



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 01/21/2025

ITEM NO: 15

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**DATE:** January 16, 2025

**TO:** Mayor and Town Council

**FROM:** Chris Constantin, Town Manager

**SUBJECT:** Introduce an Ordinance Amending Chapter 29 (Zoning Regulations) of the Town Code Regarding Considerations for an Architecture and Site Application, Findings for a Conditional Use Permit, Manufactured Housing, and Private Open Space and Community Recreation Space Requirements, Pursuant to Implementation Program AQ of the 2023-2031 Housing Element. Adoption of this Ordinance is Exempt Pursuant to CEQA, Section 15061(b)(3) in That It Can be Seen with Certainty That It Will Not Impact the Environment. Town Code Amendment Application A-24-008. **Project Location: Town Wide.** Applicant: Town of Los Gatos.

**Ordinance Title:** An Ordinance of the Town Council of the Town of Los Gatos Amending Chapter 29, "Zoning Regulations," of the Town Code to Amend Considerations for an Architecture and Site Application, Findings for a Conditional Use Permit, Manufactured Housing, and Private Open Space and Community Recreation Space Requirements.

**RECOMMENDATION:**

Introduce an ordinance (Attachment 5) amending Chapter 29 (Zoning Regulations) of the Town Code regarding considerations for an Architecture and Site application, findings for a Conditional Use Permit, manufactured housing, and private open space and community recreation space requirements, pursuant to Implementation Program AQ of the 2023-2031 Housing Element.

**BACKGROUND:**

Implementation Program AQ of the Housing Element requires amendments to Chapter 29 (Zoning Regulations) of the Town Code to comply with state law and to ensure that there are adequate sites available to accommodate the identified sites in the Sites Inventory (Attachment 3). The proposed amendments, as specified in Implementation Program AQ, include:

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Senior Planner

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

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1. Amend the Zoning Code to include a Housing Element Overlay Zone (HEOZ) to apply to the sites included in the Site Inventory to modify the development standards (i.e., density, lot coverage, FAR, height) on those sites. The Town will commit to monitoring and evaluating the HEOZ development standards and complete the first evaluation of said standards by December 2026 and then annually thereafter, including outreach to the development community, and making adjustments as necessary. If it is determined that adjustments are needed, they will be completed within six months of the annual evaluation. The amended HEOZ Ordinance is projected to be adopted by the Town Council in March of 2024.
2. Clarify the text of the non-residential zones regarding housing.
3. Rezone the Caltrans Right-of-Way Site E3 from R:1:8 to R-M. Take additional steps to make the site available for residential development, including decertification, by the end of 2026. If by 2027 the site has not progressed to be available for residential development in the planning period, identify and add additional sites, if necessary, by 2028.
4. Amend the Accessory Dwelling Unit Ordinance (ADU).
5. Amend the Density Bonus Ordinance.
6. Amend the Architecture and Site considerations for a multi-family and mixed-use project to make them objective and provide certainty in outcomes.
7. Amend the Architecture and Site findings for a multi-family and mixed-use project to make them objective and provide certainty in the outcomes of the application review. Specifically, address Finding (4) relating to site layout and Finding (6) relating to the exterior architectural design of buildings and structures. These findings can be considered subjective and open to interpretation.
8. Amend the Conditional Use Permit findings for a multi-family and mixed-use project to make them objective and provide certainty in the outcomes of the application review. Specifically, address Finding (1) relating to the use of the property as desirable to the public convenience and Finding (2) relating to the integrity and character of the zone. These findings can be considered subjective and open to interpretation.
9. Amend the Zoning Code to clarify that the Town will comply with Section 65852.3 of the Government Code to allow the installation of manufactured homes.
10. Amend the Zoning Code to align the private open space and the community recreation space requirements for a multi-family and condominium project with the Objective Design Standards.
11. Amend the Zoning Code to align parking requirements for a multi-family and condominium project with the preparation of the Objective Design Standards.

DISCUSSION:

Items #1, #3, and #4 of Implementation Program AQ have been completed as they were all introduced by the Town Council on November 7, 2023, and adopted on November 21, 2023. In October of 2024, the Governor signed additional housing bills regarding ADU and Junior ADU regulations that went into effect on January 1, 2025. As a result, further amendments to the Town's ADU Ordinance (Item #4) are expected to be considered by the Planning Commission with a recommendation to the Town Council in early 2025.

Item #2 will be addressed through Implementation AB and is tentatively expected to be considered by the Planning Commission with a recommendation to the Town Council in 2025.

Item #5, a Zoning Code amendment to amend the Density Bonus Ordinance was introduced by the Town Council on December 3, 2024, and adopted on December 17, 2024.

Item #11 was erroneously included in Program AQ as the Town's Objective Design Standards does not contain parking requirements for multi-family and condominium projects. Reductions in parking standards required through Implementation Program AA of the 2023-2031 Housing Element will be considered in a separate Zoning Code amendment item on tonight's Town Council agenda.

Items #2 and #4 through #11 of Implementation Program AQ require amendments to Chapter 29 (Zoning Regulations) of the Town Code that are effective townwide and are not limited to the Sites Inventory of the 2023-2031 Housing Element.

Below is a summary of the amendments to Chapter 29 (Zoning Regulations) of the Town Code for the Town Council's consideration as required by Implementation Program AQ (Attachment 3):

- Modify the Architecture and Site findings to make them objective, specifically, Finding (4) relating to the site layout and Finding (6) related to the architectural design of the building (29.20.150, Items #6 and #7);
- Modify the Conditional Use Permit findings to make them objective, specifically, Finding (1) relating to the desirableness of the project to the public convenience or welfare and Finding (2) related to the integrity and character of the zone (29.20.190, Item #8);
- Modify the definition of a dwelling, single-family, by adding that the definition also includes manufactured homes pursuant to Section 65852.3 of the Government Code (29.10.020, Item #9); and
- Modify the private open space and community recreation open space requirements for a multi-family and condominium project to align with the Objective Design Standards (29.10.065 and 29.40.660, Item #10).

On December 10, 2024, the Planning Commission unanimously voted to recommend to the Town Council approval of the amendments to Chapter 29 (Zoning Regulations) (Attachments 1 and 2).

CONCLUSION:

If the Town Council introduces the proposed ordinance, it (Attachment 5) will be placed on the February 4, 2025, Town Council agenda for adoption and the ordinance will take effect 30 days after adoption.

PAGE 4 OF 4

SUBJECT: Zoning Code Amendments, Implementation Program AQ

DATE: January 16, 2025

COORDINATION:

This report was coordinated with the offices of the Town Manager and Town Attorney.

FISCAL IMPACT:

Adoption of this ordinance does not impact the Town's budget and is required under Program AQ of the 2023-2031 Housing Element.

ENVIRONMENTAL ASSESSMENT:

Adoption of this ordinance is exempt pursuant to CEQA, Section 15061(b)(3) in that it can be seen with certainty that it will not significantly affect the physical environment in that it will make minor changes to the regulations applicable to considerations for an Architecture and Site application, findings for a Conditional Use Permit, manufactured housing, and private open space and community recreation space requirements.

Attachments:

1. December 11, 2024, Planning Commission Staff Report, with Exhibits 1 through 2
2. December 11, 2024, Planning Commission Verbatim Minutes
3. Implementation Program AQ
4. Redline Town Code
5. Draft Ordinance