



**TOWN OF LOS GATOS**  
**PLANNING COMMISSION STAFF REPORT**  
**Meeting Date: March 30, 2016**

**ITEM NO: 2**

**PREPARED BY:** Marni F. Moseley, Associate Planner  
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**APPLICATION NO:** Architecture and Site Application S-13-090  
Vesting Tentative Map M-13-014

**LOCATION:** **North 40 Specific Plan Phase 1** (southerly portion of the North 40 Specific Plan area, Lark Avenue to south of Noddin Avenue)

**APPLICANT:** Grosvenor USA Limited

**CONTACT PERSON:** Don Capobres with Grosvenor and Wendi Baker with Summerhill Homes

**PROPERTY OWNERS:** Thomas M. Yuki Trust Et. Al./Yuki Farms, Robert & Georgianna Spinazze, Marianne Ezell, Grosvenor USA Limited, Summerhill Homes, James F. Dagostino Trustee, Elizabeth K. Dodson, William N. Fales, William Hirshman.

**APPLICATION SUMMARY:** Requesting approval for the construction of a new multi-use, multi-story development consisting of 320 residential units, which includes 50 affordable senior units; approximately 66,800 square feet of commercial floor area, which includes a market hall; on-site and off-site improvements; and a vesting tentative map. APNs: 424-07-024 through 027, 031 through 037, 070, 083 through 086, 090, and 100.

**RECOMMENDATION:** Open the public hearing, take testimony, and continue to a date certain.

**PROJECT DATA:**

General Plan Designation:	North 40 Specific Plan
Zoning Designation:	North 40 Specific Plan
Applicable Plans & Standards:	General Plan; North 40 Specific Plan
Project Area:	20.7 acres

ATTACHMENT 1

Surrounding Area:

	Existing Land Use	General Plan	Zoning
North	Agriculture, Commercial, and Residential	North 40 Specific Plan	North 40 Specific Plan
East	Commercial and Residential	Mixed Use Commercial	CH, R-1:8
South	Commercial, Office and Residential	Mixed Use Commercial, Low and Medium Density Residential	CH, R-1:8, and RD
West	Highway 17	N/A	N/A

CEQA:

An Environmental Impact Report (EIR) was prepared and certified for the North 40 Specific Plan on January 5, 2015. An Initial Study has been prepared and concludes that the proposed Phase 1 application is in compliance with the certified EIR.

FINDINGS:

- That the project is in compliance with the certified EIR for the North 40 Specific Plan.
- That the proposed project is consistent with the General Plan.
- That the project is consistent with the North 40 Specific Plan.
- As required by Section 29.10.09030(e) of the Town Code for demolitions.
- As required by Table 2-6 of the North 40 Specific Plan for reduction of non-residential setbacks.
- As required by Section 29.10.420 (a) of the Town Code if the Planning Commission denies the Density Bonus request.
- As required by Government Code Section 65589.5 if the Planning Commission denies the Development Standard waivers.
- As required by Section 66474 of the Subdivision Map Act if the Planning Commission denies the Vesting Tentative Map application.

CONSIDERATIONS:

- As required by Section 29.20.150 of the Town Code for granting approval of an Architecture and Site application.

ACTION: Open the public hearing, take testimony, and continue to a date certain.

EXHIBITS: Previously received under separate cover:  
1. Proposed Development Plans, received March 18, 2016 (242 pages)

Received with this Staff Report:

2. Location Map
3. Initial Study (79 pages)
4. Findings and Considerations (three pages)
5. Conditions of Approval for Vesting Tentative Map (six pages)
6. Conditions of Approval for the Architecture and Site Application (27 pages)
7. Letter of Justification (10 pages), received March 23, 2016
8. North 40 Narrative (seven pages), received February 8, 2016
9. Economic study letter (25 pages), received November 6, 2015
10. October 14 and November 11, 2015 CDAC Minutes (seven pages)
11. Response to CDAC comments (13 pages), received February 8, 2016
12. January 27, 2016 Historic Preservation Committee Minutes (five pages)
13. Consulting Architect Report (six pages), received December 18, 2015
14. Response to Consulting Architect Report (three pages), received February 8, 2016
15. Consulting Architect memo (six pages), received March 21, 2016
16. Consulting Arborist report (33 pages), received October 14, 2013
17. State Density Bonus Law - Government Code Section 65915-65918 (14 pages)
18. Density Bonus Ordinance and Program Guidelines - Ordinance 2209 (21 pages)
19. Letter from Barbara Kautz, received March 10, 2016 (16 pages)
20. Town's BMP Program and Guidelines - Ordinance 2181 (19 pages)
21. Public comment received through 11:00 a.m., Thursday, March 24, 2016

BACKGROUND:

As defined by State law, municipalities may prepare and adopt a Specific Plan to help implement the municipality's General Plan for a particular geographic subarea of the community. A Specific Plan provides more detailed land use and development guidance within the project area than occurs in the community's General Plan. Once a Specific Plan is adopted, development applications for the area are reviewed by the municipality for consistency with the Specific Plan as well as other governing land use documents in the community.

A draft Specific Plan for the North 40 Area was prepared in 1999, but was never adopted. In 2010, the Town Council adopted the 2020 General Plan. The 2020 General Plan required the preparation of a Specific Plan for the North 40 Area and included goals, policies, general guidelines, and implementation strategies to inform the preparation of the Specific Plan.

The North 40 Specific Plan Advisory Committee (N40 AC) was established by the Town Council on March 7, 2011. The goal of the N40 AC was to serve as an Advisory Committee to the Town Council and the Planning Commission through coordination with staff and interaction with the Community. The N40 AC consisted of nine members from the General Plan Committee, and up to six members of the community from the General Plan Update Advisory Committee. The N40 AC began meeting in March of 2011 and concluded their work on October 15, 2013.

An EIR for the Draft Specific Plan was prepared and circulated in early 2014. The Planning Commission considered the Draft Specific Plan and EIR at two meetings in June and August of 2014 and a recommendation of approval with modifications was forwarded to the Town Council on August 13, 2014. The Town Council considered the Draft Specific Plan and EIR on eight occasions between September 2014 and June 2015. The Final EIR was certified on January 5, 2015 and the North 40 Specific Plan was adopted on June 17, 2015, incorporating the modifications approved by the Council based on its deliberations, consideration of public testimony, Planning Commission recommendations, and all other information contained in the record.

The adopted North 40 Specific Plan contains a Vision and Guiding Principles that provide overarching guidance for development of the North 40 Specific Plan area, as follows:

*Vision*

The North 40 reflects the special nature of our hometown. It celebrates our history, agricultural heritage, hillside views, and small town character. The North 40 is seamlessly woven into the fabric of our community, complementing other Los Gatos residential and business neighborhoods. It is respectful of precious community resources and offers unique attributes that enrich the quality of life of all of our residents.

*Guiding Principles to Achieve this Vision*

- The North 40 will look and feel like Los Gatos.
- The North 40 will embrace hillside views, trees, and open space.
- The North 40 will address the Town's residential and/or commercial unmet needs.
- The North 40 will minimize or mitigate impacts on town infrastructure, schools, and other community services.

The approval of the North 40 Specific Plan amended the zoning of the property to North 40 Specific Plan. The Specific Plan provides a maximum allowable development capacity for the entire Specific Plan area of 270 residential units and 501,000 square feet of non-residential uses (additional details are provided on pages 2-6 thru 2-10 of the Specific Plan). The proposed Phase 1 Architecture and Site (A&S) application for approximately half of the Specific Plan area includes the majority of the residential units allowed within the Specific Plan area (237 of the 270 permitted) plus a State Density Bonus of an additional 83 housing units and approximately 66,800 square feet of commercial space.

The Specific Plan requires that each A&S application for new development within the Specific Plan Area comply with the process currently contained in Town Code. New multi-family and non-residential developments require Planning Commission approval. Additionally, the applicant is seeking a Vesting Tentative Map (VTM) for the subdivision of the area for the residential and the commercial parcels. Town Code requires VTMs to be approved by Town Council. As a result, the Planning Commission will provide a recommendation to the Town Council for both the A&S and the VTM.

DISCUSSION ITEMS:

The Planning Commission is the recommending body to the Town Council for the Phase 1 applications. In the consideration of its recommendation(s), the Planning Commission has discretion to determine how the proposed North 40 development applications comply with applicable Town policies, standards, and guidelines. Specific questions that the Planning Commission should consider when reviewing the proposed applications include, but are not limited to:

- Does the proposed development address the overall Vision and Guiding Principles set forth in the Specific Plan?
- Does the proposed development reflect the agrarian feel discussed within the Specific Plan?
- Does the open space provide for the open feel and uses of the property as directed in the Specific Plan?
- Is the architectural style and detailing consistent with the Town and the direction provided in the Specific Plan?

Additionally, there are two other issues for Planning Commission consideration. These items are discussed further within the Analysis section of the report and include:

- Tandem Parking: While permitted by the Specific Plan, Town Code does not provide minimum dimensions.
- Tree Species: The applicant is requesting that additional trees be considered beyond those provided in the Specific Plan.

PROJECT DESCRIPTION:

A. Location and Surrounding Area

The North 40 Specific Plan area is bounded by Highway 17 to the west, Los Gatos Boulevard to the east, Lark Avenue to the south and Highway 85 to the north. Phase 1 is the southerly portion of the Specific Plan area and spans from Lark Avenue to just south of Noddin Avenue (see Exhibit 2).

B. Architecture and Site Application

The proposed development included in the A&S application includes: 260 residential condominiums/rowhomes, 10 rental apartments (including two live-work units), 50 affordable senior rental units, and 66,791 square feet of commercial floor area.

C. Vesting Tentative Map Application

The VTM proposes to subdivide the 20.7-acre Phase 1 project area into 113 lots, with up to 320 residential condominiums.

D. Off-Site Improvements

The Specific Plan and certified EIR require off-site improvements within the Town and Caltrans right-of-ways. The applicant is proposing to build the required improvements along Lark Avenue for the full build out of the Specific Plan area, and interim improvements for Phase 1 along Los Gatos Boulevard. Specific improvements are discussed further in the Analysis section of the report. Full implementation of these improvements will require continued coordination between the applicant, the Town, and Caltrans.

ANALYSIS:

A. State Density Bonus

The State Density Bonus Law is one of several California statutes designed to implement an important state policy to promote the construction of low-income housing and to remove impediments to the same. When the Legislature adopted the State Density Bonus Law, it

declared that the housing shortage crisis must be addressed and that the State should rely on local governments to provide the necessary increased housing stock and that local discretion and powers shall not be exercised in a manner to frustrate the purposes of the State Density Bonus Law. The Density Bonus Law applies to all cities and towns. It requires cities and towns to adopt an ordinance that specifies how local compliance with the statute will be implemented.

The Town adopted a State mandated Density Bonus Ordinance in 2012 (Ordinance 2209, Exhibit 18). The Ordinance was intended to comply with the State's Ordinance (Gov't Code Section 65915-65918, Exhibit 17) and its requirements. If requested, the Ordinance requires that unless specific findings (Exhibit 4) can be made to deny the Density Bonus, the bonus and up to three concessions must be granted.

The proposed application includes 50 affordable senior rental units. 49 units are proposed to be very low and extremely low income (defined as 30-50% of the median income of Santa Clara County), and one manager unit would be moderate income (defined as 120% of median income of Santa Clara County). The proposed number of VLI units is in excess of 11 percent of the base market rate units (237 units); therefore the application qualifies for the requested Density Bonus of 35 percent (83 units).

The State Density Bonus Law provides that an applicant may request a waiver or reduction of development standards that would have the effect of physically precluding the construction of the project at the densities permitted under the statute. "Development standard" means a site or construction condition, including, without limitation, local height, setback, floor area ratio, on-site open space, and parking ratio requirements that would otherwise apply to residential development under local ordinances, general plan elements, specific plans, charters, or other local condition, law, policy, resolution, or regulation.

The waivers or reductions of development standards requested by the applicant are discussed at length within the applicant's Density Bonus Letter (Exhibit 19) provided by Barbara Kautz, Partner with Goldfarb Lipman Attorneys. The applicant's Density Bonus Letter provides supporting documentation explaining why certain development standards, if applied, would preclude the applicant from being able to provide the necessary density. The requested waivers and reductions in development standards are:

- **Definition of height:** The Specific Plan's definition of height aligns with that in Town Code (29.10.020) and includes the measurement from existing or proposed grade (whichever is lower) to the ridge directly above the grade. The applicant is requesting an exception to the inclusion of existing grade due to the topographical constraints in certain locations on the site. The proposed application would utilize the 35-foot maximum height as established by the proposed/finished grade. The proposed grade varies from the existing grade between zero to five feet depending on the location.

- Maximum permitted height for the senior/mixed use market hall building: The Specific Plan permits the mixed use/market hall building to be up to 45 feet in height, and does not permit the standard exceptions to height provided within Town Code. The proposed mixed use/market hall building includes several areas that exceed 45 feet in height. The requested exception would allow the senior/mixed use market hall building to have a maximum height of 51 feet.

In order for the Town to deny a waiver or reduction of a development standard, findings must be made, based upon substantial evidence, that the waiver or reduction would have a specific adverse impact upon public health and safety, or the physical environment, or on any real property listed in the California Register of Historical Resources, and there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the development unaffordable to low income, very low income, and moderate income households. The State Density Bonus law defines "specific adverse impact" as a significant, quantifiable, direct, and unavoidable impact, based on objective, and identified, written public health or safety standards, policies, or conditions as they existed on the date that the application was deemed complete.

B. Below Market Price Housing Program (BMP)

The overall purpose of the Town's BMP Ordinance and guidelines are to provide the Town with a supply of affordable housing. The Town's BMP Ordinance (Ordinance 2181, Exhibit 20) requires that multi-family developments of more than 100 units provide a number of BMP units equal to 20 percent of the market rate units. The proposed application includes 237 market rate units (the 83 units granted pursuant to the State Density Bonus discussed above are not included), resulting in a minimum BMP requirement of 47 units and 50 BMP units (21 percent) are proposed. The Town's BMP Guidelines (Exhibit 20) require that affordable units be comparable in size, type, and finish (i.e., materials) to the market rate units and that the location of the affordable units be dispersed throughout the development to the extent feasible. The Characteristics of BMP Units on page 4 of the BMP Guidelines discuss these requirements. The applicant is proposing the following deviations from the BMP guidelines: aggregating all of the affordable housing into a single affordable senior housing component, providing smaller units than the market rate units, and offering rental units when the market rate units are for sale units. The applicant has provided a response and justification to the proposed deviations from these Guidelines (Exhibit 19). Exhibit 19 also contains a BMP Plan which discusses the limitations of a senior restricted use based on State and Federal law.

C. Traffic

The EIR for the North 40 Specific Plan included a full Traffic Impact Analysis (TIA). The TIA studied the impact of the full build out of the North 40 Specific Plan on the existing roadways. The proposed application complies with the parameters analyzed in the EIR and the Specific Plan. The applicant will be required to pay traffic mitigation fees based on the proposed uses as well as provide the right-of-way improvements discussed below. As stated within the traffic study (Appendix D of the Initial Study in Exhibit 3), the proposed project would result in an increase of 3,819 average daily trips (ADT) and 155 new AM and 360 new PM peak hour trips. These impacts were anticipated with the implementation of the North 40 Specific Plan. The January 20, 2016 letter from Fehr & Peers provides additional information in regards the applications compliance with the certified EIR (Appendix D of Exhibit 3).

D. Parking

The Specific Plan provides off-street parking requirements for residential uses within the Specific Plan area, and refers to the required parking for the downtown (Section 29.10.150) for commercial uses. The proposed uses and applicable parking requirements are provided in the chart below. In addition to the off-street parking spaces provided within the private residential garages, the four level parking garage, and the at grade parking lots, the application provides 111 on-street parking spaces. All the streets within the development are proposed to be private, and would remain accessible to the public. While the application provides sufficient off-street spaces to meet the parking required pursuant to the Specific Plan, the additional on-street spaces provide additional capacity for guests and those using the open space and commercial businesses.

As shown in the table below, the project exceeds the parking requirements by 175 spaces.

<u>Proposed Uses</u>	<u>Specific Plan Parking Requirement</u>	<u>Proposed Use Total</u>	<u>Total Spaces Required</u>
<b>Commercial:</b>			
Retail/Personal Service	1/300 gross square feet	45,531 Sq. Ft.	151.77
Restaurant	1/300 (four seats)	14,631 Sq. Ft.	48.77
Bar/Tavern	1/300 (three seats)	2,916 Sq. Ft.	9.72
Community Meeting Room	1/590 gross square feet	3,115 Sq. Ft.	5.28
<b>Total Commercial Parking Required</b>			<b>216 Spaces</b>
<b>Residential:</b>			
	<i>Resident + Guest</i>		
Senior Affordable Units	$(.5/\text{Units} + .5/\text{Unit}) = 1/\text{Unit}$	50 Units	50
Single Bedroom Units	$(1/\text{Unit} + .5/\text{Unit}) = 1.5/\text{Unit}$	77 Units	115.5
Two or More Bedroom Units	$(2/\text{Unit} + .5/\text{Unit}) = 2.5/\text{Unit}$	193 Units	482.5
<b>Total Residential Parking Required</b>			<b>648 Spaces</b>
<b>Total Project Parking Required:</b>			<b>864 Spaces</b>
<b>Project Parking Provided:</b>			
Off-Street Parking:			
Multi-Story Garage			281
Parking Lots			173
Residential Garage			474
New On-Street Spaces:			
On-Street Parallel Spaces			111
<b>Total New Parking Spaces</b>			<b>1,039 Spaces</b>

The Specific Plan permits tandem parking for the residential units. The applicant is proposing to provide the required parking for 87 of the two or more bedroom units in a tandem garage. Town Code does not provide minimum dimensions for a tandem garage. Town Code provides the following parking dimension requirements:

- Single-car garage: 11 feet by 20 feet
- Two-car garage: 20 feet by 20 feet
- Standard off-street parking space dimension: 8.5 feet by 18 feet (an additional foot is required for each side where an encumbrance is located, up to a maximum of 10.5 feet by 18 feet).

The applicant has provided justification for the proposed tandem garage dimensions (11 feet by 36 feet) based on other existing developments and the requirements of other jurisdictions that permit tandem parking. However, the applicant is willing to provide a minimum of 11 feet by 38 feet for all tandem garages. Staff has included the larger dimension as a condition of approval (Condition 10 in Exhibit 6).

E. Open Space

The North 40 Specific Plan provides the minimum open space requirements for the Specific Plan Area within Chapter 2, and further discusses the design and implementation of open space throughout the Specific Plan Area in Chapter 3. The Specific Plan requires a minimum of 30 percent open space to be provided in each development application for the North 40. Of the 30 percent, a minimum of 20 percent must be in the form of “green” open space. The Specific Plan describes what falls into this category. The remaining open space may consist of hardscape, which is also defined within the Specific Plan. The proposed application provides approximately 39 percent of the development area as open space with a minimum of approximately 23 percent qualifying as “green” open space.

The applicant discusses the various types of open space and connectivity throughout the Phase 1 development area in their letter of justification (Exhibit 7). Sheet 6.5 of the proposed development plans details the open space provisions for the development. The proposal includes approximately one acre of private open space, and approximately seven acres of common open space. Of the common open space, the majority is passive (including the multi-modal path, sidewalks, and paseos) and approximately  $\frac{3}{4}$  of an acre is active with a community garden, barbeque area, dog park, and garden retreat.

This open space approach appears to meet the technical requirements and the design criteria provided in section 3.2.2 of the Specific Plan; however, the Commission may wish to comment on this in the context of the Vision and Guiding Principles. Both the Transition District and the Lark District have a larger common outdoor space to encourage public and private use. While these areas would be maintained by the Homeowners Association and the commercial management for the retail areas, all open space, with the exception of the private yards within the Garden Cluster units, would be open and accessible to the public.

The Historic Preservation Committee (HPC) considered the applications integration of the agrarian feel as discussed in the Specific Plan on January 27, 2016 (Exhibit 12). The HPC found that the application had met the direction of the Specific Plan.

F. On-Site Improvements

The applicant’s letter of justification discusses the proposed on-site improvements at length (Exhibit 7). These elements include a multi-use path that connects the residential and commercial components of the development with Lark Avenue and Los Gatos Boulevard. The installation of the multi-modal along Lark Avenue and Los Gatos Boulevard is

discussed in the off-site improvements section below. The proposed plans include a network of wide landscaped sidewalks and paseos that connect pedestrians and bicyclist to pocket amenities throughout the development (Sheet 11 of Exhibit 1).

G. Off-Site Improvements

The final off-site improvements will be designed and constructed to be consistent with the conditions of approval of the A&S application. The Vesting Tentative Map's off-site improvement plans are not part of the map and do not fully reflect the conditions of approval as typically the off-site improvement plans are finalized through the ministerial engineering improvement plans process with Parks and Public Works. Which occurs after the approval of the planning applications. The proposed improvement plans are attached for reference only on sheets 1.23 and 1.24 of the development plans (Exhibit 1). As is typical, off-site improvement details will be finalized through the Parks and Public Works' ministerial engineering improvement plan process that would occur following a decision on the planning applications.

The off-site improvements along Lark Avenue are proposed to be completed with the Phase 1 development, as well as a majority of the Los Gatos Boulevard (LGB) improvements. The Los Gatos Boulevard improvements include interim/temporary installations (with the exception of the west side curb, gutter and multi-use path) due to the necessary future right-of-way dedications on the east side of LGB to complete the full build out plan for Los Gatos Boulevard. The applicant is required to implement the following off-site improvements as detailed in the Specific Plan and EIR. All of these items are included as conditions of approval for the A&S application.

- Lark Avenue: Los Gatos Boulevard to State Route 17 Northbound Ramps:
  - In the eastbound direction, Lark Avenue will provide three through lanes and one left turn lane at Highland Oaks Drive, and two left turn lanes, one shared left/through lane, and one right turn lane at Los Gatos Boulevard.
  - In the westbound direction, widen Lark Avenue to provide three westbound lanes and one right turn deceleration lane at the new project driveway ('A' Street), and to provide four westbound lanes, two through and two right turn lanes, at State Route 17 northbound ramps. The westbound lanes will taper from three lanes to four lanes starting immediately west of 'A' Street.
  - Provide a bike lane in the eastbound direction from State Route 17 northbound ramps to Los Gatos Boulevard. A preserved 5-foot width will be provided in the westbound direction from Los Gatos Boulevard to State Route 17 northbound ramps.
  - Construct a pedestrian crosswalk across Lark Avenue immediately east of State Route 17 northbound ramps.
  - Construct a raised median island along Lark Avenue from State Route 17 northbound ramps to Los Gatos Boulevard.

- Lark Avenue/State Route 17 Northbound Ramps Westbound:
  - Provide two through lanes and two 200-foot right turn lanes onto Northbound State Route 17 freeway on-ramp.
  - Install a new signal to control the right turn movement for State Route 17 on-ramp.
  - Install a pedestrian crosswalk crossing the east leg of intersection.
  
- Lark Avenue at Highland Oaks Drive (un-signalized intersection):
  - Add a project driveway (South 'A' Street) on Lark Avenue opposite Highland Oaks Drive.
  - Provide left-in and right-in access and right-out access only.
  - Remove the left-turn lane from Lark Avenue into Highland Oaks Drive.
  - Provide an emergency vehicle access turning left into Highland Oaks Drive.
  - Provide a left-turn lane from Lark Avenue into 'A' Street.
  - Add a right-turn deceleration lane into 'A' Street .
  - Pedestrian movements crossing Lark Avenue at Highland Oaks Drive/'A' Street will be prohibited.
  
- Lark Avenue/Los Gatos Boulevard:
  - Eastbound: provide two dedicated left turn lanes, one shared through-left lane and one right turn lane.
  - Northbound: provide three dedicated left turn lanes, one through lane and one shared through/right lane.
  
- Los Gatos Boulevard:
  - Construct a continuous median island along Los Gatos Boulevard from Lark Avenue to the north project limits (Phase 1) except at the new intersection of Neighborhood Street, where left-turn/U-turn lanes will be provided.
  - Provide a new signalized intersection at Neighborhood Street.
  
- Los Gatos Boulevard at Neighborhood Street (signalized intersection):
  - Southbound Los Gatos Boulevard will provide one left turn lane, one through lane and one shared through/right lane. The improvements will not include a right-turn deceleration lane into Neighborhood Street.
  - Northbound Los Gatos Boulevard will provide one left turn lane, one through lane, and one shared through/right lane.
  - Neighborhood Street will have two entry lanes and two exit lanes.
  
- Multi-Use Path:
  - Along Los Gatos Boulevard from north of the project limits to approximately 800 feet north of Lark Avenue, continuing into and through the project site, connecting to Lark Avenue.
  - Along Lark Avenue from the northeast corner of the State Route 17 northbound on-ramp to the northwest corner of the Los Gatos Boulevard intersection.

- The connection to these intersections, i.e. Neighborhood Street/Los Gatos Boulevard, Lark Avenue/State Route 17 northbound on-ramp, Lark Avenue/'A' Street, and Lark Avenue/Los Gatos Boulevard, will be constructed with enhanced amenities, such as textured pavement and adequate waiting areas for pedestrians and bicyclists, encouraging use of the multi-use path.
- The location of the multi-use path is dependent on the off-site improvements, such as future curb and sidewalk. The location of multi-use path along Lark Avenue and Los Gatos Boulevard will be finalized prior to recordation of the Final Map.
- Transit Stop: Per the Specific Plan, transit stops are to be located in central locations, accessible to a majority of the Specific Plan area. Due to physical constraints pending the full build-out of Los Gatos Boulevard, the transit stops will remain at their existing locations. A bus pullout will not be constructed.
- Included in the conditions of approval is a requirement for the applicant to install a bike lane across the State Route 17 overpass, continuing to the Los Gatos Creek trail entrance at Charter Oaks. This will require continued coordination with Caltrans to implement.
- Sound Wall: The location of the sound wall is dependent on the off-site improvements, such as the future curb, sidewalk, and multi-use path. The sound wall location in the Vesting Tentative Map will be finalized prior to recordation of the Final Map.

#### H. Site Utility Improvements & Storm Drain Improvements

##### *Storm Drain*

The construction of the California State Route 17/85 interchange installed a 36 inch diameter storm drain pipe beneath California State Route 17 to Oka Road for the future North 40 development. The development will install new pipe from Oka Road to an existing 42 inch storm drain outfall stub at Los Gatos Creek.

On-site, the development will connect to the existing 36 inch storm drain pipe and to the Town storm's drain system on Los Gatos Boulevard, alleviating an existing Town storm drain line that is undersized.

Included in the proposed improvements are a series of bioretention facilities which will serve as stormwater treatment measures and minimize stormwater runoff. Additionally, a hydromodification storage vault will ensure that the development will not increase the potential for negative impacts to Los Gatos Creek.

### *Sanitary Sewer*

A 10 inch diameter sanitary sewer pipe was installed beneath California State Route 17, extending from the development site's western boundary to just east of Oka Road. The North 40 development will connect to the eastern stub to convey sewage from the development through the site. At Oka Road, the development will install a short segment of new pipe to connect to the existing sewer located within the Oka Road right-of-way.

### *Water*

An existing 24 inch water transmission pipe bisects the development area in a north-south alignment. The development will connect to this facility within the Lark Avenue right-of-way and re-route the pipe through the project site, connecting again on Los Gatos Boulevard. The development will also connect to the existing domestic water lines within both the Lark Avenue and Los Gatos Boulevard rights-of-way and create a looped on-site potable water system through its private streets and alleys.

### *Joint Trench*

Existing dry utilities, such as gas and electric, fiber optic, telephone and cable, are present within a joint trench located along the project's Los Gatos Boulevard and Lark Avenue frontages. The development proposes to connect to these existing facilities at both the Lark Avenue/'A' Street intersection and at Phase 1's northern development boundary along Los Gatos Boulevard. From these points of connection, new joint trench with these utilities will run along Los Gatos Boulevard and through the private on-site streets and alleys to provide connections to the residences and commercial buildings.

Review of the proposed utilities and discussions with the associated utility companies confirms that the utility upgrades and connections constructed with the Phase 1 development will address the capacity needs for the future phases.

## I. Architectural Consultant Review

The Consulting Architect reviewed the proposed development plans and provided a report (Exhibit 13) that details his recommended changes. His report also includes his professional opinion in regards to appropriateness of the architecture, details, and materials.

The Consulting Architect found; "this has the potential of being an outstanding example of a large scale mixed use development constructed in a relatively compressed time period, but with a texture and character of a neighborhood that has evolved over a much longer time frame...the applicant has adopted an approach to providing high quality design with the detail and diversity necessary to give the overall development the "look and feel of Los Gatos."

The Consulting Architect provided five recommendations for the applicant to address. The applicant provided a response to the Consulting Architects comments (Exhibit 14) and those changes have been incorporated into the final development plans (Exhibit 1). The Consulting Architect concluded (Exhibit 15) that his comments had been addressed in the revised development plans. The Commission may consider the comments of the Consulting Architect to assist in its review of the proposed applications.

The applicant is proposing a trellis to extend approximately 12 feet into the required 30-foot setback along Los Gatos Boulevard for building B2. This building is intended to be restaurant space, and the trellis would provide a covered dining patio. The Specific Plan permits setback reductions for non-residential buildings based on specific findings (Exhibit 4). The Specific Plan encourages the use of outdoor dining, and the allowance for the trellis would assist in defining the dining area as well as providing a feel of separation from Los Gatos Boulevard and the new intersection at Neighborhood Street.

J. Trees

There were two arborist reports prepared for the Specific Plan process, the first was completed in 2011 (appendix F in the EIR), and a second one in 2013 in preparation for Phase 1 development. Of the 17 'Key Protected Trees' recommended to be saved within the Specific Plan Area, eight are located in Phase 1. The 2013 report (Exhibit 16) downgraded two of these eight trees to 'fair' (not worth preserving; trees 108, and 134) and noted that one of the trees had been removed from the site (#154) in 2011.

The 2013 arborist report (Exhibit 15) surveyed 96 trees on the property. This did not include the orchard trees (walnuts that are less than 18 inches/protected size, which are nearing the end of their viability). Of those 96 existing trees, 45 were classified as having 'excellent, good, or fair/good' preservation suitability. The existing (non-walnut) trees are primarily either at the perimeter of the site, or in a cluster around the existing homes along Bennett Way. The applicant informed the Town that they considered ways to preserve as many trees as possible along the perimeter of the site and along Bennett Way; however, due to necessary access improvements and site grading, the applicant determined that it was infeasible to retain many of the trees. In Phase 1, the applicant is proposing to save 10 healthy trees. The applicant is proposing to continue to work with the Town's consulting arborist in regards to protecting and retaining these existing trees throughout construction. The application proposes to remove approximately 1,100 existing trees including the orchard trees, and to plant over 1,900 trees on-site with the Phase 1 improvements.

K. Demolition

The HPC considered the proposed demolition on January 27, 2016 (Exhibit 12). The Committee recommended approval of the demolitions proposed within Phase 1, with the understanding that the applicant intends to comply with the direction of the Committee regarding the Red Barn and the Adobe house located outside of the Phase 1 improvement area.

L. Conceptual Development Advisory Committee

The Conceptual Development Advisory Committee (CDAC) considered the proposed application on October 14, 2015 and November 11, 2015. The Committee discussed implementation of the proposed project in relation to Town policies and Ordinances and the North 40 Specific Plan (Exhibit 11). The Committee, as required by the Specific Plan reviewed and discussed the applicant's economic analysis report (Exhibit 9) and acknowledged the report's findings that the proposed commercial development would not have a negative impact on the downtown.

M. General Plan

The North 40 Specific Plan was found to be in compliance with the Town's General Plan and the Town's Housing Element. The goals and policies of the 2020 General Plan applicable to this project include, but are not limited to:

- Policy LU-1.8 – Commercial development of any type (office, retail, research and development, etc.) shall be designed in keeping with the small-town character of Los Gatos.
- Goal LU-12 – To ensure an appropriate mix of land use types along Los Gatos Boulevard in order to maintain the economic vitality of the corridor and continue to serve the needs of Town residents.
- Goal LU-13 – To promote appropriate and compatible development along Los Gatos Boulevard that complements the whole Town and serves residents and families.
- Goal CD-1 – Preserve and enhance Los Gatos's character through exceptional community design.

N. CEQA Determination

The Town Council certified an EIR for the North 40 Specific Plan on January 5, 2015. An Initial Study has been prepared to analyze the proposed uses and improvements associated with the Phase 1 project (Exhibit 3). The Initial Study concludes that the proposed development applications for Phase 1 comply with the environmental analysis completed with the certified EIR, and therefore no additional environmental analysis is required for the proposed applications. The recommended conditions of approval (Exhibit 6) include a condition requiring implementation of the applicable mitigation measures from the adopted Mitigation Monitoring and Reporting Program.

STORY POLES:

The applicant requested an exception to the Town's Story Pole Policy on February 16, 2016. The Town Council approved the applicant's request with modifications to the necessary time frame as well as requiring additional buildings to be poled. The applicant implemented the proposed story pole plan with the exception of the buildings along Los Gatos Boulevard and the remainder of building A-1 due to unanticipated conflicts with the required guy wires to support

the poles. The applicant is seeking a modification of the approved exception that is scheduled to be considered by the Town Council on April 5, 2016. The applicant has not fulfilled the requirements of the story pole exception and until the Town Council makes a determination on the requested modification, the Planning Commission cannot take an action on the proposed applications.

COORDINATION:

The information provided in this report and in the analysis of the applications was coordinated with the Town Attorney's Office, Town Manager's Office, Parks and Public Works Department, Santa Clara County Fire Department, the Bicycle and Pedestrian Advisory Committee, Caltrans, Valley Transportation Agency, and the Silicon Valley Bicycle Coalition.

PUBLIC COMMENTS:

All correspondence received prior to 11:00 a.m. on March 24, 2016 is included with this report (Exhibit 21) and additional comments received after this date and before 11:01 a.m. on March 30, 2016 will be forwarded to the Commission consistent with Town policy. Additional public comment is welcome prior to the continued discussion per Town policy.

In addition to the required public hearing notices, the Town has provided public notification and outreach throughout the application review process. Staff has provided updates on the application and links to the current application materials through the What's New section of the Town's Website, Next-Door, the Town's Facebook page, Twitter Feed, and through the email list established during the North 40 Specific Plan process. Additionally, the Town held a Community Open House in coordination with the applicant, which included the display of the applicant's scale model of the proposal and other information. Beginning in March 2016, the applicant held weekly coffee and questions in the Town Council Chambers Lobby. These efforts have provided an opportunity for the community to view the scale model, plans and materials, ask questions of the applicant and/or staff, and provide comments.

SUMMARY AND RECOMMENDATION:

A. Summary

In its deliberations on the applications, the Commission has the discretion to consider the overall Vision and Guiding Principles of the North 40 Specific Plan as well as other elements of the Specific Plan.

Based on the analysis provided above, the proposed applications meet the technical requirements of the North 40 Specific Plan, the goals and policies of the General Plan, and the Town's Housing Element. The proposed traffic impacts will be mitigated based on the required traffic mitigation fees and implementation of the proposed right-of-way improvements. The Commission should consider the recommended conditions of approval

to ensure the proposal meets the Specific Plan and other Town Codes, policies, and guidelines. Other specific comments and direction are welcome as part of the Commission's recommendation to the Town Council.

B. Recommendation

Due to the incomplete story pole installation, per the approved story pole exception granted by Town Council, the Planning Commission cannot take an action at the March 30 meeting. Staff recommends that the Commission open the public hearing input from the public and continue the applications to a date certain.

While the Commission cannot take an action at this time, once the required story pole installation has been completed, based on the summary above, staff recommends the Commission take the following actions to forward a recommendation for approval of the Architecture and Site application and Vesting Tentative Map to the Town Council:

1. Make the required finding that the proposed project is in compliance with the Certified EIR and that no further environmental analysis is required; and
2. Make the finding that the project complies with the General Plan (Exhibit 4); and
3. Make the finding that the project complies with the North 40 Specific Plan (Exhibit 4); and
4. Make the required findings as required by Section 29.10.09030(e) of the Town Code for granting approval of demolitions (Exhibit 4); and
5. Make the finding that the project complies with the North 40 Specific Plan for reduction of non-residential setbacks (Exhibit 4); and
6. Make the required considerations as required by Section 29.20.150 of the Town Code for granting approval of an Architecture & Site application (Exhibit 4); and
7. Approve Architecture and Site Application S-13-090 and Vesting Tentative Map application M-13-014 subject to the conditions contained in Exhibits 5 and 6 and the development plans (Exhibit 1).

If the Commission has concerns with the application, it can:

1. Forward a recommendation for denial to the Town Council; or
2. Forward a recommendation for approval with modified conditions of approval to the Town Council; or
3. Continue the matter to a date certain with specific direction.

  
Prepared by:  
Marni Moseley, AICP  
Associate Planner

  
Approved by:  
Joel Paulson  
Community Development Director

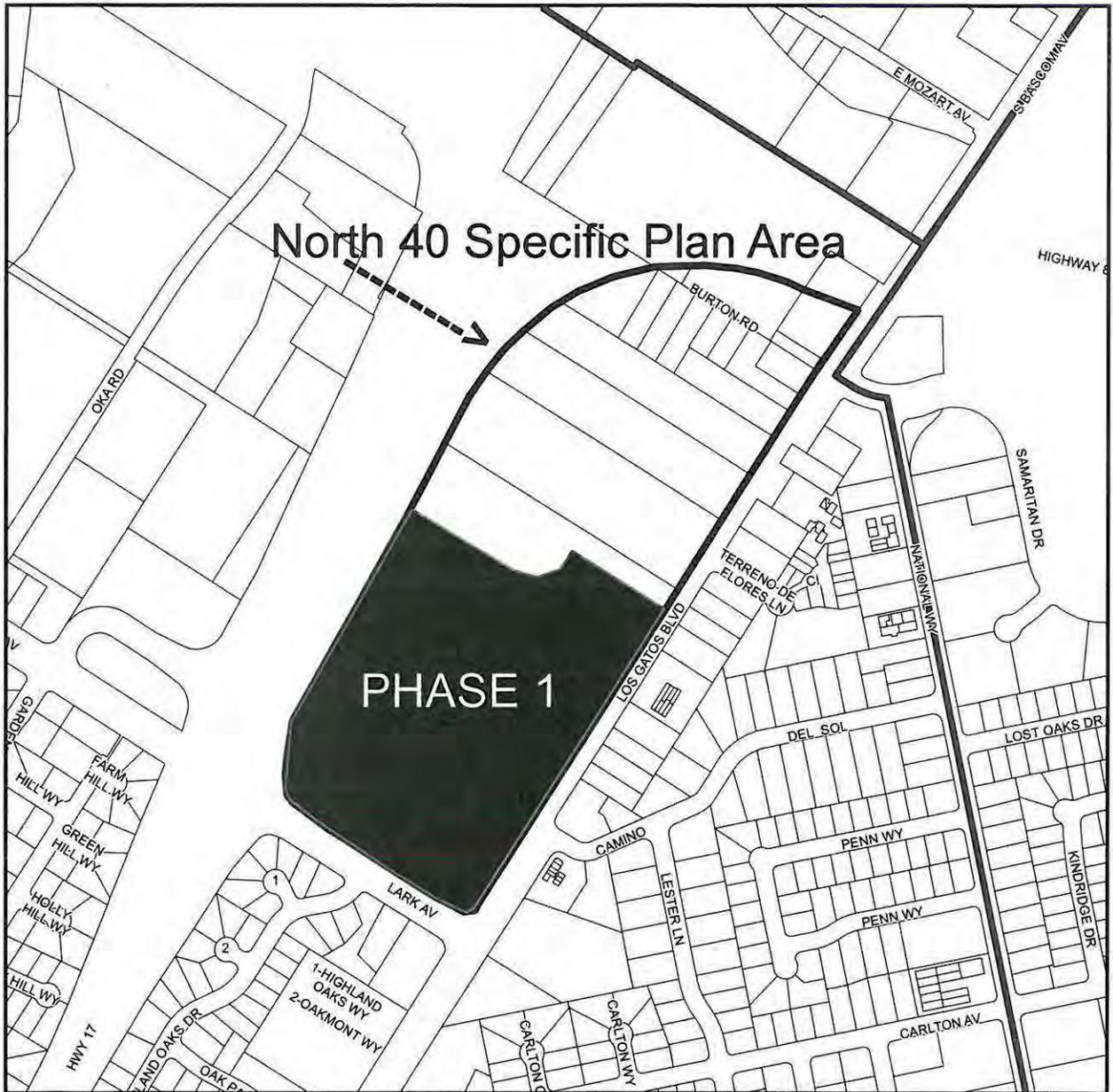
Planning Commission Staff Report - Page 20  
North 40 Phase 1/S-13-090/M-13-014  
March 30, 2016

JP:MM:cg

cc: Grosvenor Americas, Don Capobres, 1 California St., Ste. 2500, San Francisco, CA 94111  
Summerhill Homes, Wendi Baker, 3000 Executive Prkwy., Ste. 450, San Ramon, CA 94583

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# NORTH 40 PHASE 1



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*Planning for Success.*

INITIAL STUDY

# NORTH 40 PHASE I DEVELOPMENT PROJECT

Architecture and Site Application S-13-090

Vesting Tentative Map M-13-014

PREPARED FOR

Town of Los Gatos

March 23, 2016

Exhibit 3

EMC PLANNING GROUP INC.  
A LAND USE PLANNING & DESIGN FIRM

301 Lighthouse Avenue Suite C Monterey California 93940 Tel 831-649-1799 Fax 831-649-8399  
[www.emcplanning.com](http://www.emcplanning.com)



# NORTH 40 PHASE 1 DEVELOPMENT PROJECT

## Initial Study

Architecture and Site Application S-13-090  
Vesting Tentative Map M-13-014

PREPARED FOR  
Town of Los Gatos  
Joel Paulson, AICP, Community Development Director  
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March 23, 2016

This document was produced on recycled paper.





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- Appendix A Health Risk Analysis
- Appendix B Environmental Site Summary
- Appendix C Environmental Noise Review
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## A. BACKGROUND

Project Title	North 40 Phase I Development Project
Lead Agency Contact Person and Phone Number	Town of Los Gatos Community Development Dept. Marni Moseley, Associate Planner, 408-354-6802
Date Prepared	March 23, 2016
Study Prepared by	EMC Planning Group Inc. 301 Lighthouse Avenue, Suite C Monterey, CA 93940 Richard James, AICP, Principal Gina Hamilton, Senior Planner Elizabeth King, Senior Planner
Project Location	North of Lark Avenue, east of State Route 17, and west of Los Gatos Boulevard in the Town of Los Gatos, Santa Clara County, CA.
Project Sponsor Name and Address	Grosvenor One California Street, Suite 2500 San Francisco, CA 94111 Summerhill Homes 3000 Executive Parkway, Suite 450 San Ramon, CA 94583 Eden Housing 22645 Grand Street Hayward, CA 94541
General Plan Designation	North Forty Specific Plan
Zoning	North Forty Specific Plan

### Setting

The project site is located within the southern half of the North 40 Specific Plan area (“Plan Area”) in the Town of Los Gatos. The project site comprises approximately 20.7 acres and is bounded by Lark Avenue to the south, State Route 17 to the west, Los Gatos Boulevard to the east, and State Route 85 to the north. [Figure 1, Regional Location](#), and [Figure 2, Project Vicinity](#), identify the project location.

## **Project Site Existing Conditions**

The project site currently hosts a mixture of agricultural and urban uses. Two commercial buildings and four houses are located along Los Gatos Boulevard. An additional 12 residences and equipment shed are located on Lark Avenue and Bennett Way. Existing commercial uses include offices, car rental, and a drinking establishment. Much of the project site is a walnut orchard.

## **Project Vicinity Existing Conditions**

Existing commercial uses adjacent to the project site and within the plan area include large medical office buildings along Los Gatos Boulevard near Bennett Way and a gasoline station at the intersection of Lark Avenue and Los Gatos Boulevard. A mix of houses, commercial, and agricultural uses are located elsewhere within the plan area and commercial, office, and residential uses are located across Los Gatos Boulevard and Lark Avenue. State Route 17 is to the west of the project site. [Figure 3, Existing Conditions](#), illustrates the existing land uses on and near the project site.

## **Project Site and Vicinity Planning Designations**

The *Town of Los Gatos 2020 General Plan* ("General Plan") identifies the project site with the North 40 Specific Plan Overlay land use designation, which is implemented through the North 40 Specific Plan. The project site is within the Lark and Transition districts of the North 40 Specific Plan, which allow a mix of residential and commercial uses and establish the development standards for the project site.

## **CEQA Approach**

The Town adopted the North 40 Specific Plan on June 17, 2015. Environmental documentation for the North 40 Specific Plan, the *North Forty Specific Plan Environmental Impact Report* ("North 40 EIR"), was certified in January 2015. This initial study has been prepared to compare the proposed project with the development assumptions studied in the North 40 EIR, to determine if the North 40 EIR provides adequate environmental review under the California Environmental Quality Act ("CEQA"), and to assess whether additional environmental review is required in accordance with CEQA Guidelines section 15162.

## **Project Summary**

The proposed project is Phase 1 of development under the North 40 Specific Plan, and includes 320 new residential units and 67,991 square feet (57,522 net leasable square feet) of new

commercial space. Existing site improvements would be removed, including: 16 houses, five commercial buildings (about 9,400 square feet), and accessory structures; an equipment barn; related infrastructure, landscaping, and orchard trees. The proposed project would result in net increases of 304 residential units and about 58,600 gross square feet of commercial space. The applicant has submitted an Architecture and Site application and a Vesting Tentative Map for Condominium Purposes application to the Town. The submittals include the following supporting materials:

- parcel subdivision map dimensional and horizontal control plans;
- demolition diagram;
- preliminary grading plan;
- preliminary utility plan;
- street and site cross-sections;
- off-site improvements plan;
- fire access diagram;
- illustrative site plans;
- building, parking, coverage, and open space tabulations;
- landscape plans;
- residential and commercial building elevations;
- residential floorplans;
- commercial site plans;
- building height diagrams; and
- shading diagrams.

The proposed land uses and their arrangement are consistent with the development regulations contained in the North 40 Specific Plan. [Figure 4, Illustrative Site Plan](#), shows the proposed location of streets and buildings within the project site.

### **Transition District Development**

Development within the Transition District is proposed to be high density mixed use development consisting of retail, senior affordable housing, and condominiums designed for small households (e.g.: young professional and empty nester). Uses in the Transition District would be primarily multi-story buildings ranging in heights from 25 feet up to 55 feet. The

proposed improvements for the Transition District include 127 residential units and 67,991 gross square feet of commercial uses as well as 138,500 square feet of structured parking.

The commercial uses would be clustered along the Los Gatos Boulevard frontage between Camino del Sol and Terreno de Flores Lane. The commercial component would consist of restaurants, general and specialty retail, and personal services uses, with a 20,000 square-foot specialty food market hall as a focal feature. Several one to two-story stand-alone retail buildings and a live-work building would also be located in the Transition District. Included in the commercial square footage is a 2,000 square-foot community meeting room.

The senior units would be located as part of a mixed use area within the Transition District. The senior units would range from about 550 to 800 square feet, and occupy the second and third stories of the market hall retail building. Row homes and condominiums would be three stories in height and located between the retail mixed use area and the western boundary of the project site. The row home and condominium units would range from 1,000 to 2,000 square feet in buildings arranged around pedestrian paseos.

A combination of surface parking and parking garages would serve the condominiums and retail uses and a one-story below grade parking garage would serve the senior residential and the market hall. A variety of public spaces, including garden areas, parks, outdoor eating areas, and plazas would be located within the Transition District for the use of residents and shoppers.

### **Lark District Development**

The development in the Lark District is proposed to be residential with a centrally located community park and interconnecting pedestrian paseos. The 193 residential units within the Lark District would be comprised of one, two, and three bedroom units. The maximum building height would be 35 feet.

The residential development would consist of garden cluster homes, row houses, and condominium clusters. Garden cluster units would be built as five- seven- or eight-unit buildings around individual yard areas, two and three stories tall, with attached and semi-attached units ranging from approximately 1,200 to 2,000 square feet. The three-story row houses would be in groups of five, six, or seven units, with units ranging from 1,500 to 1,950 square feet. Condominium clusters would be three stories in height and include 16 units ranging in size between 1,000 and 2,000 square feet. Parking would be provided in private garages accessed from an alley or street.

### **Infrastructure**

Existing infrastructure, including roads, parking areas, septic systems, and wells would be removed from the project site. An existing regional water delivery pipeline would be re-located

within the project site and new utility and circulation infrastructure would be constructed to serve the new development. On-site and off-site infrastructure improvements would be constructed for the project. New storm water drainage facilities would be constructed to direct storm water flows to Los Gatos Creek. New water lines would be installed to connect with the San Jose Water Company facility to the west of Lark Avenue. New wastewater lines would be constructed to collect wastewater and deliver it to trunk lines leading to the regional treatment plant.

A new street (South Street A) would be constructed at the midway point on Lark Avenue providing a connection from Lark Avenue through the residential development and connection to the new street (Neighborhood Street) which provides access to the commercial area via Los Gatos Boulevard. Neighborhood Street is located at a point approximately mid-way between Bennett Avenue and Terreno de Flores Lane. Local private streets and alleys would provide access to the residential development and provide additional circulation throughout the project area. Sidewalks and pedestrian paseos (including a multi-use path) would interconnect throughout the project site, including a path along Lark Avenue and Los Gatos Boulevard, and a path connecting the Lark District residential uses with the commercial area. Off-site improvements to the Lark Avenue onramp to northbound State Route 17 would be constructed.

## **Public Agencies Whose Approval is Required**

### **Lead Agency**

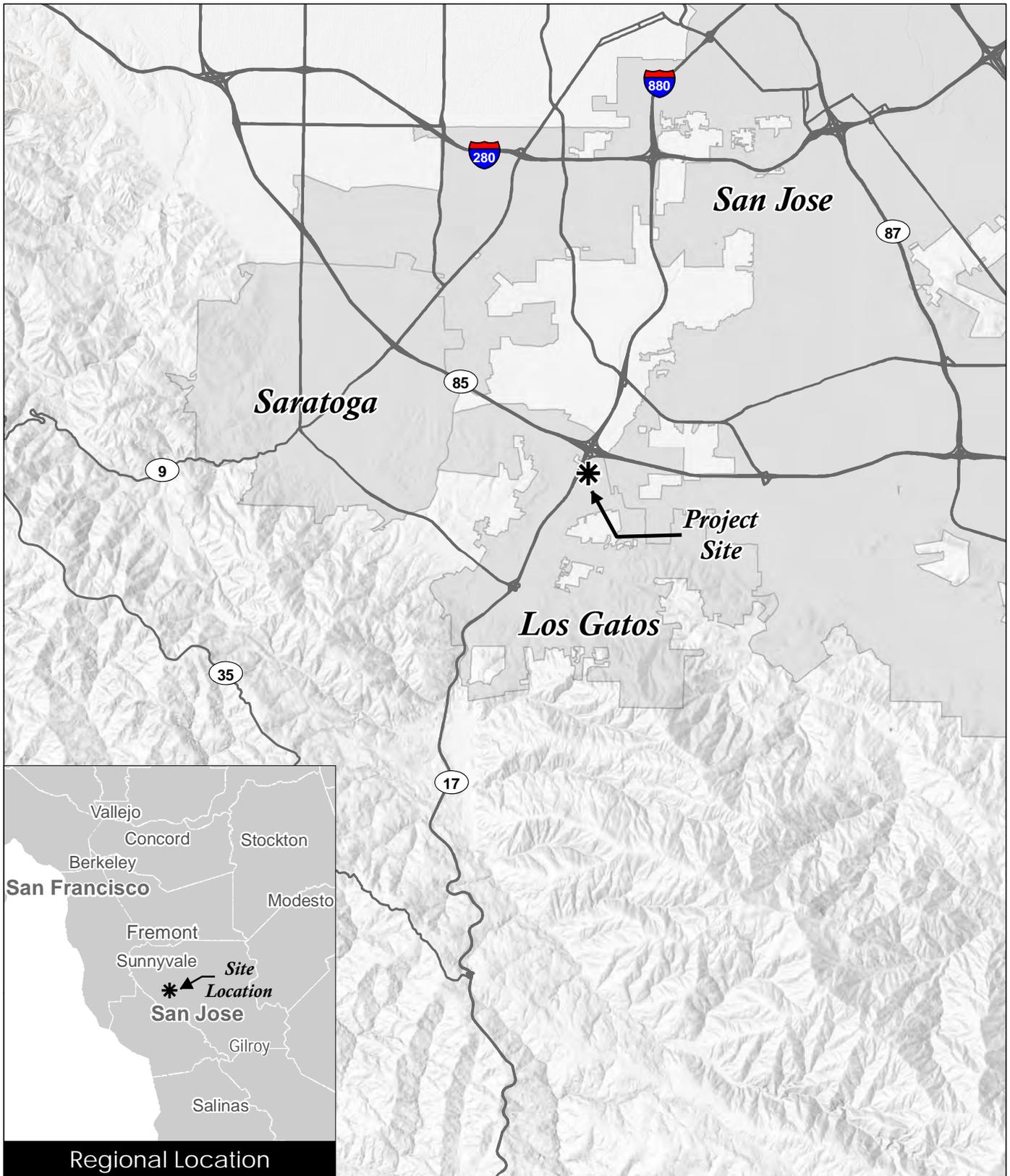
- Town of Los Gatos
  - Zoning Amendment;
  - Lot Line Adjustment and Subdivisions;
  - Conditional Use Permits;
  - Architecture and Site Reviews;
  - Encroachment Permits for improvements within a Town street right-of-way;
  - Grading Permits;
  - Tree Removal Permits;
  - Demolition Permits; and
  - Building Permits.

### **Other Local or Regional Agencies**

- County of Santa Clara Department of Environmental Health, Solid Waste, and Site Mitigation Programs (Responsible Agency)
  - Construction within a contaminated soils clean-up area.
- Santa Clara Valley Water District (Responsible Agency)
  - Relocation of district water line.
  - New storm water discharges to district facilities.
  - Water Resources Protection Ordinance encroachment permit.
- Regional Water Quality Control Board (Responsible Agency)
  - National Pollutant Discharge Elimination System Permits.
- Santa Clara Valley Transportation Authority (Responsible Agency)
  - Bus stop construction and/or re-location.
- West Valley Sanitation District
  - Wastewater system connections
- San Jose Water Company
  - Water system connections and re-location of existing water transmission facilities

### **State Agencies**

- California Department of Transportation (Responsible Agency)
  - Encroachment Permits for improvements within a State Route right-of-way.
- California Department of Toxic Substances Control (Responsible Agency)
  - Construction within a contaminated soils clean-up area.



Source: Esri 2010

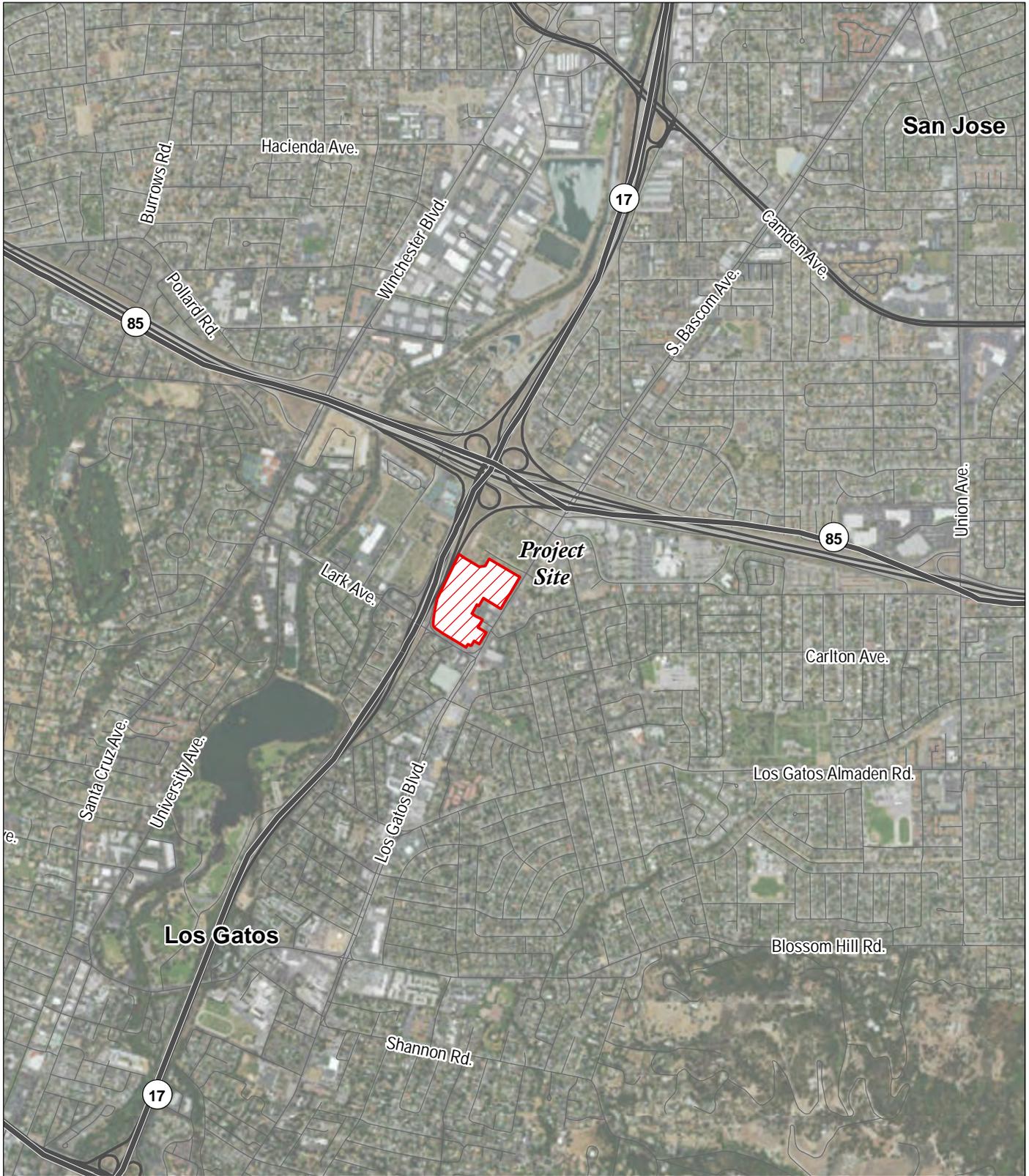
Figure 1

## Regional Location

North 40 Phase 1 Initial Study



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Source: Esri 2010



Figure 2  
Project Vicinity

North 40 Phase 1 Initial Study

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Source: Google Earth 2011



Figure 3  
**Existing Conditions**  
 North 40 Phase 1 Initial Study

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Source: Grossvenor 2016

Figure 4  
 Illustrative Site Plan  
 North 40 Phase 1 Initial Study

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## **B. ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED**

The environmental factors checked below would be potentially affected by this project, involving at least one new impact that is a “Potentially Significant Impact.”

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Aesthetics                         | <input type="checkbox"/> Greenhouse Gas Emissions      | <input type="checkbox"/> Population/Housing                 |
| <input type="checkbox"/> Agriculture and Forestry Resources | <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Public Services                    |
| <input type="checkbox"/> Air Quality                        | <input type="checkbox"/> Hydrology/Water Quality       | <input type="checkbox"/> Recreation                         |
| <input type="checkbox"/> Biological Resources               | <input type="checkbox"/> Land Use/Planning             | <input type="checkbox"/> Transportation/Traffic             |
| <input type="checkbox"/> Cultural Resources                 | <input type="checkbox"/> Mineral Resources             | <input type="checkbox"/> Utilities/Service Systems          |
| <input type="checkbox"/> Geology/Soils                      | <input type="checkbox"/> Noise                         | <input type="checkbox"/> Mandatory Findings of Significance |

## C. DETERMINATION

On the basis of this initial evaluation:

- I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- I find that the proposed project MAY have a “potentially significant impact” or “potentially significant unless mitigated” impact on the environment, but at least one effect (1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and (2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (1) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (2) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

---

Joel Paulson, Community Development Director

---

Date

## D. EVALUATION OF ENVIRONMENTAL IMPACTS

### Notes

1. A brief explanation is provided for all answers except “No Impact” answers that are adequately supported by the information sources cited in the parentheses following each question. A “No Impact” answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A “No Impact” answer is explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
2. All answers take account of the whole action involved, including off-site as well as on-site, cumulative as well as a project-level, indirect as well as direct, and construction as well as operational impacts.
3. Once it has been determined that a particular physical impact may occur, then the checklist answers indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. “Potentially Significant Impact” is appropriate if there is substantial evidence that an effect may be significant. If there are one or more “Potentially Significant Impact” entries when the determination is made, an EIR is required.
4. “Negative Declaration: Less-Than-Significant Impact with Mitigation Measures Incorporated” applies where the incorporation of mitigation measures has reduced an effect from “Potentially Significant Impact” to a “Less-Than-Significant Impact.” The mitigation measures are described, along with a brief explanation of how they reduce the effect to a less-than-significant level (mitigation measures from section XVII, “Earlier Analyses,” may be cross-referenced).
5. Earlier analyses are used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier document or negative declaration. [Section 15063(c)(3)(D)] In this case, a brief discussion would identify the following:
  - a. “Earlier Analysis Used” identifies and states where such document is available for review.

- b. “Impact Adequately Addressed” identifies which effects from the checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and states whether such effects were addressed by mitigation measures based on the earlier analysis.
  - c. “Mitigation Measures”—For effects that are “Less-Than-Significant Impact with Mitigation Measures Incorporated,” mitigation measures are described which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
- 6. Checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances, etc.) are incorporated. Each reference to a previously prepared or outside document, where appropriate, includes a reference to the page or pages where the statement is substantiated.
- 7. “Supporting Information Sources”—A source list is attached, and other sources used or individuals contacted are cited in the discussion.
- 8. This is the format recommended in the CEQA Guidelines as amended January 2011.
- 9. The explanation of each issue identifies:
  - a. The significance criteria or threshold, if any, used to evaluate each question; and
  - b. The mitigation measure identified, if any to reduce the impact to less than significant.

## I. AESTHETICS

Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Have a substantial adverse effect on a scenic vista? (1, 2, 3, 5)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
b. Substantially damage scenic resources, including but not limited to trees, rock outcroppings, and historic buildings within a state scenic highway? (1, 11)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
c. Substantially degrade the existing visual character or quality of the site and its surroundings? (1, 2, 3, 5)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>
d. Create a new source of substantial light or glare, which would adversely affect day or nighttime views in the area? (2, 3)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>

**Comments:**

- a. As discussed in the North 40 EIR (pages 3-8 – 3-10), the North 40 Specific Plan establishes development parameters for the project site, some of which could have an effect on views of scenic vistas, including specifications for landscaping, development density, bulk, and height of future development. Of these, height limits and landscaping are most likely to have effects on views.

The North 40 Specific Plan allows a hotel and a mixed use with affordable units building up to 45 feet tall, and residential and non-residential buildings up to 35 feet tall. A further height limit of 25 feet is placed on any portion of a building within 50 feet of Lark Avenue or Los Gatos Boulevard. With the exception of the market hall/senior housing building, all of the proposed buildings are 35 feet tall or lower. The market hall/senior housing building would have a height of 45 to 51 feet, including architectural features and mechanical equipment. The height exception is being requested as a waiver of development standards through the State Density Bonus Law which prohibits the Town from imposing a design standard that precludes the applicant from providing the density (number of units) permitted with the density bonus.

The North 40 EIR determined that buildings near State Route 17 could reach 35 feet in height before they began to break the mid-range vegetation line shown in North 40 EIR Figure 14. The buildings proposed adjacent to State Route 17 have a maximum height of

35 feet. The buildings would be visible from the highway until the buffer landscaping matured, at which time they would be obscured from view. The market place/senior housing building would be located about 425 feet from the State Route 17 right-of-way, and the additional 10 to 13 feet of height would not interfere with views toward the Santa Cruz Mountains.

The North 40 EIR determined that the tree buffer proposed in the North 40 Specific Plan along the State Route 17 and State Route 85 frontages would be consistent with General Plan policy, which calls for a vegetative buffer and screening along the freeways. The North 40 EIR noted that the list of three tree species identified in the North 40 Specific Plan for the perimeter areas adjacent to the freeway may eventually reach dimensions that could result in partially obscured views of the mountains from State Route 17. The North 40 EIR concluded that the landscape buffer along State Route 17 and State Route 85 would implement General Plan policy, and the landscape screening would have a less-than-significant impact on scenic views. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

The North 40 Specific Plan provides a list of three acceptable trees for the perimeter areas adjacent to the freeways: Coast live oak (*Quercus agrifolia*), Coast redwood (*Sequoia sempervirens*), and Monterey pine (*Pinus radiata*). The planting palette for the Transition District identifies these three tree species as buffer trees (Architecture and Site application, sheet 2.5). The Lark District planting palette does not show any particular trees for the highway buffer area, but Sheet 6.18 provides a detail showing the use of Canary Island Pine adjacent to the proposed sound wall, therefore, a vegetative buffer would obscure views of most of the proposed Lark District buildings. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

- b. State Route 17 is not an eligible scenic highway where it passes the project site. The project site is not visible from State Route 85. The North 40 EIR concluded that neither of the adjacent State Route segments is designated as a scenic highway, and therefore, development under the North 40 Specific Plan would not damage scenic resources within a state scenic highway (North 40 EIR, page 3-10). The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- c. The project site includes developed areas and orchards. The clearest views into the project site are from Lark Avenue and northbound State Route 17. The proposed project would result in development of approximately half of the undeveloped land within the North 40 Specific Plan. Phase 1 development is expected to occur over a period of approximately two to five years. The North 40 Specific Plan establishes development

- parameters that will affect how development changes the character of the project site, including requirements for open space and landscaping, and limitations on height, density, and bulk of future development. The proposed project is consistent with the development parameters. The proposed project would result in development heights mostly similar to the existing office buildings within the Plan Area and along Los Gatos Boulevard. In one area, the project proposes buildings taller than those currently existing on the west side of Los Gatos Boulevard, but lower than buildings in neighboring jurisdictions in close proximity to the project site and Los Gatos Boulevard. Development of the proposed project would be consistent with that envisioned in the North 40 Specific Plan, and compatible with existing development within the Plan Area as well as in adjacent areas. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary. North 40 EIR Mitigation Measure AES-1 requires setbacks to existing houses, to reduce the severity of changes in aesthetic character, however the proposed project does not include any locations where this would apply.
- d. The proposed project would result in development consistent with that considered in the North 40 EIR and the approved Specific Plan. The North 40 EIR concluded that development under the North 40 Specific Plan would result in less-than-significant impacts associated with light and glare (North 40 EIR, page 3-15). The proposed project would be subject to the same lighting policy identified in the North 40 EIR (Policy CD-3.2). In addition, development would be subject to the lighting and design standards identified in the North 40 Specific Plan which address effects of lighting and glare. Therefore, the proposed project would result in less-than-significant impacts associated with light and glare. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

## 2. AGRICULTURE AND FOREST RESOURCES

In determining whether impacts on agricultural resources are significant environmental effects and in assessing impacts on agriculture and farmland, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state’s inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to nonagricultural use? (1,2,4)	✓	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Conflict with existing zoning for agricultural use, or a Williamson Act contract? (1, 2,5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
c. Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))? (1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
d. Result in the loss of forest land or conversion of forest land to non-forest use? (1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
e. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to nonagricultural use or conversion of forest land to non-forest use? (1,2,4)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>

*Comments:*

- a. The North 40 EIR determined that portions of the Plan Area planted in orchard are designated as Unique Farmland, and that implementation of the North 40 Specific Plan would result in the conversion of approximately 27 acres of Unique Farmland to urban uses. The North 40 EIR concluded that the loss of this Unique Farmland is a significant and unavoidable impact, and the Town Council adopted a statement of overriding considerations finding that the benefits of development on this land will outweigh the significant and unavoidable environmental impact (North 40 EIR, page 3-20).

The proposed project would result in the conversion of the same agricultural lands as were evaluated in the North 40 EIR. Therefore, the loss of agricultural land attributed to the proposed project has already been adequately analyzed and disclosed in the North 40 EIR. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

- b. The North 40 EIR determined that the plan area is not under Williamson Act contract, nor are any nearby parcels within Los Gatos (General Plan, Land Use Element, Figure LU-2). The portions of the project site that are planted in orchard were formerly zoned Resource Conservation. With final approval of Ordinance 2242 on August 4, 2015, the Los Gatos Town Council re-zoned the project site to North 40 Specific Plan Area. The proposed project is consistent with the North 40 Specific Plan development regulations. The proposed project would have no impact on land under Williamson Act contracts or zoned for agricultural uses. This determination is consistent with that in the North 40 EIR. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- c/d. The majority of the project site is planted in orchards, and the remainder of the project site is developed with residential and commercial uses. There are no forestry resources in the project site, and thus no impact.
- e. The North 40 EIR determined that the North 40 Specific Plan would not result in impacts to agricultural or forest resources beyond that identified earlier. The proposed project is consistent with the North 40 Specific Plan, and likewise does not have the potential to affect agricultural resources not already discussed above. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

### 3. AIR QUALITY

Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Conflict with or obstruct implementation of the applicable air quality plan? (1, 2, 5,17,19, 21)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>
b. Violate any air quality standard or contribute substantially to an existing or projected air quality violation? (1, 2, 16,20, 21)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
c. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is nonattainment under an applicable federal or state ambient air quality standard (including releasing emissions, which exceed quantitative thresholds for ozone precursors)? (1, 2, 19, 21)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
d. Expose sensitive receptors to substantial pollutant concentrations? (1, 2, 20, 21,23)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>
e. Create objectionable odors affecting a substantial number of people? (1, 2, 3,4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓

**Comments:**

- a. The North 40 EIR identifies Bay Area Air Quality Management District (“air district”) 2010 Clean Air Plan control measures that are potentially applicable to residential and commercial projects. These control measures are summarized in Section 3.3, Air Quality, in the North 40 EIR, pages 3-42 – 3-44. The North 40 EIR determined that the North 40 Specific Plan would implement many of the control measures, which are requirements of the General Plan or the *Los Gatos Sustainability Plan*. However, the EIR also determined that several of the control measures would not be implemented. The North 40 EIR concluded that implementation of mitigation measures presented in Section 3.13, Transportation and Traffic, and implementation of North 40 EIR Mitigation Measures AQ-1, AQ-2, and AQ-3 would eliminate conflicts with the 2010 Clean Air Plan and reduce impacts associated with inconsistencies with applicable control measures of the 2010 Clean Air Plan to a less-than-significant level.

The proposed project would be required to implement these mitigation measures as applicable. Implementation of these mitigation measures would reduce project impacts associated with inconsistencies with applicable control measures of the 2010 Clean Air Plan to a less-than-significant level. This conclusion is consistent with that in the North 40 EIR. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

### **North 40 EIR Mitigation Measures Addressing Impacts**

- AQ-1. Low NO<sub>x</sub> emitting heating systems shall be required for commercial, office, and hotel uses.*
  - AQ-2. Parking lots shall provide charging stations at a rate of no less than one percent of parking spaces.*
  - AQ-3. All commercial developments shall incorporate energy reduction measures, including cool pavement materials, cool roof materials, and/or renewable energy sources, such as on-site solar power, to partially off-set electricity needs within the Plan Area. Common areas within commercial, office, and hotel developments shall utilize solar-generated or other renewable source electricity, or provide facilities for contribution of a like amount of renewable electricity to the electric grid.*
  - TR-4. The developer(s) shall work with the Town and Santa Clara Valley Transportation Authority regarding the provision of a shuttle service or regularly scheduled direct bus route service to the Vasona light rail station, to be in service concurrent with commencement of revenue service on the Vasona light rail extension.*
  - TR-5. The developer(s) shall work with the Town and Santa Clara Valley Transportation Authority, and other agencies to ensure that the Plan Area is developed in a manner that takes full advantage of the transit opportunities afforded by the Vasona Light Rail.*
  - TR-6. Development within the Lark District near the intersection of Lark Avenue and Los Gatos Boulevard shall provide a direct pedestrian / bicycle access between residential areas and the intersection of Los Gatos Boulevard and Lark Avenue.*
  - TR-7. Either bicycle lanes or sharrows (shared lane markings) shall be provided on A Street between Los Gatos Boulevard and Lark Avenue. The speed limit shall be no greater than 30 miles per hour, and Bikes May Use Full Lane signs (Caltrans sign R4-11) shall be placed on streets marked with sharrows.*
- b/c. The air basin is in non-attainment for ozone and particulate matter. Future emissions of ozone precursors (nitrogen oxides or volatile organic compounds) or particulate matter (PM<sub>10</sub> or PM<sub>2.5</sub>) from specific development projects could result in an increase in non-attainment criteria pollutants within the air basin. Vehicle miles traveled is the air district's recommended measure of a plan's long-term effect on criteria air pollutant emissions (North 40 EIR, page 3-45).

As discussed in the North 40 EIR (pages 3-45 and 3-46), to compare vehicle miles traveled, the plan area's existing population and trips were compared to projected population and trips. The service population in the plan area was expected to increase by over 800 percent, but the vehicle miles traveled was estimated to increase by only about 400 percent, therefore, there would be a reduction in vehicles miles traveled per capita, and no significant impact on criteria air pollutants. The proposed project is consistent with the North 40 Specific Plan and should realize the same or similar reduction in per capita vehicle miles traveled. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

- d. Construction of the proposed project would take place adjacent to several existing houses. Construction of the storm water drainage connection west of Oka Road would take place adjacent to the Bonnie View mobile home park. Construction of the water main connection south of Lark Avenue would take place adjacent to houses on Highland Oaks Drive. Construction in these locations would result in dust emissions (particulate matter) that could affect residents of these areas.

The North 40 EIR concluded that implementation of Mitigation Measure AQ-4 would reduce impacts associated with construction dust to a less-than-significant level (North 40 EIR, page 3-47; North 40 Final EIR, page 3-5). The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

### **North 40 EIR Mitigation Measure Addressing Impacts**

*AQ-4. The developer(s) shall implement basic dust control measures at all on-site and off-site locations where grading or excavation takes place. The developer(s) shall implement additional dust control measures at all on-site and off-site locations where grading or excavation takes place within 200 feet of residential properties.*

*Basic Dust Control Measures:*

- a. *All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day;*
- b. *All haul trucks transporting soil, sand, or other loose material off-site shall be covered;*
- c. *All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited;*
- d. *All vehicle speeds on unpaved roads shall be limited to 15 mph;*

- e. *All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used; and*
- f. *Post a publicly visible sign(s) with the telephone number and person to contact at the Lead Agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Air District's phone number shall also be visible to ensure compliance with applicable regulations.*

*Additional Dust Measures*

- g. *All excavation, grading, and/or demolition activities shall be suspended when average wind speeds exceed 20 mph;*
- h. *Vegetative ground cover (e.g., fast-germinating native grass seed) shall be planted in disturbed areas as soon as possible and watered appropriately until vegetation is established; and*
- i. *Unpaved roads shall be treated with a three to six inch compacted layer of wood chips, mulch, or gravel.*

The project site is adjacent to two arterial streets and one freeway. High volumes of traffic, including heavy diesel trucks, use these roads. State Route 17 has an average daily traffic volume of 86,000 vehicles, and the Lark Avenue onramp has a daily volume of 14,400 vehicles. State Route 17 traffic includes about 2.5 percent heavy duty trucks and about three percent other trucks. Los Gatos Boulevard and Lark Avenue have daily traffic volumes of fewer than 30,000 vehicles (North 40 EIR, page 3-48).

Based on air quality assessment prepared for the North 40 Specific Plan (Illingworth and Rodkin 2013), the North 40 EIR determined that the diesel particulate matter and total organic gas emission cancer risks associated with Los Gatos Boulevard and Lark Avenue are less than significant beyond ten feet from the edge of those roadways. For State Route 17, Illingworth and Rodkin conducted in-depth dispersion modeling of toxic air contaminants to evaluate health risk factors. Based on the results of this modeling, as presented in the air quality assessment, the North 40 EIR also determined that cancer risks were projected to be the highest at the southwest corner of the project site, near the State Route 17 on-ramp from Lark Avenue, where the cancer risk was 14.3 cases in one million. Cancer risks that exceed the air district's ten-in-one million threshold were projected to extend northward for the entire length of the project site's western boundary, and extend into the project site by about 100 to 140 feet. Due to changes in diesel engines and diesel fuel that were phased in through 2015, and ongoing changes to the fleet mix on highways, the extent of the project site affected by toxic air contaminants is expected to drop. As of 2015, the area of significant effect is expected to be only about 50 feet into

the project site. Non-cancer health risks from diesel particulate matter and total organic gas emissions did not exceed the air district's threshold. The location of health risks in excess of thresholds is identified on Figure 15, Health Risks, in the North 40 EIR (page 3-49). The air quality assessment is included as Appendix D in the North 40 EIR.

The North 40 Specific Plan designates a perimeter overlay zone at all of the plan area boundaries. The perimeter overlay zone includes a minimum 30-foot setback of buildings from the State Route 17 property boundary. The North 40 Specific Plan also includes a landscaped buffer within this setback along State Route 17. However, residential uses could be placed within areas with toxic air contaminants in excess of standards (North 40 EIR, page 3-51), i.e. the area between 30 feet and 50 feet from the highway right-of-way.

The North 40 EIR concluded that implementation of Mitigation Measures AQ-5 and AQ-6, as presented in Section 3.3, Air Quality, in the North 40 EIR would reduce toxic air contaminant health risks to a less-than-significant level (North 40 EIR, pages 3-48 and 3-51). North 40 EIR Mitigation Measure AQ-6 requires further study if residential development is proposed within 50 feet of State Route 17.

### **North 40 EIR Mitigation Measures Addressing Impacts**

*AQ-5. High efficiency filtration (MERV rating of 13 or greater) on ventilation systems shall be required in residential, hotel, and office units located in areas along State Route 17 identified in the EIR as having cancer risk in excess of 10 cases per million.*

*AQ-6. Ground-level outdoor residential yards that are not oriented to the Los Gatos Boulevard side of the Plan Area, shall be located no closer than 100 feet from the State Route 17 right-of-way prior to 2015, and, subject to air hazards modeling to confirm, no closer than 50 feet from the State Route 17 right-of-way thereafter (when diesel fuel and engine changes will reduce diesel emissions levels).*

*(Additional analysis has demonstrated that the Phase 1 residential building placement as shown on the plan set dated February 8, 2016, is acceptable.)*

The Vesting Tentative Map indicates that some residential units (all or part of about six units) would be closer than 50 feet from State Route 17. Illingworth and Rodkin was contacted and stated that the MERV 13 ventilation system filtration required by Mitigation Measure AQ-5 would be enough to reduce average cancer rates at the residences to below 10 cases per million, with or without a 50-foot setback. New homes in California must have mechanical ventilation systems, per requirements of California Code of Regulations 2008, Title 24, Section 150(o), and the filtration can be incorporated into this system. The reduction in health risks within the interior of buildings would

result in an overall reduction in health risks, so that the higher risk associated with outdoor air exposure would be offset. Illingworth and Rodkin estimate that with an average of two hours of outdoor air exposure and use of MERV 13 filtration, the averaged exposure would be reduced by about 46 percent. Therefore, with implementation of the MERV 13 filtration, the averaged cancer risk would be expected to decrease by close to half, and the location with the highest cancer risk factor would be reduced to below the 10.0 cases per million threshold. The Illingworth and Rodkin modeling was conducted for locations 1.5 meters (about five feet) above ground level. Studies indicate that toxic air contaminant concentrations are reduced at heights corresponding to the second and third stories of buildings, thus reducing outside exposures for balconies. Refer to Appendix A, Health Risk Analysis, for additional detail. Exposure of residents to toxic air contaminant health risks would be less than significant. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

As discussed in the North 40 EIR, development under the North 40 Specific Plan would increase traffic volumes at numerous intersections and reduce levels of service at several intersections. However, the proposed project would not result in hourly traffic volumes in excess of 44,000 vehicles at any of the street intersections, and therefore, the North 40 EIR concluded that development under the North 40 Specific Plan would not result in a significant environmental impact from concentrations of carbon monoxide (pages 3-51).

The proposed project would constitute partial build-out of the plan area as described in the North 40 Specific Plan and evaluated in the North 40 EIR. Because of this, increases in traffic volumes would be less than were calculated for the North 40 Specific Plan, and the proposed project would likewise result in less-than-significant impacts from concentrations of carbon monoxide. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

As discussed in the North 40 EIR (page 3-51), the gas station within the plan area has a screening level cancer risk that is significant to a distance of about 100 feet from the gas pumps. Additional analysis was conducted by Illingworth and Rodkin (2013), who determined that cancer risk at 50 feet from the pumps would be 2.4 cases in one million. The Lark Avenue Carwash has gas pumps, with a cancer screening level risk of 1.6 cases in one million. The San Jose Water Company operates a back-up generator at the reservoir south of Lark Avenue, and at least 350 feet from the project site. Illingworth and Rodkin estimated the cancer risk at the nearest project site boundary to be 5.8 cases in one million. All of the stationary sources within 1,000 feet of the plan area have cancer risk levels below the threshold of 10 new cases in one million. The North 40 EIR concluded that toxic air emissions from stationary sources would have a less-than-

significant environmental impact (page 3-51). The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

As discussed in the North 40 EIR (pages 3-51 and 3-52), demolition of buildings that could include asbestos-containing materials could pose a health risk. Standard requirements for permitting removal and handling of asbestos would reduce potential effects from asbestos from building demolition to a less-than-significant level. Soils-borne asbestos is considered a significant issue when susceptible populations may be exposed to asbestos, such as at playgrounds and schools, or residential yards. The project site is not adjacent to a stream that could have transported asbestos from ridge tops, where it typically originates. The North 40 EIR concluded that the likelihood of high levels of asbestos in the soil is low, and considered a less-than-significant impact (North 40 EIR page 3-52). The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

- e. The North 40 EIR determined that, based on the land uses proposed in the North 40 Specific Plan, there is no potential for substantial odors. The proposed project includes the same ranges of land uses as directed by the North 409 Specific Plan, and would result in no impacts associated with substantial odors (North 40 EIR, page 3-52). The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

## 4. BIOLOGICAL RESOURCES

Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, regulations, or by the California Department of Fish and Wildlife or US Fish and Wildlife Service? (1,2,3,4,5)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>
b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or US Fish and Wildlife Service? (1,2,3,4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
c. Have a substantial adverse effect on federally protected wetlands, as defined by section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.), through direct removal, filling, hydrological interruption, or other means? (1,2,3,4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
d. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites? (1,2,3,4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance? (1,2,3,4,12,13)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>
f. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan? (1,2,3,4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓

**Comments:**

- a. The North 40 EIR determined that (pages 3-61 and 3-62):
- The plan area contains suitable areas for protected nesting birds, and if protected nesting birds are nesting in or adjacent to a construction or tree trimming/removal area during the bird nesting season (February 1 through August 31), then construction activities could result in the loss of eggs, nestlings, or otherwise lead to nest abandonment, which would be a significant impact. Based on the presence of suitable nesting habitat, there is moderate potential that, during certain times of the year, the project site could contain the active nests of protected bird species. Sustained noise-generating disturbance activities generating sustained noise greater than 85 decibels have the potential to adversely impact protected nesting birds.
  - Mature tree removal could conflict with General Plan policy ENV 4.7, which establishes protective measures requiring the preparation of a mitigation plan prior to the removal of nesting habitat for development.
  - Although burrowing owl was not observed during 2011 focused surveys, there is some, albeit low, potential for this species to become established and occupy habitats within the project site prior to construction activities, based on the presence of patches of non-native grassland containing active ground squirrel burrows.
  - Marginally suitable roosting habitat is present within the project site for special-status pallid bat (*Antrozous pallidus*). Therefore, development under the North 40 Specific Plan (specifically demolition of buildings where bats may roost) has some, albeit low potential to directly affect individual pallid bats should they be roosting on the project site during construction activities.

The North 40 EIR concluded that implementation of Mitigation Measures BIO-1 through BIO-5 regarding special-status species, as presented in Section 3.4, Biological Resources, in the North 40 EIR would reduce potentially significant impacts to these protected biological resources to a less-than-significant level (North 40 EIR, pages 3-62 and 3-63). The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary. The proposed project would result in development that was considered in the North 40 EIR. Therefore, the proposed project could result in the same potential significant impacts to special-status species as those identified in the North 40 EIR. Implementation of Mitigation Measures BIO-1 through BIO-5 would reduce potentially significant impacts to special-status species to a less-than-significant level.

## North 40 EIR Mitigation Measures Addressing Impacts

*BIO-1. If noise generation, ground disturbance, vegetation removal, or other construction activities begin during the nesting bird season (February 1 to August 31), or if construction activities are suspended for at least two weeks and recommence during the nesting bird season, then the project developer shall retain a qualified biologist to conduct a pre-construction survey for nesting birds. The survey shall be performed within suitable nesting habitat areas on the project site, and as feasible within 250 feet of the site boundary, to ensure that no active nests would be disturbed during project implementation. This survey shall be conducted no more than two weeks prior to the initiation of disturbance and/or construction activities. A report documenting the survey results and plan for active bird nest avoidance (if needed) shall be completed by the qualified biologist and submitted to the Town of Los Gatos for review and approval prior to disturbance and/or construction activities.*

*If no active bird nests are detected during the survey, then project activities can proceed as scheduled. However, if an active bird nest of a native species is detected during the survey, then a plan for active bird nest avoidance shall determine and clearly delineate an appropriately sized, temporary protective buffer area around each active nest, depending on the nesting bird species, existing site conditions, and type of proposed disturbance and/or construction activities. The protective buffer area around an active bird nest is typically 75-250 feet, determined at the discretion of the qualified biologist and in compliance with applicable project permits.*

*To ensure that no inadvertent impacts to an active bird nest will occur, no disturbance and/or construction activities shall occur within the protective buffer area(s) until the juvenile birds have fledged (left the nest), and there is no evidence of a second attempt at nesting, as determined by the qualified biologist.*

*The developer(s) shall be responsible for the implementation of this mitigation measure, subject to monitoring by the Town of Los Gatos.*

*BIO-2. To avoid impacts to burrowing owls, a qualified biologist will conduct a two-visit (i.e. morning and evening) pre-construction presence/absence survey at all areas of suitable habitat on and within 300 feet of the construction site within 30 days prior to the start of construction. Surveys will be conducted according to methods described in the Revised Staff Report on Burrowing Owl Mitigation (California Department of Fish and Wildlife 2012).*

*If pre-construction surveys are undertaken during the breeding season (February through August) and locate active nest burrows near construction zones, then these nests and a 200-meter (600-foot) exclusion zone will be delineated which must remain off-limits to ground-disturbing activities until the breeding season is over. The exclusion zone shall be clearly delineated/fenced, and work could proceed within the exclusion zone after the biologist has*

*determined that fledglings were capable of independent flight and the California Department of Fish and Wildlife has approved the recommencement of work inside the exclusion zone, or has authorized physical relocation of the owls. Nesting owl pairs physically relocated (after consultation and approval from the California Department of Fish and Wildlife) as a consequence of construction activities are typically provided a habitat replacement mitigation ratio of 6.5 acres per owl pair/territory relocated.*

*The project developer(s) shall be responsible for the implementation of this mitigation measure, subject to monitoring by the Town of Los Gatos.*

*BIO-3. To avoid impacting active bat roosts, if present, any vacant buildings on the site proposed for removal that are boarded up prior to construction (dark in the daytime) shall be opened in the winter months (prior to mid-March) to allow in light, making these areas non-suitable for use as bat roosts.*

*The developer(s) shall be responsible for the implementation of this mitigation measure, subject to monitoring by the Town of Los Gatos.*

*BIO-4. Mature trees removed due to project implementation shall be removed in two stages (with the limbs removed one day, and the main trunk removed on a subsequent day) to allow any potentially present day-roosting bats the opportunity to relocate. If bat roosts are encountered during tree removal, a bat specialist shall be hired to assist in any relocation efforts.*

*The developer(s) shall be responsible for the implementation of this mitigation measure, subject to monitoring by the Town of Los Gatos.*

b-d. The North 40 EIR determined that there is no riparian habitat, no potentially jurisdictional wetlands or waterways, or any natural wildlife movement corridors in the plan area (North 40 EIR pages 3-63 and 3-64).

The proposed storm water improvements consist of the installation of a storm drainage pipe connecting an existing 36-inch pipe crossing under State Route 17 with an existing 42-inch pipe and outfall to Los Gatos Creek, consistent with the North 40 Specific Plan. The North 40 EIR concluded that development under the North 40 Specific Plan would result in no on- or off-site impacts to riparian habitat, wetlands, and movement corridors (North 40 EIR, pages 3-63 and 3-64). The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

e. The proposed project would result in development consistent with the North 40 Specific Plan, as considered in the North 40 EIR. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary. The North 40 EIR concluded that implementation of Mitigation Measure BIO-5 regarding

tree removal, as presented in Section 3.4, Biological Resources, in the North 40 EIR and below would reduce impacts to protected trees to a less-than-significant level (North 40 EIR, pages 3-64).

### **North 40 EIR Mitigation Measure Addressing Impacts**

*BIO-5. Prior to tree removal, a Tree Preservation Report or Tree Protection Plan shall be prepared by a qualified arborist, and a Tree Removal Permit shall be obtained stipulating exactly how many protected trees of each species will be removed and how many will then be required as replacement plantings, along with where they can be planted, and any applicable maintenance requirements. Retained trees shall be protected during construction according to the measures specified in the Tree Protection Ordinance (Town of Los Gatos 2003).*

*The project developer(s) shall be responsible for the implementation of this mitigation measure, subject to monitoring by the Town of Los Gatos.*

- f. The North 40 EIR determined that (page 3-65):
- The plan area is not located within a habitat conservation plan area or natural community conservation plan area.
  - The Plan Area is outside the boundary of the Santa Clara Valley Habitat Plan. The Santa Clara Valley Habitat Plan covers Los Gatos Creek to the west, and extensive areas to the east, but does not include the plan area.

Based on these determinations, the North 40 EIR concluded that development under the North 40 Specific Plan would result in no impacts associated with development within a habitat plan area (North 40 EIR, pages 3-65). The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

## 5. CULTURAL RESOURCES

Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Cause a substantial adverse change in the significance of a historical resource as defined in section 15064.5? (2,3,4)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>
b. Cause a substantial adverse change in the significance of an archaeological resource pursuant to section 15064.5? (2,3,4,6)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>
c. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature? (1,2,3,4,5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
d. Disturb any human remains, including those interred outside of formal cemeteries? (2,3,4,6)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>

**Comments:**

- a. The North 40 EIR determined that the North 40 Specific Plan would result in significant and unavoidable impacts to historic resources due to the removal of buildings within the plan area that have been identified as potentially historic, having an association with the area’s agricultural past. Six buildings (or groups of buildings on a single site) are listed in the historic resources evaluation (Appendix G in the North 40 EIR) as potentially eligible as state historic resources (Final EIR, pages 4-8 and 4-9). The implementation of Mitigation Measures CR-1 as presented in Section 3.5, Cultural Resources, in the North 40 EIR would reduce the significance of the impact to a less-than-significant level (North 40 EIR, pages 3-77 and 3-78; Final North 40 EIR, page 4-9). Note that Mitigation Measure CR-2 is only applicable if potentially historic buildings are proposed for retention, which is not the case for the proposed project.

The proposed project would result in the removal three of the potentially historic buildings (three houses along Los Gatos Boulevard) that were identified for removal and considered in the North 40 EIR. Therefore, the proposed project would result in the same type of impacts to historic resources as those identified for the North 40 EIR. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary. Implementation of Mitigation Measures CR-1 as presented in Section 3.5, Cultural Resources, in the North 40 EIR, would reduce the significance of the impact to a less-than-significant level.

## North 40 EIR Mitigation Measure Addressing Impacts

*CR-1. Prior to demolition of buildings within the Plan Area identified as potentially historic resources, the developer(s) shall prepare photographic documentation of the buildings meeting the documentation standards of the Historic American Buildings Survey/Historic American Engineering Record (HABS/HAER), as presented in the North 40 Specific Plan Historic Resources Technical Report. The historic documentation shall be prepared at Level IV (sketch plan, digital photographs of exterior and interior views, and HABS/HAER inventory cards) for the potentially historic buildings. No historic documentation shall be required for the orchard, except as may be incidentally included in the documentation of the structures.*

*The developer(s) shall prepare, or retain a qualified professional who meets the standards for architectural historian and/or historical architect set forth by the Secretary of the Interior (Secretary of the Interior's Professional Qualification Standards, 36 CFR 61) to prepare documentation of historic resources prior to any construction work associated with demolition or removal.*

*The Town of Los Gatos shall identify appropriate repositories for housing the historical documentation at the time of the project-level analysis. An interpretive display shall be incorporated into the design of commercial development within the Plan Area.*

- b. Based on background information and the archeological report prepared by Archaeological Consulting (2011), the North 40 EIR concluded that no surface evidence of potentially significant archaeological resources exists within the plan area. However, the proposed project would include excavations for buildings and pipelines, including off-site pipelines. Because unknown significant buried cultural resources could be present at the project site, and uncovered during grading or excavation activities, the potential exists for disturbance of significant archaeological resources. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary. Implementation of Mitigation Measure CR-3, as presented in Section 3.5, Cultural Resources in the North 40 EIR would reduce this impact to a less-than-significant level.

## North 40 EIR Mitigation Measure Addressing Impacts

*CR-3. For grading or excavations deeper than four feet below the existing surface, a qualified archaeologist shall be retained to monitor the excavations. The archaeologist shall be present on-site to observe a representative sample of deep grading or excavations in at least three areas within the Plan Area until satisfied that there is no longer a significant potential for finding buried resources. In the event that any potentially significant*

*archaeological resources (i.e., potential historical resources or unique archaeological resources) are discovered, the project archaeologist shall designate a zone in which additional archaeological resources could be found and in which work shall be stopped. A plan for the evaluation of the resource shall be submitted to the Community Development Director for approval. Evaluation normally takes the form of limited hand excavation and analysis of materials and information removed to determine if the resource is eligible for inclusion on the California Register of Historic Resources.*

*In the event that significant paleontological, historic, and/or archaeological remains are uncovered during excavation and/or grading in the absence of an archaeological monitor, all work shall stop in the area of the subject property until a qualified archaeologist can assess the find and, if necessary, develop an appropriate data recovery program.*

*The Planning Division of the Community Development Department shall be responsible for ensuring the implementation of this mitigation measure. Costs will be the responsibility of the developer(s).*

- c. The General Plan EIR cites the University of California Museum of Paleontology in determining that there are no fossil localities within the Town of Los Gatos (General Plan EIR, page 4.4-15), but determined that deep excavations could disturb unknown underground paleontological resources. The proposed project would involve excavation for underground parking and for installation of pipelines. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary. Implementation of Mitigation Measure CR-4, as presented in Section 3.5, Cultural Resources in the North 40 EIR and General Plan Policy OSP-9.4 would reduce this potential impact to a less-than-significant level.

### **North 40 EIR Mitigation Measure Addressing Impacts**

*CR-4. If human remains are found during construction activities, no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent human remains until the archeological monitor and the coroner of Santa Clara County are contacted. If it is determined that the remains are Native American, the coroner shall contact the Native American Heritage Commission within 24 hours. The Native American Heritage Commission shall identify the person or persons it believes to be the most likely descendent (MLD) from the deceased Native American. The MLD may then make recommendations to the landowner or the person responsible for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and associated grave goods as provided in Public Resources Code section 5097.98. The landowner or his authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity on the property in a location*

*not subject to further disturbance if: a) the Native American Heritage Commission is unable to identify a MLD or the MLD failed to make a recommendation within 24 hours after being notified by the commission; b) the descendent identified fails to make a recommendation; or c) the landowner or his authorized representative rejects the recommendation of the descendent, and the mediation by the Native American Heritage Commission fails to provide measures acceptable to the landowner.*

*The Planning Division of the Community Development Department shall be responsible for ensuring the implementation of these mitigation measures. Costs will be the responsibility of the developer(s).*

- d. The Plan Area is not known to contain human remains, but excavation during construction of project improvements within the project site, or off-site pipelines, could result in disturbance of human remains, should they be buried in areas where excavations are made. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary. Implementation of Mitigation Measure CR-4, as presented in Section 3.5, Cultural Resources in the North 40 EIR and in item 5c, above, would reduce this impact to a less-than-significant level.

## 6. GEOLOGY AND SOILS

Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
(1) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42? (2,3,4)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
(2) Strong seismic ground shaking? (2,3,4)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
(3) Seismic-related ground failure, including liquefaction? (2,3,4)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
(4) Landslides? (2,3,4)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
b. Result in substantial soil erosion or the loss of topsoil? (2)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
c. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse? (2,7)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
d. Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property? (2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
e. Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater? (3,4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓

*Comments:*

- a (1-4). The North 40 EIR determined that the plan area would be subject to strong shaking during a moderate to large earthquake on any of several regional earthquake faults. However, based on soil and groundwater conditions, and applicable building codes and engineering standards, impacts associated with seismic activity would be less than significant (North 40 EIR pages 3-86 and 3-87). The proposed project would result in development within the plan area boundaries that were considered in the North 40 EIR. Therefore, the proposed project would result in the same impacts associated with seismic activity as those identified in the North 40 EIR. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- b. The North 40 EIR determined that compliance with Los Gatos Town Code section 12.20.010 – which requires projects to obtain a grading permit prior to ground disturbance – and Los Gatos Town Code section 12.20.050 – which requires an erosion and sedimentation control plan be prepared for projects that expose large areas of bare soil – that the proposed North 40 Specific Plan would not result in significant erosion impacts (North 40 EIR, page 3-87). The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

During construction, the project site would require mass grading for on-site development and excavation that would be required for installation of on-site and off-site pipelines, both of which would provide the potential for soil erosion by wind or water if preventative steps are not taken. The Los Gatos Town Code sections cited above would prevent significant impacts. An Interim Erosion Control Plan has been prepared for the proposed project and is included in the Tentative Map. With implementation of the erosion control plan, no significant erosion impacts would occur. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

- c. The North 40 EIR determined that because the project site is essentially level, underlain within about five feet of the surface with dense sands, and that groundwater is very deep, the project site is not subject to collapse. The North 40 EIR concluded that implementation of the Specific Plan would have no impacts associated with soil stability (North 40 EIR, page 3-87). The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- d. The North 40 EIR determined that the soils within the plan area are composed of sandy and gravelly constituents that would not be subject to expansion or shrink-swell characteristics. The North 40 EIR concluded that implementation of the North 40

Specific Plan would have no impacts associated with expansive soils (North 40 EIR, page 3-87). The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

- e. Septic systems are not proposed as part of the proposed project. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

## 7. GREENHOUSE GAS EMISSIONS

Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment? (2,3,4,16)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
b. Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases? (2,3,4,5,18)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓

**Comments:**

- a. Based on a greenhouse gas analysis prepared for the North 40 Specific Plan (Illingworth and Rodkin 2013), the North 40 EIR determined that greenhouse gas emissions per capita per year would be below the air district threshold of 6.6 metric tons of CO<sub>2</sub>e per capita per year (North 40 EIR, page 3-104). Neither the Town of Los Gatos nor the air district has quantified greenhouse gas thresholds for construction activities. However, these emission levels would be less than the air district’s project operational threshold of 1,100 MT of CO<sub>2</sub>e per year (North 40 EIR, page 3-105). The proposed project is consistent with the North 40 Specific Plan, and greenhouse gas impacts would be less than significant. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary. The greenhouse gas analysis is included in Appendix D in the North 40 EIR.
  
- b. The North 40 EIR concluded that the North 40 Specific Plan was in compliance with the General Plan and greenhouse gas reduction plans (North 40 EIR page 3-105). The proposed project is consistent with the North 40 Specific Plan, as evaluated in the North 40 EIR, and would implement many of the *Los Gatos Sustainability Plan* policies. The proposed project would not conflict with policies designed to reduce GHG emissions. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

## 8. HAZARDS AND HAZARDOUS MATERIALS

Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials? (2,3,4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
b. Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment? (2,3,4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
c. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school? (2,3,4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
d. Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, as a result, create a significant hazard to the public or the environment? (2,8,9,10,22)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>
e. For a project located within an airport land-use plan or, where such a plan has not been adopted, within two miles of a public airport or a public-use airport, result in a safety hazard for people residing or working in the project area? (2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
f. For a project within the vicinity of a private airstrip, result in a safety hazard for people residing or working in the project area? (2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
g. Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan? (2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
h. Expose people or structures to a significant risk of loss, injury, or death involving wildland fires, including where wildlands area adjacent to urbanized areas or where residences are intermixed with wildlands? (2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Comments:**

- a/b. The proposed project includes residential, commercial, retail, and open space/park uses. The proposed project does not involve the types of land uses that would involve the transport, storage, or use of significant quantities of hazardous materials. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- c. One private school, the Yavneh Day School located at 14855 Oka Road, is located within one quarter mile of the project site. However, as discussed above and in the North 40 EIR, proposed project uses would not involve significant quantities of hazardous materials, and would not result in the release of hazardous materials. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- d. A search of the Envirostor and Geotracker databases indicates that no Cortese List sites are located within the plan area (California Department of Toxic Substances Control 2015, California Department of Water Resources 2015). Based on a Phase II Environmental Site Assessment prepared for the North 40 Specific Plan Area (ENGEO 2013), the North 40 EIR determined that levels of pesticide residue, lead, and arsenic are below the environmental screening threshold, and do not pose a danger to health (North 40 EIR, page 3-114). The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

The project site has been affected by migration of toxic materials that spilled from leaking underground gasoline storage tanks formerly located at the Lark Avenue Car Wash on the opposite side of Lark Avenue. The hazardous materials reports prepared for the North 40 Specific Plan concluded that constraints to development would arise only if on-site groundwater were to be used, for example for domestic use or during construction. The surface and near-surface soils are considered suitable for residential uses (ENGEO 2013, page 6, as presented in the North 40 EIR, page 3-114). The proposed project would utilize water provided by the San Jose Water Company; no groundwater is proposed to be extracted from within the project site. The North 40 EIR

concluded that street, building, and utility improvements at the south end of the project site, and off-site water pipeline improvements within and south of Lark Avenue would occur in soils within the boundary of the Lark Avenue Car Wash contamination plume. Remediation of the Lark Avenue Car Wash fuel leak is not yet complete.

The North 40 EIR concluded that Mitigation Measure HAZ-1 as presented in Section 3.8, Hazards and Hazardous Materials, in the North 40 EIR would reduce impacts associated with contaminated soils to less than significant (North 40 EIR, pages 3-114 and 3-115). An updated hazardous materials report prepared by Engeo concluded that contaminated groundwater was at least 30 feet below the surface at the project site, and posed no danger to the proposed uses. Refer to Appendix B, Environmental Site Summary. The County Department of Environmental Health continues to work with the Lark Avenue Car Wash to remediate the fuel leak.

The proposed project would result in development that was considered in the North 40 EIR. Therefore, the proposed project would result in the same impacts associated with contaminated soils as those identified in the North 40 EIR. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

### **North 40 EIR Mitigation Measure Addressing Impacts**

*HAZ-1. Prior to issuance of permits for activities involving grading or excavation within Lark Avenue, the San Jose Water Company property, the south end of the Plan Area (within the contaminated area delineated on County of Santa Clara Department of Environmental Health records for the Lark Avenue Car Wash fuel leak case), or immediately adjacent areas, the developer shall consult with the Department of Environmental Health regarding the potential for disturbance of contaminated soils. The developer shall either conduct pre-excavation soil testing at an appropriate depth to the proposed work and review results with the Department of Environmental Health, or assume contamination of the soils and proceed with appropriate safeguards, established in consultation with the Department of Environmental Health. Unless pre-excavation soil testing shows no contamination, post-excavation soil testing shall be conducted. If testing shows soil contamination levels are in excess of acceptable levels, the developer shall implement appropriate protective measures in consultation with the Department of Environmental Health, including worker protocols and soil handling and disposal protocols. The presence of contamination may necessitate the use of workers who have been properly trained in accordance with 29 CFR 1910.120. If soil testing shows acceptable contamination levels, no further soils measures may be required. If excavations reach free groundwater, the developer shall stop work and consult with the Department of Environmental Health.*

- e/f. The North 40 EIR determined that the project site is not within an Airport Land Use Plan, is not within two miles of a public airport, and is not near a private landing strip. The North 40 EIR concluded that implementation of the North 40 Specific Plan would have no impacts associated with proximity to an airport or airport hazards. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- g. The project site is adjacent to major thoroughfares and is within one mile of one major hospital, three additional hospitals and a local fire station. The North 40 EIR determined that development would not impair access to these roads or facilities or interfere with response during an emergency, would not interfere with implementation of the emergency operations plans identified in the Town's *Emergency Operations Plan* (North 40 EIR pages 3-115 and 3-116), and that there would be no impact on emergency plans. The proposed project is consistent with the North 40 Specific Plan and would not interfere with emergency response. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- h. The North 40 EIR determined that the project site is classified as a non-Very High Fire Hazard Severity Zone, within the local responsibility area. Areas with this classification have a low potential for wildlands fires. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

## 9. HYDROLOGY AND WATER QUALITY

Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Violate any water quality standards or waste discharge requirements? (1,2,5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
b. Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., would the production rate of preexisting nearby wells drop to a level which would not support existing land uses or planned uses for which permits have been granted? (2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
c. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in <i>substantial erosion or siltation on- or off-site?</i> (2)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
d. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface run-off in a manner which would result in <i>flooding on- or off-site?</i> (2)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
e. Create or contribute run-off water, which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted run-off? (2,8,22)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>
f. Otherwise substantially degrade water quality? (2)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
g. Place housing within a 100-year flood hazard area as mapped on Federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map? (2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
h. Place within a 100-year flood hazard area structures which would impede or redirect flood flows? (2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
i. Expose people or structures to a significant risk of loss, injury, or death involving flooding, including flooding as a result of the failure of a levee or dam? (2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
j. Be subject to inundation by seiche, tsunami, or mudflow? (2)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>

**Comments:**

a. The North 40 Specific Plan includes guidelines consistent with the *San Francisco Bay Region Basin Plan*, *Watershed Action Plan*, and the General Plan. There would be no conflict with water quality plans or regional water quality requirements. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

b. As stated in the North 40 EIR the proposed project would receive water from the San Jose Water Company in greater quantities than are currently delivered to the project site. The Los Gatos service area of the San Jose Water Company obtains water from two surface water sources: local surface water from the Santa Cruz Mountains, and treated surface water provided by the Santa Clara Valley Water District.

Groundwater elevations have been kept within the Santa Clara Valley Water District’s targets, based on operational storage capacity, and additional groundwater recharge is planned to maintain a balance in the aquifer. Therefore, even if increased groundwater pumping is necessary regionally, groundwater aquifers will be maintained in balance, and there would be no impact on groundwater levels. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

c. Grading permits and preparation of an erosion and sedimentation control plan is required by the Town. Because the disturbance area would exceed one acre, a storm water pollution prevention program would be required in conformance with the National Pollutant Discharge Elimination System Construction General Storm Water Permit. With implementation of these requirements, the proposed project would not result in significant erosion or sedimentation impacts from on-site or off-site grading and excavation activities. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

Drainage that currently infiltrates on-site or is conveyed to a location on Los Gatos Creek south of State Route 85, would be re-routed through an existing pipe under State

Route 17, and discharged through a currently inactive outfall to Los Gatos Creek near the Bonnie View mobile home park. In addition, off-site drainage from properties along Los Gatos Boulevard would also be diverted to this location.

In compliance with the requirements of the Santa Clara Valley Urban Runoff Pollution Prevention Program, a hydro-modification analysis was prepared to determine if the changes in volume, rate, and location of discharge would result in increased erosion within the Los Gatos Creek channel. Modeling assumed that most of the plan area would be built at 90 percent impervious. The analysis concluded that over a modeled period of 18 years, the cumulative sediment load carried in Los Gatos Creek would increase by 0.02 percent due to the increased flows from the plan area, and that this would be a less-than-significant impact on Los Gatos Creek (ESA PWA 2013). The proposed project is a subset of the land area included in the modeling. The project proposes impervious land coverage of about 76 percent (Vesting Tentative Map, Storm Water Control Plan), which is below the level assumed in the modeling. Therefore, the proposed project would not have impacts more severe than analyzed in the North 40 EIR. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

- d. Hydro-modification analysis modeling, as documented in the North 40 EIR, assumed that most of the plan area would be built at 90 percent impervious, which is a conservative assumption, given the requirement for 30 percent overall open space within the plan area. The project proposes impervious land coverage of about 76 percent, which is below the level assumed in the modeling. With implementation of Low Impact Development measures, which are required by the municipal storm water permit, and are likely to reduce off-site flows, the flow study concluded that the flows would not result in flooding and the impact would be less than significant. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- e. The proposed project includes excavation of soils some of which may have been contaminated by gasoline storage tank leaks at the Lark Avenue Car Wash. Soil excavated in this area could contain toxic contaminants, and displacement of the soil could potentially result in contaminants being released from the soil. Released contaminants could be transported to Los Gatos Creek, or contaminated soil could be transported to another location, and released contaminants could be transported to other waters. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary. Mitigation Measure HAZ-1, presented in Section 3.8 Hazards and Hazardous Materials of the North 40 EIR, would reduce this impact to a less-than-significant level.

## North 40 EIR Mitigation Measures Addressing Impacts

- HAZ-1. Prior to issuance of permits for activities involving grading or excavation within Lark Avenue, the San Jose Water Company property, the south end of the Plan Area (within the contaminated area delineated on County of Santa Clara Department of Environmental Health records for the Lark Avenue Car Wash fuel leak case), or immediately adjacent areas, the developer shall consult with the Department of Environmental Health regarding the potential for disturbance of contaminated soils. The developer shall either conduct pre-excavation soil testing at an appropriate depth to the proposed work and review results with the Department of Environmental Health, or assume contamination of the soils and proceed with appropriate safeguards, established in consultation with the Department of Environmental Health. Unless pre-excavation soil testing shows no contamination, post-excavation soil testing shall be conducted. If testing shows soil contamination levels are in excess of acceptable levels, the developer shall implement appropriate protective measures in consultation with the Department of Environmental Health, including worker protocols and soil handling and disposal protocols. The presence of contamination may necessitate the use of workers who have been properly trained in accordance with 29 CFR 1910.120. If soil testing shows acceptable contamination levels, no further soils measures may be required. If excavations reach free groundwater, the developer shall stop work and consult with the Department of Environmental Health.*
- f. The project site is within the Guadalupe River watershed of the Santa Clara Basin and is not adjacent to a riparian corridor, so the objectives and strategies aimed at protecting the water quality of off-site drainage are the most relevant to the proposed project. The North 40 Specific Plan includes general guidelines consistent with the *San Francisco Bay Region Basin Plan* and *Watershed Action Plan*. The proposed project includes detailed plans and measures for protecting water quality during construction and operation of the project (Tentative Map sheets 1.13, 1.14, and 1.6). With these guidelines and measures in place there will be a less-than-significant impact on water quality. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- g-j. The project site is not located within a 100-year flood zone; the site is located within a 500-year flood zone. If flooding were to occur, it would be infrequent, and most likely minor.
- The project site is located within the dam failure inundation area of Lenihan Dam at Lexington Reservoir on Los Gatos Creek. Lenihan Dam was seismically upgraded in the past five years, and the state inspects dams regularly to ensure safety; therefore, dam failure is unlikely.

The North 40 EIR determined that risk of inundation by seiche, tsunami, or mudflow is less than significant. The Plan Area is not located adjacent to a large body of water, so seiches and tsunamis are not possible. The plan area is essentially level, and is surrounded by essentially level ground, so mudflows are not possible (North 40 EIR, page 3-132). The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

## 10. LAND USE AND PLANNING

Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Physically divide an established community? (1,2,5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Conflict with any applicable land-use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to, the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect? (1,2,5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Conflict with any applicable habitat conservation plan or natural community conservation plan? (1,2,3,4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Comments:**

- a. The proposed project is on an in-fill site situated adjacent to State Route 17 on the west side, and two arterials on the south and east, and will have future North 40 Specific Plan phase 2 development to the north. The project site is partially developed land located within a developed urban area. The proposed project would include residential, commercial, and retail uses and would not result in the physical division of the community. The proposed project is consistent with the North 40 Specific Plan. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- b. The proposed project is consistent with the North 40 Specific Plan, adopted by the Town Council on June 17, 2015. The North 40 Specific Plan was found to be consistent with the General Plan. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- c. The project site is not within a habitat conservation area or natural community conservation plan and is outside the boundary of the Santa Clara Valley Habitat Conservation Plan / Natural Community Conservation Plan. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

## II. MINERAL RESOURCES

Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Result in loss of availability of a known mineral resource that would be of value to the region and the residents of the state? (2, ,5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
b. Result in the loss of availability of a locally important mineral resource recovery site delineated in a local general plan, specific plan, or other land-use plan? (2, 5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓

**Comments:**

a/b. As stated in the North 40 EIR, mineral resources are not addressed in the General Plan EIR. The North 40 EIR determined that the North 40 Specific Plan would not result in any impacts to mineral resources because there is no active mining within the plan area or anywhere within the Town, and the mineral resources in the vicinity of the plan area are not considered significant (North 40 EIR, page 3-86). The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

## 12. NOISE

Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Result in exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or in applicable standards of other agencies? (2,14,24)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>
b. Result in exposure of persons to or generation of excessive ground-borne vibration or ground borne noise levels? (2,14)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>
c. Result in a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project? (2,14)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>
d. Result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project? (2,14)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>
e. For a project located within an airport land-use plan or, where such a plan has not been adopted, within two miles of a public airport or public-use airport, expose people residing or working in the project area to excessive noise levels? (2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
f. For a project located within the vicinity of a private airstrip, expose people residing or working in the project area to excessive noise levels? (2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓

**Comments:**

- a. The major noise source near the project site is traffic on State Route 17, Los Gatos Boulevard, and Lark Avenue. There are no significant stationary noise sources near the project site. Noise sources associated with existing uses within the project site are traffic to and from residences and businesses, and agricultural operations in the orchard.

The North 40 Specific Plan includes construction of a noise barrier commencing at the south end of the existing noise barrier along State Route 17, and continuing south to

Lark Avenue and east along Lark Avenue for approximately 200 feet (or approximately 150 feet of west of South A Stret). From the existing noise barrier to a point approximately 200 feet north of Lark Avenue the noise barrier will be 14 feet tall; from that point to Lark Avenue, the noise barrier will be 12 feet tall, and along Lark Avenue the noise barrier will be 10 feet tall for a length of about 100 feet and eight feet tall thereafter. Consistent with the North 40 Specific Plan, the proposed project includes the noise walls. The North 40 EIR determined that noise levels at residential buildings would exceed the Town's  $L_{dn}$  65 dBA exterior noise standards for that use: up to  $L_{dn}$  66 dBA at grade and up to  $L_{dn}$  74 dBA at 40 feet above grade. Mitigation Measure N-1 requires the sound walls that are incorporated as part of the North 40 Specific Plan; Mitigation Measure N—2 requires architectural noise reduction features to reduce interior noise levels to  $L_{dn}$  45 dBA when exterior noise levels are greater than  $L_{dn}$  65 dBA; and Mitigation Measure N-3 places requirements on residential building orientation near Los Gatos Boulevard. Charles M. Salter prepared architectural noise attenuation recommendations for the proposed project, in satisfaction of the requirements of Mitigation Measure N-2. Refer to Appendix C, Environmental Noise Review. The recommendations will be part of the project conditions, and incorporated into construction drawings for the affected buildings.

Additional measures to reduce stationary noise generation to meet the Town Code standards, are described in Los Gatos Town Code Sections 16.20.15 to 16.20.25 and General Plan Table NOI-2. These measures are expected to include equipment selection and orientation, noise barriers, roof screens and enclosures. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary. Following are the applicable mitigation measures from the North 40 EIR:

### **North 40 EIR Mitigation Measures Addressing Impacts**

*NOI-1. A noise barrier shall be constructed commencing at the south end of the existing noise barrier along State Route 17, and continuing south to Lark Avenue and east along Lark Avenue for approximately 300 feet (or approximately 50 feet of west of Highland Oaks Drive). From the existing noise barrier to a point approximately 200 feet north of Lark Avenue the noise barrier shall be 14 feet tall; from that point to Lark Avenue, the noise barrier shall be 12 feet tall, and along Lark Avenue the noise barrier shall be 10 feet tall for a length of about 100 feet and 8 feet tall thereafter. The noise barrier shall have a decorative design and/or include plantings or a planting buffer that would improve the appearance of the barrier from State Route 17 and Lark Avenue.*

*NOI-2. Future development located on sites that are shown in the North 40 Specific Plan EIR as exceeding the normally acceptable noise level of the Town of Los Gatos 2020 General Plan*

*and Town noise ordinance shall demonstrate that building designs and placement adequately reduce noise. If a study shows that actual noise (and projected noise levels at Specific Plan build-out) will exceed applicable Town noise standards, site and/or building plans shall identify measures to meet these standards. The developer(s) shall be responsible for preparing noise studies and implementing noise attenuation measures as conditions of project approval and construction. The developer(s) shall:*

- *Identify outdoor use spaces and building design or barrier walls to reduce environmental noise to 65 dBA Ldn or lower;*
- *Identify exterior-to-interior sound insulation measures, such as sound rated windows and doors, to reduce environmental noise to 45 dBA Ldn or lower indoors at residences and hotel guest rooms; and*
- *As windows will need to be closed to meet the allowable interior noise level across the site, residences and hotel guest rooms shall incorporate ventilation or air-conditioning systems to provide a habitable interior environment, consistent with California Building Code requirements. Systems must not compromise sound-insulation of the building shell.*

*NOI-3. Future development projects shall be designed so that all podium buildings are oriented to shield outdoor courtyards from the adjacent roadways. Future development projects shall be designed so that residences along Los Gatos Boulevard incorporate noise barriers as needed to shield outdoor use spaces. Outdoor use areas (excluding outdoor areas that are principally landscaped areas, parking areas, or sidewalks) shall meet the 65 dBA Ldn or lower outdoor noise standard. The applicant for each development project shall submit building and site plans demonstrating compliance with this measure.*

*NOI-4. Future non-residential development on sites where the Ldn noise levels are 68 dBA or higher as shown in the North 40 Specific Plan EIR, shall include site-specific noise attenuating building designs providing sound-rated construction that will reduce interior levels to the California Green Building Code requirement of Leq-1hr 50 dBA or lower. Alternatively, the developer(s) can demonstrate that exterior walls and roofs have been designed to have sound insulation ratings of STC 50 or higher, with minimum STC 40 windows.*

*NOI-5. Future development shall provide building-specific designs to reduce stationary noise source noise generation to the Town Code standards, as described in The Los Gatos Town Code Sections 16.20.15 to 16.20.025 and General Plan Table NOI-2. These measures are expected to include equipment selection and orientation, noise barriers, roof screens and enclosures.*

In addition, implementation of Mitigation Measure NOI-6 would reduce potentially significant vibration impacts of the proposed project to a less-than-significant level. This determination is consistent with that in the North 40 EIR.

- b. Based upon the information provided in the North 40 EIR Table 15- Vibration Source Levels for Typical Construction Equipment, vibration levels could reach up to 86 VdB for use of construction trucks and even higher with the use of large bulldozers or pile drivers at sensitive uses located within 25 feet of the equipment. Because construction activities are normally short-term in nature, it is possible that under limited conditions where high vibration generating equipment is used near residential developments, use of such equipment could be a source of short-term annoyance, but not likely a source of excessive long term vibration impacts. Consequently, the impact is less than significant. There are no known vibration sensitive uses or vibration-generating uses in the proposed project. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

#### **North 40 EIR Mitigation Measure Addressing Impacts**

*NOI-6. Future development projects that include vibration-sensitive facilities, or businesses with highly vibration-sensitive equipment shall quantify vibration levels and demonstrate project-specific building designs to reduce vibration to acceptable levels.*

- c/d. Since no existing residences would remain adjacent to the project site, the noise increase during construction would be less than significant. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- e/f. The project site is not within two miles of an airport land use plan, is not within two miles of a public airport, and is not near a private landing strip (Google Maps 2013). The nearest airports are San Jose International Airport, seven miles to the north, and Reid-Hill view Airport, nine miles to the northeast. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

### 13. POPULATION AND HOUSING

Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Induce substantial population growth in an area, either directly (e.g., by proposing new homes and businesses) or indirectly (e.g., through extension of roads or other infrastructure)? (1,2,3,4,14)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere? (1,2,3,4,14)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere? (1,2,3,4,14)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Comments:**

a. The North 40 EIR determined that the development densities proposed under the North 40 Specific Plan are equal to or less than those envisioned for the area in the General Plan. The General Plan envisioned up to 750 housing units and 580,000 square feet of commercial development within the Plan Area. The North 40 Specific Plan limits development to 270 housing units and 501,000 square feet of commercial and/or office space.

The proposed project would result in the construction of 320 residential units. The project proposes 237 base units, and is entitled to the additional 83 units because at least 11 percent of the base units are affordable. The density bonus units are not subject to density limits in accordance with state law. Housing and population within the plan area would be within that anticipated in the General Plan and analyzed in the North 40 EIR, and the proposed project would have no impact on population growth. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

b/-c. The North 40 EIR assumed that up to 36 houses would be removed, and that there would be 364 residential units at buildout. The proposed project would remove 16 houses and develop a total of 320 new units, of which 50 would be affordable senior housing units for a cumulative total of 336 units which is below the 364 units assumed in the North 40 EIR. Therefore, impacts to housing and population would be less than significant. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

## 14. PUBLIC SERVICES

Would the proposed project result in substantial adverse physical impacts associated with the provision of or need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for any of the following public services:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Fire protection? (1,3,4,14)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
b. Police protection? (1,3,4,14)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
c. Schools? (1,3,4,14)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
d. Parks? (1,3,4,14)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
e. Other public facilities? (1,3,4,14,15)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓

**Comments:**

- a. The North 40 EIR and the General Plan EIR indicate that the proposed project would be adequately served by the Santa Clara County Fire Department, without the need for new or expanded facilities. The proposed project is within the unit count analyzed in the North 40 EIR. Therefore, the proposed project would not require any new or expanded fire department facilities. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- b. The North 40 EIR determined that the Town’s police services office space was expanded in recent years, and should be adequate to accommodate the increased demands brought about by implementation of the North 40 Specific Plan. Because no new or expanded police department facilities would be required, the North 40 EIR concluded that the North 40 Specific Plan would result in no impact for police facilities. The proposed project is within the unit count analyzed in the North 40 EIR. Therefore, the proposed project would not require any new or expanded police department facilities. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- c. The North 40 EIR determined that the North 40 Specific Plan would generate a net increase of approximately 47 students. Payment of the state-mandated school impact fees would mitigate impacts to schools to a less-than–significant level. The proposed project has fewer residential units than analyzed in the North 40 EIR, and 50 of these are senior units. Therefore, the proposed project would not require any new or expanded school

- facilities and result in a less-than-significant impact. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- d. The North 40 EIR determined that new housing included in the North 40 Specific Plan would result in an increase in the use of existing parks and recreational facilities, and this additional use could have physical impacts on these the facilities. The plan area is served by a large number of existing park and recreational facilities, within several different jurisdictions and districts, and these would provide adequate park area to serve new residents. No new or expanded parks facilities would be required. The proposed project is within the unit count analyzed in the North 40 EIR. Therefore, the proposed project would not require any new or expanded parks. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
  - e. As discussed in the North 40 EIR, the General Plan EIR concluded that build-out of the General Plan, which includes the plan area, in conjunction with past development, would require expansion of the existing library (North 40 EIR, page 3-188). The North 40 EIR noted that a new library has been constructed and determined that the new library would adequately serve development under the North 40 Specific Plan and other development within the Town. The proposed project is within the unit count analyzed in the North 40 EIR. Therefore, the proposed project would not require any new or expanded library facilities. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

## 15. RECREATION

Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated? (1,2,3,4,14)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Does the project include recreational facilities or require the construction or expansion of recreational facilities, which might have an adverse physical effect on the environment? (1,2,3,4,14)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Comments:**

a/b. As discussed in the North 40 EIR, the North 40 Specific Plan requires 30 percent of the plan area be open space. Parks are an allowed use, but the North 40 Specific Plan does not include policies requiring any public parks. The North 40 EIR determined that the proposed open space areas within the Plan Area and existing parks elsewhere in the Town would be adequate to serve the Project Site (North 40 EIR, page 3-187). The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

The proposed project is within the unit count analyzed in the North 40 EIR. Therefore, the proposed project would not require any new or expanded recreational facilities. Recreational facilities included within the proposed project were analyzed in the North 40 EIR. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

## 16. TRANSPORTATION/TRAFFIC

Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit? (1, 2, 3, 4, 17)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways? (1,2,3,4,17)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks? (2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d. Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)? (1,2,3,4)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Result in inadequate emergency access? (1,2,3,4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f. Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decreased the performance or safety of such facilities? (2)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Comments:**

a/b. Phase 1 development is expected to occur over a two to five year timeframe. Construction would involve improvements to the frontage and medians of both Los Gatos Boulevard and Lark Avenue. The conceptual offsite improvements are not part of the tentative map but are attached for reference. The following off-site improvements will be required for the proposed project:

- Lark Avenue: Los Gatos Boulevard to SR 17 Northbound Ramps -- add a third westbound through lane and a third eastbound through lane. Lark Avenue will be widened to provide three westbound lanes from Los Gatos Boulevard to the new "A" Street and to provide four westbound lanes, two through and two right turn lanes, east of State Route 17 northbound ramps. The westbound lanes will taper from three lanes to four lanes starting immediately west of the new "A" Street." (Note: this improvement is consistent with Mitigation Measure TR-2.c).
- Lark Avenue/SR 17 Northbound Ramps Westbound -- provide two through lanes and two 200-foot right turn lanes onto Northbound SR 17 freeway on-ramp and signalize right turn on-ramp movement.
- Lark Avenue/Highland Oaks Drive (un-signalized intersection) -- add a project driveway (A Street) on Lark Avenue opposite Highland Oaks Drive to provide left-in and right-in access and right-out access. Westbound, remove the left-turn lane on Lark Avenue at Highland Oaks Drive to prevent conflicts with eastbound vehicles, and add a third through lane and a right turn deceleration lane east of new project driveway (A Street). Eastbound, add a left-turn lane into the project. Northbound, allow only right turns from Highland Oaks Drive onto Lark Avenue.
- Lark Avenue/Los Gatos Boulevard, Eastbound -- provide two dedicated left turn lanes, one shared through-left lane, and one right turn lane. Northbound, provide three dedicated left turn lanes and two through lanes south of Lark Avenue.
- Los Gatos Boulevard – Construct a continuous median island along Los Gatos Boulevard from Lark Avenue to the north project limits (Phase 1) except at the new intersection (Neighborhood Street), where a left turn/U-turn lanes will be provided.
- Los Gatos Boulevard/New Neighborhood Street – signalize the new intersection.
- Landscaping, pedestrian, and bicycle improvements will be constructed on Lark Avenue and Los Gatos Boulevard adjacent to the project site and along the gasoline station frontage, including: adding a shared use path and landscaping on

the north side of Lark Avenue, a bike lane along the south side of Lark Avenue (eastbound), and a shared use path along the west side of Los Gatos Boulevard.

The North 40 EIR determined that the level of service would drop below acceptable standards at three intersections: Los Gatos Boulevard and Samaritan Drive/Burton Road, National Avenue and Samaritan Drive, and Los Gatos Boulevard and Lark Avenue.

The North 40 EIR included the following mitigation measure most applicable to the project site and the proposed project. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

### **North 40 EIR Mitigation Measure Addressing Impacts**

*TR-2. The following off-site intersection improvements shall be completed at the Los Gatos Boulevard/Lark Avenue intersection by the first project developer:*

- a. addition of a third eastbound left turn lane on Lark Avenue;*
- b. addition of third northbound left turn lane on Los Gatos Boulevard;*
- c. addition of a third westbound lane on Lark Avenue from Los Gatos Boulevard to the intersection of State Route 17 northbound ramps to the Los Gatos Boulevard/Lark Avenue intersection, which will operate as a second right turn lane east of the State Route 17 northbound ramps/Lark Avenue intersection and to operate as a through-right lane east of the Highland Oaks Drive/Lark Avenue intersection; and*
- d. modification and re-striping of intersection and restriction of parking as needed.*

The proposed project consists of most of the planned residential development and about 10 percent of the planned commercial component. Fehr & Peers prepared the memo report *North 40 Specific Plan: Transportation Analysis for Phase 1* to determine to what extent the mitigation measures listed in the North 40 should be implemented for the current phase of development. The traffic memo was peer reviewed on behalf of the Town by TKJM Transportation Consultants. Refer to Appendix D, Traffic Reports. The proposed project would generate about one-third of the total traffic projected from within the plan area.

The report considered study intersections that were either adjacent to the project site or identified in the traffic analysis as falling below standards. The study concluded that the study intersections operate acceptably with Phase 1 project traffic under Background and Cumulative conditions. Additional roadway mitigation is not required with Phase 1.

The project site is within the Vasona light rail area and ideally there would be multi-modal access to the future light rail station. The North 40 EIR determined that development within the plan area should be linked with the Vasona Light Rail station, and included the following two mitigation measures:

### **North 40 EIR Mitigation Measure Addressing Impacts**

*TR-4. The developer(s) shall work with the Town and Santa Clara Valley Transportation Authority regarding the provision of a shuttle service or regularly scheduled direct bus route service to the Vasona light rail station, to be in service concurrent with commencement of revenue service on the Vasona light rail extension.*

*TR-5. The developer(s) shall work with the Town and Santa Clara Valley Transportation Authority, and other agencies to ensure that the Plan Area is developed in a manner that takes full advantage of the transit opportunities afforded by the Vasona Light Rail.*

The proposed improvements will require continued coordination with responsible transit agencies prior to installation.

The North 40 EIR identified the need to maintain a safe route between the project site and the closest elementary school and middle school. The following mitigation measure was included to ensure that this route would be maintained.

### **North 40 EIR Mitigation Measure Addressing Impacts**

*TR-6. Development within the Lark District near the intersection of Lark Avenue and Los Gatos Boulevard shall provide a direct pedestrian/bicycle access between residential areas and the intersection of Los Gatos Boulevard and Lark Avenue.*

The proposed project includes bicycle and pedestrian links throughout, including two pathways that provide access to Lark Avenue and Los Gatos Boulevard. The proposed project will construct a multi-use path along the project frontage of Los Gatos Boulevard and the north side of Lark Avenue connecting to the corner of the intersection of Los Gatos Boulevard and Lark Avenue. Therefore, this mitigation measure is incorporated into project plans. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

Refer to item “f” in regard to the Congestion Management Program.

- c. As set forth in the North 40 EIR the proposed project would have no effect on air traffic patterns. No additional analysis is required. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

- d. The North 40 EIR identified a significant safety impact in regard to narrow streets within the Plan Area. The streets are designed to avoid overly-wide pavement in order to maintain a more intimate pedestrian scale to the transportation facilities, however, this resulted in potential dangers for cyclists sharing the road with cars. Mitigation Measure TR-7 required that sharrows and ‘bicycles can use full lane’ signs be provided in lieu of bicycle lanes, and travel speeds restricted to 30 miles per hour.

### **North 40 EIR Mitigation Measure Addressing Impacts**

*TR-7. Either bicycle lanes or sharrows (shared lane markings) shall be provided on A Street between Los Gatos Boulevard and Lark Avenue. The speed limit shall be no greater than 30 miles per hour, and Bikes May Use Full Lane signs (Caltrans sign R4-11) shall be placed on streets marked with sharrows.*

The proposed project incorporates this mitigation measure in its design. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

- e. The proposed project includes one street connecting to Lark Avenue and two streets connecting to Los Gatos Boulevard in addition to the existing Bennett Way street connection to Los Gatos Boulevard. The street connections would provide ample emergency access within the project site. The North 40 EIR determined that the North 40 Specific Plan would not interfere with emergency access in the vicinity of the project site. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- f. The North 40 EIR identified a significant and unavoidable impact for inconsistencies with the Congestion Management Program. This unavoidable impact was removed by reducing the development capacity permitted within the North 40 Specific Plan.

## 17. UTILITIES AND SERVICE SYSTEMS

Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board? (1, 2, 5)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
b. Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects? (1, 2, 5)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
c. Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects? (1, 2, 5)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
d. Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed? (1, 2, 5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
e. Result in a determination by the wastewater treatment provider, which serves or may serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments? (1, 2, 5)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
f. Be served by a landfill with sufficient permitted capacity to accommodate the project's solid-waste disposal needs? (1, 2, 5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
g. Comply with federal, state, and local statutes and regulations related to solid waste? (1, 2, 5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓

**Comments:**

a/b/e. As discussed in the North 40 EIR, the Plan Area wastewater flow was estimated based on generation factors of 250 gallons per day per residence and 70 gallons per day per 1,000 square feet for commercial uses (RMC Water and Environment 2009). Plan Area build-out would result in the generation of approximately 236,000 gallons of wastewater per day.

The General Plan EIR concluded that build-out of the General Plan would not result in significant impacts associated with wastewater (Final EIR page 2-9). The proposed project would be consistent with the North 40 Specific Plan and there would be adequate remaining wastewater conveyance and treatment capacity. A short off-site wastewater collection pipe connection would be required where the existing off-site connection line currently terminates at the southern Oka Road right-of-way, and would be extended within the right-of-way to a connection with an existing 21-inch trunk line. This extension would not result in significant environmental impacts. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

The proposed project would construct an off-site water pipe extension to the San Jose Water Company's Montevina pipe at 7-mile station. Potentially significant air and noise impacts could occur during construction of this pipeline connection. Refer to the impact discussions and mitigation measures presented in the North 40 EIR, Section 3.3 Air Quality, and 3.11 Noise. Mitigation measures presented in those sections would reduce impacts to a less-than-significant level. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

- c. The plan area requires the construction of off-site storm water facilities to complete facilities that were partially constructed when the State Route 85 freeway was constructed. At the time the highway was constructed, certain parts of the planned storm drainage system, including a pipe beneath State Route 17 and a discharge at Los Gatos Creek, were built in anticipation of development within the Plan Area. However, gaps remain that require connecting pipes at locations outside the Plan Area.
- d. The General Plan Final EIR concluded that build-out of the General Plan would not result in significant impacts associated with water supply (North 40 Final EIR page 2-9). The Town's general plan has included development of the Plan Area since at least 1989. The North 40 Specific Plan provides for reduced development by comparison to that allowed in the General Plan. Therefore, water demands would be lower than has been accounted for, and can be adequately accommodated by the Santa Clara Valley Water District and the San Jose Water Company. The proposed project is within the unit count analyzed in the North 40 EIR. Therefore, the proposed project would not require any new or expanded water supplies or delivery infrastructure. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.
- f. The General Plan EIR concluded that build-out of the General Plan would not result in significant impacts associated with solid waste (Town of Los Gatos 2010c, page 2-9).

The North 40 EIR states that the landfill has adequate landfill space through 2048. The proposed project is within the unit count analyzed in the North 40 EIR. Therefore, the proposed project would not require any new or expanded landfill disposal facilities. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

- g. The proposed project would have the same recycling and diversion opportunities as considered in the North 40 EIR. The certified North 40 EIR adequately addresses the impacts and therefore, no further environmental analysis is necessary.

## 18. MANDATORY FINDINGS OF SIGNIFICANCE

Would the project:

	<i>Potentially Significant Impact</i>	<i>Less-than-Significant Impact with Mitigation Measures Incorporated</i>	<i>Less-Than-Significant Impact</i>	<i>No Impact</i>
a. Does the project have the potential to degrade the quality of the environment; substantially reduce the habitat of a fish or wildlife species; cause a fish or wildlife population to drop below self-sustaining levels; threaten to eliminate a plant or animal community; substantially reduce the number or restrict the range of an endangered, rare, or threatened species; or eliminate important examples of the major periods of California history or prehistory? (1,2,3,4,5,6)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>
b. Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects) (1, 2, 5)	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>
c. Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly? (2)	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>

**Comments:**

- a. The proposed project has relatively low chances to disturb protected biological resources, including nesting birds, bat roosts, trees, and burrowing owls. The mitigation measures would reduce impacts to a less-than-significant level.

The project site is not known to include any significant prehistoric resources, but does include several potentially historic houses, based on their age. Mitigation measures would reduce impacts to a less-than-significant level.

- b. The North 40 EIR concludes the following categories to have less-than-significant cumulative levels of impact:

The proposed project is consistent with the General Plan and the North 40 Specific Plan, and with mitigation would have a less-than-significant cumulative effect on aesthetics.

The General Plan EIR determined that the impact of the Plan Area was significant and unavoidable and did not provide any mitigation. The Land Evaluation and Site Assessment analysis prepared for the plan area provided a more in-depth analysis of the value of the farmland and determined that the loss of farmland could be considered less than significant at the project level (refer to North 40 EIR Section 3.2, Agricultural Resources). Therefore, the proposed project would have a less-than-cumulatively considerable effect on agricultural resources.

The General Plan EIR concluded that build-out of the General Plan would not result in significant cumulative impacts to biological resources, with implementation of the applicable goals, policies, and actions in the General Plan. All of the proposed project's biological impacts would be mitigated to a less-than-significant level if the measures proposed in the certified EIR are implemented. Therefore, the proposed project would not make a cumulatively considerable contribution to any significant impact on biological resources.

The General Plan EIR concluded that build-out of the General Plan would not result in significant cumulative impacts associated with cultural resources (archaeological and historic resources) with implementation of General Plan goals, policies, and actions. Therefore, there would not be a cumulative impact on cultural resources.

The General Plan anticipated 943,210 square feet of new commercial development between 2008 and 2020, to be added to the approximately 4.1 million square feet existing in 2008. The General Plan projected the addition of 1,600 new housing units and 3,790 new residents between 2008 and 2020. Town population was forecast to reach 32,600 in 2020. The project proposes 320 housing units, which is fewer than envisioned in the General Plan. The proposed project would add 67,991 square feet of non-residential square footage, which is within the expectations of the General Plan. The proposed project is consistent with the land use designations and long term planning direction of the General Plan. There would not be a cumulatively considerable impact on land use and planning.

The General Plan EIR concluded that build-out of the General Plan would not result in significant impacts associated with geology, soils, or seismicity. Mineral resources are not addressed in the General Plan EIR. Therefore, there would not be a cumulatively considerable impact on geology, soils, and mineral resources.

The General Plan EIR concluded that build-out of the General Plan would make a significant unavoidable contribution to the cumulative impact of climate change (Town

of Los Gatos 2010c, page 2-7). Implementation of General Plan policies would result in an approximate 25 percent reduction in annual GHG emissions by 2020. However, the General Plan EIR concludes that it is uncertain whether this level of reduction will be achieved and that the reduction does not meet the AB 32 Scoping Plan target reduction level of 30 percent. Since that time, a revised reduction estimate of 16 percent has been developed by the California Air Resources Board (California Air Resources Board 2011). Moreover, an analysis of the proposed project's GHG emissions using the air district's plan threshold indicates that the proposed project's greenhouse gas emissions would be within an acceptable range. Therefore, there is not a cumulatively considerable impact on GHG emissions and climate change.

The General Plan EIR concluded that build-out of the General Plan would not result in significant cumulative impacts associated with hydrology and water quality. Groundwater elevations have been within the Santa Clara Valley Water District's targets based on operational storage capacity, and additional groundwater recharge is planned to maintain a balance in the aquifer. Therefore, even if increased groundwater pumping is necessary regionally, groundwater aquifers will be maintained in balance, and build-out of the General Plan, which includes the project site, would not have a cumulatively-considerable impact on groundwater levels.

The project site has a less-than-significant risk of major flooding or dam failure inundation, and therefore there is not a significant cumulative flooding risk within the Town.

As mitigated, with additional low impact development requirements discussed in the impact project analysis, the proposed project would not cause significant water quality degradation. The San Francisco Bay Regional Water Quality Control Board regulates surface water and groundwater quality in the San Francisco Bay region under the guidance of the *San Francisco Bay Region Basin Plan*. The *San Francisco Bay Region Basin Plan* uses a watershed management approach focused on the particular needs of each watershed. The Town and the San Francisco Bay Regional Water Quality Control Board have programs in place to minimize the introduction of pollutants and sediment into water bodies. With the proposed project and other development within the Town constructed in accordance with General Plan policies, Town erosion control and grading regulations, and San Francisco Bay Regional Water Quality Control Board regulations, there would not be any significant cumulative water quality impacts.

The General Plan EIR concluded that build-out of the General Plan would not result in significant cumulative impacts associated with noise. A highway and arterial roads are adjacent on three sides of the project site and are significant noise sources for the project

site and surrounding areas. The addition of cumulative traffic to these roadways would increase traffic volumes, but a very significant percentage traffic increase is required to significantly affect cumulative noise levels. The proposed project would not represent a sufficiently large share of overall traffic levels to have a cumulatively considerable effect on background noise levels. Therefore there would not be a cumulatively considerable impact on noise.

- c. The proposed project would not have a direct adverse effect on human beings.

## E. SOURCES

1. **Town of Los Gatos. *North Forty Specific Plan.***  
Adopted by Los Gatos Town Council June 17, 2015.
2. **Town of Los Gatos. *North Forty Specific Plan Draft Environmental Impact Report.*** Prepared by EMC Planning Group, Inc. April 3, 2014; and *North Forty Specific Plan Final Environmental Impact Report.* Prepared by EMC Planning Group, Inc. July 18, 2014. Certified by the Los Gatos Town Council in January 2015.
3. **BAR Architects. *North 40, Phase I Residential & Mixed-Use Neighborhood Development, Architecture and Site Planning Application.*** February 8, 2016.
4. **Mackay & Somps. *Vesting Tentative Map For Condominium Purposes, Los Gatos North 40 Phase I.*** February 8, 2016.
5. **Town of Los Gatos. *Town of Los Gatos 2020 General Plan and General Plan EIR.*** January 7, 2011.
6. **Archaeological Consulting. *Preliminary Archaeological Reconnaissance Report for the Proposed North Forty Project, in Los Gatos, Santa Clara County.*** California. July 12, 2011.
7. **Treadwell and Rollo. *Preliminary Geotechnical Investigation Los Gatos North Forty, Los Gatos, California.*** January 18, 2010 (a).
8. **ENGEO. *North 40 Project Los Gatos, California Phase II Environmental Site Assessment.*** January 11, 2013.
9. **California Department of Toxic Substances Control (DTSC). *EnviroStor Database.*** Accessed on February 24, 2015 at:  
<http://www.envirostor.dtsc.ca.gov/public/mapfull.asp>.
10. **California Regional Water Quality Control Board (RWQCB). *Geotracker database.*** Accessed on February 24, 2015 at: <http://geotracker.waterboards.ca.gov>.
11. **California Department of Transportation (Caltrans), *California Scenic Highways Program.*** Accessed on February 25, 2015 at:  
<http://www.dot.ca.gov/hq/LandArch/scenic/cahisys.htm>.
12. **Ellis, Deborah. *Arborist Report: North 40 Property, Los Gatos, California.*** March 25, 2011.

13. **Ellis, Deborah. *Arborist Report: North 40 Property, Los Gatos, California* (supplement). Saratoga, California, September 2013.**
14. **Charles M. Salter. North Forty Phase I – Los Gatos, California Draft Environmental Noise Review. January 20, 2016.**
15. Anderson Brulé Architects, Inc. *Los Gatos Civic Center and Library Strategic Master Plan*. 2007.
16. **Illingworth and Rodkin. *North 40 Specific Plan Air Quality and Greenhouse Gas Emissions Assessment Los Gatos, California*. October 22, 2013.**
17. **Fehr & Peers. North 40 Specific Plan: Transportation Analysis for Phase 1, February 25, 2016**
18. **Town of Los Gatos. Los Gatos Sustainability Plan. July 25, 2012**
19. Bay Area Air Quality Management District. 2010 Clean Air Plan.
20. Bay Area Air Quality Management District. CEQA Air Quality Guidelines, May 2010.
21. **EMC Planning Group. Memo regarding Toxic Air Contaminants. March 7, 2016.**
22. **Engeo. Environmental Site Summary. October 9, 2015.**
23. **Illingworth and Rodkin. Los Gatos North 40 – Compliance with Air Quality Mitigation Measures. January 28, 2016.**
24. **Charles M. Salter. North 40 Phase 1 Environmental Noise Review. March 17, 2016.**

All documents indicated in bold are available for review at the **Town of Los Gatos Community Development Department, 110 East Main Street, Los Gatos CA 95030 (408)-354-6875** during normal business hours.

All documents listed above are available for review at EMC Planning Group Inc., 301 Lighthouse Avenue, Suite C, Monterey, California 93940, (831) 649-1799 during normal business hours.

**PLANNING COMMISSION – March 30, 2016**  
**REQUIRED FINDINGS AND CONSIDERATIONS:**

North Forty Phase 1

Architecture and Site Application S-13-090

Vesting Tentative Map M-13-014.

Requesting approval for the construction of a new multi-use, multi-story development consisting of 320 residential units, which will include 50 affordable senior units; approximately 66,000 square feet of commercial floor area, which will include a market hall; on-site and off-site improvements; and a vesting tentative map. APNs: 424-07-024 through -027, -031 through 037, -070, -083 through -086, -090, and -100.

PROPERTY OWNERS: Thomas M. Yuki Trust Et. Al./Yuki Farms/ETPH, Grosvenor USA Limited, Summerhill North 40 LLC, James F. Dagostino Trustee, Elizabeth K. Dodson, William N. Fales, William Hirshman.

APPLICANT: Grosvenor USA Limited

**FINDINGS**

**Required finding for CEQA:**

- An Environmental Impact Report (EIR) was prepared and certified for the North 40 Specific Plan on January 5, 2015. An Initial Study has been prepared and concludes that the proposed Phase 1 application is in compliance with the certified EIR.

**Required Compliance with the General Plan:**

- The project is in compliance with the applicable Goals and Objectives of the General Plan.

**Required Compliance with the North 40 Specific Plan:**

- The project is in compliance with the North 40 Specific Plan.

**Required finding for demolitions:**

- As required by Section 29.10.09030(e) of the Town Code for demolitions:
  1. The Town's housing stock will be maintained as the residences will be replaced.
  2. The existing structures have no architectural or historical significance, and are in poor condition.
  3. The property owner cannot maintain the structures as they exist; and
  4. The existing structure would conflict with the proposed improvements.

**Required Finding for reduction of non-residential setback:**

- As required by Table 2-6 within the North 40 Specific Plan:

1. The setback provides for adequate pedestrian circulation, and
2. The setback is compatible with the adjacent buildings and complements the buildings in the immediate vicinity, and
3. The setback provides for adequate clear sight vision for vehicular traffic.

**Required findings to deny the State Density Bonus Request:**

- As required by Section 29.10.420 (a) of the Town Code for denial of a State Density Bonus request:
  1. The Town has adopted a Housing Element as part of the General Plan, and the Town has met or exceeded its share of the regional housing needs for the income category proposed for the development project;
  2. The project as proposed would have a specific, adverse impact upon the public health or safety which cannot be satisfactorily mitigated without rendering it unaffordable to lower-income households;
  3. The denial of the project or imposition of conditions is required in order to comply with State or Federal law and there is no feasible method to comply without rendering the development unaffordable to lower-income households;
  4. The development project is proposed on land zoned for agriculture or resource preservation which is surrounded on at least two sides by land being used for agricultural or resource preservation purposes, and which does not have adequate water or wastewater facilities to serve the project; and
  5. The development project is inconsistent with the Town's General Plan land use designation as it existed on the date the application was deemed complete, and the Town has adopted a housing element pursuant to state law.

**Required findings to deny a waiver of development standards:**

- As required by paragraph (2) of subdivision (d) of Section 65589.5 of the California Government Code for denial of a development standard waiver:
  1. The modification would have a specific adverse impact upon health, safety, or the physical environment, and there is no feasible method to satisfactorily mitigate or avoid specific adverse impact without rendering the development unaffordable to low, very low, and moderate income households. For the purpose of this subsection, "specific adverse impact" means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified, written public health or safety standards, policies, or conditions as they existed on the date that the application was deemed complete; or
  2. The modification would have an adverse impact on any real property that is listed in the California Register of Historic Resources; or
  3. The incentive or concession would be contrary to State or Federal law.

**Required findings to deny a Subdivision application:**

- As required by Section 66474 of the State Subdivision Map Act the map shall be denied if any of the following findings are made: **None of the findings could be made to deny the application.**
  - a. That the proposed map is not consistent with all elements of the General Plan.
  - b. That the design and improvement of the proposed subdivision is not consistent with all elements of the General Plan.
  - c. That the site is not physically suitable for the proposed development.
  - d. That the site is not physically suitable for the proposed density of development.
  - e. That the designs of the subdivision or the proposed improvements are likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.
  - f. That the design of the subdivision or type of improvements is likely cause serious public health problems.
  - g. That the design of the subdivision or the type of improvements will conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision.

**CONSIDERATIONS**

**Required considerations in review of Architecture & Site applications:**

- As required by Section 29.20.150 of the Town Code, the considerations in review of an Architecture and Site application were all made in reviewing this project.

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**PLANNING COMMISSION – March 30, 2016**  
**CONDITIONS OF APPROVAL FOR VESTING TENTATIVE MAP**

**North Forty Phase 1**  
**Architecture and Site Application S-13-090**  
**Vesting Tentative Map M-13-014.**

**Requesting approval for the construction of a new multi-use, multi-story development consisting of 320 residential units, which will include 50 affordable senior units; approximately 66,000 square feet of commercial floor area, which will include a market hall; on-site and off-site improvements; and a vesting tentative map. APNs: 424-07-024 through -027, -031 through 037, -070, -083 through -086, -090, and -100.**

**PROPERTY OWNERS: Thomas M. Yuki Trust Et. Al./Yuki Farms, Robert & Georgianna Spinazze, Marianne Ezell, Grosvenor USA Limited, Summerhill Homes, James F. Dagostino Trustee, Elizabeth K. Dodson, William N. Fales, William Hirshman**

**APPLICANT: Grosvenor USA Limited**

**TO THE SATISFACTION OF THE DIRECTOR OF COMMUNITY DEVELOPMENT:**

*Planning Division*

1. **APPROVAL:** This application shall be completed in accordance with all of the conditions of approval listed below and in substantial compliance with the approved plans. Any changes or modifications to the approved plans shall be approved by the Community Development Director, Development Review Committee, Planning Commission, or Town Council, depending on the scope of the changes.
2. **EXPIRATION:** The Tentative Map approval will expire two years from the approval date pursuant to Section 29.20.320 of the Town Code, unless the approval has been vested.
3. **TOWN INDEMNITY:** Applicants are notified that Town Code Section 1.10.115 requires that any applicant who receives a permit or entitlement from the Town shall defend, indemnify, and hold harmless the Town and its officials in any action brought by a third party to overturn, set aside, or void the permit or entitlement. This requirement is a condition of approval of all such permits and entitlements whether or not expressly set forth in the approval, and may be secured to the satisfaction of the Town Attorney.
4. **ARCHITECTURE AND SITE APPROVAL REQUIRED:** Architecture and Site approval is required for the demolition of the existing residences and the replacement of those residences. Approval must be obtained prior to recordation of the final parcel map.
5. **DEMOLITION AND DEMOLITION PERMIT REQUIRED:** This approval is contingent on the demolition of the existing structures as shown on the approved plans. A demolition permit is required for the demolition of any existing structures. All required demolition shall occur prior to the recordation of the final parcel map.
6. **TREE PRESERVATION:** All recommendations of the Town's Consulting Arborist shall be followed. Refer to the report prepared by Debbie Ellis dated October 14, 2013 for additional details.

TO THE SATISFACTION OF THE DIRECTOR OF PARKS AND PUBLIC WORKS:

*Engineering Division*

7. APPROVAL: This application shall be completed in accordance with all the conditions of approvals listed below and in substantial compliance with the latest reviewed and approved development plans. Any changes or modifications to the approved plans or conditions of approvals shall be approved by the Town Engineer.
8. PRIOR APPROVALS: All conditions per prior approvals (including Ordinance 2242, Zoning Code Amendment Z-14-001, etc.) shall be deemed in full force and affect for this approval.
9. COMPLIANCE WITH NORTH 40 SPECIFIC PLAN: The project shall meet the items and specifications as provided in the North 40 Specific Plan.
10. PLAN CHECK FEES: Plan check fees shall be deposited with the Town of Los Gatos prior to plan review at the Engineering Division of the Parks and Public Works Department.
11. DESIGN CHANGES: Any proposed changes to the approved plans shall be subject to the approval of the Town of Los Gatos prior to altered work is started. The Applicant's project engineer shall notify, in writing, the Town Engineer at least seventy-two (72) hours in advance of all the proposed changes. Any approved changes shall be incorporated into the final "as-built" plans.
12. PLANS AND STUDIES: All required plans and studies shall be prepared by a Registered Professional Engineer in the State of California, and submitted to the Town Engineer for review and approval.
13. CERTIFICATE OF COMPLIANCE: A Certificate of Compliance shall be recorded. Two (2) copies of the legal description for each lot configuration, a plat map (8-½ in. X 11 in.) shall be submitted to the Engineering Division of the Parks and Public Works Department for review and approval. The submittal shall include:
  - a. Closure calculations,
  - b. Title reports less than ninety (90) days old, and
  - c. Any appropriate fees.The certificate shall be recorded before any permits may be issued.
14. CERTIFICATE OF LOT LINE ADJUSTMENT: A Certificate of Lot Line Adjustment shall be recorded. Two (2) copies of the legal description for each new lot configuration, a plat map (8-½ in. X 11 in.) and two (2) copies of the legal description of the land to be exchanged shall be submitted to the Engineering Division of the Parks and Public Works Department for review and approval. The submittal shall include:
  - a. Closure calculations,
  - b. Title reports less than ninety (90) days old, and
  - c. Any appropriate fees.The certificate shall be recorded before any permits may be issued.
15. CERTIFICATE OF LOT MERGER: A Certificate of Lot Merger shall be recorded. Two (2) copies of the legal description for exterior boundary of the merged parcel and a plat map (8-½ in. X 11 in.) shall be submitted to the Engineering Division of the Parks and Public Works Department for review and approval. The submittal shall include:
  - a. Closure calculations,
  - b. Title reports less than ninety (90) days old, and
  - c. Any appropriate fees.The certificate shall be recorded before any permits may be issued.

16. **LOT LINE ADJUSTMENT:** The Lot Line Adjustment, approved by the Development Review Committee of the Town of Los Gatos on January 26, 2016, Subdivision Application M-15-006, with which it was determined that none of the findings for denial specified in Section 66474 of the State Subdivision Map Act could be made, shall be recorded prior to approval of the Final Map by the Town of Los Gatos.
17. **FINAL MAP:** A final map shall be recorded. Two (2) copies of the final map shall be submitted to the Engineering Division of the Parks & Public Works Department for review and approval. Submittal shall include:
  - a. Closure calculations,
  - b. Title reports, and
  - c. Any appropriate fees.The map shall be recorded before any permits for new construction are issued.
18. **FINAL MAP SEQUENCING:** Prior to approval by the Town of Los Gatos and recordation of the final map, the Applicant shall obtain approval of the roadway improvements proposed within the California Department of Transportation (Caltrans) right-of-way from Caltrans and the Town. The Applicant is advised and understands that further coordination with Caltrans is required to fully determine and finalize the public improvements within the Caltrans right-of-way that shall be constructed and installed with the first phase of the development, and said improvements shall meet or exceed all Caltrans and Town requirements. In the event that Caltrans and the Town do not ultimately approve of the current configuration, possible modifications may include, but are not limited to:
  - a. A fourth westbound lane (and additional dedication of right-of-way in fee if required by Caltrans) along westbound Lark Avenue.
  - b. Modifying the location of the proposed multi-use path in a way in which a part or all of said path is located within the development's property and additional multi-use path easement granted to the Town of Los Gatos, and/or
  - c. Modifying of the alignment of the proposed sound wall to a more northerly alignment within the development's property to accommodate a. and/or b. above.
19. **WEST VALLEY SANITATION DISTRICT:** All sewer connection and treatment plant capacity fees shall be paid either immediately prior to the recordation of any subdivision or tract maps with respect to the subject property or properties, or immediately prior to the issuance of a sewer connection permit, whichever event occurs first. Written confirmation of payment of these fees shall be provided prior to map recordation.
20. **PRIVATE UTILITIES-STREET:** Prior to the recordation of a subdivision map, the Applicant/Developer shall place a note on the map, in a manner that meets the approval of the Town Engineer that states: "The private streets, utilities constructed within this map shall be owned, operated and maintained by the Developer, successors or assigns."
21. **DEDICATIONS:** The following shall be dedicated on the final map by separate instrument. The dedications below shall be recorded before any permits are issued:
  - a. Lark Avenue: A ten (10) foot right-of-way in-fee shall be dedicated along the project's southern boundary. Additional right-of-way in-fee may be required for constructing improvements that may be required by Caltrans. Approval from Caltrans and the Town for the roadway improvements involving Caltrans is required prior to recordation of final map.

- b. Lark Avenue: A ten (10) foot easement shall be granted for the multi-use path. Additional Multi-Use Path Easement across the proposed multi-use path in the locations where said multi-use path extends within the project boundary as amended by the dedication detailed in item 39a. above.
  - c. Los Gatos Boulevard: A 10.5-foot Multi-Use Path Easement shall be granted along the project's eastern boundary.
  - d. Multi-Use Path Easement: Ten (10) feet wide easement(s) shall be granted across the proposed on-site multi-use path(s).
  - e. Public Utility Easement: A Public Utility Easement shall be granted across all private streets and alleys, and where any public utilities and/or facilities are proposed to be installed beyond these areas within the project site.
  - f. Public Access Easement: A Public Access Easement shall be granted across the indicated Central Park open space areas within the project site.
  - g. Public Access Easement: A Public Access Easement shall be granted across all streets, sidewalks and multi-use paths within the project site.
  - h. Public Service Easement (PSE): A ten (10) foot wide Public Service Easement shall be granted adjacent to the Lark Avenue and Los Gatos Boulevard rights-of-way.
  - i. Emergency Vehicle Access Easement (EVAE): An Emergency Vehicle Access Easement shall be granted across all private streets and alleys within the project site.
  - j. Intersection of Los Gatos Boulevard and Neighborhood Street: A Roadway Easement shall be granted to the Town of Los Gatos to provide for a U-turn movement for northbound Los Gatos Boulevard traffic that will meet design standards as approved by the Town's traffic engineer.
  - k. Intersection of Los Gatos Boulevard and Neighborhood Street: A Roadway Easement granted to the Town of Los Gatos, one hundred fifty (150) feet in length, centered at the intersection of Los Gatos Boulevard and Neighborhood Street, for the thirty (30) feet immediately west of the western right-of-way line of Los Gatos Boulevard, shall be granted to provide for the installation, maintenance, and operation of the new intersection.
  - l. Ingress-egress, slope, storm drainage and sanitary sewer easements, as required.
22. DEMOLITION: The existing buildings shall be demolished prior to recordation of the final map affected by these existing buildings.
23. JOINT TRENCH PLANS: Joint trench plans shall be reviewed and approved by the Town prior to recordation of a map. The joint trench plans shall include street and/or site lighting and associated photometrics. A letter shall be provided by PG&E stating that public street light billing will be by Rule LS2A, and that private lights shall be metered with billing to the homeowners association. Pole numbers, assigned by PG&E, shall be clearly delineated on the plans.
24. PUBLIC IMPROVEMENTS: The following improvements shall be installed by the Developer. Plans for those improvements shall be prepared by a California registered civil engineer, reviewed and approved by the Town of Los Gatos, and guaranteed by contract, Faithful Performance Security and Labor & Materials Security before the issuance of a building permit or the recordation of a map. The improvements must be completed and accepted by the Town before a Certificate of Occupancy for any new building can be issued.
- a. Los Gatos Boulevard:
    - i. Provide new curb, gutter, and sidewalk with landscaped planting strip, street lights, signing, striping, new traffic signals or traffic signal modifications, new

traffic signals or traffic signal modifications, and storm drainage as directed by the Town Engineer. All improvements shall be constructed per Town Standard Details.

- ii. The existing street section of Los Gatos Boulevard shall be removed and a traffic-appropriate engineered structural pavement section for the full-width shall be constructed and subsequently re-striped, as directed by the Town Engineer. Final grind and overlay shall not be completed until all on-site construction has been completed.
  - iii. A multi-use path shall be installed along the project's Los Gatos Boulevard frontage, as directed by the Town Engineer.
  - iv. Center median islands prohibiting movements crossing Los Gatos Boulevard shall be installed, except at Neighborhood Street.
- b. Lark Avenue:
- i. Provide new curb, gutter, and sidewalk with landscaped planting strip, street lights, signing, striping, and storm drainage as directed by the Town Engineer. All improvements shall be constructed per Town of Los Gatos Standard Details.
  - ii. The existing street section of Lark Avenue shall be removed and a traffic-appropriate engineered structural pavement section for the full-width shall be constructed and subsequently re-striped, as directed by the Town Engineer. Final grind and overlay shall not be completed until all on-site construction has been completed.

25. OFF-SITE IMPROVEMENTS: Final off-site improvements are required to meet all conditions of approval and comply with the Initial Study, in addition to meeting the Specific Plan requirements. The off-site improvements currently shown on the Vesting Tentative Map are conceptual in nature and included as reference.

26. PLAN REVIEW FEES: Plan reviews will be provided by a third-party consultant hired by the Town of Los Gatos and paid for by the Applicant.

27. MULTI-MODAL PATH: The Applicant shall construct and install a multi-use path system that complies with the direction provided by Town Council at a Special Meeting conducted on June 17, 2015. During said meeting, a motion passed unanimously stating "All projects for development shall include multi-modal paths, physically separated from vehicle roadways running from north to south and providing connectivity to perimeter paths at both the north and south ends." Said paths shall:

- a. Extend through the development and along the project frontage.
- b. Connect to northern and southern ends of the development.
- c. Connect the intersections of:
  - i. Lark Avenue and the northbound California State Route 17 on-ramps.
  - ii. Lark Avenue and Los Gatos Boulevard.
  - iii. Neighborhood Street and Los Gatos Boulevard.

Prior to approval by the Town of Los Gatos and recordation of the final map, the Applicant shall grant a ten (10) foot multi-use path easement along Lark Avenue and for the portion of the multi-use path placed behind the roadway curb along Los Gatos Boulevard that extends into the development.

28. UTILITY EASEMENTS: Deed restrictions shall be placed on lots containing utility easements. The deed restrictions shall specify that no trees, fences, structures or hardscape are allowed within the easement boundaries, and that maintenance access must be provided. The Town will prepare the deed language and the Applicant's surveyor shall prepare the legal description and plat. The Applicant shall pay any recordation costs.

29. PRIVATE EASEMENTS: Agreements detailing rights, limitations, and responsibilities of involved parties shall accompany each private easement. The easements and associated agreements shall be recorded simultaneously with the final map. A copy of the recorded agreement(s) shall be submitted to the Engineering Division of the Parks and Public Works Department prior to the issuance of any permit.
30. PRIVATE STREETS: All streets within the development shall be private and thus privately maintained.
31. UTILITY COMPANY REVIEW: Letters from the electric, telephone, cable, and trash companies indicating that the proposed improvements and easements are acceptable shall be provided prior to the recordation of the final map.

**PLANNING COMMISSION – March 30, 2016**  
**CONDITIONS OF APPROVAL FOR ARCHITECTURE AND SITE**

**North Forty Phase 1**

**Architecture and Site Application S-13-090**

**Vesting Tentative Map M-13-014.**

**Requesting approval for the construction of a new multi-use, multi-story development consisting of 320 residential units, which will include 50 affordable senior units; approximately 66,000 square feet of commercial floor area, which will include a market hall; on-site and off-site improvements; and a vesting tentative map. APNs: 424-07-024 through -027, -031 through 037, -070, -083 through -086, -090, and -100.**

**PROPERTY OWNERS: Thomas M. Yuki Trust Et. Al./Yuki Farms, Robert & Georgianna Spinazze, Marianne Ezell, Grosvenor USA Limited, Summerhill Homes, James F. Dagostino Trustee, Elizabeth K. Dodson, William N. Fales, William Hirshman**

**APPLICANT: Grosvenor USA Limited**

**TO THE SATISFACTION OF THE DIRECTOR OF COMMUNITY DEVELOPMENT:**

*Planning Division*

1. **APPROVAL:** This application shall be completed in accordance with all of the conditions of approval and in substantial compliance with the approved plans. Any changes or modifications to the approved plans and/or business operations shall be approved by the Community Development Director, DRC or the Planning Commission depending on the scope of the changes.
2. **EXPIRATION OF APPROVAL:** The Architecture and Site application will expire two years from the date of approval unless the approval is used before expiration. Section 29.20.335 defines what constitutes the use of an approval granted under the Zoning Ordinance.
3. **OPEN SPACE:** The required open space shall be maintained in accordance with the requirements of the North 40 Specific Plan.
4. **DEMOLITION:** The demolition of the existing structures shall occur prior to recordation of the final map.
5. **SETBACK EXCEPTIONS:** Each unit will be required to show compliance with the setback exceptions permitted by the Specific Plan prior to issuance of building permits.
6. **BMP UNITS:** BMP applicants shall be qualified by the Santa Clara Housing Authority. The affordable units shall be required to be maintained for the term required under State Density Bonus law or for the life of the buildings, whichever is longer. The developer shall enter into an Affordable Housing agreement with the Town prior to issuance of building permits. The proposed BMP units must be available and/or occupied prior to final occupancy issuance for the 200<sup>th</sup> market rate unit.
7. **DEED RESTRICTION:** Prior to issuance of a building permit for market hall, a deed restriction shall be recorded by the applicant with the Santa Clara County Recorder's office, stating that the required BMP units be maintained pursuant to the Town's BMP regulations and the Affordable Housing Agreement with the Town.

8. **OUTDOOR LIGHTING:** Outdoor lighting shall comply with Town Code and Building Code regulations.
9. **RESIDENTIAL SQUARE FOOTAGE:** The internal layout for the residential units may change, but the square footage and number of bedrooms must remain consistent with the approved Development Plans. No additional square footage shall be permitted for the residential uses. Language within the CC&Rs shall notify homeowners of this restriction.
10. **TANDEM GARAGES:** Tandem garages are permitted for the required parking within the residential units. Tandem garages shall maintain a minimum interior clearance of 11 feet by 38 feet.
11. **COMMERCIAL DISPLAY WINDOWS:** Display windows must be periodically cleaned, maintained and changed. Display glass shall not be blacked-out or obscured in any way by any materials(s) or objects(s) affixed in any manner to the outside or inside surfaces of the glass, with the exception of the tenant's standard vinyl safety window logos and flyers for nonprofit organizations.
12. **TREE REMOVAL PERMIT:** A Tree Removal Permit shall be obtained prior to the issuance of a Building, Grading or Encroachment Permit. Canopy replacement for the trees removed will be based on Town Code requirements.
13. **RECYCLING:** All wood, metal, glass, and aluminum materials generated from the demolished structures shall be deposited to a company which will recycle the materials. Receipts from the company(s) accepting these materials, noting type and weight of material, shall be submitted to the Town prior to the Town's demolition inspection.
14. **SOLAR:** The market rate units shall be pre-wired and structurally adapted for future solar installation by homeowners.
15. **NOISE:** The applicant shall comply with all recommendations provided by Charles M. Salter within the report dated January 20, 2016. The letter and/or recommendations shall be printed on the building permit plan set for all affected buildings.
16. **GENERAL:** All existing trees shown on the plan and trees required to remain or to be planted are specific subjects of approval of this plan, and must remain on the site.
17. **IRRIGATION:** All newly planted landscaping shall be irrigated by an in-ground irrigation system. Special care shall be taken to avoid irrigation which will endanger existing native trees and shrubs.
18. **WATER EFFICIENCY:** This project is subject to the Town's Water Efficient Landscape Ordinance (WELO), Chapter 26, and Article IV of the Town Code. WELO review and compliance is required prior to issuance of building permits.
19. **PROTECTIVE FENCING:** Prior to any equipment arriving on site and prior to construction or building permits being issued, the applicant shall meet with the Town's Consulting Arborist, at the applicant's expense, concerning the need for protective fencing around the existing trees and other required tree protection measures identified in this ordinance. Such fencing is to be installed prior to, and be maintained during, construction. The fencing shall be a five foot high chain link attached to steel poles driven at least 18 inches into the ground when at the dripline of the tree. If the fence has to be within eight feet of the trunk of the tree, a fence base may be used, as in a typical chain link fence that is rented.
20. **SIGNAGE:** All proposed signage shall be in conformance with the North 40 Specific Plan (Section 3-5).

21. **COMMERCIAL SIGN PROGRAM:** A sign program shall be required for the commercial development and shall be reviewed prior to issuance of any sign permits.
22. **PARKING GARAGE GATE(S):** Prior to issuance of a building permit for the multi-story parking garage, the applicant shall retain a parking consultant and coordinate with the Los Gatos Monte Sereno Police Department regarding number and location of gated access points to the parking garage.
23. **CC&R's: CC&R APPROVAL** shall be reviewed and approved by the Town Attorney, Community Development Department, and Parks and Public Works Engineering Department prior to issuance of building permits. The CC&R's shall include language on the following items:
  - a. Use of residential garages
  - b. Restriction on additional floor area for the residential units
24. **CC&R's RECORDATION:** CC&R's shall be recorded and a copy of the recorded copy shall be provided to the Town Engineering Department and Community Development Department prior to issuance of final occupancy.
25. **MITIGATION MONITORING AND REPORTING PLAN:** The applicant shall comply with all relevant mitigation measures included in the adopted mitigation monitoring and reporting plan prepared with the certified EIR.

#### *Building Division*

26. **PERMITS REQUIRED:** A separate Building Permit shall be required for each new commercial building and a separate Building Permit for residential building. Separate permits are required for electrical, mechanical, and plumbing work as necessary.
27. **CONDITIONS OF APPROVAL:** The Conditions of Approval must be blue-lined in full on the second sheet of the construction plans. A Compliance Memorandum shall be prepared and submitted with the building permit application detailing how the Conditions of Approval will be addressed.
28. **SIZE OF PLANS:** Four sets of construction plans, minimum size 24" x 36", maximum size 30" x 42".
29. **DEMOLITION REQUIREMENTS:** Obtain a Building Department Demolition Application and a Bay Area Air Quality Management District Application from the Building Department Service Counter for each building to be demolished. Once the demolition form has been completed, all signatures obtained, and written verification from PG&E that all utilities have been disconnected, return the completed form to the Building Department Service Counter with the Air District's J# Certificate, PG&E verification, and three (3) sets of site plans to include all existing structures, existing utility service lines, such as water, sewer, and PG&E. Also prior to issuance of the Demolition Permit, provide clearance from the Santa Clara County Fire Department – HAZMAT Division regarding the abatement of hazardous materials issues. Contact HAZMAT Administration, Kristie Duncan. Michael Benjamin is the HAZMAT Inspector for the Town of Los Gatos. No demolition work shall be done without first obtaining a permit from the Town.
30. **SOILS REPORT:** A soils report, prepared to the satisfaction of the Building Official, containing foundation and retaining wall design recommendations, shall be submitted with the Building Permit application. This report shall be prepared by a licensed Civil Engineer specializing in soils mechanics.

31. FOUNDATION INSPECTIONS: A pad certificate prepared by a licensed Civil Engineer or Land Surveyor shall be submitted to the project building inspector at foundation inspection. This certificate shall certify compliance with the recommendations as specified in the soils report and that the building pad elevations and on-site retaining wall locations and elevations have been prepared according to the approved plans. Horizontal and vertical controls shall be set and certified by a licensed surveyor or registered Civil Engineer for the following items:
  - a. Building pad elevation
  - b. Finish floor elevation
  - c. Foundation corner locations
  - d. Retaining Walls
32. TITLE 24 ENERGY COMPLIANCE: All required California Title 24 Energy Compliance Forms must be blue-lined (sticky-backed) onto a sheet of the plans.
33. BACKWATER VALVE: The scope of this project may require the installation of a sanitary sewer backwater valves per Town Ordinance 6.50.025. Please provide information on the plans if a backwater valve is required and the location of the installation. The Town of Los Gatos Ordinance and West Valley Sanitation District (WVSD) requires backwater valves on drainage piping serving fixtures that have flood level rims less than 12-inches above the elevation of the next upstream manhole.
34. SPECIAL INSPECTIONS: When a special inspection is required by CBC Section 1704, the Architect or Engineer of record shall prepare an inspection program that shall be submitted to the Building Official for approval prior to issuance of the building permit. The Town Special Inspection form must be completely filled-out, signed by all requested parties, and be blue-lined on the construction plans. Special Inspection forms are available from the Building Division Service Counter or online at [www.losgatosca.gov/building](http://www.losgatosca.gov/building).
35. NONPOINT SOURCE POLLUTION STANDARDS SHEET: The Town standard Santa Clara County Valley Nonpoint Source Pollution Control Program Sheet (or Clean Bay Sheet 24x36) shall be part of the plan submittal as the second or third page. The specification sheet is available at the Building Division Service Counter for a fee of \$2 or at ARC Blue Print for a fee.
36. STREET NAMES AND BUILDING ADDRESSES: Submit requests for new street names and building addresses to the Building Division prior to submitting for the Building Permit process. Forms are available at the Building Division service counter.
37. SHORING: Shoring plans and calculations will be required for all excavations which exceed four (4) feet in depth or which remove lateral support from any existing building, adjacent property or the public right-of-way. Shoring plans and calculations shall be prepared by a California licensed engineer and shall conform to Cal/OSHA regulations.
38. TOWN FIREPLACE STANDARDS: New wood burning fireplaces shall be an EPA Phase II approved appliance or gas appliance with no wood burning components per Town Ordinance 1905. Tree limbs shall be cut within 10 feet of chimneys.
39. APPROVALS REQUIRED: The project requires the following departments and agencies approval before issuing a building permit:
  - a. Community Development – Planning Division
  - b. Engineering/Parks & Public Works Department
  - c. Santa Clara County Fire Department

- d. West Valley Sanitation District
- e. Local School District: The Town will forward the paperwork to the appropriate school district(s) for processing. A copy of the paid receipt is required prior to permit issuance.
- f. Bay Area Air Quality Management District

TO THE SATISFACTION OF THE DIRECTOR OF PARKS AND PUBLIC WORKS:

*Engineering Division*

- 40. GENERAL: All public improvements shall be made according to the latest adopted Town Standard Plans, Standard Specifications and Engineering Design Standards. All work shall conform to the applicable Town ordinances. The adjacent public right-of-way shall be kept clear of all job-related dirt and debris at the end of the day. Dirt and debris shall not be washed into storm drainage facilities. The storing of goods and materials on the sidewalk and/or the street will not be allowed unless an encroachment permit is issued. The Developer's representative in charge shall be at the job site during all working hours. Failure to maintain the public right-of-way according to this condition may result in penalties and/or the Town performing the required maintenance at the Developer's expense.
- 41. APPROVAL: This application shall be completed in accordance with all the conditions of approvals listed below and in substantial compliance with the latest reviewed and approved development plans. Any changes or modifications to the approved plans or conditions of approvals shall be approved by the Town Engineer.
- 42. PRIOR APPROVALS: All conditions per prior approvals (including Ordinance 2242, Zoning Code Amendment Z-14-001, etc.) shall be deemed in full force and affect for this approval.
- 43. COMPLIANCE WITH NORTH 40 SPECIFIC PLAN: The project shall meet the items and specifications as provided in the North 40 Specific Plan.
- 44. CHANGE OF OCCUPANCY: Prior to initial occupancy and any subsequent change in use or occupancy of any non-residential condominium space, the buyer or the new or existing occupant shall apply to the Community Development Department and obtain approval for use determination and building permit and obtain inspection approval for any necessary work to establish the use and/or occupancy consistent with that intended.
- 45. ENCROACHMENT PERMIT: All work in the public right-of-way will require a Construction Encroachment Permit. All work over \$5,000 will require construction security. It is the responsibility of the Applicant/Developer to obtain any necessary encroachment permits from affected agencies and private parties, including but not limited to:
  - a. Pacific Gas & Electric (PG&E)
  - b. AT&T
  - c. Comcast
  - d. Santa Clara County Water District
  - e. San Jose Water Company
  - f. California Department of Transportation
 Copies of any approvals or permits must be submitted to the Town Engineering Division of the Parks and Public Works Department prior to releasing any permit.
- 46. PRIVATE IMPROVEMENTS IN THE PUBLIC RIGHT-OF-WAY (INDEMNITY AGREEMENT): The property owner(s) shall enter into an agreement with the Town of Los Gatos for all existing and proposed private improvements within the Town's right-of-

way. The Owner(s) shall be solely responsible for maintaining the improvements in a good and safe condition at all times and shall indemnify the Town of Los Gatos. The agreement must be completed and accepted by the Town Attorney, and a copy of the recorded agreement shall be submitted to the Engineering Division of the Parks and Public Works Department, prior to the issuance of any permits.

47. GENERAL LIABILITY INSURANCE: The property owner shall provide proof of insurance to the Town on a yearly basis until closure of all permits. In addition to general coverage, the policy must cover all elements encroaching into the Town's right-of-way.
48. PUBLIC WORKS INSPECTIONS: The Developer or their representative shall notify the Engineering Inspector at least twenty-four (24) hours before starting any work pertaining to:
  - a. On-site drainage facilities
  - b. Grading or paving.
  - c. All work in the Town's right-of-way.Failure to do so will result in penalties and rejection of work that went on without inspection.
49. RESTORATION OF PUBLIC IMPROVEMENTS: The Developer shall repair or replace all existing improvements not designated for removal that are damaged or removed because of the Developer's operations. Said existing improvements include, but are not limited to:

a. Curbs	b. Gutters
c. Sidewalks	d. Driveways
e. Signs	f. Pavements
g. Raised pavement markers	h. Thermoplastic pavement markings, etc.

and shall be repaired and replaced to a condition equal to or better than the original condition. Any new concrete shall be free of stamps, logos, names, graffiti, etc. Any concrete identified that is displaying a stamp or equal shall be removed and replaced at the Contractor's sole expense and no additional compensation shall be allowed therefore. Existing improvement(s) to be repaired or replaced shall be at the direction of the Engineering Construction Inspector, and shall comply with all Title 24 Disabled Access provisions. The Developer shall request a walk-through with the Engineering Construction Inspector before the start of construction to verify existing conditions.
50. SITE SUPERVISION: The General Contractor shall provide qualified supervision on the job site at all times during construction.
51. STREET/SIDEWALK CLOSURE: Any proposed blockage or partial closure of the street and/or sidewalk requires an encroachment permit. Special provisions such as limitations on works hours, protective enclosures, or other means to facilitate public access in a safe manner may be required.
52. PLAN CHECK FEES: Plan check fees shall be deposited with the Town of Los Gatos prior to plan review at the Engineering Division of the Parks and Public Works Department.
53. INSPECTION FEES: Inspection fees shall be deposited with the Town of Los Gatos prior to issuance of any Permit or recordation of the Final Map.
54. PUBLIC WORKS INSPECTOR: The Applicant shall fund a full time public works inspector, selected by the Town of Los Gatos, for the duration of the demolition, grading operations and construction of off-site improvements. The Applicant will be charged on

a time and materials basis. A deposit for the full amount to be estimated by the Town based on the Contractor's approved schedule shall be paid prior to issuance of the demolition permit.

55. ON-SITE TRAILER: Prior to the commencement of any construction activity, the Applicant shall enter into an agreement with the Town of Los Gatos, to the satisfaction of the Town, and provide the Town with sufficient on-site trailer space for the public works inspector and members of Staff of the Town of Los Gatos.
56. DESIGN CHANGES: Any proposed changes to the approved plans shall be subject to the approval of the Town of Los Gatos prior to performing altered. The Applicant's project engineer shall notify, in writing, the Town Engineer at least seventy-two (72) hours in advance of all the proposed changes. Any approved changes shall be incorporated into the final "as-built" plans.
57. PARKING: Any proposed parking restriction must be approved by the Town of Los Gatos, Community Development Department.
58. EMPLOYEE PARKING: Employees shall be encouraged to carpool or take alternative transportation modes; however, businesses shall not prohibit employee parking on-site.
59. PLANS AND STUDIES: All required plans and studies shall be prepared by a Registered Professional Engineer in the State of California, and submitted to the Town Engineer for review and approval.
60. GRADING PERMIT: A grading permit is required for all site grading and drainage work except for exemptions listed in Section 12.20.015 of The Code of the Town of Los Gatos (Grading Ordinance). The grading permit application (with grading plans) shall be made to the Engineering Division of the Parks and Public Works Department located at 41 Miles Avenue. The grading plans shall include:
  - a. Final grading
  - b. Drainage
  - c. Retaining wall location(s)
  - d. Driveway(s)
  - e. Utilities
  - f. Interim erosion controlGrading plans shall list earthwork quantities and a table of existing and proposed (created and replaced) impervious areas. Unless specifically allowed by the Director of Parks and Public Works, the grading permit will be issued concurrently with the building permit. The grading permit is for work outside the building footprint(s). A separate building permit, issued by the Building Department at 110 E. Main Street is needed for grading within the building footprint.
61. GRADING/EARTHWORK QUANTITIES: Prior to the issuance of a grading permit, a table of earthwork quantities shall be provided with identification of individual areas of cut and fill, classified by site element (structures, roadway, landscape, etc.).
62. GRADING ACTIVITY SEQUENCING: On-site grading activity may be done concurrently with the off-site public improvements. The removal of any necessary off-haul material is expressly prohibited, as the material shall be stockpiled and remain on-site until the public improvements have been completed.
63. DRIVEWAY: The driveway conform to the pavement on Los Gatos Boulevard at the east-west roadway through the area labeled as Parcel Q shall be constructed in a manner such that the existing drainage patterns will not be obstructed.
64. CONSTRUCTION EASEMENT: Prior to the issuance of a grading permit, it shall be the sole responsibility of the Developer/Applicant to obtain any and all proposed or required

- easements and/or permissions necessary to perform the grading herein proposed. Proof of agreement/approval is required prior to the issuance of any Permit.
65. DRAINAGE STUDY: Prior to the issuance of any grading permits, the following drainage studies shall be submitted to and approved by the Town Engineer:
    - a. A drainage study of the project including diversions, off-site areas that drain onto and/or through the project, and justification of any diversions.
    - b. A drainage study evidencing that the proposed drainage patterns will not overload the existing storm drain facilities.
    - c. Detailed drainage studies indicating how the project grading, in conjunction with the drainage conveyance systems, including applicable swales, channels, street flows, catch basins, storm drains, and flood water retarding, will allow building pads to be safe from inundation from rainfall runoff which may be expected from all storms up to and including the theoretical 100-year flood.
  66. DRAINAGE IMPROVEMENT: Prior to the recordation of a subdivision map (except maps for financing and conveyance purposes only), or prior to the issuance of any grading/improvement permits, whichever comes first, the Applicant shall:
    - a. Design provisions for surface drainage.
    - b. Design all necessary storm drain facilities extending to a satisfactory point of disposal for the proper control and disposal of storm runoff.
    - c. Provide a recorded copy of any required easement(s) to the Town.
  67. TREE REMOVAL: Copies of all necessary tree removal permits shall be provided prior to the issuance of a grading permit/building permit.
  68. SURVEYING CONTROLS: Horizontal and vertical controls shall be set and certified by a licensed surveyor or registered civil engineer qualified to practice land surveying, for the following items:
    - a. Retaining wall: top of wall elevations and locations.
    - b. Toe and top of cut and fill slopes.
  69. PAD CERTIFICATION: A letter from a licensed land surveyor shall be provided stating that the building foundation was constructed in accordance with the approved plans shall be provided subsequent to foundation construction and prior to construction on the structure. The pad certification shall address both vertical and horizontal foundation placement.
  70. PRECONSTRUCTION MEETING: Prior to issuance of any permit or the commencement of any site work, the general contractor shall:
    - a. Along with the project applicant, attend a pre-construction meeting with the Town Engineer to discuss the project conditions of approval, working hours, site maintenance and other construction matters;
    - b. Acknowledge in writing that they have read and understand the project conditions of approval, and will make certain that all project sub-contractors have read and understand them as well prior to commencing any work and that a copy of the project conditions of approval will be posted on site at all times during construction.
  71. RETAINING WALLS: A building permit, issued by the Building Department at 110 E. Main Street, may be required for site retaining walls. Top and bottom of wall elevations at the endpoints, angle points and any critical points of all proposed retaining walls shall be provided. Walls are not reviewed or approved by the Engineering Division of Parks and Public Works during the grading permit plan review process.

72. PROXIMITY OF RETAINING WALLS TO ADJACENT BUILDINGS: Prior to the issuance of a grading or building permit, structural details for the proposed retaining walls located immediately adjacent to or in the immediate vicinity of existing buildings on adjoining lots shall be submitted confirming that said walls will not negatively affect the structural integrity of these buildings.
73. SOILS REPORT: One copy of the soils and geologic report shall be submitted with the application. The soils report shall include specific criteria and standards governing site grading, drainage, pavement design, retaining wall design, and erosion control. The reports shall be signed and "wet stamped" by the engineer or geologist, in conformance with Section 6735 of the California Business and Professions Code.
74. GEOLOGY AND SOILS MITIGATION MEASURE: A geotechnical investigation shall be conducted for the project to determine the surface and sub-surface conditions at the site and to determine the potential for surface fault rupture on the site. The geotechnical study shall provide recommendations for site grading as well as the design of:
- a. Foundations
  - b. Retaining walls
  - c. Concrete on-slab construction
  - d. Excavation
  - e. Drainage
  - f. On-site utility trenching
  - g. Pavement sections
- All recommendations of the investigation shall be incorporated into project plans.
75. SOILS REVIEW: Prior to issuance of any permit, the Applicant's engineers shall prepare and submit a design-level geotechnical/geological investigation for review and approval by the Town of Los Gatos. The Applicant's soils engineer shall review the final grading and drainage plans to ensure that designs for:
- a. Foundations
  - b. Retaining walls
  - c. Site grading
  - d. Site drainage
- are in accordance with their recommendations and the peer review comments. Approval of the Applicant's soils engineer shall then be conveyed to the Town either by letter or by signing the plans.
76. SOILS ENGINEER CONSTRUCTION OBSERVATION: During construction, all excavations and grading shall be inspected by the Applicant's soils engineer prior to placement of concrete and/or backfill so they can verify that the actual conditions are as anticipated in the design-level geotechnical report, and recommend appropriate changes in the recommendations contained in the report, if necessary. The results of the construction observation and testing shall be documented in an "as-built" letter/report prepared by the Applicant's soils engineer and submitted to the Town of Los Gatos before final release of any occupancy permit is granted.
77. SOIL RECOMMENDATIONS: The project shall incorporate the geotechnical/geological recommendations contained in the Preliminary Geotechnical Investigation by Treadwell & Rollo Environmental & Geotechnical Consultants dated January 18, 2010, and any subsequently required report or addendum. Subsequent reports or addendum are subject to peer review by the Town's consultant, and all costs shall be borne by the Applicant.
78. IMPROVEMENTS AGREEMENT: The Applicant shall enter into an agreement to construct public improvements that are part of the development in a form acceptable to the Town in the amount of 100% (performance) and 100% (labor and materials) prior to issuance of any permit. The Applicant shall provide two (2) copies of documents verifying the cost of the public improvements to the satisfaction of the Engineering

Division of the Parks and Public Works Department. A copy of the recorded agreement shall be submitted to the Engineering Division of the Parks and Public Works Department prior to the issuance of any permit.

79. JOINT TRENCH PLANS: The joint trench plans shall include street and/or site lighting and associated photometrics. A letter shall be provided by PG&E stating that public street light billing will be by Rule LS2A, and that private lights shall be metered with billing to the homeowners association. Pole numbers, assigned by PG&E, shall be clearly delineated on the plans.
80. WATER DESIGN: Water plans prepared by San Jose Water Company must be reviewed and approved prior to issuance of any permit. Plans shall include the proposed connection to the existing Montevina Pipe at San Jose Water Company's 7-Mile Station, Pressure Regulator facility, and all proposed improvements for both transmission and distribution facilities. Details and relevant information for the proposed Pressure Regulator facility (i.e. sizing/dimensions, criteria, schematics/pictures, etc.) shall be submitted to the Town Engineer for approval prior to construction.
81. PUBLIC IMPROVEMENTS: The following improvements shall be installed by the Developer. Plans for those improvements shall be prepared by a California registered civil engineer, reviewed and approved by the Town of Los Gatos, and guaranteed by contract, Faithful Performance Security and Labor & Materials Security before the issuance of a building permit or the recordation of a map. The improvements must be completed and accepted by the Town before a Certificate of Occupancy for any new building can be issued.
  - a. Los Gatos Boulevard:
    - i. Provide new curb, gutter, and sidewalk with landscaped planting strip, street lights, signing, striping, new traffic signals or traffic signal modifications and storm drainage along the Phase 1 frontages as directed by the Town Engineer. All improvements shall be constructed per Town Standard Details.
    - ii. The existing street section of Los Gatos Boulevard from Lark Avenue to Burton Road shall be removed and a traffic-appropriate engineered structural pavement section for the full-width shall be constructed and subsequently re-striped, as directed by the Town Engineer. Final grind and overlay shall not be completed until all on-site construction has been completed.
    - iii. A multi-use path shall be installed along the project's Phase 1 Los Gatos Boulevard frontage, as directed by the Town Engineer.
    - iv. Center median islands for prohibiting left turn movements from northbound and southbound Los Gatos Boulevard shall be installed, except at Neighborhood Street, between Lark Avenue and the northern limits of Phase 1.
  - b. Lark Avenue:
    - i. Provide new curb, gutter, and sidewalk with landscaped planting strip, street lights, signing, striping, new traffic signals or traffic signal modifications, and storm drainage along the northern side of Lark Avenue from the California State Route 17 northbound on-ramp to Los Gatos Boulevard as directed by the Town Engineer. All improvements shall be constructed per Town of Los Gatos Standard Details.
    - ii. A multi-use path shall be installed along the north side of Lark Avenue from Los Gatos Boulevard to the California State Route 17 northbound ramps.

- iii. The existing street section of Lark Avenue from the California State Route 17 northbound on-ramp to Los Gatos Boulevard shall be removed and a traffic-appropriate engineered structural pavement section for the full-width shall be constructed and subsequently re-striped, as directed by the Town Engineer. Final grind and overlay shall not be completed until all on-site construction has been completed.
82. OFF-SITE IMPROVEMENTS: Final off-site improvements are required to meet all conditions of approval and comply with the Initial Study, in addition to meeting the Specific Plan requirements. The off-site improvements currently shown on the Vesting Tentative Map are conceptual in nature and included as reference.
83. FRONTAGE IMPROVEMENTS: The Applicant shall be required to improve the project's public frontages to the current Town of Los Gatos Standards. These improvements may include, but are not limited to:
- a. Curb
  - b. Gutter
  - c. Sidewalk
  - d. Driveway approach(es)
  - e. Curb ramp(s)
  - f. Street lighting (upgrade and/or repaint)
  - g. Traffic signal(s)
- The improvements must be completed and accepted by the Town before a Certificate of Occupancy for any new building can be issued.
84. FRONTAGE IMPROVEMENTS (INTERSECTION OF LARK AVENUE AND LOS GATOS BOULEVARD): The Applicant shall upgrade the existing traffic signal to current Town of Los Gatos standards. These improvements include, but may not be limited to:
- a. signal controller cabinet assembly
  - b. signal service pedestal
  - c. update of non-LED signal indication to LEDs
  - d. LED safety lights
  - e. update of non-ADA compliant pedestrian pushbuttons to ADA compliance
  - f. eight (8) inch signal heads to twelve (12) inch
  - g. installation of pedestrian count down signals where non-pedestrian count down signals are currently located
  - h. fire preemption
  - i. video detection system
  - j. signal interconnection
  - k. fiber optic connection
  - l. communication modem and switches
- as directed by the Town Engineer. The improvements must be completed and accepted by the Town before a Certificate of Occupancy for any new building can be issued.
85. PLAN REVIEW FEES: Plan reviews will be provided by a third-party consultant hired by the Town of Los Gatos and paid for by the Applicant.
86. EMERGENCY VEHICLE CROSSING ON LARK AVENUE: The Applicant shall be required to install a median island within Lark Avenue at the intersection with Highland Oaks Drive that provides an access crossing only for emergency vehicles.
87. LARK AVENUE BIKE LANES: In addition to the development's Lark Avenue frontage, the Applicant shall install bike lanes on westbound and eastbound Lark Avenue, extending west of the project to the connection point with the Los Gatos Creek Trail.

The Lark Avenue roadway along this section shall be slurry sealed prior to final striping. The improvements must be completed and accepted by the Town before a Certificate of Occupancy for any new building can be issued.

88. **GREEN BICYCLE FACILITIES:** The Applicant shall install green bike lanes and bike boxes in all directions of improved streets and intersections as directed by the Town Engineer. The improvements must be completed and accepted by the Town before a Certificate of Occupancy for any new building can be issued.
89. **MULTI-MODAL PATH:** The Applicant shall construct and install a multi-use path system that complies with the direction provided by Town Council at a Special Meeting conducted on June 17, 2015. During said meeting, a motion passed unanimously stating "All projects for development shall include multi-modal paths, physically separated from vehicle roadways running from north to south and providing connectivity to perimeter paths at both the north and south ends." Said paths shall:
- a) Extend through the development and along the project frontage.
  - b) Connect to northern and southern ends of the development.
  - c) Connect the intersections of:
    - i. Lark Avenue and the northbound California State Route 17 on-ramps.
    - ii. Lark Avenue and Los Gatos Boulevard.
    - iii. Neighborhood Street and Los Gatos Boulevard.

Connections to the above-listed intersections shall be constructed with enhanced amenities, such as textured pavement and adequate waiting areas for pedestrians and bicyclists, to encourage use of the multi-use path. The multi-use path shall be placed within a ten (10) foot easement along Lark Avenue. The multi-use path shall be placed behind the roadway curb along Los Gatos Boulevard and extend into a multi-use path easement. The improvements must be completed and accepted by the Town before a Certificate of Occupancy for any new building can be issued.

90. **ROADWAY AND MULTI-USE PATH IMPROVEMENT PLANS:** Plans shall be prepared by Applicant's design consultants registered in Civil and Traffic Engineering practice. The multi-use path system, including on-site and off-site paths as well as access connection to roadways and intersections shall be prepared by engineers with expertise in the design of multi-use paths. Plans shall be submitted to the Town Engineer for approval prior to building permit.
91. **ADA COMPLIANCE:** The Applicant shall be required to meet all ADA standards, which must be completed and accepted by the Town of Los Gatos before a Certificate of Occupancy for any new building can be issued. This may require additional construction measures as directed by the Town.
92. **UTILITIES:** The Developer shall install all new, relocated, or temporarily removed utility services, including telephone, electric power and all other communications lines underground, as required by Town of Los Gatos Code Section 27.50.015(b). All new utility services shall be placed underground. Underground conduit shall be provided for cable television service. The Applicant is required to obtain approval of all proposed utility alignments from any and all utility service providers before a Certificate of Occupancy for any new building can be issued. The Town of Los Gatos does not approve or imply approval for final alignment or design of these facilities.
93. **UTILITY SETBACKS:** Building foundations shall be set back from utility lines a sufficient distance to allow excavation of the utility without undermining the building

- foundation. The Town Engineer shall determine the appropriate setback based on the depth of the utility, input from the project soils engineer, and the type of foundation.
94. UTILITY EASEMENTS: Deed restrictions shall be placed on lots containing utility easements. The deed restrictions shall specify that no trees, fences, structures or hardscape are allowed within the easement boundaries, and that maintenance access must be provided. The Town will prepare the deed language and the Applicant's surveyor shall prepare the legal description and plat. The Applicant shall pay any recordation costs.
95. PRIVATE EASEMENTS: Agreements detailing rights, limitations, and responsibilities of involved parties shall accompany each private easement. The easements and associated agreements shall be recorded simultaneously with the final map. A copy of the recorded agreement(s) shall be submitted to the Engineering Division of the Parks and Public Works Department prior to the issuance of any permit.
96. TRENCHING MORATORIUM: Trenching within a newly paved street will be allowed subject to the following requirements:
- a. The Town standard "T" trench detail shall be used.
  - b. A Town-approved colored controlled density backfill shall be used.
  - c. All necessary utility trenches and related pavement cuts shall be consolidated to minimize the impacted area of the roadway.
  - d. The total asphalt thickness shall be a minimum of three (3) inches, meet Town standards, or shall match the existing thickness, whichever is greater. The final lift shall be 1.5-inches of one-half ( $\frac{1}{2}$ ) inch medium asphalt. The initial lift(s) shall be of three-quarter ( $\frac{3}{4}$ ) inch medium asphalt.
  - e. The Contractor shall schedule a pre-paving meeting with the Town Engineering Construction Inspector the day the paving is to take place.
  - f. A slurry seal topping may be required by the construction inspector depending their assessment of the quality of the trench paving. If required, the slurry seal shall extend the full width of the street and shall extend five (5) feet beyond the longitudinal limits of trenching. Slurry seal materials shall be approved by the Town Engineering Construction Inspector prior to placement. Black sand may be required in the slurry mix. All existing striping and pavement markings shall be replaced upon completion of slurry seal operations. All pavement restorations shall be completed and approved by the Inspector before occupancy.
97. SIDEWALK REPAIR: The Developer shall repair and replace to existing Town of Los Gatos standards any sidewalk damaged now or during construction of this project. All new and existing adjacent infrastructures shall meet current ADA standards. Sidewalk repair shall match existing color, texture and design, and shall be constructed per Town Standard Details. New concrete shall be free of stamps, logos, names, graffiti, etc. Any concrete identified that is displaying a stamp or equal shall be removed and replaced at the Contractor's sole expense and no additional compensation shall be allowed therefore. The limits of sidewalk repair will be determined by the Engineering Construction Inspector during the construction phase of the project. The improvements must be completed and accepted by the Town before a Certificate of Occupancy for any new building can be issued.
98. CURB AND GUTTER REPAIR: The Developer shall repair and replace to existing Town of Los Gatos standards any curb and gutter damaged now or during construction of this project. All new and existing adjacent infrastructures shall meet Town standards.

New curb and gutter shall be constructed per Town Standard Details. New concrete shall be free of stamps, logos, names, graffiti, etc. Any concrete identified that is displaying a stamp or equal shall be removed and replaced at the Contractor's sole expense and no additional compensation shall be allowed therefore. The limits of curb and gutter repair will be determined by the Engineering Construction Inspector during the construction phase of the project. The improvements must be completed and accepted by the Town before a Certificate of Occupancy for any new building can be issued.

99. DRIVEWAY APPROACH: The developer shall install one (1) Town of Los Gatos standard commercial driveway approach. The new driveway approach shall be constructed per Town Standard Plans and must be completed and accepted by the Town before a Certificate of Occupancy for any new building can be issued. New concrete shall be free of stamps, logos, names, graffiti, etc. Any concrete identified that is displaying a stamp or equal shall be removed and replaced at the Contractor's sole expense and no additional compensation shall be allowed therefore.
100. CURB RAMPS: The developer shall construct all curb ramps in compliance with ADA Standards which must be completed and accepted by the Town of Los Gatos before a Certificate of Occupancy for any new building can be issued. New concrete shall be free of stamps, logos, names, graffiti, etc. Any concrete identified that is displaying a stamp or equal shall be removed and replaced at the Contractor's sole expense and no additional compensation shall be allowed therefore.
101. FENCING: Any fencing proposed within two hundred (200) feet of an intersection shall comply with Town of Los Gatos Code Section §23.10.080.
102. SIGHT TRIANGLE AND TRAFFIC VIEW AREA: Any proposed improvements, including, but not limiting to, monument signs, fences, trees and hedges, shall abide by Town of Los Gatos Code Sections 23.10.080, 26.10.065, 29.40.030.
103. FENCES: Fences between all adjacent parcels shall be located on the property lines/boundary lines. Any existing fences that encroach into the neighbor's property shall be removed and replaced to the correct location of the boundary lines before a Certificate of Occupancy for any new building can be issued. Waiver of this condition requires signed and notarized letters from all affected neighbors.
104. SOUND WALL: The location of the sound wall is dependent on the off-site improvements, such as the future curb, sidewalk, and multi-use path. The sound wall location proposed in the Vesting Tentative Map will be finalized prior to recordation of the Final Map.
105. CIRCULATION AND INFRASTRUCTURE PHASING PLAN: Prior to the issuance of any permits, the Applicant shall prepare and provide a detailed Circulation and Infrastructure Phasing Plan that illustrates the intended sequencing of the construction and installation of proposed on- and off-site utilities, public and private improvements, site access and buildings. At the discretion of the Town of Los Gatos, construction hours may be reduced and night construction hours encouraged for off-site activities to reduce traffic impacts. This shall be approved by the Town prior to the commencement of any construction work or related activity.
106. ENHANCEMENT OF EXISTING BUS STOP: The Developer is required to coordinate with the Santa Clara Valley Transportation Authority (VTA), plan for, and provide an enhanced bus stop at the location of the existing stop along southbound Los Gatos Boulevard between Neighborhood Street and Bennett Way. The improvements shall be

in compliance with VTA standards and must be completed and accepted by the Town of Los Gatos before a Certificate of Occupancy for any new building can be issued.

107. STREET LIGHTS AND TRAFFIC SIGNAL INSPECTION FEES: The Applicant shall pay a fee in the amount \$15,000 for the Town's inspection of street lights and traffic signal related work installed by the Applicant. The fees shall be due at time of building permit application.
108. TRAFFIC IMPACT MITIGATION FEE: The Applicant shall pay the project's proportional share of transportation improvements needed to serve cumulative development within the Town of Los Gatos in the amount of \$3,432,495.00. The fee amount will be based upon the Town Council resolution in effect at the time the Vesting Tentative Map is approved by Town Council. The fee shall be paid before issuance of a building permit. The final traffic impact mitigation fee for this project shall be calculated from the final plans using the current fee schedule and rate schedule in effect at the time Vesting Tentative Map is approved by Town Council, using a comparison between the existing and proposed uses. The Applicant shall enter into an agreement with the Town to reimburse the construction costs for eligible off-site improvements per the Town's traffic mitigation fee policy.
109. INTERSECTION IMPROVEMENTS (INTERSECTION OF LARK AVENUE AND LOS GATOS BOULEVARD): The Applicant shall modify the intersection of Lark Avenue and Los Gatos Boulevard to provide:
- a. A third northbound left turn lane
  - b. A third eastbound left turn lane
  - c. Bike lanes
  - d. Additional turn storage length
  - e. Necessary transition conforms
- As directed by the Town Engineer, the Applicant shall modify the northwestern corner of said intersection to accommodate the connection of the multi-use path, including, but may not be limited to:
- f. Modification or removal of the pork-chop island
  - g. Removal of the existing signal controller cabinet and the installation of a new signal controller cabinet away from where the proposed multi-use path shall connect to the corner of intersection.
110. INTERSECTION IMPROVEMENTS (INTERSECTION OF NEIGHBORHOOD STREET AND LOS GATOS BOULEVARD): The Applicant shall:
- a. Construct the intersection of Neighborhood Street and Los Gatos Boulevard, install a new traffic signal and provide a construction entrance at the proposed project entrance on Los Gatos Boulevard.
  - b. Construct signal interconnection along Los Gatos Boulevard from Lark Avenue to the new project signal and from the new project signal to the existing traffic signal at Burton Road.
  - c. Install fiber optic communication along Los Gatos Boulevard from Lark Avenue to the new project signal.
- The new intersection shall continue to allow access to the driveway of 15000 Los Gatos Boulevard. The east side of the new intersection shall be constructed with temporary curb, gutter, sidewalk and driveway that will provide southbound U-turn, northbound bus stop, and access to existing properties. The west side of intersection shall be constructed with standard roadway, curb, gutter, sidewalk, and ADA compliant multi-use path ramps, and provide for a U-turn movement for northbound Los Gatos Boulevard traffic that will

meet design standards as approved by the Town's Traffic Engineer. These improvements shall be installed prior to the commencement of any on-site construction activities or issuance of any grading or building permits. Plans for the construction access shall be prepared by a California registered civil engineer, reviewed and approved by the Town of Los Gatos.

111. CONSTRUCTION TRAFFIC PLAN: Prior to the issuance of any encroachment, grading or building permits, the Applicant shall submit for approval by the Town of Los Gatos construction traffic plan.
112. INTERSECTION IMPROVEMENTS (INTERSECTION OF LARK AVENUE AND NORTHBOUND CALIFORNIA STATE ROUTE 17 ON-RAMPS) The Applicant shall coordinate with the Town of Los Gatos and Caltrans to design and install the following improvements:
  - a. Modify the intersection of Lark Avenue and the northbound California State Route 17 on-ramps to add a second right turn lane feeding the northbound California State Route 17 on-ramp. The westbound approach shall consist of two (2) through lanes, two (2) 200-foot right-turn lanes, and a preserved five (5) foot space for a future bike lane.
  - b. Relocate existing signal interconnection and fiber optic cables and conduits along Lark Avenue from Los Gatos Boulevard to California State Route 17 northbound ramps.
  - c. Construct a pedestrian crosswalk to allow for the crossing of Lark Avenue immediately east of the northbound California State Route 17 on- and off-ramps.
  - d. Transition from three (3) to four (4) westbound lanes starting immediately west of 'A' Street.

This intersection is within Caltrans jurisdiction and will require Caltrans review and approval. The final configuration may change as ultimately approved by the Town and Caltrans.

113. INTERSECTION IMPROVEMENTS (INTERSECTION OF LARK AVENUE AND 'A' STREET / HIGHLAND OAKS DRIVE): The Applicant shall construct 'A' Street and a median island within Lark Avenue through the intersection with 'A' Street and Highland Oaks Drive. The modified intersection shall:
  - a. Allow left-in movements from eastbound Lark Avenue
  - b. Right-in, and right-out only movements for 'A' Street
  - c. Allow emergency access only for turning into Highland Oaks Drive from westbound Lark Avenue.

This intersection shall provide:

- a. Four (4) eastbound lanes
- b. Three (3) westbound through lanes before 'A' Street
- c. One (1) westbound right-turn deceleration lane before 'A' Street

The Applicant shall install pedestrian barricades to prevent pedestrians crossing Lark Avenue from Highland Oaks Drive to 'A' Street. Prior to the issuance of grading or building permits, the Applicant shall install a construction exit from the project site at the proposed intersection of 'A' Street and Lark Avenue. Plans for the construction access

shall be prepared by a California registered civil engineer, reviewed and approved by the Town of Los Gatos.

114. SIGNAL TIMING COORDINATION: The project's traffic engineer shall re-time and coordinate the signals along Los Gatos Boulevard from Neighborhood Street to Blossom Hill Road at the time of the new project signal is activated; again at 50% occupancy; and again at 95% occupancy. The project's traffic engineer shall work with the City of San Jose in reviewing the feasibility of inclusion of the City of San Jose's traffic signals at Samaritan Drive and the California State Route 85 ramps and the California Department of Transportation (Caltrans) traffic signals at California State Route 17 ramps in the signal timing coordination. The project's traffic engineer shall work with Caltrans in reviewing the feasibility of inclusion of the traffic signals on Lark Avenue at California State Route 17 ramps and at Oka Road in the signal timing coordination. Include these additional signals in the signal timing coordination as directed by the Town Engineer.
115. TRANSPORTATION DEMAND MANAGEMENT (TDM) PLAN: The Applicant shall prepare a Transportation Demand Management (TDM) Plan for Town of Los Gatos approval prior to the issuance of a building permit. The TDM shall include a minimum of those measures identified in the Specific Plan such as:
- a. Bicycle facility provisions
  - b. Transit passes and subsidies
  - c. Carpool incentive
  - d. Reserved car share parking
  - e. Electrical car charging stations
  - f. Coordination with the Santa Clara Valley Transportation Authority (VTA) to decrease headway times to connect to regional destinations, etc.
- The TDM shall include a TDM coordinator who will submit a TDM effectiveness report to the Town annually.
116. LARK AVENUE WIDENING: The Applicant shall dedicate ten (10) feet of right-of-way and widen Lark Avenue along the property frontage from Los Gatos Boulevard to the northbound California State Route 17 on-ramp. The improved roadway shall provide:
- a. A landscaped median island
  - b. Eastbound bike lanes
  - c. A ten (10) foot multi-use path
  - d. Three (3) to four (4) westbound lanes
  - e. Four (4) eastbound lanes
  - f. Preserved width for westbound bike lanes.

The eastbound bike lane shall extend from the northbound California State Route 17 on-ramp to Los Gatos Boulevard. A five (5) foot width shall be preserved for a future westbound bike lane from Los Gatos Boulevard to the California State Route 17 on-ramp. In the eastbound direction, there shall be:

- a. Three (3) through lanes and one (1) left-turn lane west of Highland Oaks Drive
- b. Two (2) left-turn lanes, one (1) shared left-turn/through lane, and one (1) right turn lane east of Highland Oaks Drive.

In the westbound direction, there shall be:

- a. Three (3) through lanes and one (1) right-turn deceleration lane east of 'A' Street
- b. Three (3) lanes opening up to four (4) lanes starting immediately west of 'A' Street.

In the area at and near the Lark Avenue/California State Route 17 ramps is within Caltrans jurisdiction and would require Caltrans review and approval. The final configuration may change as ultimately approved by the Town and Caltrans.

117. LARK AVENUE SIGNAL INTERCONNECT AND FIBER OPTIC COMMUNICATION: The Applicant shall construct and relocate the existing traffic signal interconnect conduit/cable and fiber optic conduit/cable along the north side of Lark Avenue conduits and cables as directed by the Town Engineer.
118. LOS GATOS BOULEVARD MEDIAN IMPROVEMENTS: The Applicant shall construct a continuous raised median island from Lark Avenue to the project's northern limits on Los Gatos Boulevard, except at the intersection of Los Gatos Boulevard and Neighborhood Street.
119. BICYCLE FACILITIES: Bicycle facilities including, but may not be limited to, bike lanes and bike boxes will be provided in all directions and approaches of improved streets and intersections as directed by Town Engineer.
120. TRAFFIC CALMING ('A' STREET): The Applicant shall prepare a traffic calming plan for 'A' Street and Neighborhood Street for Town of Los Gatos approval as part of the construction plan submittal. The plan shall discourage cut-through and speeding traffic as well as commercial traffic access from Lark Avenue and 'A' Street.
121. CONSTRUCTION STREET PARKING: No vehicle having a manufacture's rated gross vehicle weight exceeding ten thousand (10,000) pounds shall be allowed to park on the portion of a street which abuts property in a residential zone without prior to approval from the Town Engineer.
122. TRAFFIC CONTROL PLAN: A traffic control plan is required and must be submitted and approved prior to any work in the public right-of-way. This plan shall include, but not be limited to, the following measures:
  - a. Construction activities shall be strategically timed and coordinated to minimize traffic disruption for schools, residents, businesses, special events, and other projects in the area. The schools located on the haul route shall be contacted to help with the coordination of the trucking operation to minimize traffic disruption.
  - b. Flag persons shall be placed at locations necessary to control one-way traffic flow. All flag persons shall have the capability of communicating with each other to coordinate the operation.
  - c. Prior to construction, advance notification of all affected residents and emergency services shall be made regarding one-way operation, specifying dates and hours of operation.
123. HAULING OF SOIL: Hauling of soil on or off-site shall not occur during the morning or evening peak periods (between 7:00 a.m. and 9:00 a.m. and between 3:00 p.m. and 6:00 p.m.). Prior to the issuance of a building permit, the Developer shall work with the Town of Los Gatos Building Department and Engineering Division Inspectors to devise a traffic control plan to ensure safe and efficient traffic flow under periods when soil is hauled on or off of the project site. This may include, but is not limited to provisions for the Developer/Owner to place construction notification signs noting the dates and time of construction and hauling activities, or providing additional traffic control. Coordination with other significant projects in the area may also be required. Cover all trucks hauling soil, sand, and other loose debris.

124. CONSTRUCTION HOURS: All subdivision improvements and site improvements construction activities, including the delivery of construction materials, labors, heavy equipment, supplies, etc. shall be limited to the hours of 8:00 a.m. to 8:00 p.m., weekdays and 9:00 a.m. to 7:00 p.m. weekends and holidays. The Town of Los Gatos may authorize on a case-by-case basis alternate construction hours. The Applicant/Developer shall provide written notice twenty-four (24) hours in advance of modified construction hours. Approval of this request is at discretion of the Town.
125. CONSTRUCTION NOISE: Between the hours of 8:00 a.m. to 8:00 p.m., weekdays and 9:00 a.m. to 7:00 p.m. weekends and holidays, construction, alteration or repair activities shall be allowed. No individual piece of equipment shall produce a noise level exceeding eighty-five (85) dBA at twenty-five (25) feet from the source. If the device is located within a structure on the property, the measurement shall be made at distances as close to twenty-five (25) feet from the device as possible. The noise level at any point outside of the property plane shall not exceed eighty-five (85) dBA.
126. CONSTRUCTION MANAGEMENT PLAN: Prior to the issuance of any permits, the Applicant shall submit a construction management plan that shall incorporate at a minimum:
- |                              |                                  |
|------------------------------|----------------------------------|
| a. Earth Movement Plan       | b. Traffic Control Plan          |
| c. Project Schedule          | d. Site security fencing         |
| e. Employee parking          | f. Construction staging area     |
| g. Materials storage area(s) | h. Construction trailer(s)       |
| i. Concrete washout(s)       | j. Proposed outhouse location(s) |
127. PRIVATE STREETS: All streets within the development shall be private and thus privately maintained.
128. MAINTENANCE ACCESS: Prior to the issuance of any permits, the Applicant shall propose maintenance access improvements for the Town Engineer to review, comment on, and approve. The Engineering Division of the Parks and Public Works Department shall approve the surface materials over each public easement.
129. SHARED PRIVATE STREET: All private streets within the Project Site shall be kept open and in a safe, drive-able condition throughout construction. If temporary closure is needed, then formal written notice shall be provided at least one week in advance of closure.
130. SANTA CLARA VALLEY WATER DISTRICT (SCVWD): Prior to start of any work along or within Santa Clara Valley Water District (SCVWD) right-of-way/easement, the Developer shall submit construction plans to SCVWD for review and approval, and obtain necessary encroachment permits for the proposed work. A copy of the approved encroachment permit(s) is/are required to be submitted to the Engineering Division of the Parks and Public Works Department prior to Grading Permit issuance.
131. CALTRANS: Prior to the start of any work along or within the California Department of Transportation (Caltrans) rights-of-way and/or easement, the Developer shall obtain all necessary approvals and permits for the proposed work. Copy of approved permit(s) is/are required to be submitted to the Engineering Division of the Parks and Public Works Department prior to permit issuance.
132. JARPA: (The Bay Area Joint Aquatic Resources Permit Application). The Applicant shall apply for a permit through JARPA for any proposed drainage system within the creek setback. This permit shall be obtained prior to issuance of any permits.

133. WVSD (West Valley Sanitation District): Sanitary sewer laterals are televised by West Valley Sanitation District and approved by the Town of Los Gatos before they are used or reused. A Sanitary Sewer Clean-out is required for each property at the property line or location specify by the Town.
134. SANITARY SEWER BACKWATER VALVE: Drainage piping serving fixtures which have flood level rims less than twelve (12) inches (304.8 mm) above the elevation of the next upstream manhole and/or flushing inlet cover at the public or private sewer system serving such drainage piping shall be protected from backflow of sewage by installing an approved type backwater valve. Fixtures above such elevation shall not discharge through the backwater valve, unless first approved by the Building Official. The Town of Los Gatos shall not incur any liability or responsibility for damage resulting from a sewer overflow where the property owner or other person has failed to install a backwater valve as defined in the Uniform Plumbing Code adopted by the Town and maintain such device in a functional operation condition. Evidence of West Sanitation District's decision on whether a backwater device is needed shall be provided prior to the issuance of a building permit.
135. STORMWATER MANAGEMENT: Construction activities including but not limited to clearing, stockpiling, grading or excavation of land, which disturbs one (1) acre or more which are part of a larger common plan of development which disturbs less than one (1) acre are required to obtain coverage under the construction general permit with the State Water Resources Control Board. The Applicant is required to provide proof of Waste Discharger Identification number (WDID#) and keep a current copy of the storm water pollution prevention plan (SWPPP) on the construction site, which shall be made available to the Town of Los Gatos Engineering Division of the Parks and Public Works Department and/or Building Department upon request.
136. BEST MANAGEMENT PRACTICES (BMPs): The Applicant is responsible for ensuring that all contractors are aware of all storm water quality measures and that such measures are implemented. Best Management Practices (BMPs) shall be maintained and be placed for all areas that have been graded or disturbed and for all material, equipment and/or operations that need protection. Removal of BMPs (temporary removal during construction activities) shall be replaced at the end of each working day. Failure to comply with the construction BMP will result in the issuance of correction notices, citations, or stop work orders.
137. STORMWATER DEVELOPMENT RUNOFF: All new development and redevelopment projects are subject to the stormwater development runoff requirements. Every applicant shall submit a stormwater control plan and implement conditions of approval that reduce stormwater pollutant discharges through the construction, operation and maintenance of treatment measures and other appropriate source control and site design measures. Increases in runoff volume and flows shall be managed in accordance with the development runoff requirements in such a way that post-development flows meet or are below pre-development flows.
138. SITE DESIGN MEASURES: All projects shall incorporate the following measures:
  - a. Protect sensitive areas and minimize changes to the natural topography.
  - b. Minimize impervious surface areas.
  - c. Direct roof downspouts to vegetated areas.
  - d. Use permeable pavement surfaces on the driveway, at a minimum.

- e. Use landscaping to treat stormwater.
139. LANDSCAPING: In finalizing the landscape plan for the biotreatment areas, it is recommended that the landscape architect ensure that the characteristics of the selected plants are similar to those of the plants listed for use in bioretention areas in Appendix D of the Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP) C.3 Stormwater Handbook.
  140. LANDSCAPE MAINTENANCE AGREEMENT: The Developer shall enter into a Landscape Maintenance Agreement with the Town of Los Gatos in which the Developer agrees to maintain the vegetated areas along the project's Los Gatos Boulevard and Lark Avenue frontages located within the public right-of-way. The agreement must be completed and accepted by the Town Attorney prior to the issuance of any permits.
  141. STORMWATER TREATMENT MEASURE SETBACKS: Building foundations shall be set back from proposed stormwater treatment measures a sufficient distance to allow excavation for and installation of said measure(s) without undermining the building foundation(s). The Town Engineer shall determine the appropriate setback based on the depth of the measure(s), input from the project soils engineer, and the type of foundation.
  142. EROSION CONTROL: Interim and final erosion control plans shall be prepared and submitted to the Engineering Division of the Parks and Public Works Department. A Notice of Intent (NOI) and Storm Water Pollution Prevention Plan (SWPPP) shall be submitted to the San Francisco Bay Regional Water Quality Control Board for projects disturbing more than one (1) acre. A maximum of two (2) weeks is allowed between clearing of an area and stabilizing/building on an area if grading is allowed during the rainy season. Interim erosion control measures, to be carried out during construction and before installation of the final landscaping, shall be included. Interim erosion control method shall include, but are not limited to: silt fences, fiber rolls (with locations and details), erosion control blankets, Town standard seeding specification, filter berms, check dams, retention basins, etc. Provide erosion control measures as needed to protect downstream water quality during winter months. The grading, drainage, erosion control plans and SWPPP shall be in compliance with applicable measures contained in the amended provisions C.3 and C.14 of most current Santa Clara County National Pollutant Discharge Elimination System (NPDES) Municipal Regional Permit (MRP). Monitoring for erosion and sediment control is required and shall be performed by the Qualified SWPPP Developer (QSD) or Qualified SWPPP Practitioner (QSP) as required by the Construction General Permit. Stormwater samples are required for all discharge locations and projects may not exceed limits set forth by the Construction General Permit Numeric Action Levels and/or Numeric Effluent Levels. A Rain Event Action Plan (REAP) must be developed forty-eight (48) hours prior to any likely precipitation event, defined by a fifty (50) percent or greater probability as determined by the National Oceanic and Atmospheric Administration (NOAA), and/or whenever rain is imminent. The QSD or QSP must print and save records of the precipitation forecast for the project location area from (<http://www.srh.noaa.gov/forecast>) which must accompany monitoring reports and sampling test data. A rain gauge is required on-site. The Town of Los Gatos Engineering Division of the Parks and Public Works Department and the Building Department will conduct periodic NPDES inspections of the site throughout the recognized storm season to verify compliance with the Construction General Permit and Stormwater ordinances and regulations.

143. **DUST CONTROL:** The following measures shall be implemented at construction sites greater than four (4) acres in area:
  - a. Hydroseed or apply (non-toxic) soil stabilizers to inactive construction areas (previously graded areas inactive for ten days or more).
  - b. Enclose, cover, water twice daily or apply (non-toxic) soil binders to exposed stockpiles (dirt, sand, etc.).
  - c. Limit traffic speeds on unpaved roads to fifteen (15) miles per hour.
  - d. Install sandbags or other erosion control measures to prevent silt runoff to public roadways.
  - e. Replant vegetation in disturbed areas as quickly as possible.
144. **CONSTRUCTION ACTIVITIES:** All construction shall conform to the latest requirements of the CASQA Stormwater Best Management Practices Handbooks for Construction Activities and New Development and Redevelopment, the Town's grading and erosion control ordinance, and other generally accepted engineering practices for erosion control as required by the Town Engineer when undertaking construction activities.
145. **STORMWATER DISCHARGE:** New buildings, such as food service facilities and/or multi-family residential complexes or subdivisions, shall provide a covered or enclosed area for dumpsters and recycling containers. The area shall be designed to prevent water run-on to the area and runoff from the area. Areas around trash enclosures, recycling areas, and/or food compactor enclosures shall not discharge directly to the storm drain system. Any drains installed in or beneath dumpsters, compactors, and tallow bin areas serving food service facilities shall be connected to a grease removal device prior to discharging to the sanitary sewer. The Applicant shall contact the local permitting authority and/or sanitary district with jurisdiction for specific connection and discharge requirements
146. **SITE DRAINAGE:** Rainwater leaders shall be discharged to splash blocks. No through curb drains will be allowed. Any storm drain inlets (public or private) directly connected to public storm system shall be stenciled/signed with appropriate "NO DUMPING - Flows to Bay" NPDES required language. On-site drainage systems for all projects shall include one of the alternatives included in section C.3.i of the Municipal Regional NPDES Permit. These include storm water reuse via cisterns or rain barrels, directing runoff from impervious surfaces to vegetated areas and use of permeable surfaces. If dry wells are to be used they shall be placed a minimum of ten (10) feet from the adjacent property line and/or right-of-way. No improvements shall obstruct or divert runoff to the detriment of an adjacent, downstream or down slope property.
147. **OFF-SITE DRAINAGE:** The Developer shall construct and install a private on-site storm drain system that is adequately sized to collect and convey adjacent off-site tributary drainage. Prior to the issuance of any permits, hydraulic calculations for a 100-year storm event shall provide documentation that the proposed storm drain system can convey said off-site drainage as well as on-site drainage during this event over, within, through and off the site, and ultimately into Los Gatos Creek.
148. **CONVEYANCE OF DRAINAGE TO LOS GATOS CREEK:** Prior to the issuance of any permits, the Applicant shall confirm with the sufficient hydraulic calculations that the existing storm drain facilities that will convey drainage from the project site to the outfall at Los Gatos Creek are sufficient for surface drainage produced as a result of Phase I,

- future phase(s), and that conveyed by the adjacent off-site tributary drainage areas (i.e. Los Gatos Boulevard and its adjoining properties).
149. **STORM WATER MANAGEMENT PLAN:** A storm water management shall be included with the grading permit application for all Group 1 and Group 2 projects as defined in the amended provisions C.3 of the Municipal Regional Stormwater National Pollutant Discharge Elimination System (NPDES) Permit, Order R2-2015-0049, NPDES Permit No. CAS612008. The plan shall delineate source control measures and Best Management Practices (BMPs) together with the sizing calculations. The plan shall be certified by a professional pre-qualified by the Town of Los Gatos. In the event that the storm water measures proposed on the Planning approval differ significantly from those certified on the Building/Grading Permit, the Town may require a modification of the Planning approval prior to release of the Building Permit. The Applicant may elect to have the Planning submittal certified to avoid this possibility.
  150. **STORM WATER MANAGEMENT PLAN NOTES:** The following note shall be added to the storm water management plan: “The biotreatment soil mix used in all stormwater treatment landscapes shall comply with the specifications in Attachment L of the Municipal Regional Permit (MRP). Proof of compliance shall be submitted by the Contractor to the Town of Los Gatos a minimum of thirty (30) days prior to delivery of the material to the job site using the Biotreatment Soil Mix Supplier Certification Statement.”
  151. **STORM WATER MANAGEMENT PLAN CERTIFICATION:** Certification from the biotreatment soils provider is required and shall be given to Engineering Division Inspection staff a minimum of thirty (30) days prior to delivery of the material to the job site. Additionally deliver tags from the soil mix shall also be provided to Engineering Division Inspection staff. Sample Certification can be found here:  
[http://www.scvurppp-w2k.com/nd\\_wp.shtml?zoom\\_highlight=BIOTREATMENT+SOIL](http://www.scvurppp-w2k.com/nd_wp.shtml?zoom_highlight=BIOTREATMENT+SOIL)
  152. **AGREEMENT FOR STORMWATER BEST MANAGEMENT PRACTICES INSPECTION AND MAINTENANCE OBLIGATIONS:** The property homeowner’s association(s) shall enter into an agreement with the Town of Los Gatos for maintenance of the stormwater filtration facilities and devices required to be installed on this project by Town’s Stormwater Discharge Permit and all current amendments or modifications. The agreement shall specify that certain routine maintenance shall be performed by the property homeowner’s association(s) and shall specify device maintenance reporting requirements. The agreement shall also specify routine inspection requirements, permits and payment of fees. The agreement shall be recorded, and a copy of the recorded agreement shall be submitted to the Engineering Division of the Parks and Public Works Department, prior to the release of any occupancy permits.
  153. **PUBLIC STORM DRAINAGE CONVEYANCE AGREEMENT:** The Developer shall enter into a Public Storm Drainage Conveyance Agreement with the Town of Los Gatos to allow for the conveyance of storm drainage from the Los Gatos Boulevard public right-of-way through the on-site private storm drain system and within the private streets to be constructed with the project. The Developer shall be solely responsible for maintaining the storm drain system at all times and shall indemnify the Town of Los Gatos. The agreement must be completed and accepted by the Town Attorney prior to the issuance of any permits.

154. SILT AND MUD IN PUBLIC RIGHT-OF-WAY: It is the responsibility of contractor and home owner to make sure that all dirt tracked into the public right-of-way is cleaned up on a daily basis. Mud, silt, concrete and other construction debris SHALL NOT be washed into the Town's storm drains.
155. OUTDOOR TRASH ENCLOSURES: Outdoor trash enclosures shall be covered and provided with area drains connected to the sanitary sewer per current National Pollutant Discharge Elimination System (NPDES) requirements before a Certificate of Occupancy for any new building can be issued. Temporary trash enclosures are exempt from this condition. Connecting said drainage system to the storm drain system shall not be permitted.
156. GREASE TRAPS: The Applicant shall meet all requirements of the Santa Clara County Health Department and West Valley Sanitation District for the interception, separation or pretreatment of effluent.
157. GOOD HOUSEKEEPING: Good housekeeping practices shall be observed at all times during the course of construction. All construction shall be diligently supervised by a person or persons authorized to do so at all times during working hours. The storing of goods and/or materials on the sidewalk and/or the street will not be allowed unless an encroachment permit is issued by the Engineering Division of the Parks and Public Works Department. The adjacent public right-of-way shall be kept clear of all job related dirt and debris at the end of the day. Dirt and debris shall not be washed into storm drainage facilities. The storing of goods and materials on the sidewalk and/or the street will not be allowed unless an encroachment permit is issued. The Developer's representative in charge shall be at the job site during all working hours. Failure to maintain the public right-of-way according to this condition may result in penalties and/or the Town performing the required maintenance at the Developer's expense.
158. NEIGHBORHOOD CONSTRUCTION COMMUNICATION PLAN: The Applicant shall initiate a weekly neighborhood e-mail notification program to provide project status updates. The e-mail notices shall also be posted on a bulletin board placed in a prominent location along the project perimeter.
159. PERMIT ISSUANCE: Permits for each phase; reclamation, landscape, and grading, shall be issued simultaneously.
160. COVERED TRUCKS: All trucks transporting materials to and from the site shall be covered.
161. FUTURE STUDIES: Any post project traffic or parking counts, or other studies imposed by Planning Commission or Town Council shall be funded by the Applicant.
162. SUBDIVISION IMPROVEMENT AGREEMENT: The Applicant shall enter into an agreement to construct public improvements in accordance with Town of Los Gatos Code Section 24.40.020. The Applicant shall supply suitable securities for all public improvements that are part of the development in a form acceptable to the Town in the amount of 100% (performance) and 100% (labor and materials) prior to the issuance of any permit. The Applicant shall provide two (2) copies of documents verifying the cost of the public improvements to the satisfaction of the Engineering Division of the Parks and Public Works Department. A copy of the recorded agreement shall be submitted to the Engineering Division of the Parks and Public Works Department prior to the issuance of any permit.

163. ABOVE GROUND UTILITIES: The Applicant shall submit a seventy-five (75) percent progress printing to the Town for review of above ground utilities including:
- a. Backflow prevention devices
  - b. Fire department connections
  - c. Gas and water meters
  - d. Off-street valve boxes
  - e. Hydrants
  - f. Site lighting
  - g. Transformers
  - h. Electrical/communication/cable boxes
  - i. Mail boxes

Above ground utilities shall be reviewed and approved by the Town of Los Gatos Community Development Department prior to issuance of any permit.

164. PUBLIC STREET LIGHTING: Replace existing street light fixtures along Los Gatos Boulevard frontage between Lark Avenue and the northern limits of Phase 1 with new LED light fixtures. Install new street light poles and LED light fixture for the widened Lark Avenue frontage. The Applicant's engineer shall prepare street light plan for the widened Lark Avenue for approval by the Town Engineer. On-lot lighting shall be incorporated for the multi-use path.

TO THE SATISFACTION OF THE SANTA CLARA COUNTY FIRE DEPARTMENT:

165. REQUIRED FIRE DEPARTMENT ACCESS: Compliance with the following is required; CFC Sec. 503, 504, 506, 509 and Santa Clara County Fire Dept. Standard Detail and Specification A-1. Minimum required roadway width is 20 feet. Note specifically the requirements for a minimum 26-foot wide roadway serving buildings more than 30 feet in height from the lowest level of Fire Dept. Access. No parking is allowed within these minimum required widths. Minimum vertical clearance is 13' 6".
166. FIRE SPRINKLERS REQUIRED: System requirements will vary depending upon the occupancy classification and projected use of each structure. It appears that the largest single structure will be a commercial multistory structure of 18,000 square feet. Applicants are advised to consult with the San Jose Water Company to determine what existing and proposed infrastructure will be required to meet the anticipated demand. CFC Chp. 9 and CRC Sec. 313 as adopted and amended by LGTC.
167. WATER SUPPLY REQUIREMENTS: Potable water supplies shall be protected from contamination caused by fire protection water supplies. It is the responsibility of the applicant and any contractors and subcontractors to contact the water purveyor supplying the site of such project, and to comply with the requirements of that purveyor. Such requirements shall be incorporated into the design of any water-based fire protection systems, and/or fire suppression water supply systems or storage containers that may be physically connected in any manner to an appliance capable of causing contamination of the potable water supply of the purveyor of record. Final approval of the system(s) under consideration will not be granted by this office until compliance with the requirements of the water purveyor of record are documented by that purveyor as having been met by the applicant(s).
168. PUBLIC FIRE HYDRANT(S) REQUIRED: Provide public fire hydrant(s) at location(s) to be determined jointly by the Fire Department and San Jose Water Company. Maximum hydrant spacing shall be determined by the currently adopted edition of the California Fire Code, with a minimum single hydrant flow of 1,500 GPM at 20 psi,

- residual. Fire hydrants shall be provided along required fire apparatus access roads and adjacent public streets.
169. HOSE VALVES/STANDPIPES REQUIRED: Hose valves/standpipes shall be installed as per the 2010 CFC Sec. 905, or where emergency access has been deemed minimal, shall be equipped with standpipes designed per NFPA Std. #14, and be equipped with 2-1/2" inch hose valves, located within the stair enclosure(s). Note specifically, within parking structure(s) at stairwells and on any proposed podium within certain courtyard areas.
  170. FIRE APPARATUS (LADDER TRUCK) ACCESS ROADS REQUIRED: All access roadways shall be paved with an all-weather surface and a minimum unobstructed width of 26 feet, vertical clearance of 13 feet 6 inches, and have a minimum circulating turning radius to the satisfaction of the Santa Clara County Fire Marshall, as well as a maximum slope of 10 percent and vehicle loading of 75,000 pounds.
  171. PARKING ALONG ROADWAYS: The required width of fire access roadways shall not be obstructed in any manner and, parking shall not be allowed along roadways less than 28 feet in width. Parking may be permitted along one side of roadways 28-35 feet in width. For roadways equal to or greater than 36 feet, parking will be allowed on both sides of the roadway. Roadway widths shall be measured curb face to curb face, with parking space based on an 8 ft. width.
  172. GROUND LADDER ACCESS: Ground-ladder rescue from second and third floor sleeping rooms shall be made possible for fire department operations. With the climbing angle of seventy five degrees maintained, an approximate walkway width along either side of the building shall be no less than seven feet clear. Landscaping shall not be allowed to interfere with the required access.
  173. REQUIRED BUILDING ACCESS. Exterior doors and openings required by this code or the International Building Code shall be maintained readily accessible for emergency access by the fire department. An approved access walkway leading from fire apparatus access roads to exterior openings shall be provided when required by the fire code official.
  174. KEY BOXES: Where required: Where access to or within a structure or an area is restricted because of secured openings or where immediate access is necessary for life-saving or fire-fighting purposes, the fire code official is authorized to require a key box to be installed in an approved location. The key box shall be of an approved type and shall contain keys to gain necessary access as required by the fire code official. Locks. An approved lock shall be installed on gates or similar barriers when required by the fire code official. Key box maintenance. The operator of the building shall immediately notify the fire code official and provide the new key when a lock is changed or rekeyed. The key to such lock shall be secured in the key box.
  175. TIMING OF INSTALLATION: When fire apparatus access roads or a water supply for fire protection is required to be installed, such protection shall be installed and made serviceable prior to and during the time of construction except when approved alternative methods of protection are provided. Temporary street signs shall be installed at each street intersection when construction of new roadways allows passage by vehicles in accordance with Section 505.2.
  176. EMERGENCY GATE/ACCESS GATE REQUIREMENTS: Gate installations shall conform to Fire Department Standard Details and Specification G-1 and, when open shall

not obstruct any portion of the required width for emergency access roadways or driveways. Locks, if provided, shall be fire department approved prior to installation. Gates across the emergency access roadways shall be equipped with an approved access devices. If the gates are operated electrically, an approved Knox key switch shall be installed; if they are operated manually, then an approved Knox padlock shall be installed. Gates providing access from a road to a driveway or other roadway shall be at least 30 feet from the road being exited.

177. **CONSTRUCTION SITE FIRE SAFETY:** All construction sites must comply with applicable provisions of the CFC Chapter 14 and our Standard Detail and Specification SI-7. Provide appropriate notations on subsequent plan submittals, as appropriate to the project. Plan pages specifically dedicated to safety plans, including proposed temporary access and water supply for each phase will be required.
178. **PREMISES IDENTIFICATION:** Approved numbers or addresses shall be placed on all new and existing buildings in such a position as to be plainly visible and legible from the street or road fronting the property. Numbers shall contrast with their background.

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## North 40 Project Summary and Justification

### Summary:

Phase I of the North 40 is a comprehensive proposal by Grosvenor, SummerHill Homes, Eden Housing, and Lexor Builders on 20.69 acres (including .13 acres for public right-of-way dedication) to realize the Town's vision for the areas described as the Lark and Transition Districts. The proposal allows for continuity with the development of the future phases within the overall 44 acres of the North 40 Specific Plan Area, including the Northern District. In this proposal we believe that we have brought The Town's Specific Plan to life.

Approximately 66,791 gross square feet (59,320 net leasable) of retail and restaurant offerings are proposed in the Transition District to serve this new community as well as the existing surrounding neighborhoods. This first phase will be anchored by a 20,920 +/- gross square foot specialty market (16,380 net leasable).

The residential homes proposed include diverse residential types that target the Town's unmet needs for young professionals and seniors. These include 50 senior affordable apartments directly above the specialty market, 80 courtyard condominiums, 180 garden cluster and rowhome residential units designed with the young professional or couple in mind, 2 live-work lofts, and 8 one and two-bedroom apartments above a portion of the retail. All new homes will be complimented by and provide convenient access to goods and services in the new neighborhood retail shops.

A network of community gardens and orchard trees are linked together by paseos and a multimodal path. Overall, the agrarian-inspired open space plan is well over 30% of the project area, with beautiful view corridors and places for residents and the community to come together.

The proposed community is a celebration of the Los Gatos quality of life, and focuses on the Specific Plan's Vision Statement and Guiding Principles:

### Town Council Vision Statement:

*The North 40 reflects the special nature of our hometown. It celebrates our history, agricultural heritage, hillside views and small town character. The North 40 is seamlessly woven into the fabric of our community, complementing other Los Gatos residential and business*



*neighborhoods. It is respectful of precious community resources and offers unique attributes that enrich the quality of life of all our residents.*

Guiding Principles:

- *The North 40 will look and feel like Los Gatos*
- *The North 40 will embrace hillside views, trees, and open space.*
- *The North 40 will address the Town’s residential and/or commercial unmet needs.*
- *The North 40 will minimize or mitigate impacts on the Town’s infrastructure, schools, and other community services.*

Open Spaces

The Draft Specific Plan requires a minimum of 30% of each application to be dedicated as open space, which is more open space than is found in most existing Los Gatos communities. Because the open space requirements are such a prominent element of the Specific plan, the open spaces created within the proposed community are more than merely green areas or parks to meet a minimum requirement. Instead, the greens have been thoughtfully designed as buffers between existing roadways, connecting paseos, community gardens, gathering places, and view corridors. The open space elements will be a prominent feature, linking the districts and future residents while gaining inspiration from the agricultural history of the property. In addition, the amenities provided within the open spaces will not only appeal to the young professionals, seniors and move-down buyers but will also complement the existing open space offerings within the Town. Overall, the proposal includes over 39% of the area as open space (30% is required) and almost 23% as “green” open space (20% is required), which demonstrates the focus that these spaces have been given in driving the design of the community.

The applicant has enlisted the nonprofit Garden to Table’s founder Zach Lewis to advise on the design, maintenance and programming of community gardens and orchard treatments. Together with the project’s landscape architects, the vision for the proposed open space programming has been established, and includes the following:

**Orchard Buffers and Plantings:** A 30’ orchard buffer is proposed both along Lark Avenue and Los Gatos Boulevard along the property frontage. The area along Lark Avenue will include a multi-use trail that can be utilized by pedestrians and bicyclists, and offers path through the orchard trees. A vineyard will greet community members as they enter the neighborhood serving retail area in the Transition District.



The majority of the almost 550 orchard trees are fruit-bearing, and will provide opportunities for harvesting. Based on recommendations of our technical advisors and the agrarian history of the region, a number of varieties are proposed, which work together to maintain long-term soil fertility as well as a diverse offering of produce, including walnut, cherry, apricot, apples, peaches, plum, figs, citrus, persimmons and pomegranate. In addition being located within the buffer along existing roads, the orchard treatments are continued along A Street and within the paseos.

All Common Open Space Trees within the Lark District are in the design guidelines with one exception: *Arbutus menziesii*, Pacific Madrone, although beautiful it does not transplant or grow well in a cultivated or garden setting. *Arbutus x 'Marina'* as a cultivated garden variety substitute for *A.menziesii*, which we have included in the tree palette.

Orchard/fruited trees listed were recommended by a community garden consultant. In the Transition District the tree list reflects that of the Specific Plan, with a few noted exceptions. *Olea europaea* was added as a street tree because of its significance as an important rural and agricultural tree in California. *Prunus domestica*, *Prunus avium 'Rainier'*, *Prunus avium 'Bing'*, *Prunus armeniaca 'Moorpark'*, *Citrus x limon 'Meyer'*, were all added as orchard trees to give additional fruited species as recommended as viable fruited orchard species by Les Kishler of Agro Ecology (Los Gatos fruited tree specialist).

**Central Park and Community Gardens:** Transition and Lark District residents will be able to connect in the community gardens in the Central Community park. Thirty nine plots are programmed in the community park and will be available for community members to adopt. The gardens strive to bring together the multi-generational community in one location. Additional smaller raised garden beds will be included in the open space plaza of the Eden building to provide more gardening opportunities for the seniors. Eden has had great success with a similar program in their other projects.

A Demonstration Garden is proposed for onsite restaurant use or adoption by a local restaurant. This garden will not only grow produce that can be utilized in the restaurant, but will also offer a staging area for cooking demonstrations.

**Garden Retreat Public Space:** The residential and the commercial come together to frame the Garden Retreat open space within the Transition District. Approximately 9,000 square feet of open space is demised into intimate gathering spaces, including semi-private areas for neighborhood picnicking, canopied passage ways, a movie screen wall for warm evening screenings, fireplaces, and flexible outdoor furnishings. The restaurant building has been



designed to have a dining area that looks into the park, further strengthening the connection between the uses.

**Paseos and View Corridors:** In addition to the Grand Paseo found on the southeast portion of the property which boasts serene seating areas and resting spaces, numerous paseos (in connection with right-of-ways) have been strategically situated to unite the residents and provide view sheds towards the hillsides. In addition to A Street, there are three paseos that offer southern hillside views, and multiple paseos and pedestrian corridors that provide views to the eastern hills. Further, these paseos offer connectivity throughout the districts, which will encourage pedestrian and bicycle use within the North 40.

**Bicycle Connectivity:** The Central Park and Garden Retreat open spaces have been connected through not only the shared bicycle/vehicular A Street, but also through an 8' wide multi-use path that runs from Lark to the north, through a green paseo, and connects then to the east to Los Gatos Boulevard. Bicycle amenities such as equipment vending, tuning areas, bike racks, and signage are found along this multi-use path and encourage ridership to, from, and within the North 40.

**Additional Amenities:** A variety of additional passive, active and vibrant open space amenities are proposed. These include places to gather with neighbors, unwind, relax, and embrace the outdoor lifestyle that Los Gatans relish. A bocce court in the Central Community Park, multiple fire pits, large outdoor communal grilling and dining areas, a dog park and path for four legged friends, turf areas with sun shades and hammocks can all be found in the park and paseo areas. The retail portion of the property will host a vineyard, café seating and relaxing plaza spaces. Together, the districts will provide a synergy of amenities.

### **Residential Program:**

Between the Lark and Transition Districts, four distinct residential programs will be offered, all tailored to meet the Town's unmet needs for places for young professionals and income-restricted seniors to live. These include 50 senior affordable apartments directly above the specialty market, 80 courtyard condominiums, 180 garden cluster and rowhouse residential units designed with the young professional or couple in mind, 2 live-work lofts, and 8 one and two-bedroom apartments above a portion of the retail. The floor plans are as diverse as the people that will live in them, with a range of square footages and creative design. Focus has been given to what this buyer will seek in their home, including media spaces and offices for the young professionals. Exteriors have also been carefully designed to include elements that



are both contemporary while remaining true to the agrarian roots of the property. Finishes such as wood trim, corrugated metal, and barn doors compliment grand windows and terraces.

**Senior Affordable Apartments:** A community's senior residents are often unable to maintain their long time residences within a community and they must move into a home designed to fit their needs and budget. Unfortunately, the ability of these residents to stay within the community they know and love can be very difficult. The senior affordable apartments proposed with this plan will provide this opportunity, with elevator access and direct proximity to the neighborhood serving retail in the Transition district. Accessibility will be provided by elevators and drive up parking, and the community garden on the plaza will provide an opportunity to grow food and get to know your neighbors. Easy walkability to goods and services complete the ease of what could otherwise be a difficult transition. While 40 units are required to fulfil the Town's BMP program requirements, 50 affordable senior units are proposed (25% more BMPs than are required for the project). Additional information on the senior affordable apartments and Eden's extensive experience in programming this product type is attached in the BMP program details.

**Young-Professional Residences:** 260 rowhomes, flats, and condominiums in three product designs are proposed with the young professional in mind. Averaging 1.9 bedrooms and approximately 1,500 square feet, these homes offer a place that the next generation of young Los Gatans will want to live. The Specific Plan requires 15% of the units to be two story; however, this plan far exceeds this requirement with over 28% of the homes having two-story elements. A range of product types include the Garden Cluster, Rowhome, and Courtyard Condominium Homes. Nineteen floor plans provide this buyer with the options and variety that they desire. Media rooms, home offices, open floor plans, loft living, and large screen walls for gaming and movie watching offer a work at home, play at home lifestyle. Bedrooms on separated levels provide for roommate opportunities, home offices, or space for visitors. Contemporary finishes such as open-tread stairs, concrete countertops, and large windows provide bright, current, and comfortable living. Exterior spaces range from intimate living-level open spaces (which are fenced for a dog) to gracious terraces and second story porches. These private open spaces feed off the main living area to allow for additional space to hang out and relax with friends.

Of these residences, Lexor Builders will construct and own 7 of these young professional condominiums, which will blend seamlessly with the project with consistent architecture and landscaping. These units will also participate in the community's HOA.

**Condominium Tandem Parking:** Some of the young-professional residences have tandem



parking garages. While a standard 11'x20' parking garage provides an additional 2' for access and storage around a clear vehicle parking area of 9'x18', with two vehicles parked in tandem, a second 2' is not required leading to a 38' garage depth for two 9'x18' vehicle spaces. While Los Gatos does not have tandem parking size requirements, many local and regional jurisdictions have tandem spaces specified with 35' to 38' garage depths, with the 38' depth providing extra storage space for trash containers. Sunnyvale, for example, allows for a 36' tandem garage depth and South Pasadena has a 10'x35' minimum garage size. Dhalin Group has several approved projects in the Bay Area with 36' to 38' tandem garage depths. Some examples include Rancho Laguna in Moraga (a SummerHill Homes community), Terra Mia in Morgan Hill and Capella in San Ramon.

To assist in achieving 20 units per acre in this project, we have provided a 36' minimum depth clearance for parking in garages where trash is stored in alcoves to the side of the parking area. Garages with trash storage to the rear of the garage are provided with additional garage depth.

Shuffle stalls were considered, but because these are ownership condominiums with each unit having direct access to their garage, it was determined that they were not needed for a project of this type. The lifestyle of living in a home with tandem parking is one of shared access to both vehicles in a two vehicle household. Residents will have two sets of keys and take whichever car is available as they leave the home. Further, with the distribution of guest stalls throughout the project, when a vehicle swap is needed, the second vehicle can be parked temporarily in a nearby guest stall before it is returned to the garage.

**Live Work and Apartment Residences:** Two live-work units and eight apartment residences are located in the heart of the Transition District above retail uses. Rather than build un-authentic second floor height which we believe is vital to deliver balanced proportionality to the streets, this limited residential offering will provide a unique living environment for either the millennial or empty nester.

**Retail/Commercial Program:**

This application establishes the retail component of the Transition District as the community hub of the new North 40 neighborhood. The neighborhood serving retail will become a place to draw this part of Los Gatos together. It features a mix of community focused retail which is anchored by an approximately 20,000 square foot specialty market that will celebrate the site's rich agrarian history. The remaining 45,000 +/- square feet of commercial space will include personal services, restaurants/cafes, and other neighborhood-serving retail.



The Transition District works as a stand-alone retail program but is intended to be integrated in the larger commercial program that is envisioned in the Specific Plan. This retail hub has been designed in a way that allows it to seamlessly plug into future development in the Northern District. The program hopes to elevate the quality and design of retail offerings along Los Gatos Boulevard while complementing recently completed developments in close proximity. The transformation of this stretch of Los Gatos Boulevard will improve the quality of the experience of driving along the boulevard while also increasing property values in the areas.

### **Sustainability:**

Sustainability is an essential element to the North 40 development. The project components will include the following strategies:

- To encourage water conservation, our site will use high efficiency irrigation systems, while our homes and retail buildings will feature low flow water fixtures and tank-less hot water heaters.
- To achieve a high level of energy efficiency, we will use Energy Star appliances and Bath Fans, high efficiency air conditioners, and ample exterior wall framing for increased wall insulation (R value).
- We promote healthier homes with good air quality by using low VOC paints, caulking and construction adhesives, environmentally responsible refrigerants, and MERV 8 HVAC filters. We will also upgrade the electrical panels for each of the condominiums to offer the option of an electric charge station in each private garage.
- Construction recycling will be implemented to reduce landfill volume during construction and Fly Ash and or slag in will be incorporated as environmentally preferable products in our concrete foundation.

### **North Forty Specific Plan - Sustainability Guidelines**

The Specific Plan includes specific guidelines for a project application. Below are these guidelines and how the Phase I Application conforms to each of these guidelines:

*Guideline: Promote use of native and/or drought tolerant plants in parking lot islands and other landscaped areas, where feasible. A licensed landscape architect shall certify that all landscape plans include drought tolerant plants and meet Water Efficient Landscape Ordinance requirements.*

- Response: The plant palette includes a majority of drought tolerant and native plants. A licensed landscape architect will certify final landscape plans include drought tolerant plants and meet Water Efficient Landscape Ordinance

requirements.

*Guideline: Utilize natural drainage systems to the maximum extent practical.*

*Guideline: Non-structural Best Management Practices (BMP's) should be used unless they are infeasible in which case the infeasibility shall be documented and structural BMP's implemented.*

*Guideline: Pre-treat stormwater as currently defined by National Pollutant Discharge Elimination System (NPDES) Guidelines prior to infiltration or discharge from site.*

*Guideline: Site development should comply with all applicable Regional Water Quality Control Board and Santa Clara County regulations for water quality and quantity.*

- To address these four categories above: Stormwater runoff is directed into landscaped bioretention areas prior to entering the storm drain system thereby providing natural treatment (i.e. filtering stormwater through select soil, plant uptake, infiltration, etc.). In addition, a stormwater hydromodification system controls the offsite discharge rate into Los Gatos Creek such that post-development flows match pre-development flows for a select range of storm events thereby minimizing erosion potential.

*Guideline: Minimize impervious area to the maximum extent practical.*

- The site design aims to minimize impervious surface area. The project's green open space exceeds what is called for in the Specific Plan (22.8%, exceeding the 20% required).

*Guideline: Design buildings with pedestrian oriented building entries facing onto common space, streets, paseos and plazas.*

- Our buildings are oriented to the streets with pedestrian walks. We have, where possible with careful consideration, introduced common spaces and passes to create interests and vitality between our buildings.

*Guideline: Design neighborhoods and projects with strong pedestrian connections to sidewalks, parks, pathways and existing or future bike facilities.*

- The Phase I Application is designed to facilitate and encourage multiple modes of transportation, with a focus on pedestrian and biking friendly routes. Detached sidewalks with planting buffers, "sharrows" bike route on A Street South, and a multi-modal path are provided throughout the North 40 with major connections at Market Hall & the Community Park.

*Guideline: Include bicycle parking facilities and on-site showers in major non-residential development projects.*

- In the Lark District, bicycle facilities shall include short term guest bicycle parking distributed throughout the district. In addition a bicycle repair and tune-up station will be located on A Street South adjacent the round-a-bout and publicly accessible.
- In the Transition district, there are four locations with bicycle parking facilities. Two bicycle parking facilities are located near the front door to Market Hall, one is located at the intersection of Neighborhood and South A Street, and one is located next to the demonstration garden.
- During further development with we are evaluating the implementation of an on-site shower at Market Hall and Phase II future facilities.

*Guideline: Encourage sustainable building practices to reduce energy use through solar orientation that takes advantage of shade, prevailing winds, landscaping and sun screens.*

- We will upgrade the electrical panels for each of the condominiums to offer the option of an electric charge station in each private garage.

*Guideline: Design new buildings and parking lots to include or allow for the easy, cost-effective installation of future solar energy systems, where feasible.*

- For Summer Hill Home's residential for-sale condominiums, the rooftops will be pre-wired for solar and the structural built in during construction for future solar energy systems.

*Guideline: Encourage the integration of community gardens and urban farm sites into neighborhoods where appropriate.*

- 39 Community Garden Plots are proposed in the Community Open Space, and approximately 2 acres of orchard trees are proposed both on the perimeter as well as throughout the property. Almost 90% of these orchard trees will produce a variety of fruits. A demonstration garden is proposed, as well as a community garden above the podium for the Senior Affordable units.

In the Retail areas the integration of the community garden and urban farm sites around the buildings help promote the farm to table life style.

**Density Bonus:**



A density bonus will be applied for with this application. Because far more than 11% of the project (49 of the 50 senior apartments) will be rented to very-low income seniors (with one additional moderate rate manager's unit), the project qualifies for the State 35% density bonus. The 237 baseline units (50 senior affordable and 187 market rate) plus the 35% density bonus unit (83 additional units) results in an overall residential program consisting of 320 for-sale and for-rent market rate and affordable homes.

**Conclusion:**

The Phase I North 40 application has thoughtfully applied the North 40 Specific Plan's Vision Statement and Guiding Principles in its design. The North 40 proposes a new community that celebrates the Los Gatos lifestyle. The commercial/retail component provides much needed restaurant and retail offerings to the new neighborhood and surrounding community on the north end of Los Gatos, featuring goods and services that are appealing for Millennials and seniors. The residential program feeds off common community amenities with a mix of housing styles that target young adults, empty nesters and seniors with further affordability needs. Finally, tying all of these components together, the carefully designed open space and public realm have been inspired by the agrarian roots of the site and the Town of Los Gatos.

February 2, 2016

RE: North 40, Los Gatos CA

PROJECT No: 09039

**Narrative in Response to Staff Technical Review and Larry Cannon Comments**

From Staff Technical Review comments dated May 21, 2014, Item 26:

***“Describe the proposed architectural design of each building and alternate elevation being proposed, and why the design is in keeping with the Town’s character.”***

From Larry Cannon’s comments dated July 23, 2014:

***“Achieving the Town Council’s vision of developing the North 40 so that it will ‘look and feel like Los Gatos’ will be a special challenge.”***

**INTRODUCTION**

When we think about “in keeping with the Town’s character”, a range of contrasting images comes to mind. The Town maintains a strong reverence for local, historic structures, its agricultural past and its downtown fabric, as it simultaneously evolves as the seat of a 21<sup>st</sup> century library and of world class technology companies. There are large stretches of established, well-landscaped residential neighborhoods and newer townhomes that contrast Los Gatos Boulevard’s commercial centers with their open parking lots. Framing the ensemble, there are the natural hillsides that create a picturesque backdrop, evoking the feel of a retreat from the Silicon Valley. All together, the Town’s character is established by a blend of these diverse elements.

Following the Guiding Principles of the Specific Plan, the site and building design will create a place that has an authentic feel and avoids the earmarks of “project”. The buildings are meant to work as a blended collection. As such, the design objectives go beyond attention to the aesthetics and detail of each building. The public realm and buildings are planned together to create a harmonious whole. As in other areas of Los Gatos, it’s the sum of diverse parts that creates place and community.

Addressing the look and feel of Los Gatos goes beyond the reference to any single neighborhood; rather it is a quality and pride that each individual neighborhood brings to the overall community. Our approach considers how all the elements come together as a holistic ensemble to create genuine community, a place that feels welcoming and may evolve with time like other parts of Los Gatos have over its history.

At the North 40, a commitment to quality and diversity of materials, articulation and landscaping is consistent with the high standards of Los Gatos. The buildings feature a range of complementary but not identical styles. Each building makes reference to particular local characteristics, but not necessarily the same ones, so that we avoid a homogenous aesthetic. The objective is that the new neighborhood will be in keeping with the character of Los Gatos in more fundamental ways than copying a detail or resurrecting a style from another era.



Architecture

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Planning

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Interiors

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## **SITE DESIGN**

Residents and visitors alike would agree that Los Gatos is perceived as one of the most walkable communities in the region, an attribute that sets it apart from much of the Silicon Valley. This relaxed and pedestrian friendly atmosphere is one of the Town's character-defining features. The North 40 is located at the northernmost edge of the Town, and interfaces with the largely commercial Los Gatos Boulevard and Highways 17 and 85. In spite of the large-scale street character within the immediate context, there is an opportunity in the North 40 to make reference to Los Gatos' walkable neighborhoods.

A walkable community is one in which residents can make some of the daily trips on foot, or can find services clustered to reduce dependence on the automobile. What aspects of land planning make a community walkable and welcoming? There are many factors, but three elements present in Los Gatos are:

- modest block sizes
- well-designed streets and sidewalks
- frequent building entrances

Los Gatos has great examples of these three elements in many parts of town. But there are also areas, such as the auto-oriented commercial stretch of Los Gatos Boulevard, that can be discouraging to foot traffic. So when we are planning for a community that is "in keeping with the Town's character" our focus is on the areas that are welcoming to pedestrians.

Modest block sizes: if a neighborhood is organized with mega blocks, there are long stretches of streets unbroken by intersections. Generally speaking this discourages pedestrians and favors vehicles. Small block sizes and frequent intersections promote walkability and create a foot-friendly, welcoming atmosphere.

At the North 40, the modestly-sized blocks compare favorably to other pedestrian-oriented communities, both in the block sizes and through the further introduction of pedestrian paseos that create attractive and convenient access for residents and visitors. More frequent intersections also afford framed views of neighboring hills. In planning practice, a key gauge of block sizes is the block's lineal perimeter measurement. The North 40 parcels are comparable to the range of Los Gatos block sizes present in nearby residential areas and in the district that includes downtown.

Well-designed streets and sidewalks: the design of the streets and sidewalks must give pedestrians a feeling of safety and enjoyment. Landscape (planting, street furniture, etc.) promotes a pleasing atmosphere, and parallel parking that divides the pedestrian from vehicular traffic promotes a feeling of safety, as does the slowing of vehicle speeds through traffic-calming measures such as curb bulb-outs at intersections, special paving, and modest traffic lane widths.

In keeping with the Town character, the well-designed residential streets of the Lark District have slow traffic, pleasant landscape, and opportunities for shade which all promote pedestrian activity. Similarly in the mixed-use Transition District, slow traffic, shaded sidewalks, and a compact (not sprawling) area with establishments that serve multiple, daily needs of North Los Gatos, promote pedestrian activity, and reduce dependency on the automobile.

Frequent building entrances: sidewalks flanked by blank walls or parking lots discourage pedestrian traffic. Conversely, frequent entrances, whether to residential or commercial uses, encourage foot traffic and feel inviting.

Similar to other areas of Los Gatos (and unlike much of the surrounding Silicon Valley), the North 40 has been designed with building entrances lining the streets. In the Lark District, streets are lined with residential entrances since garages are tucked behind. The streets of the Transition District are lined with neighborhood-serving commercial establishments that will accommodate unmet needs for the northern part of Los Gatos, as well as foster activity and the sense of “welcome” for which Los Gatos is known.

## **LANDSCAPE**

The landscape palette for the North 40 integrates the Los Gatos agricultural heritage by incorporating a variety of fruit bearing orchard trees in both formal and informal groupings at the perimeter and within the site. Vineyard planting, a reference to more recent agricultural traditions, frames Los Gatos Boulevard and creates a welcoming gateway for those entering the Town from the north. Within the site, buildings have been located to feature a number of existing, mature live oak trees that will provide a direct link to the site’s past.

In the Transition District, shaded sidewalks and small plazas with attractive street furniture invite shops and cafes to open up so residents and shoppers can enjoy the year-round, exceptional climate that affords Los Gatos its relaxed lifestyle. Large, high canopy street trees are proposed to provide shade and frame views to the surrounding hillsides. The local coast redwoods, which can be seen in the downtown, parks and surrounding hill areas, will be used on the westerly perimeter as a buffer to the surrounding highways. In the heart of the district, the specialty market will highlight local farm-to-table products, a theme that’s become a signature of Los Gatos daily life. A plaza in front of the Market Hall with flexible seating, lounge type furniture, and small areas of lawn will invite people to gather and linger, or enjoy food and drink procured at the Market Hall. An outdoor lounge space adjacent to the restaurant along North A Street will feature an outdoor fire place and lounge seating under a trellis of grape vines. A garden retreat at the rear of the restaurant and in front of the residences will create a lush green buffer between the two uses, and will provide gathering and relaxation space for the nearby residents in a shady garden setting. A working garden with kitchen gardens for the restaurants at the heart of the North 40 further reinforces the agricultural theme. This demonstration garden is yet another place to relax: featuring outdoor seating under the shade of a trellis.

Similarly recalling the site and region’s agricultural past, the Lark District’s frontage features fruiting orchard trees to frame the edges of Lark Avenue. Lark District’s planting palette includes a variety of familiar and locally characteristic water-wise ornamental canopy shade trees and shrubs. Oak woodlands provide shade and respite, and evoke a sense of place that’s consistent with Los Gatos’ parks. The central green creates an opportunities for social interaction and outreach to surrounding Los Gatos neighborhoods. A series of inviting pedestrian paseos, seating areas and intimate garden courts compliment park-like areas. The landscape design is intended to create a seamless transition between the North 40 and established Los Gatos residential communities by continuing a familiar plant palette and enhancing the pedestrian walkability to and from the surrounding community.

## **BUILDING DESIGN and MATERIALS**

The Town has a wide variety of building types, established and new residential districts, historic buildings, strip commercial development and important 21<sup>st</sup> century buildings. A sense of quality ties together this mixture of architectural styles and uses that include residential, commercial, hospitality, civic and office, ranging in height from one to four stories. There is more variety than uniformity, both in scale, mass and heights, which contribute to the character-defining core of the Town.

While downtown there's a mix of older and contemporary designs, such as the Cañada Building and Apple store, portions of Los Gatos Boulevard feature strip commercial centers and larger establishments such as car dealerships, box retailers and automotive repair shops. There are historic buildings like Forbes Mill and the classic feel of the downtown. In contrast, the 21st century library stands as an attractive example of thoughtful contemporary architecture and anchors the Town's civic hub. The size and scale of the Beckwith Block is large enough to frame East Main Street yet feel welcoming. The "look and feel of Los Gatos" incorporates a mix of buildings and uses, just as the Town has a variety of distinct neighborhoods within its boundary, and this eclectic blend is a part of the Town's appeal.

The North 40 also has a variety of structures and uses reflecting the Town's current profile. Each North 40 building has a specific way in which it is "in keeping with the Town's character", while meeting today's energy and sustainability standards, and acknowledging that their period in history is the early 21<sup>st</sup> century. Maintaining the high quality for which Los Gatos is known and following the Guiding Principles of the Specific Plan, the building designs will create a place that feels genuine and that speaks "neighborhood" rather than "project". From the rustic earth tones of agricultural buildings and the elegant downtown storefronts to the crisp lines and pastels of the new library, the North 40 draws upon diverse Los Gatos references. The buildings are meant to work together, featuring a cluster of complementary and high-quality, but not identical styles. Each building makes reference to elements found in Los Gatos while together the new neighborhood exemplifies "what it's like to live in Los Gatos" in its own unique way.

#### **TRANSITION DISTRICT**

The two buildings that face Los Gatos Boulevard make notable reference to the site's and to Los Gatos' agricultural roots. They are not literal copies of historic structures, but are designed to be strongly evocative of the region's rural heritage. The Town has a kind of "rustic elegance", one of the guiding principles for the North 40's aesthetic design, and these two buildings continue that tradition.

#### Building A2 – Retail:

This modestly sized retail building is designed to recall a small barn with simple form and pitched roof. The pattern of wood walls with large, simple doors and windows makes reference to the generous square openings of old barn doors. The eave at Los Gatos Boulevard has a low, single-story profile in line with the character of older and smaller wood structures. Proposed materials reinforce the agricultural roots: weathered wood horizontal siding (we will seek reclaimed sources), natural zinc standing seam roof, and dark metal window frames (that meet today's energy standards).

#### Building B2 – Dining:

Intended for use as a restaurant, this is the smallest free-standing building in Phase I and presents an even lower eave to Los Gatos Boulevard. Its scale and form evoke imagery that is more farmhouse than barn. The extended dining porch along Los Gatos Boulevard could be imagined as the (theoretical) family's screened porch, when the road was a cart path, re-vitalized as a 21<sup>st</sup> century dining terrace. The materials include natural wood vertical siding and a stone accent wall that could be imagined as the remnants of a retaining wall that once framed the grade change between the road and the yard. The standing seam metal roof will have a more widely spaced pattern than the barn and have a neutral painted finish. An old farmhouse would probably have had three-tab composition shingles or rusty corrugated metal. The intent is to bring the roof form into an appropriate current interpretation that also suggests quality and longevity.

Together, Buildings A2 and B2 present a soft edge to Los Gatos Boulevard, providing an inviting suggestion of historic farm structures. As we move away from Los Gatos Boulevard, the next two buildings, A1 and B1, take on a different scale and character. The site slopes down into the heart of the neighborhood and the sense of activity and presence grows.

Building A1 – Retail and 2<sup>nd</sup> Floor Residential:

This L-shaped retail and residential building has four architectural palettes. It has two stories, which well frames Neighborhood Street, and also makes reference to the old notion of the proprietor living above the shop. The blend of palettes and two-story arrangement promote the Los Gatos image of “small-town” while providing flexibility for tenanting. The L form has two intermediate breezeways, natural points for pedestrian access from parking in the rear, and for changes in design and material palettes. The size and scale of these elements is very much in keeping with the look and size of many buildings in downtown Los Gatos.

The first eastern-most element appears stand-alone (connected only at the rear, upper level). The stone panel on its east façade and paned window reflect prominent elements of Forbes Mill. Its roof ridge is turned perpendicular to the Boulevard buildings reflecting the variety found in Los Gatos. The second-floor residential terraces overlooking the neighborhood street add scale and 24/7 liveliness.

West of the breezeway is a brick-faced building with classical proportions and parapet roof. This building recalls what might have been a modest mercantile structure that could have housed a general or hardware store. A simple frame façade, with brick tones that evokes older commercial Los Gatos brick structures, is nearly identical in scale to the Beckwith Block on East Main.

Turning the corner, the next element steps back a bit to provide more sidewalk space, an ideal spot for shops to spill out with displays in fair weather. The material palette changes, and this element presents a slightly higher parapet, to contrast with adjoining elements, reinforcing the notion that the building was built over time. Its storefront is very simple since at this prominent corner location we anticipate that the tenant may design a quality, custom window system. A residential terrace over the corner reinforces the activity and mix of uses in the Transition District.

Even though each element of the L-shaped A1 Building has a unique palette, the ground floor internal space is contiguous to create flexibility for retail tenants.

The southerly live-work element next to the second breezeway recalls a simple, barn-like, traditional form interpreted with contemporary detailing: barn-scaled openings, paned windows, walls of board-formed textured concrete (or materials that evoke the concept), and pitched standing-seam metal roof. It’s a small element with its own identity, in keeping with the concept of unique, non-repetitive buildings that characterize both downtown and the civic district on East Main Street.

Building B1 – Mixed use: Market, Affordable housing and Parking:

This building has three uses – the specialty market, two floors of affordable housing, and an internal four-level parking garage (one floor is subterranean), which is wrapped and hidden by the other uses. This larger building, like A1, has more than one architectural expression, but has good variation of height, as does the eclectic Los Gatos downtown and civic district on East Main. As outlined in the Specific Plan, taller buildings within the North

40 site should be located toward the center where the site topography is significantly lower than the Los Gatos Boulevard grade, not at the periphery, and the steps in massing of this building respect that guidance.

The easterly portion of the buildings toward Los Gatos Boulevard is one- and two-story and composed of three elements. Each of the elements has a slightly different design and the sizes are very much in keeping with town character relative to size and scale of Los Gatos' smaller commercial spaces. The materials make reference to agricultural buildings: weathered or recycled natural wood siding, and simple bold farm forms, but with a 21<sup>st</sup> century interpretation.

The portion of the building with two stories of affordable housing is set further back from Los Gatos Boulevard, and most of the residential element faces the rear of the parcel or overlooks a podium courtyard deck. The roof of the senior housing features a mix of gable and flat roofs, creating a sense of residential scale and proportion. The colors are chosen from a forest and landscape palette of neutrals, grey-green, gold and browns making reference to the hills that frame the Town.

#### Building C1 – Free-standing retail / restaurant:

Anchoring the visual axis of Neighborhood Street, this structure occupies a key location at the fulcrum of the plan. Designed for dining and retail that can spill out onto the sidewalk, this building will provide both a focal point of activity and visual accent at the core of the District. The natural timber-framed sun-shade creates depth and richness on the façade, while the reverse shed roof anchors the view and helps define the heart of the mixed use area. To provide connection between the commercial use and the mid-block garden beyond, the building features windows on the rear side. The timber and wood siding materials complement the palettes on nearby buildings, and are accented by a contrasting plaster element to continue the theme of a district that's been built over time.

The Transition District structures will all have a sense of quality and a rich, complementary palette of materials that embraces the "look and feel" of Los Gatos. The mixture of heights, from one to four stories, is compatible with the existing range in the Town, and the variety of architectural styles reflects the local diversity of neighborhoods.

### **LARK DISTRICT**

#### Garden Clusters:

The main point of connection between the Lark District and the existing residential community off of Highland Oaks occurs along Lark Avenue, an area defined by a number of existing residences and small commercial buildings. The Garden Clusters have been designed to keep this edge soft and welcoming by presenting a pedestrian scale frontage that transitions the existing neighbors and users of the multi-modal path into the new neighborhood. To encourage this scale and relationship with the surrounding homes, the Garden Clusters have been designed with a strong but welcoming two story detached presence that steps up to three stories at the rear, where carriage units are designed over tuck-under garages. Front doors line three sides of these buildings, further enhancing the pedestrian connection to the existing neighborhood and providing residents' access to the lushly landscaped paseos that weave through the homes and connect to the Transition District.

#### Rowhomes:

Entering South 'A' Street from Lark Avenue, one is greeted by neighborhood streets lined with orchard trees recalling the North 40's and Los Gatos' agricultural past. Behind the shade of these trees are the front entries and patios of the Rowhomes. Garages are tucked behind these homes to minimize driveways dividing the streetscape

and to continue the pedestrian oriented paseos that begin at the Garden Clusters. Above the neighborhood sidewalks are expansive terraces where residents can connect with those below as they enjoy the Los Gatos weather. Like all the homes in the Lark District, which are geared towards the Millennial buyer, once you enter the home from the terraces a media-based great room centered on an entertaining kitchen is revealed. The “traditional” dining room is a thing of the past.

#### Courtyard Clusters:

The Courtyard Clusters continue the emphasis on creating a pedestrian-oriented community by designing each building with a single driveway and shared auto-court. Since the garages are internal to the cluster, the perimeter is highly articulated and lined with resident entries spilling into the surrounding streets, sidewalks and paseos. The building corners have significant two story elements, further enriching the facades. As elsewhere in the Lark District, frequent entrances to individual homes and stepped forms create the residential character that echoes the look and feel of Los Gatos. A unique home that spans the entryway to the auto-court acts to further remove the garages visually from the streetscape.

#### Architectural Character:

As noted above, the existing fabric of Los Gatos is an eclectic blend of architectural styles ranging from rural and traditional to clean-lined contemporary, that when taken as a whole can be described as “rustic elegance”. What binds all of these unique styles together is the high quality of the architecture and materials. With this in mind, the Lark District has been designed to reflect the culture and vibrancy of the younger generation of Los Gatos and the surrounding Silicon Valley, and draw residents who desire a fresh, quality, and contemporary aesthetic. The architectural character seeks to combine the concept of “rustic elegance” (the “look and feel of Los Gatos”) with the desires of the Millennial buyer.

With this concept in mind, and the Specific Plan’s encouragement to reflect the agrarian heritage of the North 40 and Los Gatos, the architectural styles used in the Lark District combine the colors, materials, roof lines and proportions of a historical agricultural heritage, while reducing the detailing of this style down to its roots. The result is a neighborhood based in tradition with a contemporary and clean aesthetic.

The overall massing of the homes is simple with abundant deep eaves, awnings and terraces that create strong shadow lines typical of barn structures. In keeping with the Valley’s agrarian roots, the material palette consists of weathered and stained wood siding, corrugated metal siding and plaster, as well as metal bracing and bracketing that are all painted in a consistent palette of warm earth tones.



# KEYSER MARSTON ASSOCIATES

***ADMINISTRATIVE DRAFT***

**NORTH 40 PHASE 1  
ECONOMIC REPORT**

*Prepared for:*  
**Grosvenor Americas**

*Prepared by:*  
**Keyser Marston Associates**

**November 2015**

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## EXECUTIVE SUMMARY

The Town of Los Gatos requires an economic report assessing the competitiveness of the North 40 Phase 1 (“Phase 1”) retail development program in relationship to the retail businesses in the Downtown Core. The purpose of the analysis is to evaluate if the Phase 1 retail will have an adverse impact on the retail environment in the Downtown Core.

### Downtown Core

To create a framework in which to evaluate how the Phase 1 retail development program might impact the Downtown, Downtown Core businesses were grouped into three major categories. The purpose of the groupings was to provide a measure of Downtown Core sales to compare with the proposed Phase 1 retail and to allow for a discussion of the Downtown Core retail environment while protecting the confidentiality of individual businesses. As agreed upon with the Town, the groupings of retailers in the Core are:

- Comparison goods retail (apparel, home furnishings, and other specialty retail)
- Food and beverage
- Grocery (including food and liquor stores)

Within the three groupings, the Downtown Core (“the Core”) is comprised of approximately 247 businesses. Taxable sales for businesses in the Core were provided by the Town’s sales tax consultant for each of the categories. Estimated 2014 gross sales (taxable and non-taxable) in the Core are:

- Comparison goods retail:       \$96.9 million
- Food and beverage:           \$76.9 million
- Food and liquor stores:       \$10 to \$15 million

### Summary of Approach

The analysis evaluates if the anticipated Phase 1 sales can be achieved without having an adverse impact on sales of the existing Downtown Core businesses. KMA’s approach to the assignment included the following:

1. *Downtown Core Sales*: Review of 2014 sales in the Downtown Core provided on a confidential basis
2. *Projected Sales for Phase 1 Retail*: Projected by three retail groupings provided by Grosvenor
3. *Trade Area Identification*: Defining the trade area for each of the retail groupings
4. *Trade Area Expenditure Potential*: Estimating expenditure potential using data provided by Census and state information

5. *Market Share Estimate for Phase 1 Retail:* Estimating the market share of trade area expenditure potential that Phase 1 retail would achieve
6. *Differentiation in Market Position between Phase 1 and the Downtown Core*

## **North 40 Phase 1 Retail Development Program**

The Phase 1 retail development program is anticipated to be up to 66,000 square feet as of the writing of this report. The following is a summary of KMA's findings and conclusions.

### *A. Comparison Goods Retail*

#### Phase 1 Comparison Retail

- Anticipated to have up to 26,000 square feet
- Anticipated tenants: apparel, shoes, home furnishings, and specialty shops
- Estimated annual sales of approximately \$15.6 M

#### Downtown Core Comparison Retail

- Achieved retail sales of approximately \$96.9 million in 2014
- Comprises 172 businesses offering a diversity of merchandise
- Strong regional destination with high image retailers in a pedestrian oriented shopping district

The Phase 1 residential trade area for comparison goods is strong for reasons including

- *Population Density:* approximately 400,000 residents and nearly 150,000 households with excellent regional access via Hwy 85 and Hwy 17
- *Affluence:* Median household income of \$104,000 in the trade area overall, and \$139,000 within the Town of Los Gatos
- *Expenditure Potential:* Over \$1.5 billion annual expenditure potential for comparison goods and the growth between 2015 and 2020 is estimated to be \$164 M, including potential for visitors from beyond the trade area

#### Conclusion

- Phase 1 projected sales of \$15.6 M can be achieved while only capturing a small share of the trade area expenditure potential
- Downtown Core comparison goods retailers enjoy a unique retail environment with strong sales approaching \$100 million; the high volume of economic activity, in combination with approximately \$80 million in food and beverage sales, ensures the Core will continue to be a regional destination
- Phase 1 comparison goods retail program can be achieved without having an adverse impact on the sales of the existing Downtown Core businesses.

## *B. Food and Beverage*

### Phase 1 Food and Beverage

- Anticipated to have up to 20,000 square feet
- Anticipated tenants: restaurants, cafes, and a wine bar or brewery
- Estimated annual sales of approximately \$15 M

### Downtown Core Food and Beverage

- Achieves sales of approximately \$76.9 million in 2014
- Comprised of 62 establishments
- Strong regional destination for food and beverage in a pedestrian oriented shopping district

### Phase 1 Trade Area for Food and Beverage

- Employment within 1 mile supports an estimated \$10 M in annual expenditure potential
- Residential trade area expenditure potential growth between 2015 and 2020 is estimated to be \$89.7 million

### Conclusion

- Phase 1 projected sales of \$15 M can be achieved while only capturing a small share of the trade area expenditure potential
- Downtown Core food and beverage establishments achieve strong sales of almost \$80 million
- Phase 1 food and beverage retail program can be achieved without having an adverse impact on the sales of the existing Downtown Core businesses.

## *C. Grocery/Specialty Foods*

### Phase 1 Grocery/Specialty Foods

- Anticipated to have up to 20,000 square feet
- Anticipated tenants: Market Hall Grocer (anchor), envisioned as a collection of specialty and gourmet food vendors which may include meat and fish shops, produce markets, wine shops, florists, bakeries, and confectionary
- Estimated annual sales of \$15 million

### Downtown Core Grocery/Specialty Foods

- Achieves taxable sales of approximately \$7.7 M in 2014; estimated to be approximately \$10 to \$15 million in gross sales
- Comprised of 13 stores: 3 wine shops/liquor stores and 10 convenience/ specialty
- Wine shops and liquor stores account for over half of taxable sales
- No existing sales in the Core for produce, fish and meat markets

#### Downtown Core Trade Area for Grocery/Specialty Foods

- Downtown Core specialty food offer is neighborhood-oriented and does not serve as a destination location for grocery/specialty foods
- Neighborhood trade area within 1 mile of the Core supports annual food store expenditure potential of approximately \$46 M versus \$10 - \$15 million in existing sales by Downtown Core businesses
- Neighborhood trade area within 1 mile of the Core does not overlap with a similarly sized trade area around North 40

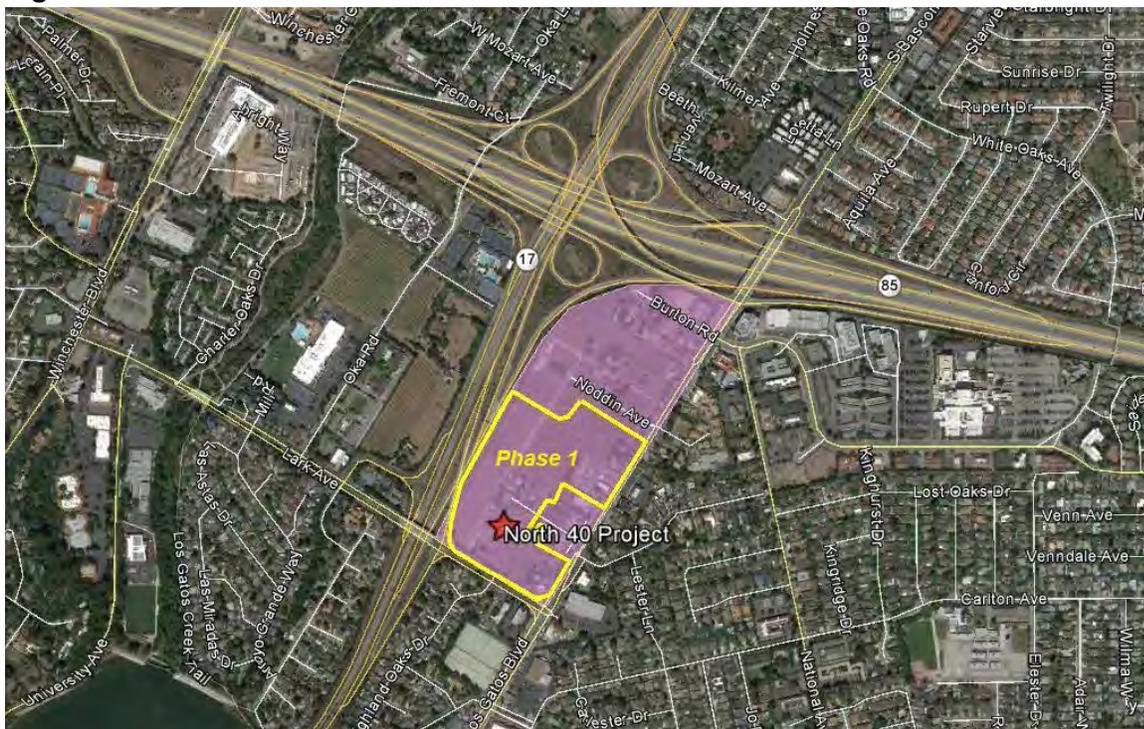
#### Conclusion

- Phase 1 grocery/specialty foods retail program can be achieved without having an adverse impact on sales on the existing Downtown Core businesses
- Downtown Core grocery/specialty food stores do not serve as a destination location for grocery/specialty foods
- Tenant categories commonly associated with market hall grocers, including produce, meat and fish markets, are not found in the Core
- Beyond the study area, Phase 1 grocery/specialty foods could enhance Los Gatos Boulevard position as a grocery destination and thus attract additional shoppers to Los Gatos.

## NORTH 40 PHASE 1

North 40 Phase 1 (“Phase 1”) is located in the North 40 Specific Plan Area adopted by the Los Gatos Town Council in June 2015. The specific plan area is an approximately 40 acre site within the Town at the intersection of Highway 85 and Highway 17. The area has been approved for commercial uses, including office, retail, and hotel, and housing. New commercial projects within the specific plan area must submit an Economic Impact Study to the Conceptual Development Advisory Committee evaluating the potential impact of the project on the economic competitiveness of the Downtown Core. The subject analysis is meant to fulfill this requirement for Phase 1.

**Figure 1: North 40 Phase 1 Site Aerial**



Source: Google Earth, Town of Los Gatos, Grosvenor Americas

The proposal for North 40 Phase 1 submitted by Grosvenor Americas, SummerHill Homes, and Eden Housing covers approximately 20 acres of the site (see boundaries above). Phase 1 is anticipated to include up to 66,000 square feet of retail. Currently, the site plan application allots 60,000 square feet for retail uses. At the direction of the applicant, KMA has assumed a 10% increase in the retail square footage to account for modifications to the development program that may occur prior to the project’s approval.

The tentative distribution of the 66,000 square feet of retail space is as follows:

- Up to 26,000 square feet for comparison retail
- Up to 20,000 square feet for food and beverage
- Up to 20,000 square feet for a market hall grocer

The applicant provided KMA with a preliminary list of targeted tenant categories. According to this information, comparison retail space would consist of apparel, shoes, home furnishings, and other specialty stores (bicycle shop, book store, jeweler). A portion of comparison retail space may also be dedicated to personal and financial services (gym, bank, hair salon). Food and beverage retail would include a mixture of restaurant and related tenants such as cafes, brewery or wine venues. Finally, the 20,000 sq. ft. market hall is envisioned by the applicant as a cluster of specialty and gourmet food vendors with common customer seating. Similar markets have been developed elsewhere in the Bay Area including Oakland, Emeryville, San Francisco and San Jose. Typical market hall tenant categories include meat and fish shops, produce markets, wine shops, florists, bakeries, and confectionary, with tenants varying in size from 400 sq. ft. to 3,000 sq. ft.<sup>1</sup>

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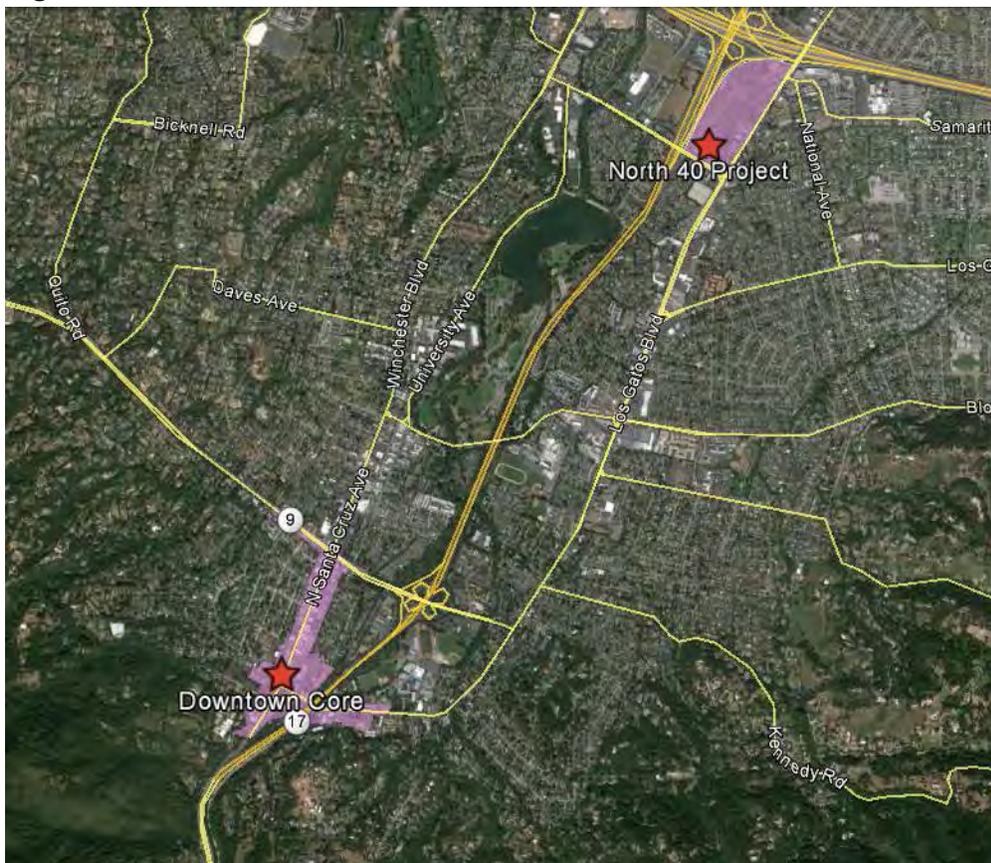
<sup>1</sup> Based on KMA's review of Rockdridge Market Hall retail program.

## DOWNTOWN CORE

The Town of Los Gatos contains several retail districts, including Downtown, Los Gatos Boulevard, and several neighborhood centers. Downtown has historically supported approximately half of total retail sales in the Town of Los Gatos (BAE 2013, 41). Downtown is further divided into Downtown North, the Blossom Hill/University district and the Downtown Core (“the Core”), where approximately three quarters of Downtown retailers are located (BAE 2013, 24).

As agreed upon by the Town and the applicant, the subject analysis focuses specifically on the potential impacts of North 40 Phase 1 on the Downtown Core. The Core is located primarily along North Santa Cruz Avenue, East Main Street, and University Avenue, approximately 2 miles south of North 40 (see map). A historic, pedestrian-oriented, main street commercial district, the Core is comprised of approximately 160,000 square feet of restaurants and 350,000 square feet of specialty stores and personal services serving the Town and the region at-large, according to a 2014 estimate prepared for the Town Council (McLaughlin, 4).

**Figure 2: Location of Downtown Core in Relation to North 40**



Source: Google Earth, Town of Los Gatos, Grosvenor Americas

To create a framework in which to evaluate how the Phase 1 retail development program might impact the Downtown Core, existing businesses in the Core were grouped into three major categories. The purpose of the groupings was to provide a measure of Downtown Core sales to compare with the proposed Phase 1 retail and to allow for a discussion of the Core retail environment while protecting the confidentiality of individual businesses. As agreed upon with the Town, the groupings of retailers in the Core are:

- Comparison goods retail (apparel, home furnishings, and other specialty retail)
- Food and beverage
- Grocery (including food, wine and liquor stores)

Within the three groupings, the Downtown Core is comprised of approximately 247 businesses, which generate approximately \$181 million in annual taxable sales. Taxable sales were provided by the Town's sales tax consultant for each of the categories. Sales by retail category are summarized in the table below.

**Table 1: Retail Sales in the Downtown Core - Select Categories (2014)**

<b>Downtown Core</b>	<b>Total Establishments 2014</b>	<b>Taxable Sales 2014</b>	<b>Gross Sales 2014</b>
<b>Comparison Retail</b> <sup>(1)</sup>	172	\$96,942,000	\$96,942,000
<b>Food and Beverage</b>	62	\$76,878,200	\$76,878,200
<b>Grocery/Specialty Food</b> <sup>(2)</sup>	13	\$7,777,400	\$12,962,400

Source: Town of Los Gatos 2015

Figures rounded

<sup>(1)</sup> Includes apparel, home furnishings, electronics and appliance stores; miscellaneous stores; sporting goods, hobby, book, and music stores.

<sup>(2)</sup> Includes grocery stores, specialty food stores, and liquor/wine stores. Conversion to gross sales assumes 60% of category sales are taxable. See appendix table A-1.

The above table demonstrates that the Downtown Core's strengths are in the comparison retail and food and beverage categories, which together contribute more than 90% of sales in the selected categories. High volumes of comparison and food and beverage sales substantiate the common perception of the Downtown Core as a regional-serving retail destination. Approaching \$100 million in sales, the comparison retail offer is comprised of destination retailers with a high image. Primary tenant types include clothing, jewelry, sportswear, and specialty gifts, many of which are local boutiques. Formula retail tenants include Anthropologie, Chico's, Gap/Banana Republic, J. Crew, Apple Store, Restoration Hardware, Sur La Table, and Williams Sonoma. The food and beverage offer in the Core is also significant, with close to \$80 million in sales. The Core features a wide selection of restaurants, bars, and cafes, a number of which appear in surveys of the top dining establishments in the South Bay.

In contrast with the above retail categories, the specialty food offered in the Downtown Core is limited. Estimated gross sales between \$10 million and \$15 million (\$8 million taxable) are distributed across 13 establishments, including three wine shops/liquor stores and ten food/convenience stores, with one-third to half of sales deriving from the wine/liquor shops. The foregoing sales figures indicate that the majority of demand for food products is being met outside the Downtown Core, even for residents living within 1 mile of the Downtown Core, where resident expenditure potential for grocery goods is estimated to be \$46 million (ESRI Business Analyst 2015). As highlighted by the market and urban decay studies for the North 40 Specific Plan, there are no reported sales in the Core for meat, fish and produce markets, all of which are tenant categories targeted by the Phase 1 market hall (BAE 2011, 67).

While the Downtown Core's grocery and specialty food offer is limited, the prior market study indicates that on the whole, the Town of Los Gatos has a substantial surplus of grocery sales. Downtown Safeway is reported to be the closest supermarket to Monte Sereno and portions of Saratoga (BAE 2011, 67), and sales figures indicate that the cluster of grocery stores along Los Gatos Boulevard draws customers from far beyond the Town's boundaries. For a map of grocery stores within 1 mile of the Downtown Core and North 40, see appendix Figure A-1.

## PROJECTED SALES FOR NORTH 40 PHASE 1

### Projected Sales

KMA estimates that North 40 Phase 1 will achieve approximately \$45.6 million in gross (taxable and non-taxable) annual sales by its build-out in 2020. Gross annual sales were calculated by applying estimates of sales per square foot for newly constructed space to the anticipated development program. Sales benchmarks are derived from a variety of public and confidential sources, including surveys of shopping centers published by the International Council of Shopping Centers, annual financial reports of representative tenants, and feedback from the applicant.

**Table 2: Estimated Gross Sales at North 40 Phase 1 Project (2020)**

<i>North 40 Phase 1</i>	<b>North 40 Phase 1 at Build-Out (2020)</b>		
	<b>Estimated Sq. Ft. <sup>(1)</sup></b>	<b>Sales Per Sq. Ft. <sup>(2)</sup></b>	<b>Est. Gross Annual Sales</b>
<b>Comparison Retail</b>	26,000	\$600	\$15,600,000
<b>Food and Beverage</b>	20,000	\$750	\$15,000,000
<b>Grocery/Specialty Foods <sup>(3)</sup></b>	20,000	\$750	\$15,000,000

Source: Grosvenor 2015, KMA 2015.

<sup>(1)</sup> Current development Phase 1 development program includes 60,000 sq ft of retail. At the direction of the applicant, the retail GLA was increased by 10% to account for any subsequent increase once the program is finalized.

<sup>(2)</sup> Based on industry benchmarks for newly constructed space.

<sup>(3)</sup> Includes both taxable and non-taxable sales.

### Comparison with Downtown Core

Sales by category within Phase 1 are projected to be significantly less than existing sales in the Downtown Core for comparison and food and beverage categories, but greater than Downtown Core food stores, where the Downtown Core's offer is more limited. Comparison goods sales in Phase 1 are projected to be \$15.6 million versus \$97 million in the Core. Food and beverage sales are projected to total \$15 million by 2020 in Phase 1, compared to existing sales the Core of \$77 million. On the other hand, grocery and specialty food store sales in Phase 1 are projected to be greater than existing sales for the same categories in the Core.

**Table 3: Downtown Core Sales (2014) and North 40 Phase 1 Projected Sales (2020)**

<i>Gross Sales</i>	<b>Downtown Core <sup>(1)</sup></b>	<b>North 40 Phase 1 <sup>(2)</sup></b>
	2014	2020-Projection
<b>Comparison Retail</b>	\$96,900,000	\$15,600,000
<b>Food and Beverage</b>	\$76,900,000	\$15,000,000
<b>Food Stores</b>	\$13,000,000	\$15,000,000

<sup>(1)</sup> See Table 1.

<sup>(2)</sup> See Table 2.

**Figure 3: Downtown Core Sales (2014) and North 40 Phase 1 Projected Sales (2020)**



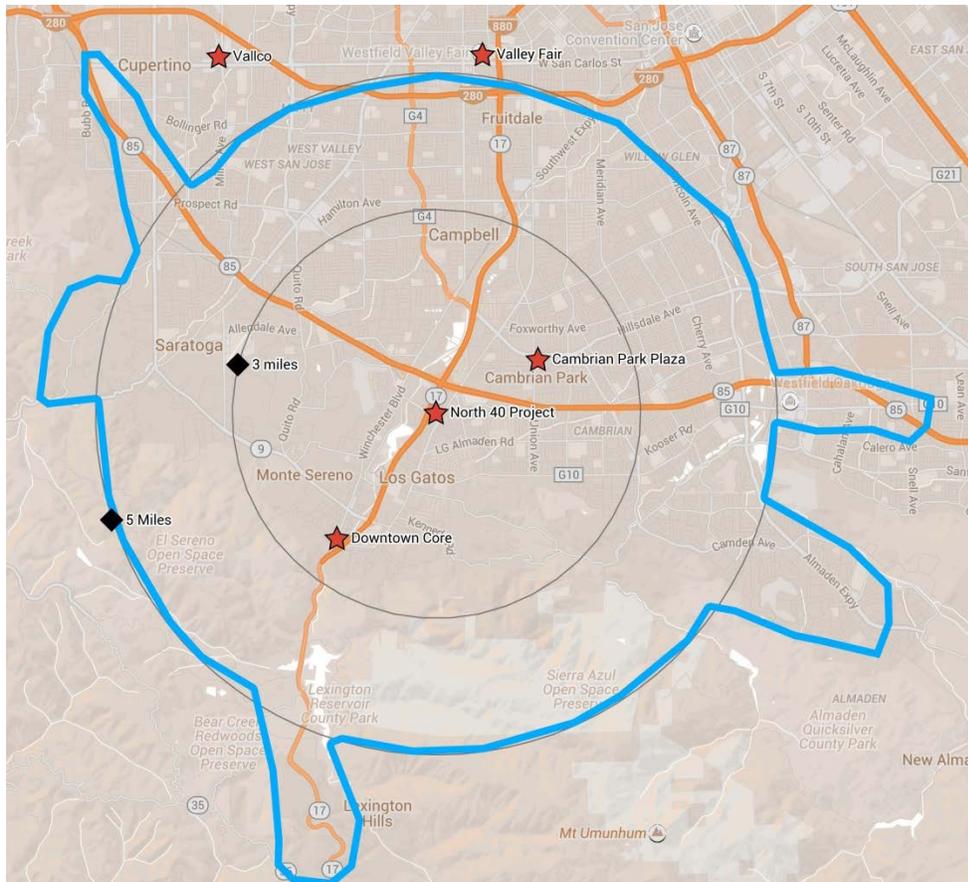
Source: Town of Los Gatos 2015, California Board of Equalization, Grosvenor 2015.  
Includes taxable and non-taxable sales.

## TRADE AREA EXPENDITURE POTENTIAL

### Definition of Residential Trade Area

The residential trade has been defined to encompass the project's primary customer base for comparison and food and beverage categories upon full build-out of the Phase 1 retail program. KMA determined the residential retail trade area for the project in consideration of (a) the likely drawing-power of comparison and food and beverage retailers anticipated at the project, (b) regional access, and (c) the location and nature of existing and planned competition. The residential trade area is shown in the figure below. The trade area is primarily contained within a five mile radius of the subject site, and includes the communities of Los Gatos, Saratoga, Monte Sereno, Cambrian Park, Fruitdale, and Lexington Hills, as well as portions of San Jose and Cupertino. As illustrated below, the trade area extends beyond five miles along key transportation corridors including Highway 85, Highway 17, Route 9 and the Almaden Expressway, where superior access is likely to draw customers living farther from the project site.

**Figure 4: Map of Residential Trade Area**



Source: Google Maps

## Trade Area Demographics

As of 2015, the residential trade area contains a population of nearly 400,000. The trade area population is greater than the population living within five miles of the subject site, due to the modifications to the five-mile ring primarily along Highway 85, described above. While median household incomes of the residential trade area (\$104,000) are below those of the Town of Los Gatos (\$139,000), trade area incomes are higher than the county and region overall. Aggregate income of trade area residents is estimated to exceed \$20 billion, of which the Town of Los Gatos contributes approximately 10%.

**Table 4: Trade Area Demographics in Comparison With Town, Standard Rings (2015)**

	Town of Los Gatos	Rings from North 40		Residential Trade Area <sup>(1)</sup>
		3 miles	5 miles	
Population	30,301	132,192	342,647	396,120
HH	12,701	50,957	129,482	147,368
Median HH Income	\$138,557	\$107,782	\$101,792	\$103,669
Per Capita Income	\$71,308	\$54,647	\$51,463	\$51,660
Aggregate Income (\$ million)	\$2,161	\$7,224	\$17,634	\$20,464

Source: ESRI Business Analyst 2015

<sup>(1)</sup> Residential trade area consists of a modified 5-mile radius from the site, with the trade area extending along key transportation corridors including Highway 85, Highway 17, Route 9, and the Almaden Expressway. (See Figure 2.)

## Expenditure Potential

Over the next five years, the trade area is projected to grow by nearly 19,000 residents, while per capita income is projected to increase at 1% per year (in real terms), based on projections published by ESRI Business Analyst, a private demographic firm. Population and income growth in the trade area will add approximately \$1.8 billion to aggregate income (Table 5).

KMA calculated growth in the trade area expenditure potential for comparison and food and beverage retail categories between 2015 and 2020, when the project is anticipated to be built-out. The likely share of aggregate income to be spent on comparison and food and beverage categories was determined using data from the California Board of Equalization and the US Census. It is estimated that residents have the potential to spend 7.6% of their incomes on comparison retail and 4.9% on food and beverage. Applying these factors to growth in aggregate income, KMA estimates that comparison retail expenditure potential will increase by \$139 million and food and beverage expenditure potential will increase by \$90 million over the next five years (Table 5). This increment represents expenditure potential not currently captured by retailers in the Downtown Core or elsewhere in the residential trade area.

**Table 5: Residential Trade Area Expenditure Potential through 2020**

Residential Trade Area <sup>(1)</sup>	2015	2020	Growth 2015-2020	
<b>I. Trade Area Demographics</b>				
Trade Area Residents	396,120	414,832	18,712	
Households	147,368	154,682	7,314	
Per Capita Income	\$51,700	\$53,800	\$2,100	
Aggregate Income <sup>(2)</sup>	\$20,479,404,000	\$22,317,962,000	\$1,838,558,000	
<b>II. Retail Expenditure Potential</b>				
Comparison Retail	7.6% of income <sup>(3)</sup>	\$1,550,128,000	\$1,689,292,000	\$139,164,000
Food and Beverage	4.9% of income <sup>(3)</sup>	\$998,832,000	\$1,088,503,000	\$89,671,000

Source: ESRI Business Analyst 2015, California Board of Equalization (BOE) 2013

<sup>(1)</sup> Refer to Map of Trade Area.

<sup>(2)</sup> 2020 income projections prepared by ESRI adjusted for inflation assuming 1.9% per year.

<sup>(3)</sup> Share of aggregate income spent on goods within each category, based on a comparison of taxable sales reported by the California Board of Equalization (BOE) for the county and aggregate income reported by the US Census. Shares reflect gross sales.

## COMPARISON RETAIL ASSESSMENT

### Expenditure Potential

Residential expenditure potential on comparison goods is projected to increase by \$139 million between 2015 and 2020 (Table 5, above). The comparison retail category includes apparel, home furnishings, electronics and appliance stores, miscellaneous stores, and other specialty stores including sporting goods, hobby, book, and music stores. Assuming that 15% of trade area sales derive from visitors living beyond the trade area, total trade expenditure potential is estimated to increase by approximately \$164 million over the next five years (Table 6).

### Phase 1 Projected Sales and Capture Rate

With up to 26,000 square feet of space dedicated to comparison retail, Phase 1 comparison retail sales are anticipated to be \$15.6 M (Table 2). This level of sales would require a capture rate of approximately 10% of the growth in comparison goods expenditure potential, including trade area residents and visitors from beyond the trade area, and less than 1% of the total trade area comparison goods expenditure potential projected in 2020 (Table 6).

In other words, projected sales in Phase 1 can be achieved without having an adverse impact on the sales of the existing Downtown Core businesses. Furthermore, by 2020, roughly \$150 in comparison retail expenditure growth would remain available to support other shopping districts in the trade area, after accounting for Phase 1 sales at build-out.

**Table 6: North 40 Phase 1 Share of Comparison Retail Trade Area (2015-2020)**

North 40 Phase 1 - Comparison Retail	2015-2020
<b>Est. Gross Annual Comparison Retail Sales at North 40 Phase 1</b> <sup>(1)</sup>	\$15,600,000
<b>Comparison Retail Expenditure Potential</b>	
Residential Trade Area Growth (2015-2020) <sup>(2)</sup>	\$139,164,000
Sales Inflow <sup>(3)</sup>	15% \$24,555,000
Trade Area Expenditure Potential Including Visitors	\$163,700,000
<b>North 40 Phase 1 Share of Comparison Retail Exp. Potential</b>	<b>10%</b>

<sup>(1)</sup> Table 2.

<sup>(2)</sup> See Table 5.

<sup>(3)</sup> Refers to sales to customers from outside the trade area.

## **Comparison Retail Conclusions**

KMA concludes that 26,000 square feet of comparison retail at North 40 Phase 1 would have no impact on the Downtown Core:

- The Downtown Core is a well-established, pedestrian friendly shopping district, which draws customers from a regional trade area,
- Current Downtown Core sales volumes in comparison retail categories (\$97 million) significantly exceed what is anticipated to be generated by North 40 Phase 1,
- There is sufficient growth projected within the trade area to support comparison retail development in Phase 1 without having an adverse impact on the sales of existing Downtown Core businesses.

## **FOOD AND BEVERAGE ASSESSMENT**

### **Expenditure Potential**

Residential expenditure potential on food and beverage is projected to increase by approximately \$90 million between 2015 and 2020 (Table 5). Factoring in expenditure potential by visitors from beyond the trade area (assumed to comprise 15% of sales), trade area expenditure potential by residents and visitors is estimated to increase by approximately \$106 million over the next five years.

In addition to trade area residents and visitors, the project is likely to draw customers from the sizable daytime population working near the project. More than 10,000 workers are employed within 1 mile of the project, anticipated to increase to approximately 12,000 by 2020. Major employers include Netflix, Roku, and Good Samaritan Hospital. Based on food and beverage spending patterns of office and clerical workers, KMA estimates that local workers have the potential to contribute an additional \$10 M million in annual expenditure potential (see detailed analysis in appendix Table A-2), including growth in resident and visitor expenditures, detailed above, combined trade area expenditure potential is estimated to be \$116 million (Table 7).

Expenditure potential for workers is defined in terms of total expenditures, as opposed to growth, considering that North 40 is a more convenient destination than the Downtown Core for workers within the daytime trade area. Additionally, it is unlikely that workers within one mile of North 40 represent a significant share of the approximately \$80 million in existing sales for restaurants in the Downtown Core, given that the Core is two or more miles from most employers within the Phase 1 daytime trade area, and office workers, more so than residents, are likely to prioritize convenience in their dining choices.

### **Phase 1 Projected Sales and Capture Rate**

Food and beverage sales are anticipated to reach \$15 million upon build out of Phase 1, which includes 20,000 square feet of food and beverage uses (Table 2, above). This level of sales represents approximately 13% of the combined residential and worker trade area expenditure potential as defined above.

As with comparison retail, projected food and beverage sales at Phase 1 can be achieved without having an adverse impact on the sales of the existing Downtown Core businesses. Furthermore, by 2020, roughly \$100 million in food and beverage expenditure potential within the trade area would remain available to support other shopping districts in the trade area, after accounting for new sales in Phase 1.

**Table 7: North 40 Phase 1 Share of Food and Beverage Trade Area (2015-2020)**

<b>North 40 Phase 1 - Food and Beverage</b>		<b>2015-2020</b>
<b>Estimated Gross Annual F&amp;B Sales at North 40 Phase 1 <sup>(1)</sup></b>		<b>\$15,000,000</b>
<b>Food and Beverage Exp. Potential</b>		
Residential Trade Area Growth (2015-2020) <sup>(2)</sup>		\$89,671,000
Sales Inflow <sup>(3)</sup>	15%	\$15,825,000
		<u>\$105,500,000</u>
Office Employee Expenditure Potential (2020) <sup>(4)</sup>		\$10,271,000
		<u>\$115,771,000</u>
<b>North 40 Phase 1 Share of F&amp;B Expenditure Potential</b>		<b>13%</b>

<sup>(1)</sup> Table 2.  
<sup>(2)</sup> See Table 5.  
<sup>(3)</sup> Refers to sales to customers from outside the trade area.  
<sup>(4)</sup> Accounts for expenditure potential from local office workers. See Table A-2.

**Food and Beverage Conclusions**

The Phase 1 food and beverage retail program can be achieved without having an adverse impact on sales on the existing Downtown Core businesses:

- Downtown Core food and beverage establishments currently achieve strong sales of almost \$80 million
- Phase 1 projected sales of \$15 M can be achieved while only capturing a small share of the trade area expenditure potential.

## MARKET HALL / GROCERY ASSESSMENT

Grocery is the only retail category in which sales at Phase 1 are projected to exceed the Downtown Core. Given the limited offer and neighborhood orientation of food stores in the Downtown Core, however, KMA has concluded that projected sales at the Phase 1 market hall can be achieved without having an adverse impact on sales of the existing Downtown Core. In large part, the Phase 1 market hall concept is not anticipated to be competitive with nor comparable to the specialty food store offer in the Downtown Core. The proposed market hall has the potential to bolster the Town's position as a regional food destination by complementing existing supermarkets clustered along Los Gatos Boulevard.

### Market Hall Conclusions

The Phase 1 grocery/specialty foods retail program can be achieved without having an adverse impact on sales on the existing Downtown Core businesses:

- *The Core's food store offer is limited.* The above analysis of Downtown Core sales demonstrates that the Core's strength lies in food and beverage and comparison retail categories, whereas its specialty food store offer is limited. Many of the common market hall tenants, such as fish, meat and produce markets, are not found in the Core. The nearest grocery store, Safeway, is located just outside the Core, while the majority of grocery stores in Town are clustered along Los Gatos Boulevard (see Appendix Fig. A-1).
- *The Core's food store offer is neighborhood-oriented.* The volume of sales at existing Downtown Core food stores suggests an orientation toward a neighborhood trade area. If defined traditionally as a 1 mile radius from each site, neighborhood trade areas of the Downtown Core and Phase 1 do not overlap; in other words, primary customer bases for neighborhood-serving food stores in the Core and Phase 1 are distinct. Moreover, most of the \$46 M in expenditure potential of residents living within 1 mile of the Core is currently spent outside the district.

Beyond the Downtown Core, an urban market could strengthen Los Gatos Boulevard's position as a grocery destination and thus attract additional shoppers to Los Gatos. As highlighted in the market study and urban decay studies prepared for the North 40 Specific Plan, the lack of specialty food stores in Town represents "an opportunity to broaden the retailing mix and enhance the Town's strong position in this category" (BAE 2011, 76). Grocery stores clustered along Los Gatos Boulevard are reported to draw from a regional customer base. By offering unique, specialty foods not found in traditional grocery stores, the market hall planned for Phase 1 can complement the existing supply, as is seen with similar market halls located elsewhere in the Bay Area. For example, Rockridge Market Hall in Oakland is located several blocks from a Trader Joe's and within a half-mile of two Safeway supermarkets.

## **DOCUMENTS REFERENCED**

The following technical reports previously prepared for the North 40 Specific Plan are referenced in this report:

BAE Urban Economics. Market Study & Business Opportunities Assessment Town of Los Gatos. August 12, 2011.

BAE Urban Economics. Urban Decay Analysis North 40 Specific Plan. November 20, 2013

McLaughlin, Ralph. Retail Resilience in Downtown Los Gatos: Potential Impact of Alternative North 40 Development Scenarios. 2014.

**APPENDIX**

**Table A- 1: Taxable to Gross Sales Conversion for Sales in the Downtown Core**

<b>Downtown Core</b>	<b>Taxable Sales 2014</b>	<b>Conversion Factor<sup>(1)</sup></b>	<b>Gross Sales</b>
<b>Comparison Retail</b>	\$96,941,974	100%	\$96,941,974
<b>Food and Beverage</b>	\$76,878,230	100%	\$76,878,230
<b>Grocery/Specialty Food<sup>(2)</sup></b>	\$7,777,431	60%	\$12,962,385

Source: Town of Los Gatos 2015, KMA 2015, California Board of Equalization 2012, US Business Census 2012

<sup>(1)</sup> Based on a comparison of taxable sales reported by the Board of Equalization for Santa Clara County and corresponding gross sales reported by the US Census.

<sup>(2)</sup> Sales factor determined based on weighted average of specialty food and beer/ wine/ liquor store factors.

**Table A- 2: Expenditure Potential of Workforce within 1 Mile of North 40**

Food and Beverage Expenditure Potential

<b>Workforce Within 1 Mi. of North 40</b>	<b>2015 Estimate<sup>(1)</sup></b>	<b>2020 Projection<sup>(1)</sup></b>
<b>Total Workers, 1 mile from site</b>	10,710	12,190
Bachelor's or Higher	4,859	6,269
Remaining Workers	5,851	5,921
<b>Commute Adjustment<sup>(2)</sup> @ 12%</b>	9,425	10,727
Bachelor's or Higher	4,276	5,517
Remaining Workers	5,149	5,210
<b>Per Capita Food &amp; Beverage Spending<sup>(3)</sup></b>		
Bachelor's Or Higher	\$1,250	\$1,380
Remaining Workers	\$460	\$510
<b>Expenditure Potential by Nearby Workers</b>		
Food and Beverage	\$7,714,000	\$10,271,000

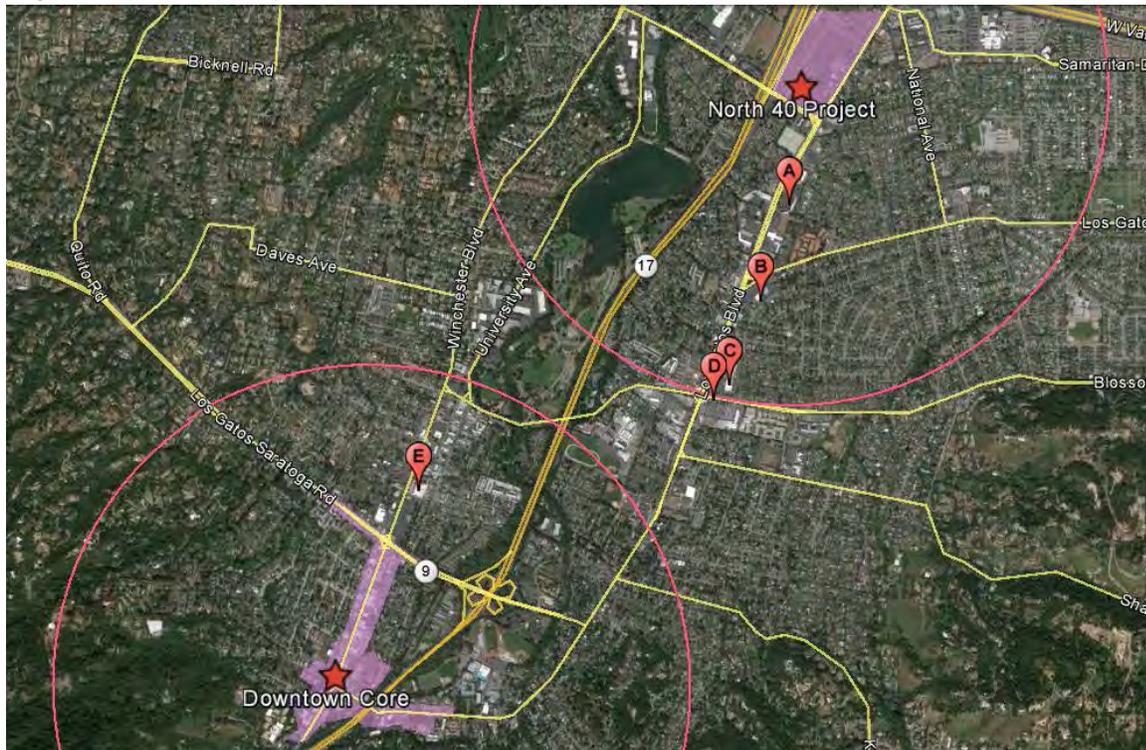
Source: US Census, ICSC

<sup>(1)</sup> Estimates and projections based on 2013 data reported by Census adjusted using historical 2002-2013 growth rate. 2020 projection also incorporates estimate of expected growth at Netflix and Roku campuses.

<sup>(2)</sup> Based on share of local workforce living in communities contained by the trade area (US Census).

<sup>(3)</sup> Based on employee food and beverage spending in the vicinity of the office, as reported in the ICSC report, "Office-Worker Retail Spending in a Digital Age" (2012), for suburban workers. It has been assumed that employees with less than a bachelor's degree will spend in the same range as clerical office workers.

**Figure A- 1: Grocery Stores Located Within 1 Mile of North 40 and Downtown Core**



- [A]** Trader Joe's
- [B]** Nob Hill Foods
- [C]** Whole Foods Market
- [D]** Lunardi's
- [E]** Safeway

Source: Google Earth, Database USA 2015

**TOWN OF LOS GATOS**  
110 East Main Street, Los Gatos, CA 95032 (408) 354-6874

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SUMMARY OF DISCUSSION OF A REGULAR MEETING OF THE CONCEPTUAL DEVELOPMENT ADVISORY COMMITTEE OF THE TOWN OF LOS GATOS FOR OCTOBER 14, 2015, HELD IN THE TOWN COUNCIL CHAMBERS, CIVIC CENTER, 110 EAST MAIN STREET, LOS GATOS, CALIFORNIA.

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The meeting was called to order at 4:30 P.M.

**ATTENDANCE**

Members Present:

Absences:

Barbara Spector

Marcia Jensen

Kendra Burch

Mary Badame

Thomas O'Donnell

Recused herself on item 2

Recused herself on items 2 and 3

Staff Present: Joel Paulson, Planning Manager

Marni Moseley, Associate Planner

Applicant: Dan Rosenbaum, Nearon Enterprises (Item 2)

Jim Fulton, Arctec Inc. (Item 2)

Don Capobres, Gosvenor (Item 3)

Wendi Baker, Summerhill Homes (Item 3)

Andrea Osgood, Eden Homes (Item 3)

ITEM 1: Approval of Minutes- None

ITEM 2: 475 and 485 Alberto Way

Conceptual Development Advisory Committee CD-15-003

Requesting review of conceptual plans to merge two residentially (R-1:20) zoned properties with an existing O:PD, to demolish two existing residences and construct a new two story office building with additional parking and to modify the existing Planned Development Ordinance to permit medical office uses. APNs 529-21-039, 042, 043, 044.

PROPERTY OWNER/APPLICANT: Alberto Way Holdings LLC

PROJECT PLANNER: Marni Moseley

The applicant team presented their proposal.

**CDAC Comments and Questions:**

*This list is a high level summary of the issues raised and responses (in italics) provided by the applicant.*

## Use

- Why medical office? *It would allow additional options for tenants and expand the potential rental pool for the site.*
- The EIR completed for the General Plan concluded that there was no need for additional medical office, whereas there is still a need for general office space.

## Traffic

- The traffic study will need to be updated to include current data, the data used does not account for existing and pending projects in the vicinity. *The traffic study will be updated if a project is pursued.*
- The traffic flow and issues have changed significantly in recent years and they impact the Highway 9 and Highway 17 interchange differently now.
- The roadway is narrow and windy, additional traffic on this road is a concern.
- Concerned about cumulative traffic issues in the vicinity.
- A lunch hour shuttle to the downtown could reduce unnecessary trips.

## Heard out of order

### ITEM 3: Phase 1 North Forty Specific Plan Area Conceptual Development Advisory Committee CD-15-005

Requesting review of conceptual plans to implement Phase 1 of the North 40 Specific Plan. APNs: 424-07-024 through -027, -031 through -033, -035, -070, -83 through -086, -090, and -100.

PROPERTY OWNERS: Grosvenor USA Limited, Summerhill N40 LLC,  
Thomas Yuki, Elizabeth Dodson, and William Hirschman

APPLICANT: Grosvenor USA Limited

PROJECT PLANNER: Marni Moseley

The applicant team presented their proposal.

### CDAC Comments and Questions:

*This list is a high level summary of the issues raised and responses (in italics) provided by the applicant.*

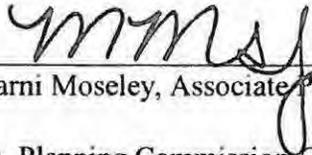
- How do the senior housing units comply with the Town's BMP Ordinance. *The application includes a BMP program that shows how the units comply with the Ordinance and the needs of the Town and the areas where it does not (e.g. clustering of units, rental vs. ownership, and comparability). Additionally, the units will be integrated similarly and connected to the same public amenities as the market rate units.*
- Will the proposed orchards retain any of the existing orchard trees. Several of the Committee members expressed disappointment that the existing orchard trees would not be integrated into the new plan. *The intended integration of the orchard into the project requires a mix of working orchard trees that can be harvested by the community. The existing walnut trees would not be suitable for this intended use.*
- How will the market hall vision be implemented, and will these uses survive the market? *There are several ways to accomplish this type of use, the first being a single owner operator*

*and the second being a site manager with individual tenant spaces. Either could work and this will be refined as it gets closer to completion. This type of use has proven to be very successful in other locations.*

- *Where will the dog park be located? Along the western border of the site.*
- *How will the multimodal circulation work? The plans include several bike and multimodal paths that run separately but also integrate with the vehicular and pedestrian network for the site.*

ADJOURNMENT Meeting adjourned at 5:55 p.m. The next regular meeting of the Conceptual Development Advisory Committee is Wednesday, November 11, 2015

Prepared by:

  
Marni Moseley, Associate Planner

cc: Planning Commission Chair  
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**TOWN OF LOS GATOS**  
110 East Main Street, Los Gatos, CA 95032 (408) 354-6874

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SUMMARY OF DISCUSSION OF A SPECIAL MEETING OF THE CONCEPTUAL DEVELOPMENT ADVISORY COMMITTEE OF THE TOWN OF LOS GATOS FOR NOVEMBER 11, 2015, HELD IN THE TOWN COUNCIL CHAMBERS, CIVIC CENTER, 110 EAST MAIN STREET, LOS GATOS, CALIFORNIA.

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The meeting was called to order at 4:00 P.M.

**ATTENDANCE**

Members Present:

Barbara Spector  
Marcia Jensen  
Mary Badame  
Thomas O'Donnell

Absences:

Kendra Burch

Staff Present: Joel Paulson, Planning Manager  
Marni Moseley, Associate Planner

Applicants: Tony Jeans (Item 2)  
Don Capobres, Grosvenor (Item 3)  
Wendi Baker, Summerhill Homes (Item 3)  
Andrea Osgood, Eden Homes (Item 3)  
Tim Kelley, Keyser Marston (Item 3)

**ITEM 1:** Approval of Minutes

- September 9, 2015
- October 14, 2015

*Tom O'Donnell* moved to approve the September 9 and October 14, 2015 minutes. The motion was seconded by *Barbara Spector* and approved unanimously.

**ITEM 2:** 17076 Summit Way  
Conceptual Development Advisory Committee CD-15-004

Requesting review of conceptual plans regarding access to an existing lot zoned R-1:20 APN 424-30-088.

PROPERTY OWNER: James Sullivan

APPLICANT: Tony Jeans

PROJECT PLANNER: Marni Moseley

**Comments:**

- The clear short term solution is the Summit Way approach.

- The Summit Way approach saves trees, reduces grading, and is more in keeping with the scale and character of the neighborhood.
- When looking at this single lot only, not what could potentially happen on adjacent lots in the future, the Summit Way approach is more appropriate given the Town's Standards and Guidelines.
- If development is proposed in the future on the adjacent lot, the issues of that application will be addressed based on that proposal.
- Would prefer the driveway be maintained as part of the property rather than an easement over the adjacent property.

**ITEM 3:**      Phase 1 North Forty Specific Plan Area  
Conceptual Development Advisory Committee CD-15-005

Requesting review of conceptual plans and an economic study for Phase 1 of the North 40 Specific Plan. APNs: 424-07-024 through -027, -031 through -033, -035, -070, -83 through -086, -090, and -100.

PROPERTY OWNERS: Grosvenor USA Limited, Summerhill N40 LLC, Thomas Yuki, Elizabeth Dodson, and William Hirschman

APPLICANT: Grosvenor USA Limited

PROJECT PLANNER: Marni Moseley

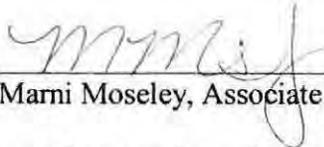
**Comments:**

- It's unclear how the conclusions in the market analysis report were reached.
- There's a concern how the analysis would be affected if the market hall concept is not utilized.
- The report is helpful even with the knowledge that retail as a use is changing.
- The analysis seems very subjective.
- No additional analysis needs to be provided unless there are changes to the proposed commercial elements that the current analysis does not cover.
- The General Plan and Housing Element support removing obstacles to providing below market housing particularly at lower income categories.
- While the Eden Housing model is desirable and provides an unmet need in Town it would be nice to see some traditional BMP units as well.

CDAC Agenda  
November 11, 2015  
Page 3

**ADJOURNMENT** Meeting adjourned at 5:45 p.m. The next regular meeting of the Conceptual Development Advisory Committee is Wednesday, December 9, 2015

Prepared by:

  
\_\_\_\_\_

Marni Moseley, Associate Planner

cc: Planning Commission Chair

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October 21, 2015

Mr. Joel Paulson  
Town of Los Gatos Planning Department  
110 E. Main St.  
Los Gatos, California 95031

Dear Joel:

We appreciate the feedback that CDAC provided on October 14<sup>th</sup>. Unfortunately, due to time constraints we were not able to have discussion on all of the issues that the Committee raised. With that, we look forward to continuing the dialogue at the upcoming CDAC meeting. Members of the Committee specifically raised the following issues for future discussion:

- The on- and off-site North 40 multimodal opportunities (see attached); and
- The relocation of the existing walnut trees or the planting of new walnut trees in the 30' agrarian setback along Lark.

In addition we are hopeful to be able to distribute the Economic Impact Analysis at the next meeting based on the scope that we vetted with the Committee on October 14<sup>th</sup>. Unfortunately, it is not ready for distribution in the CDAC packet at this time.

Finally, there was significant discussion about our proposal on how to comply with the Town's BMP ordinance. Our attorney, Barbara Kautz, has prepared a separate letter regarding our proposal, which we request be distributed to the CDAC members.

Thank you, and we look forward to the November 11<sup>th</sup> CDAC meeting.

Sincerely,

Handwritten signature of A. Don Capobres in blue ink.

A. Don Capobres  
Senior Vice President  
Grosvenor

Handwritten signature of Linda Mandolini in blue ink.

Linda Mandolini  
President  
Eden Housing

Handwritten signature of Wendi Baker in blue ink.

Wendi Baker  
Vice President of Development  
SummerHill Homes

EXHIBIT 1 1

PRELIMINARY CONCEPT PLAN FOR LARK AVENUE BIKE LANES / MULTI-USE PATH  
BETWEEN LOS GATOS CREEK AND LOS GATOS BLVD  
BASED ON TOWN OF LOS GATOS EXISTING CONDITIONS GIS DATA





## EMBRACING THE OUTDOOR LIFESTYLE BIKE PATHS & BICYCLE AMENITIES

### TOWN COUNCIL VISION GUIDING PRINCIPLES

- The North 40 will
- Look and feel like Los Gatos
  - Embrace hillside views, trees and open space
  - Address the Town's residential and/or commercial unmet needs
  - Minimize or mitigate impacts on the Town's infrastructure, schools and other community services

### REALIZING THE VISION

- Primary Bike Routes along Lark, Los Gatos Boulevard and A Street
- 8' wide detached South-North Multi-Modal Path that connects the distinctive and complimentary open spaces throughout the community
- Unique bicycle amenities including repair vending machines, repair stations, tune up stations and abundant bicycle parking

M David Kroot October 21, 2015

Lynn Hutchins

Karen M. Tiedemann

Thomas H. Webber

Dianne Jackson McLean

Michelle D. Brewer

Jennifer K. Bell

Robert C. Mills

Isabel L. Brown

James T. Diamond, Jr.

Margaret F. Jung

Heather J. Gould

William F. DiCamillo

Amy DeVaudreuil

Barbara E. Kautz

Erica Williams Orcharton

Luis A. Rodriguez

Rafael Yaquian

Celia W. Lee

Dolores Bastian Dalton

Joshua J. Mason

Vincent L. Brown

Hana A. Hardy

Caroline Nasella

Eric S. Phillips

Elizabeth Klueck

San Francisco

415 788-6336

Los Angeles

213 627-6336

San Diego

619 239-6336

Goldfarb & Lipman LLP

October 21, 2015  
Laurel Prevetti, Town Manager  
Town of Los Gatos  
110 E. Main Street  
Los Gatos, CA 95030

Via e-mail

**Re: Proposed Below Market Price Housing Program – North Forty**

Dear Town Manager Prevetti:

This letter is written on behalf of Grosvenor Americas in relation to its application for approval of a mixed-use development in the North Forty Specific Plan area containing 320 units (237 units allowed under the Specific Plan plus a density bonus of 83 units), and in particular, in relation to its proposed plan for compliance with the Below Market Price Housing Program (the "BMP Program") adopted by the Town of Los Gatos (the "Town").

Attached is a revised BMP proposal clarifying the development team's proposed program of BMP units and requested modifications to the BMP Program.

Most importantly, under a provision of State housing element law, the Town cannot require that Grosvenor provide for-sale BMP units rather than rental BMP units. Rather, Government Code Section 65589.8 provides that if a local government adopts a requirement in its housing element that developments contain a percentage of affordable units, as Los Gatos has done, the local government *shall* permit a developer to satisfy that requirement by constructing rental housing at affordable monthly rents. This is precisely what is being proposed by the development team: The Town requires that new developments contain a percentage of affordable units, and the developer proposes to satisfy the Town's BMP requirements by constructing rental housing at affordable monthly rents. Consequently, the Town must allow the proposed rental affordable units to replace for-sale affordable units.

The proposed senior rental affordable housing provides 25 percent more affordable units (50 units rather than 40) at deeper affordability levels than required by the BMP Program, as shown in the table below and further described in the attached description of the BMP Program. It is not financially feasible for the development team to provide *both* the proposed senior affordable housing *and* additional affordable for-sale affordable housing. In a project conforming strictly to the BMP program, the senior affordable housing would be replaced with market-rate rental housing, and the affordable housing would consist of

October 21, 2015

Page 2

scattered for-sale and rental housing. This would not provide any of the benefits described in the attached BMP Program.

	<b>Very Low Income</b>	<b>Low Income</b>	<b>Median Income</b>	<b>TOTAL</b>
<b>For-Sale Units</b>		16	15	31
<b>Rental Units*</b>		9		9
<b>Total</b>		<b>25</b>	<b>15</b>	<b>40</b>
<b>For-Sale Units</b>				
<b>Rental Units*</b>	49		1	50
<b>Total</b>	<b>49</b>		<b>1</b>	<b>50</b>

\*Note that under the decision in *Palmer/Sixth Street Properties v. City of Los Angeles*, the Town cannot actually require any rental affordable housing in its BMP Program.

If you have any questions regarding these requests or if you would like any additional information, please feel free to contact me.

Sincerely,



BARBARA E. KAUTZ

Partner

[bkautz@goldfarbblipman.com](mailto:bkautz@goldfarbblipman.com)

cc: Rob Schultz, Town Attorney  
Joel Paulson, Planning Manager  
Don Capobres, Grosvenor Americas  
Wendi Baker, SummerHill Homes  
Linda Mandolini, Eden Housing

## North 40 – Proposed BMP Plan

(Revised October 21, 2015)

The Town's Below Market Price (BMP) Program promotes the development of affordable housing units by providing standards and guidelines that require the creation of a certain number of affordable units in a development project.

For the proposed North 40 development application, the development team has proposed the following housing program:

- Ownership townhomes/garden cluster/courtyard condominiums.: 253 (SummerHill)
- Ownership garden cluster: 7 (Hirschman)
- Live/Work Condominiums: 2 (Grosvenor)
- Rental Apartments: 8 (Grosvenor)
- Affordable rental apartments for seniors: 50 (Eden)

As described in our letter of October 14, 2015 requesting the density bonus allowed by state law, the above numbers include the baseline number of units (237) plus the additional 35% density bonus units (83), for a total proposed program of 320 residential units. The Town's BMP program requirements are calculated using the baseline count (237), less the BMP units.

The affordable rental senior apartments are being proposed to satisfy the Town's BMP program and will offer amenity-rich, high-quality apartment homes for seniors making up to 50% of the area median income (very low income). The proposal helps to achieve many goals and policies contained in the Town's General Plan; the 2015-2023 Housing Element; and the North Forty Specific Plan:

***General Plan Policy LU-11.4 [North Forty]:*** Provide for a variety of residential housing types, both rental and owner-occupied. A minimum of 20 percent of the units shall be affordable to households at the moderate income level or below.

***Housing Element Goal HOU-1:*** Expand the choice of housing opportunities for all economic segments of the community by supporting the development of affordable housing in a variety of types and sizes, including a mixture of ownership and rental housing.

***Housing Element Goal HOU-5:*** Retain and expand affordable housing opportunities for seniors.

***Housing Element Policy HOU-6.4:*** Support the provision of permanent, affordable, and accessible housing that allows persons with special needs to live independent lives... "[P]ersons with special needs" include extremely low income households [and] the elderly...

*North Forty Specific Plan Policy LUI10: Provide and integrate a mix of residential product types designed to minimize impacts on schools...and serve the unmet housing needs within the Town of Los Gatos [identified as young adults, seniors, and empty nesters].*

Below we have detailed what is required under the BMP Program, what the team is proposing, proposed BMP program modifications, the justification for these requested modifications, and the advantages of this proposal.

## Requirements of the BMP Program

- Number of Units

Per the Town’s BMP, developments of 101 units or more are required to provide BMP units equal to twenty percent of the number of market rate units, with smaller projects requiring gradually fewer units based on a formula. The number of BMP units required under the Program would be slightly different depending on whether the Town chooses to define the combined application as one project or three:

<b>1) Three separate projects</b>			
			<b>BMP /du required</b>
Grosvenor	10	10%	1
SummerHill (baseline)	220	20%	36.6 (37)
Hirschman	7	10%	1
<b>TOTAL</b>	<b>237</b>		<b>36.8 (37)</b>
		<b>BMP units</b>	<b>39</b>
<b>2) One project</b>			
Grosvenor + SummerHill + Hirschman	237	20%	39.4 (40)
<b>TOTAL</b>	<b>237</b>		<b>39.4 (40)</b>
		<b>BMP units</b>	<b>40</b>

The development team views this proposal as a coordinated approach to create a truly integrated and holistic neighborhood. Therefore we are assuming that for the purposes of BMP calculation, the “project” includes the Phase I North 40 development as a whole. As shown above, this approach also provides the benefit of one additional BMP unit above the number that would be required if the units were calculated separately for the Grosvenor, Hirschman, and SummerHill components.

- Affordability of BMP Units

In addition to specifying the required number of units, the BMP Program further requires that the units must at least be affordable to both median income households (those earning

between 80% and 100% of the area median income (AMI) and low income households (those earning between 50% and 80% AMI). Half of the for-sale BMP units are required at least to be affordable to low income households and the other half to median income households. The rental units must at least be affordable to low income households. Given these requirements, the 40 proposed BMP units would roughly be distributed as follows:

- **BMP Affordability as Required**

	Very Low Income	Low Income	Median Income	Total
For-sale units	0	16	15	31
Rental units		9		9
<b>TOTAL</b>		<b>25</b>	<b>15</b>	<b>40</b>

## What is Being Proposed

The development team is proposing a 50 unit project consisting of forty-nine (49) one-bedroom units for very low income seniors and one (1) two-bedroom median income managers unit. Because Eden's development will be able to leverage additional financing for a stand-alone affordable housing building, more affordable units will be provided than are required, and the units will be more deeply affordable than is required, as follows:

- **BMP Affordability as Proposed**

	Very Low Income	Low Income	Median Income	Total
<b>Rental units</b>	<b>49</b>	<b>0</b>	<b>1</b>	<b>50</b>

While the final income targeting will depend on the financing secured, the unit mix of a 9% tax credit development would be roughly as follows:

Extremely Low Income Units @ 30% AMI	10
Very Low Income Units @ 45% AMI	9
Very Low Income Units @ 50% AMI	30
Median Income Unit @ 80% AMI (Manager's Unit)	1

The affordable housing program will be most successful if fifty units are built, due to economies of scale and more successful management of a building of this size. Because Phase I is not proposing to construct all of the 270 baseline units but is proposing this surplus of BMP units, we request that these additional 10 units count towards any future residential development's BMP requirements on the remainder of the North 40 properties.

The affordable component will help meet the needs of low income seniors in Los Gatos with safe, attractive, and affordable homes and on-site services that will help these individuals thrive.

The project will include high quality amenities available in all Eden developments including a community room, a computer center and library, and landscaped courtyards and furnished lobbies for casual social interaction. The architecture and interiors will be designed in such a way to provide a stimulating, spacious, and inviting environment for the seniors as they age in place. Eden's service provider and affiliate, Eden Housing Resident Services, Inc., will offer resident activities and programs specifically designed for seniors.

## **Proposed Modifications to the BMP Program Guidelines**

The development team is requesting modifications to the BMP Program Guidelines regarding the following specific requirements:

- **Type of Units, Rental vs For-Sale:** The BMP Program requires that the "BMP units within a project that contains both rental and owner-occupied units shall also be designated as both rental and as units for purchase, in a ratio similar to that of the market-rate units." The development team is proposing that the affordable units consist of rental housing rather than a mix of for-sale units and rentals.

*Justification:* The Town's requirement that BMP units in for-sale projects must also be for-sale units is inconsistent with the housing element statute. State law requires that the Town permit a developer to satisfy its inclusionary requirements by constructing rental housing at affordable monthly rents. (Gov't Code Section 65589.8.) The development team is therefore entitled to use the proposed rental affordable units to satisfy the BMP Program's requirement that 20 percent of units be affordable.

In addition, a requirement that the senior affordable units be for-sale units would make the project infeasible because of its proposed tax credit financing, which will not fund for-sale units. State law does not allow a condition to be imposed that renders a project infeasible because of its method of financing. (Gov't Code Sections 65008(b)(2), (b)(3).)

- **Location of Units:** The BMP Program requires that the "BMP units shall be dispersed throughout the development, *to the extent feasible*, in all buildings, on each floor, and in each project phase." (emphasis added) In this case, the

development team is proposing a single affordable senior housing component which is located on the air rights above the Market Hall.

As discussed in detail in our density bonus application, housing designated for seniors must be contained in a structure separated from all-ages housing. This makes it *infeasible* to disperse the housing throughout the development in all buildings and on each floor. A centralized location is key to the proposed financing and Eden's ability to serve very low income seniors and to provide on-site supportive services.

- **Size of Units:** The BMP Program requires that the "size and design of BMP dwelling units shall be *reasonably* consistent with the market rate units in the project." (emphasis added)

Because the proposed BMP units are designated for seniors, they are necessarily smaller than the market-rate units; it would not be reasonable to expect seniors to maintain units as large as the market-rate units, nor could units so large be affordable to very low income households. The exterior design, however, as discussed below, is fully consistent with and integrated into the design of the project as a whole and the Market Hall, in particular.

## Items Consistent with BMP Program Guidelines

- **Building Exterior:** The BMP Program requires that there "shall not be significant identifiable differences between the BMP and market-rate units visible from the exterior" and the "external appearance of BMP units should be indiscernible to that of the market rate units in the project." The affordable senior housing will be a part of the Market Hall, will not be identifiable as an affordable development, and will have high quality architecture consistent with the rest of the development and the other rental units in the development. Eden and Grosvenor are using the same architect and contractor to design and build this building. The affordable housing will not be distinguishable as affordable housing merely by architectural treatments. As part of the separate Market Hall building, it will have its own style in order to create visual interest and texture to the neighborhood.
- **Interior Finishes:** The BMP Program requires that the "internal finish of BMP units should be identical to that of the market rate units in the project, except that the developer may request Town approval of substitutions for luxury interior finishes, appliances, or fixtures, if such substitutions do not violate any Town code requirement." Eden will have its own interior finish schedule based on its preferred specifications and will request Town approval of the finishes. These materials and appliances will meet all local, state and funding requirements.
- **Project Facilities:** The Program requires that "all project facilities and amenities, including parking, must be available on the same basis to the BMP units as to the market rate units in the project, *to the extent feasible.*" (emphasis added) As proposed, and as required by State law, the affordable housing will have its own

facilities and amenities – many of which will be above and beyond what is provided in the market-rate components. For example, the affordable senior community will include the following amenities: a community room, a computer center and a library or exercise room. Additional fees will not be charged for parking, as with the market rate units. Residents of the senior housing will have the same access to the walks and parks on the site as other residents.

## Major Benefits of the Proposed BMP Program

- **Deeper affordability.**

Proceeding with the development as proposed will allow the development team to provide up to 49 units targeted to extremely low and very low income seniors, and will enable the Town to show production of these units in the Regional Housing Needs Allocation (RHNA) process and its Annual Reports on Housing Element progress.

As shown in the Town's recent history of affordable housing development, units at these affordability levels are the hardest to produce. The Eden affordable senior component will provide 49 units targeted to very low income and extremely low income seniors, along with one median income managers unit.

- **Amenity-rich and service-enhanced housing for low income seniors.**

In addition to making deeper affordability financially feasible, providing all of the affordable units in one central building allows Eden to provide supportive services on-site. These services provide wrap-around services that help lower income residents thrive – and are not available in typical disbursed BMP units.

For this development, Eden Housing Resident Services, Inc. (EHRSI) will provide resident services programming, ranging from information and referrals via regularly updated resident services guides to comprehensive programming. EHRSI's resident services staff is available to offer important information and referral services and to develop key partnerships in our communities. EHRSI works one-on-one with residents, coordinates and facilitates group educational programming, develops community building activities, and brings in outside speakers to present on topics of relevance and interest to our residents.

Eden has extensive experience working with a senior population. The primary goal of our senior resident services is to allow our seniors to 'age in place' and live independently in a dignified, healthy and productive way. To meet this goal, we provide a range of programming tailored to each individual resident. The overall intention of services programming for our senior and special needs residents is to:

- Reduce isolation by providing on-site programs and encouraging resident-led programs

- Provide residents with access to resources via information and referral
- Provide programming designed to enhance the quality of life of our residents
- Address health and wellness issues faced by our diverse communities including depression, physical fitness, assistive technology, nutrition/diet and personal safety
- Monitor the ability of our residents to continue to live independently and safely in our housing community
- Build strong communities by facilitating community events, collaborating with resident associations and encouraging volunteerism in the community (internally/externally)

As a testament to our ability to provide housing and services allowing our residents to age in place successfully, nearly one quarter of our residents in senior developments are over the age of 80 – with three residents over 100.

- **High quality design**

Eden is recognized in the industry for its creative development approach that includes collaborating with local governments and development partners to create well-designed properties that meet the needs of the residents and tailoring projects to suit the locale. In the recent past, Eden has completed entitlements for projects in Palo Alto, Lafayette, Dublin, Novato, Orinda, and Fremont -- all of which required excellent design as well as the development and execution of thoughtful and comprehensive community outreach strategies.

In addition, Eden places a high value on design through the work of talented designers, builders and other professionals and is committed to crafting high-quality developments that give careful attention to the needs of residents and the surrounding neighborhood. Indeed, Eden has won more than 60 awards for its work, including the recent recognition of Foss Creek Court in Healdsburg, which in 2011 has received the prestigious national Charles L. Edson Award for Tax Credit Excellence, a Gold Nugget Award of Merit from the Pacific Coast Builders' Conference, and won the Affordable Housing Finance Magazine Readers' Choice Award for the best Rural project in the country.

Eden will bring this same commitment to excellence, along with the rest of the development team to deliver a high-quality, vibrant neighborhood that offers a variety of housing types and sizes for a range of incomes – all of which will be places that people are excited and proud to call home.



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**TOWN OF LOS GATOS**  
**110 East Main Street, Los Gatos, CA 95030 (408) 354-6872**

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SUMMARY MINUTES OF REGULAR MEETING OF THE **HISTORIC PRESERVATION COMMITTEE** OF THE TOWN OF LOS GATOS FOR **JANUARY 27, 2016** HELD IN THE TOWN COUNCIL CHAMBERS, 110 E MAIN STREET, LOS GATOS, CALIFORNIA.

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The meeting was called to order at 4:00 P.M. by Chair Bob Cowan.

**ATTENDANCE**

Members Present: Len Pacheco, Bob Cowan, Kathryn Janoff, Michael Kane, Tom O'Donnell

Members Absent: None

Staff Present: Joel Paulson, Interim CDD Director  
Marni Moseley, Associate Planner

**VERBAL COMMUNICATIONS**

None.

**ITEM 1 APPROVAL OF MINUTES**

**MOTION:** *Tom O'Donnell* moved to approve the minutes of December 9, 2015. The motion was seconded by *Michael Kane* and **approved 5-0**.

**ITEM 8 256 Bachman Avenue (Heard out of order)**  
Historic Architecture and Site Application HS-16-005

Requesting approval of exterior modifications for a contributing single-family residence in the Almond Grove Historic District on property zoned R-1D:LHP. APN 510-14-057.

PROPERTY OWNER/APPLICANT: Genevieve and Mitchell Wyman  
PROJECT PLANNER: Marni Moseley

**MOTION:** *Len Pacheco* moved to approve 1) restoring the original door and location; 2) to configure the upper story window with consistent vertical proportions subject to staff review; 3) restoring the multiple light windows on the rear addition; and 4) the fixed skylight with a flat surface, where the finish shall match the roof color as best as possible and the skylight shall be no larger than 18"x36", but smaller if possible. The motion was seconded by *Michael Kane* and **approved 4-0-1**, with Bob Cowan recused.

**ITEM 2**      **North Forty – Phase 1**  
Architecture and Site Application S-13-090  
Subdivision Application M-13-014

Requesting approval for the demolition of existing structures (eight pre-1941) and improvements on multiple parcels located on 20.24 acres within the proposed North Forty Specific Plan Area; construction of a new multi-use, multi-story development consisting of 285 residential units, and 66,000 square feet of commercial floor area including an 18,000 square foot market; and a vesting tentative map. An Environmental Impact Report (EIR) was completed for the North Forty Specific Plan and further environmental review will be completed as needed, for the proposed project. APNs: 424-07-024 through 027, 031 through 033 through 035, 070, 083 through 086, 090, and 100

APPLICANT: Grosvenor USA Limited

PROPERTY OWNERS: Thomas M. Yuki Trust Et. Al./Yuki Farms, Robert & Georgianna Spinazze, Marianne Ezell, Grosvenor USA Limited, Summerhill Homes, James F Dagostino Trustee, Elizabeth K. Dodson, William N. Fales, William Hirshman

*Don Capbres, the applicant*, discussed the history of the project, as well as, the timelines for Phase 1 and Phase 2.

The committee discussed the removal of the tress and if there were any possible uses if they were kept. The Committee reviewed the agrarian feel of te proposed plans and determined that the agrarian history is effectively integrated in Phase 1. Additionally, retention of the Barn and the Adobe House on Phase 2 were discussed in the context of commemorating the agrarian history of the property as required in the Specific Plan.

*Kathryn Janoff* was unclear which structures specifically were being requested to be demolished.

**MOTION:** *Tom O'Donnell* moved to approve the demolition of the eight pre-1941 structures within Phase 1. The motion was seconded by *Michael Kane* and **approved 4-1**, with *Kathryn Janoff* – nay.

**ITEM 3**      **360 Bella Vista Avenue (Continued from 12/17/2015)**  
Subdivision Application M-15-005  
Architecture and Site Applications S-15-053 (Lot #1) and S-15-054 (Lot #2)

Requesting approval to demolish an existing single-family residence and second unit, subdivide one lot into two lots, and construct two new single-family residences on two properties zoned R-1:8. APN 529-22-038.

PROPERTY OWNER: John Brady

APPLICANT: Michael Black

PROJECT PLANNER: Mami Moseley

The committee agreed that there were no findings to indicate the structure was built pre-1941.

**MOTION:**    *Kathryn Janoff* moved to remove the property from the Historic Resources Inventory. The motion was seconded by *Tom O'Donnell* and **approved 5-0.**

**ITEM 4**      **94 Hernandez Avenue (Continued from 12/17/2015)**  
Requesting approval to remove the structure from the Historic Resources Inventory on a property zoned R-1:8. APN 510-20-024.  
PROPERTY OWNER: Helen Cadiente  
APPLICANT: Jaime P. Arafiles  
PROJECT PLANNER: Mami Moseley

*Kathryn Janoff* stated that the structure does not meet the criteria to be removed from the Historic Resources Inventory. And since the structure was built before 1941, the applicant should really try to maintain the historic look and feel of it.

**MOTION:**    *Kathryn Janoff* moved to deny the request to remove the structure from the Historic Resources Inventory. The motion was seconded by *Bob Cowan* and **approved 4-0-1**, with Len Pacheco recused.

**ITEM 5**      **35 N. Santa Cruz Avenue**  
Architecture and Site Application S-16-007

Requesting approval of exterior modifications to a pre-1941 commercial building on property zoned C-2. APN 510-44-032.

PROPERTY OWNER: Kilkenney Properties, LLC

APPLICANT: Sean McLoughlin

PROJECT PLANNER: Erin Walters

*Len Pacheco* discussed concerns with the color scheme. He suggested that the

applicant consider ways to better integrate with the historic nature of the downtown. He suggested providing more muted colors.

*Kathryn Janoff and Bob Cowan* agreed that alternative colors may work better than the proposed colors.

**MOTION:** *Bob Cowan* moved to continue the item to a date uncertain. The motion was seconded by *Michael Kane* and **approved 5-0**.

**ITEM 6**      **16207 Short Road**

Requesting approval to remove the structure from the Historic Resources Inventory on a property zoned R-1:20. 523-09-035.  
PROPERTY OWNER: William and Barbara Mosley  
APPLICANT: Lisa Murray, LKM Design  
PROJECT PLANNER: Marni Moseley

*Lisa Murray (applicant)* stated the structure was not listed on any historic lists and was significantly altered in 2002.

*Tom O'Donnell and Len Pacheco* commented that the structure had so much work done to it; it no longer reflected its 1920's origin.

**MOTION:** *Tom O'Donnell* moved to remove the structure from the Historic Resources Inventory. The motion was seconded by *Michael Kane* and **approved 5-0**.

**ITEM 7**      **45 Broadway**

Architecture and Site Application S-15-040

Requesting approval for relocating a contributing single-family residence in the Broadway Historic District and constructing a second story addition greater than 100 square feet on property zoned R-1D:LHP. APN 510-45-057.  
PROPERTY OWNER: Lori Baker  
APPLICANT: Jay Plett  
PROJECT PLANNER: Marni Moseley

*Len Pacheco* had concerns about having a fireplace outside. He questioned the applicant to see if a terrace or patio was considered.

*Michael Kane* mentioned that this might detract from the original structure.

*Jay Plett* argued that almost every house on Glen Ridge has a side porch.

*Kathryn Janoff* expressed that she had an issue with the addition. The structure is an iconic house and the addition would change the look of it.

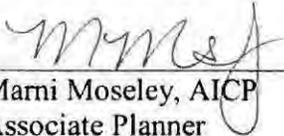
**MOTION:** *Tom O'Donnell* moved to deny the request. The motion was seconded by *Kathryn Janoff* and **approved 4-1**, with Bob Cowan – nay.

**ITEM 9      Adjournment**

The meeting was adjourned at 6:30 p.m. The next regular meeting is scheduled for February 24, 2016 at 4:00 p.m.

Prepared by: Sylvie Roussel, Administrative Assistant

Approved by:

  
\_\_\_\_\_  
Marni Moseley, AICP  
Associate Planner

  
\_\_\_\_\_  
Bob Cowan  
Chair

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December 18, 2015

Ms. Marni Moseley  
 Community Development Department  
 Town of Los Gatos  
 110 E. Main Street  
 Los Gatos, CA 95031

**RE: North 40**

Dear Marni:

I previously reviewed this project in July of last year. I have gone over the full set of drawing carefully and have previously visited the site. My comments and recommendations are as follows:

**Overall Site Plan**

The site plan is much the same as when I reviewed it seventeen months ago except for a major change in the westerly portion of the Transition Zone where Rowhomes and Garden Cluster residential structures have replaced the earlier Move-Down Condominiums. The currently proposed new site plan is shown below to provide context to my comments. Areas where I have specific comments are highlighted on this site plan diagram.



*PROPOSED SITE PLAN*

## Overall Evaluation

The applicants and their design teams have greatly refined the project since I last reviewed it over a year ago, and more drawings have been provided to allow a fuller review of the streetscapes and details of the project. Overall, my feeling is that this has the potential of being an outstanding example of a large scale mixed use development constructed in a relatively compressed time period, but with a texture and character of a neighborhood that has evolved over a much longer time frame.

The success will lie in the final designs and details, but I feel that the applicant has adopted an approach to providing high quality design with the detail and diversity necessary to give the overall development the “look and feel of Los Gatos”. For development in other neighborhoods of Los Gatos, I would not be comfortable with the use of metal roofing and wall coverings, but in the context of the North 40 Specific Plan and the resident market focus of the project, I am comfortable with the limited use of those materials as currently shown on the elevation drawings.

## Concerns and Recommendations

I found little to raise concerns regarding the site plan, open space structure and building designs. There are a few issues, however, that staff may wish to discuss further with the applicant.

### 1. Market and Senior Housing Parking Structure

Resident and residential guest parking access is only accessible by joining retail parking traffic through the first and second levels of the parking structure to reach the residential parking on the upper level of the garage.

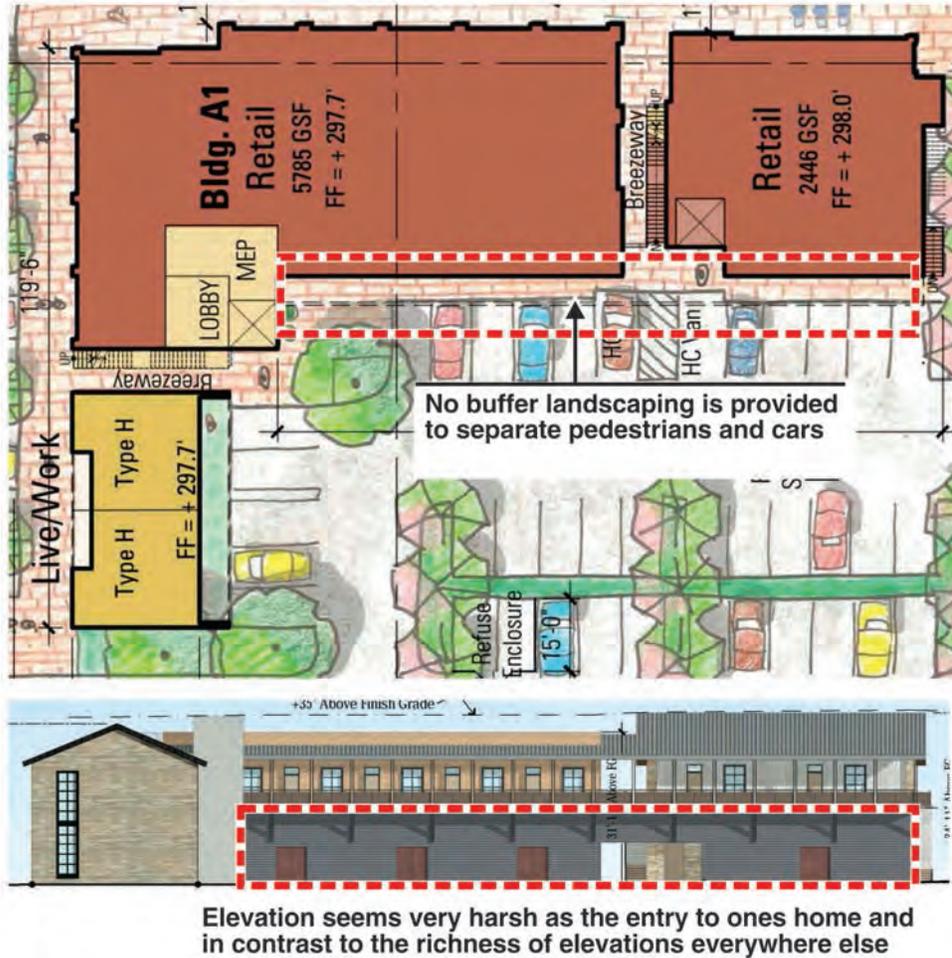
A second issue is that the upper level of the garage is also allocated for Retail Employees parking. Although this parking will be assigned parking, that fact may not totally alleviate potential security issues for residents and their personal property.



Recommendation: Continue to explore alternatives to address this parking conflict. Consider below grade parking for the second level of retail parking since a future down ramp is already planned to link the garage access to Phase II of the project.

## 2. Building A1

While all other facades of both the commercial and residential structures throughout the Phase I area are visually interesting and rich in detail, the rear facade of the A1 building facing the parking lot is quite plain and lacking in buffer landscaping between the parking lot and the pedestrian sidewalk adjacent to the building. This is of some special concern since this is the front door access area for the residential units on the upper floor of the building.

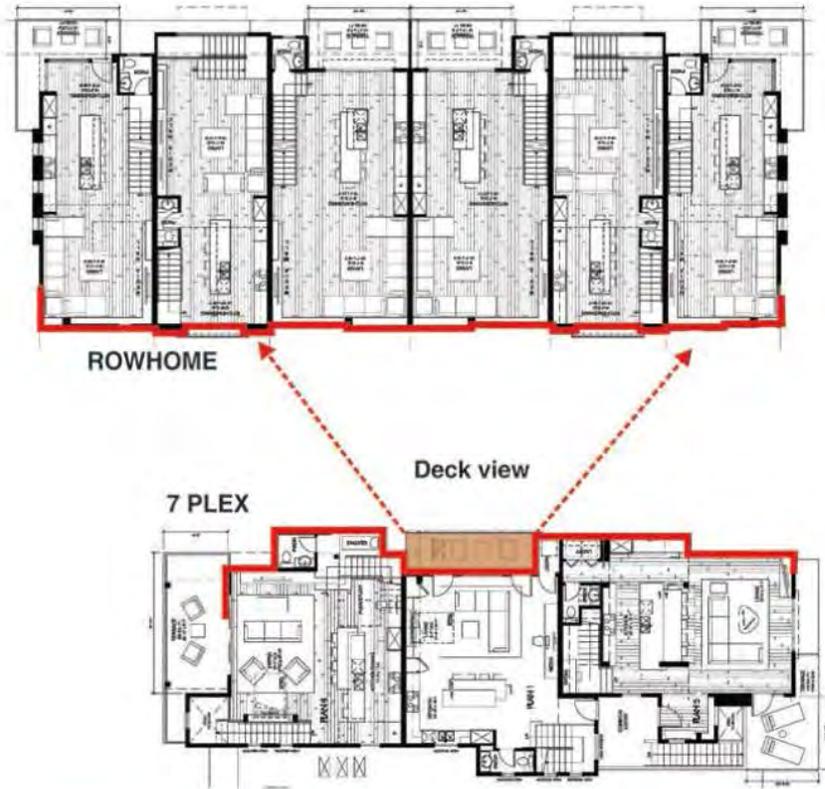


**Recommendation:** Provide more design interest to the south facade of Building A1, and add landscaping along the pedestrian walkway adjacent to the building.

## 3. Rowhome Alley Facades

A large portion of the residential neighborhood consists of 7 Plex buildings facing Rowhomes across relatively long access alleys lined with garage door facades at grade level. Some provision is made for landscaping between the garage doors, but this will only soften the alleys somewhat. While this is not a totally uncommon condition for development with these product types, efforts are usually made to add more landscaping to alley areas or limit their lengths. A consistent complication in this project is that the major private outdoor space for one of the units in each 7 Plex cluster faces onto the alley, and while the alley facades of the 7 Plex building are rich with articulation, the alley facing facades of the Rowhomes are relatively flat and less visually interesting (See floor plans and alley elevations on the following page).





**FACING ROWHOME  
ALLEY ELEVATION**



**FACING 7 PLEX  
ALLEY ELEVATION  
FACING ROWHOME ALLEY ELEVATION**

Recommendation: Provide more facade articulation and design detail on the alley facades of the Rowhomes, and enhance the landscaping as much as possible.. The illustration immediately below from the North 40 Specific Plan shows one example and others from nearby Bay Area communities are also shown below. These illustrate some common auto court techniques which include:

- Projecting bay windows.
- Awning or canopies over windows for visual texture and shadows.
- Recesses into the facades to allow larger trees.
- Significant recessed and projecting balconies.
- Planter boxes and pot shelves.
- Floor level recesses or projections.
- Deep recessed windows and garage doors.
- Landscaped trellises over garage doors.

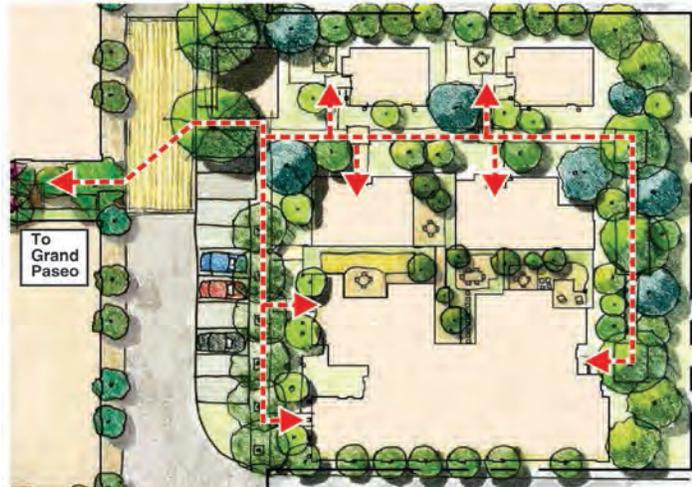
*Note: The examples shown are on traditional style structures, but the techniques are easily translated for use on more contemporary structures.*



**4. Finger Cluster Linkage to the Grand Paseo**

The cluster of units that extends into the area with existing development east of South "A" Street is not well linked to the Grand Paseo to the south, as shown in the diagram below.

**Recommendation: Improve the pedestrian linkage between this building cluster and the Grand Paseo.**



**5. Access to Units adjacent to Los Gatos Boulevard**

Convenient access from and to Los Gatos Blvd. and the Grand Paseo is provided for eight of the ten residential units adjacent to Los Gatos Blvd. However, two of the units have a somewhat tortured path along the auto access alley, as shown in the diagram below.



**Recommendation: Improve the pedestrian linkages between the unit entries and both Los Gatos Blvd. and the Grand Paseo.**

I have no other recommendations for changes.

Marni, please let me know if you have any questions, or if there are other issues that I did not address.

Sincerely,

CANNON DESIGN GROUP

Larry L. Cannon

February 8, 2016

Marni F. Moseley, Associate Planner  
Town of Los Gatos  
Community Development Department

**RE: Cannon Design Group – Architectural Review Comments  
Concerns and Recommendations –TEAM RESPONSES**

PROJECT No: 09039

Marni,

Thank you for providing the Cannon Design Groups comments of our October 14, 2015 set. We have corrected our drawings as referenced in the bolded responses to the comments in the December 18, 2015 letter.

**1. Market and Senior Housing Parking Structure**

*Resident and residential guest parking access is only accessible by joining retail parking traffic through the first and second levels of the parking structure to reach the residential parking on the upper level of the garage.*

*A second issue is that the upper level of the garage is also allocated for Retail Employees parking. Although this parking will be assigned parking, that fact may not totally alleviate potential security issues for residents and their personal property.*

*Recommendation: Continue to explore alternatives to address this parking conflict. Consider below grade parking for the second level of retail parking since a future down ramp is already planned to link the garage access to Phase II of the project.*

**Response: The Phase I design does not incorporate a separate drive path for the residential parking stalls. However, in the Phase II design we are planning an addition to this parking structure we will review the traffic flow to investigate the possibilities for a separate route to the Residential parking stalls. Please note we have added a below grade parking level to this structure, see sheet 3.6.**

**To address security concerns we have incorporated a security gate on the Second Floor of the garage to block public access to the third floor parking. This security gate would have a electronic key pad for ease of access for the authorized user.**

**2. Building A1**

*While all other facades of both the commercial and residential structures throughout the Phase I area are visually interesting and rich in detail, the rear facade of the A1 building facing the parking lot is quite plain and lacking in buffer landscaping between the parking lot and the*

**BAR**architects

Architecture

Planning

Interiors

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*pedestrian sidewalk adjacent to the building. This is of some special concern since this is the front door access area for the residential units on the upper floor of the building.*

*Recommendation: Provide more design interest to the south facade of Building A1, and add landscaping along the pedestrian walkway adjacent to the building.*

**Response: We have adjusted the Parking Lot A layout to add an additional foot to the walk that is adjacent to the rear façade of Building A1. This allowed us to add a series of vine pockets that will enhance the building facade and maintain adequate clearances for deliveries to the retail service doors along this walk.**

### **3. Rowhome Alley Facades**

*A large portion of the residential neighborhood consists of 7 Plex buildings facing Rowhomes across relatively long access alleys lined with garage door facades at grade level. Some provision is made for landscaping between the garage doors, but this will only soften the alleys somewhat. While this is not a totally uncommon condition for development with these product types, efforts are usually made to add more landscaping to alley areas or limit their lengths. A consistent complication in this project is that the major private outdoor space for one of the units in each 7 Plex cluster faces onto the alley, and while the alley facades of the 7 Plex building are rich with articulation, the alley facing facades of the Rowhomes are relatively flat and less visually interesting.*

*Recommendation: Provide more facade articulation and design detail on the alley facades of the Rowhomes, and enhance the landscaping as much as possible. The illustration immediately below from the North 40 Specific Plan shows one example and others from nearby Bay Area communities are also shown below. These illustrate some common auto court techniques which include:*

- *Projecting bay windows.*
- *Awning or canopies over windows for visual texture and shadows.*
- *Recesses into the facades to allow larger trees.*
- *Significant recessed and projecting balconies.*
- *Planter boxes and pot shelves.*
- *Floor level recesses or projections.*
- *Deep recessed windows and garage doors.*
- *Landscaped trellises over garage doors.*

*Note: The examples shown are on traditional style structures, but the techniques are easily translated for use on more contemporary structures.*

**Response: Enhanced design elements have been added to the alley facades of the Rowhome building types. All Rowhome facades have received an increase of material variety and color palette. The facades also include a strong horizontal break and shadow line, with cantilevered floors over the garage level, as well as having all garage doors located in deep recesses. At longer alleys, and alleys facing balconies at the Garden Cluster building type, additional architectural detailing has been added in the form of window awnings and planter boxes to create greater articulation and interest.**

**The project alleyways are also wider than standard, which allows for more light to enter them and their adjacent units, enhances planting between the garage doors and increases the separation between units. Additionally, the longer alleys are divided by paseo crossings that add articulation and interest by breaking up long sections of paving and also provide enhanced areas for planting that include large canopy trees.**

#### **4. Finger Cluster Linkage to the Grand Paseo**

*The cluster of units that extends into the area with existing development east of South "A" Street is not well linked to the Grand Paseo to the south, as shown in the diagram below.*

*Recommendation: Improve the pedestrian linkage between this building cluster and the Grand Paseo.*

**Response:** The orientation of this cluster of buildings has been revised from the previous submittal. The 7-plex Garden Cluster building has been reversed to face the east side of the property. A connection to the sidewalk, adjacent to the head-in parking at Alley 'G', leads to alley crossings on both the east and west side of the building that lead to the Grand Paseo. The previous two detached homes have been replaced with a Rowhouse building that faces South 'A' Street. The entrances to the units of this building have access to the Grand Paseo from the sidewalk along South 'A' Street.

#### **5. Access to Units adjacent to Los Gatos Boulevard**

*Convenient access from and to Los Gatos Blvd. and the Grand Paseo is provided for eight of the ten residential units adjacent to Los Gatos Blvd. However, two of the units have a somewhat tortured path along the auto access alley, as shown in the diagram below.*

*Recommendation: Improve the pedestrian linkages between the unit entries and both Los Gatos Blvd and the Grand Paseo.*

**Response:** Improved pedestrian linkages have been added from street parking and the Grand Paseo to the entries of the 1X units in the 5-plex Garden Cluster buildings. These include new connections to adjacent sidewalks and enhanced paving across Alley 'G'.

Sincerely,



Debra Lehtone  
BAR Architects  
415-293-7135  
[dlehtone@bararch.com](mailto:dlehtone@bararch.com)

cc: Don Capobres; Wendi Baker; File  
encl: None  
path: \\srvfile01\documents\09039 Los Gatos North Forty\3 REGULATORY\3.12 Planning Department\151111\_Planning Staff Review Comments\FINAL LETTERS\North40\_DraftResponse\_LarryCannon.docx



March 21, 2016

Ms. Marni Moseley  
Community Development Department  
Town of Los Gatos  
110 E. Main Street  
Los Gatos, CA 95031

**RE: North 40**

Dear Marni:

I previously reviewed this project in July of 2014 and again last December. I have gone over the full set of new drawings carefully and have previously visited the site. My comments and recommendations are as follows:

**Overall Site Plan**

The site plan has remained much the same over the course of the reviews except for a major change in the westerly portion of the Transition Zone where Rowhomes and Garden Cluster residential structures replaced the earlier Move-Down Condominiums. The currently proposed new site plan is shown below, and illustrations of the proposed buildings and landscape environment are included at the end of this letter.



*PROPOSED SITE PLAN*

Exhibit 15

## Previous Concerns

The overall plan has remained consistent with the North 40 Specific Plan so comments in the previous reviews have focused on smaller issues and refinements. Issues raised in previous reviews included the following:

1. Clarification and refinements to the Log Gatos Blvd. frontage.
2. Access to resident parking at the Senior Housing/Market Hall Mixed Use complex.
3. Refinement and expansion of the finger cluster development that extends into the existing residential neighborhood which is not a part of this development.
4. Clarification of the circulation paths and termini along the major north-south Paseos.
5. Variation in areas where flat roofs were initially proposed.
6. Treatment of the long alley access to parking garages in the Lark District including refinements to the alley facades of the Rowhome units.
7. Guest parking locations relative to some units.
8. Clarification and refinements to the distribution of the Contemporary and Traditional Style residential units.
9. Materials selection
10. Facade treatment to the parking side of Building A1.

Staff has worked with the applicant over the past 20 months to refine the project through changes or have satisfied themselves that some of the issues raised are not of significant concern to warrant changes. I have no other recommendations for further changes.

Marni, please let me know if you have any questions, or if there are other issues that I did not address.

Sincerely,  
CANNON DESIGN GROUP



Larry L. Cannon



*MARKET HALL AND SENIOR HOUSING*



*MARKET HALL AND MIXED USE RETAIL DEVELOPMENT*



*MIXED USE RETAIL DEVELOPMENT*



*SENIOR HOUSING AND MIXED USE RETAIL DEVELOPMENT*



*GARDEN CLUSTER RESIDENTIAL*



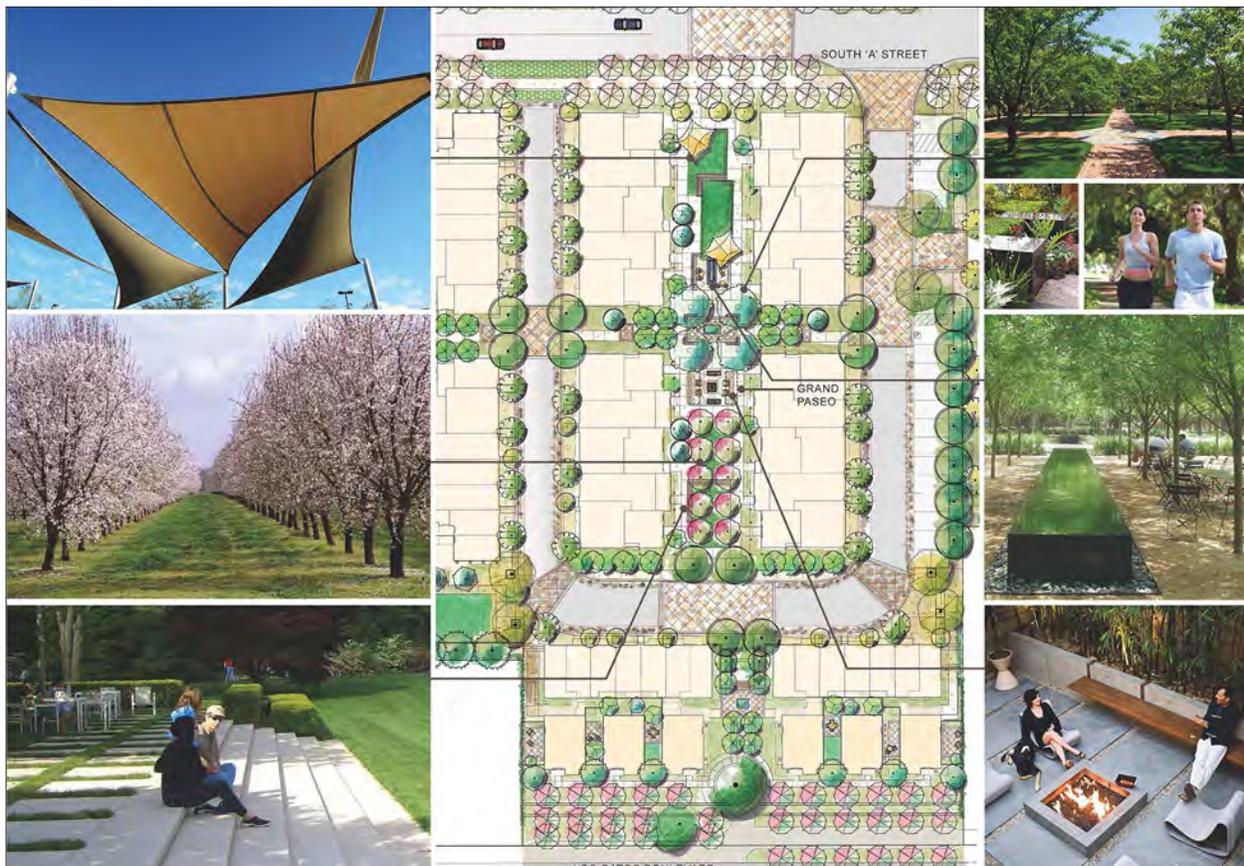
*ROWHOME RESIDENTIAL*



*CONDOMINIUM CLUSTER RESIDENTIAL*



COMMUNITY PARKS AND GARDENS



GRAND PASEO