



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 11/15/2022

ITEM NO: 11

DATE: November 10, 2022
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Consider Adoption of a Resolution Establishing Objective Standards for Qualifying Multi-Family and Residential Mixed-Use Developments.
Location: Town-wide. Applicant: Town of Los Gatos.

RECOMMENDATION:

Consider adoption of a resolution establishing Objective Standards for qualifying multi-family and residential mixed-use developments.

BACKGROUND:

The Town of Los Gatos has developed Draft Objective Standards (Attachment 1) for the review of qualifying multi-family and mixed-use development applications. This effort is in response to State legislation [Senate Bill (SB) 167, SB 35, and SB 330] requiring jurisdictions to adopt objective standards and to implement them in a streamlined review of qualifying housing projects such as multi-family and residential mixed-use developments. Objective standards are defined under State law as, “standards that involve no personal or subjective judgement by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal” (California Government Code, Section 65913.4).

The purpose of adopting objective standards is to:

- Comply with recent State housing legislation;
- Implement streamlined and ministerial review processes for qualifying housing projects;
- Ensure that these qualifying projects align with the Town’s expectations and vision to maintain and support the character of the Town;
- Provide a set of clear criteria to guide development; and
- Establish an objective framework by which a qualifying project will be evaluated.

PREPARED BY: Ryan Safty
Associate Planner

Reviewed by: Assistant Town Manager, Town Attorney, and Public Works Director

BACKGROUND (continued):

On November 5, 2019, the Town Council adopted Resolution 2019-053 (Exhibit 1 of Attachment 5) to authorize application for, and receipt of, SB 2 Planning Grant Program funds, including execution of an agreement with the California Department of Housing and Community Development (HCD) by the Town Manager. Planning staff submitted an application with a proposal to develop objective standards for the review of qualifying housing development applications. The Town received approval of the application and entered into an agreement with HCD to receive reimbursable grant funding for the proposed scope of work.

On November 20, 2020, staff released a request for qualifications (RFQ) to provide services for preparation of objective standards for the review of qualifying housing development applications as provided in the Town of Los Gatos SB 2 Planning Grant Program application. Staff received proposals from four firms. After reviewing the submittals and conducting interviews, staff concluded that M-Group planning consultants provided the best fit, capacity, and professional expertise for the proposed scope of work. On March 16, 2021, the Town Council authorized the Town Manager to execute an agreement with M-Group for the proposed scope of work.

The project initiation phase included review of State legislation and existing Town guidelines and standards, and collation of feedback received during five meetings with the Planning Commission subcommittee between July and December 2021. On February 22, 2022, staff conducted the first of two community engagement meetings to gather feedback from residents and stakeholders. On May 12, 2022, a preliminary draft of the objective standards was presented and discussed at a second community engagement meeting. A summary of the feedback received at the community engagement meetings is included as Exhibit 2 of Attachment 5. Based on the feedback from the Planning Commission subcommittee and the community, staff and M-Group developed Draft Objective Standards for consideration by the Planning Commission (Exhibit 3 of Attachment 5).

On June 22, 2022, the Planning Commission received and considered public comments on the Draft Objective Standards, reviewed the document, and provided input to staff on recommended modifications (see Verbatim Minutes in Attachment 8). The item was continued to a future meeting to allow staff time to prepare responses to the input received and to prepare a revised Draft Objective Standards document.

BACKGROUND (continued):

On August 24, 2022, the Planning Commission received and considered public comments on the revised Draft Objective Standards (Exhibit 9 of Attachment 9). A representative from the local architect community was present and provided verbal comments on the Draft Objective Standards. The item was continued to a future meeting to allow the architect community time to prepare written comments on the Draft Objective Standards document for Planning Commission consideration (see Verbatim Minutes in Attachment 12). Staff met with the group of local architects on September 1, 2022, to answer questions and facilitate input.

On September 14, 2022, the Planning Commission received and considered public comments on the latest Draft Objective Standards, as well as written comments from the local architect community (Exhibit 16 of Attachment 13). Staff provided written responses to the public comments and architect comments within and attached to the Addendum Report for Planning Commission's consideration (Exhibit 19 of Attachment 14). Planning Commission discussed the written comments and staff's responses, and suggested edits in their recommendation of approval to Town Council (see Verbatim Minutes in Attachment 15).

DISCUSSION:

On September 14, 2022, the Planning Commission conducted a public hearing, listened to testimony, and reviewed and discussed each of the public comments, architect comments, and previous Commissioner comments received throughout this process. The Planning Commission made several recommendations based on these comments, which are summarized below and incorporated into the revised Draft Objective Standards document (Attachment 1). The drafted edits based on Planning Commission direction are shown in track changes in Attachment 2. The recommendations are summarized in the order that they appear in the document.

A. Introduction

The Introduction section of the Draft Objective Standards document includes the Purpose and Applicability, Organization, and Key Terms sections. Based on the Planning Commission recommendation, staff incorporated each of these within the revised Draft Objective Standards document as described below:

Purpose and Applicability. Comments were received from the public regarding the organization of the Purpose and Applicability section and the reference to the California Government Code Section 65559.5 definition of qualifying housing development projects. Staff incorporated the suggested edit in the revised document. Additionally, the local architect community requested that clarification be added, specifying that these objective standards are only to be used for review of qualifying projects, and not all discretionary applications. Staff incorporated this at the end of the Purpose and Applicability section.

DISCUSSION (continued):

Key Terms. Comments were received regarding several of the definitions provided in the Key Terms section of the document. The Draft Objective Standards document was amended as follows:

- Addition of a definition of *Objective Design Standards*;
- Separation of *Community Recreation Space* into two sections to better differentiate the requirements for mixed-use developments and multi-family developments;
- Separation of *Private Recreation Space* into two sections to better differentiate the requirements for mixed-use developments and multi-family developments;
- Amendment of the *Private Recreation Space* definitions, requiring that they be accessible from the dwelling unit; and
- Amendment of *Mixed-Use* to specify that residential uses need to be included in at least two thirds of the building square footage.

B. Site Standards

The Site Standards section of the Draft Objective Standards document includes objective standards for: site layout and building placement; vehicular access and parking; and outdoor areas and amenities. Based on the Planning Commission recommendation, staff incorporated each of these within the revised Draft Objective Standards document as described below:

A.1 – Pedestrian Access. Comments were received from the public regarding the minimum width of pedestrian pathways, as well as the minimum six-inch grade separation requirement for pedestrian pathways that intersect vehicular drive aisles. Draft Standard A.1.1 was amended to specify that pedestrian pathways must be a minimum of four feet in width. Draft Objective Standard A.1.2 was amended to exempt the six-inch grade separation of pedestrian pathways when they intersect drive aisles.

A.3 – Vehicular Access. Comments were received from the public questioning the difference between the vehicular access standards in A.3.1 and A.4.2. The intent of the two standards is the same: to require parking lots to be internally connected: and prohibiting use of a public street to access two different parking areas. Standard A.3.1 was amended to incorporate A.4.2, and A.4.2 was deleted.

A.4 – Parking Location and Design. Public comment was received requesting that previous standard A.4.4 (carport location) be moved under A.4.1 (parking lot location). Draft Objective Standard A.4.1 was amended to include A.4.4, specifying that parking lots and carports shall not be located between the primary building frontage and the street, and A.4.4 was deleted.

DISCUSSION (continued):

A.5 – Parking Structure Access. Public comment was received regarding the parking structure automobile entry gate setback requirement of 25 feet from the back of the sidewalk in A.5.1. Planning Commission recommended that this standard be reduced to 18 feet, similar to Town Code standard 29.40.0315(c)(3), which requires 18 feet from the edge of the adjacent street. This was incorporated in the Draft Objective Standard document.

A.6 – Utilities. Public comment was received requesting that the utility screening requirements for rooftop and ground utilities in A.6.3 be separated. This was incorporated in the Draft Objective Standard document with a new A.6.4 for rooftop equipment. Additionally, further clarification was added, specifying that wall and fence heights within the front and street-side setbacks must comply with Town Code.

A.10 – Landscape, Private, and Community Recreation Spaces. Several public comments were received regarding the landscaping, private recreation space, and community recreation space requirements. Specifically, there were requests to allow landscaping within community recreation areas to count towards both requirements, to reduce the size of both private and community recreation spaces, and to eliminate the community recreation space requirement for smaller developments. Based on Planning Commission's recommendation and staff's analysis of other jurisdiction requirements, Draft Objective Standard A.10 was amended as follows:

- Allowance of landscaped areas within community recreation spaces to contribute to the required minimums for both landscaped area and community recreation space;
- Reduction of the private recreation space size requirement for a ground floor unit from 200 square feet to 120 square feet;
- Reduction of the private recreation space size requirement for above ground floor units from 120 square feet to 60 square feet;
- Reduction of the minimum dimensions for private recreation space from 10 feet by six feet to six feet in both directions;
- Reduction of the community recreation space requirement from 200 square feet for each unit to 100 square feet; and
- Addition of a provision that if the development includes four or less residential units, the community recreation space requirement is waived.

A.11 – Building Placement. Public comment was received questioning if the setback standard in A.11.1 applies to the entire site or just building footprints, and a request that the maximum percentage of ground-floor site amenities be removed in A.11.2. Planning Commission supported these requests, and the Draft Objective Standards document was amended as follows:

DISCUSSION (continued):

- Amendment of Draft Objective Standard A.11.1 to clarify that the 75 percent continuous frontage requirement applies to the amount of the ground floor street-facing façade;
- Replacement of the term “Community Growth District” with “commercial zones” based on the current status of the General Plan Land Use Element; and
- Amendment of Draft Objective Standard A.11.2 to remove the maximum percentage that site amenities can occupy within the area between the building and the street.

C. Building Standards

The Building Standards section of the Draft Objective Standards document includes objective standards for: building form and massing; façade articulation; materials; and roof design. Based on the Planning Commission recommendation, staff incorporated each of these suggestions within the revised Draft Objective Standards document as described below:

B.1 – Massing and Scale. Comments were received from the public regarding Standard B.1: questioning if B.1.1 applies to each individual primary building fronting the street, or the combined façade area; questioning if B.1.1.c applies to the façade plane or the front door and requesting clarification on whether awnings can project beyond this plane; requesting that a sliding scale for arcade requirements be implemented in B.1.1.d; and questioning the drawing of a “courtyard” in Figure B.1.1.e. The Draft Objectives Standards document was amended to incorporate each of these comments, as follows:

- Clarification to B.1.1 was provided, specifying that the standard applies to the combined façade area of all primary buildings;
- Clarification to B.1.1.c was provided, specifying that the standard applies to the façade plane of an entry and that a covered entry can extend beyond this façade plane;
- Amendment of B.1.1.d, with a sliding scale added with different requirements on the amount of arcade depending on the length of the building; and
- Replacement of the term “courtyard” with “open area” in standard B.1.1.e.

B.2 – Parking Structure Design. A public comment was received regarding Standard B.2.2, regulating the façade openings on upper levels of parking structures. The previous standard included a maximum screening percentage of 30 percent, but no minimum. Standard B.2.2 was revised to include a minimum 10 percent standard.

DISCUSSION (continued):

B.3 – Roof Design. Public comment was received regarding Figures B.3.1 and B.3.3. There were concerns that the alternative roof forms shown in B.3.1 would lead to confusion; and therefore, this figure was removed. There was also concern that the dormers shown in Figure B.3.3 read more as gables; and therefore, this figure was revised to show dormers within the roof form.

B.4 – Façade Design and Articulation. Comments were received regarding the: individual design options (a-f) for buildings greater than two-stories contained in Standard B.4.1; the specificity of the architectural solutions listed in Standard B.4.3; and the privacy requirements for balconies and rooftop decks in B.4.10 and B.4.11. Based on the public comment and Commissioner recommendations, Standard B.4.1 was amended as follows:

- Deletion of B.4.1.d (belly bands and horizontal architecture elements);
- Amendment of B.4.1.f (B.4.1.e in the updated document), to specify that the exterior façade height of the upper floor must be a minimum of two-feet taller than the floor immediately below, and not the internal floor-to-ceiling height;
- Amendment of B.4.3, clarifying the amount and type of each architectural solution required;
- Amendment of B.4.10, to allow rooftop and upper floor terraces when abutting single-family when no part of the rooftop or upper floor terrace or deck is closer than five feet from the façade plane below to prevent views into adjacent residential uses; and
- Amendment of B.4.11, to no longer allow balconies facing existing residential uses.

D. Appendix – Evaluation of Existing Developments

The Planning Commission discussed the idea of including example design images throughout the document to make these standards easier to understand. The Planning Commission recommended that an appendix be included at the end of the document with example images of developments in Town that comply with the more complex standards in Section B – Building Standards. Staff has incorporated this appendix in Attachment 3, with an analysis of three different developments in the Town in relation to Standards B.1.1, B.4.1, and B.4.3.

PUBLIC OUTREACH:

Public input has been requested through the following media and social media resources:

- An eighth-page public notice in the newspaper;
- A poster at the Planning counter at Town Hall and the Los Gatos Library;
- Email to interested parties;
- Community Meetings;
- In-person meeting with local architect community;
- The Town's website home page, What's New;
- The Town's Facebook page;
- The Town's Twitter account;
- The Town's Instagram account; and
- The Town's NextDoor page.

Issues raised by the public are identified in the Discussion section of this report.

PUBLIC COMMENT:

Attachment 16 includes additional public comment received between 11:01 a.m., Wednesday, September 14, 2022, and 11:00 a.m., Thursday, November 10, 2022.

CONCLUSION:

Staff recommends that the Town Council adopt a resolution to approve and adopt the Objective Standards document (Attachment 4), with findings that the project is not subject to the California Environmental Quality Act [Section 15061(b)(3)] and is consistent with the General Plan; and includes any specific changes agreed upon by the majority of the Town Council.

ALTERNATIVES:

Alternatively, the Council may:

1. Continue this item to a date certain with specific direction to staff;
2. Refer the item back to the Planning Commission with specific direction; or
3. Take no action, and proceed without Objective Standards to regulate qualifying projects.

ENVIRONMENTAL ASSESSMENT:

The project is Categorically Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15061(b)(3), in that it can be seen with certainty that there is no possibility that the proposed objective standards will have a significant effect on the environment.

Attachments:

1. Draft Objective Standards
2. Draft Objective Standards with Changes Red-Lined
3. Appendix for Draft Objective Standards – Evaluation of Existing Developments
4. Draft Resolution with Exhibit 1
5. June 22, 2022 Planning Commission Staff Report with Exhibits 1-4
6. June 22, 2022 Planning Commission Addendum Report with Exhibits 5-7
7. June 22, 2022 Planning Commission Desk Item Report with Exhibit 8
8. June 22, 2022 Planning Commission Verbatim Minutes
9. August 24, 2022 Planning Commission Staff Report with Exhibits 9-12
10. August 24, 2022 Planning Commission Addendum Report with Exhibit 13
11. August 24, 2022 Planning Commission Desk Item Report with Exhibits 14-15
12. August 24, 2022 Planning Commission Verbatim Minutes
13. September 14, 2022 Planning Commission Staff Report with Exhibits 16-18
14. September 14, 2022 Planning Commission Addendum Report with Exhibits 19-20
15. September 14, 2022 Planning Commission Verbatim Minutes
16. Public Comment received between 11:01 a.m., Wednesday, September 14, 2022, and 11:00 a.m., Thursday, November 10, 2022

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