1	A P P E	EARANCES:
2		
3	Los Gatos Planning Commissioners:	Melanie Hanssen, Chair Kathryn Janoff, Vice Chair Mary Badame
4 5		Jeffrey Barnett Kendra Burch
6		Matthew Hudes Reza Tavana
7		
8	Town Manager:	Laurel Prevetti
9	Community Development Director:	Joel Paulson
10	Town Attorney:	Robert Schultz
11		
12	Transcribed by:	Vicki L. Blandin (619) 541-3405
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PROCEEDINGS:

CHAIR HANSSEN: We will move on to Item 2 on the agenda, which is considering an approval of a request for modification to existing Architecture and Site Application S-13-090 to remove underground parking for construction of a commercial building otherwise known as the Market Hall in the North 40 Specific Plan Area. This is APN 424-56-017, Architecture and Site Application is S-20-012, the property owner/applicant is Summerhill N40, LLC, and for the members of the audience this item was continued from the last meeting on August 26, 2020 to allow Commissioners an opportunity for a site visit and to also allow more time for public comments.

May I have a show of hands from Commissioners that have been able to visit the site? Okay, and are there any disclosures? Commissioner Burch.

COMMISSIONER BURCH: Due to the proximity of my home to the property I do have to recuse myself from this item.

CHAIR HANSSEN: Thank you for letting us know,

Commissioner Burch, and then we will see you back for Item

3. All right, great. Thank you. And then there were no other disclosures by Commissioners. Okay.

I understand that Ms. Shoopman will be giving the Staff Report for this item.

JOCELYN SHOOPMAN: Good evening. On August 26th the Planning Commission continued the proposal to modify the approved Architecture and Site Application to remove a below-grade level of the parking garage to its September 9th meeting. A Desk Item report has been provided to the Commission this evening that contains additional public comments that were provided after the publication of the Staff Report.

This concludes Staff's presentation but we are available to answer any questions.

CHAIR HANSSEN: This would be a good time to ask questions because we did end up continuing the hearing from last time, and Commissioner Hudes has his hand up.

COMMISSIONER HUDES: Yes, this is concerning guidance that we got from the Town Attorney within the last few hours. Is that guidance confidential or is that information that the public can know about?

TOWN ATTORNEY SCHULTZ: The public can certainly know about that and I will try to articulate that to you and to the public.

As we all know this project was part of
litigation. The Town Council originally denied this project
and then litigation occurred and the court made the Town go
back and rescind its denial and look at the project under
what's known as the Housing Accountability Act, and what
the court said, and it applies to this modification and it
actually applies to any housing development or mixed-use
project of more than one unit, is that you have to base
your decision under that Housing Accountability Act and you
must base your decision on specific objective General Plan,
Specific Plan, or Zoning Code. You've got to find those
objective standards; that's the only way you can deny a
housing project under state law.

There have been many subjective reasons in the correspondence that you've received, such as that if they don't have the garage there will be a parking problem, we'll be under-parked, it might be needed for future development, or the applicant promised it therefore they should have to do it. All of those are subjective reasons why you would want to deny it and we just don't have the discretion under state law anymore to deny a project based on discretion.

The big issue is whether they meet our parking standards. There is some correspondence that talks about

the math that they've used and whether they have adequately described the parking standards and whether they meet our parking standards. If you determine that there is insufficient evidence to reach the conclusion that without the underground parking structures they do not meet our parking standards, then that's something that you could deny this project on, but you can't deny it on all of the other subjective reasons that I mentioned and plus many others; that simply is not a reasonable basis to deny this project.

CHAIR HANSSEN: Commissioner Hudes, and then I also saw Commissioner Badame had her hand up as well.

get into areas where it isn't always apparent to those of us who are not attorneys about whether we are looking at something that is a standard or an objective standard or a subjective standard. Is it okay with Staff if we ask that question when we are deliberating or if there's a follow up question during testimony to find out whether we are dealing with an objective or not?

TOWN ATTORNEY SCHULTZ: Yes, if you can point to sections in, like I said, our Zoning Code and Specific Plan that are objective standards and you don't believe they've met those objective standards with regard to the

1 underground parking, absolutely, you can ask Staff that question and that's what we're looking for, your guidance. 3 Although Staff analyzes a project we don't have all the 4 answers, and if you can come up with objective standards to 5 either deny or approve this project then certainly we're 6 going to help you. 7 COMMISSIONER HUDES: Thank you. 8 CHAIR HANSSEN: Commissioner Badame. COMMISSIONER BADAME: I'm concerned that I 10 literally got this information ten minutes ago. 11 Commissioner Barnett and I have been tied up in a 12 Conceptual Development Advisory Committee hearing for 13 almost a couple of hours, so just receiving this 14 information, which I think is very important in making that 15 16 decision. I need time to digest it and research it further. 17 Is that possible where we could maybe continue this 18 conversation or the hearing if other Commissioners agree to 19 it, or we just get a Desk Item and we just deal with it 20 with the legal advice we get? 21 CHAIR HANSSEN: It's certainly an option to 22 continue the... I'll look to Staff for guidance on this but 23

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we've already continued this item one time, so Director

Paulson, do you have a comment on this?

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JOEL PAULSON: As you've mentioned, we've continued this already one time for some previous concerns raised by Commissioners. I get a little bit worried that we are just delaying. There's also the possibility you could take a 15-20 minute recess. I'm not sure how much research Commissioner Badame is interested in doing, but maybe she just hasn't had a chance to read through the email, so that's another option that we could just take a short recess so that Planning Commissioner can look through that item—maybe some other folks haven't had a chance to look at it either—and then reconvene the meeting, unless the Town Attorney has other options. Obviously, ultimately decisions are the Planning Commission's but that's just my input on that and if the Town Attorney has an additional input.

TOWN ATTORNEY SCHULTZ: I apologize in giving it to the Planning Commission at the late hour. I assume that the Planning Commissioners were aware of the Housing Accountability Act. Like I said, it doesn't apply to this project, it applies to all housing projects that you must base your denial on objective standards not subjective standards; that goes forward for any project.

But certainly what I would suggest is you open up the testimony and you hear all the testimony. If there is something that you need further clarification from Staff

because of the math, parking calculations that you're not satisfied with the determination that was made by the applicant or by Staff, that certainly would be a reason to continue it. It's a single issue in my mind unless you can come up with other objective standards that are a Specific Plan or parking regulations. It's really dealing with whether they meet our parking regulations without the underground parking structure.

COMMISSIONER BADAME: Okay, thank you. I'll read through the email as we further our discussion.

CHAIR HANSSEN: So, Commissioner Badame and the rest of the Commission, I think we should go ahead with the public portion of the hearing, hear from the applicant, and then if it turns out that any of you feel that you need more time to have all the facts we can take a recess or if absolutely necessary, we'll continue it. And Commissioner Hudes has his hand up.

COMMISSIONER HUDES: Yeah, I'm sorry, I do have some questions of Staff that would be helpful to know before hearing from the applicant because it's difficult to be able to ask intelligent follow up questions if I'm not sure about how we're evaluating this, and actually why we're evaluating this as well, so I did have a few contextual questions for Staff, not about the specifics of

1	the proposal but the purview of the Commission and how we		
2	are to evaluate this.		
3	CHAIR HANSSEN: I think that's perfectly		
4	appropriate at this time and this is the best time to do		
5	that before we proceed into the applicant testimony. That		
6	way we can avoid duplicate questioning and so on and so		
7	forth. So, go ahead, and I have some questions as well.		
8	COMMISSIONER HUDES: Great. I'm just trying to		
10	understand when I'm relating this back to the Specific Plan		
11	and there are some things that are not clear about what		
12	type of project this is. In the Specific Plan there is a		
13	discussion about mixed-use projects 2.5.10, but there is		
14	also a reference to a residential use for affordable		
15	housing that has a different entry in one of the tables for		
16	the parking requirements. So, are we to evaluate this as a		
17	mixed-use?		
18	JOEL PAULSON: Commissioner Hudes, you said		
19	2.5.1?		
20	COMMISSIONER HUDES: .10.		
21	JOEL PAULSON: Right, so that's maximum		
22	development capacity.		
23	COMMISSIONER HUDES: No, I'm sorry, this is in		
24 25	the Land Use and Development Standards, page 2-22.		
- •	JOEL PAULSON: So. 2.5.10?		

1	COMMISSIONER HUDES: Yes.	
2	JOEL PAULSON: And where do you see parking	
3	requirements in there?	
4	COMMISSIONER HUDES: The last paragraph on the	
5	left-hand column D says, "Dedicated parking spaces shall be	
6	provided for residents and shall be clearly distinguished	
7	from spaces provided for commercial and/or office use." So	
8	that falls under 2.5.10. Is this considered a mixed-use	
10	project?	
11	JOEL PAULSON: Yes, this is a mixed-use project	
12	and the parking for the senior affordable housing will be	
13	demarcated and the Applicant can probably provide	
14	additional information on that.	
15	COMMISSIONER HUDES: Okay. The other question I	
16	have is on page 3-21 of the Design Guidelines; there's an	
17	item M. Does that not apply because that's a different type	
18	of housing, or does that apply?	
19	JOEL PAULSON: What page was that on?	
20	COMMISSIONER HUDES: 3-21.	
21	JOEL PAULSON: Okay, 21. Thank you. Twenty-	
22	second. And so you're looking at 3.3.1, Site Planning and	
24	Design? You said letter D?	
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COMMISSIONER HUDES: No, I'm on letter M, 3-21 of the Residential Design Guidelines. Does that not apply to this project?

JOEL PAULSON: That is more strictly for the residential specific projects, so that would be most of the rest of the phase one project.

COMMISSIONER HUDES: Okay. And on page 3-22,
3.3.2 D, it says, "Below grade parking is encouraged with
entries placed at the rear or sides of the structure
whenever possible." Does that not apply because of the word
"encourage"?

JOEL PAULSON: That is not an objective standard because it says encourage.

COMMISSIONER HUDES: Okay. Those are all the questions I have now. I have quite a few relating to the math but I'll hold that until we hear.

CHAIR HANSSEN: Okay. I do have a question for Staff, and if any other Commissioners do as well I'm happy to have you raise your hand.

So, Director Paulson, for the benefit of the Commission as well as the audience, there were tables in the Staff Report that talked about the parking requirements and it basically says that even with removing the underground parking that based on the information in this

Specific Plan there will be above the parking that's required that was agreed to in the Specific Plan. Specifically, I wanted to ask about the two different parts of it. So, the origin of the decision that got into the Specific Plan where the senior housing needs basically one parking space per resident, a half for the resident and a half for a guest, the origin of that was it's spelled out in the Specific Plan or some other document? JOEL PAULSON: Yes, that is in Table 2-4 on page 2-15 of the Specific Plan.

CHAIR HANSSEN: Okay. According to the plan that was approved and that they are building to, that decision was already made that that's the amount of parking that was needed, and I guess when the applicant speaks too we can find out, but Eden Housing is managing the project and I don't know if they're going to be available tonight or not, but they contributed to this thing to determine the amount of parking that was needed.

JOEL PAULSON: As I recall, yes, they thought that this would be adequate parking for this type of use.

CHAIR HANSSEN: Okay. And then as far as the spaces for the commercial application, could you just explain how that's calculated and how it got into the plan?

JOEL PAULSON: Sure. Again, page 2-15, 2.5.8 spells out the parking requirements and it in summary says that the non-residential uses in the Specific Plan Area shall utilize the downtown requirements for those non-residential uses, and so generally restaurant, commercial, retail, personal service, those are one parking space for every 300 square feet.

CHAIR HANSSEN: And that's what came into the Staff Report was those numbers that were agreed to in the Specific Plan that are... And then in the case of commercial it's similar but maybe not exactly the same. The methodology for calculating the amount of parking is similar to what we use elsewhere in town?

JOEL PAULSON: What we use in a downtown specifically, yes.

CHAIR HANSSEN: Okay. Commissioner Hudes, you had your hand up.

COMMISSIONER HUDES: Yeah, coming back to that, that's in the same section as the mixed-use parking requirement, and so when we're looking at the number of off-street spaces required for a mixed-use there's non-residential and residential. How does that relate to mixed-use?

JOEL PAULSON: If you look at Table 2-4.

COMMISSIONER HUDES: Yes, I'm looking at it.

JOEL PAULSON: So, A is the non-residential use in a mixed-use building, which we have here, which is the downtown parking requirements, and then B is residential uses and the parking requirements are split up between senior affordable housing units, those have the same parking requirements, one bedroom units, and units that have two bedrooms or more; those are the parking requirements for a mixed-use building.

about whether this is the purview of the Planning

Commission. There's a table that basically defines who

makes decisions; it's part of the Implementation Plan, and

so my question is why is this before the Planning

Commission? The discretionary approval summary table on E-

JOEL PAULSON: Right. That's what lays out the requirements. Because the modification was a modification to the architecture and site, Planning Commission is the deciding body on that.

COMMISSIONER HUDES: But "Reduced parking requirement for senior/affordable housing," that says that's approved by the Director of Community Development, the findings can be made, or I guess the DRC.

JOEL PAULSON: They're not asking for a reduction in senior parking.

COMMISSIONER HUDES: Okay, so this is why it's under the purview of the Planning Commission, because it's a mixed-use parking reduction?

JOEL PAULSON: They're changing aspects, removing the one level of underground parking. I felt that that type of modification you needed to go through the architecture and site process, and the Planning Commission is the deciding body for all architecture and site processes.

COMMISSIONER HUDES: Okay, thank you.

CHAIR HANSSEN: And I just had two more quick questions and then we'll hear from the applicant.

A number of the public comments came in and talked holistically about parking for the entire North 40 complex. What I wanted to ask Staff was supposing that the plan numbers were wrong in the Specific Plan and it turns out we really don't have enough parking, which many people are convinced of that, are we able to use the holistic parking requirements of the North 40 phase one project relative to making this decision on this particular building?

JOEL PAULSON: I think I follow what you're saying, but ultimately every project has to provide the

required parking at a minimum level as required by the Specific Plan. The phase one project exceeded that number. Any future project that comes in and goes before the Planning Commission will have to show that they are providing adequate parking pursuant to the Specific Plan for their specific project.

CHAIR HANSSEN: So you're saying as proposed all of the rest of the phase one plan is meeting the parking requirements that are set on the Specific Plan as well?

JOEL PAULSON: That's correct.

CHAIR HANSSEN: That's one thing. The final question I had was supposing that it is the will of the Town and the Commission on a going forward basis to revisit the parking standards that are in the phase one, you know, the current North 40 Specific Plan approved, before we get a phase two. Is that possible?

JOEL PAULSON: That is possible. It would require a Specific Plan modification but it would not be applicable retroactive to the phase one project.

CHAIR HANSSEN: All right, that answers my question. Do any other Commissioners have questions for Staff before we go to hear from the applicant? Seeing none, we will now open the public hearing and first give the applicant an opportunity to address the Commission for up

to five minutes, and I thought I saw in the attendees list we do have someone from Summerhill Homes that will be speaking.

JOEL PAULSON: I would ask that whoever is going to represent Summerhill Homes please raise your hands, and it looks like Mr. Keeney, so I will allow him to talk.

CHAIR HANSSEN: Okay, Mr. Keeney.

MICHAEL KEENEY: Thank you. Can you hear me?

CHAIR HANSSEN: We can hear you.

MICHAEL KEENEY: Good evening, Chair Hanssen, members of the Planning Commission and Staff. My name is Michael Keeney and I'm the Development Manager for Summerhill Homes on the North 40 project.

As you've probably observed we are well underway with the construction of the project. We've started home construction and we are progressing on off-site transportation improvements of well over \$10 million to support the project and expand traffic capacity in the area for the benefit of the Town and future residents.

As currently designed the Market Hall garage has an excess of 179 parking spaces as determined by the Town's parking regulations. The excess parking spaces were included in the original design based upon the previous developer's strategies related to the potential development

of phase two. That developer is no longer involved in the Market Hall development and Summerhill Homes has no involvement in the potential development of phase two.

There is no obligation in the conditions or Specific Plan for Market Hall to provide parking for future phases.

Accordingly, we are requesting the elimination of the basement portion of the garage structure, reducing the parking spaces in the garage by 127. This would leave a total of 176, which is 52 in excess of what's required by the Town parking regulations.

With this modification there will be significantly more parking than is required and the proposed modification has several benefits to the project and the Town of Los Gatos.

The elimination of the basement will result in reduced construction activity, noise, and dust from a shorter construction duration. It will result in the reduction of approximately 1,700 truck trips that would be required to off-haul the soil for the basement excavation and approximately 400 concrete trips to build the basement.

The elimination of the basement removes a potential public safety problem, particularly if it is rarely used, and the modification is supported by the Silicon Valley Bicycle Coalition and our affordable housing

partner, Eden Housing, who will own and manage the senior affordable housing units that will be a part of the building.

It will also result in reduced operating expenses for the affordable housing and the commercial uses in addition to reduced construction costs.

You have received several comments regarding how the parking was calculated and what the correct calculations should be, and I can understand that they're a little tricky, but we have based our calculations on what the Town is requiring based on the current code. The parking tables that are included in the A&S Application are based on what was included in the code at the time and based on assumptions about the land use.

To date the only building that has submitted for a building permit is the Market Hall, and we've refined the design and worked with Staff to determine what the parking requirement based on the current Zoning Code. These numbers are reflected in the Market Hall Parking Requirements Table that we included in our Letter of Justification and are consistent with what's before you in this proposal.

Jennifer, do you have that Exhibit 2 that I was going to use later? It might be good to use it now.

In response to the comments about the parking tables, we did put together a table that's based on the Market Hall building permit as proposed and the assumptions on what the Commercial District would have remaining. So, this table reflects what's in the square footage assumptions of the A&S for the remaining commercial pads at the current code requirements and as you can see, there is a surplus of parking. The surplus of parking in aggregate is 45 spaces because the Market Hall has a surplus of 52 but the commercial pads are a little short; that's noted in the footnote. In total you have a surplus of parking district-wide of 22-percent with Market Hall having a surplus of 61-percent.

We would like to thank Staff for moving this application forward in a timely manner and for your accurate summary of the project's compliance and exceedance of the parking required for the building, and we're available to answer any questions you may have.

I should also add Eden Housing is available, and some of our other consultants as well, if something comes up that's more appropriate for them.

CHAIR HANSSEN: Okay, good. So, if Commissioners have questions for Eden Housing, they're available as well tonight. At this point do any Commissioners have questions

for the applicant? I see Commissioner Hudes has his hand up.

COMMISSIONER HUDES: Thank you. I have many questions but I'm going to wait until after public testimony because almost all of them were raised by the public.

I had one question before then though and that is regarding the progress of the project. Has the project proceeded with the assumption that the underground parking will be eliminated?

MICHAEL KEENEY: No, there's nothing that we've done with construction to date that would be changed by the decision of the Planning Commission. All of the infrastructure to serve the building has been under construction to the extent that it can be and nothing has been installed that would prevent the structure from being built in either design.

COMMISSIONER HUDES: Thank you.

CHAIR HANSSEN: Do other Commissioners have questions? Vice Chair Janoff.

VICE CHAIR JANOFF: Yes, thank you. Mr. Kenney, could you please to the best of your knowledge summarize the commercial or residential non-designated parking that is outside of the Market Hall or the commercial parking

requirements within those vicinities? There are a number of spaces beyond the Market Hall and the commercial buildings. Do you have any idea what those would be just so that we have a general understanding of what parking there might be in excess of what is being discussed tonight?

MICHAEL KEENEY: The surface parking sort of in the transition district is approximately 130 stalls. The individual commercial pads haven't been fully designed and we're not the applicant for those, but the preliminary estimates are for 130 stalls both on the private streets throughout the Commercial District and on surface parking lots on the commercial pads.

VICE CHAIR JANOFF: So those include the commercial parking pads that are not associated with Market Hall?

MICHAEL KEENEY: Correct, and that's shown on the table that was up there.

VICE CHAIR JANOFF: Thank you.

CHAIR HANSSEN: Before we go to public comments I did have a question and it's about the senior housing parking. I would say the standard is defined in the North 40 Specific Plan but we did get many, many, many questions from the public about how could it be possible that only one half space for each resident, and one's a half space

for their guests, would be needed? And then in addition how would it be placed? So, I was hoping that either Summer Hill, or if Eden Housing is available, could answer that question, because the public can make their comments but we can't respond to them during the meeting, so I was hoping we could hear from Eden Housing about why they're comfortable with that number, because people are thinking they might have teenage kids, they might have multiple cars, they might have caregivers. Like how would they end up not using the other parking, or how did that work? So, is there somebody that could speak to that?

MICHAEL KEENEY: Well, maybe let me give you just a couple answers and then I'll pass it off, and if there's need for follow up Eden is available.

There are a total of 50 spaces allocated for the affordable housing. They're on the third floor of the parking structure, so 47 of the 50 spaces are on the third floor of the parking structure and there is a security gate between the second and third floor, so effectively the senior affordable project has its own floor of parking that's in a secure environment, and Eden would have an onsite apartment manager and onsite coordination with their tenants to help manage the parking along with everything else and make sure that there weren't problems with that.

1 That's sort of the simple big picture explanation. If you would like more information and details Dixie from Eden 3 Housing can probably raise her hand and Joel can allow her 4 to respond as well? 5 CHAIR HANSSEN: If that's possible, it would be 6 great if we could hear from Dixie. 7 DIXIE LIRA-BAUS: Hi. Good evening, 8 Commissioners. Can you hear me all very well? CHAIR HANSSEN: Yes. 10 DIXIE LIRA-BAUS: Fantastic. Thank you for 11 allowing the opportunity to just provide comment on this. 12 Eden Housing is proud to be a partner with Summer 13 Hill on this project. We own and operate 36 senior 14 properties amongst our entire portfolio totaling about 15 16 2,700 units. Of that, four of those properties are located 17 in Santa Clara County with over 300 units of senior 18 housing. 19 Throughout the history we've parked each of our 20 senior buildings at a .5 ratio in suburban locations, and 21 in urban locations we sometimes park those to a lesser

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oriented stop. We find that in looking at this development

and looking at the needs across our portfolio that parking

degree, especially if they're adjacent to a transit

at a .5 ratio for the units themselves are more than

adequate and having visitor parking at a .5 is also adequate.

What we tend to do when we are looking at all of our developments is in managing spots when residents come into the development if they do not have a vehicle they aren't issued a parking pass to park in there and that has been able to help us manage parking demands in terms of our senior facilities. In our history that's just how we've operated our developments. I'm available to answer any additional questions you may have.

CHAIR HANSSEN: Commissioner Hudes has a question for you.

COMMISSIONER HUDES: Thank you. It's a little difficult to understand, but I wanted to ask simply one of our residents, Dr. Drayer (phonetic), raised the question: What is that assumption of the transportation needs of the 50-percent of seniors who will have no place to park? In the assumption that some of the households have more than one vehicle, will they be taking public transit? Will they be riding a bicycle? How will they get to the healthcare? What's the assumption for that group that has no place to park?

DIXIE LIRA-BAUS: Thank you, Commissioner.

Actually, we don't make those assumptions. We just look

across our portfolio needs and the historical needs within our facilities and find that it's been an adequate level of parking for our senior developments. Of course additional public transportation mitigates that, and yes, some families will indeed have more than one vehicle, some will not have any vehicle. We found that to be quite common, especially when our seniors are aging in place, meaning they tend to stay there for very long periods of time. Yes, sir, did you have a follow up?

COMMISSIONER HUDES: Yes. I appreciate the averages but we're dealing with a specific here. Is there specific public transit that you're relying on for this development to satisfy that requirement?

MICHAEL KEENEY: Dixie, maybe I can help out a little bit with this one. This is Mike.

DIXIE LIRA-BAUS: Thank you, Mike.

MICHAEL KEENEY: The project has a traffic demand management plan, which has now been approved, which includes funding for a Town-wide shuttle bus program or other transportation measures as the Town deems appropriate to help reduce traffic, and the TDM plan has an obligation to provide a transportation coordinator.

So, in addition to the administrative support that Eden's team provides to their residents, the Market

Hall structure as a condominium entity in coordination with the for sale residential side of the project will have a transportation coordinator who is responsible for providing outreach to all of the residents in the community to help assist them with things like carpool coordination, different kinds of transportation benefits, bicycle, different ways to reduce trips and provide assistance to everyone.

The obligation is to achieve a 15-percent reduction in trips from the project site and it's completed with annual reporting to the Town, and if compliance isn't achieved then it's the obligation of the associations and the transportation coordinator to identify alternate solutions to achieve that objective.

CHAIR HANSSEN: Okay, thank you. Commissioner Hudes, you have a follow up question?

COMMISSIONER HUDES: I'm not sure that answered by question. I was really asking about what specific public transit is being relied on for this project.

MICHAEL KEENEY: The public transit in the area is a VTA bus line on Los Gatos Boulevard. It basically loops up Los Gatos Boulevard and I believe it comes down Santa Cruz to the VTA station in Campbell.

COMMISSIONER HUDES: Okay. I'm well aware of what this is. It's extremely limited but thank you.

CHAIR HANSSEN: Thank you for your comments and there will be an opportunity for Commissioners to ask additional questions after we take public testimony. If there are no more questions from Commissioners we will go ahead and move on to public testimony. Mr. Paulson, it looks like we have some hands up I can see in the attendees list.

JOEL PAULSON: We do. Again, for those in the audience who wish to speak on this item, please use the raised hand feature. The person at the top of the list currently is Maria Ristow.

CHAIR HANSSEN: Before I hand over the floor to Ms. Ristow I do want to remind anyone that's speaking during the public portion of the meeting that you may choose to state your name and address for the record or you may choose to speak anonymously, and honestly it's your choice, but we do ask that you limit your comments to three minutes. So, thank you, and go ahead, Ms. Ristow.

MARIA RISTOW: Okay, thank you. Maria Ristow, and I'm scrambling to try and catch up with this because I had submitted a letter actually stating that we should retain the underground parking with the concern that the entire

North 40, regardless of how it's developed, has been envisioned as one project under the Specific Plan and there's no way we're going to go back and dig out under a parking structure if we don't put the underground parking in right now.

What's thrown me for a loop is this discussion of the Housing Accountability Act, and I was trying to rush through the data from the previous meeting and I really think there needs to be another look taken at this, because I've been through this with the North 40 before and the Housing Accountability Act requires that the residential be two-thirds to qualify, I believe, which is like 67-percent or more than 66-percent.

If I go back quickly to Exhibit 6 from the prior meeting, the total gross residential is listed at 47,811 square feet. The total gross commercial is 28,966, and so if you do the math, if this parcel by itself is being looked at, that comes out to 62.27-percent residential. I don't know, maybe I'm wrong, maybe this is the whole thing taken, but if we're talking about just this parcel I don't see how the Housing Accountability Act applies here.

I'm thinking that there are grounds to take another look at this or take more time looking at it. But I apologize, I'm like rapidly trying to go back and pour

through documents while I'm trying to listen to this Zoom meeting, but anyway, I don't know if that's helpful. I know you can't answer my questions, but I want to throw those numbers out there. Thank you.

CHAIR HANSSEN: Thank you, Ms. Ristow, and we do have the opportunity for any Commissioners to ask questions of anyone that speaks from the public. Do any Commissioners wish to ask questions? Vice Chair Janoff.

VICE CHAIR JANOFF: Yes, this is a question for the Town Attorney. You mentioned in your notes to us that the Housing Accountability Act does apply, and it sounded like what you were saying is that it applied as a result of the court order. That's how I read your guidance. Could you please comment whether the Housing Accountability Act actually does or does not apply to this question that we have before us tonight?

TOWN ATTORNEY SCHULTZ: The 66-percent requirement actually came in after the project was approved, so there could very well be an issue raised by Maria whether this actual project that's in front of you...

If you'll give me a few minutes, I can look at those changes that were made. There were a couple of changes that were made after our project at court, one being that attorney's fees are now mandatory because the developer in

1	this case didn't get attorney's fees, so they went to
2	Sacramento and got that changed. And there were some
3	changes in regard to the percentage, so I can look at those
4	as you continue on with public comment and come back to me
5	JOEL PAULSON: And through the Chair, I would
6	just offer that this is one component of the entire phase
7	one, but they have vested the other portions, which it's
8	still part of the entire phase one that was originally
9 10	approved, so as the Town Attorney is looking through that
11	information the parking is specific to this portion because
12	this portion hasn't been vested yet from that perspective,
13	but I just offer those comments as well.
14	CHAIR HANSSEN: Thank you very much. All right,
15	so who's up next, Director Paulson?
16	JOEL PAULSON: One second. Leanna will be up
17	next, and so I will allow her to talk.
18	CHAIR HANSSEN: Okay.
19	JOEL PAULSON: So Leanna, if you unmute yourself
20	you'll be able to speak.
21	LEANNA PALMER: Hello, my name is Leanna Palmer,
22	and do you need my address?
23	CHAIR HANSSEN: Only if you choose to submit it.
24 25	LEANNA PALMER: Oh, okay. Well, in Los Gatos. I
- 0	am calling just to kind of speak informally briefly that
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I'm opposed to eliminating the underground parking, maybe for the reasons that the Town Attorney says are not good reasons.

Grosvenor spent a lot of time planning the entire 40 acres and some of those meetings I attended, and the underground parking was to accommodate some of the parking that would be required on the other phase two portion, and by Summer Hill taking this over from Grosvenor I think that they need to follow through with the plan they took over. I don't have the numbers to say it's not going to be enough parking if they eliminate the underground, but I'm just saying I think it's really needed so that parking doesn't overflow into the residential neighborhood around it, or out on the street, and then the Town would have to change the street construction.

And the other thing is would Summer Hill need to pay Grosvenor more money or whatever for what they've done since they're eliminating a whole expensive part of what they've bought into and now they will, I don't know, presumably have a greater profit by just ticking off this thing they don't need to build?

Okay, so that's my not very coherent comment but I'm just very opposed to letting them off the hook on this

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bait and switch operation. So, thank you for letting me speak.

CHAIR HANSSEN: Thank you so much for your comments. It's very much appreciated by everyone on the Commission. Do any Commissioners have any questions for the speaker? Commissioner Hudes.

COMMISSIONER HUDES: Actually, this is a question for the Chair or Town Attorney. This is a virtual public meeting. In a normal public meeting you'd know who is there, how many people are there. Of course, we don't know how many will speak but can we get some sense about how many participants or observers there are tonight?

CHAIR HANSSEN: There are 26 attendees in the list. I don't know if you can click on Participants at the bottom but you can see there are panelists and there are attendees, but there are 26. We don't always know who's here to speak about which item; we also have two other items after this. I presume that most people are here to speak about Item 2.

COMMISSIONER HUDES: Okay, thank you, and I am able to see it but I want to make sure the public has the experience of a public hearing.

CHAIR HANSSEN: Okay, yes. And I will also note I didn't completely carry it out but I believe we got

approximately 50 letters from members of the public. All right, so who would be next, Director Paulson?

JOEL PAULSON: Next will be Kendra Burch.

KENDRA BURCH: Hello. I want to thank everybody for taking the time tonight to look again at this item and to allow us to speak.

I had a prepared statement to make concerning our neighborhood, our proximity to the property, then presented to us as more of an overall project. However, in light of some of the changes I am going to try off the cuff to make a few comments.

Unfortunately, knowing that we need to look at this in a little bit of a different way, not so much as maintaining the existing approved application, instead we're taking a look at this through the lens of compliance with Housing Accountability Act and with court orders. I think that's left a number of us in the lurch of being able to create comments.

I was at my kid's Zoom open house for school and unfortunately I didn't have an opportunity to take a look at those items to create some probably better statements to make around that, and because of that I would ask that the Planning Commission consider continuing this, not only to allow all of you time to take a look at those documents but

to allow residents to spend some time looking at them too and educating ourselves around what that means. I think that it would be very valuable in allowing us to do that, simply because then you're going to hear a lot of us that originally had the same thing to say over and over again, which was please maintain the existing application. I think if we had time to review those we could probably have a more substantial conversation with you. That's all. Thank you.

CHAIR HANSSEN: Thank you so much for your comments. Do any Commissioners have any questions for I guess it's Ms. Burch in this context. All right. Okay, who's next?

JOEL PAULSON: Thank you, Chair. Next will be Ms. Dodson.

BARBARA DODSON: Hello. Hi, this is Barbara

Dodson. I do oppose eliminating the underground garage. I

know that Summer Hill's proposal focused on parking just

for the Market Hall, however, the Market Hall parking is

just one element of the parking for the entire Transition

District A, B, and C.

According to sheet A.11 in Summer Hill's proposal the Town's requirement for parking stalls in this area in District A, B, and C is 354 stalls. Without the underground

garage Summer Hill will provide only 330 parking spots for District A, B, and C. This becomes clear just by looking at sheet A.11. Under Required Commercial Stalls for the Area we see 285. Under Provided Commercial Stalls for the Area we see 261. The bottom line for me is that we can't approve the Summer Hill proposal because it provides 24 fewer parking spaces than required by the Town.

I guess I need everyone to look carefully at sheet A.11 because it shows that they're not providing the number of spots that are required by the Town, and I would like to get some explanation for why they think they are.

I'll also point out that one of the senior units has two bedrooms, so why are there not two parking spots provided for a two-bedroom unit?

Finally, I do think developers should stick to their commitments. The original developer committed to building the underground garage. There was a lot of discussion about this during the original hearings. The original developer didn't want to build the garage, the new developer doesn't want to do it now, but the garage was a condition of the approval of the project.

I don't see why it is legal for someone to buy out a project and then say, "Well, there are certain parts

that I just don't feel like doing," and I would really like to hear the legal argument for how that can happen.

I also think it's really ridiculous that Mr. Schultz did not make this information available to the public. I would have certainly changed my remarks if I had known that this was information that was necessary, so I would like you to provide this information in a public-friendly forum so that we can all take a look at it and proceed from there. Thank you.

CHAIR HANSSEN: Thank you very much for your comments, Ms. Dodson. Commissioner Hudes has a question for you.

COMMISSIONER HUDES: Thank you, and thank you for doing all of the work on the important calculations and requirements. You pointed out in your letter that there was a discrepancy between 330 and 331 parking places. Has that discrepancy been resolved?

BARBARA DODSON: No. I mean that's a discrepancy in the proposal that Summer Hill has given. I mean, it's in the material that we're all reading. Sometimes it says 330, sometimes it says 331. The original number of parking spaces for A, B, and C was 485, so then when they deducted 176 in one of their tabulations, that's where they came up

with 331 I think is what happened. So, just in different places they did different math.

COMMISSIONER HUDES: Okay, thank you. We don't have the opportunity really to interact with Staff at this point, but I have your notes. Thank you.

CHAIR HANSSEN: Do any other Commissioners have questions for the speaker? Again, thank you very much for all your research and for providing them in writing as well. Are there other attendees that wish to speak on this item.

JOEL PAULSON: I see one hand raised but it's

Leanna who has already spoke and is not able to speak

again. I will open it up in case there is a second person

using that computer, but if it's Leanna she will not be

able to speak again, so I will open it up just for that.

Leanna, is there another member of your household that

wishes to speak?

LEANNA PALMER: No.

JOEL PAULSON: Okay, thank you. And with that I would just again note anyone who wishes to speak on this item, please use the raised hand feature. I am not seeing anyone using the raised hand feature, Chair.

CHAIR HANSSEN: All right, so then if there are no other speakers at this point for this item we will now

close the public portion of the public hearing and ask if any Commissioners have questions of Staff. Oh wait, I apologize. This is the time when we would ask the Applicant to come back and respond for up to three minutes. I apologize. So, Summer Hill, if you would like an additional opportunity to respond to things that were raised during public comments, this would be the time to do so.

JOEL PAULSON: Thank you, Chair. I've allowed Mr. Keeney to speak.

MICHAEL KEENEY: Thank you, Commissioners. This is Mike Keeney with Summer Hill Homes. We appreciate the comments and participation of the public in this hearing. We are pleased to be developing this project in the Town of Los Gatos and believe it will be an asset to the community for many years to come.

The application is an amendment to an approved project that we have a building permit for for the Market Hall structure and we would like to start construction as soon as possible. We believe strongly that this modification will result in a more pedestrian— and bike—friendly development that is consistent with the goals and spirit of the Specific Plan.

As discussed, this parking was originally to serve phase two of the North 40. It's inclusion in the

project is unnecessary and counterproductive. Construction of the basement would be a waste of financial resources and would materially increase the operating costs of Market Hall, thus further jeopardizing the success of this retail project, and the operating costs of the additional parking spaces will also have a negative financial impact on the affordable senior housing project.

You heard from the community that if the basement

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is eliminated it will result in a parking overflowing into 10 the existing neighborhood. Jennifer, do you have the 11 walking exhibit that we set up that you could put up? We 12 put together an exhibit to look at some of the surrounding 13 neighborhoods and the walking distances that someone would 14

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16 which will probably pop up here on the screen in a second.

have to travel if they parked there to get to Market Hall,

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18 neighborhoods to the Market Hall building, and as we

As you can see, it's a 9-15 minute walk from these

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discussed, the Market Hall will have 45 more parking spaces 20 than it is required to have, so it's just unrealistic to

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parking as is.

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Good planning, fairness, and common sense support this request before you. If there was fact-based evidence

conclude that customers of Market Hall will be parking ten

minutes away when the parking structure has a surplus of

that the elimination of the parking would negatively impact the surrounding neighborhoods we would not be pursuing this design amendment.

Summer Hill has built multiple projects in the Town of Los Gatos over the last 20 years, most recently the Sorellas project on Prospect Avenue. We are proud of these projects and our partnership with the Town and community that has developed with the past project in the North 40. Our focus has been to create communities that are well thought out and become positive experiences for the Town and our future homeowners. This design revision is consistent with that philosophy and we ask for your approval to this modification.

We are available to answer any questions you may have, and in particular I know there are some questions about the parking calculations in the A&S approval versus the new code requirements that we've shown, so we're happy to talk more about that and answer any questions you might have. Thank you.

CHAIR HANSSEN: And this would be a great time for any Commissioners to ask Mr. Keeney any additional questions, including anything that came up during the public comments. Commissioner Hudes.

COMMISSIONER HUDES: Thank you. I have a number of questions about the math and the requirements for parking. I also have questions about the agreement, the phase one/phase two, the bike aspects of it, the safety aspects, the neighborhood, and community benefit, but I don't want to totally monopolize this so I'd maybe like to start with an explanation about the comments and a reaction to the comments that we got from Ms. Dodson on sheet A.11. Could you maybe just simply tell me why there is not a deficit of 24 spaces.

MICHAEL KEENEY: The parking table in A.11 is a duplication of the Architecture and Site approval parking table, and Staff could probably help characterize how that was prepared, but it was prepared at the time of the A&S approval with assumptions about the land uses that would likely be there and it was based on the parking requirements in the code at the time, which was more specific to specific land uses.

The application that we've submitted is exclusive to the Market Hall Parcel 27 of the final map, and Parcel 27, the Market Hall, is obligated to meet its parking ratio per the Specific Plan of one per 300, and that's the number that's in our Letter of Justification, which is the square footage that we estimate if the garage was eliminated.

The commercial space within the garage doesn't really change with the elimination of the basement. There are some tweaks to the mechanical rooms and stuff but it doesn't really affect the leasable square footage, which is what the parking calculations are based on, so it's a pretty accurate number for what the building would be if we completed the redesign to eliminate the basement.

The estimates that I provided in the table that I put up during my presentation are based on the gross square footages in the remaining commercial parcels from the Specific Plan, so that's at one per 300 based on the table on A.11, and those numbers will change. When an Applicant comes forward on each of those buildings they'll submit a Building Permit and they'll have square footage calculations that have to meet the one per 300 requirement of the Specific Plan. So it could change a little bit, but if anything it would likely go down and it would be their obligation to comply with the obligation to provide their parking.

COMMISSIONER HUDES: If I could go back maybe to the beginning of your answer. The requirements, are you saying that they are based on current code requirements, not the requirements that were done in the original application?

1 MICHAEL KEENEY: That's correct. We're complying 2 with the zoning requirement for the parking for the use 3 we've proposed at one per 300 square feet. The previous 4 calculation was more complicated. 5 COMMISSIONER HUDES: And why does the previous 6 calculation not apply now? 7 MICHAEL KEENEY: That might be a better question 8 for Staff, but I believe the Specific Plan references the Downtown Parking Guidelines and therefore we're following 10 the Downtown Parking Guidelines. 11 COMMISSIONER HUDES: But it's your justification 12 letter; it doesn't rely on Staff. 13 MICHAEL KEENEY: It relies on the code. 14 COMMISSIONER HUDES: And it's your obligation to 15 16 make the argument about why that code doesn't apply and why 17 a different code applies? 18 MICHAEL KEENEY: Well, it's the code that the 19 building is being permitted under. It's the Zoning Code for 20 the Specific Plan as it stands when the permit is being 21 issued. 22 COMMISSIONER HUDES: Okay. I had another question 23 on the math. There is reference to 330 or 331 parking 24 places. What's the correct number?

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MICHAEL KEENEY: The correct number that I would suggest you concentrate on is the numbers for Market Hall and the parking requirements in the Letter of Justification. The parking estimates for the remainder of the Commercial District are estimates based on the Architecture and Site approval. I don't know exactly why there's one spot off. It could be as Ms. Dodson also pointed out, that the community room in Market Hall has a slightly different parking requirement and that's because the square footages are slightly different, so that parking requirement actually increased by one space because the community room increased by one space or by a couple of hundred square feet from the Architecture and Site approval table.

COMMISSIONER HUDES: Again, are you able to clarify that at this time or do you need to do some research before clarifying that?

MICHAEL KEENEY: The table that we prepared and submitted, which was up earlier, is our estimate of the commercial square footage based on the one per 300 and the square footage estimates for Buildings A-1, A-2, D-2, and C. But what those buildings ultimately are permitted at and what their parking requirement is is to be determined. When they submit a permit they would comply with the one per 300

1 requirement. So the table that is being referenced is a combination of the revision to Market Hall and the previous 3 parking requirements based on the land uses intended at the time the Specific Plan was approved, so there are quite a 5 few variables that have changed during that time. 6 (Inaudible) provides one parking space off, no. 7 COMMISSIONER HUDES: Okay. I had some other

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questions, but I don't want to dominate this, so if other folks would like I'll just hold mine for a few minutes.

CHAIR HANSSEN: Would other Commissioners like to ask any questions of the Applicant at this point? Commissioner Barnett.

COMMISSIONER BARNETT: Is it Summer Hill's position that the only reason for the underground parking was to accommodate the parking in phase two? If so, what evidence is there of that?

MICHAEL KEENEY: Well, I think in addition to us saying it, it's been said by members of the public during this hearing. I think we've heard that from Staff. I think that was a known publicly discussed component. I think at the time it was also a consideration that there might be more commercial at the site and as the project evolved that was reduced. But I apologize, I wasn't the project manager

at that time, so I don't have all the history from the actual approval.

COMMISSIONER BARNETT: So, is it fair to say that you may or may not know whether... Summer Hill's position is that there is an excess parking in the underground garage because it's... Let me start over. Is it Summer Hill's position then that the underground parking is not necessary to accommodate the retail and senior housing and the community room?

MICHAEL KEENEY: Yeah, our position is that the Market Hall building is over-parked with this revision by approximately 60-percent and that that's more than adequate for the uses that are proposed, and that it provides a surplus for the adjacent commercial uses as they develop, and that when and if phase two develops they would obviously have to meet all the Specific Plan requirements to move forward with their project and provide the parking that's required for the Specific Plan just like we do.

CHAIR HANSSEN: Does that answer your question, Commissioner Barnett?

COMMISSIONER BARNETT: Yes, it did. Thank you.

CHAIR HANSSEN: Before I go back to Commissioner Hudes I wanted to follow up on where the conversation was going with Commissioner Barnett. If I heard you correctly,

the way this process works is when you submit the Architecture and Site Application, or when you did submit the original Architecture and Site for the entire phase one project, you had an estimate on how much commercial space there would be and you said that has evolved over time, and then you said it went down. So, how much less commercial space than was proposed with the A&S are we going to have now than we thought we were having?

MICHAEL KEENEY: For the Market Hall?

CHAIR HANSSEN: No, for the entire phase one, because we were talking about the difference of what Ms.

Dodson was presenting, which was all the commercial parking requirements for the phase one application versus... And this hearing is only about the Market Hall, but you talked about the process overall when you submitted an Architecture and Site that it's based on estimated, and I thought you said when you were talking to Commissioner Barnett that there actually is less commercial space overall than was originally intended and that we won't really know the answer for sure about how much parking is needed until those commercial developers come in and build out those pads and so on and so forth. So, did I get that right?

MICHAEL KEENEY: No, I didn't mean to say that the total square footage of the commercial would be reduced. What I wanted to represent was that then...

The table that I put up during my presentation that had the parking estimate that we put together for the entire Commercial District—which is Exhibit 2 if Jennifer wants to put it up—and that square footage number which is shown in the table is approximately the gross square footage number from the Architecture and Site approval.

So, the distinction is that when the commercial sites are actually worked out for Building Permits, that square footage, some of it gets netted out for corridors and backup house space that isn't leasable square footage, so what I was trying to say was that the commercial estimate that I'm including here is a conservative estimate and that likely the square footage would be slightly lower. Not the leasable square footage but the square footage the parking calculation was based on.

CHAIR HANSSEN: Because of stuff that's not needed for the actual commercial use?

MICHAEL KEENEY: Correct.

CHAIR HANSSEN: It's sort of support stuff.

MICHAEL KEENEY: And that's definitely shown in the A&S table, it's just that it's a really complicated

table and I didn't think we'd want to go through that level of detail.

CHAIR HANSSEN: But to close this out, so I think I understand. I didn't hear you correctly that there's actually less space but what you did say, and I'm asking a question, is that we are honestly going to know what the... Other than the Market Hall there's this 39,025 additional square footage of which there are pads right now and we aren't really going to know what parking is required for those commercial pad applications until there is a developer, is that correct?

MICHAEL KEENEY: That's generally correct, but the table that we put together is based on sort of a combination of the A&S site plans and everything else, and currently there is sufficient... What's programmed there has the space to be parked there but it may evolve a little as people work out the details of the design, but they would have to meet that same requirement, so they would have to provide... At that square footage the obligation for those parcels in total would be a 130 parking spaces, and as currently laid out that appears to be something that can be accommodated on their current plans.

CHAIR HANSSEN: And it's your belief that you stated already that that's going to be more than adequate

for any commercial uses that are in addition to the Market Hall in this phase one?

MICHAEL KEENEY: That's our expectation based on the development partners that we've talked to for the Market Hall and the commercial use as a whole.

CHAIR HANSSEN: Okay, I think I'm clear. Are there any other Commissioners that would like to ask questions of the Applicant at this point? Commissioner Hudes, you had your hand up.

COMMISSIONER HUDES: Sure. I did have a number of questions that essentially came from the public and so I'd like to maybe see if I could get them correct.

Mr. Lord and a number of residents have commented on the need to hold the developer responsible to what was agreed following the lawsuit. Was the outcome of the lawsuit satisfactory to the Applicant, and if changes are requested now over three years later why didn't the Applicant make the case for flexibility at the time during the legal process?

MICHAEL KEENEY: I think that we are pleased with the results of the project. I think we're very happy to be building this project in the Town of Los Gatos. We would have preferred that there wasn't a lawsuit. As I mentioned

before, we've worked on a number of projects in the Town and think it's a great place to do business.

As far as why we wouldn't have asked for parking changes earlier in the process, it takes a while to get a building of this type designed. It involved us working with a retail partner. We're mostly a for sale developer and not a retail developer, but the project was obligated to provide the affordable housing and we wanted to provide the affordable housing, and that component of it is essential to the success of the residential portion of the project. So, as we worked through the retail design and discussed it with potential partners we felt that there was an opportunity to improve the project by reducing the parking in the basement.

CHAIR HANSSEN: And Commissioner Hudes, I think it's fine to ask a few more questions.

COMMISSIONER HUDES: Thank you. These are questions that have pretty much come from the public, and I know it's difficult for the public to speak on these Zoom sessions, but they're questions that I think are important.

In the justification letter there's a statement that Grosvenor is no longer involved. How is that relevant to the parking requirement? How is that fact relevant?

MICHAEL KEENEY: Well, the original partnership between Summer Hill and Grosvenor involved Grosvenor developing the Market Hall and the commercial pads, so when they chose not to move forward with that we took that on, but as a part of doing that we also are going to maybe do it in a slightly different way, and so our change is based on what we think is the right thing to do for the project as a whole as opposed to what Grosvenor might have been trying to accomplish.

COMMISSIONER HUDES: As a follow up, was Summer Hill compensated for that by Grosvenor already?

MICHAEL KEENEY: We don't usually talk about how our land transactions are structured. Grosvenor was the initial applicant and when they chose not to move forward we had the opportunity to take their position.

COMMISSIONER HUDES: The reason I'm asking is in the justification letter you are talking about how much money will be saved by not doing this, and so I think it's legitimate to ask that question since you're using that for justification.

MICHAEL KEENEY: I'm not sure I understand.

You're saying that if Grosvenor chose not to move forward with the project that they should be compensated for it?

1 COMMISSIONER HUDES: No, in your letter you 2 raised a justification point, which is that expenditure 3 will be saved, is that correct? 4 MICHAEL KEENEY: Yeah, I think we've mentioned 5 that in our presentation and in the Letter of Justification 6 along with a number of other benefits. 7 COMMISSIONER HUDES: So as a follow-on to that, 8 has Summer Hill already been compensated for those spaces that are now going to be removed? 10 MICHAEL KEENEY: We haven't been paid anything by 11 anybody because we haven't actually built any component of 12 the project yet. We have not received any revenue from the 13 project that I'm aware of. 14 COMMISSIONER HUDES: Okay, thank you. 15 16 CHAIR HANSSEN: Now, do any other Commissioners 17 have questions for the Applicant? 18 JOEL PAULSON: And Chair, I just wanted to note 19 for the record-this is Joel Paulson, Community Development 20 Director-that Commissioner Burch had to step away. 21 Obviously she was recused from this, so if she comes back 22 in before or after we get to the next item I will be adding 23 her to the group. 24 CHAIR HANSSEN: Absolutely. Thank you very much. 25 All right, I think we've asked quite a few questions and we

did hear public comment and we have quite a few letters, so

I'm going to suggest that we close the public portion of

the public hearing and take time for the Commissioners to

ask additional questions for Staff, comment on the

application, and consider what kind of motion the

Commission would like to make on this matter. So,

Commissioner Hudes has his hand up.

COMMISSIONER HUDES: I did have some other questions that were raised. I just was sort of taking a break, but I did have a few more questions of the Applicant.

CHAIR HANSSEN: Okay, I apologize. I misunderstood you. All right, so I will reopen the public portion of the hearing just to allow Commissioner Hudes to ask a few additional questions.

COMMISSIONER HUDES: This has to do with the configuration of the parking for the seniors. Ms. Peterson and Yon Lee Jeow (phonetic) pointed out that there could be safety implications of the reconfiguration. Could you discuss that? Is there anything to do with the way that this parking area will be configured and accessible that's different than the original underground parking for the seniors?

1 MICHAEL KEENEY: Is this a question for Summer 2 Hill? 3 COMMISSIONER HUDES: 4 MICHAEL KEENEY: This is Michael Keeney. The Eden 5 portion of the building is unchanged. Their parking was 6 programmed for the top floor adjacent to their units and 7 they never were programmed for any parking in the basement. 8 The third floor of the parking structure will be part of a commercial condominium that they will own and it contains 10 47 of the 50 stalls, and the ramp from the second floor 11 where the commercial parking is will have a security gate 12 so that only residents or quests can get access to their 13 spaces. 14 COMMISSIONER HUDES: So, the elimination of the 15 16 basement parking will have no effect on the security 17 measure or access that are being provided for the seniors, 18 is that correct? 19 No change, that's correct. MICHAEL KEENEY: 20 COMMISSIONER HUDES: Another question. This 21 relates to the use of the parking in phase two. My 22 understanding is that the additional parking was meant for 23 phase 2 which is largely retail, is that correct? 24 MICHAEL KEENEY: I'm not an expert on the second 25 phase of the Specific Plan. Staff could maybe comment, but

I believe it has a higher concentration in retail and office, yes.

COMMISSIONER HUDES: I believe there are only 16 residential units in phase two, is that correct?

 $$\operatorname{\textsc{MICHAEL}}$$ KEENEY: I'm not sure of the answer to that. I'm sure Staff knows.

COMMISSIONER HUDES: Is this change by eliminating the parking that would be used by phase two significantly changing the uses in that phase two?

MICHAEL KEENEY: Like I said, I'm not extremely close to the phase two portion of the program, but the parking in the garage was... Had Grosvenor developed phase two in conjunction with phase one, which I think at some point they intended, then there would have been an opportunity for the positive, which would both have been Grosvenor, to negotiate easements with themselves to allow for shared uses of that parking.

But the Market Hall building is a standalone structure that does not have any easement or legal obligation to provide parking to other components of the project, so I don't think it would change how phase two would be developed; it would be developed in compliance with the Specific Plan and it would have the parking that's

required based on the uses that were proposed consistent with what's allowed by the Specific Plan.

COMMISSIONER HUDES: Okay, thank you. That raises questions for Staff that I'll ask later. Thanks.

CHAIR HANSSEN: And Vice Chair Janoff had her hand up.

VICE CHAIR JANOFF: Thank you. I just want to be perfectly clear, we're talking about phase one and phase two as though they are now still connected in concept, and Mr. Keeney, if you could please restate, which I think you've done several times, that although Grosvenor had a plan for developing phase one and phase two, the current situation is that Grosvenor is no longer a developer for the North 40 in any capacity and Summer Hill's interest is only in phase one?

MICHAEL KEENEY: That's correct, but there are some things that as the developer of phase one we have done to help provide future infrastructure for phase two, so there are connections for storm lines, water lines, future road connections are all consistent with the Specific Plan to allow phase two to develop per the Specific Plan, but it would be for the phase two developer to connect to those facilities and their project would have to meet the requirement of the Specific Plan just like phase one did.

We're trying to provide as much infrastructure for them to build on top of ours as possible, but not necessarily something for their benefit and not for ours.

VICE CHAIR JANOFF: Okay, so just to further clarify, when we're talking about requirements for parking, residential or commercial, the current scope is only for phase one. You may have developed infrastructure that supports whatever happens in phase two, but currently the Summer Hill interest in terms of above-ground square footage that would have a parking requirement, we're only talking about phase one, is that correct?

MICHAEL KEENEY: Yes, in regard to the structure.

When it comes to something like the size of the storm

drains so it can handle the runoff from their property,

we've accommodated that.

VICE CHAIR JANOFF: Okay, so I'm not talking about storm drains.

MICHAEL KEENEY: (Inaudible).

VICE CHAIR JANOFF: Excuse me. Storm drains don't require parking. I'm only talking about what does require parking and I think I'm clear that any connection to phase two above-ground buildout that would have an interest in borrowing parking or counting parking from phase two, that's no longer what we have before us. We are only

working on phase one above-ground parking requirements, which is the Summer Hill scope, is that correct?

MICHAEL KEENEY: Yes.

VICE CHAIR JANOFF: Okay, thank you.

CHAIR HANSSEN: I think that's clear. Thank you for your question. All right, so Commissioner Hudes, did you want to ask any more questions of the Applicant or do you want to save your questions for Staff, or what?

think the rest of the questions are for Staff at this point. Maybe I'll just ask one last one and that is that a number of residents raised the question about neighborhood impact and community benefit. Not much has been said about this. There's an aspect of this, the removal of the parking may cause a problem for the residents in nearby neighborhoods, it may cause the zoning of other areas to become an issue. Do you have any statement that you'd like to make about community benefit? You're asking for this reduction. Are you offering any additional open space or reduced density or reduced height? I know that it's not a requirement, but I'm asking this because you're asking for something that does affect the community.

MICHAEL KEENEY: I think there were a number of community benefits identified at the time the project was

1 approved and we are of the opinion that this is a further community benefit that will improve the quality of the 3 project and to encourage the goals of the Specific Plan. 4 COMMISSIONER HUDES: Thank you. 5 CHAIR HANSSEN: Commissioner Badame. 6 COMMISSIONER BADAME: To the Applicant, can you 7 just elaborate on how it would improve the quality of the 8 project, be a little bit more specific on that? MICHAEL KEENEY: One of the things that came up 10 and led us to look into this was the preparation of the 11 Transportation Demand Management Program, and one of the 12 programs that was looked at was the fact that providing 13 additional parking and building has the opportunity to 14 create more vehicle trips to the structure and discourage 15 16 pedestrian and bicycle trips, so reducing unnecessary 17 parking I think is considered a benefit for transportation-18 oriented ... a reduction in traffic and a pedestrian- and bike-19 friendly project, and that's part of the reason the Silicon 20 Valley Bicycle Coalition provided a letter of support. 21 COMMISSIONER BADAME: Thank you. 22 CHAIR HANSSEN: All right, Commissioner Hudes. 23 COMMISSIONER HUDES: Now that that's been raised 24

LOS GATOS PLANNING COMMISSION 9/9/2020 Item #2, 14225 Walker Street (Market Hall)

I would be interested to know how much community benefit

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are we going have by reducing the amount of parking? This induced demand that was stated, how much is that?

MICHAEL KEENEY: I don't have an answer for that.

I'd have to consult with the transportation engineer to try
to identify a percentage. From the consultants I've worked
with there's a general consensus that if there's less
parking available people are more likely to find another
way to get there.

COMMISSIONER HUDES: Okay.

MICHAEL KEENEY: And I guess more importantly, if there's enough parking to begin with there's not really a benefit to providing that much more. The project does have a number of bike corridors through it and around it with improvements on Los Gatos Boulevard and Lark extending to the Los Gatos Creek Trail to improve the bicycle transportation network throughout the region and connects to regional facilities, and all that was done partly I believe at the direction of some of the members of the Planning Commission that were on the Commission at the time the project was approved. I believe that was something that was added towards the end and expanded and enhanced because it was something that the community and the Commission and the Council identified as a benefit to the community.

COMMISSIONER HUDES: Thank you.

CHAIR HANSSEN: Commissioner Badame.

COMMISSIONER BADAME: I would just like to expand on your comment that if there's less parking available that people are going to find another way to get there, but did you consider that people might give up and not go there because they can't find parking? Would that not affect the viability of the project?

MICHAEL KEENEY: I think that would be the case if you were going below what's required. When you talk to the Transportation Demand Management people, that's what they would like. They would like to see even greater reductions. We're providing 60-percent more parking than is required. It just seems unnecessary to go above and beyond that.

CHAIR HANSSEN: Anything else before we close the public hearing? Commissioner Barnett.

COMMISSIONER BARNETT: Some of the members of the public were concerned about increased circulation in the development because of the lack of parking and possibly raising safety issues. I was wondering if you had any comment on that?

MICHAEL KEENEY: We are completing over \$10 million in improvements in and around the project site on Los Gatos Boulevard and Lark, which includes improved bike

corridors, crosswalks, signal improvements, a number of improvements to help improve pedestrian safety at all of those significant intersections and bring them up to a current enhanced standard, so I think the project as a whole is going to greatly improve the pedestrian safety in the neighborhood.

COMMISSIONER BARNETT: My question is whether circulation by cars who are looking for parking might create itself a problem and even a safety issue?

MICHAEL KEENEY: If we were parked at below the ratios that are required then that would be a concern of ours, but since we're 60-percent in excess of what the Town's code requires we're very comfortable that there is adequate parking for the uses that we're proposing.

COMMISSIONER BARNETT: Okay, thank you.

CHAIR HANSSEN: All right, so last call for questions of the Applicant before I close the public hearing. Going once. All right, so we're going to close the public portion of the public hearing and now I will ask if any Commissioners have additional questions to ask of Staff, wish to make comments on the application, or introduce a motion for consideration by the Commission? Right, I will go with Vice Chair Janoff, and then Commissioner Hudes had his hand up.

VICE CHAIR JANOFF: This is a question for the Town Attorney. Did you have an opportunity to check the applicability of the Housing Accountability Act on what we have before us?

Accountability Act states, as Ms. Ristow stated, "Mixed-use developments consisting of residential and non-residential uses with at least two-thirds of the square footage designated for residential use." Since this is amendment to the approved Architecture and Site approval for phase one Staff and I used the entire phase project to reach the conclusion that it meets the requirements of the mixed-use and that the Housing Accountability Act apply. We didn't look at it from just a market senior housing space project. If the Planning Commission does not agree with that conclusion, then it should make the specific findings that the Housing Accountability Act does not apply.

VICE CHAIR JANOFF: Thank you.

CHAIR HANSSEN: Commissioner Hudes, do you still have a question?

COMMISSIONER HUDES: Yes, thank you. Coming back to that, this information that was provided during the hearing by Council and was provided in a note to us several hours before was not provided to the public, and so the

public has struggled with their questions and with framing that in the context of the Housing Accountability Act, not that they're all expected to be experts in the Housing Accountability Act. Wouldn't we normally give the public some time to react to those criteria that are then being used in the hearing?

TOWN ATTORNEY SCHULTZ: Since 2015 I've issued many memos and opinions regarding the Housing Accountability Act as applied to Town projects. It was not in this Staff Report; I apologize for that. I can regurgitate all those Staff Reports and white papers again if the Planning Commission wants to continue it for that basis.

CHAIR HANSSEN: I'm going to say something now. A concern I had in listening to the public hearing—so I'm making a comment—is that as Commissioner Hudes stated, some members of the public were struggling with this new information to them because if I'm going to net out what I thought I heard from the public was accommodation of two general areas.

One is that there were some grounds for the fact that the developments plans that were submitted said they were going to do this underground parking garage should mean that they are held to that, but instead that's not

really an objective standard like the parking requirements are.

And then there's a whole other category of comments from the public where there is disbelief about the parking requirements being adequate for what they perceive will happen when all those people move in and so on and so forth.

That being the case, I feel uncomfortable with there being any possibility whatsoever that the Housing Accountability Act might possibly not apply, that people would have more chance to at least consider it and get comfortable with it and maybe make the comments that they would have made having that information. That was just a thought I had going through this thing that made me uncomfortable, and some of the people that spoke are some of our most involved community members. I don't know what other Commissioners think.

TOWN ATTORNEY SCHULTZ: Just as one other comment, because I've heard a couple of times about an agreement for the project. There was no agreement for this project. This went through a normal approval process even though it was in litigation; we rescinded our denial and granted approval of the project. That gives the Applicant on any project to come in and ask for modifications. The

only way you can prevent that is by actually entering into an agreement, what's called a development agreement, and we did not do that in phase one. We're considering that and hopefully that can happen in phase two, so that if you get public benefits or you get agreements on stuff that's not required by Town Code, then you can hold them to that commitment. But the idea that there was an agreement to do an underground structure is not a correct statement, because we do not have any agreement.

The analogy I've used is that they had said they were going to build a 30' sound wall. Even though the CEQA documents or the requirements was a 20' sound wall they could come in and ask for that modification and so long as they met the CEQA requirements and met the Zoning Code, then it would be allowed, and that's kind of here is at least—and I'm not a math expert—but at least if they've met the requirements of the parking then under the Housing Accountability Act, and really under any other findings, the project should be approved.

CHAIR HANSSEN: Okay, so you answered the question that I wanted to ask earlier, which was because not everyone in the public understands this process, so when Summer Hill/Grosvenor submitted the original Architecture and Site for this project they submitted a

series of development plans. That's what happens with every approval we do for Architecture and Site. So when we approve it we usually say within accordance with the development plans attached as exhibit blah, blah, blah. So, I think what you're saying is that even though they submit those plans it's not a legally binding agreement that everything in their plan is going to be exactly the way it was unless we create a development agreement. Did I get that right?

TOWN ATTORNEY SCHULTZ: Well, it had to go by the Conditions of Approval unless they come in for a modification, and that's what they've done.

CHAIR HANSSEN: Right.

TOWN ATTORNEY SCHULTZ: But the comments that there was an agreement that was reached between the Town and the developer and they're not upholding that agreement is not a correct statement. There is no agreement signed by both parties that this is exactly what's going to be done. It allows for modifications; even our Specific Plan allows for modifications to the approvals.

CHAIR HANSSEN: Okay. Thank you very much. All right, so I'd like hear from other Commissioners about where we think we are. We know what feedback we've gotten from the public so far. We have some people from the public

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that asked for more time. I think we're clear on what the parking requirements are, and so what do my fellow commissioners think about what we should do as our next step in terms of a motion? And it's fine to make comments without making a motion. Vice Chair Janoff.

This is not a motion, just a couple of questions. Question for the Town Attorney. Mr. Schultz, if we were to agree that the Housing Accountability Act is not applicable to the matter before us would it be your opinion—and I'll ask Staff separately that there is still no objective criteria that the proposed change doesn't meet? In other words, would you say that the project still meets the technical and objective requirements of the Specific Plan, the General Plan, the Zoning Code, and the Housing Element? My question is assuming the Housing Accountability Act isn't applicable here, are we at the same place in terms of your opinion in regard to objective standards?

TOWN ATTORNEY SCHULTZ: I got a little bit confused with your question. If the Housing Accountability Act does apply...

VICE CHAIR JANOFF: Does not apply.

TOWN ATTORNEY SCHULTZ: If it does not apply, then you still should be using your standards and criteria

and it meets its parking regulations. You're still going to have to come up with findings as to what it does not comply with. You just can use subjective reasons also, but you're going to have to have specific reasons and findings.

VICE CHAIR JANOFF: So, my question, I'll ask
Staff. If we didn't take the Housing Accountability Act
into consideration would it be Staff's opinion the project
as proposed still meets all Town criteria?

JOCELYN SHOOPMAN: Staff's opinion would be that it meets the parking requirements for Town Code and per the Specific Plan.

JOEL PAULSON: Yes, I concur with that as well.

VICE CHAIR JANOFF: Okay. Back to the question of the Chair. I think given the late receipt of the statement from the Town Attorney and the way that it describes the criteria to be met and what the obligations of the Planning Commission are, I think it's fair to say that the public requires the opportunity to look at those words carefully and follow up on the documents referenced so that we're all on board. Those of us who have had a little bit more time to think about where we are and the criteria required for us to deny the application before us, we may be in a different position, but I think until everyone is at the same place with the same knowledge it would be inadvisable

for us to proceed with a vote tonight to approve or deny the application, so I would be in favor of a continuance. I don't like the idea of dragging this out continually but I think there's just too much of a curveball that came too late for the public to really understand.

CHAIR HANSSEN: Commissioner Tavana.

everything tonight I would definitely have to say I am opposed and I would deny this tonight based on what I've heard. I feel the burden of responsibility comes on Summer Hill Homes to present subjective proof as to why they want to make this change, so I would definitely say I would be comfortable denying it tonight or continuing based on what everybody else on the Commission wants to do.

CHAIR HANSSEN: Commissioner Tavana, I'd like to ask you a question back. What grounds... Because we have to have... Supposing we'd have findings, what are your thoughts and your thinking and where your position stood? You know, what grounds we have for...

COMMISSIONER TAVANA: I guess we don't know necessarily whether the Housing Accountability Act applies currently tonight. I haven't got a clear understanding of whether or not it is applicable and I just feel there's a sincere lack of good faith in this project. If it was

approved at 303 original parking spots, why is it okay to go down to 179? Where is that justification? I haven't seen that tonight. You know, it could be 124, that's all that is required by the Town, but I don't necessarily see how we can go from 303 to 179 with no justification here other than that Grosvenor is no longer part of the project. That's kind of where I'm at right now with this.

CHAIR HANSSEN: All right, well, it's in the Specific Plan, but thank you for sharing that. Okay, so thank you for your comments. Commissioner Hudes.

before, I'm fine with doing a memorandum to the public and to the Planning Commission if they want to continue it, but my opinion will be that it has to comply with the Housing Accountability Act because this is an amendment to phase one, which is the entire phase one project. That's the way it has come in and that's the way my analysis will be in that, so there isn't any... As far as my conclusion, it applies. Whether you can find objective standards based on the evidence and the math of doing it, or whether you haven't been convinced that they've shown how the calculations project out is an issue for the Planning Commission to decide.

CHAIR HANSSEN: Okay. Commissioner Hudes.

COMMISSIONER HUDES: Adding to comments, I would be in favor of continuing the item if only for the reason that we owe it to the public because this information that was provided to us just a few hours before the hearing is also I think valuable information for the public, particularly since there's a difference of opinion between some members of the public and with the very late breaking information that it would be wise to allow this enough time for the public to understand that basis and the implications of making a decision under the Housing Accountability Act versus not.

I did have three other questions, and if there were to be a continuance I would wonder whether it would be appropriate to ask them now or to do that at another time, so I'm just sort of putting that out there.

CHAIR HANSSEN: It sounds like there's some momentum for a continuance, although we don't have a motion at this point, then I would say defer any questions till then, although I want to ask Staff a question before we make a motion on continuing or not.

Supposing that it is the will of the Commission to continue, since I've already closed the public hearing, one of the reasons we'd be continuing is to allow the public time to respond and comment on the possibility of

additional objective standards that we haven't thought of or applicability of the Housing Accountability Act, and we do have people in Town that are very thorough and will do their homework as well. Will we be able to reopen public comment if we continue?

JOEL PAULSON: I'd look to the Town Attorney. You always have that option to reopen for additional public comment at the next hearing even if it's continued. That's generally something that hasn't happened often unless there was significant change in the project, but I believe—and the Town Attorney can confirm—that's up to you and you can make that determination.

TOWN ATTORNEY SCHULTZ: In this case I would state that you would want to reopen the public comment because the reason why you're continuing it is because of the issue with the Housing Accountability Act and therefore you'll want to hear from the public as to reasoning behind that.

CHAIR HANSSEN: Good. That helps a lot. Commissioner Badame.

COMMISSIONER BADAME: I would just like to provide my comments. I did recommend a continuance at the start of the public hearing two hours ago. My position has

1	not changed, so I would be in support of a motion to
2	continue.
3	CHAIR HANSSEN: Would you like to make that
4	motion?
5	COMMISSIONER BADAME: Certainly. I move to
6	continue Architecture and Site Application S-20-012,
7	consideration of an approval of a request for modification
8	to an existing Architecture and Site Application to remove
9	underground parking for construction of a commercial
10	building, the Market Hall, in the North 40 Specific Plan
11	Area. I would look to Staff to determine a date certain.
12	JOEL PAULSON: September 23rd.
13	COMMISSIONER BADAME: All right, I'd like to
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15	include that in my motion, the date of September 23rd.
16	CHAIR HANSSEN: Commissioner Hudes.
17 18	COMMISSIONER HUDES: I would second the motion,
19	and also ask the Town Attorney, Mr. Schultz, if it's
20	appropriate to make available to the public the information
21	that you provided to the Planning Commission since they're
22	going to be provided an opportunity for another public
23	hearing.
24	TOWN ATTORNEY SCHULTZ: The analysis will be part
25	of the Staff Report; it comes out before the next meeting.
	COMMISSIONER HUDES: Okay, thank you.

LOS GATOS PLANNING COMMISSION 9/9/2020

Item #2, 14225 Walker Street (Market Hall)

1	CHAIR HANSSEN: All right, so we have a motion
2	and a second. Are there any further comments or discussion
3	that Commissioners would like to make at this point?
4	Commissioner Barnett.
5	COMMISSIONER BARNETT: I suggest that the motion
6	include the continuance with public hearing as well.
7	COMMISSIONER BADAME: I would agree to add that
8	to my motion.
9	CHAIR HANSSEN: And Commissioner Hudes?
10	COMMISSIONER HUDES: Yes, I agree.
12	CHAIR HANSSEN: So the motion as amended. Are
13	there any other comments or questions that Commissioners
14	have before we take a roll call vote? Seeing none, I will
15	do the roll call vote, and please answer yes, no, or
16	abstain. I'll start with Commissioner Badame.
17	COMMISSIONER BADAME: Yes.
18	CHAIR HANSSEN: Commissioner Tavana.
19	COMMISSIONER TAVANA: Yes.
20	CHAIR HANSSEN: Commissioner Hudes.
21	COMMISSIONER HUDES: Yes.
22	CHAIR HANSSEN: Commissioner Barnett.
23	COMMISSIONER BARNETT: Yes.
24	CHAIR HANSSEN: Vice Chair Janoff.
25	VICE CHAIR JANOFF: Yes.

1	CHAIR HANSSEN: And I vote yes as well, so it
2	passes unanimously. Mr. Paulson, are there appeal rights
3	for this action by the Commission?
4	JOEL PAULSON: Chair Hanssen, no, there are not
5	appeal rights because an action has not been taken other
6	than continuing it to a future public hearing.
7	CHAIR HANSSEN: Okay. Thank you very much.
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