



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 04/05/2022

ITEM NO: 16

DATE: March 31, 2022
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Requesting Approval of a Planned Development for Construction of a Senior Living Community, Removal of Large Protected Trees, and Site Improvements Requiring a Grading Permit on Property Zoned R:PD. **Located at 110 Wood Road.** APN 510-47-038. Planned Development Application PD-20-001 and Environmental Impact Report EIR-21-002. APPLICANT: Rockwood Pacific. PROPERTY OWNER: Covia Communities.

RECOMMENDATION:

It is recommended that the Town Council accept the Planning Commission's recommendation and deny the Planned Development (PD) application for construction of a senior living community, removal of large protected trees, and site improvements requiring a grading permit on property Zoned R:PD located at 110 Wood Road.

BACKGROUND:

The subject site is approximately 10.84 acres consisting of two underlying parcels at the intersection of Wood Road and South Santa Cruz Avenue (Attachment 5, Exhibit 3). The site has been occupied by the Los Gatos Meadows since 1971, a senior living development approved under a PD ordinance in 1968.

On April 9, 2008, the Conceptual Development Advisory Committee (CDAC) reviewed a preliminary proposal for redevelopment of the subject property. The staff report and minutes of the CDAC meeting are attached as Attachment 5, Exhibits 6 and 7.

In February 2019, the Los Gatos Meadows facility initiated a month's long closure and transition process to relocate all residents. By September 2019, the facility was vacant. While the property owner, Covia Communities, has completed the closure process, the property continues to be staffed to provide on-going maintenance and to ensure security of the property.

PREPARED BY: Sean Mullin, AICP
Senior Planner

Reviewed by: Town Manager, Assistant Town Manager, Community Development Director, Town Attorney, and Finance Director

BACKGROUND (continued):

On February 12, 2020, an application was filed by Frank Rockwood of Rockwood Pacific requesting a new PD zoning for the property for the purpose of building a new senior living community (Attachment 5, Exhibit 15). The existing zoning is Residential, Planned Development (R:PD) and the General Plan Land Use designation is Medium Density Residential.

A Draft Environmental Impact Report (EIR) for the project was prepared and circulated for a 45-day public review period from May 28, 2021, through July 12, 2021 (Attachment 5, Exhibit 1). The Final EIR, which includes the Response to Comments, was distributed on September 3, 2021 (Attachment 5, Exhibit 2).

On January 12, 2022, the Planning Commission considered the application (Attachment 5, Exhibits 5 through 8) and forwarded a recommendation of denial to the Council based on several concerns identified in the Discussion section of this report.

Additionally, the Planning Commission voted not to certify the Final EIR because it is based on a project that the Planning Commission found to be inappropriate, and environmental review is not required for denial of a project.

Should the Town Council choose an alternative action to certify the Final EIR and approve the PD ordinance, future required approvals include an Architecture and Site application, Certificate of Lot Merger, Building Permits, a Grading Permit, and a Tree Removal Permit.

DISCUSSION:

A. Project Summary

The applicant is proposing a new PD to allow for the demolition of all existing buildings, construction of a new senior living community, removal of large protected trees, and site improvements requiring a Grading Permit (Attachment 5, Exhibit 15). The senior living community would operate as a Continuing Care Retirement Community (CCRC) and would be licensed as a Residential Care Facility for the Elderly (RCFE) under the California Department of Social Services. The project would be restricted to persons aged 62 and older, providing 24/7 assisted living services to the residents. The senior living community would provide coordinated health care services, including 17 supporting care units. These proposed services would be similar to the uses offered in the previous community that closed in 2019.

Approval of the PD application would establish the regulations through an ordinance (which would include the development plans) under which the following actions would be allowed:

DISCUSSION (continued):

- Demolition of all existing buildings on the site;
- Construction of a new senior living community;
- Removal of 192 trees, including 8 large protected trees; and
- Site improvements requiring a Grading Permit.

A comparison of the existing and proposed PD conditions is provided in the table below.

Comparison of Planned Development Conditions

	Original 1968 PD	Proposed PD
Site Coverage	24.6 percent	22.5 percent
Total Number of Independent Living Units	184	174
Total Units Permitted	222	191
Open Space	75.4 percent	77.5 percent
Building Setbacks from Property Line	Front: 20 feet Side: 15 ft and 27 feet Rear: 15 feet	Front: 34.83 feet Side: 40.83 feet and 60 feet Rear: 32.92 feet
Parking	111 spaces	78 standard spaces 122 tandem spaces
Height	Predominantly 2-story with some basement or below grade space for infirmary, parking, storage, and mechanical. Heights vary between 30'-9" and 55'-2"±.	3-5 stories with below grade space for parking, storage, and mechanical. Heights vary between 59'-0" and 85'-6"±.

A full discussion and analysis of the application is provided in the January 12, 2021, staff report to the Planning Commission (Attachment 5).

B. Planning Commission

On January 12, 2022, the Planning Commission considered the application and received public comment (Attachments 5 through 7). Verbatim minutes are included as

DISCUSSION (continued):

Attachment 8. Following discussion, the Planning Commission recommended denial of the application based on the following concerns:

DISCUSSION (continued):

- Building heights;
- Tree removal;
- Lack of diversity in housing types;
- Concentration of luxury housing units; and
- Ratio of the number of units (fewer than existing) to the overall height (greater than existing).

Additionally, the Planning Commission voted not to certify the Final EIR because it is based on a project that the Planning Commission found to be inappropriate, and environmental review is not required for denial of a project.

C. Applicant response to Planning Commission

Following the January 12, 2022 Planning Commission hearing, the applicant submitted a letter responding to the Planning Commission discussion and recommendation (Attachment 9). In this letter, the applicant requests the opportunity to return to the Planning Commission to address the concerns. The letter provides the Council with a summary of the applicant's response to the Planning Commission's concerns, which includes:

- Reducing the height and massing of Villas A and C;
- Reducing the number of two-bedroom/den units and increasing the number of one-bedroom/den units and one-bedroom units;
- Reducing excavation and net off-haul quantities;
- Designating seven below market rate units; and
- Expanding on the discussion of the need for the proposed tree removal.

D. Environmental Review

An EIR was prepared for the project. As part of the environmental review process, a number of technical reports were prepared, including: species lists and database reviews; tree evaluations and arborist reports; geotechnical investigations; and traffic analyses. Reports that were prepared by outside consultants were peer reviewed by Town consultants.

The Notice of Preparation (NOP) was distributed on February 1, 2021, for a 30-day comment period. Comments received on the NOP are included as Appendix A to the Draft EIR (Attachment 1).

DISCUSSION (continued):

The Notice of Completion and Availability for review of the Draft EIR was released on May 28, 2021, with the 45-day public review period ending on July 12, 2021. On June 23, 2021, the Planning Commission held a public hearing to accept comments on the Draft EIR. No comments were received at this meeting. Written comments on the Draft EIR were received from the applicant, one public agency, and three individuals. The Final EIR, with Response to Comments, was completed in August 2021 (Attachment 2).

Through the Initial Study/EIR process, no significant and unavoidable impacts were identified. All identified significant impacts that would result from the project can be mitigated to a less-than-significant level through implementation of the Mitigation Monitoring and Reporting Program (MMRP) that has been prepared for the project as required by CEQA (Attachment 2). The MMRP includes a list of all mitigation measures and the Town Department(s) responsible for ensuring that the mitigation measures are properly implemented. All mitigation measures are included as performance standards within the draft PD Ordinance (Attachment 4).

On January 12, 2022, The Planning Commission voted not to certify the Final EIR because it is based on a project that the Planning Commission found to be inappropriate. Environmental review is not required for denial of a project.

PUBLIC COMMENTS:

Story poles and signage have been maintained on the site since the noticing for the January 12, 2022, Planning Commission meeting. Written notice of the Town Council hearing was sent to property owners and tenants within 300 feet of the subject property. Public comments received after the preparation of the Planning Commission Desk Item Report, between 11:01 a.m., Wednesday, January 12, 2022, and 11:00 a.m., Thursday, March 31, 2022, are included as Attachment 11.

CONCLUSION:

A. Summary

The applicant is proposing a new PD to allow demolition of all existing buildings, construction of a new senior living community, removal of large protected trees, and site improvements requiring a Grading Permit. The senior living community would be restricted to persons aged 62 and older, providing 24/7 assisted living services to the residents. The facility would provide coordinated health care services, including 174 independent living units and 17 supporting care units. These proposed services would be similar to the services offered in the previous community that closed in 2019. The proposal would

CONCLUSION (continued):

maintain the R:PD zoning of the property and the new PD would provide new performance standards for the project. The project complies with the General Plan, the Planned Development requirements in the Town Code, Hillside Specific Plan.

B. Recommendation

The Planning Commission recommended denial of the application based on concerns discussed above and to not certify the Final EIR because it is based on a project that the Planning Commission found to be inappropriate. Therefore, it is recommended that the Town Council accept the Planning Commission's recommendation and deny the application.

C. Alternatives

Alternatively, the Town Council may:

1. Certify the Final EIR and approve the PD application by taking the following actions:
 - a. Adopt a resolution to certify the Final EIR, make the CEQA Findings of Fact (Attachment 4, Exhibit A), and adopt the Mitigation Monitoring and Reporting Program (Attachment 4, Exhibit B);
 - b. Make the required finding that the zone change is internally consistent with the General Plan and its elements, and other required findings (Attachment 3) and approve the application (PD-20-001) subject to the performance standards and development plans (Attachment 10, Exhibit B), or as otherwise modified by the Town Council;
 - c. Waive the reading of the Ordinance and ask the Town Clerk to read the title of the proposed Ordinance; and
 - d. Introduce the Ordinance effecting the zone change; or
2. Continue the PD application to a date certain with specific direction; or
3. Remand the PD application to the Planning Commission with specific direction.

COORDINATION:

The Community Development Department coordinated with the Town Attorney's Office, Parks and Public Works Department, and the Santa Clara County Fire Department in the review of the project.

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SUBJECT: 110 Wood Road/ PD-20-001 AND EIR-21-002

DATE: March 31, 2022

ATTACHMENTS:

Attachments previously received under separate cover:

1. May 2021 Draft Environmental Impact Report (available online at www.losgatosca.gov/110WoodRoad)
2. August 2021 Final Environmental Impact Report and Mitigation Monitoring and Reporting Program (available online at www.losgatosca.gov/110WoodRoad)

Attachments received with this Staff Report:

3. Required Findings
4. Draft Resolution to certify the Final EIR, make the required CEQA Findings of Fact (included as Exhibit A), and adopt the Mitigation Monitoring and Reporting Program (included as Exhibit B)
5. January 12, 2022 Planning Commission Staff Report (with Exhibits 3-14)
6. January 12, 2022 Planning Commission Addendum Report (with Exhibits 16-17)
7. January 12, 2022 Planning Commission Desk Item Report (with Exhibit 18-19)
8. January 12, 2022 Planning Commission Verbatim Minutes
9. Letter from the Applicant, dated March 17, 2022
10. Planned Development Ordinance with Exhibit A Rezone Area and Exhibit B Development Plans, July 27, 2021
11. Public Comments received between 11:01 a.m., January 12, 2022, and 11:00 a.m., March 31, 2022