



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 02/17/2026

ITEM NO: 7

DATE: February 17, 2026

TO: Mayor and Town Council

FROM: Gabrielle Whelan, Town Attorney

SUBJECT: **Adopt an Ordinance of the Town Council Amending the Town's Special Events Regulations in Chapter 14 to Establish an Entertainment Zone, Pursuant to State Law, Allowing Outdoor Consumption of Alcoholic Beverages During Permitted Events**
Ordinance Title: An Ordinance of the Town Council of The Town of Los Gatos Amending Article X, "Special Events," of Chapter 14, "Licenses and Miscellaneous Business Regulations," of the Town Of Los Gatos Town Code to Establish an Entertainment Zone Pursuant to SB 969

RECOMMENDATION: Adopt an Ordinance of the Town Council amending the Town's Special Events Regulations in Chapter 14 to establish an Entertainment Zone, pursuant to State Law, allowing outdoor consumption of alcoholic beverages during permitted events.

FISCAL IMPACT:

Adopting an Entertainment Zone Ordinance does not create a direct fiscal impact to the Town. However, it will increase the workload on Town staff to review and process the Special Event Permits. Per the State of California Department of Alcoholic Beverage Control (ABC), the Town may not charge a fee for businesses to activate the Entertainment Zone without other event components. However, should the applicant wish to include additional elements to the activation event that would otherwise require a Special Events Permit with associated fees, noted in the Town's Fee Schedule, the applicant will be required to pay the associated Town fees.

PREPARED BY: Monica Renn
Economic Vitality Manager

Reviewed by: Town Manager, Assistant Town Manager, and Town Attorney

STRATEGIC PRIORITY:

This item does not directly address a Strategic Priority; however, it aligns with the Core Goal of Community Character by fostering Economic Vitality and supporting local businesses.

DISCUSSION:

At the regular meeting of February 3, 2026, the Town Council held a public hearing to consider the introduction of an ordinance amending the Town's Special Events Regulations in Chapter 14 to establish an Entertainment Zone, pursuant to State Law, and allowing outdoor consumption of alcoholic beverages during permitted events.

At the February 3 meeting, the Town Council unanimously approved the introduction of the Ordinance with one change. The Council voted to add a subsection (14) to Section 14.100.035(a) to read: "An entertainment zone event is a discretionary permit and may be denied at the discretion of the Town Manager or designee." The Town Council also asked staff to revise the map to depict all locations in the entertainment zone as listed in the ordinance.

This ordinance (Attachment 1), incorporating the previously stated revisions, is returning to the Town Council for final adoption. The Ordinance will take effect thirty days from its adoption.

COORDINATION:

This report and ordinance were drafted in coordination with Economic Vitality Staff, the Town Attorney's and Town Manager's Office, the Community Development Department, and the Los Gatos-Monte Sereno Police Department.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Draft Entertainment Zone Ordinance