



EAST PALO ALTO PLANNING COMMISSION REGULAR SESSION AGENDA

Monday, July 13, 2026, 7:00 PM
East Palo Alto City Hall
2415 University Ave.
East Palo Alto, CA 94303

NOTICE

This meeting will be held virtually and in-person at the Council Chambers located on 2415 University Ave, First Floor East Palo Alto, CA 94303. The virtual portion of this Planning Commission meeting will be conducted in accordance with City of East Palo Alto Resolution adopted pursuant to Assembly Bill 361.

The public may participate in the Planning Commission Meeting via Zoom Meeting or by attending in-person in the Council Chambers at 2415 University Ave, First Floor East Palo Alto, CA 94303. Community members may provide comments by submitting a speaker card at the meeting, or using the **RAISE HAND** feature when the Chair or Clerk call for public comment. Emailed comments should include the specific agenda item on which you are commenting.

Please click this URL to join

<https://us06web.zoom.us/j/86997522559>

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 6833 or
+ 1 346 248 7799 or
+ 1 253 215 8782 or
+ 1 312 626 6799 or
+ 1 929 205 6099 or
+ 1 301 715 8592

Webinar ID: 869 9752 2559

International numbers available: <https://zoom.us/u/aMWYF4KT>

1. **CALL TO ORDER AND ROLL CALL**
2. **APPROVAL OF THE AGENDA**
3. **APPROVAL OF CONSENT CALENDAR**

3.1 Planning Commission April 27, 2026 and May 11, 2026 Meeting Minutes

4. PUBLIC COMMENT

5. INFORMATIONAL REPORTS

6. SPECIAL PRESENTATIONS

6.1 Election of Chair and Vice Chair

Recommendation: Select a new Chair and Vice Chair of the Planning Commission for 2026-2027

7. PUBLIC HEARINGS

7.1 Special Use Permit (SUP26-001) for Continued Operation for one year and Phased Wind-Down of the Infinity Salvage Automobile Recycling Facility at 2091 Bay Road.

Recommendation: Adopt a resolution:

1. Approving a Special Use Permit (SUP26-001) for the continued operation of the automobile recycling facility located at 2091 Bay Road, East Palo Alto for a period of one year, for the purpose of facilitating a phased wind-down and ultimate cessation of operations, subject to the Conditions of Approval in Exhibit A. Noncompliance with any condition of approval shall constitute grounds for initiation of revocation proceedings pursuant to City of East Palo Alto Municipal Code (EPAMC) Section 18.112.030.

2. Finding the project is categorically exempt pursuant to Section 15301 of the California Environmental Quality Act (CEQA), which exempts the continued operation of existing facilities involving negligible or no expansion of existing use.

SUP26-001 IS CONTINUED TO THE JULY 13, 2026 PLANNING COMMISSION HEARING

7.2 Findings for Temporary Housing Development Incentive Program Ordinance

Recommendation:

Staff recommends that the Planning Commission adopt a resolution recommending that the City Council adopt the following findings:

1. Based on the findings required by East Palo Alto Municipal Code (EPAMC) Section 18.114.060, the proposed Temporary Housing Development Incentive Program (THDIP) Ordinance is consistent with the General Plan, including the Housing Element, and supports the City's ability to meet its Regional Housing Needs Allocation (RHNA) by income category; will not be detrimental to the public interest, health, safety,

- convenience, or welfare of the City; and is internally consistent with the Development Code; and
2. The proposed actions do not constitute a “project” within the meaning of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15378(b)(4), 15378(b)(5), and 15061(b)(3).

8. ADJOURNMENT

Upcoming Meetings:

Regular Meeting	July 27, 2026	7:00pm
Regular Meeting	September 14, 2026	7:00pm
Regular Meeting	September 28, 2026	7:00pm

This AGENDA is posted in accordance with Government Code Section 54954.2(a)

This Notice of Availability of Public Records: All public records relating to an open session item which are not exempt from disclosure pursuant to the Public Records Act, that are distributed to the majority of the Planning Commission will be available for public inspection at 1960 Tate Street, East Palo Alto, CA at the same time that the public records are distributed or made available to the Planning Commission. Such documents may also be available on the East Palo Alto website www.cityofepa.org subject to staff's ability to post the documents prior to the meeting. Information may be obtained by calling (650) 853-3189.

The Planning Commission meeting packet may be reviewed by the public at 1960 Tate Street, East Palo Alto 94303. Any writings or documents pertaining to an open session item provided to a majority of the Planning Commission less than 72 hours prior to the meeting, shall be made available for public inspection at CED office, 1960 Tate Street, East Palo Alto, California 94303 during normal business hours. Information distributed to the Commission at the meeting becomes part of the public record. A copy of written material, pictures, etc. should be provided for this purpose.

East Palo Alto City Council Chambers is ADA compliant. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office at (650) 853-3127 no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof.

DECLARATION OF POSTING

This Notice is posted in accordance with Government Code §54954.2(a) or §54956. Members of the public can view electronic agendas and staff reports by accessing the City website. Under penalty of perjury, this Agenda was posted to the public at least 72 hours prior to the meeting.

POSTED: (7/9/2026)

ATTEST:

Ruby Phillips

Secretary II

SEAT	COMMISSIONER	EXPIRES	SEAT	COMMISSIONER	EXPIRES
1	Christopher Kao	5/31/2026	5	Robert Sherrard	5/31/2027
2	Juan Mendez	5/31/2027	6	Javanni Brown-Austin	5/31/2027
3	Robert Allen Fisk	5/31/2028	7	Curtis Monette	5/31/2027
4	Michael Mashack	5/31/2028	8	Isabel Lopez Ysmael	5/31/2027



EAST PALO ALTO PLANNING COMMISSION STAFF REPORT

DATE: July 13, 2026

TO: Honorable Chair and Members of the Planning Commission

VIA: Elena Lee, Planning Manager

BY: Ruby Phillips, Secretary II, CEDD

SUBJECT: April 27, 2026 & May 11, 2026, Planning Commission Meeting Minutes

Recommendation

Accept the April 27, 2026, Planning Commission Meeting Minutes.

Accept the the May 11, 2026, Planning Commission Meeting Minutes

Attachments

1. April 27, 2026, Planning Commission Meeting Minutes.
2. May 11, 2026, Planning Commission Meeting Minutes.



CITY OF EAST PALO ALTO PLANNING COMMISSION REGULAR MEETING MINUTES

April 27, 2026, 7:00 p.m.
EPA Government Center
City Council Chamber
East Palo Alto, CA 94303

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at 7:04 p.m. by Chair Sherrard.

Attendee Name	Title	Status	Arrived
Uriel Hernandez	Vice Chair	Present	
Juan Mendez	Commissioner	Present	
Robert Allen Fisk	Commissioner	Present	
Michael Mashack	Commissioner	Present	
Robert Sherrard	Chair	Present	
Javanni Brown-Austin	Commissioner	Absent	
Curtis Monette	Commissioner	Present	
Chris Kao	Alternate Commissioner	Present	

Chair Sherrard promoted Commissioner Kao to a voting member and recognized Commissioner Brown-Austin with an excused absence.

2. APPROVAL OF AGENDA

Staff made the recommendation to amend the agenda by changing item numbered 8.1 regarding the “City of East Palo Alto Vista 2035 General Plan Safety and Noise Element and Infrastructure, Services, and Facilities Element Update” incorrectly listed as a Policy and Action item to Public Hearing item 7.1.

Commissioner Mendez made a motion to approve the agenda with the aforementioned amendment. It was seconded by Commissioner Mashack and unanimously approved.

RESULT:	Motion Carried (7-0)
MOTION BY:	Mendez
SECOND:	Mashack

AYES:	Sherrard, Hernandez, Kao, Mashack, Monette, Allen Fisk, Mendez
NOES:	
ABSTAIN:	
ABSENT:	Brown-Austin

Item 8.1 regarding the “City of East Palo Alto Vista 2035 General Plan Safety and Noise Element and Infrastructure, Services, and Facilities Element Update” is reagendaized as item 7.1.

3. **APPROVAL OF CONSENT CALENDAR**

3.1) April 13, 2026, Planning Commission Meeting Minutes

Recommendation: Accept the April 13, 2026 Planning Commission Meeting Minutes.

Commissioner Allen-Fisk made a motion to approve the consent calendar with the April 33, 2026 Planning Commission meeting minutes. It was seconded by Commissioner Mendez. The motion was unanimously approved.

RESULT:	Motion Carried (7-0)
MOTION BY:	Allen-Fisk
SECOND:	Mendez
AYES:	Sherrard, Hernandez, Kao, Mashack, Monette, Allen Fisk, Mendez
NOES:	
ABSTAIN:	
ABSENT:	Brown-Austin

4. **PUBLIC COMMENT**

None.

5. **INFORMATIONAL REPORTS**

Interim CEDD Director Elena Lee made the following announcements:

- The City Council on May 5 will include the continued hearing and approval of the objective design standards of the development code

update recommended by planning commission in the March 23, 2026 Planning Commission meeting.

- The City Council on May 12 will include a hearing regarding commission and board appointments.
- The next Planning Commission meeting will be held on May 11, 2026 and will include a presentation regarding the General Plan Compliance of the City CIP program.

6. SPECIAL PRESENTATIONS

None.

7. PUBLIC HEARINGS

7.1) City of East Palo Alto Vista 2035 General Plan Safety and Noise Element and Infrastructure, Services, and Facilities Element Update

Recommendation:

Recommend the East Palo Alto City Council adopt the City of East Palo Alto Safety and Noise Element and Infrastructure and Facilities Element Update to the Vista 2035 General Plan; Find that project is exempt pursuant to a common-sense exemption under CEQA Guidelines Section 15061(b)(3) because implementation of the proposed project would not have the potential cause a significant effect on the environment where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Alternatively, as the proposed action involves a policy change only, it is statutorily exempt pursuant to Section 15262 (Feasibility and Planning Studies).

Eli Krispi with PlaceWorks presented the scope, process, and contents of the Public Safety Element update.

Interim CEDD Director notified the Commission that copies of public comments received after the publication of the packet have been placed in front of them.

Commissioners provided questions and comments to Eli Krispi and Staff.

Commissioner Mashack made the motion to open public comment. It was seconded by Commissioner Mendez. The motion was unanimously approved.

RESULT:	Motion Carried (7-0)
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MOTION BY:	Mashack
SECOND:	Mendez
AYES:	Sherrard, Hernandez, Kao, Mashack, Monette, Allen Fisk, Mendez
NOES:	
ABSTAIN:	
ABSENT:	Brown-Austin

There were no public comments.

Commissioner Mashack made the motion to close public comment. It was seconded by Commissioner Monette. The motion was unanimously approved.

RESULT:	Motion Carried (7-0)
MOTION BY:	Mashack
SECOND:	Monette
AYES:	Sherrard, Hernandez, Kao, Mashack, Monette, Allen Fisk, Mendez
NOES:	
ABSTAIN:	
ABSENT:	Brown-Austin

Commissioners provided several more comments and questions to staff regarding the item.

Commissioner Monette made a motion to approve item 7.1 as recommended with the following amendments: 1) Amend SN-14 to support preservation of trees to minimize noise impacts, 2) replacing/clarifying where “adequate” is used with more detailed language where feasible/appropriate, and 3) revising text to be more consistent with the Palo Alto Airport plan. The motion was seconded by Commissioner Kao. The motion was unanimously approved.

RESULT:	Motion Carried (7-0)
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MOTION BY:	Monette
SECOND:	Kao
AYES:	Sherrard, Hernandez, Kao, Mashack, Monette, Allen Fisk, Mendez
NOES:	
ABSTAIN:	
ABSENT:	Brown-Austin

8. POLICY AND ACTION

None.

9. ADJOURNMENT

The meeting was adjourned at 8:11 pm.

Planning Commission Clerk

Planning Commission Chair

East Palo Alto Planning Commission

April 13, 2026 Minutes



CITY OF EAST PALO ALTO PLANNING COMMISSION REGULAR MEETING MINUTES

May 11, 2026, 7:00 p.m.
EPA Government Center
City Council Chamber
East Palo Alto, CA 94303

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at 7:06 p.m. by Chair Sherrard.

Attendee Name	Title	Status	Arrived
Uriel Hernandez	Vice Chair	Present	
Juan Mendez	Commissioner	Present	
Robert Allen Fisk	Commissioner	Present	
Michael Mashack	Commissioner	Present	
Robert Sherrard	Chair	Present	
Javanni Brown-Austin	Commissioner	Present	
Curtis Monette	Commissioner	Present	
Chris Kao	Alternate Commissioner	Present	

2. APPROVAL OF AGENDA

Staff made the recommendation to amend the agenda by excluding item 3.1 regarding the “April 27, 2026, Planning Commission Meeting Minutes”. The item was incorrectly published and will be presented at the next planning commission meeting.

Commissioner Allen Fisk made a motion to approve the agenda with the aforementioned amendment. It was seconded by Commissioner Mashack and unanimously approved.

RESULT:	Motion Carried (7-0)
MOTION BY:	Allen Fisk
SECOND:	Mashack
AYES:	Sherrard, Hernandez, Mashack, Monette, Allen Fisk, Mendez, Kao
NOES:	

ABSTAIN:	
ABSENT:	

Item 3.1 regarding the “April 27, 2026, Planning Commission Meeting Minutes” was moved to the June 22, 2026 Planning Commission Meeting.

Chair Sherrard and Staff expressed appreciation for the work done by Vice Chair Hernandez before he vacates his position.

3. APPROVAL OF CONSENT CALENDAR

None.

4. PUBLIC COMMENT

None.

5. INFORMATIONAL REPORTS

Planning Manager Elena Lee made the following announcements:

- The City Council on May 5th unanimously approved the objective design standards of the development code update at first reading with minor changes. The second reading by City Council will occur on June 2nd.
- Sandhill Development Partners has requested to amend the development agreement. The DA hearing by City Council will be scheduled for June.

Commissioner Allen Fisk made the following announcements:

- Representatives of the Joint Powers Authority of San Francisquito creek, the City of Palo Alto, and the City of East Palo Alto will be present at a celebration for the commencement of the Newell Bridge reconstruction project on May 21.

Senior Planner Salifu Yakubu made the following announcements:

- Of the 35 planning permits processed from the end of 2025 to the end of April 2026, 17% were Tree Removal Permits, 24% were Temporary Use Permits, and 20% were Permit Adjustment Permits. Other permits, including five (5) Administrative Design Review Permits and two (2) Design Reviews Permits were also processed in this time frame. 20 projects are currently in process of which six (6) are Tree Removal Permits, four (4) Permit Adjustments, three (3) Design Review Permits, and three (3) Tentative Parcel Maps.

Commissioners asked clarifying questions regarding the permitting statistics presented by Senior Planner Salifu.

6. SPECIAL PRESENTATIONS

None.

7. PUBLIC HEARINGS

None.

8. POLICY AND ACTION

8.1) General Plan Conformance Finding for New Projects in the Fiscal Year (FY) 2026/27-FY 2027/28 Capital Improvement Program (CIP)

Recommendation:

Adopt a resolution:

1. Finding the Two-Year Capital Improvement Program (CIP) Update, including 27 new projects, to be in conformance with the City of East Palo Alto's General Plan;
2. Finding that the proposed action does not constitute a "project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, and alternatively, under Section 15378(b)(2), in that it is government administrative activity that will not result in direct or indirect changes in the environment; and
3. Directing staff to forward to the City Council the Commission's recommendation on the consistency of the Two-Year CIP with the City's 2035 General Plan.

City Engineer Anwarbeg Mirza presented the Capital Improvement Program (CIP) for the Fiscal year 2026/27 - 2027/28 as well as the CIP conformance to the City General Plan.

Commissioners asked questions regarding project timelines, funding, grants, and scope. Questions were answered by City Engineer Anwarbeg Mirza, Public Works Director Humza Javed, and Assistant to the City Manager Orly Amey.

Vice Chair Hernandez made a motion to approve item 8.1 as recommended. It was seconded by Commissioner Monette and unanimously approved.

RESULT:	Motion Carried (7-0)
MOTION BY:	Hernandez

SECOND:	Monette
AYES:	Sherrard, Hernandez, Mashack, Monette, Allen Fisk, Mendez, Kao
NOES:	
ABSTAIN:	
ABSENT:	

9. ADJOURNMENT

The meeting was adjourned at 8:02 pm.

Planning Commission Clerk

Planning Commission Chair

East Palo Alto Planning Commission

May 11, 2026 Minutes



SPECIAL
PRESENTATION ITEM 6.1



EAST PALO ALTO PLANNING COMMISSION STAFF REPORT

Date: July 13, 2026

To: Honorable Chair and Members of the Planning Commission

From: Elena Lee, Planning Manager
Shiri Klima, Assistant City Manager
Karen Camacho, Interim Community & Economic Development Director

Subject: Election of Chair and Vice Chair

Recommendation

Select a new Chair and Vice Chair of the Planning Commission for 2026-2027.

Background

Section 7.03 of the City of East Palo Alto Rules of the Planning Commission (Attachment 1) provides that the Planning Commission elects officers each July. The selection of the current Chair and Vice Chair occurred last at an election on June 9, 2025. Chair Robert Sherrard and Vice Chair Uriel Hernandez were elected by the Commission for the 2025-2026 term. Consistent with the Section 7.03, the election of the 2025-2026 term has been agendaized for this meeting, due to appointment of new Commissioner terms on May 12, 2026 by the City Council.

Nomination Process

Staff recommends the following selection process:

The Chair asks the Commission for nominations for the position of Chair for 2025-2026. Any Commission member may nominate someone other than herself or himself (including the sitting Chair) for the position. The Chair asks each person named if she or he is willing



**SPECIAL
PRESENTATION ITEM 6.1**

to serve before declaring that person nominated. If there are no nominations, the Chair may make a nomination. When it appears that no further nominations will be made, the Chair announces that the nominations are closed.

If only one Commissioner is nominated, the Chair calls for a vote on the nomination. The nominated Commissioner must receive a majority of the affirmative votes from members present and voting to be selected as Chair.

If more than one Commission member has been nominated, the Chair calls for a vote on the first person nominated. If that individual receives a majority of votes, the Chair shall declare that person selected as the new Chair and the voting concludes. If not, the Chair shall call for a vote for the second individual (and any subsequent persons) in the same manner until someone receives a majority of affirmative votes and is declared Chair. The process then repeats for the position of Vice Chair among the remaining members of the Planning Commission.

Fiscal Impact

No fiscal impact is associated with this action.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The proposed action does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

CITY OF EAST PALO ALTO

**RULES OF THE
PLANNING COMMISSION**

Adopted: October 14, 2003
Updated: November 14, 2011

RULE 1: COMMISSION RULES

Section 1.01 DEFINITION

The term **Rule** shall mean a regulation or set of regulations, governing actions, resolutions, policies and procedures of the City of East Palo Alto Planning Commission.

Section 1.02 ADOPTION AND AMENDMENTS OF RULES OF THE EAST PALO ALTO PLANNING COMMISSION

In carrying out its authority, functions, powers and duties, the City of East Palo Alto Planning Commission, from time to time, many enact and adopt **Rules** which are not in conflict with the City's Municipal Codes and Zoning Regulations.

A **Rule** shall be adopted or amended by a motion duly seconded, and passed by a majority vote of the City of East Palo Alto Planning Commission.

Section 1.03 NOTICE OF PROPOSED RULES

There is no requirement for notice of proposed **Rules** and there is no requirement for public hearings on proposed **Rules** proposed for adoption.

Section 1.04 MAINTENANCE OF RULES

The City Planning Manager shall compile in orderly sequence such **Rules** adopted by the City of East Palo Alto Planning Commission for the purposes of distribution, transmittal or maintenance of public record and shall retain them for public access.

Further, the City Planning Manager shall notify the City of East Palo Alto Planning Commission of any legislative or Court action that would require the amendment, modification or rescission of **Rules** adopted by the Commission.

RULE 2: COMMISSION RESOLUTIONS

Section 2.01 DEFINITION

The term **Resolution** shall mean an action, decision or an expression of opinion by the City of East Palo Alto Planning Commission.

Section 2.02 AUTHORITY TO ADOPT RESOLUTIONS

In carrying out its authority, functions, powers and duties, the City of East Palo Alto Planning Commission, from time to time, may enact and adopt **Resolutions** which are not specifically provided for herein, and which are not in conflict with the Municipal Code and Zoning Regulations.

Section 2.03 NOTICE OF PROPOSED RESOLUTIONS

The City of East Palo Alto Planning Commission shall hold at least one (1) public hearing prior to the adoption of any proposed **Resolution**. Said hearing shall be conducted only after the proposed **Resolution** has been placed on the agenda pursuant to the Brown Act and noticed pursuant to the public hearing procedures described in the Zoning Regulations.

Section 2.04 MAINTENANCE OF RESOLUTIONS

The City Planning Manager shall compile in orderly sequence such **Resolutions** adopted by the City of East Palo Alto Planning Commission for the purposes of distribution, transmittal or maintenance of public record and shall retain them for public access.

Further, the City Planning Manager shall notify the City of East Palo Alto Planning Commission of any legislative or Court action that would require the amendment, modification, or rescission of **Resolutions** adopted by the Commission.

RULE 3: COMMISSION POLICIES

Section 3.01 DEFINITION

The term **Policy** shall mean a principle or chosen course of action to guide the decision-making function of the City of East Palo Alto Planning Commission.

Section 3.02 AUTHORITY TO ADOPT POLICIES

In carrying out its authority, functions, powers and duties, the City of East Palo Alto Planning Commission, from time to time, may enact and adopt **Policies** which are not specifically provided for herein, and which are not in conflict with the Municipal Code and the Zoning Regulations.

Section 3.03 NOTICE OF PROPOSED POLICIES

The East Palo Alto Planning Commission shall hold public hearings prior to the adoption of any proposed **Policy**. Said hearing shall be conducted only after the proposed policy has been placed on the agenda pursuant to the Brown Act and noticed pursuant to the public hearing procedures described in the Zoning Regulations.

Section 3.04 MAINTENANCE OF POLICIES

The City Planning Manager shall compile in orderly sequence such **Policies** adopted by the City of East Palo Alto Planning Commission for the purposes of distribution, transmittal or maintenance of public record and shall retain them for public access.

Further, the City Planning Manager shall notify the City of East Palo Alto Planning Commission of any legislative or Court action that would require the amendment, modification, or rescission of **Policies** adopted by the Commission.

RULE 4: COMMISSION PROCEDURES

Section 4.01 DEFINITION

A **Procedure** is defined as an established series of steps to getting something done.

Section 4.02 AUTHORITY TO ADOPT PROCEDURES

In carrying its authority, functions, powers and duties, the City of East Palo Alto Planning Commission and City Planning Manager may, from time to time, adopt **Procedures** which are not in conflict with the Municipal Code and the Zoning Regulations.

Section 4.03 NOTICE OF PROPOSED PROCEDURES

There is no requirement for notice of **Procedures** and there is no requirement for public hearings on **Procedures** proposed for adoption.

Section 4.04 MAINTENANCE OF PROCEDURES

The City Planning Manager shall compile in orderly sequence such **Procedures** adopted by the City of East Palo Alto Planning Commission for the purposes of distribution, transmittal or maintenance of public record and shall retain them for public access.

Further, the City Planning Manager shall notify the City of East Palo Alto Planning Commission of any legislative or Court action that would require the amendment, modification or rescission of **Procedures** adopted by the Commission.

RULE 5: COMMISSIONER ATTENDANCE

Section 5.01 PURPOSE

This **RULE** is adopted for the purpose of ensuring that City of East Palo Alto Planning Commission Meetings are carried out in an effective manner.

Section 5.02 ATTENDANCE

All members of the City of East Palo Alto Planning Commission shall make a good effort to attend all regular and special meetings of the City of East Palo Alto Planning Commission. If, for good reason, a Commissioner is unable to attend a scheduled meeting, said Commissioner shall inform the Planning Division Office and/or the Chair of the Planning Commission before the start of the scheduled meeting. The Chair of the City of East Palo Alto Planning Commission shall declare the Commissioner's absence as an **excused absence**. An unexcused absence would mean that the Commissioner did not inform the Planning Division and/ or the Chair of the Planning Commission before the start of the scheduled meeting. The minutes of the meeting shall state that the Commissioner's absence was an **excused absence**.

Three (3) absences within a period of four months by a Commissioner, regardless of whether the absences were excused or unexcused, may result in a consideration and/or action by the City of East Palo Alto to forward a report to the City of East Palo Alto City Council regarding the frequency of the **absences** of said Commissioner.

PROCEDURE 6: CONTINUANCE AND RESCHEDULING

Section 6.01 PURPOSE

This **PROCEDURE** is adopted for the purpose of informing applicants and members of the public on the process for requesting and granting continuances or rescheduling of applications pending before the City of East Palo Alto Planning Commission.

Section 6.02 REQUEST FOR CONTINUANCE OR RESCHEDULING

All requests for **continuances or rescheduling** shall be made in writing and delivered to the City Planning Manager prior to the date of a City of East Palo Alto Planning Commission meeting on which a public hearing or deliberation on an application has been placed on the agenda. Such written request may be mailed, delivered or transmitted electronically to the City Planning Manager. The party requesting **continuance or rescheduling** shall have responsibility of ensuring that the request for continuance or rescheduling has been received by the City Planning Manager prior to the start of the meeting.

Section 6.03 ACTION ON REQUEST FOR CONTINUANCE OR RESCHEDULING

If the party requesting the **continuance or rescheduling** is the applicant, and if the request for **continuance or rescheduling** is made prior to the filing of a legal advertisement in the newspaper (if required), the City Planning Manager may approve or deny such request for **continuance**.

If the party requesting the **continuance** is the applicant, and the request for **continuance** is made after the filing of a legal advertisement in the newspaper, the request for **continuance** must be considered by the City of East Palo Alto Planning Commission during the meeting when the item was originally scheduled. The City of East Palo Alto Planning Commission shall, by motion and vote of a majority of the voting members, grant or deny the request for **continuance**.

If the party requesting the **continuance or rescheduling** is not the applicant regardless of when the request was received by the City Planning Manager, the request for **continuance or rescheduling** must be considered by the City of East Palo Alto Planning Commission during the meeting when the item was originally scheduled. The City of East Palo Alto Planning Commission shall, by motion and vote of a majority of the voting members, grant or deny the request for **continuance or rescheduling**.

Section 6.04 ATTENDANCE AT PUBLIC HEARING

The applicant or her/his duly appointed representative should be present at the public hearing for all applications pending before the City of East Palo Alto Planning Commission. The City of East Palo Alto Planning Commission hereby directs Planning Division staff to inform all applicants of the Commission's procedures on applications where the applicant or her/his duly appointed representative is not present at the public hearing.

It is the policy of the City of East Palo Alto Planning Commission to **continue** the public hearing on an application if the applicant or her/his duly appointed representative is not at the public hearing for the application. If the applicant or her/his duly appointed representative is not able to attend the public hearing for an application pending before the City of East Palo Alto Planning Commission, the applicant may submit a written request for the City of East Palo Alto Planning Commission to hold the public hearing and act on the application. The applicant shall have responsibility of ensuring that the request for the City of East Palo Alto Planning Commission to hold the public hearing and act on the application has been received by the City Planning Manager prior to the start of the meeting.

Section 6.05 ACTION ON REQUEST FOR ACTION

The City of East Palo Alto Planning Commission shall consider a request to hold the public hearing and shall, by motion and vote of a majority of the voting members, grant or deny the request to hold the public hearing and act on the application.

If the action by the City of East Palo Alto Planning Commission to hold the public hearing and act on the application results in a need for an application to be renoticed and reconsidered by the City of East Palo Alto Planning Commission (e.g., the applicant was not in attendance to provide information or the applicant does not agree with the actions of the City of East Palo Alto Planning Commission), the applicant shall bear the full cost of renoticing the application for public hearing by the City of East Palo Alto Planning Commission.

RULE 7: ELECTION OF COMMISSION OFFICERS

Section 7.01 OFFICERS OF THE EAST PALO ALTO PLANNING COMMISSION

The City of East Palo Alto Planning Commission shall elect officers of the Commission. The officers shall consist of a **CHAIR** and **VICE-CHAIR**.

Section 7.02 DUTIES OF OFFICERS

The **CHAIR** of the City Planning Commission shall run / chair all the meetings of the City of East Palo Alto Planning Commission. The **CHAIR** of the City Planning Commission shall work with the City Planning Director / City Planning Manager to ensure the preparation and proper dissemination of the agendas and reports for the City Planning Commission meetings. The **CHAIR** of the City Planning Commission shall have the authority to establish committees of the Planning Commission and to appoint members to such committees. Committee members shall be limited to the members of the City Planning Commission. During meetings of the City Planning Commission, the **CHAIR** shall have the authority to make changes to the agenda and to table items on the agenda. The rescheduling of tabled items is the purview of the **CHAIR** of the City Planning Commission.

The **VICE-CHAIR** of the City Planning Commission shall perform the duties of the **CHAIR** of the City Planning Commission in the absence of the **CHAIR**.

Section 7.03 ELECTION OF OFFICERS

The City of East Palo Alto Planning Commission shall hold election of officers every year. Regular elections shall be held in July, starting in July 2003. Special elections shall be held to fill a vacancy of the post of **CHAIR** or **VICE-CHAIR**. There shall be no term limits for officers of the City Planning Commission.

RULE 8: RECONSIDERATION

Section 8.01 REQUEST FOR RECONSIDERATION

The Planning Commission may approve a **request for reconsideration** of an action taken by the Planning Commission if the party submitting such a request presents new material information not previously considered by the Planning Commission.

The **request for reconsideration** shall be made in writing on a form prescribed by the Planning Director and submitted to the Planning Division within ten (10) calendar days from the meeting at which the Planning Commission acted on the application for which such **request for reconsideration** is made. The written request submitted to the Planning Division shall describe what new material information is to be presented to the Planning Commission that may be the basis for a change on the Planning Commission's action. The party **requesting reconsideration**, whether the applicant or other interested party, shall also indicate on the prescribed form that he/she will withdraw any appeal filed with the City Council if the Planning Commission agrees to hold a new public hearing to consider the application.

Section 8.02 PROCEDURE OF THE PLANNING COMMISSION

The Planning Director shall include **the request for reconsideration** as an action item in the agenda for the next available Planning Commission meeting.

The Planning Commission, by vote, shall deny or approve the **request for reconsideration**. The motion shall be made by a member of the Planning Commission who voted with the prevailing party on the decision that is the subject of the **request for reconsideration**. If the Planning Commission acts to reconsider its previous action on an application, the Planning Commission shall, in consultation with the Planning Director, identify the next available date to calendar the item for a new public hearing which shall be noticed in accordance with the applicable notice requirements in the Zoning Regulations. Due to public notification requirements, the date for the new public hearing shall be no less than fourteen (14) calendar days from the day the Planning Commission acts on the request for reconsideration.

Section 8.03 SUBMITTAL REQUIREMENTS

The new information shall be submitted to the Planning Division at least ten (10) calendar days prior to the hearing date set for the reconsideration.

There shall be no **request-for-reconsideration** fee. However, if the Planning Commission agrees to reconsider its decision and sets a date for a new public hearing, the party **requesting reconsideration** shall pay a public notification fee for the new public hearing within two (2)

calendar days following the date of the Planning Commission's decision regarding reconsideration.

Section 8.04 CONCURRENT APPEAL TO THE CITY COUNCIL BARRED

The Planning Commission shall not hold a new public hearing nor take any subsequent action concerning the item that is the subject of the **request for reconsideration** if the applicant fails to withdraw his or her appeal to the City Council or the City Council has commenced public hearing proceedings on an appeal on the action of the Planning Commission that is the subject of the **request for reconsideration**.

RULE 9: RESERVED

RULE 10: REGULAR PLANNING COMMISSION MEETING AGENDAS

Section 10.01 PURPOSE

The City of East Palo Alto Planning Commission has established rules regarding the organization of regular Planning Commission meeting agendas.

Section 10.02 RECURRING ITEMS

The following items shall be routinely placed on the agenda for Regular Planning Commission meetings:

1. Roll Call
2. Approval of Agenda
3. Consent Calendar
4. Open Forum
5. Planning Commission Subcommittee updates
6. Communication Items
7. Planning Commission Matters, Staff Updates and Calendars

Section 10.03 LENGTH OF MEETINGS

The Planning Commission has established a goal of limiting regular Planning Commission meetings to no more than three (3) hours, when feasible. In the event that, in the judgment of the Planning Commission, there are important or time sensitive items, meetings may be expanded to last longer than three (3) hours. No new items shall be considered after three (3) hours unless approved by a majority vote of the Planning Commissioners present.

Section 10.04 ORGANIZATION OF ITEMS

In the event that a meeting is anticipated to last longer than three (3) hours, the Consent Calendar, Planning Commission Subcommittee updates, Communication Items and Planning Commission Matters, Staff Updates and Calendars shall be moved to the end of the agenda.

Section 10.05 CONTINUED ITEMS

Public Hearing items that have been continued from a previous meeting shall be placed ahead of new public hearing items on the agenda.

PROCEDURE 11: COMMUNICATING DISSENTING OPINIONS

Section 11.01 PURPOSE

In the event that a Planning Commissioner votes against the majority of the Planning Commission on a particular item, and desires to have their dissenting opinion clearly reflected in the administrative record, the Commissioner has the option of filing a “Record of Dissenting Opinion”, which is a written document which explains the rationale behind the Commissioner’s dissenting vote. The Record of Dissenting Opinion would be made part of the administrative record and would be provided to the City Council in the event that Council reviews that particular item.

Section 10.02 TIMELINE FOR FILING A RECORD OF DISSENTING OPINION

A Record of Dissenting Opinion must be submitted in writing to Planning Division staff within 10 days of the date of the decision and shall include a written explanation of the rationale behind the dissenting vote.

Section 10.03 INCLUSION IN THE ADMINISTRATIVE RECORD

Upon receiving a Record of Dissenting Opinion, staff shall file the document in the administrative record.

Section 10.04 FORWARDING TO CITY COUNCIL

In the event that the City Council reviews an item which has a Record of Dissenting Opinion on file, the Record of Dissenting Opinion shall be forwarded to the City Council for their consideration.



EAST PALO ALTO PLANNING COMMISSION STAFF REPORT

DATE: July 13, 2026

TO: Members of the Planning Commission

BY: Michelle Huang, Associate Planner
Salifu Yakubu, Senior Planner
Elena Lee, Planning Manager
Karen Camacho, Interim Community and Economic Development Director
Shiri Klima, Assistant City Manager

SUBJECT: Special Use Permit (SUP26-001) for Continued Operation and Phased Wind-Down of the Infinity Salvage Automobile Recycling Facility at 2091 Bay Road

Recommendation

Adopt a resolution:

1. Approving a Special Use Permit (SUP26-001) for the continued operation of the automobile recycling facility located at 2091 Bay Road, East Palo Alto for a period of one year, for the purpose of facilitating a phased wind-down and ultimate cessation of operations, subject to the Conditions of Approval in Exhibit A. Noncompliance with any condition of approval shall constitute grounds for initiation of revocation proceedings pursuant to City of East Palo Alto Municipal Code (EPAMC) Section 18.112.030.
2. Finding the project is categorically exempt pursuant to Section 15301 of the California Environmental Quality Act (CEQA), which exempts the continued operation of existing facilities involving negligible or no expansion of existing use.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Land Use, Economic, and Workforce Development strategy.

Background

Property Owner: Michael Baker

Location: 2091 Bay Road, East Palo Alto

APN:	063-121-400, -410
Size:	1.96 acres
Existing Use:	Automobile Dismantling and Recycling Facility
General Plan Designation:	Office
Existing Zoning:	Waterfront Office (Ravenswood Business District / 4 Corners Specific Plan)
Surrounding Zoning:	North: Waterfront Office / Ravenswood Open Space Preserve East: Ravenswood Open Space Preserve and PR-Parks and Recreation (Cooley Landing) South: Waterfront Office West: Waterfront Office
Flood Zone:	AE
Public Notice:	Notice published in the Palo Alto Daily News on June 12, 2026. The agenda and staff report were posted on the City's website and bulletin board at City Hall, 2415 University Avenue, East Palo Alto.
Recusal Map:	No Planning Commissioners reside within 1000 feet of the project site, and City staff are not aware of any conflicts of interest involving any Commissioner.

Site History and Land Use Context

The site located at 2091 Bay Road has been used for automobile dismantling since approximately 1948, when it operated as Sam's Auto Wreckers. Automobile dismantlers and recyclers collect vehicles that have reached the end of their useful lives and salvage parts, metals, and other components for resale and reuse. In 1974 (before the City was incorporated), the facility was purchased by the current owner, Mike Baker, who renamed the business Infinity Salvage and has continued operations at the site to the present day.

The site comprises approximately 1.96-acres and is located on the north side of Bay Road. Existing improvements include a modular office building, a dilapidated covered storage shed, an uncovered drain station, shipping containers, and outdoor vehicle storage and dismantling areas. The property is located within the Ravenswood Business District / 4 Corners Specific Plan area and carries a Waterfront Office land use designation.

Automobile dismantling and recycling is not permitted use by right within the Waterfront Office designation which replaced the former M-1 Light Industrial zoning district where

such uses were previously allowed with a permit. Since 2003, Infinity Salvage (the last automobile dismantling and recycling operation in the City) has been authorized through a series of annual Special Use Permits (SUPs), each requiring Planning Commission review and approval. Through this annual review process, the property owner has been repeatedly informed that the operation is permitted only through the Commission's discretionary approval, and that continued authorization is contingent upon compliance with all permit conditions and applicable regulatory requirements.

Special Use Permit Requirement and Annual Renewal History

On December 16, 1996, the City Council adopted Ordinance No. 209, establishing an annual Special Use Permit (SUP) requirement for all automobile dismantling operations within the former M-1 Light Industrial Zoning District. On May 27, 2003, Infinity Salvage obtained its initial Special Use Permit (SUP03-03) from the Planning Commission in accordance with Ordinance No. 209. Since that time, the Planning Commission has granted annual extensions of the permit.

On February 13, 2013, the City Council adopted the Ravenswood / 4 Corners Transit Oriented Development (TOD) Specific Plan, which eliminated the M-1 District and designated the subject site to Waterfront Office. The annual Special Use Permit requirement was retained and incorporated into the Specific Plan to ensure that automobile dismantling operations are conducted in a manner that would not negatively impact public health, safety, and welfare, or interfere with redevelopment efforts envisioned by the Specific Plan.

On December 17, 2024, the City Council adopted the updated Ravenswood Business District / 4 Corners Specific Plan and corresponding amendments to EPAMC Title 18. The updated Specific Plan retains the site's Waterfront Office land use designation, updates applicable development standards, and continues to prohibit automobile dismantling and recycling as a permitted use within the district.

Compliance History

The facility has been subject to ongoing inspections and compliance monitoring by the City, Menlo Park Fire Protection District ("Menlo Fire"), San Mateo County Environmental Health, and other responsible agencies due to the nature of the automobile recycling operations and persistent environmental and other compliance issues on the site. Compliance with permit conditions and applicable regulations has varied over time. The following table summarizes key compliance findings, enforcement actions, and milestones identified during prior review cycles.

Year / Period	Inspecting Agency / Approval Authority	Key Finding or Action
2007–2009	City of East Palo Alto (EPA) Planning, and Building and Code Enforcement Divisions / Menlo Fire	Multiple Building, Fire, and EPAMC violations documented. Major life-safety issues subsequently abated.

2012 - 2013	Planning Commission	Applicant was directed by Planning Commission to resolve the following four outstanding violations: illegal storage container, pallet rack height, overgrown weeds, and ADA ramp to office. Violations were resolved in June 2013.
2013–2014	EPA Staff / Menlo Fire	Site verified in compliance with SUP 03-03 conditions. City Council adopted Ordinance No. 381 requiring the onsite containers with hazardous materials to be maintained at 18 inches above base flood elevation. Fire road required by Menlo Fire. Hazardous materials were not adequately labeled. Applicant addressed the issues and elevated the shipping containers onsite.
2015–2018	Multiple agencies	Applicant addressed emergency vehicle access issues, aisle obstructions, and vehicles stored along Bay Road to the satisfaction of various local agencies, including City, County Environmental Health, and Menlo Fire.
August 2019	Menlo Fire	Aisle spacing violations noted; fire extinguisher placement required. Applicant addressed upon follow-up.
August 2020	Menlo Fire	SUP20-003 approved December 14, 2020.
November 2022	Menlo Fire	SUP22-002 approved December 12, 2022.
November 2023	Multiple agencies	SUP23-001 approved November 13, 2023, with term ending December 12, 2024.

July 2024 Fire and Permit Extension (SUP24-001)

Fire Incident

On July 14, 2024, a fire broke out at Infinity Salvage, damaging three shipping containers stocked with automobile parts and wooden shelves, approximately 50 stacked vehicles, and the drain station. The property owner reported the incident and subsequently suggested that the fire may have been the result of an ongoing pattern of break-ins at the site. Despite these repeated claims, the owner has not implemented basic security measures such as installing surveillance cameras, maintaining perimeter fencing, or enhancing site monitoring, and the overall condition of the site has continued to deteriorate.

A staff inspection conducted ten days after the fire documented the full extent of the damage. Site photographs showed multiple vehicles burned completely to their frames, and stacks of three to four vehicles high throughout the main yard. The wall of the drain station was scorched, and the interior wooden shelving rack was charred and

structurally compromised. Both forklifts on site were inoperable. In addition, office windows and doors were boarded with plywood and the ADA accessible (meaning designed or modified to be used by people with disabilities, as required by law) ramp leading to the office was blocked (see Attachment 2: July 24, 2024, Site Inspection Photographs).

Post-Fire Inspections

On August 20, 2024, staff conducted a follow-up inspection and observed that dismantling operations were continuing on the site. Fire-damaged vehicles remained intermixed with operational vehicles throughout the yard, and vehicles continued to be stacked within active storage areas. Staff observed that only limited progress had been made toward removing fire-damaged vehicles and materials since the July 24, 2024, inspection (see Attachment 3: August 20, 2024, Site Inspection Photographs).

On November 5, 2024, Code Enforcement and Planning staff conducted another post-fire inspection and found that cleanup was still incomplete. Several vehicles were being temporarily stored within required circulation aisles between stacked vehicles, reducing access through portions of the site. Fire-damaged shipping containers, wooden shelving, and other fire-related debris also remained on the property.

During a subsequent inspection on December 3, 2024, staff observed that fire-damaged vehicles had been removed from the site as well as other obstructions from the passageway connecting the front gate area to the rear of the facility. However, due to the disruption caused by the fire, the facility remained in cleanup mode and was not in compliance with several conditions of approval associated with the then-current permit, SUP24-001, at the time of permit renewal. Given the history of alleged break-ins and ongoing concerns regarding site maintenance, staff proposed additional conditions on requiring enhanced security measures as part of the permit renewal.

Permit Extension — SUP24-001 (December 9, 2024)

On October 31, 2024, Infinity Salvage submitted an application to extend its Special Use Permit (SUP23-001) for one year. On December 9, 2024, the Planning Commission approved SUP24-001, authorizing the continued operation of the automobile recycling facility through December 31, 2025, subject to the following Special Conditions of Approval:

1. Acceptance of new vehicles or inventory was restricted unless Planning staff and the applicant reached agreement, in consultant with the Menlo Park Fire Protection District and San Mateo County Environmental Health, determined that sufficient progress had been made toward obtaining passing inspections and correcting outstanding violations.
2. The applicant was required to return to the Planning Commission no later than April 30, 2025, for a compliance review to verify that all fire-damaged materials had been repaired or removed and that the site complied with all applicable conditions of approval and code requirements. If found to be in compliance, the applicant would be allowed to accept new vehicles and continue operations through December 31, 2025.

3. The applicant was required to obtain clearance from the Fire District, San Mateo County Environmental Health, and East Palo Alto Public Works Environmental Services within 90 days, no later than March 10, 2025.
4. The applicant was required to submit monthly progress reports documenting cleanup activities and to coordinate regular site inspections with Planning and Code Enforcement staff.

The Special Conditions further provided that failure to comply with these requirements could result in permit modification, suspension, or revocation. Both the Fire District and San Mateo County Environmental Health supported the 90-day cleanup timeline.

Infinity Salvage, the operator, was not in compliance with the Special Conditions of Approval required under SUP24-001 by April 30, 2025 deadline, areas of non-compliance included the continued presence of fire-damaged materials at the site, as well as other code violations. Staff subsequently coordinated with the applicant and the responsible agencies to conduct the review required by the permit. The applicant completed several cleanup and corrective actions, including obtaining clearance from the Fire District on June 5, 2025. However, subsequent inspections and the City's independent environmental compliance review identified additional concerns related to hazardous materials management, stormwater compliance, and site operations, as discussed below.

Environmental Compliance Review (July 1, 2025)

As part of the City's review of ongoing environmental compliance at the facility, staff retained EKI Environment & Water, Inc. (EKI) to conduct an independent environmental compliance assessment. The review was initiated in response to observations made during prior inspections related to stormwater management, hazardous materials handling, and overall site housekeeping practices.

Though that Infinity Salvage has made progress on certain cleanup and circulation issues following the 2024 fire, several critical issues remain unresolved; specifically 13 unmet conditions of SUP24-001 that cover issues of hazardous materials handling, stormwater compliance, spill prevention measures, and overall site maintenance in violation of local, State, and federal standards remain outstanding.

EKI conducted a site walk-through on July 1, 2025, accompanied by the facility operator and City staff. As part of its assessment, EKI reviewed available permits, stormwater records, and other relevant documentation provided by Infinity Salvage, its stormwater consultant (Environmental.com), the State's Stormwater Multiple Application and Report Tracking System (SMARTS) database, and the City. EKI documented its findings and recommendations in a Technical Memorandum dated September 3, 2025 (see Attachment 9).

The following table summarizes the key findings and recommendations identified in the EKI review:

No.	Issue Area	EKI Finding	EKI Recommendation
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**PUBLIC HEARING ITEM**

1.	Stormwater Management	Operator claims all stormwater is retained on site, but EKI observed likely discharge points. No No-Discharge Technical Report or Notice of Non-Applicability (NONA) has ever been filed via the State's SMARTS database. No stormwater samples have ever been collected, in violation of the National Pollutant Discharge Elimination System (NPDES) Industrial General Permit (IGP).	File NONA and Professional Engineer-signed No-Discharge Technical Report via SMARTS; or initiate IGP Qualifying Storm Event stormwater monitoring and annual reporting.
2.	Oil-Stained Soil Disposal	Oil-stained soil and cleanup materials are placed inside vehicles to be crushed — a violation of California Health and Safety Code section 25250.4. No spill kits observed.	Immediately cease placing oil-stained soil in vehicles. Containerize, profile, and dispose of pursuant to the Health and Safety Code. Maintain manifests for a minimum of five years.
3.	Lead-Acid Battery Management	40+ spent lead-acid batteries stored in a container. Operator states no hazardous waste is generated. No bills of lading or disposal manifests provided. Violation of California Code of Regulations (CCR) Title 22 sections 66266.80 and 66266.81.	Manage batteries as hazardous waste since they were more than 10: proper storage, transportation, and documentation. Retain records minimum three years.
4.	Hazardous Waste: General	Waste oils and coolants managed through Safety Kleen, with three years of receipts provided, but no disposal profiles, bills of lading, or manifests produced. No recorded manifests under EPA ID CAD982494858 generated during the review of the CA Dept of Toxic Substances Control (DTSC) Hazardous Waste Tracking System (HWTS) since 2017.	Profile all waste and maintain disposal records on site.
5.	Handling of waste tires	At least 50+ waste tires in stockpiles, and more tires scattered throughout the site. No documentation or system for tracking the storage of tires. If more than 500 waste tires are present, a permit is required under CalRecycle, Title 14 CFR section 17350.	Infinity Salvage must track and document the input, output, and storage of tires at the Facility to demonstrate that no more than 500 waste tires are present at the Facility at any one time and that a waste tire permit is not required.



PUBLIC HEARING ITEM

6.	Industrial Activity in Loading/Unloading Area	Waste oil removal, unloading, and processing occur in the Loading/Unloading Area, a known potential pollutant source per the Facility Storm Water Pollution Prevention Plan (SWPPP). A storm drain on Bay Road receives runoff from this area. No stormwater samples have ever been collected at this discharge point, in violation of the IGP. Stained soil and track-out observed from the south entrance to Bay Road.	Cease industrial activity in the Loading/Unloading Area and revise the SWPPP accordingly or implement Best Management Practices (BMPs) to prevent pollutant discharge and collect stormwater samples during qualifying storm events.
7.	Stormwater: Storm Water Pollution Prevention Plan (SWPPP) Site Map and Spill Documentation	SWPPP site map does not define stormwater drainage areas, flow directions, storm drain inlets, or collection locations, in violation of IGP requirements. Stained soil and pavement observed throughout the Facility, with no records of spills or cleanup responses provided. SWPPP falsely states no materials have been significantly spilled or leaked.	Complete an updated accurate revision of the SWPPP with regards to spills and leaks and provide the appropriate spill response protocols, BMPs, and methods to address such spills.
8.	Management of Contaminated Containers	Empty cans of hydraulic oil and lubricants were observed throughout the site. Empty cans of oil and lubricants are collected and placed inside cars to be crushed and transported off site for recycling, in violation of CCR Title 22 section 66261.7.	Infinity Salvage must render hydraulic oil and lubricant cans drip dry (California Empty), or they must be managed as hazardous waste. Hazardous waste must be properly containerized and labeled to avoid polluting soil and groundwater.
9.	Underground Drum Below Concrete Containment Pad at Serving Area	Property owner reported that a 55-gallon drum was installed below surface, underneath the concrete containment pad used to remove oil and gasoline from vehicles. This subsurface containment is likely regulated by the local Certified Unified Program Agency (CUPA) under California's Underground Storage Tank Program. No environmental permits for this pad were provided or reviewed.	Further evaluation of the containment pad operations at the Facility are needed to determine whether the subsurface drum complies with the San Mateo County Health Hazardous Waste and Materials Management Regulatory Program and CUPA requirements.



PUBLIC HEARING ITEM

10.	Secondary Containment	Used oil drums, antifreeze drums, gas drums, engine and transmission parts observed throughout site without cover or secondary containment, in violation of 40 Code of Federal Regulations (CFR) section 264. Buckets of hydraulic oil, lubricants, miscellaneous car and truck parts, synthetic oil, debris, etc. were observed on the ground throughout the site in unpaved areas.	Implement containment of wastes per 40 CFR section 264.
11.	Overall Contamination Risk	High potential for chemical impacts to soil, groundwater, and stormwater due to improper hazardous materials handling and inadequate spill controls.	Retain environmental consultant; prepare Pollution Hotspot Identification and Remediation Plan.

During the July 1, 2025, site visit, EKI observed fire-damaged materials remaining in the vicinity of the battery storage area. Based on these observations, EKI noted that certain fire-damaged items had not yet been repaired or removed, as required by Special Condition of Approval (COA) 2 of the Special Use Permit SUP24-001.

Site Inspection Subsequent to EKI's Review and Technical Memorandum (September 8, 2025)

Staff conducted a follow-up inspection on September 8, 2025. Staff observed that the drain station remained open and uncovered. A large white truck was positioned in the rear access lane near the Romic property boundary, obstructing the fire access route, a recurring violation of COA 24 of SUP24-001. The rear perimeter security fencing was in significant disrepair (see Attachment 5: September 8, 2025, Site Inspection Photographs).

March 26, 2026 Site Inspection

Staff conducted a site inspection on March 26, 2026. Compared to prior inspections, the main yard appeared less congested, and the primary access roadway remained unobstructed. While progress had been made in reducing vehicle inventory and improving site circulation, staff observed several ongoing violations and compliance issues, including the following:

No.	Condition	Observation	Status
1.	Vehicle accumulation: main yard (COA 9)	Substantially cleared since prior inspection.	Partially Met
2.	Primary access road (COA 24)	Unobstructed and passable during visit. A white truck	Partially Met

3.	Active oil discharge to soil (COA 6.2, 6.3, 6.17)	was blocking the rear emergency access. Engines actively dripping petroleum fluids onto unpaved soil throughout the property. No drip pans or secondary containment in place. In some areas, transmissions and drivetrains sat directly on saturated soil with visible oil pooling.	Not met
4.	Rear fire lane (COA 24; COA 31)	Blocked by a large truck — the same recurring violation documented at the September 8, 2025 inspection. Emergency vehicle access to rear of property not achievable.	Not met
5.	Fire extinguishers (COA 29)	No other extinguishers observed anywhere on site — the same violation documented by Menlo Fire at the March 2025 inspection. (see Attachment 4 March 13, 2025, Site Inspection Photographs)	Not met
6.	Lead-acid battery storage (COA. 6.6; COA 22)	More than 30 ¹ vehicle batteries stored in a fire-damaged, charred shipping container without compliant secondary containment, hazmat labeling, or documentation.	Not met
7.	Perimeter / side fencing (COA 9)	Significant disrepair — damaged, leaning, and missing sections in multiple locations — unchanged from September 2025.	Not met
8.	Dilapidated structures	Multiple structures in advanced disrepair, including collapsed roof sections, broken walls, and	Partially Met

¹ Should be managed as hazardous waste if there are more than 10 batteries.

9.	Oil spill concealment (COA 6.16, 6.17)	charred framing unrepaired since the July 2024 fire. Evidence that prior oil spills were covered with dry dirt rather than addressed with absorbent materials and manifested for disposal — not a compliant spill response.	Not met
10.	Garbage and improper disposal (COA 6.11, 6.12)	Operator acknowledged that collected waste is stuffed into vehicles for recycling.	Not met

See Attachment 7: March 26, 2026, Site Inspection Photographs.

Pre Planning Commission Meeting and Stormwater Site Inspection (June 18, 2026)

On June 18, 2026, Planning staff, Environmental Services staff, and the City’s stormwater inspector conducted a site inspection. Conditions observed during this inspection had deteriorated from the March 26, 2026, inspection, with no apparent evidence that corrective actions had been implemented during the last three-month period.

Vehicle inventory appeared to have increased, with vehicles densely stacked throughout the site. Interior circulation aisles were largely obstructed and difficult to access. Staff observed petroleum fluid discharges onto unpaved soil in multiple locations, with no drop pans, secondary containment, or absorbent materials in place. Engines, transmissions, and other oil-bearing parts remained stored in uncovered metal containers.

Staff also observed uncovered hazardous material containers written “Good Gas” and “Dirty Water” stored within a decommissioned trailer without secondary containment. The rear fire access lane remained obstructed, perimeter fencing remained in disrepair, no fire extinguishers on the field, and unsecured waste materials and car parts were scattered throughout the site. These observations indicate that several previously identified compliance issues remain unresolved and that overall site conditions have declined since the March 2026 inspection.

See Attachment 8: June 18, 2026, Site Inspection Photographs.

Analysis

Permit Authority, Required Findings, and Nonconforming-Use Status

The permit before the Commission is the use permit required by EPAMC Section 18.48.190(B) for a vehicle dismantling establishment, as carried forward by the

Ravenswood Business District / 4 Corners Specific Plan; it is referred to in this report and the attached resolution as a Special Use Permit (SUP). Consistent with the City's longstanding practice under Ordinance No. 209, Section 18.48.190(D) authorizes the Commission to issue the permit for an initial one-year term subject to annual renewal to require clean-up of any identified contamination and to impose, modify, or add conditions at any time as reasonably necessary to protect the public health, safety, and welfare or to abate a nuisance.

To approve the permit, the Commission must make the findings required by Section 18.48.190(D)(1) and findings applicable to all Use Permits in Section 18.88.050. Because the administrative record documents ongoing compliance deficiencies, staff recommends that these findings be made on an as-conditioned basis: as conditioned by the immediate corrective actions and the phased wind-down set forth in Exhibit A, the use will not be detrimental to the public health, safety, or welfare and will be brought into, and operated in, compliance with Section 18.48.190 and other applicable laws. Consistency with the General Plan and the Specific Plan is supported by the Specific Plan's authorization of continued dismantling on a transitional basis through this permit pending cessation of the use.

Automobile dismantling at the Property has been authorized solely through successive discretionary annual permits issued under Ordinance No. 209 and Section 18.48.190, and not as a vested legal nonconforming use (meaning the property owner does not have a protected right to continue this use even after zoning or land use regulations change to prohibit it). Since it is not a protected right, the use is therefore regulated by the annual permit process under Section 18.48.190 rather than the phase-out (amortization) schedule for nonconforming uses in Chapter 18.76 of the East Palo Alto Municipal Code. Any requirement for a phased wind-down of the use is imposed as a condition of this Special Use Permit rather than from the Chapter 18.76 amortization schedule.

The subject property is designated as Waterfront Office under the Ravenswood Business District/4 Corners Specific Plan. Automobile recycling and related uses are not permitted within this land use designation and zoning district. While the use has historically operated on the site, it is inconsistent with the long-term land use vision for the Specific Plan area, which is intended to serve as the City's future downtown.

As discussed throughout this report, the facility has experienced recurring compliance issues related to site maintenance, fire safety, and environmental management. The July 2024 fire, the EKI environmental compliance review, and subsequent site inspections have identified ongoing concerns that necessitate additional oversight and corrective action.

SUP24-001 expired on December 31, 2025. The facility's history of compliance issues, environmental review findings, ongoing operational concerns, and the continued inconsistency of the use with both the Waterfront Office land use designation and the vision of the Specific Plan support a transition away from continued annual permit renewals.

The updated Specific Plan reaffirms the community's vision for redeveloping the Infinity Salvage site and surrounding properties into environmentally sustainable uses that are appropriate for a downtown setting. With the proposed Civic Center and track and field projects gaining momentum and nearing development, these catalytic investments are expected to spur redevelopment throughout the Specific Plan area.

Accordingly, the time has come for prohibited uses, such as automobile dismantling and recycling, to begin winding down their operations. The City has, in good faith, accommodated Infinity Salvage as a transitional use for more than a decade, while consistently reminding the operator during each annual permit renewal that the facility's presence was intended to be temporary and of the conditions of approval required to protect public health and safety are imperative.

Therefore, staff recommend approval of a phased wind-down Special Use Permit that establishes clear compliance milestones, site cleanup and maintenance requirements, and a defined timeline for the cessation of automobile recycling operations at the site.

Proposed Wind-Down Plan

Phase	Period	Mode/ Goal	Primary Milestones
Phase 1-A — Immediate Compliance	Permit Approval – 60 days	Emergency corrections; no dismantling	Oil containment implementation; fire lane needs to be cleared; extinguishers to be provided onsite; hazmat compliance; Notice of Violation (NOV) compliance initiate
Phase 1-B — Stabilize	June 22, 2026 - June 30, 2027 (overlapping Phase 1-A)	Recycling only; no dismantling	Automobile dismantling activities cease; decommission and begin removal of dismantling equipment; maximum vehicle inventory established through a City-approved operational site plan; Notice of Non-Applicability (NONA) and No-Discharge Technical Report submitted, or Industrial General Permit compliance initiated; Storm Water Pollution Prevention Plan (SWPPP) updated; drain station covered and bermed; closed circuit television (CCTV) installed; Pollution Hotspot Identification and Remediation Plan submitted to City
Phase 2 — Reduce	July 1, 2027 – June 30, 2028	Inventory reduction; no new vehicles	No new vehicle intake except to maintain a maximum inventory equivalent to 30% of baseline inventory as established in Phase I;; vehicle inventory reduced by at least 70 percent from the Phase 1 baseline; complete removal or decommissioning of dismantling equipment (cutting torches, vehicle lifts, and parts harvesting stations);

			Pollution Hotspot Identification and Remediation Plan actively implemented; approximately 50 - 60 percent of identified hotspot remediation completed
Phase 3 — Close-Out	July 1, 2028 – June 30, 2029	Full cessation	Automobile recycling operations cease; 100 percent of vehicle inventory removed from the site; all recyclable materials removed; environmental remediation completed; Final Remediation Summary Report prepared by the Infinity Salvage and submitted in a form acceptable to the City prior to the SUP expiration date of June 30, 2029

Phase 1-A — Immediate Compliance Actions (Commencing Upon Permit Approval and Completed Within Applicable Deadlines)

The following corrective actions are recommended to address the significant compliance deficiencies documented during the March 2026 site inspections. Code Enforcement would issue a Notice of Violation identifying the required corrective actions and associated compliance deadlines.

1. Install drip pans, secondary containment, or other approved containment measures under all engines and other oil-bearing components with potential to discharge fluids onto soil or other pervious surfaces.
2. Remove the vehicle currently blocking the rear fire lane. The fire lane remain clear and unobstructed at all times per COA 25.
3. Provide and maintain fire extinguishers throughout the site in sufficient locations to achieve the required 75-foot coverage per COA 30.
4. Remove all remaining fire-damaged debris, equipment, and materials from the site within 30 days of permit approval.
5. Discontinue the disposal of oil-contaminated soil, absorbent materials, and other cleanup debris within vehicles intended for recycling or off-site transport. Such materials shall be disposed of in accordance with applicable State regulation, including California Health and Safety Code, Chapter 6.5.
6. Relocate all batteries currently stored within the fire-damaged shipping container to a code-compliant storage area equipped with appropriate secondary containment. Up to ten batteries may be stored at the facility at any given time without being managed as hazardous waste. If more than ten batteries are stored on site at any time, all batteries must be managed as hazardous waste, including proper labeling, covering, containment, and compliance with the applicable 90-day storage limitation.
7. Properly containerize and profile all oil-contaminated soil and cleanup materials. Dispose of these materials in accordance with the California Health and Safety

Code and retain all disposal manifests and supporting documentation for a minimum of five years.

8. Submit a perimeter fencing repair plan and implementation schedule to the Code Enforcement and Planning Divisions. All perimeter fencing shall be repaired and maintained to the minimum required height per COA 9.
9. Automobile dismantling activities, including vehicle cutting, parts harvesting, and component removal for resale, shall cease within 30 days of permit approval. During the Phase 1-A compliance period, the applicant may only perform activities necessary to stabilize the site, address environmental compliance issues, and prepare vehicles for storage or off-site transport.
10. Remove all vehicles bearing 2025 registration dates from the site or provide documentation demonstrating that such vehicles are actively being processed in accordance with approved operations
11. Provide spill response kits throughout the facility, train all staff in proper spill response procedures, and maintain written inspection logs documenting routine monitoring for fluid leaks and other releases.
12. File a Notice of Non-Applicability (NONA) and a No-Discharge Technical Report via the State's SMARTS database, signed and stamped by a licensed professional engineer, demonstrating that the facility meets the eligibility requirements for exclusion from coverage under the National Pollutant Discharge Elimination System (NPDES) Industrial General Permit. If eligibility cannot be demonstrated, initiate Qualifying Storm Event stormwater monitoring in accordance with permit requirements.
13. Submit a detailed Storm Water Pollution Prevention Plan (SWPPP) to the Planning and Environmental Services Divisions. The SWPPP shall accurately reflect current site operations and include, at a minimum, drainage maps, discharge locations, flow directions, storm drain inlets, spill response protocols, and current best management practices.
14. Provide regular cleanup progress reports to the Planning, Code Enforcement, and Environmental Services Divisions, and Menlo Fire until all Phase 1-A corrective actions have been completed and verified.

Phase 1-B — Stabilization and Recycling-Only Operations (June 22, 2026 - June 30, 2027)

Phase 1 is intended to transition the facility from automobile dismantling activities to a recycling-only operation, implement site and environmental compliance improvements, and establish a maximum vehicle inventory through a City-approved operational site plan. A one-year Special Use Permit would implement this first phase, during which the applicant shall complete all corrective actions and site improvements required by the Conditions of Approval and Operational Requirements. Inspections by City staff and applicable regulatory agencies shall commence to monitor compliance and evaluate progress toward achieving the Phase 1 objectives.

Operational Requirements

1. Prohibition of Automobile Dismantling - Automobile dismantling, vehicle cutting, and parts harvesting are prohibited from the effective date of Phase 1 and continuing through the expiration of this permit. Vehicle preparation activities shall be limited to those necessary to safely transport vehicles off site, including the removal, handling, and management of fluids in accordance with all applicable environmental regulations.
2. Operational Site Plan and Inventory Limit - No expansion of operations shall be permitted. The applicant shall prepare and submit a detailed operational site plan to the Planning Division for review and approval. The plan shall identify vehicle storage areas, operational and functional zones, non-vehicular storage areas, required circulation aisles, and the maximum vehicle inventory permitted on site. The approved inventory limit shall establish the baseline for future compliance reviews and inventory reduction requirements.
3. Drain Station Improvements - The drain station shall be fully covered and bermed, and a non-permeable floor surface or treatment installed to prevent contamination and ensure compliance with applicable environmental standards.
4. Security Monitoring - The applicant shall install and maintain a site-wide close circuit television (CCTV) monitoring system.
5. Tire Storage Limitations - Tire storage shall not exceed 500 waste tires on site at any time. No waste tire shall be stored on site for more than 90 consecutive days. The applicant shall maintain records documenting tire intake, storage, and off haul activities and shall provide such records to the City or other regulatory agencies upon request.
6. Quarterly Inspections and Reporting - Quarterly inspections shall be conducted by City staff, County Environmental Health, and Menlo Fire. The applicant shall submit quarterly progress reports to all responsible agencies documenting compliance efforts and progress towards completion of Phase 1 requirements.
7. Pollution Hotspot Identification and Remediation Plan - The applicant shall retain a qualified environmental consultant to identify potential pollution hotspots on the site and prepare a Pollution Hotspot Remediation Plan. The plan shall include recommended remediation measures, implementation priorities, and a schedule for completion. The completed plan shall be submitted to the City for review and approval no later than June 30, 2027.

Phase 1 Compliance Hearing — June 30, 2027

At the conclusion of the Phase 1, the applicant shall return to the Planning Commission for a compliance hearing no later than June 30, 2027. Prior to the hearing, staff and the responsible agencies shall inspect the operation and prepare a report evaluating Infinity Salvage's compliance with the Conditions of Approval. The report shall include findings regarding compliance with the approved conditions and recommendations to the Planning Commission on an appropriate course of action, including whether the Special

Use Permit (SUP) should be amended, suspended, revoked, or allowed to continue for an additional year pursuant to the EPAMC.

Phase 2 — Inventory Reduction and Site Wind-Down (July 1, 2027 – June 30, 2028)

Phase 2 is intended to substantially reduce on-site vehicle inventory, remove equipment and infrastructure, and implement the approved Pollution Hotspot Remediation Plan. During this phase, no new vehicles shall be accepted onto the property, and operations shall be limited to the processing, recycling, export, and removal of existing inventory. By the end of Phase 2, the site shall operate solely as a limited recycling and staging facility in preparation for the cessation of operations.

Operational Requirements

1. Cessation of Vehicle Intake - No new vehicles or inventory shall be accepted onto the site (unless as needed to maintain a maximum vehicle inventory of 30% of the baseline inventory established in Phase I). Recycling, processing, and export activities shall be limited to the remaining inventory or no larger than 30% of the baseline established in Phase 1.
2. Reduction of Vehicle Inventory - Vehicle inventory shall be reduced by a minimum of 70 percent from the Phase 1 inventory baseline by June 30, 2028.
3. Pollution Hotspot Remediation Plan Implementation - The City-approved Pollution Hotspot Remediation Plan shall be actively implemented throughout Phase 2. Documentation shall demonstrate that approximately 50 to 60 percent of the remediation work has been completion by the end of the Phase.
4. Evaluation of Underground Drum - The applicant shall complete the evaluation of the underground 55-gallon drum located below the concrete containment pad and shall submit documentation to the Planning Division, Environmental Services, and Public Works demonstrating compliance with all applicable Certified Unified Program Agency (CUPA) and underground storage tank requirements.
5. Inspections and Progress Reports - Quarterly inspections and monthly progress reports shall continue throughout Phase 2. The applicant's environmental consultant shall provide quarterly remediation progress reports to the City documenting the status of remediation activities and compliance with approved plans.

Phase 2 Compliance Hearing — June 30, 2028

At the conclusion of Phase 2, the applicant shall return to the Planning Commission for a compliance hearing no later than June 30, 2028. Prior to the hearing, staff and the responsible agencies shall inspect the operation and prepare a report evaluating Infinity Salvage's compliance with the Conditions of Approval. The report shall include findings regarding compliance with the approved conditions and recommendations to the

Planning Commission on an appropriate course of action, including whether the Special Use Permit (SUP) should be amended, suspended, revoked, or allowed to continue for a final renewal of the annual Special Use Permit.

Phase 3 — Close-Out: Full Cessation (July 1, 2028 – June 30, 2029)

The purpose of Phase 3 is to achieve the permanent cessation of automobile recycling operations at 2091 Bay Road, by removing all remaining vehicle inventory, equipment, and operational materials from the site, and completing all required environmental remediation activities. The Special Use Permit (SUP) shall expire on June 30, 2029, and shall not be eligible for extension. This expiration marks the termination of all nonconforming operations at the site, regardless of Infinity Salvage's compliance with the Conditions of Approval. Any subsequent uses must be consistent with the Ravenswood/4 Corners Specific Plan's designation of Waterfront Office.

Operational Requirements

1. Removal of All Vehicles - All remaining vehicle inventory shall be removed from the site no later than May 31, 2029.
2. Removal of Equipment and Accessory Structures - All equipment, shipping containers, materials, and accessory structures associated with the automobile recycling operation shall be removed from the site prior to the expiration of the SUP.
3. Complete Remediation of Pollution Hotspots - All identified pollution hotspots shall be remediated per the approved Pollution Hotspot Remediation Plan, the recommendations of qualified environmental consultants, and applicable regulatory requirements and standards.
4. Final Remediation Summary Report - A Final Remediation Summary Report, prepared by a qualified environmental consultant, shall be submitted to the City and peer-reviewed by the City's retained environmental consultant prior to City acceptance.
5. Final Compliance Inspection - A final multi-agency inspection shall be conducted by the Planning Division, Code Enforcement, Environmental Services, Menlo Fire, County Environmental Health, and the City's retained environmental consultant to verify the complete cessation of operations and the successful completion of all required remediation activities.
6. Hazardous Waste Disposal Records - All hazardous waste disposal records and related documentation shall be submitted to the City prior to the expiration of the SUP and retained for a minimum of five years following permit expiration or through the end of the closeout phase, whichever is later.

Phase 3 Close-Out Report — June 30, 2029

The Planning Commission shall receive a consent-item staff report by June 30, 2029 confirming the expiration of the Special Use Permit and the completion of all required

remediation activities. No automobile recycling operations, or any related use, shall be permitted at 2091 Bay Road after June 30, 2029.

Staff anticipate that the proposed phased wind-down plan provides a clear, measurable, and enforceable pathway toward the eventual cessation of automobile recycling operations at the site. The plan establishes defined compliance milestones, environmental remediation requirements, and periodic reviews and inspections to ensure continued progress while allowing sufficient time for inventory reduction, site cleanup, and operational transition. The proposed approach addresses ongoing operational and environmental concerns and is consistent with the land use vision and redevelopment objectives established by the Ravenswood Business District/ 4 Corners Specific Plan.

Fiscal Impact

The proposed action or decision has n fiscal impact on the City.

Environmental Review

The extension of the Special Use Permit is categorically exempt pursuant to Section 15301 of the California Environmental Quality Act (CEQA), which exempts the continued operation of existing facilities involving negligible or no expansion of use beyond that existing at the time. The proposed action reduces, rather than expands, the scope of operations at the site. The decision is also exempt pursuant to Section 15308, which consists of actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment.

Finally, staff has considered the exceptions to the categorical exemptions set forth in CEQA Guidelines Section 15300.2 and finds that none applies. Although the administrative record documents existing soil and hazardous-materials conditions at the site, those conditions reflect the existing environmental baseline; the proposed action authorizes no new or expanded operations and instead requires corrective action and environmental remediation, such that the project will not cause a reasonably foreseeable significant effect on the environment, including under the cumulative-impact (15300.2(b)) and unusual-circumstances (15300.2(c)) exceptions. Staff has further confirmed that the Property is not identified on any list compiled pursuant to Government Code Section 65962.5 (the "Cortese List") in a manner that would preclude reliance on the exemption under Section 15300.2(e). To the extent future phases of the wind-down involve discretionary actions (for example, soil excavation or remediation) whose scope is not yet defined, those actions will be subject to environmental review at the time they are considered.

Public Notice

The public was provided notice by making the agenda and this report available on the City's website and on the bulletin board located at City Hall: 2415 University Avenue, East Palo Alto. A legal ad was posted in the local newspaper ten (10) days prior to the hearing. In addition, and as required by EPAMC Section 18.106.020(B), notice was mailed not less than ten (10) days prior to the hearing to the owners of all property within 300 feet of the exterior limits of the Property, as shown on the latest equalized assessment roll.

Government Code § 84308

Applicability of Levine Act: Yes.

Analysis of Levine Act Compliance: The signatory for the permit application is Michael Baker of Infinity Salvage, 2091 Bay Road, East Palo Alto. Staff is unaware of any other parties or participants relevant to the Commission's consideration of this item.

Attachments

1. Draft Resolution
 - a. Exhibit A — SUP26-001 Conditions of Approval
 - b. Exhibit B — Future Phase 2 & Phase 3 Conditions of Approval
2. Site Inspection Photographs — July 24, 2024 (Fire Incident & Post-Fire)
3. Site Inspection Photographs — August 20, 2024
4. Site Inspection Photographs — March 13, 2025
5. Site Inspection Photographs — September 8, 2025
6. Site Inspection Photographs — March 3, 2026
7. Site Inspection Photographs — March 26, 2026
8. Site Inspection Photographs — June 18, 2026
9. EKI Environmental Compliance Review Technical Memorandum — September 3, 2025
10. Infinity Salvage Site Plan and Menlo Fire 2026 Approved Inspections

ATTACHMENT 1

RESOLUTION NO. PCXX-2026

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF EAST PALO ALTO APPROVING A SPECIAL USE PERMIT (SUP26-001) FOR THE CONTINUED OPERATION AND PHASED WIND-DOWN OF AN AUTOMOBILE RECYCLING FACILITY (INFINITY SALVAGE) AT 2091 BAY ROAD, AND FINDING THE PROJECT CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

WHEREAS, Infinity Salvage, an automobile dismantling and recycling business, has operated continually at 2091 Bay Road since 1974, and the site has been used for automobile dismantling purposes since approximately 1948; and

WHEREAS, on December 16, 1996, the City Council adopted Ordinance No. 209, establishing a Special Use Permit requirement for all automobile dismantling operations within the former M-1 Light Industrial Zoning District, with annual renewal required for each permit; and

WHEREAS, on May 27, 2003, the Planning Commission approved Special Use Permit SUP03-03 to allow the continued operation of Infinity Salvage at 2091 Bay Road ("Property"), and the Planning Commission subsequently granted annual extensions of the permit from 2004 through 2023, with the most recent extension, SUP23-001, approved on November 13, 2023; and

WHEREAS, on February 13, 2013, the City Council adopted the Ravenswood / 4 Corners Transit Oriented Development Specific Plan, which eliminated the M-1 District, redesignated the Property as Waterfront Office, and retained the Special Use Permit requirement for automobile dismantling operations to ensure that such operations do not negatively impact public health, safety, and welfare, or interfere with redevelopment efforts envisioned by the Specific Plan; and

WHEREAS, on December 17, 2024, the City Council adopted the updated Ravenswood Business District / 4 Corners Specific Plan and corresponding amendments to Title 18 of the East Palo Alto Municipal Code, which retained the Property's Waterfront Office land use designation and continued to prohibit automobile dismantling and recycling as a permitted use within the district; and

WHEREAS, on July 14, 2024, a fire broke out at the Property, damaging onsite shipping containers, vehicle parts, wooden shelving, approximately 50+ stacked vehicles, and the drain station; subsequent inspections conducted by City staff documented fire-related damage, incomplete cleanup activities, and persistent compliance issues associated with site operations; and

WHEREAS, on December 9, 2024, the Planning Commission held a duly noticed public hearing and approved Special Use Permit SUP24-001, authorizing the continued operation of the automobile recycling facility through December 31, 2025, subject to Conditions of Approval and Special Conditions of Approval; and

WHEREAS, the compliance review required under SUP24-001 was not completed by the April 30, 2025 deadline; the applicant subsequently completed several cleanup and corrective actions, including obtaining clearance from the Menlo Park Fire Protection District on June 5, 2025; and

WHEREAS, in consultation with the City Attorney's Office, the City retained EKI Environment & Water, Inc. ("EKI") to conduct an independent environmental compliance review of the Property; EKI conducted a site walk-through on July 1, 2025, and documented its findings and recommendations in a Technical Memorandum dated September 3, 2025, identifying violations related to stormwater management, hazardous materials storage, battery storage, and other environmental compliance matters; and

WHEREAS, a follow-up inspection conducted by Planning and Code Enforcement staff on September 8, 2025, found several violations, including an open and uncovered drain station, that a vehicle obstructing the rear fire access lane in violation of Condition of Approval No. 24 of SUP24-001, and rear perimeter security fencing that was in significant disrepair; and

WHEREAS, a site inspection conducted by City staff on March 26, 2026, found that, despite progress in reducing vehicle inventory and improving site circulation, the facility remained out of compliance with multiple conditions of approval related to environmental management, fire access, site maintenance, and hazardous materials handling; and

WHEREAS, on June 22, 2026, the East Palo Alto Planning Commission held a duly noticed public hearing to consider Special Use Permit, SUP26-001, which would authorize the continued operation of the automobile recycling facility for the purpose of facilitating a phased wind-down and eventual cessation of operations by June 30, 2029, subject to the Conditions of Approval attached hereto as Exhibits A and B; and

WHEREAS, the Planning Commission has reviewed and considered the staff report, supporting documents, inspection photos, and all other documentation contained in the administrative record relating to this application.

WHEREAS, East Palo Alto Municipal Code (EPAMC) Section 18.48.190 requires a conditional use permit for the operation of a vehicle dismantling establishment, provides for an initial one-year permit subject to annual review and renewal, and authorizes the Review Authority to impose, modify, or add conditions at any time as reasonably necessary to protect the public health, safety, and welfare or to prevent or abate a nuisance; the Special Use Permit approved herein constitutes the conditional use permit so required,

WHEREAS, automobile dismantling and recycling at the Property has been authorized solely through successive discretionary annual permits issued pursuant to Ordinance No. 209 (codified as EPAMC Section 18.48.190), and has not vested as a legal nonconforming use; the amortization period that Ordinance No. 209, Section 6507.9.7, established for pre-existing nonconforming auto-wrecking and dismantling

uses expired on December 31, 2002, and the use has since continued only by virtue of the discretionary annual permit

WHEREAS, notice of the public hearing was provided in compliance with EPAMC Sections 18.88.060(B) and 18.106.020 and Government Code Sections 65905 and 65091, including by publication in a newspaper of general circulation and by mailing notice to the owners of all property within 300 feet of the Property as shown on the latest equalized assessment roll, in each case not less than ten (10) days prior to the hearing; and

WHEREAS, the Special Use Permit approved herein is a discretionary, time-limited permit that does not run with the land and vests no right in any person to continue the automobile dismantling use; consistent with Ordinance No. 209, Section 6507.9.3, and EPAMC Section 18.48.190(D), the permit is issued for a one-year term subject to annual discretionary renewal, remains subject to the City's continuing jurisdiction to modify, add, or delete conditions at any time, and automatically terminates upon any sale; or

WHEREAS, the project continues an existing use while reducing the scope of operations and requiring environmental remediation; the Planning Commission has reviewed the administrative record, including the contamination conditions identified therein, and finds that none of the exceptions set forth in CEQA Guidelines Section 15300.2 — including the cumulative impact, unusual circumstances, and hazardous waste site exceptions — apply, and that the Property is not identified on any list compiled pursuant to Government Code Section 65962.5.

NOW, THEREFORE, BE IT RESOLVED THAT THE PLANNING COMMISSION OF THE CITY OF EAST PALO ALTO HEREBY:

Finds and determines, in support of the actions set forth below, as follows:

- A. The foregoing recitals are true and correct and are incorporated herein by reference.
- B. Pursuant to EPAMC Section 18.48.190(D)(1), and as conditioned by the immediate corrective actions and the phased wind-down set forth in Exhibit A, the use will not be detrimental to the public health, safety, or welfare and will be conducted in compliance with the requirements of Section 18.48.190 and other applicable laws. In making this finding, the Commission relies upon the Conditions of Approval, the required 30-day corrective actions, and the independent environmental compliance review contained in the administrative record.
- C. Pursuant to EPAMC Section 18.88.050, the use as conditioned is consistent with the General Plan and the Ravenswood Business District / 4 Corners Specific Plan, which authorize continued automobile dismantling on a transitional basis through this permit pending cessation of the use; the use, as

conditioned and diminishing, is compatible with surrounding uses; and the site is physically suitable for the conditioned use.

- D. Pursuant to EPAMC Section 18.48.190(D)(4), because the administrative record identifies areas of contamination on the Property, this permit includes conditions requiring clean-up of the contamination within a specified period of time in compliance with a clean-up plan approved by the City and any other governmental agency with jurisdiction.
- E. Approves a Special Use Permit (SUP 26-001) for the continued operation of the automobile recycling facility located at 2091 Bay Road, East Palo Alto for a period of one year, for the purpose of facilitating a phased wind-down and ultimate cessation of operations, subject to the Conditions of Approval in Exhibit A. Noncompliance with any condition of approval shall constitute grounds for initiation of revocation proceedings pursuant to East Palo Alto Municipal Code (EPAMC) Section 18.112.030.

Finds the project is categorically exempt pursuant to Section 15301 of the California Environmental Quality Act (CEQA) Guidelines, which exempts the continued operation of existing facilities involving negligible or no expansion of existing use. It is also exempt pursuant to Section 15308 of the Guidelines as the action of an enforcement agency for the protection of the environment. The proposed action reduces, rather than expands, the scope of operations at the site. The decision is also exempt pursuant to Section 15308, which consists of actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment.

Finally, considers the exceptions to the categorical exemptions set forth in CEQA Guidelines Section 15300.2 and finds that none applies. Although the administrative record documents existing soil and hazardous-materials conditions at the site, those conditions reflect the existing environmental baseline; the proposed action authorizes no new or expanded operations and instead requires corrective action and environmental remediation, such that the project will not cause a reasonably foreseeable significant effect on the environment, including under the cumulative-impact (15300.2(b)) and unusual-circumstances (15300.2(c)) exceptions. Staff has further confirmed that the Property is not identified on any list compiled pursuant to Government Code Section 65962.5 (the "Cortese List") in a manner that would preclude reliance on the exemption under Section 15300.2(e). To the extent future phases of the wind-down involve discretionary actions (for example, soil excavation or remediation) whose scope is not yet defined, those actions will be subject to environmental review at the time they are considered.

- G. Provides that this Special Use Permit shall automatically terminate and have no further force or effect upon any sale or other transfer of ownership of the

establishment, or upon discontinuance of the business for 90 consecutive days, as provided in EPAMC Section 18.48.190(D)(6).

PASSED AND ADOPTED on this 13th day of July 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

SIGNED:

Robert Sherrard, Chair

ATTEST:

Bryan Tran, Planning Clerk

APPROVED AS TO FORM:

John D. Lê, City Attorney

Exhibit A – Conditions of Approval

Approval Date: June 22, 2026

Expiration Date: June 30, 2027

Planning Division

1. All automobile dismantling activities, including vehicle cutting, parts harvesting, and component removal for resale, shall cease within 30 days of permit approval. During the initial compliance period, the applicant may only perform activities necessary to stabilize the site, address environmental compliance issues, and prepare vehicles for storage or off-site transport.
2. Automobile dismantling, vehicle cutting, and parts harvesting are prohibited from the start of Phase 1 through the expiration of this permit. All dismantling and parts-harvesting equipment, including cutting torches, hydraulic shears, and similar tools, shall be decommissioned or removed from the site by June 30, 2027.
3. The applicant shall return to staff before April 30, 2027, to request a public hearing by June 30, 2027, for a Phase 1 compliance review and authorization to proceed to Phase 2. The applicant shall demonstrate compliance with all applicable Conditions of Approval and Phase 1 milestones, including approval of the Notice of Non-Applicability (NONA) and No-Discharge Technical Report, or compliance with applicable Industrial General Permit (IGP) requirements, completion of the Storm Water Pollution Prevention Plan (SWPPP) update, installation of drain station cover and berm, installation of a closed-circuit television (CCTV) system, and submittal of the Pollution Hotspot Identification and Remediation Plan (PHIRP). Should the Planning Commission find that the Phase 1 milestones have not been met, the Special Use Permit may be modified, suspended, or revoked.
4. The applicant shall provide documentation demonstrating compliance with all applicable Phase 1 Conditions of Approval. Failure to achieve the required Phase 1 milestones may result in permit modification, suspension, revocation, or denial of authorization to proceed to Phase 2.
5. The applicant shall install drip pans, secondary containment berms, or other approved containment measures under all engines, transmissions, and other oil-bearing parts with the potential to discharge fluids onto soil or other pervious surfaces. Such containment measures shall be installed within seventy-two (72) hours of permit approval and maintained throughout the duration of this permit.
6. The applicant shall remove all vehicles, equipment, and materials obstructing the rear fire access lane. The lane shall remain clear and unobstructed at all times in accordance with Menlo Park Fire Protection District requirements.
7. Charged fire extinguishers with a minimum 2A 10BC rating shall be installed throughout the site within seventy-two (72) hours of permit approval in sufficient

quantities and locations to ensure that no point on the property is more than seventy-five (75) feet from a fire extinguisher. All fire extinguishers shall be serviced annually by a licensed fire extinguisher maintenance company.

8. The applicant shall immediately discontinue the disposal of oil-contaminated soil and absorbent materials, and spill/ debris-cleanup materials within vehicles intended for recycling. Such materials shall be containerized, labeled, and disposed of in accordance with Chapter 6.5 of the California Health and Safety Code Disposal manifests shall be retained for a minimum of five years.
9. All remaining fire-damaged debris, equipment, and materials shall be removed from the site within thirty (30) days of permit approval.
10. All spent lead-acid batteries currently stored in fire-damaged or otherwise non-compliant containers shall be relocated within thirty (30) days of permit approval to a code-compliant storage area equipped with appropriate cover, labeling, and secondary containment. Batteries stored in quantities exceeding ten (10) units shall be managed as hazardous waste in accordance with California Code of Regulations, Title 22, Sections 66266.80 and 66266.81, including proper labeling, secondary containment, and compliance with the applicable ninety (90)-day storage limitation. Bills of lading and disposal manifests for all shipments involving more than ten (10) batteries shall be retained on site for a minimum of three (3) years and made available to the City upon request.
11. The applicant shall submit a fencing repair plan and implementation timeline to the Planning Division and Code Enforcement Division within thirty (30) days of permit approval. All perimeter and interior fencing shall be repaired to a minimum height of eight (8) feet and maintained in good condition throughout the duration of this permit.
12. The applicant shall provide fully stocked spill kits at readily accessible locations throughout the facility within thirty (30) days of permit approval. All employees shall be trained in proper spill response procedures prior to commencing site activities following permit approval. The applicant shall maintain written daily inspection logs documenting routine monitoring of stored vehicles, equipment, and operational areas for fluid leaks and releases.
13. Within sixty (60) days of permit approval, the applicant shall submit a Notice of Non-Applicability (NONA) and a No-Discharge Technical Report through SMARTS, prepared by a licensed Professional Engineer, demonstrating that the facility meets the eligibility requirements for exclusion from coverage under the National Pollutant Discharge Elimination System (NPDES) Industrial General Permit (IGP). If the applicant is unable to demonstrate non-discharge status, the applicant shall initiate Qualifying Storm Event (QSE) stormwater monitoring and sampling in accordance with IGP requirements, including collection of discharge samples from the loading and unloading area. Annual report preparation and submittal shall also be required. No industrial activity shall occur in areas where stormwater discharges are uncontrolled or unmonitored.

14. The Storm Water Pollution Prevention Plan (SWPPP) shall be updated within sixty (60) days of permit approval to accurately reflect current site operations. The updated SWPPP shall include stormwater drainage mapping, discharge locations, flow directions, storm drain inlets, stormwater collection locations, and applicable best management practices (BMPs), consistent with Industrial General Permit (IGP) requirements. The applicant shall provide copies of the updated SWPPP and associated site map to the Planning Division, Code Enforcement Division, Environmental Services, and San Mateo County Environmental Health. The updated SWPPP shall accurately document the facility's history of spills and leaks and the spill response protocols and best management practices used to address them and shall not contain any statement that no spills or leaks have occurred.
15. Within thirty (30) days of permit approval, the applicant shall remove from the site, or provide documentation demonstrating active processing of, all vehicles acquired during calendar year 2025. Such documentation shall be submitted to the Planning Division and Code Enforcement Division upon request.
16. The applicant shall submit regular progress reports documenting corrective actions to the Planning, Code Enforcement, and Environmental Services Divisions, and Menlo Park Fire Protection District. Monthly progress reports shall continue until all corrective actions have been completed to the satisfaction of the responsible agencies.
17. The applicant shall prepare and submit a detailed operational site plan to the Planning Division for review and approval. The plan shall be submitted no later than 60 days and shall identify the following: vehicle storage and stacking areas, operational activity areas, non-vehicular storage areas, required circulation aisles consistent with Menlo Park Fire Protection District requirements, and the maximum on-site vehicle inventory. The approved maximum vehicle inventory shall establish the Phase 1 baseline for purposes of inventory reduction requirements applicable during Phase 2.
18. Industrial activities including fluid removal, processing, staging, or recycling, shall not occur in the loading and unloading area unless best management practices (BMPs) are installed to prevent stormwater discharges, spills, and leakages, and stormwater sampling is conducted from the discharge point during qualifying storm events consistent with Industrial General Permit (IGP) requirements. All oil-contaminated soil within the loading and unloading area shall be removed within thirty (30) days of permit approval.
19. The drain station shall be fully covered and provided with a non-permeable floor treatment. The drain station shall also be bermed to prevent fluid discharges beyond the containment area. No vehicle fluids shall be discharged or drained onto soil, gravel, or other pervious surfaces during Phase 1 or any subsequent phase.
20. The applicant shall install a site-wide closed-circuit television (CCTV) security camera system meeting the technical specifications required by the East Palo Alto Police Department (EPAPD). Installation shall be completed within sixty

days of permit approval, and documentation confirming compliance with EPAPD requirements shall be provided to the Planning Division and Police Department. Emergency contact information shall be maintained on file and updated with the Police Department within fifteen (15) days of any change.

21. Waste tire storage shall not exceed five hundred (500) tires on-site at any one time. No waste tire shall remain on site for more than ninety (90) days. The facility shall maintain written records documenting tire intake, storage dates, and off-haul activities. Such Records shall be made available to City staff and regulatory agencies upon request.
22. The applicant shall retain a qualified environmental consultant, subject to approval by the Planning Division and the City's environmental consultant, to conduct a Pollution Hotspot Identification assessment of the site. The consultant shall prepare a Pollution Hotspot Identification and Remediation Plan (PHIRP) identifying all areas of concern, recommended remediation measures, and an implementation schedule consistent with the Phase 2 and Phase 3 milestones of this permit. The PHIRP shall be submitted to the City for review and approval no later than June 30, 2027.
23. Quarterly multi-agency inspections shall be conducted by the Planning, Code Enforcement, and Environmental Services Divisions, San Mateo County Environmental Health, and Menlo Park Fire Protection District. The applicant shall submit quarterly progress reports to all responsible agencies within thirty (30) days of each quarterly inspection documenting compliance with applicable permit conditions and progress toward Phase 1 milestones.
24. Hours of operation shall be limited to 8:00 a.m. to 6:00 p.m., Monday through Saturday. No operations shall occur outside these hours without prior written authorization from the Planning Division.
25. Noise generated from the site shall not exceed seventy-five (75) decibels at any property lines abutting adjacent properties or public rights-of-way.
26. All activities, equipment, storage, and operations associated with the business shall occur entirely within the subject property. All storage areas shall be screened from public view by a minimum eight (8)-foot fence or wall maintained in good condition and repair.
27. No vehicles, parts, or materials shall be stored within the public right-of-way. The applicant shall post anti-dumping notices in a central, highly visible location on the property informing customers and vendors that illegal dumping within the public right-of-way is prohibited. Violations shall be addressed with the Code Enforcement Division and may be referred to special legal counsel for potential enforcement, including fines and liens.
28. This approval shall automatically lapse if the use is discontinued for a period of ninety (90) consecutive days or more, or upon any sale or other transfer of ownership of the establishment, as provided in EPAMC Section 18.48.190(D)(6).
29. Minor modifications to these Conditions of Approval that remain consistent with the overall approval are subject to the review and approval of the Planning

Manager. Major changes, as determined by the Planning Manager, shall require approval by the Planning Commission.

30. The applicant and all successors in interest shall comply with the provisions of the City's First Source Hiring Program and Local Business Enterprise Program for residents of the City of East Palo Alto.
31. All administrative approvals required as part of these Conditions of Approval may be appealed to the Planning Commission unless otherwise stated herein or in the East Palo Alto Municipal Code.
32. Graffiti on any building or wall surface visible from a public street shall be removed within seventy-two (72) hours of discovery in a manner that retains the existing color and texture of the affected building or wall surface as most practically feasible.
33. The applicant shall comply with all applicable environmental laws, regulations, permits, and reporting requirements, including those governing hazardous waste, stormwater management, and waste disposal. The applicant shall submit annual documentation to the Planning, Environmental Services, and Code Enforcement Divisions demonstrating compliance, including stormwater records, waste manifests, employee training logs, and hazardous materials permits. Continued operations are contingent upon verification of compliance through document review and on-site inspection.
34. This permit may be issued subject to additional conditions imposed by the Planning Commission. The auto recycling establishment shall participate in the City's nuisance abatement program for the removal of abandoned, wrecked, and dismantled vehicles from City streets and rights-of-way at no cost to the City.
35. The applicant and/or property owner agree to defend, indemnify, and hold harmless the City of East Palo Alto, its agents, officers, council members, employees, boards, commissions, and Planning Commission from any and all claims, actions, or proceedings brought against any of the foregoing individuals or entities, seeking to attack, set aside, void, or annul any approval of the application or related decision, or the processing or adoption of any environmental documents or negative declarations. This indemnification shall include, but is not limited to, all damages, costs, expenses, attorney fees, and expert witness fees that may be awarded to the prevailing party arising out of or in connection with the approval of the application or related decision. If any portion of this indemnification agreement is held to be void or unenforceable by a court of competent jurisdiction, the remainder of the agreement shall remain in full force and effect.
36. Pursuant to EPAMC Section 18.48.190(D)(5), the Planning Commission retains continuing jurisdiction over this Special Use Permit and may at any time, on its own initiative or otherwise, modify or delete any condition of approval or impose new conditions if it determines that such action is necessary to preserve the public health, safety, or welfare, or to prevent the creation or continuance of a public nuisance.

37. This Special Use Permit is a discretionary, time-limited permit issued for a one-year term subject to annual review and renewal under EPAMC Section 18.48.190(D)(2). It does not run with the land and vests no right in any person to continue the automobile dismantling or recycling use. Issuance of this permit, and the provision of public notice and a public hearing, are not a determination that the use is permitted as of right or that the permit confers any vested or property right.
38. Empty cans, drums, and other containers that previously held oil, lubricants, fuel, or other hazardous materials shall not be placed inside vehicles intended for crushing or recycling. Such containers shall be rendered "California Empty" in accordance with California Code of Regulations, Title 22, Section 66261.7, or shall be managed, containerized, and labeled as hazardous waste. The applicant shall implement this condition within thirty (30) days of permit approval.
39. The applicant shall make a hazardous waste determination for, and profile through appropriate analytical testing, all hazardous waste streams generated at the facility, including waste oils, coolants, antifreeze, solvents, and similar fluid wastes. The applicant shall retain on site and make available to the City and regulatory agencies upon request, all waste profiles, bills of lading, and disposal manifests for such waste streams for a minimum of five (5) years. All hazardous waste shall be managed using the facility's U.S. EPA hazardous waste generator identification number and tracked in the Department of Toxic Substances Control Hazardous Waste Tracking System.
40. Within sixty (60) days of permit approval, the applicant shall prepare, file, and thereafter maintain a current Hazardous Materials Business Plan (HMBP) with the San Mateo County Environmental Health Services Division as the Certified Unified Program Agency (CUPA), and shall comply with all applicable hazardous materials reporting and inventory requirements under Chapter 6.95 of the California Health and Safety Code.

Best Management Practices

The following Best Management Practices (BMPs) shall apply throughout all phases of this permit and shall remain in effect until the expiration of this permit.

- 1 **Fluid Removal.** The following fluids shall be properly removed from all fluid-containing parts prior to vehicle dismantling, crushing, or long-term storage:
 - a. Fuel
 - b. Motor oil
 - c. Transmission fluid
 - d. Brake fluid
 - e. Antifreeze
 - f. Refrigerant (Freon).

- 2 **Vehicle Storage and Fluid Management.** Vehicle fluids shall be drained and fluid-bearing parts shall be removed prior to the long-term outdoor storage of vehicles. Appropriate measures shall be implemented to collect and contain any fluids leaking from unprocessed vehicles. Vehicle fluid management and processing activities shall be conducted in one of the following settings:
 - a. Inside a building or enclosed structure;
 - b. Under cover on a bermed impervious surface;
 - c. On an uncovered bermed impervious surface; or
 - d. On an unbermed impervious surface during dry weather only, where absorbent materials are provided to capture all fluids released during processing.

Unprocessed vehicles stored indoors shall be protected from stormwater exposure. If vehicles are stored outdoors, stormwater runoff shall be collected and treated prior to discharge.

- 3 **Surface Requirements.** All vehicles, equipment, and materials with the potential to discharge fluids shall be stored exclusively on paved or concrete surfaces. No unprocessed, leaking, or partially dismantled vehicles shall be placed on soil or unpaved surfaces at any time. Oil-stained soil, absorbent materials, and spill cleanup materials shall not be placed inside vehicles intended for disposal or recycling.
- 4 **Vehicle Inspection.** Vehicles awaiting processing shall be visually inspected daily for evidence of leaks. Written inspection logs shall be maintained and made available to City staff upon request.
- 5 **Recyclable and Hazardous Materials Storage.** Recyclable and hazardous materials shall be stored under cover in appropriately labeled and secured containers with secondary containment. All drums and hazardous material containers shall be stored under cover with compliant secondary containment and may not be stored on soil or other unpaved areas. All hazardous material containers shall be maintained at an elevation above the base flood elevation height of eighteen (18) inches or more.
- 6 **Fluid Storage Containers.** All fluid storage containers shall be maintained in good structural condition and kept closed with secure lids or covers at all times when not in active use.
- 7 **Lead-Acid Battery Management.** Spent lead-acid batteries shall be managed in accordance with California Code of Regulations (CCR), Title 22, Sections 66266.80 and 66266.81. Batteries shall be removed from vehicles and stored under cover on an impervious surface with secondary containment and/or in non-leaking covered containers. Up to ten (10) batteries may be stored on-site without being managed as hazardous waste. If more than ten (10) batteries are stored at any time, the batteries shall be managed as hazardous waste, including proper labeling, covering, secondary containment, and compliance with the ninety (90)-day storage limit. All bills of lading or manifests for shipments containing more than ten (10) batteries shall be retained for a minimum of three

(3) years. No draining, crushing, or other physical processing of batteries shall occur without a hazardous waste treatment permit.

- 8 **Refrigerant Removal.** Refrigerant shall be evacuated from vehicles by trained operators using EPA-approved refrigerant recovery and recycling equipment, or the facility shall contract with a licensed vendor to perform refrigerant removal.
- 9 **Oily Parts Storage.** Engines, transmissions, and other oily parts removed from vehicles shall be stored under a tarp, roof, or other temporary or permanent cover and on an impervious surface, or within a covered weatherproof container, to prevent contact with rainfall or surface drainage.
- 10 **Radiator Storage.** Radiators removed from vehicles shall be stored under a tarp, roof, or other temporary or permanent cover and raised up off the ground to prevent contact with rainfall and surface drainage.
- 11 **Engines Left in Vehicles.** Engines not removed from vehicles shall be covered by hoods, tarps, plastic sheets, or other suitable materials to prevent rainfall from contacting exposed engine components.
- 12 **Spent Solvents.** Spent solvents shall be properly labeled, stored in covered contained areas, and shipped, treated, recycled or disposed of through an authorized processor or an East Palo Alto-permitted transporter and treatment/disposal facility.
- 13 **Water-Based Degreasers.** Prior to the discharge of water-based degreasing solutions to the sanitary sewer system, the operator shall determine whether such discharge is permitted by the East Palo Alto Sanitary Sewer District. If discharge is not permitted, used water-based degreasers shall either be recycled for on-site reuse or collected and disposed of in an approved manner.
- 14 **Spill Kits.** An appropriately stocked spill response kit shall be readily accessible whenever fluids are used, handled or stored. Spills and leaks shall be promptly contained and cleaned up. Used absorbent materials shall be placed in designated containers for proper disposal and manifested as required by applicable law.
- 15 **Spill Cleanup Waste.** Oil-stained soil, absorbents, and spill cleanup materials shall not be placed inside vehicles intended for disposal or recycling. The applicant shall containerize and profile such waste, characterize it through appropriate analytical testing, appropriately label all containers, dispose of the waste in accordance with its designated waste classification, and maintain all waste manifests for a minimum of five (5) years.
- 16 **Spill Reporting.** Significant releases of hazardous materials shall be immediately reported to the local emergency response agency (911) and to the California Office of Emergency Services at (800) 852-7550.
- 17 **Non-Stormwater Discharge.** There shall be no unauthorized non-stormwater discharges from the site. Wash water from equipment, work areas, or shop floors shall not come into contact with rainfall, surface runoff, stormwater drainage

systems, nor shall it be discharged off-site. Residues from dried wash waters shall not come into contact with rainfall or surface drainage.

- 18 **Sweeping.** Paved areas shall be swept as needed to prevent the excessive accumulation of sediment, debris, and loose absorbent materials.
- 19 **Erosion Control.** Erosion control measures shall be used to prevent erosion and scouring of unpaved roadways, storage areas, and work areas.
- 20 **Scrap and Trash Containers.** Scrap and trash containers shall be covered, non-leaking, and staged on paved areas. All scrap and trash containers shall be closed at all times when not in use.
- 21 **Stormwater Filter Systems.** During the wet season (October through May), stormwater BMPs, including absorbent socks or pillows, inlet filters, straw bales, silt fences, rock filters, or similar measures, shall be placed at stormwater discharge locations and at locations where off-site stormwater enters the site.
- 22 **Employee Training.** The facility shall provide employee training regarding the components and goals of the Stormwater Pollution Prevention Plan (SWPPP) and the facility's BMPs. Training shall be provided upon initial hire and at least once per year thereafter. Training shall be documented, and records shall be made available to City staff upon request.
- 23 **Weekly Inspections.** The facility operator shall conduct weekly inspections of all work and storage areas to ensure proper implementation and maintenance of BMPs. Inspection results shall be documented in writing and made available to City staff upon request.

Required Permits, Certifications, and Licenses

- 24 The operator shall submit copies of the following permits, certifications, and licenses to the Planning Division within fifteen (15) days of permit approval, or upon request. The applicant shall not continue or commence operations until all required documentation has been submitted to, and verified by, the Planning Division, Environmental Services, and Code Enforcement through documentation review and site inspection. Failure to obtain or maintain any required permit, certification, or license for the duration of this Special Use Permit shall constitute grounds for permit revocation:
 - a. Stormwater Permit issued by the California State Water Resources Control Board or proof of exempt status (including NONA and No-Discharge Technical Report), as applicable;
 - b. Hazardous Waste Generator Identification Number issued by the California Department of Toxic Substances Control;
 - c. California Department of Tax and Fee Administration Resale Permit;
 - d. Franchise Tax Board Identification Number;
 - e. City of East Palo Alto Business License;

- f. Evidence of enrollment in and compliance with the Industrial General Permit via the State Water Resources Control Board's SMARTS system, if applicable;
- g. Hazardous Materials Reporting documentation, upon request;
- h. Hazardous Materials Transportation documentation, upon request;
- i. Certification of appropriate U.S. Department of Transportation (DOT) training for shipping of airbags; and
- j. Certification of forklift operator training in compliance with Occupational Safety and Health Administration (OSHA) requirements.

Menlo Park Fire Protection District

- 1 Fire Access Roads shall be configured with a 20-foot width, routed to allow driving a fire engine to within 150 feet of any stored motor vehicle. That fire engine location shall not be more than 150 feet from a properly configured hammerhead or t-intersection that will allow a three-point turn. The roadway shall extend from the main front gate all the way to the Romic access gate at the rear of the property. Since this facility is in the redevelopment area and will only continue operations on a year-by-year basis, the fire apparatus roadway need not be all weather accessible but is required to remain clear of stored vehicles and equipment.
- 2 In accordance with standard industry practice, vehicles shall not be stacked more than 3 high to provide adequate safeguard to prevent toppling during a seismic event.
- 3 Firefighter access consisting of 5-foot minimum wide aisles between rows of cars shall be maintained for all rows of cars stored on site. All stacked lumber blocking firefighter access along the top of the levee along the side of the wrecking yard shall be removed and no storage will be allowed along the dyke thereafter.
- 4 Storage of tires, on site, shall be in an orderly manner. Tire storage shall not be located within 10 feet (3048 mm) of any property line or building and shall not exceed 6 feet (1829 mm) in height when within 20 feet (6096 mm) of any property line or building.
- 5 Shipping Containers ARE Shipping Containers, NOT buildings. They shall not be stacked, used as maintenance shops, or used as storage buildings without approval from the City of East Palo Alto, and the Building Department.
- 6 Fire extinguishers shall be located within 75 feet of any portion of the facility. The fire extinguishers shall have a minimum 2A 10BC rating and shall be serviced by a licensed fire extinguisher maintenance company annually.

- 7 Outside storage of flammable liquids shall comply with the following requirements:
 - a. Storage areas shall be provided with spill control measures and secondary containment systems.
 - b. Storage areas shall be protected against tampering or trespassers by fencing or other control measures.
 - c. The storage area shall be kept free of weeds, debris and combustible materials not necessary to the storage. The area surrounding an exterior storage area shall be kept clear of such materials for a minimum distance of 15 feet (4572 mm).
 - d. The storage of empty tanks and containers previously used for the storage of flammable or combustible liquids, unless free from explosive vapors, shall be stored as required for filled containers and tanks. Tanks and containers when emptied shall have the covers or plugs immediately replaced in openings.
- 8 The applicant shall be required to maintain access to all portions of the lot pursuant to the Fire Code by providing cross aisles not less than 5 feet wide between alternating rows of stored vehicles that extend all the way from the fire access roadway to the perimeter berm. Walkways shall also be provided in a similar spacing and configuration from the fire access roadway all the way to the Romic fence at the rear of the property. The perimeter berm shall be maintained free of storage and vegetation shall be kept mowed to allow firefighter foot access along the entire length of the berm. For the safety of emergency responders, vehicles shall not be stacked more than three vehicles high.

Engineering Division

- 1 Where applicable, the developer shall repair or replace any existing, broken, displaced, deteriorated or otherwise damaged curb, gutter, sidewalk, and driveways along the entire street frontage of the subject property to conform to current City standards. Damage due to tree roots shall be repaired by removing the existing tree(s) (where recommended by the City Engineer) and its root system(s), and reconstructing or replacing all damaged curb, gutter, sidewalk, street pavement structural section, storm drains, sanitary sewers and any other affected utilities or appurtenances.
- 2 The work shall be accomplished in accordance with the City standards and to the satisfaction of the City's Construction Inspector.
- 3 If applicable, the developer shall clean, repair, or reconstruct the curb, gutter, and sidewalk along the entire frontage of the development as may be required by the City Engineer to conform to City standards prior to receiving the special use permit.

- 4 If applicable, all new improvements to be constructed within street rights-of-way or City easements shall be approved by the City Engineer and installed to City standards. An Encroachment Permit shall be obtained from the Engineering Division for all public improvement work prior to receiving a Building Permit for the proposed improvements. The cost of all work and repairs shall be borne by the developer.
- 5 The developer shall submit drainage plan for review and approval. The drainage plan shall show existing and proposed contours, and drainage patterns.
- 6 The maximum driveway grade shall be 12%. Minimum driveway grade shall be 1%. Driveways shall be a minimum of 10 feet in width.
- 7 Provide proper fences around the property to the satisfaction of the Public Works Department and Code Enforcement.
- 8 The applicant at no cost to the City shall provide all on-site and/or off-site storm drainage facilities required by the City Engineer to accommodate the runoff from the property. The applicant shall provide project drainage plans, which will not adversely affect, and may only improve the current drainage conditions for the public.

Exhibit B – Future Phase 2 & Phase 3 Conditions of Approval

The following Conditions of Approval are intended to facilitate the sunsetting of the auto dismantling use in three years. These conditions of approval shall be incorporated into the renewal of the Special Use Permit by the East Palo Alto Planning Commission for Phases 2 and 3, providing for a phased three-year wind-down of the use. Failure to satisfy the conditions applicable to any phase may result in modification, suspension, or revocation of the permit.

Phase 2 – Compliance Review (July 1, 2027 – June 30, 2028)

Phase 2 substantially reduces on-site vehicle inventory, removes operational/ dismantling equipment, and implements the City-approved Pollution Hotspot Remediation Plan. All ongoing conditions remain in effect during Phase 2 unless explicitly superseded below.

Planning Division

- 1 No new vehicles, parts, or materials inventory shall be accepted on site through the end of Phase 2, unless when it is necessary to maintain a vehicle inventory of no more than 30% of the baseline inventory established in Phase I. Any new vehicle or materials intake after the Phase 2 start date shall constitute grounds for immediate revocation of this permit.
- 1 Vehicle inventory shall be reduced by a minimum of seventy percent (70%) from the Phase 1 approved baseline inventory by June 30, 2028. The applicant shall document and provide vehicle inventory counts to the Planning Division and Code Enforcement at each quarterly inspection demonstrating progress toward the required reduction.
- 1 All remaining dismantling equipment, cutting equipment, parts harvesting tools, and accessory structures associated with automobile dismantling shall be removed from the site or decommissioned in place with documentation submitted to the Planning Division and Code Enforcement by July 30, 2027.
- 1 The City-approved Pollution Hotspot Identification and Remediation Plan (PHIRP) shall be actively implemented throughout Phase 2. Documentation demonstrating approximately fifty percent (50%) to sixty percent (60%) completion of identified hotspot remediation activities shall be submitted to the Planning, and Environmental Services Divisions, and the City's environmental consultant by June 30, 2028.
- 1 The applicant shall complete the evaluation of the underground 55-gallon drum located below the concrete containment pad at the servicing area. Documentation shall be submitted to the Planning, Environmental Services, and Public Works Engineering Divisions demonstrating compliance with San Mateo County Environmental Health Services, Certified Unified Program Agency (CUPA), and underground storage tank requirements under California Code of Regulations (CCR), Title 23, Division 3, Chapter 16, no later than June 30, 2028.

- 1 The applicant's qualified environmental consultant shall provide quarterly remediation progress reports to the City documenting completed remediation activities, remaining remediation scope, any deviations from the approved Pollution Hotspot Identification and Remediation Plan (PHIRP), and an updated implementation timeline. Reports shall be submitted within thirty (30) days of the end of each calendar quarter.
- 1 Quarterly multi-agency inspections by the Planning, Code Enforcement, and Environmental Services Divisions, San Mateo County Environmental Health, and Menlo Park Fire Protection District shall continue throughout Phase 2. The applicant shall submit quarterly progress reports to all responsible agencies within thirty (30) days of each inspection.
- 1 The applicant shall return to the Planning Commission before June 30, 2028, for a Phase 2 compliance review. The applicant shall provide documentation demonstrating achievement of the required Phase 2 milestones, including the 70% inventory reduction, removal or decommissioning of dismantling equipment, implementation of the Pollution Hotspot Identification and Remediation Plan, and completion of the underground drum evaluation. If the Planning Commission determines that the Phase 2 milestones have not been met, it may modify, suspend, or revoke the Special Use Permit.

Phase 3 – Close-Out: Full Cessation (July 1, 2028 – June 30, 2029)

Phase 3 achieves the permanent cessation of all automobile recycling operations at 2091 Bay Road, the removal of all remaining vehicle inventory and operational equipment, and the completion of all required environmental remediation activities. The Special Use Permit expires on June 30, 2029, and is not eligible for extension or renewal. All ongoing conditions remain in effect during Phase 3.

Planning Division

- 1 All remaining vehicle inventory shall be removed from the site no later than May 31, 2029.
- 1 All equipment, shipping containers, materials, and accessory structures associated with the automobile recycling operation shall be removed from the site prior to the expiration of this permit on May 31, 2029.
- 1 All identified pollution hotspots shall be remediated in accordance with the approved PHIRP, the recommendations of the applicant's environmental consultant, and applicable regulatory standards. All remediation activities shall be completed and independently verified prior to the expiration of this permit.
- 1 A Final Remediation Summary Report, prepared by a qualified environmental consultant, shall be submitted to the City for independent peer review by the City's retained environmental consultant. The Final Remediation Summary Report shall certify that all identified pollution hotspots have been addressed in accordance with the approved PHIRP and applicable regulations. The Final

Remediation Summary Report shall be submitted to the Planning Division no later than May 30, 2029.

- 1 All hazardous waste disposal records, including waste profiles, bills of lading, and manifests, shall be submitted to the Planning Division, Environmental Services, and Code Enforcement prior to the expiration of this permit. All such records shall be retained for a minimum of five (5) years from the date of each disposal event.
- 1 A final multi-agency site inspection shall be conducted by the Planning Division, Code Enforcement, Environmental Services, Menlo Park Fire Protection District, San Mateo County Environmental Health, and the City's environmental consultant to confirm full operational cessation, equipment removal, and remediation completion prior to the expiration of this permit. The final inspection shall be scheduled no later than June 15, 2029.
- 1 The Planning Commission shall receive a consent-item staff report confirming the expiration of this Special Use Permit and verifying that all remediation and site clearance requirements have been completed to the satisfaction of the City. No automobile recycling, automobile dismantling, or any related use shall be permitted at 2091 Bay Road after June 30, 2029.

Best Management Practices – All Phases

The following best management practices (BMPs) shall apply throughout all phases of this permit and shall remain in effect until the expiration of this permit. These conditions are adapted from, and in applicable instances supersede, the BMP conditions of SUP24-001.

- 1 **Fluid Removal.** The following fluids shall be properly removed from fluid-containing parts prior to dismantling, crushing, or long-term vehicle storage:
 - a. Fuel
 - b. Motor oil
 - c. Transmission fluid
 - d. Brake fluid
 - e. Antifreeze
 - f. Refrigerant (Freon).
- 1 **Vehicle Storage and Fluid Management.** Vehicle fluids shall be drained, and fluid-bearing parts shall be removed prior to long-term outdoor storage of vehicles. Measures shall be provided to collect and capture any fluids leaking from unprocessed vehicles. Vehicle fluid management and processing activities shall be conducted in one of the following settings:
 - a. Inside a building or enclosed structure;
 - b. Under cover on a bermed impervious surface;
 - c. On an uncovered bermed impervious surface; or

- d. On an un-bermed impervious surface during dry weather only, where absorbent materials are provided to capture all fluids released during processing.

Unprocessed vehicles stored indoors shall be protected from stormwater exposure. If stored outdoors, stormwater shall be collected and treated prior to discharge.

- 1 **Surface Requirements.** All vehicles, equipment, and materials with potential to discharge fluids shall be stored exclusively on paved or concrete surfaces. No unprocessed, leaking, or partially dismantled vehicles shall be placed on soil or unpaved surfaces at any time. Oil-stained soil, absorbents, and spill cleanup materials shall not be placed inside vehicles intended for disposal or recycling.
- 1 **Vehicle Inspection.** Vehicles being held for processing shall be visually inspected daily for evidence of leaks. Written inspection logs shall be maintained and made available to City staff upon request.
- 1 **Recyclable and Hazardous Materials Storage.** Recyclable and hazardous materials shall be stored under cover in appropriately labeled and secured containers with secondary containment. All drums and hazardous material containers shall be stored under cover with compliant secondary containment and may not be stored on soil or unpaved areas. All hazardous material containers shall be maintained at an elevation above the base flood elevation height of eighteen (18) inches or more.
- 1 **Fluid Storage Containers.** All fluid storage containers shall be maintained in good structural condition with closeable lids or covers at all times when not in use.
- 1 **Lead-Acid Battery Management.** Spent lead-acid batteries shall be managed in accordance with CCR, Title 22, Sections 66266.80 and 66266.81. Batteries shall be removed from vehicles and stored under cover on an impervious surface with secondary containment and/or in non-leaking covered containers. Up to ten (10) batteries may be stored on-site without being managed as a hazardous waste. If more than ten (10) batteries are stored at any time, they shall be managed as hazardous waste, including proper labeling, covering, secondary containment, and compliance with the ninety (90)-day storage limit. All bills of lading or manifests for shipments of more than ten (10) batteries shall be retained for a minimum of three (3) years. No draining, crushing, or other physical processing of batteries shall occur without a hazardous waste treatment permit.
- 1 **Refrigerant Removal.** Refrigerant shall be evacuated from vehicles by trained operators using EPA-approved refrigerant recycling and recovery equipment, or the facility shall contract for refrigerant removal with a licensed vendor.
- 1 **Oily Parts Storage.** Engines, transmissions, and other oily parts removed from vehicles shall be stored under a tarp, roof, or other temporary or permanent cover and on an impervious surface, or in a covered weatherproof container, such that there is no contact with rainfall and surface drainage.

- 1 **Radiators.** Radiators removed from vehicles shall be stored under a tarp, roof, or other temporary or permanent cover and raised up off the ground such that there is no contact with rainfall and surface drainage.
- 1 **Engines Left in Vehicles.** Engines not removed from vehicles shall be covered by hoods, tarps, plastic sheets, or other material to prevent rainfall from coming in contact with the exposed engine.
- 1 **Spent Solvents.** Spent solvents shall be properly labeled, stored in covered, contained areas, and shipped, treated, or disposed of with an authorized processor or East Palo Alto-permitted transporter and treatment disposal facility.
- 1 **Water-Based Degreasers.** Prior to the discharge of water-based degreasing solutions to the local sanitary sewer system, the operator shall determine whether such discharge is permitted by the East Palo Alto Sanitary Sewer District. If not permitted, used water-based degreasers shall be recycled for reuse on site or collected for disposal in an approved manner.
- 1 **Spill Kits.** An appropriately stocked spill kit shall be readily accessible whenever fluids are used or stored. Spills and leaks shall be promptly contained. Used absorbents shall be placed in a designated container for proper disposal and manifested as required by applicable law.
- 1 **Spill Cleanup Waste.** Oil-stained soil, absorbents, and spill cleanup materials shall not be placed inside vehicles intended for disposal or recycling. The applicant shall containerize and profile such waste through analytical testing, appropriately label the containers, dispose of the waste in accordance with its waste profile designation, and maintain all waste manifests for a minimum of five (5) years.
- 1 **Spill Reporting.** Significant releases of hazardous materials shall be reported to the local emergency response agency (911) and the California Office of Emergency Services at (800) 852-7550.
- 1 **Non-Stormwater Discharge.** There shall be no unauthorized non-stormwater discharges from the site. Wash water from equipment, work areas, or shop floors shall not come into contact with or mix with rainfall or surface drainage, or drain off site. Residues from dried wash waters shall not come into contact with rainfall or surface drainage.
- 1 **Sweeping.** Paved areas shall be swept as needed to prevent excessive accumulation of sediment, debris, and loose absorbent.
- 1 **Erosion Control.** Erosion control measures shall be used to prevent erosion or scouring of unpaved roadways, storage areas, and work areas.
- 1 **Scrap and Trash Containers.** Scrap and trash containers shall be covered, non-leaking, and staged on paved areas. All scrap and trash containers shall be closed at all times when not in use.
- 1 **Stormwater Filter Systems.** During the wet season (October through May), stormwater best management practices, including absorbent socks or pillows, inlet filters, straw bales, silt fences, rock filters, or similar measures, shall be

placed at stormwater discharge locations and at locations where off-site stormwater enters the site.

- 1 **Employee Training.** The facility shall provide employee training on the components and goals of the stormwater pollution prevention plan and on the facility's best management practices. Training shall be provided upon initial hire and at least once per year thereafter. Training shall be documented, and copies of training records shall be made available upon request to City staff.
- 1 **Weekly Inspections.** The facility operator shall inspect work areas and storage areas on a weekly basis to ensure proper implementation and maintenance of best management practices. Inspection results shall be documented in writing and made available upon request.

Required Permits, Certifications, and Licenses

- 1 The operator shall submit copies of the following permits, certifications, and licenses to the Planning Division within fifteen (15) days of permit approval, or upon request. The applicant shall not continue or commence operations until all required documentation has been submitted to, and verified by, the Planning Division, Environmental Services, and Code Enforcement through documentation review and site inspection. Failure to obtain or maintain any required permit, certification, or license for the duration of this Special Use Permit shall constitute grounds for revocation:
 - a. Stormwater Permit from the California State Water Resources Control Board or proof of exempt status (including NONA and No-Discharge Technical Report);
 - b. Hazardous Waste Generator Identification Number from the California Department of Toxic Substances Control;
 - c. California Department of Tax and Fee Administration Resale Permit;
 - d. Franchise Tax Board Identification Number;
 - e. City of East Palo Alto Business License;
 - f. Evidence of enrollment and compliance with the Industrial General Permit via SMARTS, if applicable;
 - g. Hazardous Materials Reporting documentation (upon request);
 - h. Hazardous Materials Transport documentation (upon request);
 - i. Certification of appropriate U.S. Department of Transportation (DOT) training for shipping of airbags; and
 - j. Certification of forklift operator training in compliance with Occupational Safety and Health Administration (OSHA) requirements.

Continuing Conditions – All Phases

The following conditions apply throughout all phases of this Special Use Permit and future renewals, from the date of approval through no later than June 30, 2029.

Planning Division

- 1 The hours of operations shall be limited to 8:00 a.m. to 6:00 p.m., Monday through Saturday. No operations shall occur outside these hours without prior written authorization from the Planning Division.
- 1 Noise generated from the site shall not exceed seventy-five (75) decibels at the property lines abutting adjacent properties or public rights of way.
- 1 All activities, equipment, storage, and operations associated with the business shall occur within the subject property. All storage areas shall be screened from public view by a minimum eight (8)-foot fence or wall maintained in good condition and repair.
- 1 No vehicles, parts, or materials shall be stored in the public right of way. The applicant shall post anti-dumping notices in a central, highly visible location on the property informing customers and vendors that illegal dumping in the public right of way is prohibited. Any violations shall be addressed with the Code Enforcement Division or referred to special legal counsel for potential fines and liens.
- 1 This approval shall lapse if the use is discontinued for a period of ninety (90) consecutive days or more, or upon any sale or other transfer of ownership of the establishment, as provided in EPAMC Section 18.48.190(D)(6).
- 1 Any minor modifications to these conditions consistent with the overall approval are subject to the review and approval of the City Planning Manager. Any major changes, as determined by the City Planning Manager, require approval from the Planning Commission.
- 1 The applicant and any successors in interest shall comply with the provisions of the City's First Source Hiring Program and Local Business Enterprise Program for residents of the City of East Palo Alto.
- 1 All administrative approvals required as part of these conditions of approval may be appealed to the Planning Commission unless otherwise stated herein or in the Zoning Regulations.
- 1 Graffiti on any building or wall surface visible from the public street shall be removed within seventy-two (72) hours of discovery in a manner that retains the existing color and texture of the building or wall surface as most practically feasible.
- 1 The applicant shall comply with all applicable environmental laws, regulations, permits, and reporting requirements, including hazardous waste, stormwater, and waste management. The applicant shall submit annual documentation to the Planning Division, Environmental Services, and Code Enforcement demonstrating compliance, including stormwater records, waste manifests, training logs, and hazardous material permits. Continued operations are contingent upon verification by Planning Division, Environmental Services, and Code Enforcement through document review and on-site inspection.

- 1 The permit may be issued subject to conditions as imposed by the Planning Commission. The auto recycling establishment shall participate in the City's nuisance abatement program for removal of abandoned, wrecked, and dismantled vehicles from City streets and rights of way at no cost to the City.
- 1 The applicant and/or property owner agree to defend, indemnify, and hold harmless the City of East Palo Alto, its agents, officers, council members, employees, boards, commissions, and Planning Commission from any and all claims, actions, or proceedings brought against any of the foregoing individuals or entities, seeking to attack, set aside, void, or annul any approval of the application or related decision, or the processing or adoption of any environmental documents or negative declarations. This indemnification shall include, but is not limited to, all damages, costs, expenses, attorney fees, and expert witness fees that may be awarded to the prevailing party arising out of or in connection with the approval of the application or related decision. If any portion of this indemnification agreement is held to be void or unenforceable by a court of competent jurisdiction, the remainder of the agreement shall remain in full force and effect.
- 1 Pursuant to EPAMC Section 18.48.190(D)(5), the Planning Commission retains continuing jurisdiction over this Special Use Permit and may at any time, on its own initiative or otherwise, modify or delete any condition of approval or impose new conditions if it determines that such action is necessary to preserve the public health, safety, or welfare, or to prevent the creation or continuance of a public nuisance.
- 1 This Special Use Permit is a discretionary, time-limited permit issued subject to annual review and renewal under EPAMC Section 18.48.190(D)(2). It does not run with the land and vests no right in any person to continue the automobile dismantling or recycling use. Issuance of this permit, and the provision of public notice and a public hearing, are not a determination that the use is permitted as of right or that the permit confers any vested or property right.
- 1 Empty cans, drums, and other containers that previously held oil, lubricants, fuel, or other hazardous materials shall not be placed inside vehicles intended for crushing or recycling. Such containers shall be rendered "California Empty" in accordance with California Code of Regulations, Title 22, Section 66261.7, or shall be managed, containerized, and labeled as hazardous waste.
- 1 The applicant shall make a hazardous waste determination for, and profile through appropriate analytical testing, all hazardous waste streams generated at the facility, including waste oils, coolants, antifreeze, solvents, and similar fluid wastes. The applicant shall retain on site, and make available to the City and regulatory agencies upon request, all waste profiles, bills of lading, and disposal manifests for such waste streams for a minimum of five (5) years. All hazardous waste shall be managed using the facility's U.S. EPA hazardous waste generator identification number and tracked in the Department of Toxic Substances Control Hazardous Waste Tracking System.
- 1 The applicant shall maintain a current Hazardous Materials Business Plan (HMBP) with the San Mateo County Environmental Health Services Division as

the Certified Unified Program Agency (CUPA), and shall comply with all applicable hazardous materials reporting and inventory requirements under Chapter 6.95 of the California Health and Safety Code, throughout all phases of this permit.

Menlo Park Fire Protection District

- 6 Fire Access Roads shall be configured with a 20-foot width, routed to allow driving a fire engine to within 150 feet of any stored motor vehicle. That fire engine location shall not be more than 150 feet from a properly configured hammerhead or t-intersection that will allow a three-point turn. The roadway shall extend from the main front gate all the way to the Romic access gate at the rear of the property. Since this facility is in the redevelopment area and will only continue operations on a year-by-year basis, the fire apparatus roadway need not be all weather accessible but is required to remain clear of stored vehicles and equipment.
- 7 In accordance with standard industry practice, vehicles shall not be stacked more than 3 high to provide adequate safeguard to prevent toppling during a seismic event.
- 8 Firefighter access consisting of 5-foot minimum wide aisles between rows of cars shall be maintained for all rows of cars stored on site. All stacked lumber blocking firefighter access along the top of the levee along the side of the wrecking yard shall be removed and no storage will be allowed along the dyke thereafter.
- 9 Storage of tires, on site, shall be in an orderly manner. Tire storage shall not be located within 10 feet (3048 mm) of any property line or building and shall not exceed 6 feet (1829 mm) in height when within 20 feet (6096 mm) of any property line or building.
- 10 Shipping Containers ARE Shipping Containers, NOT buildings. They shall not be stacked, used as maintenance shops, or used as storage buildings without approval from the City of East Palo Alto, and the Building Department.
- 11 Fire extinguishers shall be located within 75 feet of any portion of the facility. The fire extinguishers shall have a minimum 2A 10BC rating and shall be serviced by a licensed fire extinguisher maintenance company annually.
- 12 Outside storage of flammable liquids shall comply with the following:
 - a. Storage areas shall be provided with spill control and secondary containment.
 - b. Storage areas shall be protected against tampering or trespassers by fencing or other control measures.

- c. The storage area shall be kept free of weeds, debris and combustible materials not necessary to the storage. The area surrounding an exterior storage area shall be kept clear of such materials for a minimum distance of 15 feet (4572 mm).
 - d. The storage of empty tanks and containers previously used for the storage of flammable or combustible liquids, unless free from explosive vapors, shall be stored as required for filled containers and tanks. Tanks and containers when emptied shall have the covers or plugs immediately replaced in openings.
- 13 The applicant shall be required to maintain access to all portions of the lot pursuant to the Fire Code by providing cross aisles not less than 5 feet wide between alternating rows of stored vehicles that extend all the way from the fire access roadway to the perimeter berm. Walkways shall also be provided in a similar spacing and configuration from the fire access roadway all the way to the Romic fence at the rear of the property. The perimeter berm shall be maintained free of storage and vegetation shall be kept mowed to allow firefighter foot access along the entire length of the berm. For the safety of emergency responders, vehicles shall not be stacked more than three vehicles high.

Engineering Division

- 1 When applicable, the developer shall repair or replace existing, broken, displaced, or otherwise damaged curb, gutter, sidewalk, and driveways along the entire street frontage of the subject property to conform to current City standards. Damage due to tree roots shall be repaired by removing the existing tree(s) (where recommended by the City Engineer) and its root system(s), and reconstructing or replacing all damaged curb, gutter, sidewalk, street pavement structural section, storm drains, sanitary sewers and any other affected utilities or appurtenances.
- 2 The work shall be accomplished in accordance with the City standards and to the satisfaction of the City's Construction Inspector.
- 3 If applicable, the developer shall clean, repair, or reconstruct the curb, gutter, and sidewalk along the entire frontage of the development as may be required by the City Engineer to conform to City standards prior to receiving the special use permit.
- 4 If applicable, all new improvements to be constructed within street rights-of-way or City easements shall be approved by the City Engineer and installed to City standards. An Encroachment Permit shall be obtained from the Engineering Division for all public improvement work prior to receiving a Building Permit for the proposed improvements. The cost of all work and repairs shall be borne by the developer.

- 5 The developer shall submit drainage plan for review and approval. The drainage plan shall show existing and proposed contours, and drainage patterns.
- 6 The maximum driveway grade shall be 12%. Minimum driveway grade shall be 1%. Driveways shall be a minimum of 10 feet in width.
- 7 Provide proper fences around the property to the satisfaction of the Public Works Department and Code Enforcement.
- 8 The applicant at no cost to the City shall provide all on-site and/or off-site storm drainage facilities required by the City Engineer to accommodate the runoff from the property. The applicant shall provide project drainage plans, which will not adversely affect, and may only improve the current drainage conditions for the public.



EAST PALO ALTO PLANNING COMMISSION STAFF REPORT

DATE: July 13, 2026

TO: Chair and Members of the Planning Commission

VIA: Shiri Klima, Assistant City Manager

BY: Yajaira Morales, Interim Housing & Economic Development Manager
Elena Lee, Planning Manager
Karen Camacho, Interim Community & Economic Development Director

SUBJECT: Recommendation to the City Council on the Proposed Temporary Housing Development Incentive Program (THDIP) Ordinance Consistency with the East Palo Alto Municipal Code Chapter 18.114.

Recommendation

Staff recommends that the Planning Commission adopt a resolution recommending that the City Council adopt the following findings:

1. Based on the findings required by East Palo Alto Municipal Code (EPAMC) Section 18.114.060, the proposed Temporary Housing Development Incentive Program (THDIP) Ordinance is consistent with the General Plan, including the Housing Element, and supports the City's ability to meet its Regional Housing Needs Allocation (RHNA) by income category; will not be detrimental to the public interest, health, safety, convenience, or welfare of the City; and is internally consistent with the Development Code; and
2. The proposed actions do not constitute a "project" within the meaning of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15378(b)(4), 15378(b)(5), and 15061(b)(3).

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with the following City Council Strategic Plan priorities:

- Comprehensive Housing
- Land Use, Economic, and Workforce Development



Background

The proposed THDIP is before the Planning Commission because it would modify the City's inclusionary housing obligations in EPAMC Chapter 18.37, which is part of the City's Development Code (Title 18). Amendments to the Development Code require a noticed public hearing before the Planning Commission and a written recommendation to the City Council. (EPAMC Sections 18.114.030(C) and 18.114.040; Government Code Sections 65854–65855.)

On March 24, 2026, the City Council held a study session on the City's inclusionary housing requirements. Staff explained that the City is waiting for the results of the San Mateo County Grand Nexus and Feasibility Study, which is in process and will inform regarding the financial feasibility of inclusionary housing in development around the County. Those results are expected in the spring of 2027, and staff will analyze the data and prepare recommendations regarding the permanent Inclusionary Housing Ordinance (IHO) that following summer. Since staff recommended then that the Council not amend the IHO until the Grand Nexus and Feasibility Study, the Council directed staff to return with a draft THDIP ordinance. On June 9, 2026, the Council discussed the draft ordinance, provided additional policy direction on several program elements. The ordinance was brought back to the July 7, 2026, City Council regular meeting. After discussion and public comments, the City Council introduced the first reading of a revised THDIP. Staff now presents the proposed ordinance to the Planning Commission for its determination of consistency with the General Plan, finding that this ordinance will not be detrimental to the public interest, health, safety, convenience, or welfare of the City, and finding that the ordinance is internally consistent with the Development Code.

Analysis

The Temporary Housing Development Incentive Program (THDIP), provided as Attachment 3, exempts residential and mixed-use development projects with 20 units or fewer from the Inclusionary Housing Ordinance (IHO) requirements, regardless of whether the project utilizes the provisions of SB 330 or the State Density Bonus Law. The exemption applies to both rental and ownership housing developments, provided the project meets the program's applicability criteria. This program would go into effect 30 days after the City Council adopts the ordinance, if it does, and terminates on December 30, 2027. By that deadline, the developer must submit an application for a Vertical Building Permit and pay all applicable fees. That application must be deemed complete (but not necessarily approved) by the City by January 30, 2028. Projects that do not satisfy these deadlines would automatically revert to the inclusionary housing requirements then in effect under Chapter 18.37. Therefore, the conditional nature of the THDIP survives the Council's amendments on July 7, which means that the underlying requirements of the IHO remain in effect unless an applicant can meet the conditions and thus avail themselves of the provisions of THDIP exception.

The Commission's Focused Charge



PUBLIC HEARING 7.2

The Commission's charge at this hearing is very specific, consistent with the Municipal Code. Staff asks the Commission to hold the noticed public hearing, receive public testimony, and forward a written recommendation to the City Council on whether the findings required by EPAMC § 18.114.060 can be made for adoption of the policy via a Development Code Amendment. The policy choices reflected in the ordinance, including the magnitude of the incentive, duration, eligibility criteria, and exemptions are reserved to the City Council; they should not be discussed at the Planning Commission's public hearing on the THDIP's consistency with EPAMC § 18.114.060.

EPAMC § 18.114.060(B)(1)(b)

Adopted as an uncodified ordinance, this is a temporary program that would operate as an overlay to the existing Inclusionary Housing requirements in the Development Code that is conditionally applicable, i.e., only triggered if certain conditions are met. If those conditions are not met, the underlying Inclusionary Housing Ordinance applies. The Municipal Code requires that specific findings be made for all amendments to the Development Code:

1. The proposed amendment is consistent with the General Plan¹ and applicable elements, including the Housing Element², and any applicable specific plan.
2. The proposed amendment will not be detrimental to the public interest, health, safety, convenience or welfare of the City.
3. Additional Finding for Development Code Amendments. The proposed amendment is internally consistent with other applicable provisions of the Development Code.

Below is staff's analysis of those findings related to the THDIP.

1. The THDIP is Consistent with Vista 2035 General Plan and the RBD Specific Plan:

The proposed THDIP is consistent with the Land Use and Urban Design Element and the Housing Element of the City's Vista 2035 General Plan, as well as the Ravenswood Business District Specific Plan (RBD)³. The program implements and advances numerous General Plan goals, policies, and implementation programs intended to increase housing production, expand housing choice, facilitate affordable housing development, and assist the City in meeting its RHNA obligations. As set forth more fully below, the City, through its Housing Element, has

¹ Vista 2035 General Plan - <https://www.cityofepa.org/planning/page/vista-2035-general-plan>

² Housing Element of the General Plan - https://www.cityofepa.org/sites/default/files/fileattachments/housing/page/23793/adopted_2023-2031_east_palo_alto_housing_element_.pdf

³ RBD Specific Plan - <https://www.cityofepa.org/planning/page/ravenswood4-corners-specific-plan-adopted-12172024>



planned substantially for housing units, and its RHNA obligations require the approval of units across all income categories. Specifically, the THDIP is consistent with the following:

- **Land Use Element – Goal LU-3:** *Expand the variety and diversity of housing opportunities throughout the City by increasing the supply and range of housing types in a manner that enhances quality of life, supports multigenerational living, and strengthens community connectedness.*

The THDIP supports policies that promote balanced residential development, encourage income-restricted affordable housing, provide incentives for affordable housing production, and facilitate actions necessary for the City to meet its Regional Housing Needs Allocation (RHNA) obligations.

- **Land Use Element – Goal LU-4:** *Expand opportunities for multifamily residential development to provide a broader range of housing choices for existing and future residents while increasing the City's overall housing supply.*

The THDIP furthers this goal by supporting policies that encourage a more diverse residential building stock and expanded housing opportunities by providing greater flexibility for inclusionary housing requirements for qualifying projects of 20 or fewer units. With respect to affordable units, the THDIP does not exempt any housing projects of 21 units or more, thus preserving the City's current IHO requirements for the largest projects that produce the most market-rate as well as inclusionary units.

- **RBD Specific Plan – Goal LU-1:** *A balance of land uses that satisfies residents' needs for a complete mix of residential, retail, commercial, industrial, and public uses.*

The THDIP supports the goal and policies that promote balanced residential development, encourage income-restricted affordable housing, provide incentives for housing production, and facilitate actions necessary for the City to create housing to support a diverse range of uses in the RBD area.

- **Housing Element:** The THDIP is consistent with the Housing Element's policies and implementation programs that promote housing production across a range of income levels, including measures designed to facilitate achievement of the City's Regional Housing Needs Allocation (RHNA) requirements. Here are some relevant Housing Element goals:

- **Housing Element - Goal 1:** *Create more housing opportunities and more housing that is affordable to East Palo Alto.*

The THDIP supports the goal and policies by encouraging development of housing projects by providing incentives for housing production.



- ***Housing Element – Goal 3:*** Create homeownership opportunities for East Palo Alto residents and stability for existing homeowners.

The THDIP supports the goal and policies by encouraging the development of ownership/for-sale housing by providing incentives for housing production.

- ***Housing Element – Goal 4:*** Prevent displacement of East Palo Alto residents.

The THDIP supports the goal and policies by encouraging the faster production of housing.

- ***Housing Element – Goal 7:*** Create more housing opportunities for special needs households, including large households, people at risk of or experiencing homelessness, and individuals with disabilities.

The THDIP supports the goal and policies by encouraging the faster production of housing.

- ***Housing Element – Goal 9:*** Build City capacity for long-term housing planning and implementation of a range of Housing programs and initiatives.

The THDIP supports the goal and policies by considering the potential financial impact of the inclusionary housing requirements on new development.

- ***Housing Element – Goal 10:*** Amend Zoning and Other Development Regulations to Facilitate the Construction of Housing.

The THDIP is a temporary uncoded ordinance to facilitate the construction of housing projects.

Applicable Legal Standard.

EPAMC § 18.114.060(B)(1)(a) provides that a Development Code amendment “may be approved only if” the City first finds that the amendment “is consistent with the General Plan and any applicable Specific Plan.” Because the Housing Element is a mandatory element of the General Plan (Government Code Sections 65302, 65580 et seq.), a finding of General Plan consistency necessarily includes consistency with the Housing Element. State law independently requires the City’s zoning and development regulations to be consistent with the General Plan (Government Code § 65860) and requires the General Plan’s elements to be internally consistent (Government Code § 65300.5).

**Housing Element and RHNA by income category.**

Temporarily exempting certain projects from inclusionary housing obligations is consistent with the Housing Element and the City's obligation to accommodate its remaining RHNA by income category.

Table RHNA 6 Progress

Income Level	RHNA 6 Allocation	2023	2024	2025	Total Progress	Percentage by Income Category
ELI (<30% AMI)	165	0	0	41	41	54%
VLI (31% - 50% AMI)		0	26	22	48	
LI (51% - 80% AMI)	95	5	8	84	97	102%
MOD (81% - 120% AMI)	159	2	7	5	14	9%
Above-MOD (>120% AMI)	410	7	8	6	21	5%
Total	829	14	49	158	221	27 %

For the current planning period, the City's RHNA allocation is 165 extremely and very low-income units, 95 low-income units, 159 moderate-income units, and 410 above-moderate income units. The City's progress to date is 89 extremely and very low-income units, 97 low-income units, 14 moderate-income units, and 21 above-moderate income units.

Staff has reviewed the Housing Element programs that rely on the IHO (Policy 1.26, Program 3.1, Policy 4.13, Policy 7.8, and Program 9.6) and the City's housing sites inventory. The City's progress in terms of Housing Element compliance is primarily on planning for affordable and deeply affordable units, with modest progress toward moderate and above moderate. Per the RHNA, the City has met its low-income units requirement and has met approximately half of its very low-income units requirement, but the City has not made critical progress in its required moderate-income and above-moderate-income units. The THDIP's focus on incentivizing housing development generally is thus consistent with achieving the City's RHNA, which makes it consistent with the Housing Element.

No Net Loss and Adequate Sites.

Government Code § 65863 requires the City to ensure adequate sites remain available to accommodate its remaining unmet RHNA by income category. The draft ordinance preserves the City's authority to make the required findings on a project-by-project basis and does not reduce the residential capacity identified in the City's housing sites inventory. Attachment 1



provides an overview of the Housing Element inventory and includes in red the potential unit affordability that might be impacted by the THDIP.

City Council is seeking to exempt 20 units or less from IHO requirements. In the Housing Element, the City projected a total pipeline of 1001 units, 817 opportunity sites, and 115 ADUs. Pipeline projects include entitled or approved projects. Of the total 18 pipeline projects listed in the Housing Element, 7 included affordable units. The table in Attachment 2 provides an overview of the potential changes to the Sites Inventory should these seven projects wish to benefit from the THDIP. Despite the potential changes to the RHNA 6 pipeline units' affordability levels, the City's Sites Inventory still significantly exceed the City's RHNA 6 units in all income categories. The City would meet 251% of its Very Low-Income Units, 513% of its Low-Income Units, 195% of its Moderate-Income Units, 174% of its Above-Moderate Income Units, and 223% of its total units. Given this margin of compliance, the proposed THDIP is not expected to significantly hamper the City's progress toward site adequacy (no net loss).

Factors Supporting General Plan Consistency.

- Temporary and self-reverting. The incentive program is time-limited and conditioned on near-term construction milestones; absent timely performance, projects revert to the full Chapter 18.37 requirements. The program does not reduce the densities identified in the Housing Element; it only exempts certain projects from its requirements (primarily small unit developments, i.e., 20 or fewer units).
- Affordability preserved through State law. The program preserves all applicable State Density Bonus affordability requirements (Government Code § 65915).
- Advances Housing Element production goals. By temporarily reducing development costs during a period of constrained project feasibility, the program is intended to accelerate overall housing production for a limited swath of projects (20 or fewer units).
- Interim measure pending data. The program serves as a temporary bridge while the Grand Nexus and Feasibility Study is being completed, after which the City will consider permanent amendments to the Inclusionary Housing Ordinance.

2. The THDIP Will Not Be Detrimental to the Public Interest, Health, Safety, Convenience, or Welfare of the City;

In addition to General Plan consistency, EPAMC § 18.114.060(B)(1)(b) requires a finding that the amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City, and § 18.114.060(B)(2) requires a finding that it is internally consistent with the Development Code. The program is voluntary, time-limited, and preserves State-law affordability protections. The temporary ordinance exempts projects with 20 or fewer units but retains all other aspects of the Inclusionary Housing Ordinance requirements and General Plan goals and policies, including required densities. And, because the proposed ordinance amendment is expected to incentivize the production of housing by eliminating a cost factor for certain small-scale projects, it is expected to be consistent with public interest, health, safety,



convenience, or welfare by generating more housing overall. So, while 24 inclusionary units in the pipeline projects could potentially be waived by the THDIP, a possible 127 market rate units could be incentivized and built sooner than otherwise. Additionally, for the projects proposing over 20 units, the 72 affordable units and 3838 total units remain as the THDIP does not affect such projects. Accordingly, staff believe both findings can be made.

3. The proposed amendment is internally consistent with other applicable provisions of the Development Code.

EPAMC § 18.114.060(B)(2) also requires that potential amendments be reviewed for internal consistency with other applicable sections of the Development Code. The proposed THDIP potentially waives the inclusionary housing requirements for small projects to incentivize development. However, all other components remain and this is only a temporary change. The Development code was reviewed and the proposed THDIP is internally consistent with all other aspects of the Municipal Code. Therefore, the THDIP, as currently introduced, is as consistent with the Development Code as the current IHO.

Staff assessment.

Weighing the above, staff's assessment is that the proposed temporary, self-reverting program can be found consistent with the General Plan, including the Housing Element and the City's obligation to accommodate its RHNA by income category. The proposed amendment will not be detrimental to the public interest, health, safety, convenience or welfare of the City and is internally consistent with the Development Code. Staff recommend that the Commission forward a recommendation that the consistency findings can all be made.

Fiscal Impact

There is no direct fiscal impact from the Planning Commission's recommendation. The policy and fiscal implications of temporarily reducing inclusionary housing requirements are addressed in the staff report to the City Council.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto. Notice of the public hearing was also published in the San Mateo Daily Journal, a newspaper of general circulation in the City, on July 3, 2026 (at least 10 days before the hearing), in compliance with EPAMC § 18.106.020 and Government Code sections 65090, 65353, and 65854.

Environmental

The action being considered is not a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4), because it is a governmental fiscal activity that does not involve any commitment to a specific project that may result in a potentially significant impact on the environment.



The action likewise does not constitute a “project” pursuant to CEQA Guidelines section 15378(b)(5), in that it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment; and, in the alternative, it is exempt under the “common sense” exemption (CEQA Guidelines § 15061(b)(3)). Any individual housing project that later uses the THDIP would undergo separate environmental review as applicable.

Government Code § 84308

Applicability of Levine Act: No, as the proposed action does not involve an entitlement.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Draft Planning Commission Resolution
2. RHNA 6 Sites Inventory Summary with THDIP Potential Impacts
3. Draft Temporary Housing Development Incentive Program Ordinance.



PUBLIC HEARING 7.2

RESOLUTION NO. PC XX– 2026

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF EAST PALO ALTO RECOMMENDING THAT THE CITY COUNCIL FIND THE PROPOSED TEMPORARY HOUSING DEVELOPMENT INCENTIVE PROGRAM (THDIP) ORDINANCE, BASED ON THE FINDINGS IN SECTION 18.114.060 OF THE EAST PALO ALTO MUNICIPAL CODE, IS CONSISTENT WITH THE GENERAL PLAN, INCLUDING THE HOUSING ELEMENT, AND APPLICABLE SPECIFIC PLANS; WILL NOT BE DETRIMENTAL TO THE PUBLIC INTEREST, HEALTH, SAFETY, CONVENIENCE, OR WELFARE OF THE CITY; AND IS INTERNALLY CONSISTENT WITH THE DEVELOPMENT CODE

WHEREAS, The City of East Palo Alto has prepared a proposed ordinance establishing a Temporary Housing Development Incentive Program ("THDIP") to temporarily modify the City's inclusionary housing requirements under Chapter 18.37 of the East Palo Alto Municipal Code; and

WHEREAS, on July 13, 2026, the Planning Commission conducted a duly noticed public hearing on the proposed ordinance, received the staff report, public testimony, and all evidence presented; and

WHEREAS, the Planning Commission has reviewed the staff report, supporting materials, and the proposed ordinance, and considered the applicable provisions of the East Palo Alto Municipal Code, the Vista 2035 General Plan, including the Housing Element, and applicable provisions of California law .

NOW, THEREFORE, BE IT RESOLVED THAT THE PLANNING COMMISSION OF THE CITY OF EAST PALO ALTO HEREBY:

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action; and
2. Recommends that the Council find that the findings required by East Palo Alto Municipal Code Section 18.114.060 can be made, including that:
 - a. The proposed Development Code (Temporary Housing Development Incentive Program (THDIP) ordinance) amendment is consistent with the Vista 2035 General Plan, including the Housing Element, and the Ravenswood Business District Specific Plan, for the reasons set forth in the staff report and incorporated herein by reference;
 - b. the proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City; and
 - c. the proposed amendment is internally consistent with the Development Code;
3. Finds that the proposed action is not a project under the California Environmental Quality Act pursuant to CEQA Guidelines Sections 15378(b)(4), 15378(b)(5), and, alternatively, Section 15061(b)(3).

PASSED AND ADOPTED this 13th day of July 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Robert Sherrard, Chair

ATTEST:

APPROVED AS TO FORM:

Bryan Tran, Planning Clerk

John D. Lê, City Attorney

ATTACHMENT 2

RHNA 6 Sites Inventory Summary with THDIP Potential Impacts

Housing Element Table 1: RHNA 6 Sites Inventory Summary with THDIP Potential Impacts									
	VLI	THDIP VLI*	LI	THDI P LI*	MOD	THDI P MOD*	Above -Mod	THDIP Above -Mod*	Total
RHNA 6	165		95		159		410		829
Pipeline Projects (Tables 5.2.A & 5.3)	147	146	119	114	281	280	454	493	1001
Opportunity Sites (Tables 5.4, 5.5, & 5.6)	233	233	340	340	4	4	240	240	817
ADUs	35	35	34	34	34	34	12	12	115
DIFFERENCE	0	-1	0	-6	0	-9	0	+16	0
TOTAL (Pipeline, Opportunity Sites, & ADUs)	415	414	493	487	319	310	706	713	1933
PERCENTAGE OF RHNA (Pipeline, Opportunity Sites & ADUs)	252%	251%	519%	513%	201%	195%	172%	174%	233%
Buffer Units (Units exceeding RHNA 6)	250	249	398	392	160	152	296	303	1104
Buffer (Percent exceeding RHNA 6)	152%	151%	419%	413%	101%	95%	72%	74%	133%

Source: City of East Palo Alto, Tables 5.1, 5.2.A, 5.3, 5.4, 5.5, and 5.6 in adopted 2023-2031 Housing Element, available at: <https://www.cityofepa.org/housing/page/housing-element-update-1>.

*In order for a project with 20 or fewer units to qualify for the THDIP, certain conditions must be met, including submittal of a Vertical Building Permit application by December 30, 2027. Therefore, the numbers are only estimates should the projects fully qualify. The table does not include new pipeline projects that were not included in the adopted Housing Element.

Housing Element Table 5.2.A: Entitled or Approved Projects								
Site	Size (acres)	Zoned Density (du/acre)	Assumed Density (du/acre)	VLI	LI	Mod	Above Mod	Total
965 Weeks	2.52	20 to 40	54	42	93		1	136
1804 Bay Rd.	.99	up to 50	75	10			65	75
760 Weeks	.52	12 to 22	19		1	1	8	10
120-126 Maple Lane	.177	12 to 15	15				4	4
APN 063265300 Runnymede/Clarke	.156	12 to 15	15		1		2	3
805 Runnymede	.92	up to 12	8				1	1
1215 Cypress	.236	up to 12	4				1	1
APN 063186270 Lincoln St.	.254	up to 12	12	1			3	4
Woodland Park Euclid Improvements	3.9	up to 175	155			271	173	444
990 Garden	1.32	up to 12	6		2		6	8
2340 Cooley	.26	12 to 22	31		1		7	8
Total				53	98	272	271	694
Percentage of RHNA 6				32 %	106 %	171%	66%	84%

Housing Element Table 5.3: Projects Not Approved, but High Probability of Development								
Site	Size (acres)	Zoned Density (du/acre)	Assumed Density (du/acre)	VLI	LI	MOD	Above -Mod	Total
Four Corners	6.1	up to 60	30	36			144	180
717 Donohoe	.66	12 to 22	21		1	2	11	14
842 Green	.59	up to 12	5				3	3
812 Green	.89	up to 12	6				5	5
1201 Runnymede	.93	up to 40	22			4	16	20
755 Schembri	1.381	up to 15	4			2	4	6
851 Weeks	.65	Up to 40	126	58	20	1		79
Total				94	21	9	183	307
Percentage of RHNA 6				57 %	22%	6%	45%	37%

Housing Element Table 5.4: Projects with Development Interest								
Site	Size (acres)	Zoned Density (du/acre)	Assumed Density (du/acre)	VLI	LI	MOD	Above- Mod	Total
547 Runnymede	.45	12 to 22	18				8	8
1062 Runnymede	.92	up to 12	6				6	6
801 Donohoe	.45	12 to 22	6				5	5
807 E. Bayshore	.55	up to 22	15				8	8
Total				0	0	0	32	32
Percentage of RHNA 6				0%	0%	0%	8%	4%

Housing Element Table 5.5: Publicly Owned Sites with Potential for Development or Redevelopment								
Site	Size (acres)	Zoned Density (du/acre)	Assumed Density (du/acre)	VLI	LI	MOD	Above- Mod	Total
2120-2160 Euclid Avenue	4.15	43 to 86 104 with 20% bonus	96.4	86	340	4	0	430
Total				86	340	4	0	430
Percentage of RHNA 6				52 %	358 %	3%	0%	52%

ORDINANCE NO. _____ (UNCODIFIED)

AN UNCODIFIED ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF EAST PALO ALTO

TEMPORARY HOUSING DEVELOPMENT INCENTIVE PROGRAM
(THDIP) FOR ~~SOME~~ SMALLER PROJECTS

WHEREAS, the City of East Palo Alto (“City”) is experiencing a housing crisis. California has one of the most expensive housing markets and one of the highest rates of homelessness in the nation. The City Council has adopted Chapter 18.37 of the East Palo Alto Development Code (Inclusionary Housing) (hereinafter referred to as the “Inclusionary Housing Ordinance” or “IHO”) in 2019, which was updated in 2025, in recognition of the need for homes affordable to lower income households in East Palo Alto and that Bay Area housing costs are high. The IHO’s purpose is to increase the supply of affordable housing by imposing inclusionary requirements for residential developers to help meet the needs of all community members; and

WHEREAS, addressing the housing crisis requires a broad spectrum of land use and financing tools. For example, the Legislature has adopted State Density Bonus Law to address the financing gap by allowing a developer to include more total units in a project than would otherwise be allowed by the local zoning ordinance in exchange for affordable units. The City has a role to play too; and

WHEREAS, City staff has identified that ~~certain smaller~~ residential and mixed-use projects have received their land use planning ~~entitlements~~, but entitlements but have not pulled any building permits to begin construction (defined below as “Pipeline Projects”). The applicants for these Pipeline Projects have raised a variety of concerns that the projects are not financially feasible. Because these projects are typical of ~~most of~~ the housing production in East Palo Alto, this suggests that residential development more broadly is not financially feasible under current economic conditions. Economic conditions that render residential and mixed-use development infeasible threaten several important policy priorities of the City, including expansion of the City’s housing supply well as the creation of jobs and growth of tax revenue; and

WHEREAS, as the IHO inclusionary housing requirements may affect the economic infeasibility of residential and mixed-use development, temporarily ~~reducing~~ waiving the IHO requirements, ~~such as reducing the inclusionary housing percentage rates required for rental and ownership projects,~~ for smaller projects as set forth in Section 4 below (“Temporary Housing Development Incentive Program for ~~Some Smaller~~ Projects”), may stimulate ~~residential and mixed-use development~~ for smaller projects, increase production of housing, create jobs, and grow tax revenue; and

WHEREAS, on June 9, 2026, the City Council held a duly-noticed public hearing on the proposed Temporary Housing Development Incentive Program (“THDIP”) as required by State law and the East Palo Alto Development Code, but the Council did not take any action on this date; and

ORDINANCE NO.

WHEREAS, on July 7, 2026, the City Council held another duly-noticed public hearing on the proposed THDIP; and

WHEREAS, after the public hearing, the City Council has considered the whole of the record for the THDIP, including all relevant testimony, and determined that it desires to adopt the THDIP by the ordinance below.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO DOES ORDAIN AS FOLLOWS:

SECTION 1. FINDINGS

A. The City Council hereby finds that all the foregoing recitals are true and correct and incorporated herein by reference.

B. The City Council further finds that the THDIP is consistent with the City's General Plan and housing priority policies for the reasons set forth in the staff report associated herewith and the Council adopts such reasons as its own.

C. The City Council further finds the proposed ordinance will not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

D. The City Council further finds that the THDIP, in which the Inclusionary Housing Ordinance requirements in Chapter 18.37 are temporarily amended to ~~reduce~~waive the affordable housing requirements for ~~some~~Smaller Projects, is a programmatic regulatory adjustment that will ~~uniformly~~ provide an incentive for Smaller Projects to advance to the construction stage which furthers the City's housing and other policy priorities. The incentive applies only to Smaller Projects that affirmatively request and are granted a THDIP Waiver and satisfy all applicable conditions; it does not apply automatically or of its own force, and confers no waiver of Chapter 18.37 until granted and all conditions are satisfied.

SECTION 2. CEQA COMPLIANCE

The City Council finds that the THDIP Ordinance is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15378(b)(4) and 15378(b)(5). CEQA Guidelines Section 15061(b)(3), commonly referred to as the "common sense exemption," provides that CEQA applies only to projects that have the potential to result in a significant effect on the environment, and that where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. CEQA Guidelines Section 15378(a) provides that a project under CEQA is one that "has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." Section 15378(b) provides that administrative and organizational activities that will not result in direct or indirect physical changes in the environment are not projects for purposes of CEQA.

The proposed Ordinance establishes a THDIP, applicable to Smaller Projects, ~~Pipeline Projects, and projects entitled pursuant to SB 330~~ that meet the applicability criteria. The Ordinance applies exclusively to smaller residential and mixed-use development projects that ~~have already secured the necessary land use entitlements and that have~~ or will either completed

ORDINANCE NO.

environmental review under CEQA or are consistent with previously certified, adopted, or otherwise relied-upon CEQA documentation. The Ordinance does not approve or authorize any specific development project, nor does it expand development potential or introduce new land use entitlements beyond those previously analyzed.

The Ordinance temporarily modifies the implementation of existing affordable housing requirements contained in Chapter 18.37 of the East Palo Alto Development Code by ~~establishing a framework through which eligible projects may request a THDIP Amendment waiving requirements for smaller projects. As provided in the Municipal Code, the program allows for administrative adjustments to inclusionary housing requirements, in-lieu fee obligations, and related affordability provisions, consistent with the objective standards of the ordinance.~~

The Ordinance does not result in any direct or indirect physical changes to the environment, as it governs administrative procedures and financial obligations associated with affordable housing compliance rather than land use intensity, site configuration, or construction activity. All participating projects are required to have received “Final Approval,” as defined by the ordinance, and therefore have undergone, or are consistent with, environmental review as required under CEQA. Because the Ordinance does not have the potential to have a significant effect on the environment, it can be seen with certainty that no such impacts would occur. Because the Ordinance governs administrative procedures and financial obligations and does not result in, or have the potential to result in, direct or indirect physical changes to the environment, it does not constitute a “project” under CEQA pursuant to CEQA Guidelines Sections 15378(b)(4) and (b)(5).

SECTION 3. ADOPTION OF UNCODIFIED ORDINANCE

The following language, titled “Temporary Housing Development Incentive Program for ~~Some Smaller~~ Projects” is hereby adopted as follows:

UNCODIFIED ORDINANCE. TEMPORARY HOUSING DEVELOPMENT INCENTIVE PROGRAM FOR ~~SOME SMALLER~~ PROJECTS

XXXX.01 Purpose

- A. The purpose of this chapter is to temporarily provide development incentives for ~~some smaller~~ residential and mixed-use development projects, to help meet the City’s regional share of housing needs, during an interim period of the effective date until (December 30, 2027, ~~or any other date~~).
- B. To encourage construction of ~~certain smaller~~ residential projects subject to the Inclusionary Housing Ordinance, the following Temporary Housing Development Incentive Program shall apply to eligible Smaller Projects that meet the applicability requirements.
- C. The City Council of the City of East Palo Alto does hereby adopts an uncoded ordinance that has the effect of temporarily amending the Development Code, such that this section supersedes all relevant requirements in Chapter 18.37 of the East Palo Alto Development Code, to effectuate the purposes set forth herein.

XXXX.02 Definitions

ORDINANCE NO.

This Chapter shall rely on the definitions of Chapter 18.37.020 and also the definitions below:

A. “Final Approval” shall mean that the residential or mixed-use development project has received all necessary entitlements to be eligible to apply for, and obtain, a building permit or permits and either of the following is met: (i) The expiration of all applicable appeal periods, petition periods, reconsideration periods, or statute of limitations for challenging that final approval, or (ii) If a challenge is filed, that challenge is fully resolved or settled in favor of the housing development project. Consistent with 65589.5(o)(2)(D).

B. “Smaller Projects” shall mean any residential or mixed-use project with less than 21 (6, 10, 11, 13, or 26) units. Projects proposing 21 or more units are not Smaller Projects and remain subject in full to Chapter 18.37.

C. “Pipeline Projects” means those residential development projects, including the residential mixed-use projects, that either: (a) have received all required land use planning entitlements as of the adoption of this Ordinance but have not yet obtained Vertical Building Permits for all residential components of the project, regardless of the building permit status for that project’s non-residential components or for one or more separate residential or mixed-use buildings or phases, or (b) have received all required land use planning entitlements after the adoption of this Ordinance with appeal period running prior to a request for THDIP amendmentWaiver.

Notwithstanding the foregoing, Pipeline Projects shall not include: (a) any project entitled under SB 330, relying on the streamlining provisions by filing a Pre-Application, (b) any project regulated by a development agreement, (bc) or any project that has already paid housing impact fees or in lieu fees., or (d) any project that elect to comply with Chapter 18.37 of the Development Code through offsite construction of inclusionary units.

D. “Projects entitled under a Development Agreement” shall mean projects that have a City-Council approved development agreement as obtained in compliance with applicable law, including Government Code Section 65864 and East Palo Alto Municipal Code Chapter 18.108.

E. “Projects entitled under SB 330” shall mean projects that invoked State Bill 330, also known as the Housing Crisis Act of 2019, codified in Government Code Chapter 654, for entitlement of the development project.

F. “THDIP Amendment” shall mean a City Manager, or their designee, approved amendment to a project’s Inclusionary Housing plan and agreement (Chapter 18.37.090(A) & (B)) consistent with Chapter XXXX.04, for any projects meeting the eligibility requirements stated in XXXX.02. “THDIP Waiver” shall mean a City Manager, or their designee, approved project that meets the requirements of this ordinance. A THDIPwaiver is an opt-in benefit that a qualifying applicant must affirmatively request and that the City may grant; it does not apply automatically, is not a development standard, policy, or regulation applicable to

any project of its own force, and confers no waiver of or exemption from Chapter 18.37 unless and until it is granted and all conditions in Section XXXX.03 (Applicability) are satisfied.

G. "Vertical Building Permit" shall mean foundation and/or core/shell, excluding grading permits and demolition permits.

~~XXXX.02 Applicability~~XXXX.03 Applicability

~~The provisions of this chapter shall apply to:~~

A. The provisions of this chapter shall apply to all Smaller PProjects, including that: Pipeline Projects, apply for a THDIP Amendment for the residential or mixed-use development, apply for a Vertical Building Permit for the residential or mixed-use development, and pay necessary permit fees by (December 30, 2027, ~~or any other date~~); and the Vertical Building Permit application is deemed complete by the City within 30 days, and no later than (January 30, 2028, ~~or any other date~~). In addition, the applicant must apply for and obtain approval of a THDIP Waiver, including satisfaction of conditions.

B. Smaller Projects that fail to meet the requisite conditions, including filing for a THDIP Waiver, filing for a Vertical Building Permit, or paying the associated building permit fee in full for the residential or mixed-use development by (December 30, 2027, ~~or any other date~~), or having the -Vertical Building Permit application deemed complete within 30 days, and no later than (January 30, 2028, ~~or any other date~~), shall automatically revert to (and must comply with) the then current affordable housing requirements of Chapter 18.37.

~~XXXX. 03 Exclusions~~XXXX.04 Exclusions

~~The provisions of this chapter shall not apply to:~~

The provisions of this chapter shall not apply to Smaller Projects entitled under a development agreement. Instead, applicants of projects so entitled shall seek City Council approval for any changes to the agreement, including any related documents, including changes to the Inclusionary Housing requirements, Inclusionary Housing Plan, and/or the Inclusionary Housing Agreement. In addition, projects that elect to comply with Chapter 18.37 through off-site construction of inclusionary units are excluded from this Chapter.

A. ~~Projects that elected to comply with Chapter 18.37 of the Development Code through offsite construction of inclusionary units are exempted from this ordinance.~~

~~XXXX.04 Temporary Housing Development Incentive Requirements~~XXXX.05 Temporary Housing Development Incentive Requirements

~~Provided that projects meet the applicability requirements of this section XXXX.02, Affordable Housing Requirements in section 18.37.050 shall be temporarily superseded by the following:~~Provided that projects meet the applicability requirements of Section XXXX.03, and satisfies all conditions in Section XXXX.03, Affordable Housing Requirements in section

ORDINANCE NO.

18.37.050 shall be temporarily superseded, solely as to qualifying Smaller Projects, by the following:

A. Temporary Housing Development Incentive for Smaller Projects. For Smaller Projects, as defined herein, ~~the applicant may request a THDIP Amendment whereby the residential or mixed-use development would be exempt from Chapter 18.37 of the East Palo Alto Development Code and instead subject to the provisions of this Chapter.~~the applicant may request a THDIP Waiver. The THDIP Waiver shall exempt qualifying projects from Chapter 19.37 for the duration of this ordinance if the conditions are not satisfied the project remains subject to Chapter 18.37.

B. ~~Temporary Housing Development Incentive Program for Pipeline Projects.~~ Applicants of Pipeline Projects, as defined herein, may request a THDIP Amendment, whereby the residential or mixed-use development be subject to the following temporarily reduced affordable housing requirements rather than the requirements set forth in Chapter 18.37.050:

1. Temporary On-site inclusionary requirement:
 - a) Ownership residential or mixed-use development shall provide one of the following:
 - i ~~(2.5% - 15%)~~ of the proposed residential units in an ownership residential or mixed-use development project shall be affordable to Moderate Income households, ~~or~~
 - ii ~~(2% - 13%)~~ of proposed residential units in an ownership residential or mixed-use development project shall be affordable to Median Income households.
 - b) Rental residential or mixed-use development shall provide one of the following:
 - i ~~(5% - 30%)~~ of the proposed residential units in a rental residential or mixed-use development project shall be affordable to Low Income households. ~~or~~
 - ii ~~(2.5% - 15%)~~ of the proposed residential units in a rental residential or mixed-use development project shall be affordable to Very Low Income households,
2. Temporary Alternative Compliance, In-lieu Fee.
 - a) Ownership residential or mixed-use development in-lieu fee shall be 5% greater than the onsite requirements for On-site moderate income ownership units (XXXX.04(B)1.a.i).
 - b) Rental residential or mixed-use development in-lieu fee shall be 5% greater than the onsite requirements for On-site low-income rental units (XXXX.04(B)1.b.i).

CB. Temporary Housing Development Incentive Program for residential or mixed-use Smaller Projects entitled under SB 330. Projects entitled under SB 330 at or before the effective date of this ordinance that ~~meet the applicability requirements detailed in XXXX.02 (A)~~meet the applicability requirements detailed in Section XXXX.03(A) have the following options:

1. Maintain project's entitlement rights and obligations as detailed in the project's entitlements under SB 330, including affordable housing requirements per Chapter 18.37.050.

ORDINANCE NO.

2. Request a change to the project's entitlements, which would include both:
 - a. Waiver of affordable housing requirements in Chapter 18.37.050A THDIP amendment request, which would amend a project's affordable housing compliance plan, to the requirements detailed in Chapter XXXX.05(B) and
 - b. A signed affidavit requesting and agreeing to opt into the City of East Palo Alto's then current Development Impact Fees, including but not limited to Parks & Trails, Public Facilities, Transportation, Storm Drainage, and Water Capacity as approved by City Council on March 4, 2025, or subsequently updated by action of City Council.
2. Smaller pProjects entitled under SB 330 subsequent to the effective date of this ordinance may request a THDIP Amendment qualify for THDIP.

XXXX.05 ImplementationXXXX.06 Implementation

- A. Eligible applicants ~~may request~~shall file an update to the project entitlement with the City Manager or their designee grant of their intention to develop under a THDIP Waiver for specific development projects. Notwithstanding the foregoing, the incentive is an opt-in benefit that applies only upon the applicant's request and the City's approval of a THDIP Waiver and satisfaction of all conditions; it does not apply of its own force and is not a development standard applicable to any project that does not qualify.
- B. Notwithstanding any Development Code provisions to the contrary, in order to implement the Temporary Housing Development Incentive Program established by this Chapter, the City Manager or their designee is hereby authorized to review, approve, and modify, without a public hearing for discretionary review, the ~~Inclusionary Housing plan and agreement (Chapter 18.37.090(A) and (B)), consistent with this Chapter, including:~~ updated project entitlements as it pertains to this ordinance. In modifying entitlements, the City Manager or designee shall ensure that any Project receiving State Density Bonus benefits continues to meet the minimum affordability and all applicable requirements under the State Density Bonus Law (Gov. Code Section 65915 et seq.) for the full affordability term, and shall make the "no net loss" findings required under Government Code Section 65863.
 1. ~~The applicable percentage of affordable housing units required by Chapter 18.37.050 in a manner consistent with this Chapter;~~
 2. ~~The applicable fee required by Section 18.37.080 in a manner consistent with this Chapter;~~
 3. ~~The number and/or affordability levels of units provided for projects that elected to develop using the State Density Bonus Laws (Government Code Section 65915 et seq.) and required findings related to eligibility for a density bonus, concessions and/or waivers and parking reductions, in a manner consistent with this Chapter. However, any such modification must ensure that Projects that receive any State Density~~

ORDINANCE NO.

~~Bonus benefits (e.g., additional density, concessions, waivers, and/or parking reductions) continue to meet the minimum affordability requirements and all applicable requirements under the State Density Bonus Law (Gov't Code § 65915 et seq.) for the full affordability term to maintain those benefits;~~

- ~~4. The conditions of approval related to the City's requirements for affordable housing;~~
- ~~5. The affordable housing plan and/or affordable housing agreement; (The affordability covenants;)~~
- ~~6. The "no net loss" findings required under Government Code Section 65863; and/or~~
- ~~7. Any and all related affordable housing documentation that may be necessary to ensure compliance with Chapter 18.37 or other applicable laws.~~

~~Any modification to entitlements made pursuant to this Ordinance shall include a condition that shall take effect, and any waiver or exemption shall attach, only upon satisfaction of the conditions set forth below, which are conditions of the entitlement inseparable from any benefit conferred, and shall include a condition that a Project must secure and pay for a Vertical Building Permit on residential or mixed use development on or before (December 30, 2027, or any other date), that this permit application must be deemed complete by the City by (January 30, 2028, or any other date), and that the developer must commit to pay all other City impact fees applicable to the affordability levels of the units (e.g., Parks & Trails, Public Facilities, Transportation, Storm Drainage, and Water Capacity Impact Fees), and if an applicant fails to do so, the affordable housing requirements applicable to the project shall automatically revert to the then current affordable housing requirements of Chapter 18.37.~~

All terms of Chapter 18.37 not explicitly temporarily superseded by this Chapter shall apply to residential or mixed-use projects that seek a THDIP Amendment.

C. Continued Validity of Inclusionary Housing Ordinance. Except as expressly provided for in this Ordinance, all provisions of Chapter 18.37 shall remain in full force and effect.

SECTION 4. SAVINGS CLAUSE

If any section, subsection, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion or sections of the Ordinance. The City Council hereby declares that it would have adopted the Ordinance and each section, subsection, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional.

SECTION 5. CONSISTENCY

ORDINANCE NO.

Any provision of the East Palo Alto Municipal Code inconsistent with this uncodified Ordinance, to the extent of such inconsistencies and no further, is hereby inapplicable and the provisions of this Ordinance control to the extent necessary to effectuate this Ordinance.

SECTION 6. PUBLICATION

The City Clerk shall publish this Ordinance as an uncodified ordinance in accordance with applicable law.

SECTION 7. EFFECTIVE DATE AND SUNSET PROVISION

This Ordinance shall be effective thirty (30) days after its adoption. This Ordinance shall expire by operation of law on (January 30, 2028, ~~or any other date~~), unless extended by an amendment of this ordinance by the City Council before that date.

PASSED AND ADOPTED this ____ day of _____, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Webster Lincoln, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney

ORDINANCE NO.