1	<u>A P P 1</u>	E A R A N C E S:
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3	Los Gatos Planning Commissioners:	Jeffrey Barnett, Chair Susan Burnett
4		Melanie Hanssen Kathryn Janoff
5		Emily Thomas
6	Town Manager:	Laurel Prevetti
7	Community Davidonment	Joel Paulson
8	Community Development Director:	Joel Paulson
9	Town Attorney:	Gabrielle Whelan
10		
11	Transcribed by:	Vicki L. Blandin (619) 541-3405
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LOS GATOS PLANNING COMMISSION 9/13/2023
Item #3, Amendments to Zoning Regulations re: ADUs

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## PROCEEDINGS:

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CHAIR BARNETT: We'll now move on to Item 3 on the agenda, which concerns Accessory Dwelling Units. We're again asked by Staff to forward a recommendation to the Town Council on Amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding Accessory Dwelling Units.

The proposed amendments also correct outdated references to sections of the Town Code, included in sections pertaining to termination of nonconforming use, requirements for two-unit developments under SB 9, and civil penalties.

Per Staff, the environmental impacts of the proposed amendment were analyzed in the Environmental Impact Report of the 2040 General Plan, and additionally the proposed amendments are exempt pursuant to CEQA Section 15061(b)3.

This is Town Code Amendment Application A-23-002; the project location is townwide; and the Applicant is Town of Los Gatos.

Are there any disclosures on this item? If not, Mr. Mullin, I invite you to make a presentation.

SEAN MULLIN: Thank you. In response to changes in State law the Town has updated the Town Code regarding ADUs in 2017 and 2020. New housing legislation continues to be signed into law, impacting ADUs on almost an annual basis. The latest bills impact ADUs; SB 897 and AB 2221 were signed into law and took affect on January 1st of this year.

With the latest changes at the State level Staff identified that the current ADU Ordinance requires updating once again. In addition to current State law Staff evaluated feedback and technical assistance from HCD regarding aspects of the Town's current ordinance, and direct input from residents of the Town regarding the impact of neighboring ADUs after construction. Staff determined that an overhaul of the current ordinance is necessary to align with State law, respond to HCD guidance, and address privacy impacts of new ADUs.

The Draft Ordinance that is being considered tonight carries forward much of the current ordinance language while introducing new content required by the State. The Draft Ordinance is reorganized into a framework that provides details on definitions, regulations, process, and fees. Your Staff Report discusses each of the draft ADU code sections and provides an assessment of the existing

regulations and how and why they are modified under the Draft Ordinance.

Overall, the Draft Ordinance provides a comprehensive framework for ADU regulations that complies with State law, incorporates feedback from HCD, and introduces design standards to help reduce privacy impacts resulting from ADU construction.

Included with the Draft Ordinance are three additional Town Code sections outside of the ADU ordinance that require minor revisions to update cross-references to the ADU sections that would change with the Draft Ordinance.

An addendum has been distributed correcting Table 1-2 in the Draft Ordinance and Staff recommends that these changes be incorporated into any motion to recommend approval to the Town Council.

In conclusion, Staff recommends that the Planning Commission review the Draft Ordinance and forward a recommendation of approval to the Town Council.

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

CHAIR BARNETT: Thank you so much, Mr. Mullin, and I'll turn to my Commissioners and see if they have any questions. Commissioner Hanssen.

COMMISSIONER HANSSEN: I wanted to ask the question for the benefit of the public, because I believe this to be the case. These changes in the ADU Ordinance are required for us to have a certifiable Housing Element, or they have to be done for the State to consider?

ATTORNEY WHELAN: The Town's ordinance needs to comport with State law, and in the absence of an amendment the State law would apply anyway, and so it makes sense to have the two be consistent.

JENNIFER ARMER: And I can add that while this is one of the implementation programs in the Housing Element, it isn't one of the rezonings that is required to be done prior to the January 31, 2024 deadline.

COMMISSIONER HANSSEN: Thank you for that clarification. I just wanted to make sure, since we had the meeting last night and there were a lot of people that were concerned about the deadlines.

With the last item I did not mention this, but Ms. Armer just did, that the last item was the required zoning changes that we need to comply with the January 31, 2024 deadline so that we don't have an issue with State control.

The only remaining step, as I understand it, and this is a question, is for the Town Council to approve those zoning changes?

JENNIFER ARMER: That is correct.

COMMISSIONER HANSSEN: Thank you.

CHAIR BARNETT: Other questions at this time?

You've probably already answered this question, but can you

State that the amendments that we're asked to recommend to

the Council are all in effect required to comply with State

law?

SEAN MULLIN: Thank you for that question. I would characterize that most of the changes that Staff has recommended are required to comply with State law. Staff has introduced some design standards that are not required by State law that would address some of the feedback that we received from residents as ADUs have been built next door. Typically the feedback is related to second-story ADUs and the privacy impacts from windows and decks.

An additional change that's outlined in the Staff Report relates to lot coverage and exempting ADUs from lot coverage, which is not required by State law, but would help remove barriers to creation of ADUs, which aligns with the Housing Element.

1	CHAIR BARNETT: Thanks so much. Commissioner	
2	Janoff.	
3	COMMISSIONER JANOFF: Thank you. A follow up	
4	question with regard to the design standards being invoked.	
5	The first question, are these objective design standards?	
6	SEAN MULLIN: Thank you for that question and	
7	that clarification. They are objective design standards,	
8	and if you took a close look at them next to the SB 9	
9	Ordinance that was adopted last year, they're very similar	
10	to some of the design standards that are included there.	
12	COMMISSIONER JANOFF: Just to follow up, even	
13	though an application to build an ADU is a ministerial	
14	process, the objective design standards would still apply?	
15	SEAN MULLIN: Yes.	
16	CHAIR BARNETT: Other questions at this time?	
17	Commissioner Hanssen.	
18	COMMISSIONER HANSSEN: I wanted to clarify that	
19	like the SB 9 Ordinance, we are allowed to do that even	
20	though it's not in the State law? We're allowed to have	
21	some design standards; we have the latitude to do that?	
22	SEAN MULLIN: That is correct, as long as they're	
23	objective design standards.	
24	COMMISSIONER HANSSEN: Got it. Thanks.	
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CHAIR BARNETT: We'll now open the public portion of the public meeting and invite comments from members of the public, if you have not already submitted a card, and we don't have any as far as I know. Oh, we do. I'm sorry; it's in my blind spot. Mr. Fagot.

LEE FAGOT: Good evening, Commissioners. Thank

LEE FAGOT: Good evening, Commissioners. Thank you for the time and effort you've put in, for a long time, repeatedly, to help us get this resolved. Truly appreciate it, and for the Staff working diligently, as well.

I do have a question on Table 1-2, Accessory

Dwelling Unit Setback Requirements, on the side, including
the street side, the setback for new attached ADU within an
existing space of a primary dwelling or accessory
structure. For the rear and side it simply says, "is
sufficient for fire and safety." What is the definition of
sufficient? Is it 4' or is it 11' as is the guidance on
emergency evacuation requirements for roadways and
pathways? Can you provide more specificity to that
requirement? Thank you.

CHAIR BARNETT: Staff, I would appreciate a response for Mr. Fagot.

SEAN MULLIN: Thank you. It's sort of an ambiguous term, "sufficient for fire and safety." It's directly out of the State law. As I understand it, it has

to do with evaluation on a case-by-case basis by the Building Division and the Fire Department. When we're looking at conversion of existing space, we're talking about a building that's already located there and they're simply converting it to an ADU that's attached, and that evaluation would take place under the Building Permit.

JENNIFER ARMER: To phrase it an additional way, it's really just saying that an ADU within the existing building would only be allowed to locate in a portion of the building that is safe for Fire, that it isn't so close to a property line that that causes a concern for the Fire Department, but as we just stated, it isn't new construction. For the new construction addition onto an existing house there are specific setbacks.

CHAIR BARNETT: Commissioner Hanssen.

COMMISSIONER HANSSEN: I'm surprised that the State law would let us do that, and maybe I don't know the process. It's not a rubber stamp thing. Someone would have to look at it, make a determination, and come out and see it. And you said it was in the State law, but it seems inconsistent with trying to not have any barriers to that, especially when it's the existing structure anyway.

SEAN MULLIN: Thank you. I think it recognizes opportunity in the already built environment to create

ADUs, and under review of a Building Permit the building official and the plan checkers are looking at the residential code, which has provisions in it as I understand not being a building official, to allow fire safety construction, looking at fire specifically, up to the property line. That may mean that windows might need to be changed under a plan check to be tempered and non-operable if they're too close to a property line, or exterior materials need to be fire rated if they're within 3' of a property line. I think the State's approach, my interpretation, is that it provides additional opportunity to create units in an already constructed building.

CHAIR BARNETT: Other questions? Mr. Beckstrom.

ERIC BECKSTROM: It's amazing to watch you guys and the process. I didn't know what the second story window was about in terms of regulations. I don't know if you could map that out a little bit. Maybe I misheard.

CHAIR BARNETT: Could Staff answer that question?

SEAN MULLIN: Thank you. I'm assuming that the speaker is talking about the design standards. The design standards require that the windows on a second story that are located less than 10' from rear or side property lines be Clerestory with the bottom of the glass located at least 6' above the finished floor of that second story, so in

lay-person's term, transom window. That's to limit the view into neighboring yards to the side and the rear.

There is an exception in that statement that says, "except as necessary for egress purposes as required by the Building Code." Should a bedroom be located on a side property line within 10' a transom window wouldn't allow proper egress, and if that's the only option available to that bedroom given the configuration of the ADU, the Town would allow a regular window that meets egress requirements to go into that space.

CHAIR BARNETT: Thank you. Any further comment or question?

ERIC BECKSTROM: That clarifies it, and I think especially the part about the egress. I appreciate and understand it. I'm not going to argue it or support it, but as an architect and somebody who has worked in Europe and with history and so forth, what can happen on some houses is they just look like they have bullet windows on the second floor.

A house, when it presents itself, is really a face, and a house is nice and welcomes people, actually it signals to people; like a temple tells you to come in, that's what architecture does. I'm not arguing with it, but it's a weird thing, because I've worked in a lot of

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different jurisdictions, it's nothing about Los Gatos, but these second floor windows that are up high and transoms, in a way it takes away the humanity of the space inside.

I live in Los Gatos just off Loma Alta with all these historic houses, so when a window is larger and lower and you're in that space, imagine you're a child and all you see is sky and blue? When it's a taller window you

I was just walking here from my house and there's a house that has a bunch of little transom windows on the second floor, because it was done ten years ago. The house that's next door to that is 1890s and has 7' tall doublehung windows, but nobody thinks about that. It's almost a big deal, because all the houses that I've worked on for years, people come in and it has big windows, it feels like you can see outside, it's why people moved to Los Gatos.

CHAIR BARNETT: Your time is up.

ERIC BECKSTROM: Thank you. Thanks for listening.

CHAIR BARNETT: Let me see if there are any questions from my fellow commissioners. I don't see any. Thanks so much. We have a card from Mr. Khanel.

PRADEEP KHANEL: Pradeep Khanel. I'm one of the residents of Los Gatos, one-and-a-half years in the town,

so I'm potentially considering an ADU in the future; I have a detached garage that is one-and-a-half floors.

I haven't done much research on what the regulations and rules are, so on a very high level I wanted to understand the new changes, the State changes. Has it made the process stricter or kind of relaxed? What I heard when I moved into Los Gatos was that the Town was kind of promoting and encouraging ADUs as much as possible. Is that still the sentiment or has that changed, or what is the implication on a high level? Thank you.

CHAIR BARNETT: Stand by. Questions from Commissioners? I don't see any. Would Staff respond to his question?

SEAN MULLIN: Thank you for that question. I think the general momentum behind the State is to make ADUs easier and easier to create. I think our ordinance, while it's getting longer in content, captures all the requirements of the State law and goes beyond the State law to make creation of ADUs easier; it removes barriers to creation.

JENNIFER ARMER: I would also add that over the last year the Town has continued to work in compliance with State law to simplify the process.

At the beginning of this year the process that was required for a new Accessory Dwelling Unit was changed so that it no longer requires a separate Accessory Dwelling Unit Permit from the Planning Department prior to the Building Department. Now there is one form that is filled out for a new ADU that provides the information that's needed for Planning and Building and the request for the new address for the ADU all at once to simplify, streamline, and reduce the fees that are required for those ADU processes.

CHAIR BARNETT: Thank you. I appreciate you coming today. I want to see if there are questions for you from Commissioners. Commissioner Thomas.

COMMISSIONER THOMAS: I don't have a question for the speaker, but thank you all for coming tonight and submitting public comment.

I did have a follow up question for Staff. I know that part of this is related to aligning with State laws and some of our implementation programs associated with the Housing Element, but I do know that there are some other jurisdictions that have additional incentives, I would say, other than the ordinances, so one of the questions is are there other plans for having ready-to-go plans online or

some of those other programs that I know some other local cities have?

SEAN MULLIN: I can start and then defer to Ms.

Armer. I'm not aware of any plans to have pre-approved plans. Several cities have that, and other cities have some allowances that the Town has not explored at this point, but if there are ideas that the Planning Commission has to remove barriers or allow different product types with ADUs, that could be part of your recommendation to the Council.

JENNIFER ARMER: What I would add on that subject is that in Santa Clara County there are a number of different regional agencies, groups of the different planning departments who do connect, and there is a planning collaborative that's been developing a handbook and website that helps step residents through the process. They've actually just published that in the last month, and so that is now available online. It's a little bit broader than specifically to Los Gatos' regulations and processes, but there are a number of resources like that, and they are working to have some designs kind of pre-designed.

It wouldn't be pre-approved, because each of our sites has its own specific situation and consistency in design with the main house is required, but they are working to provide some of these kind of pre-designed items

for ADUs to try to simplify and shorten and lessen the expense for those processes. So even if that's not being done here in Los Gatos, the regional groups are working on providing that.

CHAIR BARNETT: Commissioner Hanssen.

COMMISSIONER HANSSEN: Thank you for that question, Commissioner Thomas. I wanted to follow up. I think we asked this when we were discussing the Housing Element, because we have a certain number of units that are contributing to our RHNA that we expect to have. When we were having these discussions we were like let's make sure that we're encouraging and educating people on how to do ADUs so it's easy for them, like putting those links on our Town website so people like our recent speaker could say they really do want us to do ADUs and I don't know what to do, but I can just click on this and get help.

JENNIFER ARMER: Yes, thank you. We do have an ADU page on our website, with this particular example that I was giving of information on the regional level. We're taking a look at that to make sure that it is consistent with our processes before we post it and link it from our website, but that is something that we're considering.

In addition to that, in terms of making it easier for ADUs to be built, our Town Attorney just reminded me

that the Town doesn't actually charge a transportation impact fee for ADUs, even if they are over the 750 square feet where the State would allow us to charge at least a partial impact fee for transportation, so there are those elements as well where the impact fee, for example, are reduced.

COMMISSIONER HANSSEN: Thank you.

CHAIR BARNETT: Do we have any speakers on Zoom, Mr. Paulson?

JOEL PAULSON: Thank you, Chair. No, I don't see any hands raised on Zoom for this item.

CHAIR BARNETT: Thank you. We'll now close the public portion of the public hearing on Item 3 and ask if Commissioners have any remaining questions for Staff, wish to comment on the proposed recommendation, or introduce a motion regarding the recommendation for consideration by the Council. Commissioner Thomas.

COMMISSIONER THOMAS: I do have a question about the parking minimum, because I know that that was just carried over from our current ordinance, and I was wondering if that was just carried over because it doesn't conflict with any State laws, or if it was looked at with regard to reducing that? I know that that is on the list of

one of the things that can really help with eliminating some of the barriers.

SEAN MULLIN: Thank you for that question. It was evaluated to make sure that it was aligning with State law, and there was one minor change made to it; we moved a sentence out of the introduction paragraph down into the lettered list, otherwise we didn't make any other changes, because it did align with the State law.

COMMISSIONER THOMAS: I think that when I was looking at this-I know Staff worked really hard and did a great job and I really appreciate how thorough it was—there are usually not many people living in these ADUs, and there already are a lot of exceptions for the parking minimum, and I think that it would be something that the Town could easily commit to reducing, especially with all the work that we are planning on do.

I'm interested to hear what the other

Commissioners think about that, especially because I think
in this area we're hoping a lot of the ADU use is going to
be people that are retiring, downsizing, moving back in
with families, young children, and I'm just curious what my
fellow commissioners have to say about it. This feels like
low-hanging fruit to me.

CHAIR BARNETT: Are there any comments by Commissioners at this time? Commissioner Janoff.

COMMISSIONER JANOFF: Just a question. If you could point to the specific change that you were recommending?

COMMISSIONER THOMAS: Just getting rid of having a parking minimum, just eliminating it, unless there's something specific. I know in some jurisdictions if the garage is being turned into an ADU and then that parking is also eliminated, sometimes there is some substitution that is needed, but other than that just eliminating any restrictions associated with it.

SEAN MULLIN: Through the Chair, I can add some clarification. Relative to that specific scenario, per State law and the Draft Ordinance, if you eliminate a garage or convert it to an ADU you do not have to replace the parking, and that is included in our ordinance and that's actually the one sentence I think we moved. If the Planning Commission wanted to make the recommendation to eliminate the parking requirement, that would continue, in my read, to align with State law, because the State law is providing the minimums that you need to allow, and if we went a step further to be more permissible it's my understanding that that would be consistent with State law.

CHAIR BARNETT: Thank you. Commissioner Hanssen.

COMMISSIONER HANSSEN: I actually think it's a good idea to be more lenient on parking than the State law requires, encouraging the production of ADUs.

SEAN MULLIN: Through the Chair, I'd say in a majority of the ADUs that we process they would meet one of these exemptions, and so parking is not something that we tend to have a lot of conversations about. When we get up into the hillsides usually it's the transit exemption that gets triggered. You're far away from transit and most of those properties—not all, but most—tend to be able to accommodate the additional parking space that's required. My experience is it's not a conversation we have very often that people are having a hardship meeting the parking limit when it is required. I just wanted to offer that.

CHAIR BARNETT: Thank you. Commissioner Janoff.

COMMISSIONER JANOFF: It could be that people can't meet it, so they're not having a conversation; we don't really know. To me it's one of those situations where if it isn't a problem to reduce it, then why not do that, and that further underscores the Town's desire to increase housing; it's just one of those things you can add to the Housing Element. I would be in favor of doing that. We

talked about reducing parking requirements in a number of ways that seems consistent with that.

CHAIR BARNETT: For the public's knowledge, I want to confirm that the amendments were drafted by Staff but have been reviewed by Town Council.

SEAN MULLIN: Clarification, by the Town Attorney.

CHAIR BARNETT: By the Town Attorney, excuse me.

ATTORNEY WHELAN: Yes, that's accurate.

CHAIR BARNETT: Okay, thank you for that. I think we're ready for a motion.

question. Could I ask something else? I did also have a question about any density bonuses associated with ADUs, because I know that there are some jurisdictions that have also done something like that. Again, these are going above and beyond some of the State laws obviously, but I know that it's like a density bonus for multiple ADUs, which allows for construction of one unrestricted ADU for every affordable ADU deed restricted one. I know the City of San Diego adopted it.

JOEL PAULSON: Through the Chair. First of all, we don't count ADUs as density. We don't have anything that goes to the extreme that the City of San Diego has gone

1 through. That is one opportunity that they chose to go with so that they could encourage actual deed restricted 3 affordable ADUs. Virtually none of our ADUs are deed restricted, but that is one of the ways that folks could 5 encourage those deed restricted ADUs which are truly 6 affordable. Ultimately I think San Diego is a little 7 different scenario than we are, especially when it comes to 8 transit and many other topics, but there currently isn't anything that goes as far as, say, the City of San Diego. 10 COMMISSIONER THOMAS: Thank you. So there are no 11 other incentives that we could do to help with 12

JOEL PAULSON: There are, and there is an ordinance currently—we haven't finished it yet—which is the potential for using below market price fees for potentially building permit or a portion of building permit fees, but that program hasn't been fleshed out yet.

affordability?

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COMMISSIONER THOMAS: Okay, thank you.

CHAIR BARNETT: Commissioner Janoff.

COMMISSIONER JANOFF: I just wanted to reflect that at the rate that this ordinance continues to evolve, given that the State law is continuing to evolve, as we go forward into the sixth cycle of the Housing Element and see opportunities for change or further incentives, we can

always observe and make those recommendations at a later point. We may want to learn many more things from other jurisdictions, but I don't feel compelled to try to put them all in here tonight; I think it's a good idea to continue to keep looking at it.

CHAIR BARNETT: Commissioner Hanssen.

appreciate the suggestion from Commissioner Thomas to come up with ideas and look at what other people are doing to do with that. I think it might be a little premature for that and I concur with Commissioner Janoff's comment that the ADU laws are continuing to evolve and more things will come back from the State, and I don't know that that would be the thing that would encourage people to do deed restricted ADUs.

I haven't had those conversations directly with people and I'm sure what is going on is having a deed restricted ADU, if they decide to sell their home, is a liability to someone that was buying the home and they would have to look at that, so I'm not sure that that would be the thing that would fix it, and I think it would need to be studied, so I think we're good with what we have with the change in the parking.

CHAIR BARNETT: I see a growing consensus.

Commissioner Thomas.

COMMISSIONER THOMAS: I just want to add one more thing. Thank you, Chair. I agree. It was interesting to see the different ways that some other jurisdictions have tried to get them... Obviously our ADUs can't be sold separately, so I don't even know how the City of San Diego is doing these kinds of things, but it was interesting because there are some other places that have been able to make them affordable rentals.

I think that if these things come up in the future we should just keep on eye on it, which is why I wanted to bring it up. I agree that it's very far ahead to try to get it in here, and I also noticed that San Mateo County is working with a third party that basically provides support to applicants, and it seemed like a very cool project that was very low risk and impact to the County and Redwood City. It was like Redwood City, San Mateo County, it was some places up there, and that organization looked like they were doing a lot of helpful work, so if they reach out to us it would be great to partner with them, but I sounds like something like that is in the pipeline for Santa Clara County, which would be great.

JENNIFER ARMER: There are discussions about that and other similar potential programs.

CHAIR BARNETT: Other questions? Since

Commissioner Thomas brought up the issue about separate sales, can you comment on that, Mr. Mullin.

SEAN MULLIN: Sure, thank you for that. The State law currently prohibits separate sale of an ADU, and I'm going to make the distinction between ADU and JADU.

Separate sales of an ADU is prohibited unless it meets these very narrow criteria for being created by a nonprofit housing group and sold to a qualified buyer, which is defined by income. So there's a very small carve-out exception to allow a sale of an ADU separate from the house.

Relative to Junior Accessory Dwelling Units, which remember, are physically attached to the single-family residence, they are prohibited from sale and a deed restriction is required to be recorded that prohibits the sales among some other characteristics that need to be adhered to.

CHAIR BARNETT: Thank you for that clarification. I think we're ready for a motion. Commissioner Janoff.

COMMISSIONER JANOFF: I would propose a motion. First off, I'm looking at the recommendation on page 10 of

1	the Staff Report, and that is what I'm going to turn into a		
2	recommendation, with your concurrence.		
3	My recommendation is that we recommend to Town		
4	Council approval of the amendments to Chapter 20 of the		
5	Town Code; the Draft Ordinance amendments, Exhibit 2 of the		
6	Staff Report.		
7	The Planning Commission can make Findings 1 and 2		
8	of the Staff Report on the same page, and we would		
9	recommend that parking be eliminated from the ADU		
10	Ordinance, and the motion would incorporate Table 1.2,		
12	Accessory Dwelling Unit Setback Requirements, as provided		
13	in Item 3 Addendum.		
14	CHAIR BARNETT: Thank you. Do we have a second?		
15	Commissioner Hanssen.		
16	COMMISSIONER HANSSEN: I second the motion.		
17	CHAIR BARNETT: Any discussion? I don't see any,		
18	so we'll have a raise of hands for those who support the		
19	motion, and that's unanimous. Thank you very much. No		
20	appeal rights on this update?		
21	JENNIFER ARMER: That is correct, because it's a		
22	recommendation to Town Council, there is no appeal.		
23	(END)		
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