



**TOWN OF LOS GATOS  
PLANNING COMMISSION  
REPORT**

MEETING DATE: 08/23/2023

ITEM NO: 4

---

DATE: August 18, 2023

TO: Planning Commission

FROM: Joel Paulson, Community Development Director

SUBJECT: Forward a Recommendation to the Town Council for a Request to Amend the General Plan to Include a Description of the Housing Element Overlay Zone and Amend the Town Code to Modify the Affordable Housing Overlay Zone Division 5 of Article VIII Overlay Zones and Historic Preservation to be the Housing Element Overlay Zone as Division 5 of Article VIII Overlay Zones and Historic Preservation. An Environmental Impact Report (EIR) was prepared and certified for the 2040 General Plan Update on June 30, 2022, which included the proposed General Plan Amendments. No Further Environmental Analysis is Required. Zoning Code Amendment Application Z-23-002 and General Plan Amendment Application GP-23-002. **Project Location: Town Wide.** Applicant: Town of Los Gatos.

RECOMMENDATION:

Forward a recommendation of approval to the Town Council for the following items:

1. Amend the 2020 General Plan Land Use Element to include a description of the Housing Element Overlay Zone (HEOZ); and
2. Amend the Town Code to modify the Affordable Housing Overlay Zone (AHOZ) of Division 5, Article VIII Overlay Zones and Historic to be the HEOZ.

BACKGROUND:

The Town of Los Gatos is required to prepare an updated Housing Element for the period covering 2023-2031 that is certified by the State Housing Community Development Department (HCD). The Housing Element is one of nine State-mandated elements that must be included in every General Plan. The Housing Element assesses housing needs for all income groups within

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

---

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

---

SUBJECT: General Plan Amendment and Housing Element Overlay Zone/Z-23-002 and GP-23-002

DATE: August 18, 2023

BACKGROUND (continued):

the community and identifies implementation programs to meet those housing needs. Unlike other General Plan elements, the Housing Element must be updated every eight years, rather than every 10 to 20 years, must address statutory requirements regarding its content, and is subject to mandatory review by HCD. The Town's Regional Housing Needs Allocation (RHNA) for the sixth cycle planning period is 1,993 units.

On January 30, 2023, the Town Council adopted the 2023-2031 Housing Element with modifications to the Sites Inventory, finding that it was in substantial compliance with State law. Two of the Implementation Programs contained in the Housing Element adopted by Town Council are the basis for the items under consideration and described in further detail below.

The Town continues to work with HCD to get the 2023-2031 Housing Element certified and resubmitted its latest version to HCD on March 31, 2023.

The Housing Element Advisory Board (HEAB) met on July 20, 2023, to review and discuss portions of the Town's interim working Draft Revised Housing Element addressing HCD's findings/comment letter received by the Town on May 30, 2023.

The most recent information on the status of the ongoing Housing Element update process can be viewed online at: <https://www.losgatosca.gov/HousingElement>.

DISCUSSION:

A. General Plan Committee

On July 20, 2023, at a special meeting, the General Plan Committee (GPC) reviewed the requests described below and recommended approval of the General Plan amendments to the Planning Commission and Town Council.

B. General Plan Land Use Designation

The 2023-2031 Housing Element includes Implementation Programs that involve rezoning of parcels within the Town to allow for modified development standards. The purpose of these modified development standards is to provide the development capacity required by State law and the Town's RHNA, as mentioned above.

DISCUSSION (continued):

- *Implementation Program BG, General Plan Amendment*

Amend the General Plan to modify the designation of 16492 Los Gatos Boulevard and Assessor Parcel Number (APN) 532-07-086 from Low Density Residential to Neighborhood Commercial, modify the designation of the Caltrans right-of-way from Low Density Residential to Medium Density Residential, and establish new maximum densities for the High Residential, Medium Density Residential, Low Density Residential, Mixed-Use, Neighborhood Commercial, and Central Business District land use designations to provide for the development of housing for the sites in the Site Inventory.

The first step in creating the new maximum densities referenced in Implementation Program BG, is the addition of the HEOZ and the associated development standards in the 2020 General Plan Land Use Element. In addition to density, those development standards will also include lot coverage, floor area, and height, as provided in Table LU-2 on the following page and included in Exhibit 2.

The Town has received public comments since the July 20, 2023, GPC meeting suggesting a future need to add sites to the Sites Inventory as a result of No Net Loss law. In response to these comments, staff is recommending the modifications shown in underlined text to Table LU-2, *HEOZ Development Standards* to ensure that standards are included for all land use designations. Given the requirements of No Net Loss law, the addition of sites to the Sites Inventory may be required in the future as sites on the current inventory are developed.

DISCUSSION (continued):

**Table LU-2, HEOZ Development Standards**

<b>Designation</b>	<b>Standards</b>
Low Density Residential	<b>Density:</b> 0 – 5 du/ac <b>Lot Coverage:</b> Up to 50% <b>Max. Height:</b> 30 feet
Medium Density Residential	<b>Density:</b> 14 – 22 du/ac <b>Density in Very High Fire Hazard Severity Zones:</b> 5 – 12 du/ac <b>Lot Coverage:</b> Up to 75% <b>Max. Height:</b> 35 feet
High Density Residential	<b>Density:</b> 30 – 40 du/ac <b>Lot Coverage:</b> Up to 75% <b>Max. Height:</b> 45 feet
Mixed-Use	<b>Density:</b> 30 – 40 du/ac <b>FAR:</b> Up to 3.0 <b>Max. Height:</b> 45 feet
Neighborhood Commercial	<b>Density:</b> 10 – 20 du/ac <b>FAR:</b> Up to 1.0 <b>Max. Height:</b> 35 feet
Central Business District	<b>Density:</b> 20 – 30 du/ac <b>FAR:</b> Up to 2.0 <b>Max. Height:</b> 45 feet
North Forty Specific Plan	As defined in Specific Plan
<u>Office Professional</u>	<b>Density:</b> 10 – 20 du/ac <b>FAR:</b> Up to 1.0 <b>Max. Height:</b> 35 feet
<u>Service Commercial</u>	<b>Density:</b> none <b>FAR:</b> Up to 1.0 <b>Max. Height:</b> 35 feet
<u>Light Industrial</u>	<b>Density:</b> none <b>FAR:</b> Up to 1.0 <b>Max. Height:</b> 35 feet

The General Plan modifications to 16492 Los Gatos Boulevard, APN 532-07-086, and the Caltrans right-of-way will be considered in a separate General Plan Amendment application, item 5 of tonight’s Planning Commission agenda.

DISCUSSION (continued):

C. Zoning

The following Implementation Program is included in the Housing Element adopted by Town Council on January 30, 2023, and is presented below, as modified and presented in the July 2023 Interim Working Draft Revised Housing Element. This program proposes to amend the Zoning Code to comply with State Housing Element law:

- *Implementation Program BF, Zoning Code Amendments*

Amend the Zoning Code to comply with State law and ensure adequate sites are available to accommodate the identified sites in the Sites Inventory. These Code revisions include:

1. Amend the Zoning Code to include a HEOZ to apply to the sites included in the Sites Inventory and to modify the development standards (i.e., density, lot coverage, FAR, height) on those sites;
2. Amend the Affordable Housing Overlay Zone to increase the maximum allowable density from 20 dwelling units per acre to 40 dwelling units per acre;
3. Clarify the text of the non-residential zones regarding housing;
4. Rezone the Caltrans Right-of-Way – Site E3 from R:1:8 to R-M:14-22;
5. Amend the Accessory Dwelling Unit Ordinance; and
6. Amend the Density Bonus Ordinance.

In response to item #1 of Implementation Program BF, staff has drafted amendments to the Zoning Code to replace the AHOZ with the new HEOZ as Division 5, Article VIII Overlay Zones and Historic Preservation (Exhibit 3).

Due to changes to State law, many components of the AHOZ are no longer compliant with State law. Additionally, the AHOZ only applied to a single parcel in the Town, located at 110 Knowles Avenue. Therefore, staff expects to remove item #2 of Implementation Program BF. The application of the HEOZ to the remaining AHOZ parcel will provide greater flexibility in order to create more potential for the development of housing. All other components of Implementation Program BF will be completed at a later date. Application of the HEOZ to the sites in the Sites Inventory will be considered in a separate zoning amendment application, item 5 on tonight's Planning Commission agenda.

In response to public comments received since the July 20, 2023, GPC meeting regarding adding sites to the current Sites Inventory, staff is recommending the following

DISCUSSION (continued):

modifications shown in underlined text to Table 1A (HEOZ Development Standards), shown below to reflect the possibility of adding sites to the Sites Inventory in the future as sites on the current inventory are developed (Exhibit 3).

**Table 1A (HEOZ Development Standards)**

General Plan Land Use Designation	Zoning	Minimum Yards	Maximum Lot Coverage	Maximum Floor Area Ratio (FAR)	Maximum Height Limit (ft)	Density Units Per Acre
Low Density Residential	R-1	As authorized by Section 29.40.405	50%	N/A	30 feet	0-5
Medium Density Residential	R-1D, R-D, and R-M	As authorized by Section 29.40.405, 29.40.530, and 29.40.645	75%	N/A	35 feet	14-22 or 5-12 in Very High Fire Hazard Severity Zones
High Density Residential	R-M	As authorized by Section 29.40.645	75%	N/A	45 feet	30-40
Mixed-Use	CH	As authorized by Section 29.60.435	N/A	3.0	45 feet	30-40
Neighborhood Commercial	C-1	As authorized by Section 29.60.225	N/A	1.0	35 feet	10-20
Central Business District	C-2	As authorized by Section 29.60.335	N/A	2.0	45 feet	20-30
<u>North Forty Specific Plan</u>	<u>NF-SP</u>	<u>As defined in Specific Plan</u>	<u>As defined in Specific Plan</u>	<u>As defined in Specific Plan</u>	<u>As defined in Specific Plan</u>	<u>As defined in Specific Plan</u>
<u>Office Professional</u>	<u>O</u>	<u>As authorized by Section 29.60.100</u>	<u>N/A</u>	<u>1.0</u>	<u>35 feet</u>	<u>10-20</u>
<u>Service Commercial</u>	<u>LM</u>	<u>As authorized by Section 29.70.125</u>	<u>N/A</u>	<u>1.0</u>	<u>35 feet</u>	<u>none</u>
<u>Light Industrial</u>	<u>CM</u>	<u>As authorized by Section 29.70.235</u>	<u>N/A</u>	<u>1.0</u>	<u>35 feet</u>	<u>none</u>

PUBLIC COMMENTS:

Public notification has included a legal ad in the paper. The meeting has been publicized on the Town’s website and through the Town’s social media platforms. As of the drafting of this report, no comments from the public have been received.

CONCLUSION:

A. Summary

A request for approval of the following General Plan Amendment and Zone Changes:

1. Approval of a request to amend the 2020 General Plan Land Use Element to include a description of the Housing Element Overlay Zone; and
2. Approval of a request to amend the Town Code to modify the Affordable Housing Overlay Zone of Division 5, Article VIII Overlay Zones and Historic Preservation to be the Housing Element Overlay Zone.

B. Recommendation

Based on the analysis above, staff recommends that the Planning Commission consider the General Plan amendment and Zoning amendments and forward a recommendation for approval of the amendments to the Town Council. If the Planning Commission finds merit with the proposed amendments, it should:

1. Make the finding that no further environmental analysis is required (Exhibit 1);
2. Make the required finding that the General Plan amendments are internally consistent with the existing goals and policies of the General Plan and its elements, in that the amendments will provide for the development of housing for the sites in the Sites Inventory to comply with the Town's RHNA (Exhibit 1);
3. Make the required finding that the proposed amendments to the Zoning Code is consistent with the General Plan and its elements in that the Zoning Code amendment is consistent with the proposed General Plan Land Use elements (Exhibit 1); and
4. Forward a recommendation of approval of General Plan Amendment application GP-23-002 and Zone Change application Z-23-002 to the Town Council.

C. Alternatives

Alternatively, the Planning Commission can:

1. Continue the matter to a date certain with specific direction;
2. Provide a recommendation for denial to the Town Council providing findings for denial.

PAGE **8** of **8**

SUBJECT: General Plan Amendment and Housing Element Overlay Zone/Z-23-002 and GP-23-002

DATE: August 18, 2023

EXHIBITS:

1. Draft Findings
2. Draft General Plan Amendment
3. Draft Zoning Code Ordinance Amendments, Division 5. Housing Element Overlay Zone

**PLANNING COMMISSION – August 23, 2023**  
**REQUIRED FINDINGS**

**General Plan Amendment Application GP-23-002**  
**Zone Change Application Z-23-002**

**Forward a Recommendation to the Town Council for a Request Amend the General Plan to Include a Description of the Housing Element Overlay Zone and Amend the Town Code to Modify the Affordable Housing Overlay Zone Division 5 of Article VIII Overlay Zones and Historic Preservation to be the Housing Element Overlay Zone as Division 5 of Article VIII Overlay Zones and Historic Preservation. An Environmental Impact Report (EIR) was prepared and certified for the 2040 General Plan Update on June 30, 2022, which included the proposed General Plan Amendments. No Further Environmental Analysis is Required. Zoning Code Amendment Application Z-23-002 and General Plan Amendment Application GP-23-002. Project Location: Town Wide. Applicant: Town of Los Gatos.**

**FINDINGS:**

**Required finding for CEQA:**

- An EIR was prepared and certified for the 2040 General Plan Update on June 30, 2022, which included the proposed General Plan Amendments. No further environmental analysis is required.

**Required consistency with the Town’s General Plan:**

- That the General Plan amendment is internally consistent with the existing goals and policies of the General Plan and its corresponding elements, in that the amendments will provide for the development of housing for the sites in the Site Inventory to comply with the Town’s Regional Housing Needs Allocation.
- That the proposed amendments to the Zoning Code are consistent with the General Plan and its Elements in that the Zoning Code amendment is consistent with the proposed General Plan land use designations.

**EXHIBIT 1**

*This Page  
Intentionally  
Left Blank*

### 3 LAND USE ELEMENT

#### *A. Introduction*

Los Gatos is a mature, predominantly built-out community. While there is little room for growth or change in the physical environment, land use is dynamic and change is constant from within and outside the community. Managing change in an effort to maintain our quality of life is a priority of this General Plan and the Community.

The Land Use Element is the framework of the General Plan and is intended to inform and shape the future physical development of Los Gatos. This Element sets forth the patterns of development activity and land uses that will support and enhance the character of the Town. Although all General Plan Elements are of equal importance, the Land Use Element is the most frequently used and referenced section of the General Plan.

Planning for neighborhood preservation and protection is one of the most important purposes of the Town's General Plan. Preserving the small-town heritage, natural setting, and architectural diversity are also important to this community. One of Los Gatos's most outstanding assets is the visual diversity of its individual neighborhoods. Existing development represents a variety of architectural styles from various eras, embodying a variety of sizes, design features, and building materials, resulting in neighborhoods with their own unique identity. For example, Downtown Los Gatos is the historic heart of Town with a pedestrian-scale setting of mixed land uses and architecturally historic buildings. It is a unique area that sets the spirit and style of the entire Town.

Maintaining neighborhood quality suggests conservation of existing housing, good street design, traffic control in residential neighborhoods, and development review that adheres to quality design. Factors such as new or excessive traffic, aging or inadequate infrastructure, and even economic pressures may cause disruption of neighborhoods. Neighborhood preservation also includes balancing the intensity of land uses with the existing residential density.

Los Gatos also focuses on maintaining a “full-service” town that provides a range of goods and services that support the economic vitality of the Town. The commercial centers of Los Gatos are therefore also important to the community. Under the Los Gatos Boulevard Plan, the community expressed interest in creating a shopping experience and destination that complements but does not compete with the Downtown.

Residential and non-residential uses produce different impacts on the community. The impacts on traffic, noise, schools, open space, and other quality-of-life issues will vary, depending on the final mixture of residential and non-residential uses approved within the area. The overall planning for the area needs to limit the adverse impacts on the quality of life of all of the residents of Los Gatos and to provide for open space.

The Land Use Element describes land use designations, special planning areas, and existing land uses in Los Gatos. The Land Use Element is divided into the following sections:

- ◆ **Introduction:** A description of the requirements and contents of the Land Use Element.
- ◆ **Existing Land Uses:** A description of existing land uses in Los Gatos.
- ◆ **General Plan Land Use Designations:** A description of the characteristics and intensity of the different land use designations in Los Gatos, including a map identifying the location of these land use designations.
- ◆ **Special Planning Areas:** A description of special planning areas, including Historic Districts and Specific Plan Overlays.
- ◆ **Goals, Policies, and Actions:** A list of goal, policy, and action statements that provide guidance to Los Gatos on land use decisions.

***B. Authority for the Element***

California Government Code Section 65302(a) and Public Resources Code Section 2762(a) require that the Land Use Element provide the following information:

- ◆ Distribution, location, and extent of land uses for categories of public or private uses. Such categories include, but are not limited to housing, business, industry, open space, natural resources, recreation and enjoyment of scenic beauty, education, and public buildings and grounds.
- ◆ Population density and building intensity standards for land use designations.

The Land Use Element has the broadest scope of any of the State-required components of the General Plan. In addition to the State's requirements set forth in the Government Code, it has also been legally established that, while the location of a particular land use may be expressed in general terms, a property owner must be able to identify the General Plan Land Use Designation for his/her parcel from the land use diagram contained in the Land Use Element.

Among the important implementation mechanisms for the Land Use Element are Specific Plans and the Town Code. The California Government Code requires that the Town Code and zoning map be consistent with its General Plan Land Use Element and land use map, and that all provisions of Specific Plans adopted by the Town must be consistent with the General Plan that they implement.

***C. Relationship of Land Use Element to other Elements and Plans***

Because the Land Use Element sets the framework of the General Plan, the Land Use Element relates directly to all goals and policies of the other Elements and unifies the General Plan by providing the overall policy context for the other Elements. The relationship of the Land Use Element to other elements and plans is described below.

- ◆ The Land Use Element addresses circulation by setting out, in its map and policies, the location and size of all roadways in the Town coordinated with the land uses the roads will serve. It also notes the planned capacities of all other infrastructure systems that will be necessary to protect the health and welfare of the Town's citizens.
- ◆ The location, type, and density of residential units are key components of the Land Use Element. The Housing Element uses the density ranges specified in the Land Use Element to identify sites to meet the Town's housing needs.
- ◆ The mandates of the Safety Element are reflected in the designation and location of land use, the permitted activities within designated areas, and the patterns of land use that support defensible space, the Town's contingency plan, and fire and other hazard mitigation.
- ◆ The Land Use Element addresses buffers between noise sensitive uses and noise sources.
- ◆ The Town conserves resources through policies for the wise use of land, water, and energy.
- ◆ Air quality is improved by land use patterns that minimize vehicle travel within the Town.
- ◆ The Conservation Element goals address protecting and enhancing the natural environment. Programs that retain natural features such as tree preservation, limited grading, and water conservation maintain the natural character of Los Gatos.
- ◆ The Open Space Element refers to the location, character, and use of parks, recreational facilities, and preserved, unimproved land.
- ◆ Land use designations protect and preserve open spaces.
- ◆ The Land Use Element reflects the Town's high priority for quality design.

- ◆ The Land Use and Community Design Elements preserve historical buildings and historic areas, limiting the size of houses, while careful design of new infill developments protects the character of Los Gatos.
- ◆ California State law requires that all Specific Plans and zoning regulations be consistent with the General Plan. The Hillside Specific Plan, the North Forty Specific Plan, the Redevelopment Plan, and other plans that may be adopted as necessary will be consistent with this General Plan.

#### ***D. Existing Land Uses***

This section contains qualitative and quantitative descriptions of existing land uses in the Town of Los Gatos and Los Gatos’s Sphere of Influence (SOI). “Existing land uses” refers to the existing built environment, regardless of the General Plan land use designation or zoning designation applied by the Town. This initial assessment is based on data from the Santa Clara County Office of the Assessor. Existing land uses are illustrated in Figure LU-1 and listed in Table LU-1.

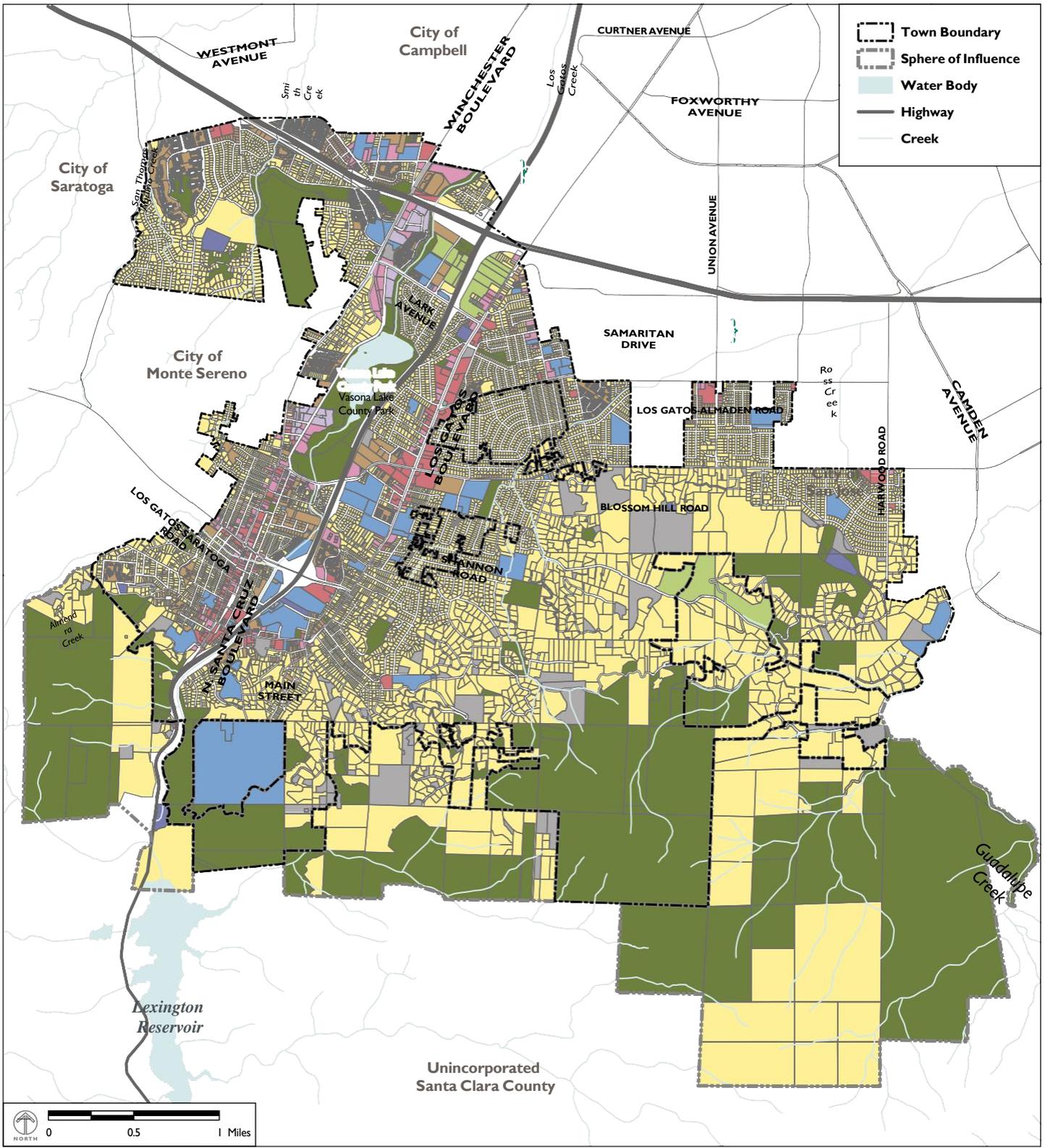
##### **1. Residential – Single Family**

Approximately 3,183 acres of land in Los Gatos are dedicated to parcels that contain a single, detached residence and related structures. Single-family residential land use is located throughout the Town, with the exception of the public and open spaces in the southern area of the Town and along commercial corridors immediately adjacent to Los Gatos Boulevard and Santa Cruz Avenue. In the SOI, approximately 2,728 acres of land are dedicated to single-family residential land.

##### **2. Residential – Multi-Family**

This land use category refers to parcels that contain more than one housing unit. It includes duplexes, triplexes, fourplexes, condominiums, and apartment buildings. This residential land use totals approximately 407 acres in the Town. There is no multi-family housing in the SOI. Multi-family uses are largely clustered in and around the Highway 17 corridor, either between

TOWN OF LOS GATOS  
 2020 GENERAL PLAN  
 LAND USE ELEMENT



Source: Santa Clara County Office of the Assessor, 2006; DC&E, 2008.

<b>Existing Land Use</b>	Office/Professional	Agricultural
Single Family Residential	Light Industrial	Open Space/Recreation
Multi-Family Residential	Public Utilities	Vacant
Commercial	Public/Quasi-Public	

FIGURE LU-1  
 EXISTING LAND USE

TOWN OF LOS GATOS  
2020 GENERAL PLAN  
LAND USE ELEMENT

TABLE LU-1 EXISTING LAND USES

Land Use Category	Number of Acres	Percent of Town Acreage	Percent of SOI Acreage
Residential – Single Family	5,911	51.2%	51.9%
Residential – Multi-Family	407	6.5%	0%
Commercial	164	2.6%	0%
Office Professional	126	2%	0%
Light Industrial	37	0.6%	0%
Public/Quasi-Public	440	4.7%	2.8%
Public Utilities	39	0.5%	0.1%
Agricultural	112	1%	1%
Open Space/Recreation	3,841	26.2%	42.2%
Vacant	399	4.7%	2%
<b>Total</b>	<b>11,476</b>	<b>100%</b>	<b>100%</b>

Source: County of Santa Clara, Office of the Assessor, 2006.

Los Gatos Boulevard and Highway 17 or in the area south of Vasona Lake County Park. A significant pocket of multi-family housing is also located in the northwest corner of the Town, just south of the City of Campbell.

### 3. Commercial

Commercial land refers to parcels that contain either retail businesses—those offering specific products for sale—or businesses that provide day-to-day services such as grocery stores, restaurants, spas and salons, dry cleaners, and nurseries. There are approximately 164 acres of commercial uses in Los Gatos and 1 acre in the SOI. Most commercial parcels in Los Gatos are located along the Santa Cruz Avenue or Los Gatos Boulevard corridors.

#### **4. Office Professional**

Office Professional land use refers to parcels that contain offices for medical, legal, insurance, consulting, and similar contracted services. Office and professional uses account for 125 acres in Los Gatos. Like commercial parcels, office professional parcels are concentrated along the Town's primary commercial corridors. An additional cluster of office and professional uses is located near the Highway 17/85 interchange.

#### **5. Light Industrial**

The Light Industrial land use category refers to parcels used primarily for production, manufacturing, and research and development. Additional uses include self-storage and automobile service garages. There are approximately 37 acres of light industrial land uses in Los Gatos. Light industrial uses are concentrated in two small pockets, one just south of Highway 85 and east of Winchester Boulevard, and another along University Avenue, north of Blossom Hill Road.

#### **6. Public/Quasi-Public**

Public/Quasi-Public land uses include schools, libraries, police and fire stations, faith communities, and hospitals. These uses are distributed throughout Los Gatos, mostly in single parcels or small groups of parcels. Public/Quasi-Public land uses comprise approximately 291 acres of land in the Town and approximately 149 acres in the SOI.

#### **7. Public Utilities**

Public Utilities refer to uses related to communications and energy production and distribution. There are approximately 37 acres in the Town devoted to utilities divided between parcels scattered throughout Los Gatos. Many of these parcels are owned by San Jose Water Company and PG&E and are sites of communications infrastructure.

#### **8. Agricultural**

Agricultural land is used for raising and harvesting crops, breeding livestock, and/or housing equipment used for agricultural purposes. According to the Santa Clara County Assessor's Office, about 64 acres of land scattered

throughout Los Gatos, and approximately 48 acres in the SOI, are devoted to existing agricultural uses. One of the largest areas of agricultural land is the North Forty site, which contains orchard trees, including walnut and fruit trees. Wine grapes can be found in the Santa Cruz Mountains hillside areas.

The California Land Conservation Act of 1965, better known as the Williamson Act, works to preserve agricultural and open space lands through restrictive use contracts administered by counties and cities under State regulations. Private landowners voluntarily restrict their land to agricultural and compatible open space uses under minimum 10-year rolling term contracts, with counties and cities also acting voluntarily. In return, the property tax on a Williamson Act parcel is assessed at a rate consistent with its actual use, rather than potential market value.

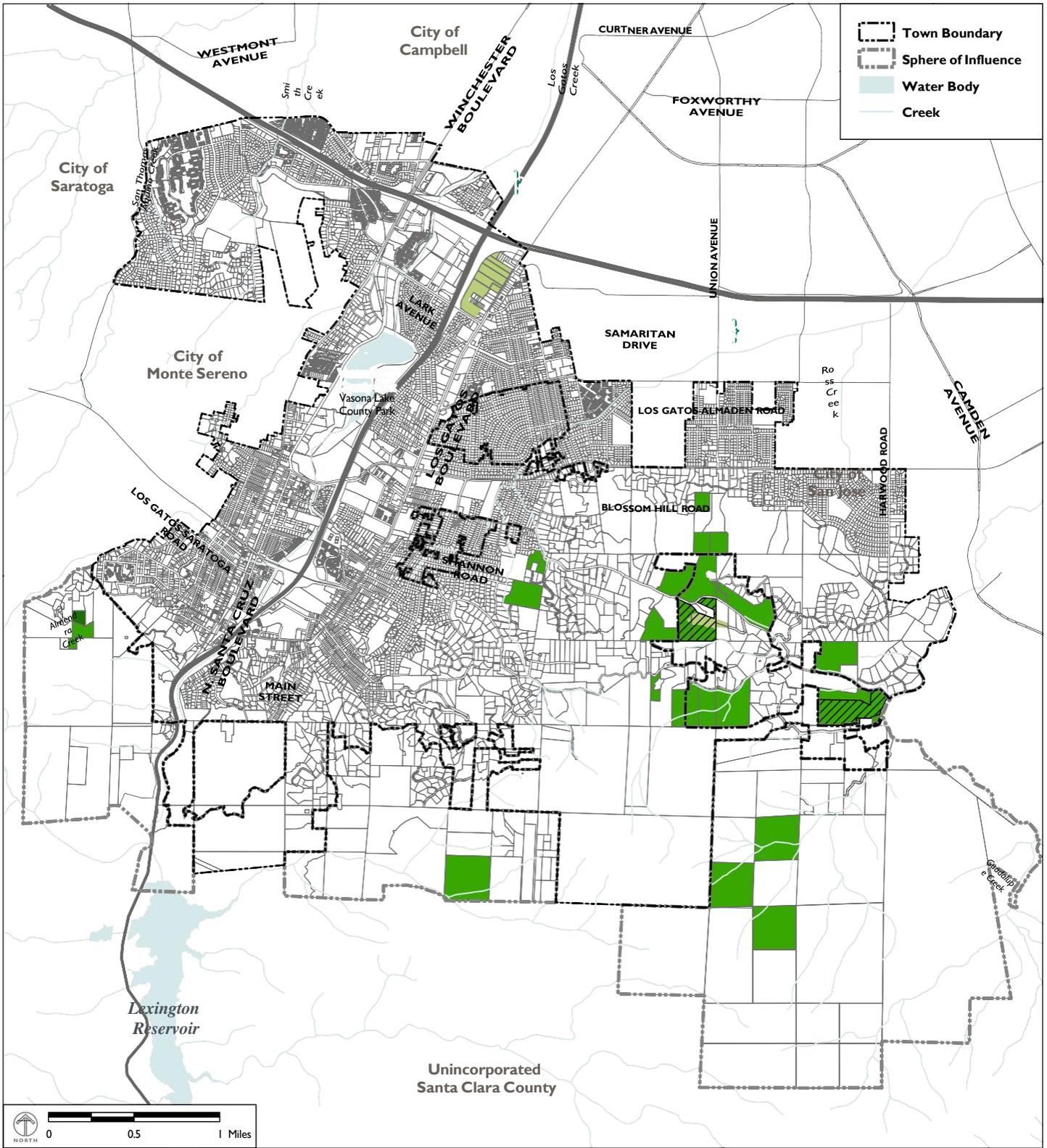
Figure LU-2 shows the location of all Williamson Act lands and their designation as well as farmland not covered by the Williamson Act. Approximately 136 acres of land within the Town limits and 358 acres of land within the SOI are designated Williamson Act land.<sup>1</sup> Of these, only 3.85 acres are considered “prime agricultural lands” under the definition of the Land Conservation Act. All of these lands occur in the Town’s SOI. In addition to Williamson Act lands, approximately 32 acres of Unique Farmland are located within Town limits and 8 acres within the SOI. “Unique Farmland” is a designation applied by the State Department of Conservation to land that is capable of producing specific high value crops. In Los Gatos, it is applied to the orchards on the North Forty site.

## **9. Open Space/Recreation**

Open Space/Recreation refers to indoor and outdoor recreational facilities, including public open spaces such as regional parks, community centers,

---

<sup>1</sup> This number is higher than the number of acres in existing Agricultural use because Williamson Act include parcels that are classified by the Assessor as Agriculture, Open Space, and Single Family Residential. Single Family Residential may be considered an acceptable classification by the Assessor since Williamson Act contracts may include provisions for a limited number of dwelling units on the property.



Source: State of California Department of Conservation 2006.

**Williamson Act Lands**

- Prime Agricultural Land
- Non-Prime Agricultural Land
- Non-Prime/Non-Renewal Agricultural Land

**State Farmland Designation**

- Unique Farmland

FIGURE LU-2

WILLIAMSON ACT AND UNIQUE FARMLAND

playgrounds and neighborhood parks, country clubs, and natural open spaces. After Residential – Single Family land use, Open Space/Recreation comprises the second highest percentage of total land in Los Gatos. There are approximately 1,624 acres of open space in the Town and approximately 2,218 acres in the SOI. Much of this acreage is contained in four large facilities: St. Joseph’s Hill and Sierra Azul Open Space to the south of Los Gatos, and Vasona Lake County Park and La Rinconada Country Club to the north.

#### **10. Vacant**

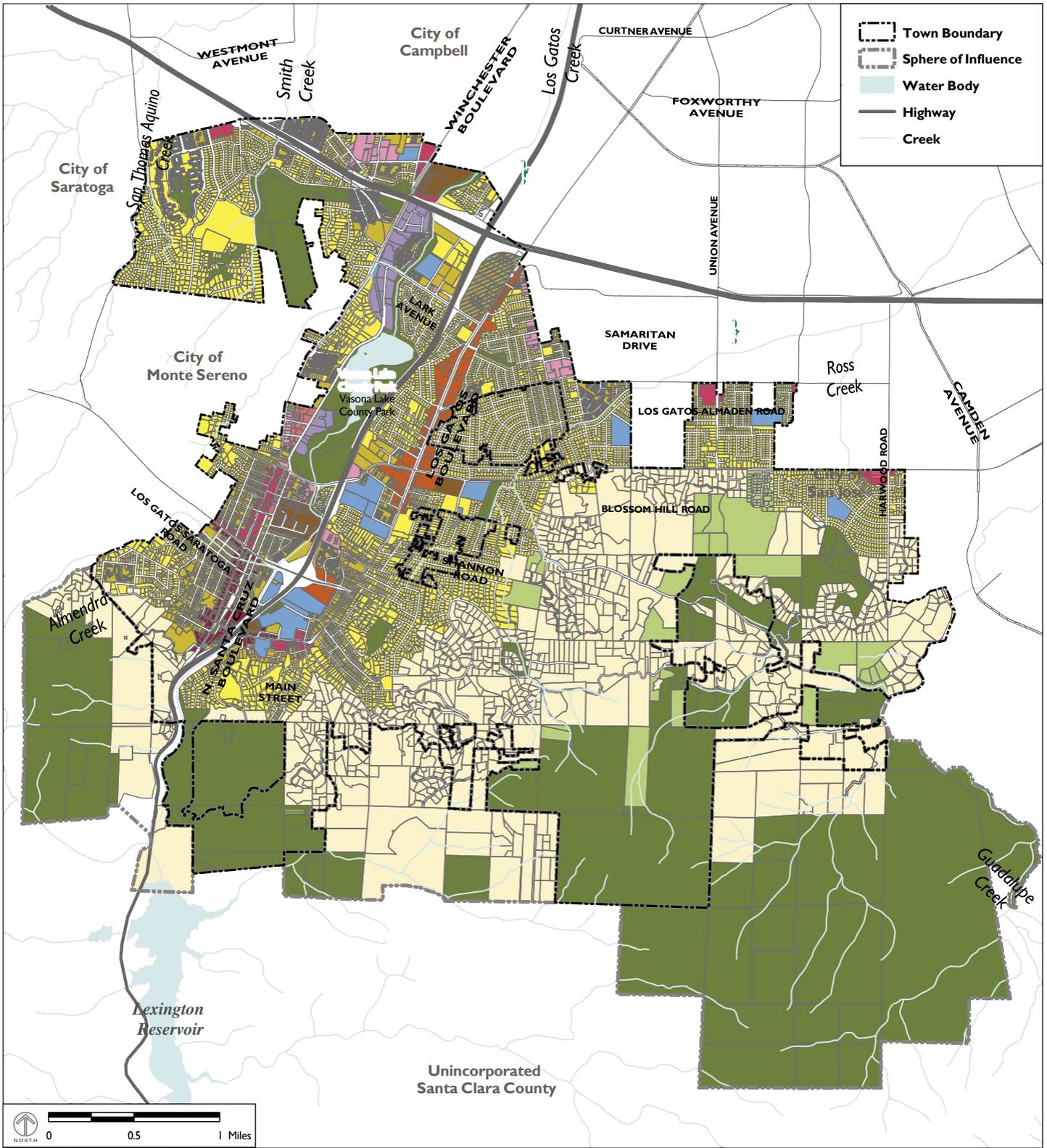
Approximately 292 acres within the Town are vacant parcels of varying sizes that are scattered throughout the Town. Most of the vacant acreage in Los Gatos is located in the single-family residential area on the eastern side of the Town. Parcels here are generally larger than they are elsewhere in Los Gatos, and a number of significantly sized parcels are vacant. Generally, vacancies are more common in residential areas of Los Gatos than in commercial areas, although a few small, isolated commercial vacancies exist. Additionally, the SOI contains approximately 107 acres of vacant property.

### ***E. General Plan Land Use Designations***

The Land Use Element is the basis for physical development in Los Gatos. The land use map and designations identify the general location, density, and extent of land available for residential and non-residential uses. Land use designations do not necessarily reflect the existing land use of each parcel. Figure LU-3 presents a map of the land use designations in Los Gatos. Each land use designation is listed and described below.

#### **1. Residential Land Use Designations**

This section provides a brief description of each residential land use designation and the desirable range of density for each designation.



Source: Town of Los Gatos, 2008; Santa Clara County Office of the Assessor, 2008.

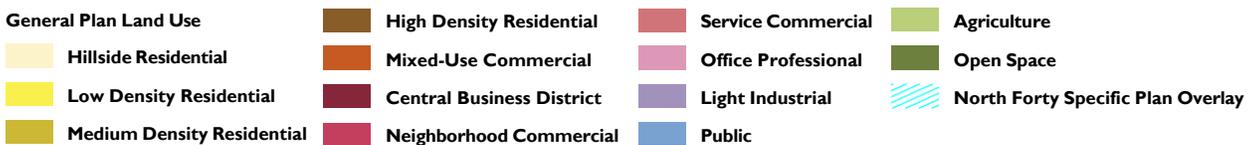


FIGURE LU-3

a. Hillside Residential: 0-1 dwelling units per net acre

Up to 3.5 persons per acre

The Hillside Residential designation provides for very low density, rural, large lot or cluster, single-family residential development. This designation allows for development that is compatible with the unique mountainous terrain and vegetation of parts of Los Gatos.

b. Low Density Residential: 0-5 dwelling units per net acre

Up to 17.5 persons per acre

The Low Density Residential designation provides for single-family residential properties located on generally level terrain. It encourages single-family residential development in either the standard development established by traditional zoning or by innovative forms obtained through planned development.

c. Medium Density Residential: 5-12 dwelling units per net acre

Up to 24 persons per acre

The Medium Density Residential designation provides for multiple-family residential, duplex, and/or small single-family homes.

d. High Density Residential: 12-20 dwellings per net acre

Up to 40 persons per acre

The High Density Residential designation provides for more intensive multi-family residential development. Its objective is to provide quality housing in close proximity to transit or a business area.

e. Mobile Home Park: 5-12 dwellings per net acre

Up to 24 persons per acre

The Mobile Home Park designation provides for mobile home parks. The intent is to provide and preserve Mobile Home Parks as a source of affordable housing. This designation is described in this Element; however, it is not represented on the accompanying General Plan Land Use Map.

## 2. Non-Residential Land Use Designations

For non-residential land uses, the specific uses mentioned are illustrative, and other compatible uses, including those authorized in any other Zoning District within the Town, may be permitted where authorized by a Conditional Use Permit or Planned Development Overlay Zone. In a mixed-use project residential uses may be permitted in conjunction with other permitted uses in non-residential Zoning Districts with the exception of the Commercial Industrial and Controlled Manufacturing Zoning Districts. For non-residential land uses, building intensity limits are indicated by either allowable land coverage or floor area ratio (FAR) and a maximum height limit.

◆ Office Professional: Up to 50 percent land coverage with a 35-foot height limit  
The Office Professional designation provides for professional and general business offices. This designation applies to various locations throughout the Town, often in close proximity to neighborhood- or community-oriented commercial facilities, or as a buffer between commercial and residential uses. The intent of this designation is to satisfy the community's need for general business and professional services and local employment.

◆ Central Business District: 0.6 FAR with a 45-foot height limit  
The Central Business District designation applies exclusively to the downtown and accomplishes the following:

- ◆ Encourages a mixture of community-oriented commercial goods, services and lodging unique in its accommodation of small-town style merchants and maintenance of small-town character.
- ◆ Maintains and expands landscaped open spaces and mature tree growth without increasing setbacks.
- ◆ Integrates new construction with existing structures of historical or architectural significance and emphasizes the importance of the pedestrian.

◆ Mixed-Use Commercial: Up to 50 percent land coverage with a 35-foot height limit

The Mixed-Use Commercial designation permits a mixture of retail, office, and residential in a mixed-use project, along with lodging, service, auto-related businesses, non-manufacturing industrial uses, recreational uses, and restaurants

Projects developed under this designation shall maintain the small-town, residential scale and natural environments of adjacent residential neighborhoods, as well as provide prime orientation to arterial street frontages and proper transitions and buffers to adjacent residential properties. This designation should never be interpreted to allow development of independent commercial facilities with principal frontage on the side streets.

- d. Neighborhood Commercial: Up to 50 percent land coverage with a 35-foot height limit

The Neighborhood Commercial designation provides for necessary day-to-day commercial goods and services required by the residents of the adjacent neighborhoods. This designation encourages concentrated and coordinated commercial development at easily accessible locations.

- e. Service Commercial: Up to 50 percent land coverage with a 35-foot height limit

The Service Commercial designation provides for service businesses necessary for the conduct of households or businesses. These include auto repair, building materials sales, paint suppliers, janitorial services, towing businesses, contractors offices and yards, launderers and dry cleaners, as well as wholesaling and warehousing activities.

- f. Light Industrial: Up to 50 percent land coverage with a 35-foot height limit

The Light Industrial designation provides for large-scale office developments and well-controlled research and development, industrial-park-type and service-oriented uses subject to rigid development standards. These uses should respond to community or region-wide needs.

- g. Public

The Public designation identifies public facilities in the Town such as the Civic Center, courthouse, schools, parks, libraries, hospitals, churches, and fire stations.

h. Agriculture

The Agricultural designation identifies areas for commercial agricultural crop production.

i. Open Space

The Open Space designation identifies the location of public parks, open space preserves, private preserves, and stream corridors.

***F. Special Planning Areas***

Development in Los Gatos can be targeted to achieve a more specific outcome by designating specific overlay zones and special planning areas. These areas have more detailed development guidelines that remain consistent with existing policies. Los Gatos has three overlay zones that implement land use policies through the Town Code, five Historic Districts, three Specific Plans, and one Redevelopment Project Area.

**1. Overlay Zones**

There are three overlay zones in the Town Code, the Landmark and Historic Preservation, Planned Development, and Public School Overlay Zones.

- ◆ **Landmark and Historic Preservation (LHP) Overlay Zone.** This zone is designated by Town Council and is applied to individual sites and structures or small areas deemed of architectural and/or historical significance. The structure(s) in LHP overlays are subject to special standards regarding their appearance, use, and maintenance.
- ◆ **Planned Development (PD) Overlay Zone.** The PD overlay zone is intended to ensure orderly planning and quality design that will be in harmony with the existing or potential development of the surrounding neighborhood. The Planned Development Overlay is a specially tailored development plan and ordinance which designates the zoning regulations for the accompanying project, sets specific development standards, and ensures that zoning and the General Plan are consistent. Commercial,

residential or industrial property or a mixture of these uses may be considered for a Planned Development Overlay.

◆ **Public School (PS) Overlay Zone.** The PS overlay zone is intended to allow school buildings to be used, without extensive exterior modifications, in ways which will make it unnecessary to sell school facilities. The overlay permits a variety of community-related and education-related uses, including, but not limited to, museums, community centers, playgrounds, and nursery schools. Any land owned by a public school district (regardless of underlying zone) may be zoned PS.

◆ **Housing Element Overlay Zone (HEOZ).** The HEOZ is intended to increase the supply and the mix of housing types, tenure, and affordability within the Town of Los Gatos. Through appropriate densities, the housing element overlay zone encourages the development of housing affordable to all income levels as described in the 2023-2031 Housing Element Sites Inventory to comply with the Town’s Regional Housing Needs Allocation (RHNA) for the sixth cycle Planning period and listed in Table LU-2.

**TABLE LU-2 HEOZ Development Standards**

<b>Designation</b>	<b>Standards</b>
<u>Low Density Residential</u>	<u>Density: 0 – 5 du/ac</u> <u>Lot Coverage: Up to 50%</u> <u>Max. Height: 30 feet</u>
<u>Medium Density Residential</u>	<u>Density: 14 – 22 du/ac</u> <u>Density in Very High Fire Hazard Severity Zones: 5 – 12 du/ac</u> <u>Lot Coverage: Up to 75%</u> <u>Max. Height: 35 feet</u>
<u>High Density Residential</u>	<u>Density: 30 – 40 du/ac</u> <u>Lot Coverage: Up to 75%</u> <u>Max. Height: 45 feet</u>
<u>Mixed-Use</u>	<u>Density: 30 – 40 du/ac</u> <u>FAR: Up to 3.0</u> <u>Max. Height: 45 feet</u>
<u>Neighborhood Commercial</u>	<u>Density: 10 – 20 du/ac</u> <u>FAR: Up to 1.0</u> <u>Max. Height: 35 feet</u>
<u>Central Business District</u>	<u>Density: 20 – 30 du/ac</u> <u>FAR: Up to 2.0</u> <u>Max. Height: 45 feet</u>
<u>North Forty Specific Plan</u>	<u>As defined in Specific Plan</u>

<u>Office Professional</u>	<u>Density: 10 – 20 du/ac</u> <u>FAR: Up to 1.0</u> <u>Max. Height: 35 feet</u>
<u>Service Commercial</u>	<u>Density: none</u> <u>FAR: Up to 1.0</u> <u>Max. Height: 35 feet</u>
<u>Light Industrial</u>	<u>Density: none</u> <u>FAR: Up to 1.0</u> <u>Max. Height: 35 feet</u>

## 2. Historic Districts

The Town has established five historic districts to preserve neighborhoods deemed significant to the history of Los Gatos.

- ◆ **Almond Grove Historic District.** An approximately 40-acre area that constitutes the largest subdivision following incorporation of the Town of Los Gatos. This District was established by ordinance in 1980.
- ◆ **Broadway Historic District.** An approximately 100-acre area that is the site of the first residential subdivision and first residential street in the Town of Los Gatos. This District was established by ordinance in 1985.
- ◆ **Los Gatos Historic Commercial District.** Bounded by Elm Street to the north, Main Street to the south, Los Gatos Creek to the east, and North Santa Cruz Avenue to the west. The Town’s only concentration of intact historic commercial buildings. It was established by ordinance in 1991.
- ◆ **Fairview Plaza Historic District.** Limited to the cul-de-sac termination of Fairview Plaza, part of an historic subdivision originally surveyed in 1885 known as the “Fairview Addition.” The District retains the same configuration as originally mapped and contains a rare collection of Victorian and Craftsman homes, unique in their compact scale and proximity to one another. This District was established by ordinance in 1992.
- ◆ **University/Edelen Historic District.** Bounded by Saratoga Avenue to the north, Main Street to the south, Los Gatos Creek to the east, and the former Southern Pacific Railroad right-of-way to the west. The District is composed of five subdivisions that predate 1900 and contain a number of residential and commercial structures of mixed architectural styles. This District was established by ordinance in 1991. All of Los Gatos’s historic districts are defined by structures that contribute to the District. In every District, the transformation of these structures is tightly regulated. Demolition of contributing structures is strictly prohibited. In addition, all restoration, rehabilitation, and new construction of principal units must adhere to a series of guidelines for preserving architectural heritage and conforming to existing style. Any modifications to the original design are either restricted or prohibited.

### 3. Overlay Designation

The North Forty Specific Plan Overlay is applied to the approximately 40-acre property bounded by Los Gatos Boulevard to the east, Highway 17 to the west, Lark Avenue to the south, and Highway 85 to the North. This Overlay requires the preparation and adoption of a specific plan that will determine the mix of uses, dimensional standards, architectural standards, phasing, and infrastructure to support the development of the property prior to approval of any entitlements. Drawing on the draft North Forty Specific Plan prepared in 1999, the General Plan overlay designation is intended to help guide the future development of this property. The 2020 General Plan Environmental Impact Report assumed a maximum capacity of 750 mixed residential units and 580,000 square feet of retail and offices uses for the purposes of assessing environmental impacts associated with the development of the property. While this is the maximum development capacity under this General Plan, the specific plan may be approved with lower densities and square footage of residential and commercial uses, respectively. The North Forty Specific Pan will be based on the following general guidelines:

- ◆ Include a mixture of uses that will complement the Downtown and the rest of the community.
- ◆ Be based on sustainable and “smart” development practices.

- ◆ Include public gathering spaces such as a plaza and park.
- ◆ Provide for a variety of residential housing types, both rental- and owner-occupied. A minimum of 20 percent of the units shall be affordable to households at the moderate income level or below.
- ◆ Include high-quality architecture and design that reflects the rural and agricultural history of the site.
- ◆ Provide pedestrian-oriented buildings along the Los Gatos Boulevard frontage, with minimal parking oriented to the street.
- ◆ Take advantage of the grade change across the site.
- ◆ Continue the “boulevard treatment” along Los Gatos Boulevard, with interconnections from one parcel’s drive aisle to the next.
- ◆ Include connections to existing intersections along Los Gatos Boulevard and Lark Avenue.
- ◆ Develop gateway or landmark features at Los Gatos Boulevard and Lark Avenue and at Los Gatos Boulevard and the Highway 85 off-ramp.
- ◆ Provide an easily accessible, fully connected street network that encourages walking.
- ◆ Provide a vegetative buffer and screening along Highways 17 and 85.
- ◆ Preserve Town character and views.

#### 4. Other Plans

The Hillside Specific Plan and Los Gatos Boulevard Plan areas are each developed according to separate land use goals and in different areas of the Town. In addition to these approved Specific Plans, the Town will be developing a North Forty Specific Plan.

##### a. Hillside Specific Plan

The Hillside Specific Plan establishes land use policy for the Hillside Study Area, an area of mountainous terrain in the southeastern portion of the Town designated for Hillside Residential development. Adopted by Town Council in 1978, the Specific Plan establishes a series of policies and standards related

to land use, facilities, services, circulation, fire protection, safety, and open space. These policies and standards are intended to prevent deficiencies in access to water and sewer services, ensure conservation of the sensitive natural environment, and address differences in Town and County land use regulations.

Development in the Hillside Specific Plan area is prohibited outside of designated “least restrictive development areas” (LRDAs) unless it is compliant with conditions established in the Plan.

b. Los Gatos Boulevard Plan

Adopted by Town Council in 1997, the Los Gatos Boulevard Specific Plan is a policy framework for meeting a series of short, medium, and long range goals related to the commercial revitalization of Los Gatos Boulevard. This Specific Plan is based on a land use concept for which higher density, mixed-use commercial development in the north of the Specific Plan area transitions into residential and community clusters, and then into existing residential neighborhoods just south of the Specific Plan area. This Specific Plan contains policies and design standards targeting safe, attractive public improvements; pedestrian-oriented activity nodes; vital, commercial land use; distinct gateways, and site-appropriate private improvements.

c. Central Los Gatos Redevelopment Project

The Central Los Gatos Redevelopment Project, which focuses on an area located around Downtown Los Gatos, contains a mix of residential and non-residential land use designations. The Town of Los Gatos Redevelopment Agency has the authority to facilitate property acquisition and management, construction of public improvements, structural rehabilitation, and site assembly within the Project Area. The project was adopted in 1991, following the 1989 Loma Prieta earthquake. The main objectives of the project are to eliminate blight, assemble land parcels for improved development, strengthen the economic base of downtown, and improve undeveloped and underutilized areas.

***G. Goals, Policies, and Actions***

The following goals, policies, and actions guide future physical development throughout Los Gatos.

<b>Goal LU-1</b>	<b>To preserve, promote, and protect the existing small-town character and quality of life within Los Gatos.</b>
------------------	--

Policy LU-1.1 Encourage developers to engage in discussions as early as possible regarding the nature and scope of the project and possible impacts and mitigation requirements.

Policy LU-1.2 Ensure that new development preserves and promotes existing commercial centers consistent with the maintenance of a small-scale, small-town atmosphere and image.

Policy LU-1.3 To preserve existing trees, natural vegetation, natural  topography, riparian corridors and wildlife habitats, and promote high quality, well-designed, environmentally sensitive, and diverse landscaping in new and existing developments.

Policy LU-1.4 Infill projects shall be designed in context with the neighborhood and surrounding zoning with respect to the existing scale and character of surrounding structures, and should blend rather than compete with the established character of the area.

Policy LU-1.5 Encourage private/public funding, development, and operation of cultural amenities, activities, and centers consistent with the small-town character of Los Gatos.

- Policy LU-1.6 Recognizing that our ability to preserve our small-town character is somewhat dependent on decisions in surrounding communities, continue and expand Town participation in planning processes in neighboring jurisdictions and regional bodies in order to develop innovative, effective, and coordinated land use, transportation, and hillside development plans and standards that will help preserve our small-town character.
- Policy LU-1.7 Use task forces, ad hoc committees and other means as appropriate to involve residential and commercial interests in Town matters.
- Policy LU-1.8 Commercial development of any type (office, retail, research and development, etc.) shall be designed in keeping with the small-town character of Los Gatos.

<b>Goal LU-2</b> 	<b>To maintain a balanced, economically stable community within environmental goals.</b>
---	--

**Policies**

- Policy LU-2.1  Minimize vehicle miles traveled for goods and services by allowing and encouraging stores that provide these goods within walking distance of neighborhoods in Los Gatos.
- Policy LU-2.2  Promote telecommuting and home-based businesses by allowing live-work and work-live uses in existing and future residential development.

<b>Goal LU-3</b>	<b>To coordinate with surrounding jurisdictions and other local and regional agencies that may affect Los Gatos's future development patterns and character.</b>
------------------	--

**Policies**

Policy LU-3.1 Cooperate with the County of Santa Clara to encourage the annexation of unincorporated islands into the Town. The Town will not require the installation of curbs, gutters, sidewalks, or street lights as a condition of annexation nor will these improvements be imposed on annexed areas unless the residents of the area request such improvements and are willing to participate in the cost of such improvements. This does not prevent the Town from requiring such improvements as a condition of approval of any zoning or subdivision approval if such conditions are normally made on those items and the improvements would be in keeping with the neighborhood.

Policy LU-3.2 Work with Santa Clara County to ensure that projects developed in the County meet Town policies and standards, do not induce further development, and do not un- duly burden the Town.

<b>Goal LU-4</b>	<b>To provide for well-planned, careful growth that reflects the Town’s existing character and infrastructure.</b>
------------------	--

**Policies**

Policy LU-4.1 Integrate planning for the North Forty area, Los Gatos Boulevard, Vasona Light Rail area, and Downtown so that development in each area takes into consideration the Town as a whole.

Policy LU-4.2 Allow development only with adequate physical infrastructure (e.g. transportation, sewers, utilities, etc.) and social services (e.g. education, public safety, etc.).

Policy LU-4.3 Only approve projects for which public costs can be justified by the overall benefit to the community.

Policy LU-4.4 Project applicants shall evaluate and provide appropriate mitigation measures to reduce impacts on urban services including schools, utilities, police, and fire.

Policy LU-4.5 Discourage corridor lots. Corridor lots shall only be allowed if the use of a corridor lot decreases the amount of public street required for the subdivision, contributes to the surrounding neighborhood, and is in context with the existing scale and established character of the neighborhood. The subdivider shall also demonstrate that the use of a corridor lot benefits surrounding properties.

<b>Goal LU-5</b>	<b>To encourage public involvement in Town planning processes.</b>
------------------	--

**Policy**

Policy LU-5.1 Use task forces, ad hoc committees, and other means as appropriate to involve residential and commercial interests in Town matters.

**Action**

Action LU-5.1 Utilize traditional communication tools and new media and technology to provide clear and current information on Town processes and decisions and to encourage public participation in Town government.

<b>Goal LU-6</b>	<b>To preserve and enhance the existing character and sense of place in residential neighborhoods.</b>
------------------	--

**Policies**

- Policy LU-6.1 Protect existing residential areas from the impacts of non-residential development.
- Policy LU-6.2 Allow non-residential activity in residential areas only when the character and quality of the neighborhood can be maintained.
- Policy LU-6.3 Protect existing residential areas from adjacent non-residential uses by assuring that buffers are developed and maintained.
- Policy LU-6.4 Prohibit uses that may lead to the deterioration of residential neighborhoods, or adversely impact the public safety or the residential character of a residential neighborhood.
- Policy LU-6.5 The type, density, and intensity of new land use shall be consistent with that of the immediate neighborhood.
- Policy LU-6.6 In order to reduce landfill, conserve resources, and preserve neighborhood character, demolitions shall be discouraged in established residential neighborhoods and applicants shall submit structural reports to determine whether the demolition of any principal structure is justified. If allowed, the replacement house should be similar in size and scale to other homes in the neighborhood and maintain the neighborhood character.
- Policy LU-6.7 Continue to encourage a variety of housing types and sizes that is balanced throughout the Town and within neighborhoods, and that is also compatible with the character of the surrounding neighborhood.
- Policy LU-6.8 New construction, remodels, and additions shall be compatible and blend with the existing neighborhood.

- Policy LU-6.9 The Housing Element assumes that sites designated medium and high density residential will be developed at the upper end of the density range. If the Town approves a development at a lower density on one of these sites, staff shall identify one or more other sites to maintain the Town's capacity to meet its housing needs as identified in the Housing Element, subject to neighborhood compatibility and mitigation of traffic impacts.
- Policy LU-6.10 Require applicants to submit letters of justification to show how new residential development contributes to the balance of types and sizes of housing available in Los Gatos.

**Actions**

- Action LU-6.1 Develop standards for traffic, noise, intensity, and overall size for non-residential uses in residential zones.
- Action LU-6.2 The conditional use permit approvals for non-residential uses in residential zones shall be reviewed by the Planning Commission on an as-needed basis for any adverse impacts, nuisances, or any required modifications.

<b>Goal LU-7</b>	<b>To use available land efficiently by encouraging appropriate infill development.</b>
------------------	---

**Policies**

- Policy LU-7.1 Allow redevelopment of unused school sites commensurate with the surrounding residential neighborhood and availability of services.

- Policy LU-7.2 To ensure compatibility with surrounding neighborhoods, infill projects shall demonstrate that the development meets the criteria contained in the Development Policy for In-Fill Projects and the deciding body shall make findings consistent with this policy.
- Policy LU-7.3 Infill projects shall contribute to the further development of the surrounding neighborhood (e.g. improve circulation, contribute to or provide neighborhood unity, eliminate a blighted area) and shall not detract from the existing quality of life.
- Policy LU-7.4 Infill projects shall be designed in context with the neighborhood and surrounding zoning with respect to the existing scale and character of surrounding structures, and should blend rather than compete with the established character of the area.

<b>Goal LU-8</b>	<b>To uphold and enforce adopted land use regulations.</b>
------------------	--

**Policies**

- Policy LU-8.1 Maintain a Code Compliance function to effectively enforce the land use regulations in the Town Code.
- Policy LU-8.2 Town staff shall identify major violations (illegal units, sign violations, illegal uses, tree removals, grading violations, etc.) without waiting for public complaint. Town staff shall act on minor violations (illegally parked cars, boats, trailers and campers, etc.) based on public complaints. Additional violations that may be observed during investigation of a complaint shall also be acted on.

<b>Goal LU-9</b>	<b>To provide residents with adequate commercial and industrial services.</b>
------------------	---

**Policies**

- Policy LU-9.1      Ensure that new development preserves and promotes existing commercial centers consistent with the maintenance of a small-scale, small-town atmosphere and image.
- Policy LU-9.2      Maintain a variety of commercial uses, including a strong Downtown commercial area combined with Los Gatos Boulevard and strong neighborhood commercial centers to meet the shopping needs of residents and to preserve the small-town atmosphere.
- Policy LU-9.3      Encourage a mix of retail and office uses in commercial areas, except in the Central Business District designation, where retail should be emphasized and office should be limited to upper floors and other areas as defined by the Town Code.
- Policy LU-9.4      Encourage existing light industry and service commercial uses to remain or be replaced with similar uses.
- Policy LU-9.5      Encourage the development and retention of locally owned stores and shops.
- Policy LU-9.6      Encourage development that maintains and expands resident-oriented services and/or creates employment opportunities for local residents consistent with overall land use policies of the Town.
- Policy LU-9.7      “Broadening the tax base” shall never be the sole reason for allowing new commercial development or approving a change in a commercial land use.

Policy LU-9.8  Retail sales tax “leakage” should be kept to a minimum by providing in-town convenience and comparative shopping opportunities.

Policy LU-9.9 Buffers shall be required as conditions of approval for non-residential projects that are adjacent to residential areas and may consist of landscaping, sound barriers, building setbacks, or open space.

Policy LU-9.10 Prohibit new commercial or industrial zoning adjacent to school sites and carefully consider the impacts of new school sites in industrial and commercial land use designations.

**Action**

Action LU-9.1 The Town should identify those businesses that are needed in the Town and actively recruit those businesses.

<b>Goal LU-10</b>	<b>To preserve Downtown Los Gatos as the historic center of the Town, with goods and services for local residents, while maintaining the existing Town identity, environment, and commercial viability.</b>
-------------------	---

**Policies**

Policy LU-10.1 Encourage the development and retention of small businesses and independent stores and shops Downtown that are consistent with small-town character and scale.

Policy LU-10.2 Recognize and encourage the different functions, land use patterns, and use mixes of the various commercial areas within the Downtown. These include:

- a. The pedestrian scale and orientation of the Central Business District.

- b. The neighborhood-serving commercial land use pattern of areas north of Saratoga Avenue to Blossom Hill Road.
- c. The mixed use commercial activities along Santa Cruz Avenue and the service commercial activities along University Avenue between Andrews Street and Blossom Hill Road.

Policy LU-10.3 Establish and maintain strong boundaries between the Central Business District designation and adjacent residential neighborhoods.

Policy LU-10.4  Encourage mixed uses to increase residential opportunities in commercial zones Downtown, taking into consideration potential impacts to loss of commercial opportunities.

<b>Goal LU-11</b>	<b>To plan for development of a variety of uses in the North Forty area in a coordinated and comprehensive way.</b>
-------------------	---

**Policies**

Policy LU-11.1 Zoning shall be changed as part of development applications to provide consistency with the Vasona Light Rail Element and other elements of this General Plan and with any future specific plan prepared for this area.

Policy LU-11.2 The Town shall encourage uses that serve Town residents. These include, but are not limited to, open space, playfields, office, retail, and other commercial uses. Residential uses may be permitted as part of mixed-use development and only with acceptable mitigation of adverse noise, air quality, and other environmental hazards.

Policy LU-11.3 Provide coordinated infrastructure in the North Forty area.

Policy LU-11.4 Include a variety of regional destination and local-serving commercial uses in the North Forty area, following a logical land use pattern that takes advantage of the site opportunities while protecting adjacent uses.

Policy LU-11.5 Avoid negative effects on the long-term development potential of the area surrounding the North Forty area.

Policy LU-11.6 Incorporate multi-modal links from the North Forty area to the Vasona Light Rail station into the North Forty Specific Plan.



**Action**

Action LU-11.1 Prepare and adopt a specific plan for the North Forty area prior to development of the site.

<b>Goal LU-12</b>	<b>To ensure an appropriate mix of land use types along Los Gatos Boulevard in order to maintain the economic vitality of the corridor and continue to serve the needs of Town residents.</b>
-------------------	---

**Policies**

Policy LU-12.1 Encourage redevelopment and assemblage of parcels that have experienced a high vacancy rate over a prolonged period of time, possibly including appropriate and compatible re-zoning.

Policy LU-12.2 Encourage a mix of uses along Los Gatos Boulevard, including, where appropriate, mixed-use parcels that are compatible with surrounding uses.



- Policy LU-12.3  New landscaping, streetscape improvements and new development along Los Gatos Boulevard shall incorporate pedestrian amenities, scale, and design.
- Policy LU-12.4  Encourage mixed uses to increase residential opportunities in commercial zones.
- Policy LU-12.5 Retain and enhance auto dealerships.
- Policy LU-12.6 Neighborhood commercial, multi-family residential, and office uses shall be concentrated south of Los Gatos–Almaden Road.
- Policy LU-12.7 New and relocating auto-related businesses shall be located north of Los Gatos–Almaden Road, adjacent to existing auto dealerships, or on a vacant site previously used for permitted auto sales.
- Policy LU-12.8 Uses on Los Gatos Boulevard south of Roberts Road shall be residential or office; existing non-residential uses shall not be intensified; and existing vacant property and residential uses shall be developed as Single Family Residential.
- Policy LU-12.9 Encourage replacement of vacated business south of Los Gatos–Almaden Road and north of Roberts Road/Shannon Road with neighborhood commercial, multi-family, or office uses.

<b>Goal LU-13</b>	<b>To promote appropriate and compatible development along Los Gatos Boulevard that complements the whole Town and serves residents and families.</b>
-------------------	---

## Policies

- Policy LU-13.1 Development shall transition from higher intensity uses at the north end of Los Gatos Boulevard to existing residential uses at the south end of Los Gatos Boulevard.
- Policy LU-13.2  Commercial activity along Los Gatos Boulevard shall complement the whole Town and shall provide a dependable source of income, employment opportunities, goods, and services.
- Policy LU-13.3 New projects along Los Gatos Boulevard shall incorporate a family and resident orientation.
- Policy LU-13.4 New development along Los Gatos Boulevard shall be designed to minimize adverse impacts on adjacent residential areas.
- Policy LU-13.5 Establish and maintain appropriate boundaries between the commercial uses along Los Gatos Boulevard and adjacent residential neighborhoods.
- Policy LU-13.6  Provide more pedestrian/bike areas and links to adjacent residential areas to foster neighborhood use of commercial centers.
- Policy LU-13.7 Allow auto dealers and other commercial property owners and merchants to conduct occasional promotional sales activities with a “festival” atmosphere with appropriate restrictions to reduce traffic congestion and impacts on neighboring commercial and residential uses.

## Actions

- Action LU-13.1 Work with existing auto dealers and other commercial property owners and merchants to develop an appropriate commercial image specifically for Los Gatos Boulevard.

TOWN OF LOS GATOS  
2020 GENERAL PLAN  
LAND USE ELEMENT

Action LU-13.2 Use the adopted Los Gatos Boulevard Plan and Commercial Design Guidelines to review development proposals and exterior improvements to existing buildings.

*This Page  
Intentionally  
Left Blank*

Chapter 29 - ZONING REGULATIONS  
 ARTICLE VIII. - OVERLAY ZONES AND HISTORIC PRESERVATION  
 DIVISION 5. HOUSING ELEMENT OVERLAY ZONE

## DIVISION 5. HOUSING ELEMENT OVERLAY ZONE

**Sec. 29.80.555. Intent.**

The Housing Element Overlay Zone (HEOZ) ordinance in this division is intended to increase the supply and the mix of housing types, tenure, and affordability within the Town of Los Gatos. Through appropriate densities, concessions, and fee deferrals or waivers, the HEOZ encourages the development of housing affordable to all income levels on sites within the Town that are deemed to be most appropriate for such uses. The Housing Element lists sites within the Town of Los Gatos as a key housing opportunity for mixed income affordable housing projects. The designation of these sites will assist the Town in meeting its Regional Housing Needs Allocation (RHNA), as required by the State.

**Sec. 29.80.5560. HEOZ and underlying zoning.**

A property that has the HEOZ designation may be developed based on the standards provided in this division or, where standards are not specified, then based on the standards provided in the underlying zone.

Pursuant to Government Code Section 65583.2(i), by right development will be allowed when 20 percent or more of the units are affordable to lower income households.

**Sec. 29.80.590. HEOZ general development standards.**

Proposed development within the HEOZ shall be designed and constructed in conformity with the development standards for the corresponding zoning and General Plan Land Use designation in Table 1A (Overlay Zones Development Standards).

**Table 1A (HEOZ Development Standards)**

General Plan Land Use Designation	Zoning	Minimum Yards	Maximum Lot Coverage	Maximum Floor Area Ratio (FAR)	Maximum Height Limit (ft)	Density Units Per Acre
Low Density Residential	R-1	As authorized by Section 29.40.405	50%	N/A	30 feet	0-5
Medium Density Residential	R-1D, R-D, and R-M	As authorized by Section 29.40.405, 29.40.530, and 29.40.645	75%	N/A	35 feet	14-22 or 5-12 in Very High Fire Hazard Severity Zones
High Density Residential	R-M	As authorized by Section 29.40.645	75%	N/A	45 feet	30-40
Mixed-Use	CH	As authorized by Section 29.60.435	N/A	3.0	45 feet	30-40
Neighborhood Commercial	C-1	As authorized by Section 29.60.225	N/A	1.0	35 feet	10-20
Central Business District	C-2	As authorized by Section 29.60.335	N/A	2.0	45 feet	20-30
North Forty Specific Plan	NF-SP	As defined in Specific Plan	As defined in Specific Plan	As defined in Specific Plan	As defined in Specific Plan	As defined in Specific Plan

Office Professional	O	As authorized by Section 29.60.100	N/A	1.0	35 feet	10-20
Service Commercial	LM	As authorized by Section 29.70.125	N/A	1.0	35 feet	none
Light Industrial	CM	As authorized by Section 29.70.235	N/A	1.0	35 feet	none