

NOT YET APPROVED

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALO ALTO, APPROVING AN ADDENDUM TO THE 2017 COMPREHENSIVE PLAN FINAL ENVIRONMENTAL IMPACT REPORT, AND ADOPTING A COMPREHENSIVE PLAN AMENDMENT TO REPEAL THE 2015-2023 HOUSING ELEMENT AND ADOPT THE HOUSING ELEMENT OF THE COMPREHENSIVE PLAN FOR THE PERIOD OF 2023-2031 IN COMPLIANCE WITH STATE HOUSING ELEMENT LAW.

RECITALS

- A. California Government Code Section 65300 et seq. requires every city and county in California to adopt a General Plan, known in Palo Alto as its Comprehensive Plan, for its long-range development, and further, to periodically to update that plan to reflect current issues and conditions; and
- B. On November 13, 2017, the City Council for the City of Palo Alto (City) certified a Final Environmental Impact Report (EIR) for the City of Palo Alto Comprehensive Plan 2030 through Resolution No. 9720, made findings in relation to the Final EIR, adopted a mitigation monitoring and report plan (MMRP), and adopted a statement of overriding considerations through Resolution No. 9721 and adopted the City of Palo Alto Comprehensive Plan 2030 through Resolution No. 9722; and
- C. Government Code Section 65302 mandates that every city and county shall include a Housing Element in its General Plan, and that the Housing Element be updated regularly on a schedule set forth in the law to reflect current conditions and legal requirements; and
- D. State Housing Element Law (Government Code Sections 65580 et seq.) requires that the City Council adopt a Housing Element for the eight-year period 2023-2031 to accommodate the City of Palo Alto (City) regional housing need allocation (RHNA) of 6,086 housing units, comprised of 1,556 very-low income units, 896 low-income units, 1,013 moderate-income units, and 2,621 above moderate-income units; and
- E. To comply with State Housing Element Law, the City has prepared the Housing Element 2023-2031 (the Housing Element) in compliance with State Housing Element Law and has identified sites that can accommodate housing units meeting the City's RHNA; and
- F. As provided in Government Code Section 65350 et. seq., adoption of the Housing Element constitutes a General Plan Amendment and also qualifies as a project under the California Environmental Quality Act (CEQA); and
- G. Pursuant to the provisions and requirements of CEQA and CEQA Guidelines Section 15164, the City as lead agency, prepared an Addendum to the 2017 Comprehensive Plan Final EIR (the Addendum) to analyze the potential environmental impacts resulting from adopting the 2023-2031 Housing Element, which Addendum is attached hereto as Exhibit E and incorporated by this reference; and

- H. The Addendum analyzes the environmental impacts of the 2023-2031 Housing Element and the Addendum, in conjunction with the 2017 Comprehensive Plan Final EIR, is the environmental document upon which adoption of the 2023-2031 Housing Element is predicated; and
- I. As provided in Government Code sections 65352 – 65352.5 the City mailed a public notice to all California Native American tribes provided by the Native American Heritage Commission and to other entities listed; and
- J. No California Native American tribe requested consultation; and
- K. The City conducted extensive community outreach in multiple languages over the past two years including fifteen meetings of the Housing Element Working Group, eight meetings of the City Council Housing Element Ad Hoc Committee, two community workshops, dissemination of a housing survey, numerous meetings with special interest groups such as the Palo Alto Renters Association, Housing Choices, and Ability Path, four meetings of the Planning and Transportation Commission (PTC), three meetings of the City Council, and two joint meetings of the PTC and City Council; and
- L. In accordance with Government Code Section 65585 (b), on November 7, 2022, the City posted the draft Housing Element and requested public comment for a 30-day review period, and on December 23, 2022, after responding to public comments, the City submitted the draft Housing Element to the State Department of Housing and Community Development (HCD or Department) for its review; and
- M. On March 8, 2023, the PTC held a duly and properly noticed public hearing to consider a draft of the Addendum and the initial draft of the 2023-2031 Housing Element, and unanimously recommended that the City Council adopt the draft 2023-2031 Housing Element, subject to refinement following formal comment by HCD.
- N. In February 2023, prior to receiving HCD's formal findings regarding the draft Housing Element, the City contacted HCD discuss preliminary comments on the adequacy of the draft Housing Element; and
- O. On March 23, 2023, the City received a letter from HCD, attached as Exhibit B to this Resolution, providing its findings regarding the draft Housing Element, and based upon this, City staff and consultants revised the draft Housing Element to include additional information and data; and
- P. On April 27, 2023, the City published a revised draft Housing Element responding to HCD's findings and requested public comment on the draft; and

- Q. On May 8, 2022, the PTC held a duly and properly noticed joint public hearing with the City Council and recommended that the City Council adopt the Housing Element; and
- R. On May 8, 2022, the City Council conducted a duly and properly joint noticed public hearing with the PTC to take public testimony, consider the 2017 Comprehensive Plan EIR and EIR Addendum, reviewed the Housing Element and all pertinent maps, documents and exhibits, including HCD's findings, the City's response to HCD's findings, the staff report, and all attachments, and oral and written public comments.

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby finds that, based on substantial evidence in the record:

1. The foregoing recitals are true and correct and are incorporated by reference into this action.
2. The record of proceedings upon which the City Council bases its decision herein includes, but is not limited to: (1) the Addendum and the 2017 Comprehensive Plan Final EIR including all appendices and attachments cited and/or relied upon therein; (2) the staff reports, City files and records and other documents prepared for and/or submitted to the City relating to the 2017 Comprehensive Plan Final EIR, the Addendum, and the 2023-2031 Housing Element; (3) the evidence, facts, findings, and other determinations set forth in this Resolution; (4) the 2017 Comprehensive Plan; (5) all studies, data, and correspondence submitted by the City in connection with the Addendum and the 2023-2031 Housing Element; (6) all documentary and oral evidence received at public workshops, meetings, and hearings; (7) all other matters of common knowledge to City decisionmakers, including City, state, and federal laws, policies, rules, and regulations, reports, records, and projections related to development within the City of Palo Alto and its surrounding areas. The location and custodian of records is the City Clerk of the City of Palo Alto, 250 Hamilton Avenue, Palo Alto, CA 94305.
3. Based on the record of proceedings as a whole, the City Council approves the Addendum to the 2017 Comprehensive Plan Final EIR and makes the following findings and declarations:
 - a. That the 2023-2031 Housing Element represents only incremental change over the conditions studied in the 2017 Comprehensive Plan Final EIR.
 - b. The MMRP adopted in conjunction with the 2017 Comprehensive Plan included all mitigation measures necessary to mitigate the most impactful scenarios contemplated in the 2017 Comprehensive Plan EIR.
 - c. None of the conditions described in CEQA Guidelines Section 15162 calling for the preparation of a Subsequent EIR or Supplemental EIR are present, as set forth in the Addendum.
 - d. Any modifications to the 2023-2031 Housing Element directed by the City Council on May 8, 2023 do not change the conclusions of the Addendum and the 2017 Comprehensive Plan Final EIR.
 - e. The Addendum has been prepared in accordance with CEQA and the State CEQA Guidelines and reflects the independent judgment of the City as lead agency.

- f. All mitigation measures included in the MMRP for the 2017 Comprehensive Plan Final EIR will continue to be required, as part of the adoption of the 2023-2031 Housing Element.
4. Based on the record of proceedings as a whole, the City Council makes the following findings and declarations regarding the 2023-2031 Housing Element, as shown in Exhibit A to this Resolution, incorporated herein:
 - a. Adoption of the 2023-2031 Housing Element is in the public interest. The 2023-2031 Housing Element promotes the production of the City's share of regional housing need for all segments of the community, which is in the interest of the City, the region, and the state.
 - b. The 2023-2031 Housing Element is internally consistent and consistent with the rest of the Comprehensive Plan. As an integrated set of goals, policies, programs, and timelines, and quantified objectives, the 2023-2031 Housing Element does not approve any specific development projects; it acknowledges land use and zoning changes that will be required and therefore it creates no inconsistencies with the Comprehensive Plan.
 - c. The 2023-2031 Housing Element was developed through diligent effort by the City to achieve public participation of all segments of the community, as described in Chapter 1 of the 2023—2031 Housing Element.
 - d. The 2023-2031 Housing Element substantially complies with all requirements of Housing Element Law, as provided in Government Code 65580 et seq., and contains all provisions required by State Housing Element Law, as shown in Exhibit D to this Resolution, incorporated herein.
5. Based on substantial evidence in the record, including, but not limited to, the analyses provided in Chapters 3 and 4 of the 2023-2031 Housing Element, the City's experience with the redevelopment of non-vacant and commercially developed sites for housing, strong expressed interest from property owners and developers, and the numerous policies and programs in Chapter 5 of the 2023-2031 Housing Element aimed at reducing constraints to housing development and otherwise increasing housing supply, the existing uses on the non-vacant sites identified in the site inventory to accommodate the RHNA are likely to be integrated with new residential uses or discontinued during the planning period and therefore do not constitute an impediment to planned residential development on the site during the planning period.
6. As required by Government Code Section 65585(e), the City Council has considered the findings made by the Department of Housing and Community Development included in the Department's letter to the City dated March 23, 2023, consistent with Government Code Section 65585(f), and as described in Exhibit C to this Resolution, incorporated herein, the City Council has changed the Housing Element in response to the findings of the Department to substantially comply with the HCD's interpretation of the requirements of State Housing Element Law.
7. The 2015-2023 Housing Element is hereby repealed in its entirety, and the 2023-2031 Housing Element is adopted.

8. The City Council intends to complete the HCD review process to obtain an HCD findings of substantial compliance and certification and hereby directs and authorizes the Director of Planning and Development Services: a) to file all necessary material with the HCD for the Department to find that the Housing Element is in conformance with State Housing Element Law; and b) to make all non-substantive changes to the Housing Element to make it internally consistent or to address any non-substantive changes or amendments requested by the Department to achieve certification.
9. The Director of Planning and Development Services is hereby directed to ensure that the adopted Housing Element, including any additional amendments, is posted to the City's website, and a link emailed to all individuals and organizations that have previously requested notices, at least seven days prior to submission to HCD.
10. The Director of Planning and Development Services and City Clerk are hereby directed to distribute copies of the Housing Element in the manner provided in Government Code Sections 65357 and 65589.7.
11. This Resolution shall become effective upon adoption by the City Council.

INTRODUCED and PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

APPROVED:

Assistant City Attorney

City Manager

Director of Planning and
Development Services

NOT YET APPROVED

Exhibit A: 2023-2031 Housing Element

Exhibit B: HCD Finding Letter, dated March 23, 2023

Exhibit C: Response to HCD Findings

Exhibit D: Housing Element Statutory Provisions Checklist

Exhibit E: Addendum to the 2017 Comprehensive Plan Final EIR

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Exhibit A

Not included in this draft for brevity. To be replaced with Attachment A to Council Report #2304-1372,
as revised.

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Exhibit B

Not included in this draft for brevity. To be replaced with Attachment D to Council Report 2304-1372.

NOT YET APPROVED

Exhibit C

Not included in this draft for brevity. To be replaced with Attachment F to Council Report 2304-1372.

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Exhibit D

This exhibit will be provided with the agenda packet published on May 4, 2023

Exhibit E

Not included in this draft for brevity. To be replaced with Attachment B to Council Report 2304-1372.