

Hundreds protest major changes to residential neighborhoods, approved without analysis or public input

Last month, in a last minute policy shift, a divided City Council voted to allow the construction of second homes (known as accessory dwelling units or ADUs) on any property in single family neighborhoods, within six feet of side and rear property lines and with no on-site parking or design review requirements. While most residents support more ADUs, including those objecting to portions of the new ordinance, many will feel the impacts at home, so the details matter. Residents want to be informed and to have a seat at the table as those details are sorted out.

In its March vote, a Council majority for the second time this year (again on a motion by Councilmembers Wolbach and Fine) rejected staff and advisory commission recommendations in favor of controversial and last minute policy changes with potentially substantial community impacts. Much like their recently reversed decision to sideline community recommendations around the Comprehensive Plan Update, they acted without staff analysis or public comment on the implications of the policy shift.

In response, several hundred Palo Altans signed petitions and wrote to City Council, more than 200 residents packed Council chambers on April 17, and 67 stood up to speak regarding the newly passed ADU ordinance. While largely in agreement on the need for more ADUs, opinions diverged sharply on what rules should apply to those so-called “granny units.”

Many thought the March ordinance went too far, too fast, and expressed concern that the widespread loosening of rules regarding eligible lots, parking, and the size, placement and design of second units would create conflict and animosity between neighbors. 63% of speakers favored the publicly vetted, staff recommended ordinance that was presented on March 7. Others contended that the prospect of more small housing options as soon as possible should outweigh potential negative impacts.

36% urged the Council to affirm the far-reaching amendments passed on Wolbach and Fine's motion.

Background

New State laws went into effect this year to increase the production of second homes on residential properties, with the explicit intent to provide more affordable housing opportunities while maintaining the architectural character of neighborhoods. Those laws significantly constrain local regulation of such second homes and create a new option to allow junior ADUs (JADUs) – a separate unit within an existing house, that may or may not share facilities. Conformance with the new State laws necessitates revisions to the City's existing zoning ordinance.

March 7

On March 7, City staff presented a draft ordinance reflecting recommendations produced through a lengthy public review process by the Planning and Transportation Commission (PTC). The recommended ordinance would have implemented the new State requirements while retaining some local regulations to preserve privacy for immediate neighbors, limit city-wide parking impacts and maintain the character of existing neighborhoods.

The Wolbach and Fine motion rejected many of the recommended local regulations in favor of a one-size-fits-all approach and exceeded state requirements in several significant ways. (For a summary table of major recommendations, requirements and amendments, return to Palo Alto Matters Newsletter).

After a contentious debate, rather than seek staff, PTC, or public feedback on that substantial policy shift, a 6-2-1 majority (DuBois, Holman no, Kou abstain) approved the motion. Council leadership placed the newly revised zoning ordinance on the consent calendar for an up or down vote without discussion on April 17.

April 17

Confronted with the high public turnout on April 17, Mayor Scharff pulled the ordinance off of the consent calendar and chose to discuss it anew that same night. Several speakers and Councilmembers indicated that without an updated analysis, they could not fully understand the implications of the March 7 changes. A majority again declined to seek additional staff analysis before taking action. However, they did direct the Planning and Transportation Commission to review the impacts of the ordinance within six months of implementation and requested quarterly reports from staff.

After negotiating a series of new motions put forth by Councilmembers DuBois, Holman, Kniss and Kou to address community concerns, including setting a minimum lot size and considering ADUs in design guidelines for Eichler neighborhoods, City Council voted 7-2 (Kou and Holman no) to make minor changes to the March 7 ordinance.

Remaining questions

Many questions remain as to how the new ordinance will impact the community. The objective is to create new housing opportunities, but there is no requirement that the second homes be used for housing. The ordinance forbids short-term rentals (minimum rental period is 30 days) and some subletting, but lacks any monitoring or enforcement mechanisms. Staff indicated that enforcement will be initiated only upon receipt of a complaint, but there are no details as to process or enforcement strategy.

Several Councilmembers and residents sought ways to manage on-street parking demands under the new ordinance, particularly in neighborhoods with residential permit parking (RPP) programs. Staff indicated that each ADU, because it would have its own address, might be eligible for a full allotment of on-street parking permits, effectively doubling the permits associated with an individual lot. Staff could not confirm that parking impacts due to the ordinance could be effectively monitored and there has

been no discussion about how the City might fund additional RPP programs necessitated by those impacts.

Next Steps

The April 17 ordinance is scheduled to return to City Council's consent calendar for a second and final reading on May 8. That will likely be the last opportunity for residents to weigh in before Council takes a final vote on the ordinance. If approved again, it will become law 31 days thereafter.

Additional Resources:

- **City webpage dedicated to ADU regulations** (note the FAQ has not been updated to reflect Council amendments), with sign-up form to receive future updates:
http://www.cityofpaloalto.org/gov/depts/pln/advance/accessory_dwelling_units_regulations_update.asp
- *Palo Alto finds compromise on accessory housing*, Palo Alto Online 4/18/17: <https://www.paloaltoonline.com/news/2017/04/18/palo-alto-finds-compromise-on-accessory-housing>
- *City eases rules for "accessory" housing*, Palo Alto Online, 3/8/17: <https://www.paloaltoonline.com/news/2017/03/08/palo-alto-eases-rules-for-accessory-dwelling-units>