

Los Gatos Town Council Administrative Guidelines and Policies*Employee Preferential Parking (EPP) & Permits***Working Draft****1. Purpose and Intent**

The Town of Los Gatos is committed to supporting local businesses by managing public parking resources efficiently. The goal of this effort is to reduce congestion, improve parking availability for customers and visitors, and provide convenient, cost-effective, all-day parking options for business owners and their employees working in high-demand commercial areas. This includes, but is not limited to, the Downtown Zone and the Civic Center Zone (currently the Olive Zone) located near Los Gatos High School).

Employee Preferential Parking (EPP) programs are intended to designate specific public parking facilities or zones located within busy commercial corridors for use by business owners and employees. By shifting employee parking to less congested areas, the Town can provide desirable parking spaces for customers, improve turnover in customer spaces, and better align parking supply with business needs.

2. Definitions

For the purposes of this policy, the following words and phrases shall have the meanings respectively ascribed to them by this section. Whenever any words or phrases used herein are not defined but are defined in the California Vehicle Code and amendments thereto, such definition shall apply.

(a) [list of definitions TBD]

3. EPP Zones, Designation Process, and Parking Permits**3.1 EPP Designation Criteria**

Town Council may consider the designation of an EPP zone based upon the following criteria:

- (a) That employee vehicles do, or may, substantially interfere with the use of publicly available on- or off-street parking locations used by residents, visitors, or customers, including parking locations within a commercial zone;
- (b) That the interference by employee vehicles occurs at regular and frequent intervals, either daily or weekly, and is consistent with typical business operating hours or shift schedules;

- (c) On-site parking supplies are limited or insufficient to accommodate employee parking needs such that employees must utilize public parking locations for regular daily use.
- (d) Other alternative parking strategies, including but not limited to, off-site parking, shared parking agreements, micromobility, or other congestion demand management measures are not feasible or practical.

3.2 Method of Initiation

- (a) The establishment or modification of an EPP Zone may be initiated by the Town Manager or designee, or by direction of the Town Council in response to observed parking impacts or community concerns.
- (b) The Town Manager or designee may establish a recurring review cycle, such as every six (6) months or each Spring and Fall, during which EPP zone establishment or modification requests will be accepted and evaluated. This will allow staff to conduct a preliminary review of the validity of the request and to determine if staff have the ability to implement, manage, and enforce any increased workload.
 - (1) Further evaluation of valid requests for an EPP zone establishment or modification may be placed on a list of existing projects to allow staff to manage workload and allocate resources effectively. Projects may be re-prioritized at the direction of the Town Manager or designee, or by direction of the Town Council.

3.3 Zone Configuration

- (a) Whenever possible, EPP zone boundaries should be contiguous and logically defined by street intersections or commercial zone limits, unless otherwise authorized by the Town Manager or designee.
- (b) Final determination of the proposed EPP zone configuration shall be at the discretion of Town staff.
- (c) Existing EPP zones shall continue without requalification of configuration requirements. Existing EPP zones are presumed to meet all other zone eligibility requirements based on prior establishment, utilization rates, and demonstrated need.

3.4 Parking Utilization Survey

- (a) Upon receipt of a request to evaluate a proposed EPP zone, Town staff will schedule a parking occupancy survey to determine the utilization of on- and/or off-street parking locations within the proposed zone. For a proposed zone to be considered for EPP designation, at least 51% of the available public parking supply within the proposed zone must exhibit an average

parking occupancy rate of 75% or greater during the parking utilization study period.

- (b) The Town Manager or designee may establish a recurring cycle for parking utilization studies to be conducted and analyzed, similar to the request evaluation cycle described above.

3.5 Notification and Public Input

Upon verification of parking occupancy exceeding the minimum threshold during the parking utilization study period, the Town shall provide mailed notice to all commercial and residential properties within the proposed EPP zone boundaries. Notices shall describe the proposed zone boundaries, parking restrictions, permit eligibility criteria, the process for providing input, and the anticipated Town Council meeting date(s) where the matter will be set for public hearing.

3.6 Public Hearing and Town Council Action

- (a) Following completion of staff review, parking occupancy analysis, and public notification, the Town Manager or designee will forward a recommendation to Town Council to consider designation and establishment of the EPP zone.
- (b) Designation of an EPP zone which includes public streets and alleys, requires Town Council approval by resolution, defining:
 - (1) The boundaries of the EPP zone;
 - (2) Applicable parking restrictions, including, but not limited to, hours and days of enforcement of parking regulations for non-permit holders; and
 - (3) Implementation procedures for permit issuance and enforcement, including permit eligibility criteria, as well as any other matters deemed pertinent by the Council.
- (c) Town Council shall have the authority to approve, modify or deny the designation recommendation. The Town shall provide mailed notice to all commercial and residential properties within the proposed EPP zone boundaries indicating the action taken by Town Council.
 - (1) If approved, notices shall describe the approved EPP zone boundaries, parking restrictions, and permit eligibility criteria, and explaining any modifications made by Town Council, if applicable. Notices shall also describe the process for purchasing preferential parking permits.
- (d) Once final action has been taken by the Town Council, no substantive changes or requests for major modifications of the EPP zone will be considered for a minimum period of one (1) year.

3.7 EPP Zone Implementation

Final implementation of an approved EPP zone, including the installation of signage and markings providing notice of the approved parking restrictions and prohibitions, shall proceed after Town Council approval. Enforcement will begin upon installation of appropriate signs and markings.

4. EPP Permit Types, Eligibility and Term

The following permit types may be available for purchase by eligible applicants within a designated EPP zone. Restrictions on the type of permits available for purchase and limitations on the quantity of permits available per business may be established by Town Council resolution. Possession of an EPP permit does not guarantee a parking spot within the applicable EPP zone and reassignment of employee preferential parking permits may be allowed with prior authorization by the Town Manager or designee.

- (a) *Property/Business Owner Parking Permit:* Owners of businesses or properties located within the boundaries of an EPP zone are eligible to purchase a property/business owner parking permit for that zone. The Town may limit the number of property/business owner permits per business or by district based on the conditions present in the EPP zone, such as one (1) property owner permit per building and/or one (1) business owner permit per business.
- (b) *Employee Parking Permit:* Employees working at businesses within the boundaries of an EPP zone are eligible to purchase an employee parking permit for that zone. The Town may limit the number of employee parking permits available in an EPP zone based on the conditions present in the zone, such as one (1) employee permit per licensed driver or a defined maximum per business.

4.2 Reduced-Price EPP Permit (Optional Component)

- (a) The Town may establish a reduced-price permit for employees meeting low-income criteria, based on minimum hourly wage or household income thresholds consistent with existing government-operated or -regulated programs within the Town or Santa Clara County (e.g., a utility program). Otherwise, the Town can set an income threshold, such as the State's minimum wage level or according to Santa Clara County's income limits.
- (b) Eligibility for such reduced-price permit may be established via proof of income, such as two recent consecutive wage statements or offer of employment signed within the previous sixty (60) days, or participation in an equivalent program, such as enrollment documentation or benefit card. Valid documents must be provided at the time of purchase, including during permit renewal periods, and information may be audited at any time by the Town.

4.3 Vehicle Eligibility

Unless otherwise authorized by the Town Manager or designee:

- (a) Only vehicles currently registered to the applicant are eligible for employee preferential parking permits.
- (b) Commercial trucks and vehicles, including, but not limited to, company cars or leased cars, may be eligible for employee preferential parking permits with prior authorization by the Town Manager or designee.
- (c) Trailers, boat trailers, and RV's (camping trailers, motor homes, etc.) are not eligible for employee preferential parking permits.
- (d) Vehicles exceeding maximum height limits per Town Code Section 15.40.115 are not eligible for employee preferential parking permits.
- (e) Vehicles with delinquent parking violations are not eligible for employee preferential parking permits. Proof of payment may be required before an application for an employee preferential parking permit is considered for a vehicle with outstanding parking citation fines or fees.

4.4 Permit Management System

The Town uses a third-party Permit Management System (PMS) to issue and manage virtual parking permits linked to a specific vehicle license plate for enforcement purposes. Business owners and their employees may apply for, purchase, and manage their virtual parking permit(s) through the PMS's online permit portal. Town staff will review applications and supporting documentation, track and manage virtual parking permits, and process permit payments and refund requests within that system.

4.5 Application Process

Applicants must be an employee or an owner of a business or property located within the designated EPP zone. Permit applications shall be completed online through the Town's parking permit portal. Each application for an employee preferential parking permit must include:

- (a) The applicant's name, address and contact information;
- (b) Proof of employment (e.g., W-2, employer verification letter, or recent wage statements);
 - (1) (Optional) Proof of income, if applying for a reduced-price permit (e.g. two recent wage statements or offer letter) or proof of eligibility or participation in an equivalent program (e.g. CalFresh, WIC, etc.); and
- (c) Current DMV vehicle registration for each vehicle the applicant is requesting a parking permit.

4.6 Permit Term

August XX, 2026

EPP permits are issued on an annual basis and valid April 1st to March 31st of each year.

5. Permit Fees

Permit fees shall be adopted annually by Town Council resolution. Permit fees shall reflect administrative and operational costs of program management and enforcement.

6. Enforcement, Violations, and Redressal

6.1 Permit Validity

- (a) Employee preferential parking permits are valid only within the designated EPP zone for which they are issued and do not exempt a vehicle from posted parking regulations, including, but not limited to, overnight parking or street sweeping restrictions, unless clearly specified on such signs or markings.
- (b) Permits do not exempt a vehicle from the 72-hour maximum parking limit established under Town Code Section 15.40.065 and California Vehicle Code Section 22651(k).

6.2 Display of Permits

- (a) Virtual parking permits are strictly associated with a vehicle's license plate number and are non-transferable, unless otherwise specified.
- (b) When applicable, physical parking permits must be displayed in a clearly visible manner as directed by the Town. Lost or damaged permits may be replaced upon payment of the applicable replacement fee.

6.3 Misuse and Revocation

- (a) Misuse of a permit, including the transfer, sale, or use by ineligible vehicles, is prohibited and constitutes an infraction under Town Code Section 15.40.080(c).
- (b) The Town reserves the right to revoke current permits and/or deny future permits to individuals or households found in violation of program policies.

7. Program Evaluation and Dissolution

7.1 Program Evaluation

The Town Manager or designee shall periodically evaluate each EPP zone's performance, including permit utilization, enforcement data, and community feedback, and may recommend modifications to the Town Council as appropriate.

7.2 Administrative Dissolution

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The Town Manager or designee is authorized to administratively dissolve an EPP zone without additional Town Council action if the zone is determined to be ineffective or no longer necessary, or parking occupancy no longer exceeds the minimum threshold during subsequent parking utilization study.

8. Administrative Authority

The Town Manager or designee shall have the authority to interpret, administer, and enforce the provisions of these guidelines and policies and to develop procedures necessary for the effective implementation of employee preferential parking programs consistent with Town Council direction.