



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 11/07/2023

ITEM NO: 17

DATE: November 1, 2023

TO: Mayor and Town Council

FROM: Laurel Prevetti, Town Manager

SUBJECT: Approve a Recommendation of the Planning Commission to Adopt a Resolution to Amend the General Plan Land Use Designation of 16492 Los Gatos Boulevard and Assessor Parcel Number (APN) 532-07-086 from Low Density Residential to Neighborhood Commercial; Amend the General Plan Land Use Designation of Caltrans Right-of-Way Adjacent to 14685 Oka Road from Low Density Residential to Medium Density Residential; and Introduce an Ordinance Titled "An Ordinance of the Town of Los Gatos Amending the Zoning Code from R-1:8 (Single-Family Residential) to R-M (Multiple-Family Residential) for a Caltrans Right-of-Way Property Located Adjacent to 14685 Oka Road; and 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 Sites Included in the Sites Inventory Analysis of the 2023-2031 Housing Element: APN's 424-06-116, 424-07-116, 424-08-029, 424-08-058, 424-08-059, 424-08-060, 424-08-074, and 532-07-085; 620 and 14000 Blossom Hill Road; 16210, 16240, 16245, 16250, 16260, 16270, and 16392 Burton Road; Cal Trans Right-of-Way Adjacent to 14685 Oka Road; 110 and 206 Knowles Drive; 445 Leigh Avenue; 440 Los Gatos Almaden Road; 16603 Lark Avenue; 14823, 14831, 14849, 14859, 14917, 14925, 15795, 16151, 16203, and 16492 Los Gatos Boulevard; 165 Los Gatos Saratoga Road; and 14800 and 14840 Oka Road."

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 and Zoning Code Amendments. No further Environmental Analysis is Required. Zoning Code Amendment Application Z-23-003 and General Plan Amendment Application GP-23-003. Applicant: Town of Los Gatos.

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

RECOMMENDATION:

Approve a recommendation of the Planning Commission to adopt a resolution (Attachment 1) to amend the General Plan land use designation of 16492 Los Gatos Boulevard and assessor parcel number (APN) 532-07-086 from Low Density Residential to Neighborhood Commercial; and amend the General Plan land use designation of Caltrans right-of-way adjacent to 14685 Oka Road from Low Density Residential to Medium Density Residential; and introduce an ordinance (Attachment 2) titled “An Ordinance of the Town Council of the Town of Los Gatos Amending the Zoning Code from R-1:8 (Single-Family Residential) to R-M (Multiple-Family Residential) for a Caltrans Right-of-Way Property Located Adjacent to 14685 Oka Road; and 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 sites included in the Sites Inventory Analysis of the 2023-2031 Housing Element” as listed in the subject line above.

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 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 this 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 March 31, 2023, the Revised Draft Housing Element was submitted to HCD and included four additional parcels to the sites inventory based on the receipt of property owner interest forms. On May 30, 2023, the Town received HCD’s findings/comment letter on the Revised Draft Housing Element submitted in March.

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>.

BACKGROUND (continued):

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. On September 13, 2023, the Planning Commission heard additional public comments, and made a recommendation to Town Council for approval. The staff reports and attachments for the August 23, 2023, and September 13, 2023 Planning Commission meetings were previously provided as part of the October 3, 2023 Town Council staff report and can be viewed at the following link:

<https://meetings.municode.com/adaHtmlDocument>

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 the August 23, 2023 Planning Commission staff report (Attachment 3), the proposed General Plan land use designation changes included in the Draft Resolution (Attachment 1) and the zoning designation changes included in the Draft Ordinance (Attachment 2) are implementing two of the programs in the Housing Element by updating the development regulations on the properties listed above to make them consistent with the development assumptions shown in the Sites Inventory.

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

On September 13, 2023, the Planning Commission reviewed the proposed modifications described above and recommended approval to Town Council.

This agenda item includes all of the sites reviewed by the Planning Commission with the exception of certain sites because of anticipated Council Member recusals and the removal of site A-1 as described below. The application of the HEOZ to the sites that require recusals will be considered as separate agenda items:

- 401 - 409 Alberto Way; and 50 Los Gatos Saratoga Road: Will be considered as Item 18.
- 15300, 15349, 15367, 15405, 15425, 15480, and 15500 Los Gatos Boulevard: Will be considered as Item 19.
- 101 South Santa Cruz Avenue: Will be considered as Item 20.
- 50 Park Avenue and 61 Montebello Way: The Regional Housing Needs Allocation (RHNA) capacity only accepts net new units. Site A-1 has a minimum capacity of five units,

DISCUSSION (continued):

whereas there are 11 housing units on-site. Due to the housing capacity resulting in less than the exiting number of units on-site, and in response to the HCD Findings/Comment Letter received by the Town on May 30, 2023, the site has been removed from the Sites Inventory.

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 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 General Plan and 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 and Attachment 2);
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 (Attachment 1);
3. Make the required finding that the proposed zone changes are 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 2); and
4. Adopt a resolution to approve General Plan Amendment application GP-23-003 (Attachment 1); and
5. Introduce an ordinance of the Town Council of the Town of Los Gatos for Zone Change application Z-23-003 (Attachment 2).

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SUBJECT: General Plan Designation Amendment and Apply HEOZ/GP-23-003/Z-23-003

DATE: November 1, 2023

ALTERNATIVES:

Alternatively, the Town Council may:

1. Continue this item to a date certain with specific direction to staff; or
2. Refer this item back to the Planning Commission with specific direction.

Attachments:

1. Draft Resolution with Exhibit A – Location Maps
2. Draft Ordinance with Exhibit A – Location Maps

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