



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 10/04/2022

ITEM NO: 12

DATE: September 28, 2022
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Adopt a Resolution Granting 4 New York Avenue to the Los Gatos-Saratoga Union High School District and Authorize the Town Manager to Negotiate and Execute the 4 New York Avenue Grant Agreement and All Documents Needed to Complete the Transaction in a Form Acceptable to the Town Attorney

RECOMMENDATION:

Adopt a Resolution (Attachment 1) granting 4 New York Avenue to the Los Gatos-Saratoga Union High School District and authorize the Town Manager to negotiate and execute the 4 New York Avenue Grant Agreement in substantially the form presented and all documents needed to complete the transaction in a form acceptable to the Town Attorney.

BACKGROUND:

To date, the Town has pursued a property strategy which focuses on finding long-term solutions for the disposition of Town-owned properties either through pursuit of public purpose/benefit, monetization, or a hybrid of both. Following are property dispositions approved by the Town Council to date:

- October 2018 entered into an Exclusive Negotiating Agreement with Sarah Chaffin for the siting and development of affordable (teacher) housing at 20 Dittos Lane – Public Purpose
- March 2019 entered into an Exclusive Negotiating Agreement with Imwalle Asset Management for 4 Tait Avenue and Forbes Mill - Monetization/Public Purpose
- May 2019 sale of 148000 Winchester Blvd to Santa Clara County Fire District ("County Fire") for \$1.9 million – Monetization/Public Purpose

PREPARED BY: Arn Andrews
Assistant Town Manager

Reviewed by: Town Attorney, Director of Parks and Public Works, and Interim Finance Director

BACKGROUND (continued):

- April 2020 sale of 14850 Winchester Blvd to Santa Clara County Fire District ("County Fire") for \$1.2 million – Monetization/Public Purpose

On September 13, 2016, the Town Council declared 4 New York Avenue as surplus property and directed staff to pursue disposition options (Attachment 2). Given that the Town is transferring the property to the School District, a State agency, for the agency's use, the transfer is exempt from noticing requirements of the State Surplus Lands Act. On October 16, 2018, the Town Council asked staff to reengage in direct negotiations with the Los Gatos-Saratoga Union High School District (LGSUHSD) due to the synergies associated with the High School being the dominant land use in the area.

DISCUSSION:

Over the years the Town and LGSUHSD ("Parties") have discussed multiple scenarios for the High School to obtain ownership of 4 New York Avenue. Beginning in 2021, property disposition discussions between the Parties began coalescing around ways LGSUHSD could significantly collaborate on enhancing traffic management around the High School and other opportunities for public benefit.

On June 15, 2021, the Town Council reviewed a proposal from LGSUHSD for the transfer of the Venue property and some interior campus streets to the school district. In response to the proposal Council provided LGSUHSD with the core elements required of LGSUHSD for acceptance of their offer. On February 4, 2022, the Town Manager received a response from LGSUHSD to the Council's core elements of a property transfer agreement (Exhibit A to Attachment 3).

As referenced in the Grant Agreement (Attachment 3), in exchange for the granting of 4 New York Avenue the District agrees to the following material commitments:

- A. Convening a working group to address parking and traffic issues in the vicinity of the High School;
- B. Expanding existing parking and improve ingress/egress/student drop off at the pinch point of New York Avenue and Pleasant Street to address traffic and parking issues;
- C. Allowing future ingress/egress from the property on which the Los Gatos Lodge is currently located;
- D. Retaining KCAT at the property known as "the Venue" with multi-generational programming for community benefit;
- E. Continuing LGHS as a community resource with the community continuing to have appropriate access to the open spaces on campus;

DISCUSSION (continued):

- F. Working toward amending the District's Master Plan to show access at the property line shared with the property currently occupied by the Los Gatos Lodge;
- G. Developing design for bicycle/pedestrian access at the property line shared with the property currently occupied by the Los Gatos Lodge; and
- H. Cooperating with Town to grant necessary public utility easements and emergency vehicle access easements on portions of streets on the High School campus proposed for vacation by the Town.

In addition to the granting of 4 New York Avenue, the Parties have agreed to the Town vacating New York Avenue from the western terminus (Venue) to the western lot line of 116 New York Avenue and Chicago Avenue. Staff will return to Council with a Summary Vacation Resolution once all the appropriate public utility easements and emergency vehicle access easements have been established.

CONCLUSION:

Successful completion of these transaction will result in significant community benefit through enhanced traffic management and the resumption of community programming at 4 New York Avenue.

COORDINATION:

This staff report has been coordinated with the Town Manager, Town Attorney, Parks and Public Works Department, and Finance Department.

FISCAL IMPACT:

None.

ENVIRONMENTAL ASSESSMENT:

In accordance with CEQA Guidelines Section 15312, this transfer of surplus government property is categorically exempt from CEQA.

Attachments:

1. Resolution Granting 4 New York Avenue
2. 2016 Resolution Declaring 4 New York Avenue Surplus
3. Draft Grant Agreement with Exhibit A - Property Description and Exhibit B - LGSUHSD Proposal