



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 04/07/2020

ITEM NO: 13

DATE: April 1, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Approve a Preferred Land Use Alternative Framework for the General Plan Update.

RECOMMENDATION:

Approve a Preferred Land Use Alternative Framework for the General Plan update.

BACKGROUND:

This item was previously scheduled for the March 17, 2020 Town Council meeting and the Town Council continued to the April 7, 2020 meeting.

The Town of Los Gatos is in the process of updating its long range, comprehensive General Plan that looks forward to the year 2040. The Town Council appointed a General Plan Update Advisory Committee (GPAC) consisting of two Council Members, three Planning Commissioners, members of the General Plan Committee, and other residents. The GPAC is an advisory body to the Planning Commission and Town Council. All GPAC staff reports are available online: www.losgatosca.gov/13/Agendas-Minutes

Key General Plan update milestones are brought to the Planning Commission and Town Council for consideration and approval. The purpose of this agenda item is for the Town Council to consider the Planning Commission's recommendation of approval of the GPAC recommended preferred land use alternative framework. This report focuses on the development of the preferred land use alternative recommended by the GPAC and Planning Commission.

PREPARED BY: Jennifer Armer, AICP
Senior Planner

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

DISCUSSION:

The identification of a preferred land use alternative framework is an important step in the General Plan update. The preferred alternative becomes the framework for the preparation of the 2040 General Plan Land Use Element and informs the other required Elements, including Open Space, Sustainability, and Mobility. The alternative provides high level guidance regarding the type and location of land uses, in combination with the Town Vision and Guiding Principles (approved by Town Council on August 20, 2019) to guide the development of General Plan goals, policies, and implementation programs through the conclusion of the update process (Attachment 1, Exhibit 6).

On June 20, 2019, July 18, 2019, and August 15, 2019, the GPAC met to discuss and provide direction for draft land use alternatives. As part of the materials provided for these discussions, the GPAC received an excerpt of the 2020 General Plan land use designations (Attachment 1, Exhibit 1), an excerpt of the Background Report, Section 3.3: Existing General Plan Land Use Designations (Attachment 1, Exhibit 2), a summary of the Regional Housing Needs Allocation (RHNA) objectives and factors (Attachment 1, Exhibit 3), information about Missing Middle Housing (Attachment 1, Exhibit 4), and a booklet of housing type examples (Attachment 1, Exhibit 5).

The GPAC discussed the importance of maintaining the Town's diverse economy, commercial and industrial businesses, and potential for new enterprises. As such, most of the GPAC discussions and direction focused on how the Town could meet its expected State mandates to plan for significant amounts of new housing in a way that would implement the Town Vision and Guiding Principles for the Town's General Plan 2040. The specific goal, as determined by the GPAC, was to provide 2,000 new residential units.

On December 12, 2019, the GPAC met to discuss the proposed land use alternatives and provide guidance on an upcoming Community Workshop. The consultants provided four land use alternative concepts (A, B, C, and D) designed to accommodate future housing growth. The description and analysis of the alternatives was provided to the GPAC in a Land Use Alternatives Report (available online: www.losgatos2040.com/documents.html).

The four alternatives vary based on certain assumptions, including height, density, and the redevelopment rate for each of the land use designations included in the analysis. In addition, the consultant identified seven opportunity areas where there is capacity to accommodate additional residential density due to the proximity of commercial services and/or employment centers to support additional development. The allowed density and redevelopment rates are set at a higher level for properties within the opportunity areas.

As described in the Land Use Alternatives Report, the preferred land use alternative could be one of the four alternatives described in the report (Alternative A, B, C, or D), or could be a combination of features from different alternatives.

DISCUSSION (continued):

On January 16, 2020, the Town hosted the second Community Workshop for the General Plan update process. The Community Workshop was held to inform the community about the

General Plan update process and obtain feedback regarding the land use alternatives. A summary of the Community Workshop and online feedback collected over the following two weeks is included as Attachment 1, Exhibit 10.

On January 30, 2020, the GPAC met to develop a preferred land use alternative recommendation. The GPAC received comparison tables for the four land use alternatives (Attachment 1, Exhibits 7, 8, and 9) to assist with its deliberations.

The GPAC had a robust discussion regarding the alternatives and the implications for development within Los Gatos. The GPAC considered eliminating Alternatives A and D from consideration because A did not achieve the housing target and D was too aggressive. Major topics of the discussion included:

- The need to meet the housing target by providing opportunities for a variety of housing strategies;
- The density range for the Low Density Residential land use designation;
- Compatible interface of development on major corridors with adjacent neighborhoods;
- Whether an entire opportunity area had redevelopment potential;
- Historic preservation;
- The additional regulatory controls in the Town's Zoning Code that would work in concert with implementation of the General Plan to maintain the Town's urban form in existing residential neighborhoods; and
- Opportunities for mixed-use in downtown.

The GPAC passed a motion (7-2 with Committee Members Quintana and Rosenberg opposed, and Committee Members Burch and Jarvis absent) to recommend Alternative C as a framework for the General Plan update with the addition of downtown as an eighth opportunity area. The General Plan update consultants have created a description of the recommended GPAC land use alternative framework (Attachment 1, Exhibit 11).

The GPAC recommendation is the outcome of their discussions and consideration of the approved Vision and Guiding Principles. The overarching framework provides Los Gatos with more housing opportunities and a menu of housing strategies. In this way, particular housing types would be available to and appropriate in certain geographic locations. For example, a duplex could be accommodated within the "shell" of an existing single-family home in a predominately single-family neighborhood, while vertical mixed use development might be more fitting for commercial corridors, such as Los Gatos Boulevard.

DISCUSSION (continued):

This approach maintains the unique character of Los Gatos, its historic neighborhoods, and business areas while creating opportunities to adapt to State requirements, create housing choices for seniors, millennials, and others to live in Town, and better integrate land use and transportation.

The preferred alternative is a framework. As the GPAC works on the Land Use Element and other content of the General Plan update, the GPAC may refine the specific application of height and density increases within and outside the identified Opportunity Areas.

On February 26, 2020, the Planning Commission met to discuss the GPAC preferred land use alternative framework recommendation. The Planning Commission received public comments that included concerns about increased heights and traffic, and support for missing middle type density and more housing downtown. The Planning Commission had a robust discussion regarding the alternatives and the implications for development within Los Gatos. Major topics of the discussion included:

- The General Plan timeframe, and why this plan has a 20-year timeframe;
- The order of the General Plan update process, particularly how the preferred land use alternative supports updates of the land use goals and policies;
- Height limits, and the potential for State density bonuses that could allow greater heights;
- The RHNA requirements, and the Town's housing needs; and
- The characterization of the potential traffic impacts of the alternatives.

Verbatim minutes are included as Attachment 2. The Planning Commission voted unanimously to recommend approval of the GPAC recommended preferred land use alternative, with a comment that the Planning Commission expects that further analysis and discussion on these topics will be part of the goals and policy development.

On March 4, 2020, the League of California Cities published an article online describing a housing production proposal supported by the League's board of directors by a near-unanimous vote in February 2020. The article is available online here:

<https://www.cacities.org/Top/News/News-Articles/2020/March/League-of-California-Cities-Unveils-Bold-Housing-P>

PUBLIC COMMENTS:

No written public comments have been received.

CONCLUSION:

Based on the recommendation of the GPAC and Planning Commission, staff recommends that the Town Council review and approve the Preferred Land Use Alternative Framework described in Attachment 1, Exhibit 11.

ALTERNATIVES:

Alternatively, Town Council can:

1. Approve the draft Preferred Land Use Alternative Framework with modifications; or
2. Remand the Preferred Land Use Alternative Framework to the GPAC or Planning Commission with specific direction; or
3. Deny the Preferred Land Use Alternative Framework and keep the existing General Plan land use regulations; or
4. Continue the matter to a date certain with specific direction.

COORDINATION:

This report has been coordinated with the Town Manager's Office.

FISCAL IMPACT:

This action has no fiscal impact. Funding for the General Plan update comes from the General Plan update fund. Sufficient funds are available in this account.

PUBLIC OUTREACH:

The Los Gatos General Plan update process has so far included the following outreach activities and other opportunities for community participation:

- All-hands kick-off meeting (August 23, 2018);
- Launch of the General Plan update website: losgatos2040.com (early September 2018);
- EngagementHQ (Topics and surveys opened October 1, 2018);
- Newsletter #1 General Plan Overview (October 1, 2018);
- Community Workshop #1: Assets, Issues, Opportunities, and Vision (October 17, 2018);
- GPAC Meeting #1 (October 30, 2018);
- GPAC Meeting #2 (December 11, 2018);
- Democracy Tent Presentation (March 14, 2019);
- Background Report (March 15, 2019);
- Newsletter #2: Background Report Summary (March 20, 2019);
- Spring into Green Booth (April 14, 2019);

PUBLIC OUTREACH (continued):

- GPAC Meeting #3 (April 23, 2019);
- GPAC Meeting #4 (April 30, 2019);
- GPAC Meeting #5 (May 23, 2019);
- GPAC Meeting #6 (June 20, 2019);
- Planning Commission Meeting on Vision Statement and Guiding Principles (July 10, 2019);
- GPAC Meeting #7 (June 18, 2019);
- GPAC Meeting #8 (August 15, 2019);
- Town Council Meeting on Vision Statement and Guiding Principles (August 20, 2019);
- Land Use Alternatives Report (December 2019);
- GPAC Meeting #9 (December 12, 2019);
- Community Workshop #2: Land Use Alternatives (January 16, 2019);
- GPAC Meeting #10 (January 30, 2020);
- Planning Commission Meeting on Preferred Land Use Alternative Framework (February 26, 2020); and
- GPAC Meeting #11 (March 5, 2020).

Additional outreach activities have included informational booths at the Farmers Market, the Library, and Music in the Park during Summer 2019.

ENVIRONMENTAL ASSESSMENT:

The Planning Commission's recommendation to the Town Council has no effect on the environment and is not subject to the California Environmental Quality Act (CEQA). A final decision on the preferred land use alternative will be considered as part of the approval of the 2040 General Plan. An Environmental Impact Report will be prepared as part of the General Plan update process.

Attachments:

1. February 26, 2020 Planning Commission Staff Report with Exhibits 1 - 11
2. February 26, 2020 Planning Commission Verbatim Minutes