



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 1/16/2018

ITEM NO: 14

DATE: JANUARY 10, 2018

TO: MAYOR AND TOWN COUNCIL

FROM: LAUREL PREVETTI, TOWN MANAGER

SUBJECT: ADOPT A RESOLUTION APPROVING AMENDMENTS TO THE NORTH 40 SPECIFIC PLAN. APN 424-07-009, 010, 024 THROUGH 027, 031 THROUGH 037, 052 THROUGH 054, 060, 063 THROUGH 065, 070, 081 THROUGH 086, 090, 094 THROUGH 096, 099, 100, 102 THROUGH 112, 424-06-115, 116, AND 129. PROPERTY OWNERS: YUKI FARMS, ETPH LP, GROSVENOR USA LIMITED, SUMMERHILL N40 LLC, DODSON, HIRSCHMAN, MATTES, VENTURA TRUSTEE, MOISENCO, LOS GATOS MEDICAL OFFICE CENTER LLC, LOS GATOS GATEWAY LLC, MBK ENTERPRISE, CONNELL, GIN, JOHN & ALLISON DIEP LLC, BERNAL, LG BOULEVARD HOLDINGS LLC, POLARIS NAVIGATION, EW REAL ESTATE LLC, LAZAAR ENTERPRISES LLC, KOTHARY, AND SWENSON TRUSTEE. APPLICANT: TOWN OF LOS GATOS

RECOMMENDATION:

Adopt a resolution (Attachment 16) approving amendments to the North 40 Specific Plan.

BACKGROUND:

On November 14, 2017, the Town Council held a Special Meeting to discuss potential amendments to the North 40 Specific Plan, received public testimony, and provided staff direction for amendments to the North 40 Specific Plan.

DISCUSSION:

Throughout the Special Meeting and following public testimony, the Council provided staff direction for amendments to the North 40 Specific Plan (see Attachment 18 for the minutes of the November 14, 2017 meeting). Staff has prepared amendments based on the direction from Town Council (Exhibit A of Attachment 16).

PREPARED BY: JOEL PAULSON
COMMUNITY DEVELOPMENT DIRECTOR

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

DISCUSSION (Continued):

The direction that was agreed to by three or more Council Members is outlined below and is followed by staff responses.

- **Allow a hotel with up to 200 rooms.**

An amendment to address this direction is not necessary. A 200 room hotel is estimated to contain approximately 160,000 square feet. Table 2-2 on page 2-10 of the existing Specific Plan allows up to 250,000 square feet for office and/or hotel uses which would accommodate a 200 room hotel. If a 200 room hotel (approximately 160,000 square feet) was approved there would be approximately 90,000 square feet remaining in that use category for potential office uses.

- **Allow increased height for a hotel to allow more open space.**

Changes have been incorporated into the proposed amendments to address this direction (Exhibit A of Attachment 16, page 2-11).

- **Eliminate the requirement of residential over commercial.**

Changes have been incorporated into the proposed amendments to address this direction (Exhibit A of Attachment 16, page 2-4 and 2-7).

- **Provide different traffic scenarios for the remaining square footage capacity for office and retail if the hotel is increased to 200 rooms within the current Specific Plan maximum square footage cap.**

Staff has prepared an exhibit that contains information regarding traffic scenarios (Attachment 17). The exhibit provides the peak hour traffic resulting from Project A and Project B which were included in the Environmental Impact Report (EIR) for the Specific Plan. The exhibit also contains three scenarios with different use allocations for the remaining square footage within the current Specific Plan maximum square footage cap.

Option 1 illustrates the peak hour trip generation for only the remaining square footage in the Commercial use category (332,000 square feet). This option does not exceed the peak hour trips for either of the projects (Project A and Project B) that were included in the EIR.

Option 2 illustrates the peak hour trip generation for a 200 room hotel (160,000 square feet) and the remaining square footage in the Commercial use category (207,000 square feet). This option does not exceed the peak hour trips for either of the projects (Project A and Project B) that were included in the EIR.

DISCUSSION (Continued):

Option 3 illustrates the peak hour trip generation for a 200 room hotel (160,000 square feet), the remaining square footage in the Office/Hotel use category (90,000 square feet of office), and the remaining square footage in the Commercial use category (117,000 square feet). This option does not exceed the peak hour trips for Project A or the PM peak hour trips for Project B, but does exceed the AM peak hour trips for Project B.

- **Add continuum of care facilities as a permitted use.**

This change has been incorporated into Table 2-1 (Exhibit A of Attachment 16, page 2-7).

- **Require a minimum of two Conceptual Development Advisory Committee meetings prior to submittal of a development application.**

Changes have been incorporated into the proposed amendments to address this direction (Exhibit A of Attachment 16, page 2-6).

Staff will also provide recommendations regarding when “should” should be replaced with “shall” in the Specific Plan in an Addendum.

In response to questions from a Council Member, the following additional information is being provided:

- **Is it possible for the Town Council to reduce the housing capacity of the Specific Plan to 237 units, effectively precluding any additional housing?**

While the Council could reduce the housing capacity to 237 units, this action would necessitate a modification to the Town’s adopted and certified Housing Element which is contrary to prior Council direction pertaining to potential Specific Plan amendments. The Housing Element identifies 270 units in the North 40 as part of the required sites inventory and recent State Law (Senate Bill 166) has added no net loss provisions which would require the Town to find another Housing Element site to accommodate the 33 unit reduction. These changes would need to be considered as a change to the Housing Element and staff is not recommending that the Town pursue this option.

- **Please clarify if the 33 remaining units include the existing units on the balance of Specific Plan area or if they are in addition to the existing units.**

The 33 remaining units assume the existing units on the balance of the Specific Plan are removed. If a project comes in that does not remove all of the existing units on the

DISCUSSION (Continued):

balance of the Specific Plan area then the 33 units would be reduced by the number of existing units that remain.

CONCLUSION:

This meeting will provide an opportunity for the Town Council to consider the amendments and the additional information that has been provided, receive additional public testimony, and discuss the potential amendments to the North 40 Specific Plan.

The proposed amendments are provided in Exhibit A of Attachment 16. The amendments are shown in red underlined font and all deletions are shown in red ~~strikethrough~~ font.

Staff recommends that the Town Council:

1. Make the finding that the Town Council certified an Environmental Impact Report (EIR) and Mitigation Monitoring and Reporting Program for the North 40 Specific Plan on January 20, 2015 (Resolution 2015-002) and no additional environmental review is necessary for the proposed amendments (Attachment 15);
2. Make the required finding that the North 40 Specific Plan amendments are consistent with the General Plan (Attachment 15); and
3. Adopt a Resolution (Attachment 16) approving amendments to the North 40 Specific Plan with any specific changes identified and agreed upon by a majority of the Town Council.

ALTERNATIVES:

Alternatively, the Council may:

1. Continue this item to a date certain with specific direction to staff;
2. Refer the item back to the Planning Commission with specific direction; or
3. Determine that modifications to the North 40 Specific Plan are not necessary.

CEQA DETERMINATION:

The Town Council certified an Environmental Impact Report (EIR) and Mitigation Monitoring and Reporting Program for the North 40 Specific Plan on January 20, 2015 (Resolution 2015-002) and no additional environmental review is necessary for the proposed amendments.

PUBLIC COMMENTS:

Public Comments received between 11:01 a.m. Tuesday, October 3, 2017 to 11:00 a.m. Friday, November 10, 2017 are included below in Attachment 19.

Attachments previously received with October 3, 2017 Study Session Report:

1. Town Council Suggestions for Potential Amendments to the adopted North 40 Specific Plan
2. December 15, 2016 Planning Commission Staff Report (with Exhibits 1-8)
3. December 15, 2016 Planning Commission Addendum Report (with Exhibit 9)
4. December 15, 2016 Planning Commission Desk Item Report (with Exhibit 10)
5. December 15, 2016 Planning Commission Verbatim Minutes (131 pages)
6. January 26, 2017 Planning Commission Staff Report (with Exhibit 11)
7. January 26, 2017 Planning Commission Addendum Report (with Exhibit 12)
8. January 26, 2017 Planning Commission Desk Item Report (with Exhibit 13)
9. January 26, 2017 Planning Commission Verbatim Minutes (115 pages)
10. Public Comments received 11:01 a.m. Wednesday, May 10, 2017 to 11:00 a.m. Thursday, September 28, 2017
11. Potential amendments based on GPC and PC discussions (including Exhibit A)

Attachments previously received with October 3, 2017 Desk Item Report:

12. Public Comments received 11:01 a.m. Thursday, September 28, 2017 to 11:00 a.m. Tuesday, October 3, 2017

Attachments previously received with November 14, 2017 Special Meeting Report:

13. North 40 Hotel Site Assessment
14. Public Comments received 11:01 a.m. Tuesday, October 3, 2017 to 11:00 a.m. Friday, November 10, 2017

Attachments received with this Staff Report:

15. Required Findings
16. Resolution (including Exhibit A)
17. North 40 Traffic Scenarios
18. November 14, 2017 Town Council Meeting Minutes
19. Public Comments received 11:01 a.m., Friday, November 10, 2017 to 11:00 a.m., Thursday, January 10, 2018

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