



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 11/07/2023

ITEM NO: 20

DATE: November 1, 2023

TO: Mayor and Town Council

FROM: Laurel Prevetti, Town Manager

SUBJECT: Approve a Recommendation of the Planning Commission to Introduce an Ordinance Titled "An Ordinance of the Town Council of the Town of Los Gatos to Apply the Housing Element Overlay Zone (HEOZ) to Provide for Increases to the Allowable Density, Height, Floor Area Ratio, and Lot Coverage for Residential Development on the Following Site Included in the Sites Inventory Analysis of the 2023-2031 Housing Element: 101 South Santa Cruz Avenue." An Environmental Impact Report was Prepared and Certified for the 2040 General Plan Update on June 30, 2022, which Included the Proposed Zoning Code Amendments. No further Environmental Analysis is Required. Zoning Code Amendment Application Z-23-003. Applicant: Town of Los Gatos.

RECOMMENDATION:

Approve a recommendation of the Planning Commission to introduce an ordinance titled "An Ordinance of the Town Council of the Town of Los Gatos to Apply the Housing Element Overlay Zone (HEOZ) to Provide for Increases to the Allowable Density, Height, Floor Area Ratio, and Lot Coverage for Residential Development on the Following Site Included in the Sites Inventory Analysis of the 2023-2031 Housing Element: 101 South Santa Cruz Avenue."

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 and 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 the community and identifies implementation programs to meet those housing needs. Unlike other General Plan elements, the Housing Element must be updated every eight

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

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

BACKGROUND (continued):

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.

On May 30, 2023, the Town received HCD's findings/comment letter on the Revised Draft Housing Element that was submitted to HCD on March 31, 2023.

The Town resubmitted the Draft Revised 2023-2031 Housing Element to HCD for review and comment on October 2, 2023. The materials distributed to HCD and additional materials on the ongoing Housing Element update process can be viewed online at:
<https://www.losgatosca.gov/1735/Housing-Element>.

On August 23, 2023, the Planning Commission opened the public hearing on this item, heard public comments, and continued the item to September 13, 2023 (see Item 6 of the October 3, 2023, Town Council Agenda).

On September 13, 2023, the Planning Commission heard additional public comments, and made a recommendation to Town Council for approval (see Item 17 of the November 7, 2023, Town Council Agenda).

On October 3, 2023, the Town Council continued the item to November 7, 2023, pending a potential discussion with HCD regarding the adequacy of the Town's Sites Inventory. Staff has a meeting scheduled with the Town's HCD reviewer on November 7, 2023, and will provide a verbal update on the results of the meeting at the November 7, 2023, Town Council meeting.

DISCUSSION:

As described in more depth in the staff report materials for Item 17 of the November 7, 2023, Town Council Agenda, this item is introduction of an ordinance to apply the Housing Element Overlay Zone to 101 South Santa Cruz Avenue.

PUBLIC COMMENTS:

Public notification has included a legal ad in the paper, noticing property owners, tenants, and properties located within 300 feet of all the sites listed within the Town. The meeting has also

PUBLIC COMMENTS (continued):

been publicized on the Town's website and through the Town's social media platforms. No comments have been received as of the preparation of this staff report.

ENVIRONMENTAL ASSESSMENT:

An Environmental Impact Report (EIR) was prepared and certified for the 2040 General Plan Update on June 30, 2022, which included the proposed Zoning Code amendments. No further Environmental Analysis is required.

CONCLUSION:

Staff recommends that the Town Council:

1. Make the finding that no further environmental analysis is required (Attachments 1);
2. Make the required finding that the proposed zone change is consistent with the General Plan and its elements in that the proposed zone changes are consistent with the proposed General Plan land use designations (Attachment 1); and
3. Introduce an ordinance of the Town Council of the Town of Los Gatos for Zone Change application Z-23-003 (Attachment 1).

ALTERNATIVES:

Alternatively, the Town Council may:

1. Continue this item to a date certain with specific direction to staff;
2. Refer this item back to the Planning Commission with specific direction; or
3. Take no action, leaving the General Plan and zoning designations unchanged.

Attachment:

1. Draft Ordinance with Exhibit A

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