



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 1/16/2024

ITEM NO: 11

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DATE: January 11, 2024  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Review and Discuss the Proposed Revisions to the Draft Revised 2023-2031 Housing Element. Location: Town-Wide. General Plan Amendment Application GP-22-003.

**RECOMMENDATION:**

Discuss and provide direction to staff on the proposed revisions to the Draft Revised Housing Element.

**BACKGROUND:**

On December 1, 2023, the Town received the California Department of Housing and Community Development's (HCD) findings/comment letter (Attachment 3) on the Town's Draft Revised Housing Element as submitted to HCD on October 2, 2023 along with the modifications submitted on November 28, 2023.

On December 19, 2023, the Town Council unanimously voted to follow a five-step process regarding the 2023-2031 Housing Element update, which includes the following actions:

1. Prioritizing the comments from the December 1, 2023 HCD comment letter;
2. Addressing the most challenging comments first and presenting the draft text of the Draft Revised Housing Element to the Town Council for review, including examples from two to three certified Housing Elements. Additionally, the Town Council hearing will provide the public with an opportunity to comment on the draft text with staff addressing the public comments in subsequent meetings, as needed;
3. Scheduling Town Council meetings with staff and the Housing Element consultant on a regular basis to complete the edits;

**PREPARED BY:** Erin Walters, Associate Planner and  
Jocelyn Shoopman, Associate Planner

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



BACKGROUND (continued):

4. Reviewing the proposed edits with HCD, as frequently as HCD is able to meet with Town staff, and the Housing Element consultant and providing written feedback to the Council about HCD's responses; and
5. Conducting public engagement with the Housing Element Advisory Board (HEAB) after the Town Council completes its review of the draft text to the Draft Revised Housing Element.

The Town Council also unanimously voted to review the Draft Revised Housing Element prior to a resubmittal to HCD.

The primary purpose of this agenda item is for Town Council to review and discuss the proposed revisions that staff and the Housing Element consultant have made to the Draft Revised Housing Element (Attachment 1), and the Draft Response Table (Attachment 2), that address the comments from the December 1, 2023 HCD comment letter (Attachment 3).

DISCUSSION:

A. HCD Communications

Town staff and the Housing Element consultant met with the Town's HCD reviewer and the HCD Senior Program Manager, Paul McDougall on December 13, 2023 and received feedback on the following topics:

- Additional discussion of income and race at a local level as part of the Affirmatively Furthering Fair Housing analysis;
- Additional actions specific to promoting housing mobility;
- Additional discussion and a potential modification to the maximum building height within the Housing Element Overlay Zone (HEOZ) for General Plan land use designations with a density range of 30 to 40 dwelling units per acre;
- Refinement of the definition of a mixed-use project within the HEOZ Ordinance;
- Refinement of the language of Implementation Program AA to include a defined action; and
- Additional evaluation of the Town's guest parking requirements for multi-family and mixed-use projects.

Additionally, staff discussed the actions taken by the Town Council at the meeting of December 5, 2023, and received feedback that modifications to the Story Pole Policy "does seem to address the intent" of HCD's December 1, 2023 comment to modify the Story Pole Policy with cost effective measures.



DISCUSSION (continued):

On December 24, 2023, the Housing Element consultant requested informal feedback from the Town's HCD reviewer on the Town's draft approach, as described below, for addressing a portion of HCD's comments from the December 1, 2023 letter:

- Including additional regional data for the Racial Concentration Area of Affluence (RCAA) analysis and prioritizing mobility issues (HCD comment #1a, as numbered in Draft Response Table, Attachment 2);
- Addressing small sites and their lot consolidation potential (HCD comment #2a);
- Including additional discussion on the HEOZ development standards, such as height, parking, and open space requirements (HCD comment #3a); and
- Including additional actions to address development standards considered to be a constraint and implementation program actions to promote mobility (Senate Bill 9, additional Accessory Dwelling Unit actions, small multi-family housing in low density neighborhoods, and homesharing) (HCD comment #1c).

Staff is awaiting a response back from HCD with preliminary feedback on the aforementioned topics. If feedback is provided from HCD, an Addendum or Desk Item will be prepared for the Town Council prior to the meeting.

B. Proposed Revisions to the Draft Revised Housing Element

Potential revisions to the Draft Revised Housing Element in response to the December 1, 2023 HCD comment letter have been prepared by Town staff and the Housing Element consultant in track changes with a blue highlight (Attachment 1). The edits shown are all those that have been made since the last submittal to HCD in November. A detailed draft response table has been provided in Attachment 2. In response to the December 19, 2023 Town Council motion, this table describes each HCD comment, a priority rating for the comment, a summary of the proposed revisions and their location within the Draft Revised Housing Element, and examples of similar text and/or language from other certified Housing Elements (Attachment 2).

C. Next Steps

This agenda item provides the Town Council an opportunity to discuss the proposed revisions to the Draft Revised Housing Element. The Housing Element consultant will be available, remotely, to answer Council Member questions.

On January 18, 2024, the Housing Element Advisory Board (HEAB) will be meeting to discuss and review the December 1, 2023 HCD comment letter and proposed revisions to the Draft



DISCUSSION (continued):

Revised Housing Element. If additional revisions or other direction are received from Council, an Addendum or Desk Item will be prepared for the HEAB prior to their meeting. As required by AB 215, revisions to the Draft Revised Housing Element must be made available to the public for a seven-day review period prior to a formal resubmittal to HCD.

Should the Town Council be satisfied with the proposed revisions to the Draft Revised Housing Element, the seven-day review period could be started on Monday, January 22, 2024 ending on Monday, January 29, 2024 with a formal resubmittal to HCD in early February 2024.

CONCLUSION:

Staff looks forward to the Town Council's discussion and direction.

PUBLIC COMMENTS:

Public comments received between 11:01 a.m., Tuesday, December 19, 2023 and 11:00 a.m., Thursday, January 11, 2024 are included as Attachment 4.

COORDINATION:

The Community Development Department coordinated with the offices of the Town Attorney and Town Manager in the preparation of this report.

ENVIRONMENTAL ASSESSMENT:

An Environmental Analysis was prepared for the Housing Element update and available on the Town's Housing Element website at: <https://www.losgatosca.gov/EnvironmentalAnalysis>. All potentially significant effects have been analyzed adequately in the Town of Los Gatos 2040 General Plan Environmental Impact Report (EIR), pursuant to applicable standards including CEQA Guidelines Section 15168(c)2, because the Housing Element update is consistent with the growth projections evaluated in the General Plan EIR.

Attachments:

1. Draft Revised Housing Element, Track Changes Copy
2. Draft Response Table
3. December 1, 2023, HCD's Findings Comment Letter
4. Public Comments Received Between 11:01 a.m., Tuesday, December 19, 2023, and 11:00 a.m., Thursday, January 11, 2024