



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 04/18/2023

ITEM NO: 15

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DATE: April 13, 2023  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Provide Direction for the Potential Disposition and Use of Calhill Court (APN 529-21-034)

**RECOMMENDATION:**

Provide direction for the potential disposition and use of Calhill Court [Assessor's Parcel Number (APN 529-21-034)].

**BACKGROUND:**

A couple of years ago, staff discovered that the Town owned a 0.87-acre property along Calhill Court near the western terminus of Pine Avenue (see Attachment 1 for an aerial view and Attachment 2 for the APN map). The property has a General Plan Land Use Designation of Low Density Residential (0-5 units per acre) and is zoned R-1:8 (Single-Family Residential with a minimum lot size of 8,000 square feet). This agenda item is the first time the Town Council has had an opportunity to provide direction for this property.

**DISCUSSION:**

The Town Council may wish to provide direction for the future disposition and use of the subject property. The options include and are not limited to:

- Retain Town ownership of the property until after the Town has a certified Housing Element; or
- Direct staff to complete additional analysis regarding any constraints, limitations, or opportunities, including a property history assessment; or
- Consider leasing the land for a private residential development (market rate and/or affordable housing); or
- Consider selling the land for a private residential development (market rate and/or affordable housing); or
- Consider other alternatives.

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Reviewed by: Town Attorney, Community Development Director, and Finance Director

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DISCUSSION (continued):

If the Town Council decides to lease or sell Calhill Court, at a subsequent Council meeting, the Town Council would need to consider adopting a resolution declaring the property surplus. Under State law, certain entities, such as affordable housing builders and open space organizations, would be given the first opportunity to lease or purchase the land. If there is no interest by such entities, the Town could then negotiate with a prospective tenant or a buyer of its choice.

After the surplus process, if the Council is interested in leasing or selling the land, staff would prepare a Request for Interest (RFI) for the Council's consideration based on its preferences for desired uses. Once approved for distribution by the Council, potential tenants or buyers would submit responses to the RFI and the Council would decide which entity it would like to enter into an Exclusive Negotiating Agreement. Based on the negotiations, the Town Council would decide whether to enter into a lease or sale with the entity, or take other steps.

CONCLUSION:

Staff looks forward to the Council's initial direction for this property.

COORDINATION:

The preparation of this report was coordinated with the Community Development Director, Finance Director, and Town Attorney.

FISCAL IMPACT:

The fiscal impact depends upon the direction provided by the Town Council.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Aerial Photograph of the Subject Site
2. Assessor's Parcel Map