

DRAFT ORDINANCE

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS
AMENDING CHAPTER 29, "ZONING REGULATIONS," OF THE TOWN CODE
TO REPLACE THE AFFORDABLE HOUSING OVERLAY ZONE DIVISION 5 OF ARTICLE
VIII, "OVERLAY ZONES AND HISTORIC PRESERVATION," WITH THE HOUSING
ELEMENT OVERLAY ZONE AS DIVISION 5 OF ARTICLE VIII, "OVERLAY
ZONES AND HISTORIC PRESERVATION"**

ZONING CODE AMENDMENT APPLICATION Z-23-002

**PROPERTY LOCATION: TOWN WIDE
APPLICANT: TOWN OF LOS GATOS**

WHEREAS, the Town of Los Gatos 2023-2031 Housing Element identifies amending the Town Code to create the Housing Element Overlay Zone as a strategy to accommodate the Town's Regional Housing Needs Allocation (RHNA); and

WHEREAS, the Planning Commission at its meeting on August 23, 2023, reviewed the proposed Town Code amendments, held a public hearing, and forwarded a recommendation of approval to the Town Council; and

WHEREAS, this matter was regularly noticed in conformance with State and Town law and came before the Town Council for public hearing on October 3, 2023; and

WHEREAS, the Town Council accepted the report of the Planning Commission's recommendation of approval for the proposed Town Code amendment and held a public hearing; and

WHEREAS, the Town Council considered all facts and information related to a request to amend the Town Code as shown on Exhibit A.

**NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF LOS GATOS DOES
HEREBY ORDAIN AS FOLLOWS:**

SECTION I. FINDINGS

The Town Council finds as follows:

- A. No further Environmental Analysis is required as 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; and
- B. The Town Code Amendments are consistent with the General Plan and its elements in that

the proposed zonings are consistent with the proposed General Plan land use designations;
and

- C. That all proceedings have been conducted in compliance with the provisions of Government Code Section 65850 et seq.; and

SECTION II. AMENDMENTS

Chapter 29, Article VIII., Division 5 of the Town Code is hereby amended to read as follows:

ARTICLE VIII. OVERLAY ZONES AND HISTORIC PRESERVATION

...

DIVISION 5. HOUSING ELEMENT OVERLAY ZONE

Sec. 29.80.505. 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 key housing opportunities. The designation of these sites will assist the Town in meeting its Regional Housing Needs Allocation (RHNA), as required by the State.

Sec. 29.80.510. HEOZ and underlying zoning.

A property that has the HEOZ designation may be developed with a residential or mixed-use project based on the standards provided in this division or, where standards are not specified, then based on the standards provided in the underlying zone. The underlying zoning development standards will remain in effect for all other development without a residential component.

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. 29.80.515. HEOZ general development standards.

A proposed residential project, including a mixed-use project 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). Regardless of the underlying zoning designation, no residential project or mixed-

use project with residential may be developed that does not meet the applicable HEOZ 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	30-40
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

SECTION III. CEQA.

An Environmental Impact Report 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.

SECTION IV. Publication.

In accordance with Section 63937 of the Government Code of the State of California, this Ordinance takes effect 30 days from the date of its passage. The Town Clerk shall cause this ordinance or a summary thereof to be published in accordance with Section 36933 of the California Government Code.

SECTION V. Effective Date.

This Ordinance was introduced at a regular meeting of the Town Council of the Town of Los Gatos on the 3rd day of October 2023, and adopted by the following vote as an ordinance of the Town of Los Gatos at a regular meeting of the Town Council of the Town of Los Gatos on the ___ day of _____ 2023, by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

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

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