

Weekly

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Kniss, Filseth to lead City Council

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HERE COMES HOUSING

PALO ALTO PLANS BIG PUSH FOR MORE HOUSING IN 2018

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New mayor signals heavy push on housing

Liz Kniss proposes new housing committee, senior-housing complex

by Gennady Sheyner

Moments after Liz Kniss took center stage as Palo Alto's newly elected mayor Monday night, she brought up an issue that is sure to dominate the City Hall agenda throughout 2018: housing.

Kniss, who made housing the signature issue of her 2016

re-election campaign and who in November signed on to a memo calling for more housing construction, told the crowd in the City Council chambers that Palo Alto has fallen "well behind" in building housing. To meet the City Council's own goals — much less the more ambitious targets

from regional agencies — the city needs to reverse this trend. Soon.

"It's beholden on us, on our integrity, to do that," Kniss said. "We need to start planning for that this year."

In a rare departure during an annual meeting typically devoted to pomp and plaudits, Kniss proposed on Monday establishing a special council committee to focus exclusively on housing. She also called out housing for seniors as a particularly urgent need and

pointed to long waiting lists at all of the city's senior-housing complexes. A new development for this population, she said, is a "serious project we can do this year."

Her speech underscored the growing urgency of this topic at City Hall. In early February, Palo Alto planning staff will submit to the council a work plan for exploring zoning revisions listed in a memo by Councilman Adrian Fine, co-signed by Kniss and Councilman Cory Wolbach and

unanimously adopted by the full council. Proposed revisions include giving affordable-housing projects "bonuses" to build more densely; new pedestrian- and transit-oriented districts, which provide more flexible development standards, near mass-transit hubs; and lower requirements for parking for so-called "car-light" developments, which offer residents incentives not to drive.

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The Palo Alto City Council chose Liz Kniss as the city's mayor and Eric Filseth as vice mayor on Jan. 8. This is Kniss's third time serving as mayor and Filseth's first as vice mayor.

ENVIRONMENT

City finds new way to dig basements

Palo Alto sees uptick in cutoff walls to curb groundwater pumping

by Gennady Sheyner

On a single block of Webster Street in the Old Palo Alto neighborhood, a tale of two basements is unfolding — one that illustrates the city's evolving debate over groundwater.

At 2189 Webster St., near North California Avenue, contractors building a basement began pumping water out of the ground on July 18, according to data obtained by the Weekly. By the time the pumping concluded on Oct. 7, they had extracted 22.3 million gallons of groundwater, nearly all of which was discharged into the city's storm drains.

At a basement project on the north end of the block, near Santa Rita Avenue, the groundwater pumping began on June 29 and concluded on Sept. 15. Here, only 133,000 gallons were pumped out. The number of gallons discharged into the storm drains? Zero.

Palo Alto generally doesn't celebrate the construction of residential basements — private amenities that have become both more commonplace and more scrutinized over the past several years. Yet for city officials, the basement at 2121 Webster St. is kind of a big deal: the first residential basement project in Palo Alto to use a cutoff wall.

A December report notes that

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CITY COUNCIL

Kniss wins third term as Palo Alto mayor

Political veteran takes top leadership spot; Eric Filseth elected vice mayor

by Gennady Sheyner

Liz Kniss is a retired nurse, a housing advocate and now, for the third time in her long political career, the mayor of Palo Alto.

The City Council voted 9-0 on Monday to elect Kniss the mayor for 2018 — a decision that was largely preordained by Palo

Alto's long-standing tradition of naming last year's vice mayor (which Kniss was) to serve as this year's mayor.

It also didn't hurt that she was re-elected in November 2016 with more votes than any other candidate; her political supporters enjoy a majority on the council; and

the issue she is most passionate about — housing — is now the council's highest priority.

Kniss's personal clout, as much as the city's new political dynamics, appeared to propel her appointment as mayor. Over the past three decades, Kniss had served on the school board, on the City Council and on the Santa Clara County Board of Supervisors, where she spent two terms before returning to City Hall. A former member of the Caltrain board of directors and the current chair of the Bay Area Air Quality Management District, she spent decades as one of Palo Alto's most visible representatives on the regional and state levels (among office holders from Palo Alto, only Santa

Clara County Supervisor Joe Simitian can rival her record).

Yet it wasn't one of her political allies but Councilman Eric Filseth, the council's swing vote, who nominated Kniss Monday, citing her experience as a major reason for his mayoral choice.

"We have only to look around other parts of our nation to appreciate the importance of competence, wisdom and experience in government," Filseth said. "Liz has by far the most experience in government of all of us on council."

Several council colleagues and residents echoed these sentiments. Chamber of Commerce CEO Judith Kleinberg lauded

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Housing

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The effort could significantly change the underpinnings of the city's zoning codes. The existing policy of "housing maximums" — by which a residential zone prescribes the maximum number of units allowed per acre (so that, in an RM-40 zone, for example, up to 40 housing units per acre would be allowed) — could be replaced by a "housing minimum" policy whereby builders would be required to provide at least 80 percent of the units the

zoning could accommodate.

The memo also recommends the city shift from using the standard for approving projects of a certain number of housing units to focusing exclusively on the development's density, as measured by floor-area ratio.

Kniss, long an advocate for housing, is hardly alone in seeing housing as the city's most pressing issue. In introducing his memo in November, Fine called housing "our community's No. 1 concern." And City Manager James Keene, who is leading the charge on the staff's side, on Monday singled out housing as a

key priority for the coming year.

According to Keene, Palo Alto produced about 160 to 170 new homes per year since 1998. But most recently — between 2014 and 2017 — the city produced only 390 units, or about 98 per year.

"Our annual production has actually slowed over that period of time (between 1998 and the present), precisely at a time when affordability has dramatically decreased," Keene said during his presentation Monday.

To meet the goals of the council's newly adopted Comprehensive Plan, Palo Alto will have to more than double its recent rate of housing production and create between 230 and 290 units per year, Keene said.

"This means we really need to invest some effort in how we might accomplish that," Keene said.

He pointed to neighboring cities as models to follow when it comes to addressing the regional housing crisis. In Mountain View, more than 5,000 new housing units are now either being built or going through the review process, and officials are looking to construct another 10,000 units in the North Bayshore area as part of a recently approved "precise plan."

Redwood City, meanwhile, granted permits for 1,500 housing units in the past three years, Keene said, and has "many more in the pipeline."

According to Palo Alto's most recent state-mandated Housing Element document, which was adopted in 2015, Palo Alto produced or approved 1,063 housing units between 2007 and 2014 — about 133 units per year. That's a mere 37 percent of its 2,860-unit allocation, as determined by the Association of Bay Area Governments (ABAG).

Things were particularly dire for those near the bottom of the economic ladder. While Palo Alto produced 773 housing units in "above moderate" income category (78 percent of the amount allocated by ABAG), it created a mere 156 units for those in the "very low" income category (defined as affordable to residents making between 0 and 50 percent of the area median income) — 23 percent of its allocation of 690.

In the "low" income category

(area median income of 51 to 80 percent), things are even more grim. The city built only nine units in this category between 2007 and 2014, a mere 2 percent of its ABAG allocation of 543 units.

But even as they look to reverse this trend, Palo Alto officials recognized the challenges of "going big" on housing in a city that they often describe as "built out," where a 50-foot height limit restricts most buildings to four stories and where developers have to overcome steep political hurdles to win approvals for their projects.

Council members haven't forgotten the lessons of 2013, when they approved a housing development on Maybell Avenue only to see the voters reverse the decision in a referendum. It's perhaps no coincidence that housing production ebbed after that. Palo Alto Housing, the nonprofit developer behind the Maybell project, stopped doing projects in the city, opting for the more housing-friendly municipalities of Mountain View and Redwood City.

At the same time, last year offered some hope to Palo Alto's housing advocates. The council approved in November a Comprehensive Plan that projects the city will accommodate between 3,500 and 4,400 housing units between now and 2035. It also reformed its zoning code to encourage the addition of more small accessory-dwelling units to residential properties — a revision that Keene called the council's "highlight" on the housing front in 2017.

Council members also offered some positive feedback to two different housing proposals last year: a "car-light" development with 60 small apartments on the busy intersection of El Camino Real and Page Mill Road, and an 61-unit affordable-housing development at 3703-3709 El Camino in the Ventura neighborhood.

The latter project is being developed by Palo Alto Housing — its first development in its hometown since the 2013 Election Day defeat.

Though both proposals remain in the planning phase and will have to address various community concerns about design, density and traffic before they win approval, the council's discussion of both cases has indicated

that members are willing to potentially green-light the projects. In addition, the council launched last year a long-awaited process to create a coordinated-area plan in North Ventura, an area that includes the commercial complex anchored by Fry's Electronics and which has been identified by the city staff as ripe for new housing.

Palo Alto's effort to add housing may get a lift from Sacramento, where state lawmakers approved last fall more than a dozen bills aimed at addressing the housing crunch.

The package of laws include ones that limit cities' ability to deny accessory-dwelling units; allow cities to adopt inclusionary-zoning requirements for rental properties; and make it harder for cities to fall short of their housing allocations. Those that do, like Palo Alto, may be subject to the new "by right" housing bill, authored by Sen. Scott Weiner, which creates a streamlined approval process for housing projects.

Lawmakers are also preparing to ask the voters later this year to approval a \$4-billion housing bond, funds that Palo Alto may be able to tap into for future housing projects.

Despite the new momentum on housing, Palo Alto officials are expecting plenty of challenges ahead. Kniss said Monday she expects to see some pushback from residents who have raised concerns about declining quality of life in the city when the council moves ahead with new housing policies and projects. She asked the residents in attendance Monday to "keep an open mind" when housing projects come before the council in future months.

"When this comes up this year, think through: Would I like my kids to live here? Would I like to stay here as long as possible?" Kniss said. ■

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For more information, visit
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