parking and Loading)
for Multi-family Residential Uses**

Type	Required	Existing	Proposed
Vehicle Parking	Residential: 1 space per one bedroom unit or smaller; 2 per 2 bedroom unit 45 Studio: 45 spaces 160 1-Bedroom: 160 spaces 85 2-Bedroom: 170 spaces Total: 375 spaces	127 spaces	375 spaces The applicant may elect to request parking adjustments if necessary, based on any design changes.
Bicycle Parking	Residential: 1/unit = 290 LT Guest Parking: 1/10 unit = 29 ST Total: 290 LT / 29 ST	3 spaces	319 spaces (unknown location)



Geoffrey A. Farrar, President
Far Western Land & Investment Co., Inc.
jeff.farwestern@gmail.com
530.521.0608 direct

December 21, 2020

Sheldon S. Ah Sing, AICP
Principal Planner
M-Group
51 E. Campbell Avenue #1247
Campbell, CA 95009

Subject: Understanding the Redevelopment Proposal for 3997 Fabian Way, Palo Alto

Sheldon,

Jeff Farrar and his family (via Far Western Land & Investment Co., Inc.) have owned the property on the northwest corner of E. Charleston Road and Fabian Way since 1956. Jeff's father originally purchased the property and constructed the two existing industrial buildings for Philco, which built and launched its first satellite in 1960. Over the years, Philco's name has changed to Ford Aerospace, Space Systems/Loral, and finally to Maxar, the current tenant. Jeff grew up in the area and he and his family have been members of the Palo Alto community for over 3 generations now. Going forward, it is Jeff's desire to continue to retain ownership of the property and pass it along to future generations of Farrars.

As of 12/31/20, Maxar will be vacating the property. When Maxar advised Far Western of its intent to move to a new campus in San Jose, several options were considered for the property. They included:

1. Re-lease the two existing buildings, originally built in 1956, to a new tech/R&D user.
2. Build approximately 11,000 sf of additional R&D space (allowed within the current zoning) and lease the entire campus to a new user.
3. Redevelop the property into multifamily housing.

Options 1 and 2 involve the least amount of risk and effort, while still providing attractive investment returns. Option 3, however, could be an attractive long-term option for both Far Western and the City of Palo Alto. This site would be an ideal location for multifamily housing, as it is within walking and biking distance of thousands of jobs and could provide housing within Palo Alto that would contribute to improved traffic patterns for regional commuting. Additionally, the community has greatly benefited from the Oshman Family JCC and its related housing. This site is well-suited to add multifamily, near other housing and buildings of similar height and density.

As proposed, the development would include approximately 290 units of high-quality housing, structured parking, and a first-class amenity package. Additionally, in accordance with Option 3 of the Planned Home Zone (PHZ) Inclusionary Housing Requirement, 29 units (10%) will be reserved for Very-Low Income residents and the project will contribute in-lieu housing fees.

The project would require certain approvals from the city, including a rezone to the Planned Home Zone (PHZ) and increased height in specific sections of the building. In order to make multifamily development feasible, the project is requesting a height of 67'. This height would allow the project to incorporate affordable units, as requested by the city, and build adequate parking to meet the parking needs of all the project's residents. A subterranean garage will be constructed to deal with much of the required parking but there will also be a level of semi-at-grade podium parking as a result of constraints due to environmental



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conditions in this part of the City, similar to the parking solution at the nearby Oshman Family JCC. This results in living areas being elevated, requiring additional levels and height. Given the height and density of the adjacent properties, as well as the distance from any single-family neighborhoods, this request is very reasonable and supportable. This new development would cohesively fit into the neighborhood.

Some of the major benefits to this proposal include:

1. The main community benefit of this redevelopment is much needed housing (including affordable housing). This project would add 290 units to Palo Alto's housing supply. Its location near employment would enable the city to add housing where it is most needed—within a short commute to jobs.
2. This project would meet the city's request for low income housing through Option 3 of the PHZ's Inclusionary Requirement: a hybrid method of units provided and an in-lieu fee. The city staff report from the 9/21/2020 meeting indicated that when using the weighted analysis of Option 2 within the PHZ Inclusionary Requirement, Option 3 is approximately equivalent to a 25% inclusionary requirement. This development would create 29, or 10% of the unit total, Very-Low Income units and pay the housing in-lieu fee. As a result, the city would be able to offer more Very-Low Income units, while simultaneously increasing the City's housing funds—which are used by non-profit organizations to build low income units with supportive programs.
3. The market-rate and low-income units would also help the city meet their current and future RHNA numbers. As city staff has mentioned in previous public hearings, meeting the RHNA requirements has a direct impact on the city's ability to maintain local control.
4. The redevelopment aligns with the city's goal of fixing the jobs/housing imbalance. This project would replace +/- 115 jobs with housing.
5. With the construction of housing, the project will help to remove contamination from the land. Due to environmental issues at the site and in the area, the property redevelopment will be coordinated with and under the direct oversight of the San Francisco Bay Regional Water Quality Control Board and the Board is supportive of the proposed approach.
6. A redevelopment of the property would replace outdated industrial buildings with new, state-of-the-art housing that is well positioned for decades to come.

We look forward to the opportunity to discuss this project with Council at a pre-screening.

Regards,

A handwritten signature in blue ink that reads "Jeff A. Farrar".

Jeff A. Farrar, President
FAR WESTERN LAND & INVESTMENT CO., INC.

PO Box 1701
Chico, CA 95927

Attachment D

Project Plans

Due to shelter-in-place, these documents are only available on-line.

Directions to review Project plans online:

1. Go to: bit.ly/PAPendingprojects
2. Scroll to find "3997 Fabian Way" and click the address link
3. On this project specific webpage you will find a link to the Project Plans and other important information

Direct Link to Project Webpage:

<https://www.cityofpaloalto.org/news/displaynews.asp?NewsID=5064&TargetID=319>

From: slevy@ccsce.com
To: [Planning Commission](#)
Cc: [Wong, Tim](#); [Lait, Jonathan](#)
Subject: letter to PTC re review of Housing Element
Date: Tuesday, March 7, 2023 10:08:12 AM

CAUTION: This email originated from outside of the organization. Be cautious of opening attachments and clicking on links.

Dear PTC commissioners,

My goal as a resident is for my city to have a compliant Housing Element (HE).

I have reviewed numerous HCD first review letters and subsequent dialogues with city staffs and councils.

Based on this and my discussions with our staff, I believe the path to success is for staff to review and prepare HE updates based on the HCD review letter and then for PTC, council and the public to discuss.

In the next two weeks staff should 1) receive the HCD review letter and 2) report to PTC and council on the permit progress in 2022, which will be one indicator of the success or not of our current policies and programs.

As such I encourage the PTC to avoid recommending adoption of the current HE at this time and await the HCD review letter. I do not see any benefit in disrespecting HCD and the law.

As to content, my review of past HCD first review letters to neighboring cities, they are often quite lengthy (12-14 pages), show two recurrent concerns/requests :

- 1) requests for detailed feasibility analyses for a) non vacant sites and b) for other sites and
- 2) concern that BMR units are spread equitably throughout the city

I believe Palo Alto will be questioned on both areas. I believe we can make changes to respond to these questions and move towards a compliant HE but also my experience is that recent projects and current proposals/recent prescreens all had much higher densities and other requests for waivers than are currently proposed for the HE sites and that we lack the kind of detailed feasibility analyses HCD is looking for. One very current example is the density and waivers related to making the Charities Housing proposal for BMR units feasible.

Stephen Levy