

TOWN OF LOS GATOS COUNCIL AGENDA REPORT

DATE: January 30, 2025

TO: Mayor and Town Council

FROM: Chris Constantin, Town Manager

SUBJECT: Consider a Recommendation by the Planning Commission to Approve a Planned Development for Construction of a Senior Living Community, Removal of Large Protected Trees, and Site Improvements Requiring a Grading Permit on Property Zoned R:PD; Adopt a Resolution Certifying the Final Environmental Impact Report (EIR) and Mitigation Monitoring and Reporting Program (MMRP); and Introduce an Ordinance Repealing Establishing Development Standards and Allowable Uses for Lots Within the Planned Development Overlay Zone. Located at 110 Wood Road. APN 510-47-038. An Environmental Impact Report has been Prepared for the Project. Planned Development Application PD-20-001 and Environmental Impact Report EIR-21-002. Applicant: Rockwood Pacific. Property Owner: Front Porch Communities. Project Planner: Sean Mullin. Ordinance Title: An Ordinance of the Town Council of the Town of Los Gatos Repealing and Replacing Planned Development Ordinance 938 Establishing Development Standards and Allowable Uses for Lots Within The Planned Development Overlay Zone.

RECOMMENDATION:

Staff recommends that the Town Council accept the Planning Commission's recommendation to adopt a resolution certifying the Final Environmental Impact Report (EIR) and adopting the Mitigation Monitoring and Reporting Program (MMRP), and introduce an ordinance repealing and replacing Planned Development Ordinance 938 establishing development standards and allowable uses for lots within the Planned Development Overlay Zone.

BACKGROUND:

The subject site is approximately 10.84-acres consisting of two underlying parcels at the intersection of Wood Road and South Santa Cruz Avenue. The property rises east-to-west

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	Planning Manager

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

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approximately 240 feet, and approximately 95 feet across the area of development. The subject property is characterized by a hillside setting and is in the Hillside Specific Plan area, but it is not located within the hillside area as defined by the Hillside Development Standards and Guidelines (HDS&G).

Ordinance 938 was adopted by the Council on March 4, 1968, rezoning the subject property from R-1:40 and RM:8 to R:PD (Residential with a Planned Development overlay), allowing for the construction of the Los Gatos Meadows senior living facility. The site had been occupied by the Los Gatos Meadows since 1971.

In February 2019, the Los Gatos Meadows facility initiated a closure and transition process to relocate all residents. By September 2019, the facility was vacant. While the property owner, Front Porch Communities, has completed the closure process, the property continues to be staffed to provide ongoing maintenance and to ensure the security of the property.

On February 12, 2020, an application was filed by Frank Rockwood of Rockwood Pacific requesting a new PD zoning for the property for the purpose of building a new senior living community. The existing zoning is Residential, Planned Development (R:PD), and the General Plan Land Use designation is Medium Density Residential.

A Draft Environmental Impact Report (EIR) for the project was prepared and circulated for a 45-day public review period from May 28, 2021, through July 12, 2021. The Final EIR, which includes the Response to Comments, was distributed on September 3, 2021. These environmental documents are available at www.losgatosca.gov/110WoodRoad.

On January 12, 2022, the Planning Commission considered the application and forwarded a recommendation of denial to the Council based on the following concerns:

- Building heights;
- Tree removal;
- Lack of diversity in housing types;
- Concentration of luxury housing units; and
- Ratio of the number of units (fewer than existing) to the overall height (greater than existing).

Additionally, the Planning Commission voted not to certify the Final EIR because it is based on a project that the Planning Commission found to be inappropriate, and environmental review is not required for denial of a project. The Planning Commission staff reports and meeting minutes are available at <u>www.losgatosca.gov/110WoodRoad</u>.

On April 5, 2022, The Town Council considered the application and several options presented by the applicant that were developed to respond to the concerns expressed by the Planning Commission. Included with these options was the relocation of some of the building mass by

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reducing the height of some Villas and increasing the height of other Villas. Following public comment and Council discussion, the application was remanded back to the Planning Commission for further discussion with consideration of comments provided by the Town Council, which included but were not limited to the following:

- Concern with proposed building heights, tall wall planes, and lack of screening;
- Appreciative of the applicant's regard for fire safety;
- Preference for Options A and B;
- Support removal of penthouse units;
- Not supportive of removing parking to reduce grading; and
- Provide a full set of drawings and details for the revised project.

The Town Council staff reports and meeting minutes are available at <u>www.losgatosca.gov/110WoodRoad</u>.

On October 25, 2023, the Planning Commission conducted a Study Session on a revised proposal presented in a conceptual fashion to allow the applicant to receive initial feedback prior to submitting a fully revised project. During the Study Session, the Planning Commission noted the following positive aspects of the revised conceptual project:

- Reduction in grading;
- Elimination of the penthouse units; and
- Potential offsite programming at 142 S. Santa Cruz Avenue as a community benefit.

The Planning Commission also expressed concerns on the following aspects of the revised conceptual project:

- Overall height, consider expanding the development pad to lower the height of buildings;
- Visibility impacts when viewed from downtown and from neighboring residences on Wood Road; and
- Unit size and targeting of the luxury market.

The Planning Commission staff report and meeting minutes are available at <u>www.losgatosca.gov/110WoodRoad</u>.

On November 13, 2024, the Planning Commission received the staff report, received public comments, and discussed a revised project. The Planning Commission voted unanimously to forward a recommendation to the Council to certify the Final EIR, adopt the MMRP, and approve the project with an added recommendation that the applicant consider height reductions where possible to address the neighbor's concerns. The Planning Commission staff report, addendum, desk item, and meeting minutes are included as Attachments 5 through 8 and are available at www.losgatosca.gov/110WoodRoad.

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DISCUSSION:

A. Project Summary:

The applicant is requesting approval of a PD Ordinance for a new senior living community to replace the closed Los Gatos Meadows. The new development includes 187 independent care units and 24 supporting care units located within a podium level and eight villas rising up to six stories above the podium. Two levels of parking are proposed on the ground floor/ podium level and the lower level. Primary access to the site would be provided from Wood Road. Emergency circulation is provided by a ring road around the podium and out to Broadway.

Full discussion and analysis of the project is provided in the November 13, 2024, Planning Commission Staff Report (Attachment 5).

With the adoption of the draft ordinance, Planned Development Ordinance 938 would be repealed and replaced with the draft PD Ordinance (Attachment 4) to establish the development standards and allowable uses for the subject property consistent with the development plans included as Exhibit B to Attachment 4. If the PD Ordinance is adopted, future Architecture and Site approval will be required prior to a submittal for construction permits.

B. Planning Commission:

On November 13, 2024, the Planning Commission received the staff report, applicant's presentation, and public comments on the proposed project (Attachments 5 through 8). The Planning Commission voted unanimously to forward a recommendation to the Council to certify the Final EIR, adopt the MMRP, and approve the project with an added recommendation that the applicant consider height reductions where possible to address the neighbor's concerns.

In their December 30, 2024, letter to the Council included as Attachment 9, the applicant summarizes their project and notes that they believe that the proposal reviewed by the Planning Commission achieves an appropriate balance between the numerous applicable factors involved. In response to the recommendation by the Planning Commission, the applicant provides an alternate version that redistributes the height of a portion of Villa A to Villa B. The impact is a height reduction in the rear/uphill portion of Villa A by one floor and the addition of a full floor to Villa B. The applicant indicates that the alternate version is intended to mitigate the view impacts to several homeowners on Wood Road without materially increasing view impacts from other key viewpoints.

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FISCAL IMPACT:

Certifying the EIR, adopting the MMRP, and adopting of this PD Ordinance does not impact the Town's budget.

ENVIRONMENTAL REVIEW:

An EIR was prepared for the project. As part of the environmental review process, a number of technical reports were prepared, including species lists and database reviews, tree evaluations and arborist reports, geotechnical investigations, and traffic analyses. Reports that were prepared by outside consultants were peer-reviewed by Town consultants.

The Notice of Preparation (NOP) was distributed on February 1, 2021, for a 30-day comment period. Comments received on the NOP are included as Appendix A to the Draft EIR, which is available online at www.losgatosca.gov/110WoodRoad.

The Notice of Completion and Availability for Review of the Draft EIR was released on May 28, 2021, with the 45-day public review period ending on July 12, 2021. On June 23, 2021, the Planning Commission held a public hearing to accept comments on the Draft EIR. No comments were received at this meeting. Written comments on the Draft EIR were received from the applicant, one public agency, and three individuals. The Final EIR, with Response to Comments, was completed in August 2021 and is available online at www.losgatosca.gov/110WoodRoad.

Through the Initial Study/EIR process, no significant and unavoidable impacts were identified. All identified significant impacts that would result from the project can be mitigated to a less-than-significant level through the implementation of the MMRP that has been prepared for the project as required by CEQA (Attachment 3, Exhibit B). The MMRP includes a list of all mitigation measures and the department(s) responsible for ensuring that the mitigation measures are properly implemented. All mitigation measures are included as performance standards within the draft PD Ordinance (Attachment 4).

A Modified CEQA Checklist (based on the CEQA Guidelines Appendix G Checklist) was prepared to determine if the previously prepared EIR adequately addresses the project as revised or whether the revised project will result in new or substantially increased environmental impacts requiring recirculation of the 2021 Draft EIR (Attachment 5, Exhibit 6). The analysis determined that the revised project has been adequately addressed in the Draft and Final EIR in terms of potential increases in or new environmental impacts resulting from the revised project. Any new or increased environmental impacts would be reduced to a less-than-significant level through implementation of the MMRP prepared for the 2021 EIR and standard Town conditions of approval. Therefore, additional environmental analysis and/or recirculation of the 2021 EIR is not required.

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PUBLIC COMMENTS:

As detailed in the Letter of Justification, the applicant has been engaged with the surrounding neighborhood, business community, Town officials, and the greater Los Gatos community since 2018 through open house meetings, focus groups, individual in-person and video meetings, and maintenance of a project website (Attachment 5, Exhibit 13). The applicant also provided a supplemental community engagement letter summarizing their outreach efforts that have taken place since the Letter of Justification was submitted (Attachment 5, Exhibit 15).

Written notice was sent to property owners and tenants within 300 feet of the subject property. As approved by the Council, visual renderings were prepared in-place of story poles and made available on the applicant's website for some time and provided on the Town's website on November 4, 2024. Project signs were also installed at the primary entrance on Wood Road and at the intersection of Farwell Lane and Broadway. Public comments received between 11:01 a.m., Wednesday, November 13, 2024, and 11:00 a.m., Thursday, January 30, 2025, are included as Attachment 10.

CONCLUSION:

A. Summary

The applicant is requesting approval of a PD Ordinance for a new senior living community to replace the closed Los Gatos Meadows. Planned Development Ordinance 938 would be repealed and replaced with the draft PD Ordinance to establish the development standards and allowable uses for the subject property consistent with the development plans included as Attachment 4, Exhibit B and subject to the performance standards included as Attachment 4, Exhibit C. If the PD Ordinance is adopted, future Architecture and Site approval will be required prior to submittal for construction permits.

B. <u>Recommendation</u>

Staff recommends the Town Council take the following actions to approve the PD, application:

- Adopt the draft Resolution (Attachment 3) to make the required CEQA Findings of Fact (Attachment 3, Exhibit A), certify the Final EIR (Attachment 2), and adopt the Mitigation Monitoring and Reporting Program (Attachment 3, Exhibit B); and
- 2. Introduce the Ordinance (Attachment 4) effecting the zone change and approving Planned Development Ordinance application PD-20-002.

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C. <u>Alternatives</u>

Alternatively, the Council can:

- 1. Approve the applications with additional and/or modified performance standards; or
- 2. Continue the matter to a date certain with specific direction; or
- 3. Deny the applications and make the required findings for denial.

ATTACHMENTS:

Attachments previously received under separate cover:

- 1. May 2021 Draft Environmental Impact Report (available online at www.losgatosca.gov/110WoodRoad)
- 2. August 2021 Final Environmental Impact Report and Mitigation Monitoring and Reporting Program (available online at www.losgatosca.gov/110WoodRoad)

Attachments received with this Staff Report:

- 3. Draft Resolution to certify the Final EIR, make the required CEQA Findings of Fact (included as Exhibit A), and adopt the Mitigation Monitoring and Reporting Program (included as Exhibit B)
- 4. Draft Planned Development Ordinance with Exhibit A Rezone Area, Exhibit B Development Plans, and Exhibit C Performance Standards
- 5. November 13, 2024, Planning Commission Staff Report, with Exhibits 3 through 17
- 6. November 13, 2024, Planning Commission Addendum, with Exhibits 18 through 19
- 7. November 13, 2024, Planning Commission Desk Item, with Exhibit 30
- 8. November 13, 2024, Planning Commission Verbatim Minutes
- 9. Letter from the Applicant, dated December 30, 2024
- 10. Public comments received between 11:01 am, Wednesday, November 13, 2024 and 11:00 am, Thursday, January 30, 2025