MEETING DATE: 05/07/2024

DATE: May 2, 2024

TO: Mayor and Town Council

FROM: Laurel Prevetti, Town Manager

SUBJECT: Discuss and Provide Direction on Outreach and Noticing Options for Senate

Bill (SB) 330 Projects.

#### **RECOMMENDATION:**

Discuss and provide direction on outreach and noticing options for Senate Bill (SB) 330 projects.

### **BACKGROUND:**

On April 16, 2024, during the Town Council consideration of modifications to the Town's Story Pole Policy, direction was given to return for further discussion of potential enhancements to the Town's community noticing and engagement for large development projects and specifically SB 330 projects.

SB 330 is State legislation intended to ease the production of housing. Its primary provisions are as follows:

1) Subject to limited exceptions, SB 330 provides that a qualifying housing development project is only subject to the ordinances, policies, and standards adopted and in effect when a "preliminary application" is submitted, which occurs at the outset of the entitlements process. Development impact fees, charges, or other monetary exactions are also vested at that same time, and the only changes allowed relate to increases resulting from an automatic annual adjustment based on an independently published cost index that is referenced in the ordinance or resolution establishing the fee or other monetary exaction.

PREPARED BY: Jennifer Armer, AICP

Planning Manager

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

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## **BACKGROUND** (continued):

2) In addition to creating new timing requirements under the Permit Streamlining Act, SB 330 provides that no more than five public hearings, including continued hearings and appeals, may be held on a project after an application for a qualified housing development project is deemed complete.

- 3) Subject to limited exceptions, SB 330 provides that any determination as to whether a project site is historic must be made at the time the application for the qualifying housing development project is deemed complete, as defined therein.
- 4) Local agencies cannot impose or enforce new design standards that are not objective. Recent case law clarifies the meaning of "objective" design standards, albeit in the context of the Housing Accountability Act (HAA), by explaining that a design standard is not "objective" if reasonable people could reach different conclusions as to how to comply with the design standard.
- 5) With limited exceptions, local agencies, including the electorate pursuant to its local initiative or referendum power, cannot impose growth caps or moratoria on new housing development.
- 6) Local agencies cannot reduce permitted housing density to below that allowed under the applicable specific or general plan in effect on January 1, 2018.

#### **DISCUSSION:**

### A. Online Outreach

As seen at the April 16, 2024 Town Council discussion of the Story Pole Policy, the Town continues to receive ideas for providing information to the community about potential future development projects. Many of these ideas have been implemented, including:

- Reinstating the pending planning projects map at the top of the page listing pending planning projects by address (<u>www.losgatosca.gov/2216/Pending-Planning-Projects</u>).
- Posting all SB 330 Preliminary Applications, and maintaining a list of those that have proceeded to the formal application process (<u>www.losgatosca.gov/2875/Senate-Bill-SB-330</u>);
- Providing a summary table of all SB 330 projects for quick reference www.losgatosca.gov/2875/Senate-Bill-SB-330); and
- Regular social media posts to remind the community where they can find information about potential development projects (see Town newsletter sent on Friday, April 19 and April 26).

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# **DISCUSSION** (continued):

### B. Expanded Project Noticing

Staff has selected several of the sites for which Preliminary SB 330 Applications have been received to illustrate the difference in noticing between the 300-foot noticing required by Town Code 29.20.450 (and State law), and the proposed 1,000-foot noticing suggested by a Council Member at the April 16, 2024 Town Council meeting. The projects were selected to provide a variety of examples based on the following criteria:

- Locations throughout Town;
- Neighborhood types (detached single-family, downtown, neighborhood commercial, transitional, and Los Gatos Boulevard); and
- Proposed project types (townhomes, seven-story residential or mixed use, detached single-family residential subdivision).

		300-foot Radius		1,000-foot Radius		Cost
Project	Project	Number	Cost	Number	Cost	Increase
Address	Scope	of Cards		of Cards		Factor
101 S. Santa	Mixed-Use Building (58	124	\$95.48	583	\$448.91	4.7
Cruz Avenue	units)					
220 Belgatos	Detached Single-Family	88	\$67.76	305	\$234.85	3.5
Road	Residential Subdivision					
	(30 units)					
647 N Santa	Multi-Family	111	\$85.47	510	\$392.70	4.6
Cruz Avenue	Townhomes (13 units)					
14288 Capri	Multi-Family	330	\$254.10	693	\$533.61	2.1
Drive	Residential Building (95					
	to 175 units)					
15525 Los	Multi-Family	693	\$105.49	505	\$388.85	3.7
Gatos	Residential Building					
Boulevard	(238 units)					

As seen above, the 1,000-foot noticing radius increases the cost between two and 4.7 times. Attachment 1 is a set of maps showing the difference in the areas included in the noticing, as well as the number of parcels included. Please note that the number of parcels listed in the Attachment 1 are less than the noticing numbers above because the noticing includes both property owner and occupant if those are different.

Legally, the Town may adopt noticing requirements that are more extensive than the 300 feet required by State law. However, due to the increased cost to the applicant, it is possible that expanded noticing requirements could be considered a hindrance to housing, and therefore, counter to the intent of SB 330. In addition, based on the Constitutional

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### **DISCUSSION** (continued):

requirement for "equal protection," any distinction in noticing requirements should have a rational basis. Potential bases for imposing increased noticing requirements would be projects over a specified height, number of units, or square footage based on the added visual impact to the neighborhood or other factors.

Alternatively, without a rational basis for the distinction in noticing requirements, the Town also has the option of assuming the cost of the increased noticing. If this is the Council's preference, a funding source would need to be identified.

### C. <u>Town-Wide Mailer</u>

In addition to a project focused noticing mentioned above, the Town has periodically sent out a postcard Town-wide to notify property owners, residents, and businesses about issues of interest like the General Plan and Housing Element updates. The cost associated with these efforts is approximately \$10,000. This option may be more cost effective and useful in combination with social media posts regarding upcoming milestones of SB 330 or other major development applications in Town.

### **FISCAL IMPACT**:

The fiscal impact depends on the scope of the increased noticing determined by the Town Council.

#### CONCLUSION:

This agenda item allows Town Council to provide direction on additional noticing and outreach. Staff recommends consideration of the following questions:

- 1. Are there additional online outreach techniques that should be implemented?
- 2. Are there additional mail noticing requirements for pending planning projects that the Town Council would like to implement at this time? If so:
  - a. What projects would it apply to?
  - b. What should the timing be for the additional noticing?
  - c. Should additional noticing be sent if a project changes significantly?
  - d. Who should be noticed? (Town-wide, 300-foot radius, 1,000-foot radius, or other)
  - e. Should the 300-foot public hearing noticing requirement be changed?
  - f. Should an additional fee be added to the fee schedule to defray this cost?

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### CONCLUSION (continued):

3. Does the Town Council wish to initiate a periodic Town-wide mailer with information about development in the Town? If so:

- a. What information should be included? (For example, "learn about pending planning projects," "find out about pending SB 330 proposals," "sign up for NotifyMe and the Weekly Newsletter," or other.)
- b. How frequently should the Town-wide mailer be sent?

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

### **ENVIRONMENTAL ASSESSMENT:**

Because the Town Council is providing direction only at this time, this is not a project defined under CEQA.

## Attachment:

1. Example Noticing Maps

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