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A P P E A R A N C E S:

Los Gatos Planning Commissioners:	Mary Badame, Chair D. Michael Kane, Vice Chair Charles Erekson Melanie Hanssen Matthew Hudes Tom O'Donnell
Town Manager:	Laurel Prevetti
Community Development Director:	Joel Paulson
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P R O C E E D I N G S :

CHAIR BADAME: We will move to our public hearing, which is continued from July 12, 2016, Item 2, North 40 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 include 50 affordable senior units; approximately 66,000 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.

May I have a show of hands from Commissioners who have visited the site? Are there any disclosures from Commissioners? Seeing none, Mr. Paulson, we are ready for the Staff Report.

JOEL PAULSON: Tonight we're here to continue the Commission's questions of the Applicant. As you mentioned before, there is a report that contains items that were received from the public either at last night's meeting and/or via email for comments, as well as a document from Commissioner Hudes that relates to hillside views, which I

1 think was one of the topics that was still left to be
2 discussed.

3 CHAIR BADAME: At this time are there questions
4 of Staff related to process or procedure? Seeing none.

5 Again, the public comment portion of the hearing
6 was closed last night; this includes the Applicant's
7 presentation. Due to time restrictions, Commissioners were
8 unable to complete their questioning of the Applicant, and
9 I believe we have more questions. I will look to the
10 Commissioners to see if this is true. Yes, I see nodding of
11 heads.
12

13 So, Applicants, you have been summoned. Please
14 step up to the podium. All right, I will look to the
15 Commissioners. Commissioner Hudes.

16 COMMISSIONER HUDES: Thank you. I believe we have
17 a question that we started last night, and I would put it
18 in the category of housing. I also have some questions that
19 will follow about traffic and environmental, including the
20 economic report, open space, look and feel, those
21 categories, which are the ones that Chair Badame suggested
22 that we think about.

23 First of all I wanted to correct myself from when
24 I said that it looked like the height of Building A-1 was
25 58' from existing grade. First of all, I think it's

1 Building B-1, and it looked to me like it was 48'8" plus
2 4.6' of grade adjustments, so that would be 53'8". Then
3 with the elevator portion, it would be a total.. So it would
4 be 53'8" plus 4.6', so it would be 57' and some fraction.
5 That's my understanding. Is that correct?

6 DON CAPOBRES: That would be reflected in the
7 grading plan. We do have our civil engineer here to
8 (inaudible).

9 COMMISSIONER HUDES: It was a combination of the
10 grading plan plus the elevation.

11 DON CAPOBRES: It does sound about right though,
12 Commissioner.

13 COMMISSIONER HUDES: This relates to this next
14 topic, which is about views. I think I started to ask last
15 night, how do you define view corridor? I think it's used
16 in the justification letter.

17 DON CAPOBRES: It's our position that we were to
18 use the Vision Statement, which talks about hillside views
19 and the look and feel of Los Gatos as a filter with which
20 to look at and view the objective standards of the Specific
21 Plan.

22 For example, look and feel and views of the
23 hillsides led to the 30% open space requirement, or the
24 height restrictions, or the setbacks. Again, we comply on
25

1 all fronts, because these are objective development
2 standards.

3 But to give you the perspective of a filter that
4 we use we have asked our architects to put together some
5 presentations to demonstrate how we looked at things, so
6 I'll call up Paula Krugmeier.

7 Reflecting on the hearing last night, our answers
8 to some of your questions showed maybe some frustration
9 because the discussion was at a zoning level or Specific
10 Plan level. It's at that stage that unit types and sizes,
11 et cetera, are discussed, and the Specific Plan was
12 approved last year along with the Housing Element, so some
13 of the frustration.

14 What we'd like, and what we would expect at this
15 stage of approval, is a discussion about architectural
16 style, materials, landscape pallets, et cetera. We have
17 worked with your consulting architect on that. Ultimately
18 Mr. Cannon rendered his opinion on our application, which
19 we shared with you last night.

20 But those are the types of comments we would
21 expect to be having at this stage, and we would expect to
22 not be discussing rewinding approvals on the objective
23 design standards. We would welcome talking about
24 architecture, about landscape palette, about those types of
25

1 issues, and we're willing to consider Conditions of
2 Approval that would approve the design. Again, we've worked
3 really hard with your consulting architect, and after five
4 submittals got, we think, a really good result out, but
5 those are the types of things we do want to discuss.

6 Paula will give you an idea of how we looked at
7 view corridors. She can probably touch on look and feel as
8 well.

9 COMMISSIONER HUDES: I'll try to keep my
10 questions pretty specific, relating back to things that are
11 in documents that are part of the planning application.

12 PAULA KRUGMEIER: Good evening, Madam Chair,
13 Commissioners, and distinguished members of the public. I'm
14 Paula Krugmeier with BAR Architects. We wanted to cover the
15 topics of embracing views, as you have asked, as well as
16 the look and feel and the architecture.

17 First of all, I just wanted to acknowledge that
18 being here last night, in addition to many other hearings,
19 I have taken notes on every speaker's points. I understand
20 this is a very important topic to everyone within the Town,
21 so it's something that we as architects took very
22 seriously, as well as the look and feel, so we definitely
23 wanted to present our thoughts and share our vision with
24 you tonight.

1 With that said, we have two parts of the
2 embracing views. One of them comes from the views from
3 Highway 17, which were studied in the EIR and later updated
4 in July for our latest application, which is lower than our
5 previous application in terms of height based on the
6 Specific Plan. We'll start with from Highway 17, and then
7 we'll move to examples within the Town, and then we'll move
8 to views from within the site.

9
10 There are two views here. One is what was in the
11 EIR, and the other is updated as of July of this year.
12 Photos taken showing the heights of the buildings that are
13 proposed. So these are the buildings proposed.

14 We have four views here that are taken from the
15 EIR generated exhibits.

16 The second one here, there is a key plan. Can you
17 all see where the view was taken on the key plan? It's
18 right there, and there. So this was when we had the move-
19 down buildings there. Then the lower image on the slide is
20 what the current proposal is, which is now 35' instead of
21 45'.

22 This image here, the upper view is what we had at
23 45', and the lower view is what we're currently proposing,
24 what's in your package up for approval now.
25

1 Then, finally, this view is looking laterally,
2 and as I'll show in the next slide, the hills are off to
3 the right here and the proposed buildings are basically not
4 in front of the hillside.

5 I think what these slides, which were created by
6 an impartial third party, demonstrate that the views of the
7 hills definitely continue to be embraced as one passes
8 through. As I recall from many of the Advisory Committee
9 meetings early on, Los Gatos is kind of a gateway to the
10 Santa Cruz Mountains and this view is very important.

11 We'll continue on with other views within the
12 site.

13 What we did, the North 40 is at the top of the
14 image, and then we took two examples. We had many examples,
15 but given the limited time we're going to show two tonight.
16 One is "D" for downtown, and the other is "N" for
17 neighborhood.

18 We'll start with downtown. As we're downtown,
19 what we see is that even one-story buildings occasionally
20 block the views of the hills, and where we do find view
21 corridors to the hillsides are straight down the axes of
22 the streets. This is a much more common pattern of
23 embracing the views of the Los Gatos community.
24
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1 I've done a lot of looking at hillside views. I
2 noticed in the look and feel slides we saw last night that
3 there were about 70 images of homes and about three of
4 those had views of the hills in them. I just want to make
5 sure we have the views of the hillsides in perspective. So
6 anyway, I looked at all 70 photos.

7
8 As we're going down North Santa Cruz Avenue,
9 there are views of the hillsides if you're in the center of
10 the street. For North Santa Cruz Avenue further north than
11 this the views of the hills are actually blocked by the
12 sycamore trees. So again, we found a lot of views of the
13 hillsides, but a lot of times they're framed within the
14 axes of streets, so you have this interplay between
15 buildings and hillside views.

16 Moving on to the next example, what we did was we
17 chose a number of neighborhoods, and we're showing the one
18 in which the streets, Benedict Lane and the streets near
19 there, are actually rotated towards the hills. Benedict
20 Lane has a lovely view of the hills that is directly down
21 the axis of the street, and there are parts of Benedict
22 Lane that have greater views of the hills, but those are
23 areas that are not landscaped at all. Again, a lot of times
24 the landscaping in addition to the buildings is what is
25 complementing and embracing the views of the hills.

1 Moving on, just near there, on Garden Lane, there
2 are hills back there that you can discern, but again, this
3 is an area where we feel like this very much is the look
4 and feel of Los Gatos, and hillside views in this case are
5 not necessarily embraced in favor of the landscaping in the
6 foreground.

7 Just to set the context, we did a lot of looking
8 at embracing of views, and what we'd like to show you here
9 are four views that show what the views will be from within
10 the site.

11 The first one is parallel to the freeway. Again,
12 we are farther from the hills than downtown, much farther,
13 a couple of miles farther from the hills, however, the
14 hills are there.

15 By the way, there is a key plan here, so you can
16 tell exactly where these photos are taken, and these photos
17 were all taken with the story poles up, so I know I'm not
18 looking through a building; in this case I'm actually
19 looking down a street. These are the key plan here, so
20 there is the first view there.

21 The second view is interesting in that when we're
22 back in the Transition Zone we will have a view here of the
23 hillsides, but at the moment the walnut trees that are no
24 longer going to be there are blocking that view.

1 To the contrary, as we go south of South A Street
2 we no longer get a view of the hills, because the tall
3 landscape of Highland Oaks blocks the views of the hills
4 from that location. So again, there's interplay between the
5 height of the landscape and the views. From this part of A
6 Street you will be able to see them; from the other part
7 you will not be able to see the hills.

8 The next view is taken from the Lark District,
9 right by the intersection between the Lark District and
10 Transition District, and it's taken over the community
11 gardens. When you're in the community gardens, this is the
12 view you will have. Our main impediments in this area are
13 the existing commercial buildings along Los Gatos
14 Boulevard, but to the extent that you can see the hills
15 over those buildings that are already there, we have
16 embraced the views of the ridgelines and hillsides there.

17 Finally, we have a diagonal street on the site,
18 which is right there. It's North A Street, and as you come
19 down this street this will be a much more framed view. What
20 I did here was I drew the lines of the story poles on the
21 slide, so the story poles are here, and here, and here, and
22 we're looking down at a two-story building, and just over
23 that two-story building you will be able to see the
24
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1 ridgeline. That view corridor is a little bit more framed
2 by buildings, but again, it's there.

3 So that is the presentation we had on the
4 embracing of hillside views, and we felt like it was very
5 comparable to what we're seeing in other areas of Los
6 Gatos.

7 COMMISSIONER HUDES: As a follow up to that,
8 Example 1 that you showed next to the freeway, there's a
9 sound wall there, isn't there? You want to go back and show
10 us where that would be?
11

12 PAULA KRUGMEIER: The sound wall is along here,
13 and there is parking. There's a setback. There's the sound
14 wall, then there's some landscape, then there's some
15 parallel parking, then there's a road, and then there's
16 more landscape, and then there's the building, so there's
17 actually quite a bit of space here from which one will get
18 this view. The sound wall will be lower and off to the
19 right. The sound wall is typically lower than any
20 landscaping we'll have.

21 COMMISSIONER HUDES: I had some questions about
22 the layout of the site, how it relates to the views, and
23 how the housing is organized on the site. I spent about an
24 hour-and-a-half on the site a week ago Friday on a second
25 visit, and with the exception of the diagonal street, I

1 couldn't find any interior location where I could see the
2 views, interior location meaning one that's open to the
3 public.

4 So I walked down the area where the paseo is,
5 spent some time where the park will be, and because of the
6 arrangement of the buildings that are at an angle to that--
7 and I'll illustrate that in a minute--it was not possible to
8 see the hillsides. I walked and I noted at 12 different
9 points, and as I said, there was only one, and that was at
10 the diagonal street where I could see it.

11 I'm sure there are other points, particularly as
12 you get to the exterior, but in the interior I had trouble.
13 If fact, not any point along the paseo, not any point
14 within the park, not any point in the service road, except
15 for the very end of it, the road that is adjacent to the
16 freeway, and that was being blocked.

17 I could not find another location actually in Los
18 Gatos of comparable size where the hillsides would be as
19 obscured as they are in this particular layout, and maybe I
20 could illustrate with we could look at Exhibit 38. A
21 question is coming here in a minute, but I want to just
22 relate that to my observations on the site.

23 I wish the public had been able to see the
24 interior, either with photographs or somehow to see the
25

1 orientation of the story poles across the site and the
2 arrangement of the buildings I think is obscuring many,
3 many of the sites.

4 Could you go to the next slide, please? The
5 intersection of those lines is the middle of the North 40
6 plot, and the dominant hillsides here are El Sereno and El
7 Sombroso, and behind El Sombroso is Loma Prieta, and Mt.
8 Umunhum is actually in between those as well. It's really
9 interesting, because they are about at a 45° angle from the
10 center of the site, each of those. The dash line represents
11 the general way that you can view from the site, given the
12 grid pattern.

14 Could you go to the next slide for me? This is
15 zooming in, with the solid lines representing the view of
16 the hillside, and the dash lines representing the grid
17 layout and the general direction of the views. What I'm
18 saying is that because of the way buildings are arranged on
19 that grid, it pretty much blocks those views, even as you
20 walk along the interior of it, until you get to the
21 exterior of it.

22 My question is—if you can go to the next slide—is
23 it possible to have the streets laid out in a fashion that
24 is 45° from what's been proposed in a way that would, I
25 think, truly allow you to see the hillsides from many, many

1 more sites? It's a little dark, but you can see that in the
2 surrounding neighborhoods there are curved streets that
3 afford views as well. So my question is, is it possible to
4 lay out this so that more views from the interior of the
5 site could be achieved?

6 PAULA KRUGMEIER: It's a very good question and a
7 very good demonstration. As I sought to demonstrate with
8 the views from Benedict Lane, which are even a little
9 closer, these hillside views, even with rotated streets,
10 will have basically a small view corridor down the center,
11 given that all of the streets will be lined with street
12 trees, as is the case in Los Gatos.

13 This is jumping ahead a little bit to our look
14 and feel conversation. I've been the master planner on this
15 project for eight years, and done master planning in a lot
16 of different places, and what we looked at here was that
17 the majority of neighborhoods in Los Gatos are oriented
18 parallel to the arterial streets that they're next to, so
19 there are some curved streets. There are many curved
20 streets in the hillsides; many curved streets. We're not in
21 the hillsides. Our streets, but not all, are more or less
22 parallel to the arterials that are near to ours, and our
23 views are very similar to the views of neighboring
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1 residential districts and downtown that are similarly
2 oriented.

3 COMMISSIONER HUDES: My question is could even
4 some of the streets in Phase 1 be oriented along a 45° from
5 the way they're currently oriented, or could some of them
6 be curved? Even in the drawings in the Specific Plan there
7 was a suggestion of curve, and I know that there was
8 testimony when the Specific Plan was being created; a
9 number of residents made the strong suggestion to have some
10 curved streets in there.

11 PAULA KRUGMEIER: All right, I'm going to go back
12 to a suggestion that was made in 2013. Back in 2013 we
13 received a suggested site plan that was rotated at 45° from
14 Los Gatos Boulevard, and when I get to the look and feel
15 part I'll talk a little bit about walkability and block
16 sizes and the idea about the balance between softscape and
17 paving.

18 In theory, the suggestion is great. Yes, we can
19 have 45° angle streets. When you look at it practically on
20 a site, given that there are some very large missing teeth
21 from the Hirschman properties cut out of it, once you get
22 to the potential use of diagonal streets—I just have to say
23 it this way—you end up with a lot more paving and a lot
24 more green space, because it is less efficient, and when
25

1 you have more paving and less green space, it didn't seem
2 to us like the look and feel.

3 It's a fairly simple geometric problem. In order
4 to overcome that we would have had to go to large mega-
5 blocks to get that green space within the mega-blocks, and
6 we felt that the block sizes that we have that are
7 comparable to the block sizes in the rest of Los Gatos and
8 that are parallel to the arterials, and given the big
9 missing teeth that we had on Los Gatos Boulevard, that we
10 were able to provide the most open space by the plan that
11 we had; and that where we created the community garden,
12 where we created the diagonal street, where we created
13 other axes, we were embracing hillside views. We were
14 balancing all these thing.

16 COMMISSIONER HUDES: Just one last question on
17 this. If you didn't have as many homes, but you did have
18 them at the required density, at the required density,
19 would it be possible to incorporate other street layouts
20 such as we've discussed?

21 PAULA KRUGMEIER: I will answer in theory, and
22 then Don and Wendi can answer more specifically.

23 When I left here last night one of the members of
24 the public suggested that we could have a lot more green
25 space if we built a tower next to the freeway, and I

1 thought about that, and I said, "Yeah, that's true, you can
2 have more green space." There are different ways to gain
3 more green space, even though we already exceed the
4 quantity. Doing diagonal streets doesn't necessarily
5 increase the amount of green space.

6 I'm sorry, Commissioner, could you please repeat
7 your question?

8 COMMISSIONER HUDES: I said in an attempt to
9 maximize and actually have views of the hillsides, would it
10 be possible to change the layout and configuration of the
11 streets, perhaps by reducing the number of homes but
12 keeping the required density?

13 PAULA KRUGMEIER: Well, if we reduce a number of
14 homes on the same amount of land, then we have
15 arithmetically reduced the density. Then going back to the
16 diagonal views again, going back to Benedict Lane, in
17 comparing the views that we have, the linear views that we
18 have to the hills, we have similar views to Benedict Lane,
19 which is rotated.

20 The hills, if we go back to my slide, there's a
21 green line. The hills are on two-and-a-half sides of the
22 site. Even though it's a little bit far away, they're on
23 two-and-a-half sides of the site, so we can orient those
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1 streets to embrace hillside views with a variety of
2 directions and with open spaces like our community garden.

3 COMMISSIONER HUDES: Thank you.

4 CHAIR BADAME: Would any of the other
5 Commissioners like to add to the line of questioning?
6 Commissioner Hanssen.

7 COMMISSIONER HANSSEN: I wanted to ask a
8 question. It's not related necessarily to hillside views,
9 but it relates to views as it pertains to the small town
10 character.

11 I know that a lot of the residents and friends of
12 residents have reacted badly to seeing massive 35' tall
13 buildings from Highway 17 when they're coming home,
14 including my own kids. But it did look like your position
15 is that landscaping, the trees that are going to be
16 planted, would be covering that up to a large extent. I
17 just wanted to understand if this was (inaudible) forward
18 as it was, what we could expect, or would it just be that
19 we'd have to stare at a wall of 35' buildings?
20

21 PAULA KRUGMEIER: The landscaping shown in the
22 EIR was taken as trees after a certain number of years of
23 growth; in other words, it's not just the first year. But
24 the trees will for the most part all be higher than 35'.
25

1 Some of the orchard trees... The landscape architect is here
2 and will be able to speak specifically about tree heights.

3 DON CAPOBRES: The EIR covered aesthetics and
4 views, and as we underscored already, the Specific Plan
5 EIR, which was approved and adopted by Town Council last
6 year, shows on the top that was the aesthetic that was
7 approved, so to speak. The proposal that we have in front
8 of you is less impactful from any objective standard, and
9 again, we do think we comply.

10
11 To answer Commissioner Hudes' question directly,
12 the grid pattern has already started on the North 40 on the
13 south side of the property; it started probably in early
14 2000 with essentially the first phase of development on the
15 North 40 with the medical office buildings. What happens
16 now on that portion of the property, it kind of gets locked
17 in, because we do have a balancing act to do with
18 infrastructure and other things. So the answer is no on
19 being able to orient streets 45° and balance everything
20 else. We have to balance related to the objective standards
21 of the Specific Plan.

22
23 Having said that, as you move further north we do
24 start to introduce some diagonal streets. I'm not going to
25 jump ahead, but the thought of that diagonal street is that
it does plug in someplace, and there maybe will be future

1 development where we do free up opportunity to introduce
2 streets that aren't on the grid, but because development
3 was already allowed to start in the 2000s with three
4 relatively large buildings that are taller than any of the
5 buildings we are proposing on Los Gatos Boulevard, the grid
6 pattern has already begun, and we need to fit into that
7 from an infrastructure perspective.

8
9 COMMISSIONER HUDES: If I could just follow up
10 quickly. The buildings you're referring to, those are the
11 ones that are placed and accessed along the Boulevard,
12 correct?

13 DON CAPOBRES: Yes, sir.

14 COMMISSIONER HUDES: There are no internal
15 streets that address those?

16 DON CAPOBRES: The streets that access those, and
17 the entrance that access those buildings, all lead into the
18 interior of the site and have parking on the interior.

19 COMMISSIONER HUDES: Right, but the access if
20 from Los Gatos... There's no other street through the North
21 40 that's accessing them, correct?

22 DON CAPOBRES: No.

23 COMMISSIONER HUDES: And the opportunity for
24 diagonal that you were referring to, that's in the Phase 2
25 application, or possible Phase 2 application?

1 DON CAPOBRES: Well, there could be multiple
2 phases to the North 40, because as we know and we've stated
3 multiple times, there are 14 property owners on the North
4 40. The fact that we have two phases to our transaction
5 with the Yuki family does not necessarily mean that's the
6 only phase coming forward. Because we are forward thinking,
7 our planning is we intend to make this portion of the
8 property fit in to the rest of the North 40, which is why
9 you have a specific plan, so that as pieces develop
10 individually, they do so in a cohesive manner. Our plan is
11 to kind of continue on there, using that diagonal street.

13 COMMISSIONER HUDES: I appreciate that, but my
14 understanding is that this Phase 1 application—I think
15 that's what it's called—has to stand on its own relative to
16 objective standards that are in the Specific Plan.

17 DON CAPOBRES: And we meet and exceed all of
18 those specific development standards, without question.

19 COMMISSIONER HUDES: Thank you.

20 CHAIR BADAME: Any further questions from
21 Commissioners? Vice Chair Kane.

22 VICE CHAIR KANE: Questions for Ms. Krugmeier.
23 Prior to February 2, 2016, I think the Town consulting
24 architect wrote a letter of his concerns about the project,
25 and there was a good response written on February 2, 2016.

1 It's not signed, so I don't know who wrote it, but then he
2 writes back, and they write back, and he writes backs, and
3 there was a response from Debra Lehtone.

4 PAULA KRUGMEIER: Yeah, she's present tonight.
5 She's my colleague.

6 VICE CHAIR KANE: She's with BAR, and you're with
7 BAR.

8 PAULA KRUGMEIER: Yeah,

9 VICE CHAIR KANE: So I can assume the February 2nd
10 letter was written by her?
11

12 PAULA KRUGMEIER: It's written by the team, yes.
13 We collaborated. This whole development is a team effort,
14 so yes.

15 VICE CHAIR KANE: So I'll put the team on here.

16 CHAIR BADAME: Can you confirm which exhibit
17 you're referring to?

18 VICE CHAIR KANE: Exhibit 8; I'm sorry.

19 CHAIR BADAME: Exhibit 8 for the Commissioners to
20 refer to.

21 VICE CHAIR KANE: In her response to Larry
22 Canon's initial letters, she details what kind of tenant
23 design or modifications may be made by a tenant, and then
24 it occurred to me, I wondered, do you have an approximation
25

1 of how many commercial tenants would be in and around the
2 marketplace?

3 DON CAPOBRES: That's a great question, and
4 exciting question, actually. The marketplace is intended to
5 be one, single entity, which was what was discussed in the
6 Specific Plan. How we populate the space and program the
7 space, we're still working on, frankly.

8 The direction we are going in is very exciting,
9 however, if you think of your typical grocery store
10 departments. So think of produce; think of protein, which
11 could be beef, chicken, fish; think of a bakery; some
12 sundries; and think of the best of the local market and the
13 local growers, and of populating each one of those
14 departments. So right now it could be between four, five,
15 six types of tenants within Market Hall.

16 We've done quite a bit of research on these
17 markets. At one point we thought they could be small little
18 kiosks with 100 square feet each, and there are examples of
19 that throughout the country that we've looked at. But we
20 are gravitating towards more of grocery store departments.
21 Not quite a grocery store, but a specialty market that has
22 individual vendors that celebrate the local growers and
23 celebrating the food locally.
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1 That's still a working model. We are working very
2 hard with partners who we have identified previously on
3 that, but that's kind of where we're at, and we're excited
4 by it.

5 VICE CHAIR KANE: So the commercial square
6 footage that's been assigned to Phase 1 would contain
7 possibly four, possibly six, tenants?

8 DON CAPOBRES: Oh no, that was just for Market
9 Hall. I'm sorry, Commissioner.

10 VICE CHAIR KANE: Total number?

11 DON CAPOBRES: Yeah, and I'm happy to walk
12 through the retail program.

13 VICE CHAIR KANE: Rough total number?

14 DON CAPOBRES: I have to go through each
15 building.

16 The building on the immediate north as you enter
17 is intended to be a standalone restaurant; that's Building
18 B-2.

19 Building A-2 is intended to be a standalone
20 retail building.

21 Again, these are all preliminary points.

22 Then you have Market Hall, which is B-2, which I
23 just spoke about.
24
25

1 Building C can be demised as a standalone
2 restaurant of about, say, 5,000 square feet, with an
3 additional 2,000 square feet of retail.

4 Then Building A-1 is all neighborhood serving,
5 kind of small shop space where you would find typical
6 neighborhood uses. Maybe there are some hair salons; maybe
7 there are other uses that you would find in a neighborhood
8 setting.

9 VICE CHAIR KANE: Would you be the leasing agent
10 or have a supervisory effect over the leasing agent?

11 DON CAPOBRES: Grosvenor typically hires local
12 leasing folks who have the best connections in the local
13 market. Grosvenor does not manage and lease directly; we
14 hire a third party generally.

15 VICE CHAIR KANE: In the many, many, many
16 meetings that have preceded this one, has there been any
17 discussion of a fair consideration for non-compete with the
18 downtown?
19

20 DON CAPOBRES: Yes, that has been discussed many,
21 many, many times.

22 VICE CHAIR KANE: Do you agree to that?

23 DON CAPOBRES: I do have some notes here so I get
24 it right. The question is about tenants downtown, and this
25 issue was debated for years, frankly, at the Specific Plan

1 Advisory Committee process as well as Town Council
2 deliberations. We all remember them; they tended to be some
3 of the most interesting conversations that we had. After
4 all those deliberations, it is not a requirement under the
5 current Specific Plan, so the answer in short is no.

6 You've got numerous economic studies. You had one
7 in 2011 commissioned by the Town of Los Gatos that showed
8 \$80 million leaking out of the Town of Los Gatos every
9 year. You had a second one, which is the Urban Decay Study
10 in the EIR. You had a third one to support the Specific
11 Plan last year by San Jose State.

12 All of them indicated that there is significant
13 unmet demand for comparison shopping in food and beverage,
14 and so this shouldn't be an issue.

15 VICE CHAIR KANE: I'm sorry; could I ask you a
16 question? What does "comparative shopping" mean?
17 Competitive shopping?

18 DON CAPOBRES: No, comparative shopping. It could
19 be soft goods, clothing, things like that.

20 The final point is probably maybe the strongest
21 point. It could potentially hurt the viability of both the
22 downtown establishment as well as the retail program on the
23 North 40, and I'm starting with the assumption that we want
24 both to succeed.

1 For example, this could cause a situation where a
2 downtown business that is not able to renegotiate a lease
3 downtown is forced out of Los Gatos to seek premises
4 outside to continue its operation. There are numerous
5 examples of downtown also, downtown establishments seeing
6 this unmet demand in the trade area, which we can talk
7 about, so examples of downtown establishments wanting a
8 second or third store or restaurant, or wanting to try a
9 new concept and staying within the trade area.
10

11 If you had a prohibition of them going to the
12 North 40, they would do what they're doing now, frankly,
13 which is ending up in Campbell, or Willow Glen, or
14 someplace like that. You have multiple restaurants—and this
15 is the easiest example—that have both the presence within
16 downtown Los Gatos as well as within the exact trade area
17 that the North 40 would be serving, and they see this unmet
18 demand.

19 We can go through the numbers. Tim Kelly from
20 Keyser Marston is here to present the economic numbers, but
21 this was discussed ad infinitum, and that is why it's not...
22 I think it would end up potentially hurting the downtown
23 operators as well as potentially the North 40.

24 VICE CHAIR KANE: What would?
25

1 DON CAPOBRES: Making requirements restricting
2 tenancies on the North 40 (inaudible) downtown.

3 VICE CHAIR KANE: Some kind of a non-competitive
4 clause would hurt both?

5 DON CAPOBRES: Could potentially hurt both.

6 VICE CHAIR KANE: May I?

7 CHAIR BADAME: Yes, you may.

8 VICE CHAIR KANE: We've heard a number of
9 speakers, town merchants, long-time well established, kind
10 of know their business; and maybe that's foolish of me, but
11 I find that more persuasive than studies that say gee, it
12 may not be a problem. If the proprietor is telling us I may
13 go out of business, that's the kind of thing I'm concerned
14 with on non-compete. A lot of analogies in the 610 letters
15 we've read talking about comparisons to downtown San Jose,
16 Saratoga, and that get's my attention. I don't have the
17 depth and the advisors that you do, but I need some
18 reassurance that there is an awareness of what the downtown
19 merchants are saying, and some kind of concern for them.
20

21 DON CAPOBRES: Absolutely.

22 VICE CHAIR KANE: Or I will so advise Town
23 Council that this needs to be worked on.
24

25 DON CAPOBRES: Absolutely. The first study in
2011 identified synergistic solutions, and this wasn't our

1 study, this was a study commissioned by the Town of Los
2 Gatos by the Economic Vitality Department. It showed
3 synergistic opportunities aware of the North 40 and
4 downtown, and don't forget about the Boulevard, and
5 wineries. All of them could actually complement each other,
6 and I thought that those were very good suggestions in
7 terms of how that can happen. Co-branding and co-marketing,
8 was an example, working with, which we already have a
9 transportation kind of demand management responsibility
10 with the North 40, coordination with VTA on getting
11 shuttles and a back and forth.
12

13 We talked about marketing, and this is a
14 discussion we've had, frankly, Commissioner, for eight
15 years, and again, none of those policies that you talk
16 about ended up in the Specific Plan as a direct result of
17 the conversations and all the studies that we've had. But
18 there are things that we can do together, and there are
19 other businesses downtown that don't share the opinion that
20 others share.
21

22 There are opportunities for folks. In Market
23 Hall, for example, my one example that I always give is if
24 someone makes pizza downtown and they want to sell pizza
25 sauce at Market Hall and say if you want us to make the

1 full thing for you, come downtown. That's a great example
2 of synergistic opportunities.

3 We think because there is such strong demand it
4 warrants going through the economic analysis here. Strong
5 demand in the marketplace that if you don't capture it on
6 the North 40, it is just going to go across the border to
7 Campbell and South San Jose, so working together we can
8 increase the pie for Los Gatos instead of looking at who is
9 competing against whom within the Town boundaries.
10

11 Again, that was the conclusion of every report.
12 Report, after report, after report was commissioned to
13 evaluate this particular issue, and the last one was
14 probably the best one, because it did look specifically at
15 competitive advantages between downtown and the North 40,
16 and the conclusion was there should be no impact to
17 downtown.

18 VICE CHAIR KANE: Life is a bell curve, and there
19 may be those merchants who profit from the increased
20 residency on the North 40, and in the middle are going to
21 be merchants who want to be in both places, but at the
22 other it's going to be the merchant who fears for their
23 livelihood and their business. All I'm asking is that keep
24 that in mind, have a medium, some forum, where those
25

1 concerns could be expressed to you, and you would have that
2 sensitivity on the tenants to whom you lease.

3 DON CAPOBRES: We welcome that conversation. I
4 live downtown. We are here because of what downtown means,
5 and so we are ultra-sensitive to this issue. I've been
6 accused of trying to lure a lot of businesses to the North
7 40, but it's just conversations. We understand, and we have
8 talked to businesses and restaurants downtown all
9 throughout the years. We've participated and had
10 conversations continuously, had a joint session with your
11 Chamber of Commerce; and I'm not saying they're endorsing
12 the North 40, but we have participated in the business
13 community for years. We understand that, we are sensitive
14 to that. We would welcome that conversation, and to be a
15 part of that conversation, in terms of how we can work
16 together.
17

18 Ultimately, this phase of development is only
19 66,000 square feet however, and it is neighborhood-serving;
20 it is intended to be for folks on the north end of town and
21 to service the new residents on the North 40 and the
22 neighborhoods that are around.

23 CHAIR BADAME: Mr. Capobres, I'm going to stop
24 you right here. I do believe that the question was
25

1 answered, and what I do hear you say is that there is
2 awareness, but not a guarantee.

3 At the same time that Vice Chair Kane had his
4 hand up, Commissioner Hanssen had her hand up, and I know
5 Commissioner Hudes is waiting to speak. So Commissioner
6 Hanssen, did you still want to ask your question?

7 COMMISSIONER HANSSSEN: Yes. One thing that struck
8 me in looking at the Phase 1 application and looking at the
9 Specific Plan is there are a lot of references in the
10 Specific Plan to all three districts needing to work
11 together so that it can be self-sufficient. This gets to
12 not having everything be adding traffic to the Boulevard
13 and stuff, so as many things that can be taken care of
14 inside of the North 40, and with the limited amount of
15 commercial in Phase 1, I worry about how much of that can
16 possibly be achieved, and then leading to the whole traffic
17 thing. So I was hoping to understand what...

18
19 You mentioned a little bit that in Building A-1
20 there would be some personal service ones, but I heard
21 (inaudible) like putting Patagonia in one of the buildings,
22 and that didn't seem like something that was going to help
23 the problem I'm talking about, because permitted uses in
24 the plan include like banks and hair dressers and whatnot.
25

1 DON CAPOBRES: At this stage of the game we don't
2 typically have tenants. It's really hard to lease up space
3 without being able to kick the tires, but we have obviously
4 an anchor. Typically I would have a named anchor right now,
5 but this time we're trying to do something special. We're
6 trying to deliver to the Town this specialty market that we
7 call Market Hall. We don't have to. The Specific Plan
8 doesn't require us to do that, but we had said it over the
9 years, and we think it's a good idea.

10
11 We think you have all of the grocery stores
12 already represented on the Boulevard, but you do need to
13 service the residents of the North 40 through some type of
14 food, so Market Hall is being designed as we speak for
15 folks who can go there four or five times a week to pick
16 something up. We're looking at convenience of trying to get
17 in and out, so I assure you first and foremost on our minds
18 are servicing folks who are going to be there frequently.
19 It's not a regional destination of any sort.

20 Sixty-six thousand square feet is about the size,
21 and maybe a little bit larger than some of your other... The
22 Trader Joe's that Grosvenor used to own, Los Gatos Village
23 Square, the Whole Foods center, it's in that scale, and so
24 you should be able to provide those neighborhood services
25 that we want people to walk to instead of having to drive

1 to. That's our goal. It's kind of what drives us in terms
2 of our vision for the property. Just by the size of it, by
3 the nature of it, it is neighborhood serving and we are
4 programming it as such. It is not being programmed to be a
5 tourist attraction or anything like that from a regional
6 perspective.

7 CHAIR BADAME: Commissioner Hudes.

8 COMMISSIONER HUDES: Thank you. This has been an
9 area of concern for me for a long time, and I concur with
10 many of Commissioner Kane's concerns that he raised, and
11 listen carefully to a number of the business folks in town.
12

13 I'm glad to see that there is a report in here,
14 and I have to apologize to my fellow commissioners, but I
15 would like to actually ask some questions about this
16 report, because this is the first time that it's been seen
17 in a public setting, and I think it's important, because I
18 also think that this is the type of thing that was
19 envisioned for this ongoing; even more retail comes in.

20 CHAIR BADAME: Commissioner Hudes, have you got
21 the exhibit number?

22 COMMISSIONER HUDES: I'm talking about the Keyser
23 Marston Associates economic report.

24 CHAIR BADAME: And the exhibit number is?

25 COMMISSIONER HUDES: It is Exhibit 9.

1 CHAIR BADAME: Okay, Exhibit 9, Commissioners.
2 Thank you.

3 COMMISSIONER HUDES: From the March 30th packet.
4 I'll try to keep it to just a few questions, because I
5 think this is very, very important, and I'm glad to see the
6 work done.

7 The first question is how is it possible to do
8 this analysis without having a floor plan of the retail
9 space and knowing what size there is within a building? I
10 don't believe there is a floor plan within each of the
11 retail spaces.
12

13 TIM KELLY: Good evening, my name is Tim Kelly;
14 I'm with Keysor Marston Associates, and we prepared the
15 report.

16 That's a fair question, and if you look at the
17 report, it's generic. The types of tenants, they're broken
18 up into three basic categories, which were the assumptions
19 behind it, which was the food hall for 20,000 square feet;
20 the food and beverage, which is essentially restaurants for
21 20,000 square feet; and specialty retail, which also
22 includes services like personal services, banks, things
23 like that for 26,000 square feet. There is no information
24 beyond that, and that was evaluated in a context of how
25

1 would it affect the downtown, and would it have a negative
2 effect on the downtown?

3 Maybe I can stop there. Do you want me to keep
4 going?

5 COMMISSIONER HUDES: Sure, because then I have
6 questions about the next step.

7 The estimate on the impact to downtown and other
8 areas, did it look at both potential declines in those
9 areas as a result of having the retail here, as well as the
10 possible synergies or increases?
11

12 TIM KELLY: Those are all really good questions.
13 When we wrote the scope up, what we were asked to do was
14 just evaluate whether Phase 1, which is 66,000 square feet,
15 not the 400,000 square feet that is the number that is
16 thrown around for the overall, but just the 66,000. Would
17 that have a negative impact on the core area of the
18 downtown, the Santa Cruz Avenue portion of the downtown? We
19 did not look at the other areas. We were not asked to look
20 at the other areas. I'm not sure if that answers your
21 question, but it was just related to the core.

22 COMMISSIONER HUDES: It answers my question, and
23 it raises a question for Staff.

24 TIM KELLY: Okay, fair enough.
25

1 COMMISSIONER HUDES: It looks to me like your
2 conclusion is that it will not negatively impact downtown.

3 TIM KELLY: That's correct.

4 COMMISSIONER HUDES: How certain are you of that,
5 and how would you measure that going forward?

6 TIM KELLY: I feel highly confident it won't have
7 a negative impact on the downtown. Let me just explain the
8 context.

9
10 Some of this information was confidential, so it
11 had to be put into a bulk set of numbers so we couldn't
12 look at individual businesses, as you might have mentioned,
13 so we asked the Town Staff for the square footage in
14 downtown, the number of businesses in the downtown, and the
15 actual taxable sales in downtown, and by different
16 categories. One category is referred to as Soft Goods
17 Comparison; it's sort of the specialty group. The other
18 group is Food and Beverage, which is the restaurants, and
19 then a third group, which is very limited, is Convenience.

20 Within downtown there is approximately 500,000
21 square feet of space, of which I think 350,000 is in
22 service and comparison goods. There's a lot of space, and
23 172 businesses. Food and Beverage, there are 62 businesses
24 and approximately 160,000 square feet. So that 350,000 and
25 the 160,000, the downtown has a half a million square feet.

1 The annual taxable sales, I guess would be now
2 2014 or so, were almost \$175 million. So downtown is a very
3 strong economic unit; it has been for a long time. It's
4 obviously a model in the Bay Area of what other cities
5 would like to have; they very much would love to have your
6 downtown. It has survived the expansion of Valley Fair, it
7 survived Santana Row; it survived expansion. It's a very
8 successful, healthy downtown.
9

10 Does that mean nothing should be done? Does that
11 mean you can rest on your laurels? No. Obviously markets
12 are dynamic; you always have to reevaluate. But in the
13 context of the North 40, if you take 20,000 square feet
14 that's in a food hall, there's no food hall downtown, so
15 there's no impact there.

16 If you take the food and beverage, you're talking
17 about 20,000 square feet. Food and beverage right now in
18 the whole southern Santa Clara County is a very big,
19 growing market. Restaurants are popping up everywhere. As
20 the Applicant has mentioned, restaurants are opening
21 multiple restaurants. It's a very high growth area.
22

23 And the downtown has almost 80 million... We think
24 just the population growth and what's going on in the
25 market, I think (inaudible) food and beverage as a whole
will not have an impact on downtown.

1 Finally, the last category, which is the 26,000
2 square feet, which can be service, it can be dentists, it
3 can be medical, it can financial, it can be exercise
4 studios, but it's 26,000 square feet. If you took an
5 average of 2,600 square feet a tenant, which is not very
6 big, that's ten tenants. It's hard to say ten tenants would
7 have a negative impact on downtown.

8 COMMISSIONER HUDES: Sure, I understand. One of
9 the concerns, and I didn't see much about it in your
10 report, was the fact that there are certain constraints and
11 restrictions in the downtown, which there would not be in
12 the North 40, such as Conditional Use Permit, or difficulty
13 parking. Are those things that you thought about or
14 considered when you were making this recommendation?

15 TIM KELLY: (Inaudible).

16 COMMISSIONER HUDES: Actually, what I was
17 speaking about is the case of a restaurant that has to
18 comply with a Conditional Use Permit downtown, but there's
19 not need for that in North 40.

20 TIM KELLY: (Inaudible).

21 COMMISSIONER HUDES: I would suggest if you do
22 this in the future, perhaps consider looking at some of the
23 requirements that are elsewhere as well, because I think
24 they do have an impact.
25

1 My last question is, is this report and
2 methodology repeatable, in your opinion? Could you take
3 what you've done here and, for instance, look at the impact
4 of Phase 1 at a later time using this methodology, or could
5 it be applied to Phase 2 or something else?

6 TIM KELLY: It's a yes with an asterisk, because
7 as you know, there are multiple variables that affect a lot
8 of things that go on, like you were mentioning parking
9 requirements. There are lots of variables that are out
10 there, but it certainly could be used as one of the tools
11 for sure, yes.

12 COMMISSIONER HUDES: Thank you.

13 CHAIR BADAME: Commissioners, any further
14 questions on the economic report? Seeing none, thank you,
15 sir.

16 TIM KELLY: You're welcome.

17 CHAIR BADAME: All right, I believe we have
18 further questions for the Applicant. Commissioner Hanssen,
19 if Ms. Baker and Mr. Capobres can step back up to the
20 podium. Thank you.

21 COMMISSIONER HANSSEN: I had some questions about
22 the housing again. I know we talked about the Millennials
23 and seniors yesterday, but I wanted to just talk about—one
24 of the community members brought this up yesterday—I do
25

1 recognize that in the Specific Plan it's not required to
2 use all the housing types, but just for the sake of asking
3 a question, because it would be less intense, why were no
4 cottage cluster units included in the proposal?

5 WENDI BAKER: I think this is in your exhibit,
6 but I'll put it up for the public to reference as well.

7 We asked our architect to take all of the
8 standards within the Specific Plan, such as setbacks, open
9 space requirements, parking requirements, and so forth, as
10 well as overlaying this with the cottage cluster
11 requirements which are drawn actually from a different
12 document, which was in your Affordable Housing Overlay Zone
13 document that originally contemplated the cottage cluster
14 unit at about 1,000 to 1,200 square feet, where again, some
15 of those regulations are the first floor; the second floor
16 can't be more than 50% of the first floor space.

17 So we did a density study to establish what the
18 density would be, and it's about 12-13 units per acre at
19 the most aggressive, most perfect square that we could
20 find, or in this case a rectangle, so we sort of maximize
21 those units. So with that, it brings down the density
22 substantially, and it's not a product where utility is
23 compatible if you are being told at 20 units per acre.
24
25

1 COMMISSIONER HANSSEN: I'm sure it was in one of
2 the tables that we saw, but that brought up a question that
3 I did have, which is of all the acreage where there is
4 residential, are all of those producing 20 units per acre?

5 WENDI BAKER: Yeah, I think that this exhibit
6 that Staff has up here reflects what you all... We worked
7 with Staff and HCD. I believe they worked through their
8 experience with HCD on how we could go to HCD with a
9 straight face and say we are delivering 20 units per acre.
10 Some areas you can remove, such as the main corridors, for
11 example streets, and so that exhibit is what is reflective
12 of how you get to 20 units per acre, both in each zones.

13 You have to look at it as in zones you are
14 getting there, and then overall you are getting there. In
15 this instance I believe there are four zones and then a
16 comprehensive density as well, and in each of the zones you
17 have to meet it, as well as comprehensively.

18 Again, this is a delicate balance where if you
19 move to this type of a product, perhaps in that area those
20 units may not be able to be counted towards your Housing
21 Element.
22

23 COMMISSIONER HANSSEN: And then on the other side
24 of that, there are one-bedrooms, two-bedrooms, and three-
25 bedrooms. There are no studios, and in the Specific Plan

1 under the Gen Y discussion, for better or for worse you can
2 argue that that might not be right, but it's in the
3 Specific Plan. It says that the Millennials want studios,
4 and often no bedrooms, and loft units. There are a couple
5 of loft kind of work units, but even those aren't studios,
6 so I wonder about that, because that would be another way
7 to bring down some of the intensity and also make things
8 more affordable.

9
10 WENDI BAKER: We do understand that. Now, this is
11 a for sale product, and the Specific Plan was not looking
12 at for sale or for rent. We do have the for rent affordable
13 units, but studio units, I did talk about the focus groups
14 we went to.

15 Folks in a suburban context are looking for more
16 space rather than being in a studio unit. The other
17 complexity with studio units can be I've never built a for
18 sale studio units, particularly in a suburban context. I
19 mean that is extraordinarily rare. Then, usually when you
20 can support these sorts of housing type, like micro-units,
21 you end up with a lot of transit opportunities in an urban
22 context. This is not an urban context, and so we do have to
23 look at balancing the market demands with the Specific
24 Plan, and nowhere in the Specific Plan were there a studio
25 requirements.

1 We did go as low as we felt we could market and
2 sell a unit, which is far below a typical for sale
3 condominium product, which was about 900 square feet, we
4 also have the 550 square foot senior unit to give a wide
5 range.

6 COMMISSIONER HANSSEN: That brought me to another
7 question I wanted to ask, and I kind of knew the answer was
8 they're all for sale, but why are all the units for sale
9 except for the senior affordable, which is being done by a
10 separate group, Eden Housing, versus a mix of that?
11

12 WENDI BAKER: That's a really interesting
13 question, and it's going to be a little bit subjective in
14 my answer.

15 SummerHill, we've very fortunate. We've built
16 everything from for rent to estate homes, so we've built
17 apartments in San Francisco, and we've built estate homes
18 right here in Los Gatos. So we have a wide portfolio to be
19 able to draw from experience.

20 Ultimately, when we were looking at unmet needs
21 and what that was, there are apartments that are available
22 for rent in Los Gatos. It is very rare to find a 900 square
23 foot for sale product, however. So when we were looking at
24 that, for someone that wants to enter into the marketplace
25 and not rent and wants to buy, what could they buy in that

1 type of zone? Those products are extremely limited, not
2 only here in Los Gatos, but in the Bay Area as a whole.
3 Generally you are either for rent in this type of square
4 footage that we're talking about, or you hop up to a higher
5 bedroom count and higher square footage.

6 In looking at this, to us, when we were trying to
7 establish all the different ways that we could land plan
8 and design and offer products that were meeting unmet
9 needs, we found that the for sale Millennials product is
10 absolutely an unmet need. There are Aventino Apartments,
11 and there are other examples of apartments in Los Gatos.

12 CHAIR BADAME: All right, I have a question for
13 you, Ms. Baker. Which city did you resource your focus
14 groups in?

15 WENDI BAKER: I mentioned we had focus groups
16 right at Netflix, and those workers came from all over. I
17 don't actually know where everyone resided from in the
18 first focus group, but it was about 20 individuals, and we
19 actually held it in the East Bay..

20 CHAIR BADAME: Okay, that's helpful, but 20..

21 WENDI BAKER: ...which we are drawing from a
22 variety of places where people might live right now and
23 commute into Los Gatos, but really want to live in Los
24 Gatos.
25

1 CHAIR BADAME: Okay, so I heard you say 20 people
2 in one group. How many individuals were surveyed in
3 totality of the focus groups?

4 WENDI BAKER: As far as a survey, this was a very
5 large and expansive and extended dialogue, so I don't want
6 to exclusively look at it as a survey where we just pushed
7 out a bunch of paper to folks. This was a dialogue of what
8 are you looking for? What are your needs? What kind of
9 housing types? Where do you live right now? It was a
10 conversation, and our architects were there and they took
11 all the notes.
12

13 Then we designed product after that point, we
14 designed our units, and then we decided ultimately at 20.
15 Since this process started, Netflix was approved, it's
16 built the expansion, and we went into Netflix because that
17 is where we do see a lot of the Millennials that could want
18 to live here and are tired of that commute back and forth.

19 CHAIR BADAME: Thank you. Further questions of
20 the Applicant? Commissioner Hudes.

21 COMMISSIONER HUDES: Were you going to add
22 something to that?

23 DON CAPOBRES: I would just say on the multi-
24 family and the rental question, your General Plan allows
25 for 750 residential units. When we started the process on

1 the Specific Plan, the Draft Specific Plan considered
2 heights in the 55' range, and so our original view,
3 Commissioner Hanssen, was to provide more of a mix of
4 tenure for sale and for rent, and from the exhibit I saw
5 yesterday, a lot of the rental homes that you have in Los
6 Gatos are at a density well in excess of 20 units per acre.
7 Seven hundred and fifty residential units kind of fit our
8 program a little bit better, and we had planned quite a bit
9 of rental at that time.
10

11 In 2012, when Town Council called a time out
12 essentially and set Vision Statement and the Guiding
13 Principles—which have become our filter for everything—the
14 number of units that were contemplated on the North 40
15 decreased, and all of a sudden we ended up with lower
16 heights. That's when we brought SummerHill on board to help
17 us design the homes that we have now, which is lower
18 intensity than had originally been contemplated, which
19 would have had a better mix of tenure.
20

21 COMMISSIONER HANSEN: One of the residents did a
22 nice analysis yesterday. If you took even portions of the
23 property and built, say, an apartment building full of
24 studios, 500-1,000 square feet, you could overdo the
25 density there, and you could have less density somewhere

1 else on the property. I mean there are other ways to look
2 at it.

3 WENDI BAKER: You can do a thousand land plans;
4 you can have ten different people come in (inaudible) for
5 applications. Again, we're looking at running this through
6 setbacks, open space, what the market demand is, and what
7 type of aesthetics we're trying to draw. We have a certain-
8 as we've been referring to them-objective criteria, but
9 then we're also trying to continue with some of these other
10 more subjective criteria so that we can achieve a balance.

11 That sort of concept, you can't fault it, and I
12 can't necessarily say that they're incorrect, but
13 ultimately we have to sell these units. Building all 1,000
14 square foot units is neither a requirement, nor can we find
15 any example of you must stay within these exact lanes with
16 respect to bedroom count, units sizes and so forth, and so
17 we drew upon our experience with our conversations to
18 address what we felt was the target audience, while
19 satisfying the Specific Plan requirements.

20 PAULA KRUGMEIER: I would like to add to the
21 answer to that question about a hypothetical apartment
22 building. For one thing, the one apartment building that we
23 do have seems to be the most controversial element within
24 the plan.

1 Going back to the look and feel of Los Gatos, the
2 Lark District has much smaller scale development than the
3 Transition District. The Transition District has much
4 smaller scale development than places like Santana Row or
5 other developments that the North 40 has been compared to.

6 That said, if we were to build, for example, a
7 25-unit building instead of a 50-unit building with units
8 that were twice the size, about 1,000 square feet on
9 average, which would be typical for the South Bay, we would
10 have a building of the same scale as the affordable
11 housing, and we would have a parking garage that would be
12 much larger, because it would have to be parked at 1.5 per
13 dwelling unit rather than .5 per dwelling unit. So you
14 would start to get a big garage and a much more massive
15 building.

16 We had many alternates like that over the course
17 of the years where we fit parking in in ways which we don't
18 think, based on the look and feel that we're trying to do
19 in Los Gatos, would be accepted today. So as we have the
20 Lark District full of a lot of relatively small buildings
21 and blocks, this, to us, was a lot more along the lines of
22 the look and feel of Los Gatos.

23 COMMISSIONER HANSEN: Thank you for that, and I
24 understand what you're saying. You made a comment that the
25

1 Lark District is less intense than the Transition District,
2 but I'm not sure what measure you're using for that,
3 because there are lots of row homes. I mean, I see the same
4 housing types and clusters in both the Lark and the
5 Transition, and of course there's quite a few more units.
6 Could you help me understand how...

7 PAULA KRUGMEIER: I was referring to the scale.
8 Behind the Commissioners here there is a figure ground plan
9 with yellow shown on the buildings, and the scale of those
10 footprints is quite varied within the SummerHill home
11 project area, and certainly much smaller than any 25-unit
12 apartment building would be, given that that larger
13 building would have to accommodate 30 cars.
14

15 The other advantage of this plan is that every
16 building in those units self parks, and so we don't end up
17 with any large garages or anything like that.

18 If I can come back to the parking thing very
19 briefly, the only place where we have the super low parking
20 ratio, which is .5 per dwelling unit, is in the senior
21 housing that's combined with the Market Hall. The tandem
22 parking that was discussed yesterday is only used where two
23 residents would be in the same unit. I just wanted to
24 clarify that confusion as well.
25

CHAIR BADAME: Commissioner Hudes.

1 COMMISSIONER HUDES: I wanted to get back to the
2 question I was going to ask about traffic. I think there's
3 going to be quite a bit of discussion when we begin
4 deliberations on traffic, so I just wanted to get maybe one
5 more perspective on the 13%, 26% claim or position.

6 Also, I had a question about considering actual
7 traffic loads, but let's get that one first.

8 WENDI BAKER: I did want to add on one other
9 thing about the Lark District versus the Transition
10 District. We have two-story homes in the Lark District, and
11 then the Transition District actually is three-story homes,
12 so there is a difference and step up.

13 COMMISSIONER HANSSEN: Other than in the permit
14 overlay within the setback from Lark Avenue, if you move
15 away from those units, it's basically the same, looks like
16 the same.

17 WENDI BAKER: There are two-story units that also
18 front the community park. We did that intentionally, so
19 that it was lower scale into the park, and you don't have
20 that example in the Transition District.

21 COMMISSIONER HANSSEN: Okay, thanks.

22 COMMISSIONER HUDES: So my question was on
23 traffic.

24 WENDI BAKER: Yes, the 13% and 26%.

1 COMMISSIONER HUDES: Yes, please.

2 WENDI BAKER: Thank you. Yes, we have our traffic
3 engineer here. She also has provided information to the
4 Town that is specific. The 26% is specific, as I mentioned,
5 to the Lark and Los Gatos Boulevard intersection. So 13% of
6 an increase in traffic can cause a more substantial delay
7 than just the 13%, because you're putting more cars in an
8 already constrained environment, and Katie can speak about
9 this. This was specific to the Phase 1 build-out and the
10 traffic that the Phase 1 application will create. That 26%
11 reduction will happen, even with the Phase 1 inclusion.
12

13 KATIE COLE: Good evening, Madam Chair and
14 Commissioners. My name is Katie Cole; I'm with Fehr & Peers
15 Transportation Consultants. Our office is at 160 West Santa
16 Clara Street in downtown San Jose. I prepared the traffic
17 analysis for the EIR and then subsequent analysis for the
18 Phase 1 project.

19 I think this question is best answered by
20 stepping back and telling you a little bit about traffic
21 analysis, so that we can talk about where those two numbers
22 come from.

23 When we're doing a traffic analysis the Town and
24 other jurisdictions, like Caltrans and VTA, have standards
25 for what we look at. We typically evaluate either level of

1 service or quality of service for transportation
2 facilities. For intersections specifically we look at peak
3 hours, so we look at the AM commute time and the PM commute
4 time. That typically corresponds to 7:00 to 9:00 in the
5 morning, and 4:00 to 6:00 in the afternoon.

6 What we do is we take traffic counts at locations
7 that could be affected and we evaluate how they're
8 operating today, and we do that by using average delay. We
9 look at the intersection and we look at how much vehicle
10 traffic is there. We count bikes, we count pedestrians, we
11 got some computer models that help us evaluate average
12 delay at those intersections. It looks at every single
13 movement and approach and it figures out if you were to
14 approach that intersection, how long on average would you
15 be stuck there?
16

17 When we did the traffic analysis for the EIR we
18 looked at the full build-out of the project, and we did
19 counts at the very end of 2012 and 2013 at numerous
20 intersections around Los Gatos and Campbell and San Jose to
21 evaluate how they were operating at that timeframe.

22 We also then added in all of the traffic that
23 would be caused by projects that were either under
24 construction or already approved, for example, the Albright
25 project was included in that, and that's called the

1 "background traffic." It's existing traffic, plus traffic
2 from all these other things that are happening, and that
3 gives us the background traffic.

4 When we were asked to do some subsequent analysis
5 for the Phase 1 project we were asked what happens now that
6 we are adding in Phase 1 on top of the background traffic?
7 So 2013 traffic, plus we added about 16 developments that
8 were in process, under construction, or approved, plus
9 Phase 1. Then the other things we added were all of the
10 improvements that were part of the Phase 1 project, for
11 example, at Los Gatos Boulevard and Lark there are
12 additional lane configurations, so an additional northbound
13 left turn lane and additional eastbound left turn lane, so
14 from Lark onto Los Gatos Boulevard. There are also a
15 variety of pedestrian improvements, crosswalk changes, and
16 things like that. At the intersection of SR 17 northbound
17 on Lark there is an additional right turn lane to get onto
18 the freeway. So we added all of that into our traffic
19 analysis.
20

21 Where those percentages come from is when you
22 look at just background traffic analysis with no lane
23 configuration improvements at those intersections, you get
24 a certain average delay. Then when you add in the North 40
25 Phase 1 project, you end those traffic improvements. What

1 ends up happening is you actually decrease delay a little
2 bit, because you've added additional lanes, you've added
3 additional capacity. So that's where those numbers come
4 from.

5 We did it at two intersections. For Phase 1
6 anyway we looked specifically at more contained and
7 adjacent to the site, because we already looked at build-
8 out for 20+ intersections. We were really trying to
9 understand the localized impacts of Phase 1 and make sure
10 that it is conforming with the EIR, so that's where those
11 numbers came from.

12 If you compare background to background plus
13 Phase 1, plus the transportation improvements, you end up
14 with a 36% reduction in delay in the morning. So you go
15 from 51 seconds of average delay down to 32.7 seconds of
16 average delay, and that change is 36%.

17 COMMISSIONER HUDES: Thank you for doing that,
18 because I think we're probably going to get into some
19 detail on that later. I did want to hear it, because this
20 is what I saw here.

21 The second question I had was about what's
22 included in the TIA. I looked at Fact 9 in the Staff Report
23 that lists six future, I guess, significant pending
24 development projects. When I look at that list, five of
25

1 those six are complete now, and they're all occupied, and I
2 believe one of them is only 50% occupied. To what extent
3 did you rely on projections on those five versus taking
4 counts after those five were in place?

5 KATIE COLE: The last time we took counts was
6 January and February of 2013, so we have not taken
7 additional traffic counts since then.

8 COMMISSIONER HUDES: Do you believe that we
9 should take another look at those counts, given that those
10 are before those projects, or some of those projects, were
11 complete?
12

13 KATIE COLE: It's always fine to take additional
14 traffic counts, that's fine; I think you would get some
15 information from that. However, when we did the background
16 analysis for the EIR, we added in 16 approved and pending
17 developments at their full build-out on top of those
18 existing counts, so we have in essence accounted for what
19 those projects would be like at their full occupancy, and
20 so I feel confident that we have accounted for those other
21 things that are happening in the Town, and also in adjacent
22 towns.

23 COMMISSIONER HUDES: Which raises two other
24 things.
25

1 One is did you in any way analyze the impact of
2 the WAZE Apple/Google situation in beach traffic?

3 KATIE COLE: You mean like where it's routing
4 people?

5 COMMISSIONER HUDES: Yeah, and the impact that
6 it's having, the actual impact in town.

7 KATIE COLE: We didn't look specifically,
8 although I do understand that particularly on weekends and
9 during holiday time periods there is diversion from the
10 freeway onto Los Gatos Boulevard. We specifically analyzed
11 per state of the practice and what's required by standards,
12 the commute periods, which you don't tend to get as much of
13 that diversion happening.

14 COMMISSIONER HUDES: Okay, and the last one was
15 something you mentioned a little bit, and that's holiday
16 traffic. I'm sure that holiday traffic would be a much
17 bigger issue for Phase 2, but even Phase 1, do you
18 anticipate traffic entering and leaving at a much higher
19 rate around the holidays?

20 KATIE COLE: The project site or just Los Gatos
21 in general?

22 COMMISSIONER HUDES: No, the project site and the
23 adjacent Los Gatos Boulevard and Lark Avenue.
24
25

1 KATIE COLE: I think you'll continue to have what
2 you have now, which is around holiday time you get busy
3 traffic conditions on weekends; it's pretty common in
4 Silicon Valley. We don't typically analyze for that
5 condition, because then you're building roads for your
6 worst-case scenario. We can't maintain and we can't build
7 capacity to cover the worst-case scenarios that you have.
8 It's just not a good use of funding, and it makes your
9 roads really, really big, and there are tradeoffs to that,
10 because the minute you start to expand the roads, you've
11 now made it less desirable for bicycling, you've made
12 crossing distances much longer for pedestrians, so there's
13 a balance when you're adding capacity to roadways.

15 COMMISSIONER HUDES: So is anything in Phase 1 in
16 any way analogous to the traffic at, let's say, Valley Fair
17 at the holiday season?

18 KATIE COLE: No, and we did not analyze it that
19 way. It's a small, mostly neighborhood-serving, commercial
20 type of a use.

21 COMMISSIONER HUDES: Thank you.

22 CHAIR BADAME: Commissioner Erekson.

23 COMMISSIONER EREKSON: Since we have you, can you
24 help me think through an issue? There's an additional left-
25

1 turn lane heading east on Lark that would turn left going
2 north...

3 KATIE COLE: Onto Los Gatos Boulevard.

4 COMMISSIONER EREKSON: ...onto Los Gatos Boulevard,
5 which your analysis, and I respect the analysis and I
6 assume that it does, would reduce the wait time. Now, if I
7 understood you correctly, and my own review of the traffic
8 analysis earlier, there is no additional capacity added
9 going north on Los Gatos Boulevard between Lark and,
10 however you look at it, Good Samaritan and Burton,
11 depending on which side you want to call, so despite the
12 fact that there is a long-term build-out plan to expand Los
13 Gatos Boulevard and the plans of the Town, we don't own all
14 the right-of-way and that kind of stuff at this point in
15 time.
16

17 Can you help me understand what the impact will
18 be, or the effect will be, of adding that additional turn
19 lane onto Los Gatos Boulevard headed north when you're
20 providing the opportunity for a greater number of cars to
21 pass through, and not adding any capacity to accommodate
22 them in the stretch between Lark and Good Samaritan? So
23 help me understand how to think about that.
24

25 KATIE COLE: Just the physical design, so clearly
when you have a three, so you would have three left-turn

1 lanes going from Lark onto northbound Los Gatos Boulevard.
2 You have to have receiving lanes to accept those cars. For
3 every lane that turns left, you have to have a lane for
4 those cars to enter, so what the physical design looks like
5 now and can be easily accommodated within the existing
6 space that is available on Los Gatos Boulevard is as a
7 merge lane. One of those three lanes that are turning left
8 will merge back, and then you would continue to have the
9 two northbound lanes on Los Gatos Boulevard.
10

11 The reason that that works is because as you
12 process traffic through a signal, let's say that the left
13 turn gets 30 seconds of green time, so you process as many
14 cars as you can turning left in, say, 30 seconds. Then the
15 light turns red, stop says left turns, they have a chance
16 to merge in, spread out, and continue on their way through
17 the street.

18 CHAIR BADAME: Does that answer your question,
19 Commissioner Erekson? Did you have further comments?

20 KATIE COLE: Where you get bottlenecks from
21 merges is when you have a continual flow of traffic that
22 never gets paused. In a traffic signal situation, you're
23 cycling through all of the movements of the traffic signal,
24 and so you're getting little breaks. After you've processed
25 big platoons of traffic, you get a little break after every

1 time the light turns red. It allows cars to continue on and
2 merge. We've got a lot of examples of this situation. It
3 could be at ramps, it could be at intersections in the
4 middle of town, in the middle of cities.

5 COMMISSIONER EREKSON: I don't want to get off on
6 this too much, and I don't want to pretend to be a traffic
7 engineer, because I'm not. So the other complication that
8 would occur would be the northbound traffic? The light will
9 change and the flow of northbound traffic will go north,
10 but you're going to control that by the way you control the
11 light...
12

13 KATIE COLE: Right.

14 COMMISSIONER EREKSON: ...because you wouldn't
15 allow that to happen, you have let the turn... Okay, I got
16 it.

17 KATIE COLE: And I think another good point...

18 COMMISSIONER EREKSON: That's fine; I got it.

19 KATIE COLE: Okay.

20 COMMISSIONER EREKSON: And we have traffic
21 engineers for the Town that I can...

22 KATIE COLE: I also just want to mention that the
23 improvements that are being constructed at this
24 intersection are not to accommodate Phase 1 of the North 40
25 project. These are improvements that were part of the

1 Town's Capital Improvement Program and are being
2 constructed as part of an improvement plan to help traffic
3 flow in general in that area. We looked at what would be
4 necessary for just Phase 1 of the project, and you would
5 not necessarily conform to the standards that the Town has;
6 we would not need to construct those improvements.

7 CHAIR BADAME: All right, Vice Chair Kane.

8 VICE CHAIR KANE: Along those lines, I think, of
9 the extent to which the offsite improvements are being
10 provided, and this may not be a question for you, and I may
11 follow up with Staff later, but in the original—it's called
12 the original—March 30th Staff Report, there are 14 bullets
13 on projects that are going to happen to mitigate new
14 traffic, and as you just pointed out, existing traffic. I
15 was wondering how exactly that works. Ms. Baker, you had a
16 slide up yesterday that showed \$10.5 million being
17 earmarked for these projects, the offsite improvements,
18 that didn't include the onsite improvements.

19 WENDI BAKER: This is exclusively offsite.
20 Offsite there is about \$1 million worth of traffic
21 mitigations that would be required per the EIR. However,
22 the Town has identified certain areas. We are out there
23 digging up utilities, putting in new pipes. It's the right
24 time to go out and do the capital improvements that the
25

1 Town has as part of their long-term vision, as well as have
2 integrated as a community benefit for the Specific Plan.

3 VICE CHAIR KANE: I misunderstood. That \$10.25
4 million is not for these offsite improvements?

5 WENDI BAKER: That is for the offsite. The onsite
6 improvements are exclusive from this number. This number is
7 only with relation to Lark and Los Gatos Boulevard
8 improvements.

9 VICE CHAIR KANE: It's Item 2, and it's the Staff
10 Report from March 30th, and it's very ambitious. It's the
11 clearest one I've seen on how much work is going to be done
12 to help us out, and you're saying that's what the \$10.25
13 million is for?

14 WENDI BAKER: That is correct.

15 VICE CHAIR KANE: Okay. So how does that work? I
16 start building this, and you write checks to the Department
17 of Parks and Public Works, or they bill you?

18 WENDI BAKER: Typically it would be much more
19 efficient for a developer, because we're already out there
20 doing, again, the pipes and so forth, to also do the work
21 here. We would obviously also bond for this, so that if
22 something happened and the developer did not finish, then
23 the Town could finish it.
24
25

1 VICE CHAIR KANE: So these funds are dedicated,
2 specifically marked, for these 15 or so projects? What if
3 there was an overrun? What if the \$10.25 million wasn't
4 enough? What have we done to ourselves?

5 WENDI BAKER: Then we'll be paying for the
6 increase. This is on us, so we'll be paying for the
7 increase. Costs go up, right? Cost of concrete goes up,
8 cost of asphalt goes up, cost of everything goes up,
9 construction, costs, labor, and so if costs have gone up
10 and this now becomes \$11 million additional, then we've now
11 completed \$11 million worth.

12 VICE CHAIR KANE: So you have a commitment with
13 the Town. We're estimating \$10.25 million, all these
14 improvements being put in to a large part for this project,
15 but if it goes over, you'll cover the overage, not the
16 Town?
17

18 WENDI BAKER: That is correct.

19 VICE CHAIR KANE: Thank you.

20 CHAIR BADAME: Further questions? Commissioner
21 Hudes.

22 COMMISSIONER HUDES: I had one more area I wanted
23 to get into from my perspective, and that's open space, and
24 I had a few questions about open space.
25

1 Is it correct that the park is less than half an
2 acre, and the orchard is about less than half an acre? And
3 related to that, if the rest of the open space is spread
4 across the site, why not consider concentrating more open
5 space in larger areas, as compared to having it spread as
6 much across the site?

7 WENDI BAKER: Do you have the slide from our
8 slideshow that shows the breakdown? Maybe that will be more
9 helpful than this, I think.

10 The community park includes the 39 garden plots,
11 and there are orchards throughout the entire Specific Plan,
12 so this application is not only a half an acre of orchard
13 plantings, but that community park is about the size of
14 Town Plaza, which is about 22,000 square feet, so that is
15 about half an acre.

16 When we are looking at this area right here, what
17 we're very cautious of, we weren't including some of these
18 paseos that run into there and so forth. There are other
19 areas that are open space. The idea was to have
20 interconnection, to have great paseos, and great pedestrian
21 connections, to have the setbacks on Lark and Los Gatos
22 Boulevard, and within the Specific Plan. It's not
23 contemplating one large turf, one soccer field; the intent
24 in the Specific Plan is to spread out the open space.
25

1 COMMISSIONER HUDES: The two largest areas are
2 the park, and the orchard that fronts Lark Avenue?

3 WENDI BAKER: Well, no. I think we have here the
4 perimeter lot coverage is about 40,000 square feet. That
5 includes this area right here, and this area right here.
6 That's about 11.2% of the total open space. Not 11.2% of
7 the 30%, that's 11.2% of 100% of the 30%, if that makes any
8 sense. It get's a little bit complicated.

9
10 So these areas, while significant, are not the
11 only areas within the Specific Plan. This area here is
12 about a 12,000 to 13,000 square foot open space; it's about
13 the size of a large single-family lot without the home on
14 it, so that is a nice park area. We have other areas.

15 I'll give an example. When you drive past the
16 recently completed Lester Lane—I don't want to draw on any
17 previous developments as bad examples—but they have a small
18 park in there that's about 5,000 square feet, which is
19 similar to some of these parks that you might be looking
20 at, and it actually has a sign on it that it's for private
21 use only and that it's only for residents and you had..

22 AUDIENCE MEMBER: (Inaudible).

23 CHAIR BADAME: I'm sorry, members of the
24 audience, I have to ask you to refrain from speaking.
25

1 WENDI BAKER: So if you drive back in that new
2 subdivision that was at the Swanson Ford site, there is a
3 park in there with that sign.

4 All of these spaces are open to the public, as we
5 mentioned last night, 85% of them open to the public. The
6 orchards I believe are 2.2 acres.

7 COMMISSIONER HUDES: Just maybe if you could get
8 to the other question, why focus on spreading out the open
9 space versus having it more concentrated and creating
10 larger areas of open space?
11

12 WENDI BAKER: I'm going to try to pull up the
13 information within the Specific Plan, and if you don't
14 mind, it's just going to take me a moment, because the
15 Specific Plan has certain sections that identify having
16 smaller, more neighborhood, if you want to call them
17 "pocket parks," and then also having interconnectivity with
18 pedestrian ways.

19 CHAIR BADAME: While you research that, I believe
20 Vice Chair Kane has a question, if it's a quick one. No?
21 All right.

22 COMMISSIONER HUDES: I did have one more follow
23 up on open space when I get this answered, if you don't
24 mind.
25

 CHAIR BADAME: Certainly.

1 COMMISSIONER HUDES: And that has to do with some
2 of the things that were raised by Ms. Doerner yesterday
3 about the open space and what percentage is open green
4 versus hardscape? I know it's all shown as green on here,
5 but what percentage is hardscape versus actual green?

6 WENDI BAKER: We have that calculation for this
7 area in its entirety, and that's what you see when we have
8 to break... I think it's in your Staff Report; 22+% of green
9 space versus the, I believe it was, 39% of overall, which
10 includes plazas, and it includes the multi-use trails,
11 which you cannot include as part of our green open space,
12 which we have both within the project as well as on the
13 perimeter of the project.

14 COMMISSIONER HUDES: And that does not include
15 hardscape?

16 WENDI BAKER: Again, the 39% does, but the 22+%
17 does not. She was specifically referring to a very small
18 portion of our plan where we do have some enclosed first
19 level spaces for private use, and we are referring to that
20 in our plan as private open space, and that is not within
21 the 85% of publicly assessable open space that we
22 (inaudible) yesterday.

23 The assumption is in those spaces that we would
24 have about 50% hardscape and 50% softscape, but even if
25

1 those private open spaces were 100% hardscape, we would
2 still have far above 20% of the green space that's required
3 for the Specific Plan.

4 COMMISSIONER HUDES: Perhaps I should reframe my
5 question. I was talking about the public open space. What
6 percentage of that is hardscape versus green?

7 WENDI BAKER: I don't know if we have that exact
8 calculation, but we have 22+% that's green, and then 39%,
9 so you end up with... The idea was that you would get about
10 10% of sidewalks, multi-use paths, plazas and so forth,
11 minimum, and we end up with about 19% as those things. Some
12 of that is adapting 10' wide multi-use paths to have great
13 pedestrian and bicycle connections, and you do not count
14 that towards your green space.

15 CHAIR BADAME: Vice Chair Kane, and then
16 Commissioner Hanssen.

17 WENDI BAKER: Okay, to get back to your original,
18 in Policy 03, Neighborhood Open Space Network, it says,
19 "Provide an open space network of neighborhood parks,
20 passive open space, plazas, pedestrian paseos, landscape
21 buffers, and/or common open space per Specific Plan open
22 space standards." Then it goes on to discuss what might be
23 appropriate uses. No requirements, but what might be
24 appropriate uses.
25

1 COMMISSIONER HUDES: What number are you
2 referring to?

3 WENDI BAKER: That is Policy 03; it's on 2-11 of
4 the Specific Plan.

5 COMMISSIONER HUDES: I got it.

6 WENDI BAKER: The goal about that says, "To
7 integrate an interconnected system of open spaces, parks,
8 and plazas with the Specific Plan area," and right before
9 that it says, "The Specific Plan area shall encourage
10 outdoor activity by integrating a variety of open spaces
11 such as pocket parks, parks and plazas, common gathering
12 areas, courtyards, pedestrian paseos, clubhouse and
13 barbeque areas, walkable streets lined with large shade
14 trees and active streetscape, landscape buffers, and ample
15 seating areas."
16

17 COMMISSIONER HUDES: Thank you.

18 COMMISSIONER HUDES: You're welcome.

19 CHAIR BADAME: Vice Chair Kane, followed by
20 Commissioner Hanssen.

21 VICE CHAIR KANE: Last night at about 11:15 I
22 thought Commissioner Erekson asked an outstanding question,
23 and I think I remember you giving some outstanding answers,
24 but it was late. So what I actually did is I went back to
25 the tape during the day and found the segment, and came up

1 with some additional issues. This concerns buildings for
2 Complex 24 and 25. I'm looking at page 1.0.

3 CHAIR BADAME: Of the application.

4 VICE CHAIR KANE: I had earlier talked about
5 Building 24 sort of sticking out and being right on top of
6 the garage and gas and concerns about distance from
7 gasoline, and Commissioner Erekson was talking about not
8 just Building 24, but Garden Cluster 25 as well. He didn't
9 say this, but I'm saying it: They just kind of, sort of
10 stick out like sore thumbs, like they got squeezed in
11 there, and I may need to talk to Ms. Krugmeier about that.

12 Commissioner Erekson asked questions along the
13 line of is this excellence in planning and good long-term
14 planning? He made the point, and I remember the mantra:
15 "Commercial, commercial, housing, commercial," and they
16 just stick out in the middle of that whole commercial row.

17 Larry Cannon had some concerns with...my
18 interpretation is the isolation of the two buildings, and
19 in his last letter asked that you do something about that,
20 and I think—and Ms. Krugmeier may know—the other architect
21 responded that they put in more lanes and more access and
22 more something, and I'm just saying I appreciate that, but
23 it tends of underscore their isolation that they would put
24 in more roads and lanes, and so the question I suppose is...
25

1 I heard your answers to Commissioner Erektion last
2 night. You've got these guys opening on Los Gatos
3 Boulevard, and you've got them in the middle of commercial,
4 and they just seem alienated. The question is have you
5 thought about trying to put them somewhere else? Move the
6 other thing to the east, and maybe have some open space
7 there?

8 Garden Cluster 24 is a building, and then it
9 calls itself a five-plex. So that means what, there are two
10 dwelling units in Building 24 itself, and then three
11 separate little tiny condos?

12 WENDI BAKER: The way that those buildings
13 function is they are three units in the front, and there is
14 sort of like a carriage unit above the garages, so you end
15 up with, I believe, five units in that area.

16 What our constraints were, which was what I was
17 speaking about yesterday, is that this is Los Gatos
18 Boulevard. You can confirm with Staff whether I made an
19 accurate assumption, but we were told pretty early on that
20 ingress and egress out of this area, given the right turn
21 lane, how people are starting to merge onto that right turn
22 lane, there's a conflict of movements, so you ended up with
23 a... You have a 30' orchard setback, you have a 20' two-story
24
25

1 setback. Actually, our two-story goes to right about here,
2 so we don't go to 35' until beyond there.

3 You're right, this is a constrained area, and
4 perhaps you could put open space in this area and instead
5 put more units to get to your 20 units per acre. In the
6 community park, for example, you starting shifting
7 buildings around, and we didn't feel that ultimately
8 placing open space on the Boulevard was necessarily going
9 to be the most useful open space, nor is there a
10 requirement for us to not have these buildings on there; in
11 fact, they're a permitted use.
12

13 So while I understand where your thought process
14 is with respect to continuity along the boulevard, long
15 range planning and so forth, these are permitted within the
16 Specific Plan.

17 VICE CHAIR KANE: I'm sure they're permitted. It
18 doesn't make them a good idea. I'm talking about those six
19 tiny, little units that open out onto Los Gatos Boulevard.
20 They're children waving in the wind, and those six could be
21 relocated, whereas the Garden Cluster Buildings 24 and 25
22 have a huge setback right where they are, and it looks like
23 it was necessary to squeeze those guys in, and that just
24 doesn't strike me as good design, especially when they're
25

1 surrounded by gasoline stations and large commercial
2 buildings.

3 WENDI BAKER: We obviously are constrained in
4 this area by the existing build-out in this area as well as
5 access. Ultimately, the buyer of these units will know that
6 these units are fronting onto Los Gatos Boulevard. We're
7 not going to somehow shield Los Gatos Boulevard.

8 VICE CHAIR KANE: I think they'll figure that
9 out. Even if they're young Millennials, they'll figure that
10 out. My opinion is—I've got to put this in the form of a
11 question—you may want to relocate those, because it doesn't
12 seem to be the best design characteristic of other good
13 designs in the project, and I don't think it goes to the
14 look and feel. It goes to the look and squeeze in.

15 WENDI BAKER: I do appreciate your comment, and
16 it's something that we can continue.

17 CHAIR BADAME: All right, I'm going to take that
18 as a did you know, and I'm going to move on to Commissioner
19 Hanssen.

20 CHAIR BADAME: I had a question about the parks
21 relating to Ms. Doerner's presentation yesterday. Is it
22 true that none of the parks have any playground equip?
23

24 WENDI BAKER: There is not playground equip. If
25 you have feedback that you would like to have playground

1 equip, we would enjoy hearing that. But there is, again, no
2 requirement for playground equipment, and given who our
3 target buyer is that's not necessarily what this audience
4 is interested in. But that is something that we would be
5 happy to discuss.

6 CHAIR BADAME: I don't know that we did or we
7 didn't; I just wanted to understand, and given that I think
8 most people are assuming that with three-bedroom and four-
9 bedroom places that people with children will move in
10 there. At least when I raised my kids, we used to take them
11 to the park with the playground equipment.

12 WENDI BAKER: We do oftentimes when we're
13 building communities integrate a tot lot. There are spaces
14 for a tot lot within this community. We've put in other
15 facilities like Bocce ball courts, fire pits, a dog park.
16 We've put in other types of amenities, again, to fill the
17 unmet needs of Los Gatos. So there is an opportunity. There
18 is a lovely park right nearby at Highland Oaks, and there
19 is a tot lot that's there, and again, because you can find
20 this in other areas of town, and because we are running
21 everything through these unmet needs filter and the
22 "shalls" within the Specific Plan, we did not provide a tot
23 lot, but that's something we're open to talking about.

24 COMMISSIONER HANSSEN: That's fine, thank you.

1 CHAIR BADAME: I'm going to take a moment to just
2 remind the audience to please refrain from any comments, or
3 any booing or hissing, and please respect the differences
4 in opinion that we all have. Thank you for your
5 cooperation.

6 Was your question answered? All right. Do we have
7 further questions for the Applicant? Commissioner Hudes.

8 COMMISSIONER HUDES: A couple of minor ones about
9 the plans. Maybe this was covered, but I might have missed
10 it. Who manages the community gardens and orchards? Is the
11 orchard parking considered open space? And are there walnut
12 trees that are being utilized in the plans?

13 WENDI BAKER: I can start with we do have our
14 agrarian consultant here, Zach Lewis. He's helped us design
15 the varieties of the orchard trees. We've put a tremendous
16 amount of time and thought into how we maintain this.
17 Ultimately, this is owned and maintained and managed by the
18 HOA. There will be an operating plan in place, which Zach
19 can talk about.

20 There are some walnut trees integrated. They're
21 in this region, I believe. There are also some vineyards
22 along here, so there are both in that area. We are open to
23 talking about different varieties, or more walnuts, as we
24 spoke of in the last Planning Commission meeting, but I
25

1 think Zach might want to talk about how we arrived at the
2 544 different orchard trees and species.

3 ZACH LEWIS: Good evening. Could you just
4 rephrase the question again?

5 COMMISSIONER HUDES: Three questions: Who manages
6 the community gardens and orchards? Is the orchard parking
7 considered open space? And when and how are the walnut
8 trees being utilized?

9 ZACH LEWIS: In terms of how the orchard and the
10 gardens will be managed, that's going to be a part of the
11 design process based on the perspective buyers and the
12 people that will inhabit the community. I'm putting forward
13 a package of recommendations and ideas on how to maintain
14 community gardens and the orchard. There are a variety of
15 examples.
16

17 Through the HOA and being able to pay for
18 somebody that's going to manage that, you can have that
19 person manage the orchard entirely, and I'm giving an
20 entire packet on how to manage it.

21 Or if there is interest from the people that are
22 actually living there, they would have the opportunity to
23 maintain a role in that as well. That's one way to go about
24 it.
25

1 With the community gardens, again, an individual
2 that runs the landscape could manage it, but the better way
3 to do it would be to integrate it and have people that are
4 actually living there manage the plots themselves and take
5 home and share in the produce. What was the second
6 question?

7 COMMISSIONER HUDES: Is the orchard parking
8 considered open space.

9 PAULA KRUGMEIER: Regarding the open space
10 calculations, we used what were the dimensions and
11 specifications within the Specific Plan on every
12 calculation for open space, so the answer is that if there
13 are elements within the parking that I believe are 6' or
14 greater wide, then they can be counted in open space. If
15 they are narrower than that, then they cannot be counted as
16 open space or green space.

17 COMMISSIONER HUDES: If I could direct your
18 attention to 2.2. There's a picture on the bottom that says
19 "Orchard Parking," and then right next to it is an area
20 that looks like that might be what we're talking about. Is
21 that the orchard parking, and is that entire area
22 considered open space?

23 PAULA KRUGMEIER: No, it's not. Just the part
24 that's actually planted; a little strip where you plant the
25

1 tree is permitted to be counted as open space. The parking
2 lot is not open space. The paved area is not open space.

3 COMMISSIONER HUDES: Thank you.

4 PAULA KRUGMEIER: I would also like to add that
5 there has been a tremendous amount of thought put into the
6 open spaces here, not just in two dimensions, but the
7 experience in three dimensions. How one travels through
8 these spaces, where they get narrower, where they get
9 wider, where they open up, where you have this kind of
10 landscape environment or you have a different kind of
11 landscape environment; so as you travel through the North
12 40 you have a variety of experiences, as you have a variety
13 of experiences in the Town of Los Gatos.

14 The open space also accommodates a multi-model
15 path, and as we get into the Transition District the open
16 space embraces a pedestrian environment that's a little bit
17 different than the Lark District.

18 There's just been a tremendous amount of thought
19 going into the exact dimensions of these spaces. How the
20 tree canopies are, how the walkways are, how they relate to
21 stoops, how the fact that all the garage doors are facing
22 the back and not facing the streets. So anyway, there's a
23 lot of layering that has gone on here, and that has gone
24 into the open space plan. Thank you.
25

1 COMMISSIONER HUDES: Thank you.

2 CHAIR BADAME: Any further questions for the
3 Applicant? Seeing none, the public testimony portion of the
4 public hearing is now closed, so you may have a seat, Ms.
5 Baker. Thank you very much. Yes, we will take a break. We
6 will come back in ten minutes.

7 (INTERMISSION)

8 CHAIR BADAME: If you could all please take a
9 seat, the ten minutes are up. Please take a seat. Thank
10 you, everybody.

11 We have a multi-faceted application, which
12 requires a thorough analysis, so before we evaluate the
13 items on page 5 of the Staff Report, do Commissioners have
14 any questions or comments? Commissioner Hanssen.

15 COMMISSIONER HANSEN: I had a question, because
16 this is the first time since I've been on the Commission
17 that we've looked at a Vesting Tentative Map. It seemed to
18 me that the answer would be yes, but if you're looking at
19 the Architecture and Site in the Vested Tentative Map,
20 could there be a scenario where you would say yes to one
21 and no to the other, because they're kind of tied in to
22 each other? Does my question make sense?
23

24 JOEL PAULSON: It does make sense, and generally
25 they are locked together when you have the map in the

1 Architecture and Site, because the map actually lays out
2 the footprints, so they are tied together and there are
3 separate findings for both the Map Application and the
4 Architecture and Site Application.

5 COMMISSIONER HANSSEN: Right, and that's why I
6 asked the question, because the findings were different,
7 but it seemed to me they kind of went hand-in-hand.

8 CHAIR BADAME: Commissioner Erekson.

9
10 COMMISSIONER EREKSON: I have a couple of
11 questions for Staff. My guess is the first couple of
12 questions will be for Mr. Morley and his Staff and relate
13 to traffic and offsite improvements, and then my subsequent
14 question will be either for him or potentially for Mr.
15 Paulson or Mr. Schultz.

16 CHAIR BADAME: Commissioner Hudes.

17 COMMISSIONER HUDES: I just wondered if the Chair
18 wanted to structure this section of the discussion at all,
19 because we have the possibility of being in a lot of
20 different areas?

21 CHAIR BADAME: We do, and my hope was to walk
22 through the items on page 5 with Housing, and Open Space,
23 and View Corridors, moving to Traffic and Additional
24 Environmental Review, which Traffic would be second. Would
25 you mind holding off on that, Commissioner Erekson?

1 COMMISSIONER EREKSON: I serve at the pleasure of
2 the Council, and at meetings at the pleasure of the Chair.

3 CHAIR BADAME: I'm so glad. Thank you for your
4 understanding.

5 VICE CHAIR KANE: Before we begin that journey, I
6 have a question of Staff. The eventual motion on this
7 project is reasonably huge compared to other motions we
8 have had. Is the net result of that binary? In other words,
9 if we found compliance with 15 of the 16 requirements and
10 someone makes an issue on number 16, would that cause a
11 motion to fail? It's not a motion though; it's a
12 recommendation, isn't it? We're not voting to approve or
13 deny, we're making a recommendation to Town Council, so if
14 one of us had an issue with certain planks in the 15
15 conditions and findings, what would that do to the motion
16 to recommend or not recommend?
17

18 JOEL PAULSON: That would be reflected in however
19 the Commissioner votes on the item in total. There could be
20 additional comments added to the record as far as I agree
21 with X, Y and Z, but not A.

22 VICE CHAIR KANE: So we don't have to agree to
23 everything? Thank you.

24 CHAIR BADAME: Commissioner Hudes.
25

1 COMMISSIONER HUDES: This is a question I guess
2 maybe for the attorney. I read the letter from the
3 Applicant, the July 7th letter, and there was a lot of
4 discussion about objective and subjective standards. When I
5 go and I read the Specific Plan, which contains the
6 standards that are going to be applied, I don't see
7 anywhere that says this is a subjective standard; the
8 following is an objective standard.
9

10 I take all the words seriously and I want to see
11 whether this is acceptable, so when I look at the words I
12 say it's how do you apply the standards that are in there,
13 and some of those words can be supported or denied by
14 facts, and that is where I see something being objective.

15 ROBERT SCHULTZ: And I agree with that statement.

16 COMMISSIONER HUDES: Where I can't see something
17 supported by facts, then it falls in the subjective
18 category. Is that a fair way for me to operate?

19 ROBERT SCHULTZ: That's a fair way to operate,
20 yes.

21 COMMISSIONER HUDES: Thank you.

22 CHAIR BADAME: Okay, let's get started. We will
23 start our discussion on page 5, under Analysis, with the
24 Housing topic, which was quite a hot ticket based on public
25

1 testimony and written communication. So would anybody like
2 to start the conversation as it relates to housing?

3 I have a question then, and this will be for
4 Staff. There was testimony we received last night about the
5 RHNA requirements. If this gets built, how many units
6 actually meet the requirements? Is it 50, is it 270/320?
7 What is it?

8 JOEL PAULSON: I'll begin, and if the attorney
9 wants to jump in.

10 For the planning exercise of creating the housing
11 element, the Town is required to show how it can
12 accommodate the Town's regional housing needs. Through that
13 exercise different sized jurisdictions have default
14 densities for what housing and community development allows
15 that jurisdiction for the Housing Element portion of the
16 planning exercise to count as affordable. The Town's is 20
17 units per acre, and so that's where we got these 20 units
18 per acre, the by right developments for the 13.5 acres for
19 the North 40.

20 We are simply with the Housing Element planning
21 and showing that we can accommodate that housing in the
22 Town. The Town ultimately isn't building all of that
23 housing, so the market will come forward with applications,
24 which may or may not be on some of our housing sites for
25

1 the housing sites inventory, and then when those are built
2 they will be credited into the category for the
3 affordability level. That's Staff's understanding.

4 In this case we will have 50 of the units will be
5 in one of the affordable level categories, and the
6 remainder of the units will be in the Above Moderate
7 category, which is a category of the Regional Housing Needs
8 Assessment. We will get credit for those units, but all of
9 those units above the 50 will not be credited as affordable
10 housing units, because they won't be restricted. That is
11 Staff's understanding, unless the Town Attorney has any
12 additional.

14 ROBERT SCHULTZ: What you have to remember is the
15 Housing Element is just a planning document. It's just to
16 show the State, because the State has mandated us and every
17 other jurisdiction to come up with a plan to show what your
18 RHNA numbers are, and that you have the ability somewhere
19 out there to make these types of units available. Certainly
20 the Applicant could have come in with all of those
21 different categories, but we can't require him, even though
22 our Housing Element says that that's just a planning
23 document.

24 The application in front of you has the 50 Very
25 Low, which we'll get credit for, and then we'll get credit

1 for the above market rate, but they're still part of our
2 total RHNA numbers of the 619. Then when we come back at
3 this in 2022, it will be reevaluated and we'll have to show
4 where the numbers can be met, if not on this site still,
5 elsewhere.

6 CHAIR BADAME: Thank you. Commissioner O'Donnell.

7 COMMISSIONER O'DONNELL: I just wanted to also
8 check my understanding, and my understanding is that under
9 the Specific Plan and under various requirements on us,
10 including what started with the State, we are required to
11 take 13.5 acres of the North 40, which is more than the
12 first phase, and see that that has the 20+ units; not less
13 than that, but that many.

14 We have talked about the possibility of being
15 able to move those, but we've also talked about the fact
16 that we've heard from the Applicant the difficulty of
17 moving them, for example, on the northerly part it has to
18 be above retail and that makes it very difficult to achieve
19 20 units to the acre.

20 So I guess the question simply is, somewhere on
21 the North 40 there must be 13.5 acres with 20 units per
22 acre, so we don't have any discretion on that. We may have
23 discretion, *may have discretion*, on moving it, but we don't
24 have discretion on reducing it.

1 JOEL PAULSON: Correct. Let's say down the road
2 the entire North 40 area is built out and we are still in
3 our current planning period and we haven't hit the 13.5-
4 acre threshold, then we would have to accommodate another
5 site that would provide 20 units per acre, and rezone it
6 for the buy right development. So really, there are some
7 factors that weigh in there as far as where are we at in
8 the Housing Element cycle and how long does that timeframe
9 take.

10
11 COMMISSIONER O'DONNELL: You said the next cycle
12 starts when?

13 JOEL PAULSON: 2023.

14 COMMISSIONER O'DONNELL: And we have no knowledge
15 of when the north portion, if at all, will develop?

16 JOEL PAULSON: We don't, and we're currently just
17 evaluating the Phase 1 applications.

18 CHAIR BADAME: Commissioner Hudes.

19 COMMISSIONER HUDES: Just as a follow up to that,
20 this is something that although I've been involved in this
21 for a while, I'm not quite clear on. The 13.5 acres, do
22 they have to be contiguous?

23 JOEL PAULSON: There is nothing in there that
24 says that they have to be contiguous.
25

1 COMMISSIONER HUDES: So how do you get to density
2 if you have, let's say, 13.5 individual acres peppered
3 across that? How is density measured in that case?

4 JOEL PAULSON: The density is measured on the
5 dwelling units, so using your example, you could have 13
6 one-acre sites at 20 units per acre, and then another half
7 acre at 20 units per acre, so that would be 20 for each of
8 those acres and then ten for the half-acre that's left
9 over. Typically that's not how things would come forward,
10 and that's not how development generally occurs, but I
11 don't know that there's any restriction as to that being a
12 possibility. Obviously there's a (inaudible).

14 COMMISSIONER HUDES: How is the site defined? I
15 said acres, but is it a parcel? What is a site? How does
16 that relate?

17 JOEL PAULSON: The example that they put up
18 earlier, and it's on the back wall, is how they are
19 calculating, and that is Exhibit... So we'll find the
20 exhibit, but how they're calculating it is those blocks of
21 gray contain a certain number of acres, and then they are
22 looking at the number of units that are within those
23 blocks, and that gives you the dwelling units per acre.

24 CHAIR BADAME: Commissioner Hanssen, followed by
25 Commissioner O'Donnell.

1 COMMISSIONER HANSSEN: I had a question about the
2 density bonus, because it came up in the letter from the
3 Applicant's attorney, and it was in our packet as well. I
4 worked on the Housing Element part, so I had some
5 understanding of it, but this is fairly complex.

6 My understanding of the density bonus is that
7 what kicks in the density bonus is if you have the required
8 percentage of affordable units as a percentage of the total
9 units that are being requested, is that correct?
10

11 JOEL PAULSON: That is correct. There are varying
12 scales.

13 COMMISSIONER HANSSEN: Right. So just
14 hypothetically, if it was 100 units and 20% of them or 40%
15 of them are affordable, you could get the density bonus,
16 whatever the table says?

17 JOEL PAULSON: Correct. Some percentage of
18 density bonus, that is correct.

19 COMMISSIONER HANSSEN: And as it stands right
20 now, not all of the potential units are being built out?
21 They could be built out anyway, so the density bonus that
22 they would get if this particular project were approved
23 wouldn't be 100% of the bonus that they could get if they
24 built out the other 44 units?
25

1 JOEL PAULSON: Correct, and actually doing 237 in
2 the first phase is their base, so to get to the 270 there
3 are 33 units left that could be accommodated in a future
4 phase, and so that, coupled with the 33% bonus if they met
5 the particular criteria, I think it's 2/44 or 2/45; there's
6 a rounding question that's there.

7 COMMISSIONER HANSSEN: It's our understanding
8 that the statement that was made in the Applicant's
9 attorney's letter is not correct, that they can get the 35%
10 bonus on the amount of units they build, as long as they
11 meet the required affordable percentage?
12

13 JOEL PAULSON: That's correct.

14 CHAIR BADAME: Commissioner O'Donnell.

15 COMMISSIONER O'DONNELL: Before I get to my
16 question I want to make sure I understood that last answer.
17 You say that is inconsistent with what their lawyer said?

18 COMMISSIONER HANSSEN: If I read the letter
19 correctly, and perhaps I read it incorrectly, it said that
20 if you don't approve the current proposal we can't get the
21 density bonus.

22 COMMISSIONER O'DONNELL: You won't get the
23 density bonus unless you build something, right?

24 COMMISSIONER HANSSEN: I think it said the full
25 270 units.

1 COMMISSIONER O'DONNELL: You mean the 35% is
2 applied to the 270 units? I guess I'm not following the
3 question.

4 JOEL PAULSON: How I understood the question was
5 that if they get the density bonus that they have to be
6 approved at the current density that they're proposing. Is
7 that the statement that you were looking at in the letter?
8 Or do you have it in front of you?

9 COMMISSIONER HANSSEN: I probably should pull up
10 the exact wording.

11 COMMISSIONER O'DONNELL: While she's doing that...
12 I would like to go back to it when she gets there, because
13 it's an important point.

14 Somewhat on the same line, the Applicant has said
15 look, we're required to get 13.5 acres at the higher
16 density, and they said we're doing it. Now, there's been
17 discussion, and I'm going to pin this down, that there is a
18 piece of the Transitional area that is not before us
19 tonight, but there is a piece and nobody has told us the
20 acreage. Well, I guess it's three or four acres, I don't
21 know. And then in addition to that Transition acreage,
22 which is not before us but apparently under the control of
23 Grosvenor, there's the north 20 acres, or whatever it is.
24
25

1 I'm wondering, if an applicant comes in and says
2 you're required to have 13.5 acres at higher density, and
3 they submit that, can they be denied on some basis like we
4 don't want it within that geographical area? Yes, we want
5 it in the 40 acres, but we don't necessarily want, for
6 example, all of it in the first phase, because that is what
7 the attorney said we could not do. What is our opinion on
8 that?

9
10 ROBERT SCHULTZ: If I understand the question
11 correctly, once the 13.5 acres have been developed out at
12 residential completely and you have the number of housing
13 at 345, then the Specific Plan is built out and it would
14 not allow any more residential units on the North 40 unless
15 an amendment was done.

16 COMMISSIONER O'DONNELL: But that's not my
17 question.

18 ROBERT SCHULTZ: Okay.

19 COMMISSIONER O'DONNELL: My question is an
20 Applicant comes in and says here's your Specific Plan. One
21 of the things that is in your Specific Plan is I've got to
22 develop 13.5 acres. Now, we could say to him you don't have
23 to develop it, the 40 acres has to develop it.

24
25 So, as I read the attorney for the Applicant, the
attorney for the Applicant said look, we've submitted

1 everything "in their view" pursuant to your Specific Plan,
2 including the 13.5 acres, and, the letter goes on to say,
3 you don't have the discretion to tell us to move some of
4 that high density acreage. So for example, say well, we'll
5 take ten acres here and we'll take 3.5 someplace else. She
6 has said no, you can't do that.

7
8 So really what I'm asking is do we have a
9 position on that? Are we going to accept that as correct,
10 or do we think no, you could require it to move?

11 ROBERT SCHULTZ: I'm going to allow the Planning
12 Commission to move those units for the discussion for this
13 evening. We're still working through it and that comes down
14 to whether it's an objective or subjective, but for you,
15 since it's a recommendation, my opinion at this point in
16 time is you do have that ability to move units. That could
17 change when it gets to Council, but I'd rather give you the
18 ability to make those changes. But again, you have to at
19 least tie that somewhere between the objective standards
20 within the objective standards within the (inaudible).

21 COMMISSIONER O'DONNELL: So I understand you to
22 say at the moment that's true, but by the time it gets to
23 Council you have had sufficient time to have done more and
24 more legal analysis, and that's fine, because it's not
25 binding on that.

1 (To Commissioner Hanssen) Did you find the
2 question you wanted?

3 COMMISSIONER HANSSEN: I did. I think the
4 difference in what I asked and what is actually said in
5 here, it says, "Density Bonus Law requires the Town to
6 grant the density bonus and approve the 320 units the
7 project is entitled to. Density Bonus Law contains no
8 grounds in which a density bonus may be denied."
9

10 My question was around the number of units, not
11 whether they would get the density bonus or not. What I'm
12 saying is if instead of 320 units, let's say, I'm just
13 throwing out some number, it was 200, and 120 were deferred
14 to Phase 2. As long as they met the requirement for the
15 affordable housing, they would get the density bonus
16 against the 200 units?

17 JOEL PAULSON: Correct.

18 COMMISSIONER HANSSEN: And we wouldn't question
19 that anyway, because we have a policy, an ordinance in Town
20 that says that yes, you get that?

21 JOEL PAULSON: Yes.

22 COMMISSIONER HANSSEN: Okay.

23 CHAIR BADAME: Commissioner Hudes.

24 COMMISSIONER HUDES: In the below market program,
25 I had a few questions about that, and I had some questions

1 last night referring to the Staff Report of March 30th, page
2 8, and the attorney's letter of October 21st.

3 JOEL PAULSON: Can you please let us know what
4 the Exhibit letter is?

5 COMMISSIONER HUDES: Exhibit 8, Attachment A,
6 isn't it, October 21st? Yes, thank you. Let's start with the
7 Staff Report, page 8, March 30th. Item B, "Is the
8 application in conformance with the Town's BMP program?"
9 What are the consequences if it were not in compliance with
10 the BMP program?

11 ROBERT SCHULTZ: To drive it down a little bit
12 further, I think the question you're asking is regarding
13 whether because our BMP says it has to be integrated within
14 and spread out throughout the project as opposed to being
15 on one site, does that make it a violation of our BMP?

16 COMMISSIONER HUDES: Correct, and those are the
17 things that are in the attorney's letter.

18 ROBERT SCHULTZ: What it does say in our BMP is
19 "where feasible," and so when State law requires senior
20 housing to be located all together, to me, my opinion was
21 you can reach the opinion that yes, it's not feasible to
22 spread it out in this scenario, because State and Federal
23 law does not allow you to do that. That's the opinion I
24 rendered to the CDC when it was in front of them.
25

1 Because throughout all the talks with the
2 Specific Plan the senior housing was such a viable
3 component to the project, it's very easy to make the
4 argument that it is in compliance with the BMP, because of
5 the fact that the Federal and State law do not allow you to
6 spread this out.

7 COMMISSIONER HUDES: So despite the fact the
8 housing is concentrated in one area, and that it is
9 something that you can recognize as being separate, and
10 also has smaller square footage, those, I'm calling them
11 exceptions, are allowed, because that's the only way that
12 this would be feasible?
13

14 ROBERT SCHULTZ: If you want senior housing.

15 COMMISSIONER HUDES: That's the finding we have
16 to make.

17 ROBERT SCHULTZ: Certainly the other part would
18 be to do away with senior housing and disperse the BMPs
19 throughout the entire project. They would not be senior
20 housing, because you're not allowed to do that, so you
21 would lose senior housing in order to do the BMP. Finding
22 whether it's in compliance or not is a whole different
23 product.
24
25

1 COMMISSIONER HUDES: And that's the combination
2 of senior and BMP? It's not senior in and of itself; it's
3 that combination (inaudible).

4 ROBERT SCHULTZ: Senior in and of itself also has
5 to be even if it was senior without it being Low income, it
6 needs to be connected.

7 CHAIR BADAME: And senior would be considered one
8 of our unmet needs. Further comments on housing from
9 Commissioners? Commissioner Hanssen.

10 COMMISSIONER HANSSEN: Back to this issue about
11 where the units are located. The Specific Plan is silent
12 about how the units should be distributed. The guidance
13 that is given is that the amount of residential is mostly
14 in the Lark District, and then goes down as you go to the
15 Northern District, but residential is permitted in all
16 three districts, with the limitation especially in the
17 Northern District that it has to be over commercial.

18 We had discussed this yesterday, and in the case
19 of the Northern District, aside from the fact that it
20 looked like it might be difficult, it may not be
21 impossible, and also it might be the case that that's
22 something that Millennials might want, which is one of the
23 potential unmet needs.
24
25

1 My question is since there isn't really any
2 guidance about how this stuff should be distributed, then
3 there isn't any guidance that you can't distributed, then
4 there isn't any guidance that you can't distribute it, so
5 I'm trying to understand what latitude that we have,
6 because you can make an argument certainly that having the
7 housing distributed is going to be a significantly less
8 strain on resources by just having units in different
9 places, but the Specific Plan doesn't tell you how many
10 could be where?
11

12 ROBERT SCHULTZ: It does not, so that's where on
13 the strain on resources you need to tie that to the
14 infrastructure or other objective standards that you can
15 find within the Specific Plan.

16 CHAIR BADAME: I would say you're referring to
17 the un-specificity of the Specific Plan.

18 COMMISSIONER HANSSEN: I am.

19 CHAIR BADAME: Thank you. Commissioner O'Donnell.

20 COMMISSIONER O'DONNELL: The only testimony we
21 have so far is that putting 20 units per acre on the
22 northern portion is not only impractical, but is impossible
23 under the height requirements and the requirement that it
24 be on the second floor.
25

1 As I understand it, the Town has not
2 independently tried to determine whether you could do 20
3 units per acre above retail. The testimony we received was
4 that you could not. So were we to find that do it anyway,
5 apparently we have nothing in the record to support that.

6 JOEL PAULSON: And I think what's important is,
7 as I believe the Town Attorney said before, you need to tie
8 that stuff to evidence that's in the record to support
9 those findings from the objective standards.

10 COMMISSIONER HUDES: In my mind, as an example,
11 the senior housing that's currently in the Transition
12 District could be in the Northern District, for instance. I
13 think the statement I've seen is that you could not do all
14 270 at 20 units per acre in the Northern District; that's
15 the testimony that I recall. I'm not even sure that we can
16 back that up, but that's what I've seen; not that some
17 couldn't be done in it.

18 JOEL PAULSON: I think the testimony that was
19 provided was for a 2.34-something acre site, so that was
20 the testimony that was provided by the Applicant that's in
21 the record.

22 COMMISSIONER HUDES: Could you repeat that?

23 JOEL PAULSON: I'll get the exact. I think it's
24 2.34 acre site is what their example was showing how it
25

1 would not work, because it came out to 13 or 14 dwelling
2 units per acre, even at that size of unit.

3 COMMISSIONER HUDES: Right.

4 CHAIR BADAME: Commissioner Hanssen.

5 COMMISSIONER HANSSEN: Taking that to a different
6 point, I don't know what would happen if it went to the
7 logical conclusion, but I have to believe that when the
8 Specific Plan was created and the decision was made to put
9 residential only over commercial in the Northern District
10 that this particular issue that we're in where you have to
11 have 20 units per acre wasn't a consideration.
12

13 Because of the Housing Element, although it got
14 completed before the Specific Plan, it didn't come to a
15 logical conclusion, and so I find it hard to think that
16 we're in a situation where you can have literally all of
17 the units, other than the bonus units, have to be zoned at
18 20 units per acre, because 270 are allotted and 270 are
19 required. That basically says you can't have housing in the
20 Northern District unless it's with the bonus.

21 I don't know if the makers of the plan would have
22 intended it that way, or if it's even valid that you can't
23 possibly do it, but clearly the senior housing that's in
24 the Transition District that's proposed, as Commissioner
25 Hudes pointed out, has a waiver on the height restriction.

1 CHAIR BADAME: Commissioner Erekson, followed by
2 Commissioner O'Donnell.

3 COMMISSIONER EREKSON: I'm just going to comment
4 that my recollection of the testimony from the Applicants
5 with respect to whether or not one could meet the 20 units
6 per acre standard in the Northern District was a
7 combination of the limitation on the fact that it had to be
8 built over commercial, and the height limitation that is
9 imposed on that, and so the combination of those two made
10 it not possible to develop 20 units per acre; that's my
11 recollection. I could be wrong, but that's my recollection
12 of the testimony of the Applicants.
13

14 CHAIR BADAME: Thank you. Commissioner O'Donnell.

15 COMMISSIONER O'DONNELL: That is my recollection
16 too, but my point was that what I recall being presented to
17 us was that were this built out as proposed there would
18 still be 45 units for the Northern District. Now, that's a
19 recollection, but I think that (inaudible).

20 JOEL PAULSON: That's correct.

21 COMMISSIONER O'DONNELL: Okay. So it isn't that
22 there would be no units for the Northern District; under
23 this scenario there would be 45 units that could be built
24 on the northern portion.
25

1 CHAIR BADAME: Commissioner Erekson, followed by
2 Commissioner Hudes.

3 COMMISSIONER EREKSON: Let me ask the Staff a
4 clarification of that. If I understand how the numbers
5 work, there are only 33 what I would call base market units
6 left of the 270, so that without qualifying for a density
7 bonus, the maximum number of the units that could be built
8 on the...remaining in subsequent phases, assuming this phase
9 were passed as proposed, there would be without a density
10 bonus only 33 units allowed, and at the maximum, if they
11 qualified, there's either another 11 or 12, depending upon
12 whether you put in an Excel spreadsheet round up or round
13 down, so there's a 33 to potential 44, 45 range that's
14 possible, correct?

16 JOEL PAULSON: That's correct.

17 COMMISSIONER O'DONNELL: Could we try to get our
18 numbers straight, because they can't both be correct. I
19 just said something diametrically opposed to that. I'd like
20 to think they could both be correct. Just give me the
21 numbers again. Forget the density bonus; I'm just
22 forgetting for the moment. How many units were to be put on
23 it? It was 750 or something, but it broke it down to a
24 lower number. What was that number?
25

1 JOEL PAULSON: The maximum in the Specific Plan
2 is 270.

3 COMMISSIONER O'DONNELL: That's for the whole 40,
4 or for the first phase?

5 JOEL PAULSON: For the whole Specific Plan,
6 however, the base dwelling units for this first phase are
7 237.

8 COMMISSIONER O'DONNELL: And that's what the 35%
9 is applied (inaudible)?
10

11 JOEL PAULSON: That is correct.

12 COMMISSIONER O'DONNELL: So 235 minus 270, it
13 gets down to what Commissioner Erekson (inaudible).

14 JOEL PAULSON: That's 237 minus 270 is the 33
15 units base that are left, and then should someone apply for
16 a density bonus they could get up to an additional 12
17 units; that's where the 45 number comes from and the range
18 that Commissioner Erekson was speaking of.

19 CHAIR BADAME: Commissioner Hudes, did you want
20 to chime in?

21 COMMISSIONER HUDES: Yeah, I did want to
22 understand clearly whether Phase 1 equals Lark and
23 Transition 100%, or are there elements that are not part of
24 that?
25

1 JOEL PAULSON: There is a portion of the
2 Transition District that is not part of Phase 1.

3 COMMISSIONER HUDES: And so if there were a
4 desire, there would not be the inability to have units
5 going into those areas, correct?

6 JOEL PAULSON: That's correct. There could be
7 units in the remainder of the Transition District in some
8 future phase.

9 COMMISSIONER HUDES: And that could be either in
10 the northeast corner or whatever direction that is on the
11 upper right, or potentially in the parking lot area behind
12 the buildings?

13 JOEL PAULSON: Correct. Generally, that kind of
14 chunk that's cut out, and I think there's a little bit more
15 as you come down to the Boulevard.

16 COMMISSIONER HUDES: So if there were
17 reconfiguration that caused things to shift, that same
18 number might be achieved in some of those areas in addition
19 to whatever might be achieved in the Northern District?

20 JOEL PAULSON: That is possible.

21 CHAIR BADAME: Commissioner O'Donnell.

22 COMMISSIONER O'DONNELL: We had a number on, I
23 don't know what to call that, but it's part of the
24
25

1 transition that is not before us, but does anybody have a
2 number for the acreage?

3 JOEL PAULSON: We do not have that number. We can
4 get that number.

5 COMMISSIONER O'DONNELL: We know the total
6 acreage of the property. We know the Northern area, and we
7 know what's being developed.

8 JOEL PAULSON: We don't have all the districts
9 broken down by acreage, and if we did, then I wouldn't be
10 able to do that simple calculation for you. I can
11 definitely get that, or as part of the recommendation we
12 can carry that forward.

13 COMMISSIONER O'DONNELL: Just so we had some
14 orders of magnitude, does anybody have... Oh, here, this may
15 be it.

16 CHAIR BADAME: We may have some information
17 forthcoming.

18 COMMISSIONER O'DONNELL: It would be helpful to
19 us to have some idea.

20 JOEL PAULSON: Just for the record, this is a
21 document that the Applicant provided and they're showing
22 4.8 acres, and we can put this up on the overhead if that
23 would be helpful.
24
25

1 COMMISSIONER O'DONNELL: Just for the purposes of
2 discussion, if we were to assume 4.8 acres.

3 COMMISSIONER HUDES: There's also a diagram that
4 shows a sliver of Transition District to the right of Phase
5 1 development. Does that exist, or is that an error?

6 JOEL PAULSON: That does exist. Why don't we just
7 put this up on the board, so everyone can take a look at
8 it, and that way we're all talking about what we're...

9 CHAIR BADAME: That would be helpful.
10 Commissioners, does this help?

11 JOEL PAULSON: So that blue area is the notch,
12 and then as you can see to the right of the proposed Phase
13 1 there is a leg of additional Transition District, hence
14 4.8 acres, correct.

15 CHAIR BADAME: Commissioner Hanssen.

16 COMMISSIONER HANSSEN: The numbers aren't adding
17 up completely for me. It says the Northern District is 10.4
18 acres, and if I add the 10.4 to the 4.8, that's like 15.2,
19 and I thought there are more like close to 20 left. Is it
20 that five acres that they have as a cutout?
21

22 JOEL PAULSON: I don't have the whole thing in
23 front of me, so I can't tell you. Apparently we're having
24 some technical difficulties.
25

1 COMMISSIONER HANSSEN: The Northern is the
2 combination of the gray and the yellowish color?

3 JOEL PAULSON: Yes.

4 COMMISSIONER HANSSEN: That must be. If I'm doing
5 the math, it would have to be. Yeah, okay.

6 COMMISSIONER O'DONNELL: But the only thing that
7 is not encumbered with the second story requirement, in
8 addition to what we're going over, is that 4.8?

9 JOEL PAULSON: Correct, and so I guess to
10 Commissioner Hanssen's, I wish I could read that far, but
11 the 10.4 and the 5 is the 15.4 that you mentioned, and
12 another 4.8 gets you up over 20 acres. You actually are
13 about half, so that is probably accurate.

14 COMMISSIONER HUDES: So question to that is about
15 how many units at 20 units per acre could be in that 4.8?
16 You can't just divide and come up with whatever it is, 96
17 or whatever, because you've got setbacks and other things,
18 streets and things like that.

19 JOEL PAULSON: But that's the maximum; we would
20 look at the maximum. So the maximum that could be
21 accomplished there would be 96, based on 20 units per acre.
22 Now, whether or not that could be achieved from a site
23 planning and layout perspective, that's an exercise that
24 would be for another application.
25

1 COMMISSIONER HUDES: So is that a number that we
2 can work with as 96?

3 JOEL PAULSON: 4.8 acres times 20 units per acre
4 yields you 96 units, so that is the number you (inaudible).

5 COMMISSIONER O'DONNELL: But we know that's a
6 gross number.

7 JOEL PAULSON: Correct.

8 COMMISSIONER O'DONNELL: And we don't know how
9 much would have to be dedicated for streets and whatever
10 else, so it is a gross number.
11

12 JOEL PAULSON: Correct.

13 COMMISSIONER O'DONNELL: Okay.

14 CHAIR BADAME: Commissioner Hudes.

15 COMMISSIONER HUDES: Are there implications of us
16 using a gross number—and this may be for the attorney—
17 rather than an examined or planned number?

18 ROBERT SCHULTZ: You can go ahead and use any
19 number you would like.

20 JOEL PAULSON: I would say that using the gross
21 number, the implications potentially are that when someone
22 comes forward with an application that a) they're not able
23 to accomplish 20 units per acre, or b) they don't propose
24 any residential in that 4.8 acres, then you're at zero, and
25 then you're left with that moving forward to the Transition

1 District, which has the height and above commercial
2 restrictions previously discussed.

3 COMMISSIONER HUDES: Right, but that application
4 could be denied though, correct?

5 JOEL PAULSON: Which application?

6 COMMISSIONER HUDES: That had no housing.

7 CHAIR BADAME: The potential one.

8 JOEL PAULSON: Yes. I mean you'd have to look at
9 the standards in the Specific Plan, so yes, someone could
10 come forward with all commercial and the Planning
11 Commission would make that determination.

12 CHAIR BADAME: Do we have further questions on
13 housing? Commissioner Erekson.

14 COMMISSIONER EREKSON: Let me be sure that I
15 understand what the Chair's pleasure is. Do you want
16 questions or comments at this point in time?

17 CHAIR BADAME: Actually, I want both. Because we
18 might have questions of Staff as we're asking questions
19 now, but I would like the comments at the same time so that
20 we can do our analysis on housing, traffic, open space, and
21 look and feel. So to your pleasure, Commissioner Erekson.

22 COMMISSIONER EREKSON: Okay, so I have a comment,
23 and I want to do a preface to the comment and say that I
24
25

1 fully understand that we cannot make decisions on housing
2 issues based on school impacts as a lead in to it.

3 But we've had a lot of public testimony about the
4 fact that a motivation—I'm not talking about a motivation
5 by the Commission, but an expressed motivation of the
6 public—would be to relocate housing in more northern and
7 across the school boundary lines in order to address
8 crowding in the schools. I want to suggest that that may or
9 may not be a smart strategy that would serve the residents
10 who are in the Los Gatos school districts well, just as a
11 matter of information so it's on the record. Here's some
12 information.
13

14 Property tax revenue is an important source of
15 review for the school districts, both the high school
16 district and the elementary school district; since they are
17 basic aid districts, they do not get funding from the State
18 on an average daily attendance, so to the extent that there
19 is property developed inside of the school district, they
20 get property tax for them.
21

22 The Los Gatos Union School District has also
23 entered into a voluntary agreement with the developers that
24 provides for them to be compensated, either in the form of
25 land or in the form of monetary compensation; I believe
that it's \$23,000, if my recollection is right, per

1 residential unit that is owned by the Applicant at the
2 point in time that they develop it and is in the school
3 district.

4 Let's assume for the moment that this or some
5 other number of units were built in the side of the school
6 district, and let's assume that some number of residential
7 units are built in the north part of the thing that are not
8 in the school districts here. It is highly likely that the
9 families that would live in that area will apply for inter-
10 district transfers, and the district will likely turn them
11 down, and those people are likely to appeal that to the
12 County Office of Education, and one of the important
13 criteria that the County Office of Education uses to
14 resolve those kind of appeals has to do with neighborhoods,
15 and we have been very public about the fact that this is a
16 neighborhood.
17

18 The risk is if in fact we push them more out of
19 our school districts—and I'm classifying the two Los Gatos
20 ones north—that in fact we will reduce both in perpetuity
21 the property tax revenue that goes to the school districts,
22 and we will reduce the short-term funding that comes to the
23 Union School District to address them, and if in effect
24 they were to grant the inter-district transfers, the school
25 districts would be burdened with the expense of educating

1 those students with no revenue associated with it. That's a
2 big risk to it.

3 That's not a basis upon which we could make any
4 decision about it, but just for the record it may not be
5 the best strategy to reduce the number of residential units
6 if the unspoken motivation would be to try to address
7 crowding in the schools.

8 CHAIR BADAME: Thank you for those comments,
9 Commissioner Erekson. Commissioner Hudes.

10 COMMISSIONER HUDES: I appreciate that. It's very
11 helpful to understand that. For me, personally, I'm going
12 to stay totally away from that area in my deliberations. I
13 don't have the comprehension of all of it that you do, and
14 so for me, my exploration about the movement and relocation
15 of units has to do more with could the layout of the site
16 be reconfigured in order to achieve some of the other
17 design standards that are in the plan? That's why I was
18 pursuing the number that could be moved, and that type of
19 thing.
20

21 CHAIR BADAME: Commissioner Erekson, followed by
22 Commissioner O'Donnell.

23 COMMISSIONER EREKSON: I was going to say, the
24 reason why I said in the preface my understanding is we
25 cannot consider what I just said in our deliberations, so I

1 wouldn't intend to either, but I felt the responsibility to
2 help educate the public. We've had a huge number of public,
3 verbally and in writing, help us, and in an effort to help
4 educate the public about if they think that's a good
5 strategy, and if they were to criticize us for—and I'm not
6 saying we would or wouldn't—to not have pushed them, and
7 that was their motivation, it would be helpful, I think,
8 for them to understand.

9
10 CHAIR BADAME: Commissioner O'Donnell, followed
11 by Commissioner Hanssen.

12 COMMISSIONER O'DONNELL: Again, our discussion
13 isn't so much to ask Staff, at the moment at least. The
14 other thing that I am mindful of when we ask the Applicant
15 what would happen essentially if we removed some of the
16 housing from this project, and we didn't talk about where
17 it would go, but they basically said if you do that then we
18 have to fill in whatever we can't put housing on, and of
19 course we don't know what that would mean, but it's
20 obviously going to be non-residential.

21 Then we've had a lot of testimony about why the
22 first part is so heavily residential, but we can all
23 remember that. The only thing we don't have any evidence on
24 is if you said let say instead of having 300+ units there,
25 let's take 100 units or whatever, and move them wherever

1 we're going to move them; you're going to move them to the
2 4.8 acres, or somehow move it so part of it would be on the
3 4.8 and part of it would be on the Northern District. All
4 I'm saying is if that were to occur, and if Grosvenor
5 nevertheless pursued this development—and I don't know
6 whether they would or they wouldn't—we won't know now what
7 that means for the project. I mean there will be a project,
8 and whether it will be Grosvenor or somebody else, there
9 will be a project and we couldn't possibly know what the
10 fill-ins would be, so that's just another uncertainty. Now,
11 some people may prefer the uncertainty to the certainty,
12 but that is something that I'm concerned about.

14 CHAIR BADAME: Commissioner Hanssen next, and
15 then Commissioner Hudes.

16 COMMISSIONER HANSSEN: While we're not
17 considering the school districts in our deliberations, this
18 is simply a fact that when we were walking around the site
19 we were informed that the line for the school district is
20 actually at the Northern District boundary, so that if
21 there was some housing deferred to the rest of the
22 Transition District it would continue to be in Los Gatos
23 schools was my understanding.

24 CHAIR BADAME: Thank you for pointing that out.
25 Is that correct, Mr. Paulson?

1 JOEL PAULSON: I looked at the map on the
2 school's website today for Los Gatos Union School District,
3 and that's where it appears to be. We would have to go into
4 assessor's records and those things to see; sometimes those
5 aren't exact maps.

6 CHAIR BADAME: Thank you. Commissioner Hudes.

7 COMMISSIONER HUDES: Maybe I could comment. I
8 looked at both school district maps, and they didn't match
9 up.

10 JOEL PAULSON: They don't match up.

11 COMMISSIONER HUDES: Yeah, one of them had sort
12 of a big blurry line on it, and I couldn't really tell.

13 But coming back to the comments about the fill-
14 in, I did listen very carefully to that, but also in
15 participating in the development of the Specific Plan it
16 was clear that these numbers were maximums, and the only
17 place where we seem to be hitting minimums is in the
18 housing and density and all of that. And again, we could go
19 to the specifics, but I don't believe that there are
20 minimums that say they would have to fill in to achieve
21 only a 30% open space, for instance, if it were not
22 residential use.

23 CHAIR BADAME: Commissioner O'Donnell.
24
25

1 COMMISSIONER O'DONNELL: I'm not suggesting that
2 they're required to do that, I'm merely suggesting that
3 most developers I've ever dealt with do try to maximize
4 their profits, and if you take away five acres, let's say,
5 of housing, they probably aren't going to turn it into a
6 city park.

7 CHAIR BADAME: Any further comments on housing?
8 Commissioner Hanssen.

9 COMMISSIONER HANSSEN: I wanted to talk about
10 some of the non-numerical what I consider objective
11 standards for this housing, and I'm referring to 2.4 in the
12 Specific Plan. It says, "Residential development shall be
13 focused," and shall means we must do it, "on multi-family
14 and unmet needs."

15 So the first part of that is multi-family,
16 meaning that single-family detached homes are not
17 encouraged or even permitted, other than the cottage
18 cluster type, which isn't truly a single-family detached
19 home.
20

21 The second part of this is about the unmet needs,
22 and I just wanted to make the comment that I remain very
23 troubled that we would enter into any project to build over
24 300 units and not address the very most important and well-
25 documented unmet need that we have, which is the seniors

1 that are living in our town right now that are looking for
2 step-down housing opportunities.

3 I heard all of the discussion from the Applicant
4 about why we can't do it, but I can't in good conscience
5 feel like we're in compliance with the Specific Plan to go
6 forward with the plan of over 300 housing units that does
7 not address probably our most important unmet need.

8 CHAIR BADAME: Commissioner O'Donnell.

9
10 COMMISSIONER O'DONNELL: Depending on your view
11 of seniors, and speaking as a senior, they have 167 one-
12 bedroom units, and I can tell you that that's something
13 that a senior could definitely go into.

14 COMMISSIONER HANSSEN: Do they have stairs?

15 COMMISSIONER O'DONNELL: Let me finish. And they
16 have 235 two-bedrooms, and some seniors even like two
17 bedrooms, like I do. Then they have 98 three-bedrooms. So
18 yes, you were going to tell me what it should have to
19 better appeal to seniors.

20 COMMISSIONER HANSSEN: I think one issue, and
21 even the Applicant mentioned it, is about not having
22 stairs, so having a single-story unit and not having to
23 climb up stairs.

24
25 The bottom line is the Applicant went and did a
whole focus group with the Millennials, but we have this

1 whole unmet need of seniors, and maybe it's not clear
2 exactly what the requirements are, but it's not clear that
3 this is going to meet the requirements.

4 If you look at the application, there are
5 actually no single-story units at all; it could be because
6 they have the ground floor garages, and then there is a
7 smaller percentage of two-story units, and other than the
8 senior affordable housing, which is a very specific market,
9 there isn't any unit that doesn't have stairs.

10
11 CHAIR BADAME: Commissioner Hudes.

12 COMMISSIONER HUDES: I just wanted to concur with
13 Commissioner Hanssen in that in looking at the
14 configuration of the units themselves it did not seem to me
15 that they were particularly senior-oriented, and it seemed
16 as though there was the opportunity to do that in more of a
17 flat type of an arrangement, but the developer chose not to
18 pursue flats, I think because they couldn't get as many on
19 the lot, but for whatever reasons I think those were
20 conscious decisions that were made to have particular
21 housing types that were not necessarily appealing to that
22 demographic.

23 CHAIR BADAME: I would also concur with
24 Commissioner Hudes and Commissioner Hanssen, and I'm
25 looking at the square footage of the units. I don't think

1 seniors want to have big units; it's more house to clean,
2 more personal belongings that you want to get rid of. And
3 Commissioner O'Donnell, I don't know what the square
4 footage of the units is over at Forbes Mill, but I would
5 venture to say that they might be under 1,200 square feet.

6 COMMISSIONER O'DONNELL: My unit is 1,600 square
7 feet.

8 CHAIR BADAME: So is mine, and I'm a senior, and
9 it's too big. Commissioner Hudes.

10 COMMISSIONER HUDES: I had a question for Staff
11 on the requirements for denial, and there's an Ordinance
12 2209, which is Exhibit 18, bottom of page 2, 29.10.420, and
13 I wanted to understand whether this was a ground for
14 denial. "The Town has adopted a Housing Element as part of
15 the General Plan, and the Town as met or exceeded its share
16 of the regional housing needs for the income category
17 proposed for the development project."

18 I want to make sure, because I think that in the
19 letter from the Applicant's attorney that was not one of
20 the conditions that was listed as grounds for denial. I
21 wanted to understand, number one, is it a condition? Does
22 2209 apply? And then the second part of that question is
23 has the Town met or exceeded its share of regional housing
24 needs as of right now?
25

1 ROBERT SCHULTZ: I don't think we need to get to
2 the first one and the legal issues attached to whether we
3 can or cannot, because we can't meet the second one. We had
4 not met our regional needs for the affordable housing
5 that's proposed.

6 COMMISSIONER HUDES: As of right now, not in the
7 future? Right. Okay, thank you.

8 CHAIR BADAME: Further comments, questions on
9 housing? Commissioner Hanssen.

10 COMMISSIONER HANSSEN: I just wanted to bring up
11 an issue, and I'm not sure what to do with it, but I've
12 seen all the resident reactions to the 35' mass of
13 buildings, and I realize that it is permitted to go up to
14 35' in the Specific Plan, but with all of our standards
15 it's usually the number is a maximum, not a goal.

16 So I wondered about this 35'. There is the cutout
17 for the perimeter where they have to have it a two-story,
18 25', but that's just a portion of the edge in the perimeter
19 overlay, and then they did mentioned that there were a
20 couple of other units near the community garden that were
21 also two stories.

22 What I'm struggling with is I asked the question
23 of the architect, the Lark District was supposed to be
24 lower intensity, and so then I look at all these 35'
25

1 buildings and we walked the property, and I'm not seeing
2 that it's lower intensity. I wondered what could be done to
3 make this more in compliance with the plan, but it doesn't
4 seem to me to be lower intensity, and maybe I'm the only
5 one that sees it that way, but it's clear that the Lark
6 District is supposed to be primarily residential, there's
7 not doubt of that, that's clear in the plan, but the lower
8 intensity, when you look at buildings that tall and you're
9 walking through, and you can see with some of the paseos
10 and stuff that you're going to be having 35' buildings as
11 you're walking down, I'm struggling with that being lower
12 intensity than the Transition District, so I wondered if
13 anybody had a thoughts on that?
14

15 CHAIR BADAME: Commissioner O'Donnell.

16 COMMISSIONER O'DONNELL: I guess when I found out
17 that the 13.5 acres had 20 units to the acre it occurred to
18 me that density would be high, and if the density was high
19 and there was open space, something has got to give. I
20 guess you're right, it would be nice to have all smaller
21 buildings, but I'm not quite sure how you do that if you
22 have to get the density that they believe is required. You
23 give up one thing or another. If you got rid of all the
24 open space, maybe you could get lower buildings. If you
25 keep the open space, maybe part of the tradeoff is you get

1 somewhat higher buildings. In a perfect world we wouldn't
2 have this imposition on us, telling us we've got to have
3 13.5 acres at 20 units per acre.

4 That, to me, is the stumbling block that I don't
5 think we have any discretion over, except to move it,
6 although the Applicant was credible insofar as they thought
7 that wasn't a good idea. But when we say it's too intense
8 or too dense, I think that's probably true and I wish we
9 didn't have to do that, but my understanding is we have no
10 discretion in that regard. Now, if you can figure out a way
11 to get 20 units per acre for 13.5 acres and have all single
12 stories, I'd go for that.

14 COMMISSIONER HANSSEN: Well, one of our residents
15 submitted a document to us with lower sized units, and so
16 it certainly is technically possible, but you're correct. I
17 know the reason why that 35' maximum was established in the
18 Specific Plan; it was anticipating the density issue. But
19 I'm troubled about it being such a big part of the Lark
20 District.

21 CHAIR BADAME: Another thought that I have is
22 that there could be some undergrounding done as well,
23 perhaps cellar space or underground parking, and that would
24 reduce the height and perhaps some of the intensity. I
25 don't know what comments other Commissioners might have on

1 that; I'd be interested in hearing them. Commissioner
2 Hudes.

3 COMMISSIONER HUDES: I was going to agree with
4 that, and when we asked the Applicant about the possibility
5 of cellars or undergrounding it seemed to be more of an
6 economic issue than a real feasibility issue, so faced with
7 the possibility of not having that housing, potentially
8 they might think about other configurations than what has
9 been proposed.

10
11 CHAIR BADAME: Commissioner O'Donnell, followed
12 by Commissioner Erekson.

13 COMMISSIONER O'DONNELL: My recollection of why
14 they said they didn't have cellars was because they have
15 parking on the ground floor; that was the reason they
16 didn't have cellars. Most of the towns require cellars;
17 they're single-family homes usually where you don't have
18 parking on the floor above the cellar, so that to me was
19 not an economic issue, that was a practical issue. I
20 suppose you could always say why don't they have
21 underground parking? You could say anything, but the reason
22 that you said they didn't have cellars was because of the
23 parking.

24
25 COMMISSIONER HUDES: I believe they said that you
could have parking in one portion and residential in

1 another portion. I don't think the cellars would
2 necessarily take the full (inaudible).

3 COMMISSIONER O'DONNELL: If you put a two-car
4 garage on a house this width, it would be interesting to
5 see how that would pencil out.

6 COMMISSIONER HUDES: They're proposing some
7 interesting things, like tandem parking and others.

8 AUDIENCE MEMBER: (Inaudible).

9 CHAIR BADAME: I'm sorry, sir, the public comment
10 is closed. We cannot hear from members of the audience.
11 Please respect us up here. Thank you.

12 AUDIENCE MEMBER: (Inaudible).

13 CHAIR BADAME: I'm going to ask you to leave if
14 you're going to continue to interrupt us. Thank you.
15 Commissioner Erekson, did you have a comment?

16 COMMISSIONER EREKSON: My understanding is it was
17 a design issue, it wasn't an economic issue; that was my
18 recollection of the testimony from the Applicant with
19 respect to that. You could hypothetically do it, but it
20 would take a more significant design change than some
21 simple design, so they'd have to redesign it, which is
22 fine.

23 My other conclusion from their testimony, and I
24 don't know whether this was my own analysis of what they
25

1 said or that they said it, I don't remember that, is that
2 it would be challenging then, because I've got to create a
3 larger unit in order to not split the living areas, and so
4 if I do that, if I create larger units, then it might not
5 be possible for it to meet the 20 units per acre
6 requirement. So it would seem like to me one would need to
7 be sure one could do that with a cellar design issue, so
8 it's not clear that that presents a solution which would
9 not be incompatible with the 20 units per acre.
10

11 CHAIR BADAME: All right, further comments,
12 questions, or evaluation on the Housing section of the
13 analysis? Commissioner Hudes.

14 COMMISSIONER HUDES: I wanted to have a little
15 more discussion about the view aspect of the housing and in
16 the way the housing is oriented.

17 My opinion is that it blocks the views rather
18 than embraces the views, and while I understand that some
19 of the language about that is in the Vision Statement,
20 there are also some standards and policies, I believe,
21 about views that go beyond the Vision Statement.
22

23 My concern is that the current street grid
24 pattern, the way it's oriented, prevents views from
25 occurring from the pedestrian paseos and the parks and
things like that, and so I have a hard time understanding

1 how the site layout meets the objective standards in the
2 plan there. In fact, as I said, I think that you could not
3 find a place that size where hillside views would be as
4 obstructed as the way that they've laid out currently, so
5 that troubles me.

6 CHAIR BADAME: Any other comments on the views?
7 Seeing none, we can move to Section B, which is Traffic and
8 Additional Environmental Review. Commissioner O'Donnell,
9 followed by Vice Chair Kane.

10 COMMISSIONER O'DONNELL: Just so we've got our
11 ground rules straight, my understanding is that once the
12 EIR was approved, we had to accept the EIR as being correct
13 unless we find sufficient facts as you change to
14 essentially attack the EIR, but to the extent that the EIR
15 is complete, finished, and accepted, that EIR has traffic
16 studies supporting it.

17
18 The only evidence we have at the moment is the
19 testimony that was presented tonight. To the extent that
20 some of us, and I've been in this position before,
21 scratches their head at the engineering reports, I don't
22 know how we go around that, because I have heard no
23 evidence which would contradict the traffic studies that
24 were a part of the completed and adopted EIR. I just throw
25

1 that out, because I don't know how we go around that, and
2 maybe somebody could tell me how we do that.

3 CHAIR BADAME: Vice Chair Kane, followed by
4 Commissioner Hudes.

5 VICE CHAIR KANE: Mr. Morley, is it correct that
6 the traffic study was done in 2013?

7 MATT MORLEY: Yeah, that's correct.

8 VICE CHAIR KANE: So if I made the argument that
9 I think there have been substantial changes in the traffic
10 since that time, would that be a viable argument that there
11 are significant changes out there, and if it was a viable
12 argument, would I be jeopardizing the Town insofar as the
13 streamlining requirements? It's going to take some time to
14 do another traffic study, if another traffic study is
15 warranted. To me that's a tactic. What does it do to the
16 strategy of putting us in a situation of liability?

17 ROBERT SCHULTZ: It's not a substantial change
18 that's out there that's occurring, it's a substantial
19 change from the project that was evaluated to now. If they
20 had come in with a substantial change in the project and
21 said I want to build 500 homes, I want to build a different
22 project than was analyzed, that's a substantial change that
23 you're looking at between the project; it's not substantial
24 change in (inaudible).
25

1 VICE CHAIR KANE: But that's lawful definition,
2 that the substantial change has to be caused by them,
3 because there's a heck of a substantial change out there.

4 ROBERT SCHULTZ: That's not a reason to do
5 another study.

6 VICE CHAIR KANE: Okay.

7 CHAIR BADAME: Commissioner Hudes.

8 COMMISSIONER HUDES: This may be more for the
9 traffic engineer, but I understand that these things need
10 to be built on projections, and projections based on
11 projects that are in play, and then further projections are
12 done for the new development over the baseline. My question
13 is when do you stop building projections on top of
14 projections when you have real data? At what point do we
15 say okay, there's been a lot that's happened and that
16 potentially we ought to look at actual data at this point
17 to see whether the base projections are valid or not?

18 MATT MORLEY: There are, I think, several layers
19 to the conversation, to the question. The initial analysis
20 of the traffic study through CEQA identified with the size
21 of the project what the impacts were going to be, and what
22 the traffic levels were going to be. That all fell into the
23 Specific Plan and were identified there and approved as the
24
25

1 Specific Plan was approved. That CEQA and that traffic
2 study have been accepted at this point by the Town.

3 Subsequently, with the Phase 1 application, which
4 I think is what we're looking at now, there is additional
5 analysis that the traffic consultant completed that looked
6 to compare the Phase 1 project with the previously approved
7 Specific Plan project, and the finding there was that Phase
8 1 falls within the scope of what was identified in the
9 Specific Plan, such that further analysis isn't necessary
10 and the traffic is less than what was envisioned through
11 the Specific Plan.
12

13 It's important to note that with any development
14 project you are bringing additional traffic; I don't think
15 anybody would dispute that. The goals of the study is to
16 identify the mitigation measures and what you can do to
17 accommodate that traffic so that the impacts are mitigated
18 to the extent that's set forward in our code, and that's
19 all straightforward.

20 The difficulty with the traffic, I think, from a
21 non-engineering perspective like me and you is that it
22 seems like there's an impact and the traffic is worse out
23 there. The numbers actually show something slightly
24 different, and the projections are used to get there, so
25 it's a difficult thing to wrestle with. One of the things

1 about engineering is it's pretty matter of fact. You follow
2 the process, we have the standards set forward, and if you
3 comply with the standards, then by definition it's
4 compliant.

5 COMMISSIONER HUDES: But really my question is
6 the basis on which you make assumptions, and I appreciate
7 the rigor of the analysis that's gone into all the traffic
8 studies, but it's only as good as the assumptions.

9 I looked at the community input, because those
10 folks drive, and traffic was the number one issue; it was
11 not schools, as has been stated earlier. It was cited by
12 somewhere around 356 out of the 500 communications that we
13 received, and that includes last night as well; I updated
14 it tonight.

15 That, coupled with the fact that five of the six
16 development projects that were used we actually have the
17 opportunity to get actual data for, correct?

18 MATT MORLEY: Yes, some of those projects have
19 been completed and are online.

20 COMMISSIONER HUDES: Five of the six have been
21 completed.

22 MATT MORLEY: I'm sure that number is correct,
23 yes. This particular project needs to mitigate the impacts
24 from this project and not from the other projects. Those
25

1 other projects are responsible for their mitigation, so
2 assuming that there is a baseline that grows with the
3 project, this project should have identified what the
4 impacts are there.

5 CHAIR BADAME: Vice Chair Kane, followed by
6 Commissioner Hanssen.

7 VICE CHAIR KANE: I'm just sort of playing with
8 you. Did you just say that the other projects didn't
9 provide adequate mitigation?
10

11 MATT MORLEY: I did not.

12 VICE CHAIR KANE: Okay. Well, why does it not
13 seem like it was mitigated?

14 MATT MORLEY: Every project identifies what their
15 impact is going to be, and they make a list of projects
16 that they need to address with that particular project.

17 There are times an entity can find that those
18 impacts cannot be mitigated, and that could be the case in
19 some of the projects; I don't know what the specific
20 mitigation measures associated with these projects were.
21 I'll say that the Specific Plan identifies and makes the
22 North 40 project responsible for a significant amount of
23 that mitigation, even to the extent that it is above and
24 beyond what the impact of the North 40 project is.
25

1 CHAIR BADAME: I have Commissioner Hanssen,
2 followed by Commissioner Hudes, and then back to Vice Chair
3 Kane.

4 COMMISSIONER HANSEN: I wanted to ask exactly
5 about where you're going. The Applicant stated that the \$10
6 million that they're spending was not a required
7 mitigation. Well, I mean it actually is in the EIR, but it
8 was something that was in the Capital Improvement Program
9 already. Could you help us understand how that... Are they
10 going above and beyond what they needed to do?
11

12 MATT MORLEY: That's an easy question. The bike
13 lane across 17 is above and beyond what is required with
14 the project, so the answer to that is yes, they are doing
15 work that is above and beyond. The Specific Plan identifies
16 elements of improvements that are necessary for the
17 project, and it identifies who does those improvements, and
18 that includes things like the multi-modal path around the
19 perimeter, and the bicycle paths and pedestrian paths
20 through the interior of the project as examples.

21 The project contributes to traffic along Lark and
22 Los Gatos Boulevard, and those mitigation measures are
23 required as a part of the project, and from Staff's
24 perspective those are impacts that the project is creating
25 and mitigating. As I said earlier, the project doesn't do

1 all of the impact for those particular projects, but the
2 project is responsible for the mitigation.

3 In terms of where these projects are, the General
4 Plan has a list of projects that the Town has identified as
5 being necessary. They're not necessarily in the CIP,
6 although a couple of the projects definitely were or are in
7 our five-year CIP, and we do continue to work towards
8 completion of that list of projects. That list of projects
9 is identified and we typically address it through traffic
10 impact fees, so the developments that are part responsible
11 for paying an impact fee where they can't mitigate, and
12 those impact fees go towards completing those projects, so
13 the Town is collecting funds from developments, and as
14 those funds accrue we're able to address some of the
15 projects that have been identified through the General Plan
16 and other sources for growth.

18 COMMISSIONER HANSSEN: To take it one step
19 further, if this project didn't happen, there would still
20 be a need for these improvements, or there wouldn't?

21 MATT MORLEY: Through the General Plan the Town
22 has identified that these will be areas that there will be
23 improvements, and then it's just a matter of which project
24 triggers those improvements and when that project comes
25 along.

1 COMMISSIONER HANSSEN: So this intersection was
2 on the list in the General Plan is what you were saying?

3 MATT MORLEY: It was.

4 COMMISSIONER HANSSEN: And you have to find an
5 opportunity to address it?

6 MATT MORLEY: That's correct.

7 COMMISSIONER HANSSEN: Thank you.

8 CHAIR BADAME: Commissioner Hudes.

9 COMMISSIONER HUDES: There have been recent
10 traffic problems due to some things that are different. It
11 seems to me that there is a fundamental shift in what's
12 causing traffic with regard to the WAZE, Apple Maps, and
13 whatever, so that the normal problem that we've had with
14 beach traffic has become not just a little bit worse, but
15 to the point where entire neighborhoods are gridlocked and
16 an entrance to a freeway had to be closed, which was
17 probably never closed before. Would you characterize that
18 traffic problem as a fundamental shift as compared to
19 something that you could calculate based on whatever you
20 looked at in 2012 or 2013?
21

22 MATT MORLEY: I've certainly experienced it, over
23 the last several weekends especially, and I don't know that
24 there's anybody that...
25

1 VICE CHAIR KANE: You didn't take the traffic
2 engineers with you?

3 MATT MORLEY: We spent a lot of weekends, the
4 traffic engineer and I, out here observing traffic and
5 trying to become educated on what the dynamics are. It's
6 certainly a very fluid situation, and the apps and the
7 dynamics in the Valley with the growth and the economy are
8 all contributing factors, and how they play off of each
9 other is, I don't think, something that is identified.

10 In terms of how that factors into a project like
11 this, there are set methods for doing a traffic analysis.
12 Those are accepted methods, they're a standard way of
13 bringing your project through the CEQA process, and it's
14 important that those methods are adhered to and followed.

15 In a particular case like a project with the
16 North 40, where some of the mitigation measures are above
17 and beyond, that's great. There are areas that are
18 improvements, and we heard about the delay time at
19 particular intersections. There are also areas where there
20 are degradations in that, and that's where our standard
21 comes in where the Town accepts a D level of service, and
22 so what we're targeting is a higher categorization at the D
23 level of service, and not looking necessarily at the time
24 delay at each particular movement of intersection.
25

1 COMMISSIONER HUDES: Just as a follow up, is
2 there any place in the TIA or the EIR where that
3 fundamental shift occurring from the WAZE and Apple Maps
4 problem that we've had in town, was that factored in any
5 way into the EIR or the TIA?

6 MATT MORLEY: We would not, because those would
7 not be trips that would be... As I see the app, for the
8 weekend WAZE issue that we face, I think I see that as a
9 regional issue where folks are coming from out of town,
10 trying to get from one point to the other and Los Gatos
11 happens to be right in the middle of that, and so they're
12 looking for the quickest, most expeditious way through
13 town. Those trips probably would not be generated through a
14 North 40. I think maybe in an aggregate there would be
15 additional traffic from the North 40, but those trips are I
16 think above and beyond a different concept as a regional
17 issue of folks trying to move about the community.

18 COMMISSIONER HUDES: But the effect of those
19 things on Los Gatos Boulevard could be measured if we
20 wanted to measure them, or I think we probably are
21 measuring them now.

22 ROBERT SCHULTZ: If we're still on the CEQA
23 discussion, I think a fundamental issue that we're not
24 addressing is that CEQA looks at a project and determines
25

1 what the impacts are from that project. So let's assume, as
2 Commissioner Kane was saying, that there's way more traffic
3 out there, because of WAZE, because people love the beach
4 more, because for whatever reason the economy is doing so
5 well. That's not the fault of this project. CEQA doesn't
6 say it has to mitigate not only your project, but problems
7 caused by WAZE and problems caused by people wanting to go
8 to the beach and because the economy is doing so well.

9
10 COMMISSIONER HUDES: I understand.

11 ROBERT SCHULTZ: And only impacts. That's why I
12 said unless you can find that the project has substantially
13 changed, you can't redo CEQA because you now have more
14 traffic than you had before.

15 COMMISSIONER HUDES: But it seems to me that the
16 baseline has fundamentally shifted.

17 ROBERT SCHULTZ: Right, but it won't change the
18 mitigations from the project.

19 CHAIR BADAME: Commissioner Erekson.

20 COMMISSIONER EREKSON: I have one quick question
21 as a follow up to that, and then what will probably be a
22 less controversial and maybe even easier questions for you
23 to answer.

24 While I understand when Commissioner Hudes had
25 been talking about it would be better to have actual data

1 than projection data, it would just seem to me—and this is
2 a common sense thing and I'm going to test this—that it
3 would be challenging to attribute specific increases in
4 traffic to particular projects. Is that a reasonable
5 statement?

6 MATT MORLEY: That is reasonable.

7 COMMISSIONER EREKSON: So I wouldn't necessarily
8 mean that if I had a certain increase after Project A,
9 Project B, and Project C had been completed—A may be
10 Albright—that I could attribute an increase in traffic to
11 that particular project? I assume that's an impractical
12 thing to do.
13

14 MATT MORLEY: Generally impractical if you think
15 about controlling for all other factors.

16 COMMISSIONER EREKSON: Okay, just as a
17 clarification, what I think are probably two easier,
18 simpler questions.

19 One is what's the status of the multi-model path
20 over Highway 17? What's the status of that?

21 MATT MORLEY: We refer to it as a bike lane over
22 17. The requirements the Town has placed on the Phase 1
23 project is an enhanced bike lane that goes across the
24 overcrossing and provides connectivity towards the Creek
25 Trail, and that is a condition of the project.

1 COMMISSIONER EREKSON: I understand that portion
2 of it. That will take work with Caltrans and so forth,
3 where those conversations with Caltrans are, et cetera. I
4 mean I assume it takes work with Caltrans, since it's
5 passing over a highway.

6 MATT MORLEY: It absolutely takes work with
7 Caltrans. The initial conversations with Caltrans have
8 occurred. Caltrans has generally acknowledged that it's a
9 desirable thing and they're interested in participating.
10 Once we have a project, then that would be sort of the
11 trigger for the next step.
12

13 COMMISSIONER EREKSON: Okay, thank you. Then
14 here's my next question. The property owners of the
15 existing medical office buildings that are located on the
16 Boulevard that are within the Specific Plan area, they've
17 given a letter to the Town and to the Commission that they
18 would prefer not to have the median that's provided for as
19 an offsite improvements completed, so that it would
20 continue to allow left turns going north into their
21 property, and left turns going north out of their property.
22 Do you have some comment about their request, and some
23 recommend about how we would take that request into
24 consideration?
25

1 MATT MORLEY: I think Engineering has looked at
2 that extensively, and it's a challenging location; there's
3 a lot of traffic going both directions, so it becomes a
4 balance, like many things, where there are the sacrifices
5 in order to ensure that the traffic continues to flow
6 adequately and safety is considered within the process. I
7 think from the Town Staff's perspective, having a left turn
8 in or a left out of the development is not something that
9 we're recommending, and it's something that is not included
10 in the project.

11
12 CHAIR BADAME: Commissioner Erekson.

13 COMMISSIONER EREKSON: Now I want to go back to
14 the Boulevard, and going south on the Boulevard,
15 approaching the Los Gatos intersection with Lark. Both
16 Commission Kane and I have raised questions about Buildings
17 24 and 25 and that site, and about whether or not one
18 should look at that as being commercial property, et
19 cetera.

20 So I went to the site today, and if my walk-off
21 is correct, the third lane, the so-called right turn lane,
22 only starts at about one-third of the way from the south of
23 it, so about two-thirds to three-fourths of it is where
24 there are only two lanes, very similar to the properties
25 they're adjacent to. I believe part of the Staff concern

1 about not providing access from that direction had to do
2 with crossing the right turn lane. One arguably could put a
3 driveway on the very north part of that and still be a
4 considerable distance from where the third lane appears.
5 I'd like for you to comment on that, but I want to add one
6 other thing.

7 On Lark Avenue going east approaching Los Gatos
8 Boulevard, there is a dedicated right turn lane from
9 Highland Oaks all the way to Los Gatos Boulevard. There are
10 three pieces of property that enter there; one I believe is
11 the Water District edge that comes in there, and the
12 Classic Car Wash, and then the office building that's on
13 that site also has one of its exits onto that, so we are
14 okay with those crossing there, entering into a right turn
15 lane, but we're not okay with it on Los Gatos Boulevard
16 when it can be done where it's not even into the right turn
17 lane? I'm just trying to understand your reluctance to
18 allow site access at that point.

19 MATT MORLEY: In discussions about this topic
20 today I think the Applicant's recollection on previous
21 conversations, and Staff's understanding of previous
22 conversations, may differ a little bit, however, generally
23 from an engineering perspective, we look with caution at
24
25

1 providing access at busy intersections, and it's something
2 that has to be done with open eyes.

3 What I was trying to show on the screen was the
4 queuing diagram that shows what the lanes are going to do,
5 and it's not focusing real well, but it shows the queues in
6 those lanes passing what would be residential properties.
7 There is some congestion there, and adding additional cars,
8 especially if you're thinking that some of those may want
9 to go across a turn lane and try to go straight, or even
10 worse, go all the way across and turn left that could
11 provide some congestion, would be the concern.

12 There are also some grade differences between the
13 street level and the property level at that point that may
14 provide some potential challenges, and then more
15 importantly, I don't think Staff has actually explored
16 that, nor has the traffic engineering really had a detailed
17 look at that. It's been something that's come up recently
18 from our perspective, and if it's something that the
19 Applicant was going to consider, we'd need to do some
20 further evaluation on it.

21 COMMISSIONER EREKSON: So would it be your Staff
22 recommendation for us that it would be the best path not to
23 pursue site access into that property?
24

25 MATT MORLEY: That is correct.

1 COMMISSIONER EREKSON: Thank you.

2 CHAIR BADAME: Any further comments from
3 Commissioners having to do with traffic and additional
4 environmental review before we move on to open space.
5 Commissioner Hudes.

6 COMMISSIONER HUDES: I wanted to direct to the
7 March 30th Staff Report, page 12, a couple of quick
8 questions on that. I wanted to see whether there was
9 support for some statements that were made in there.
10

11 The Lark Avenue/Los Gatos Boulevard to State
12 Route 17 northbound ramps, the second bullet, "Will the
13 tapering of lanes cause a new bottleneck, or should that
14 right turn lane just end there?"

15 MATT MORLEY: In what particular location are you
16 speaking?

17 COMMISSIONER HUDES: Page 12, G, bullet, Lark
18 Avenue, second sub-bullet. The last sentence: "Westbound
19 lanes will taper from three lanes to four lanes starting
20 immediately of A Street," and the question is, "Will the
21 tapering of lanes cause a new bottleneck, or should the
22 right turn lane just end there as well?"

23 MATT MORLEY: Maybe Jessy, you can help me with
24 this one?
25

1 JESSY PU: Jessy Pu, Town Traffic Engineer.
2 Westbound Lark Avenue is proposed to provide three
3 westbound lanes, and when they pass the A Street
4 intersection the curb lane, or the #3 lane, will start
5 opening up to another right turn lane, so there will be
6 four lanes approaching the northbound 17 intersection with
7 two through lanes and two right turn lanes. Basically, you
8 would taper from three lanes to four lanes between A Street
9 and the northbound 17 ramp.
10

11 COMMISSIONER HUDES: And then the right lane as
12 you come around onto Lark, that lane ends, is that correct?

13 JESSY PU: There are two lanes on the on-ramp as
14 of today, so the two right lanes will feed into the two
15 existing on-ramp lanes.

16 COMMISSIONER HUDES: So that right turn lane that
17 turns on there, that lane ends, is that correct?

18 JESSY PU: There is the right turn lane for
19 entering A Street on the project site.

20 COMMISSIONER HUDES: Right.

21 JESSY PU: So there are actually three through
22 lanes and one right turn lane.

23 COMMISSIONER HUDES: Right. Will the ending of
24 that lane cause a bottleneck?
25

1 JESSY PU: No, it will not. That right turn lane
2 is a deceleration lane, right turn lane, for entering the
3 project site.

4 COMMISSIONER HUDES: There will not be cars
5 trying to move over to the other lane there?

6 JESSY PU: No.

7 COMMISSIONER HUDES: Is there any separation of
8 that lane?

9 JESSY PU: This is a schematic drawing. It's not
10 showing the physical right turn lane, which would be a
11 fourth lane.
12

13 COMMISSIONER HUDES: Okay. Just from the written
14 description it sounded like there was a possibility. Seeing
15 this has helped me to understand that it may not be the
16 case.

17 I had one more, which was on page 13, second
18 bullet, Lark Avenue at Highland Oaks. You may be able to
19 pull up the diagram here. My question was will the queuing
20 at this left turn be adequate, given the anticipated
21 seasonal traffic or additional traffic after Phase 2, or
22 will this need to be widened again with the development of
23 Phase 2?

24 JESSY PU: Yes, this left turn storage capacity
25 has been analyzed multiple times; including Phase 1 and the

1 ultimate build-out, and left turn lanes are adequate for
2 the ultimate build-out.

3 COMMISSIONER HUDES: And have things like holiday
4 traffic patterns been looked at, given that there is
5 nothing to prevent someone from cutting through into the
6 traffic? I know we're not looking at a Phase 2 application
7 here, but I don't know whether these improvements are meant
8 to take us through that or not.

9
10 JESSY PU: The Specific Plan requires traffic
11 calming measures along A Street, for purposes of
12 discouraging cut-through traffic.

13 COMMISSIONER HUDES: So you're confident that
14 with holiday traffic, that lane will be big enough to
15 accommodate, and we won't have a backup onto Lark Avenue?
16 It looks short compared to other shopping centers where
17 there is a permitted left turn. I just want to make sure
18 that you really looked at that circumstance when that lane
19 was designed.

20 JESSY PU: Yes, the standard design guideline is
21 providing a 95% queue lanes storage, and this meets that
22 criteria.

23 COMMISSIONER HUDES: And that's been looked at
24 for the circumstance where there's a shopping center there,
25 and people are using that entrance to get there?

1 JESSY PU: Yes, it takes into account the traffic
2 calming measures to discourage cut-through traffic.

3 COMMISSIONER HUDES: Okay.

4 CHAIR BADAME: Commissioner Erekson.

5 COMMISSIONER EREKSON: I have a two-part
6 question. My guess is that the first part of the question
7 you will defer to Mr. Schultz.

8 How much of the right-of-way on the east side of
9 Los Gatos Boulevard does the Town have under its control
10 from Lark to Good Samaritan? I believe that's less than
11 100%, so what's the process for acquiring the balance, and
12 in your judgment, if in fact the Town Council—without
13 causing Mr. Morley a cardiac arrest with respect to his CIP
14 budget—were to decide to help address traffic issues by
15 taking whatever measures it required to acquire the
16 additional right-of-way and do the full build-out of Los
17 Gatos Boulevard, how would that help the general traffic in
18 this area?
19

20 MATT MORLEY: I'll start and we'll fill in along
21 the way as we need to. The diagram that's here, although it
22 wasn't intended for this purpose, does a pretty good job of
23 showing the saw tooth pattern along Los Gatos Boulevard
24 where there is a right-of-way already, and then there are
25 areas where there are not, so there are significant areas

1 that still need to be acquired. We've done no analysis on
2 what that might be or what it would cost.

3 In terms of capacity on Los Gatos Boulevard, the
4 traffic analysis shows that there is capacity along the
5 Boulevard to carry the traffic that will be generated
6 through the project.

7 COMMISSIONER EREKSON: Can you repeat what you
8 just said?

9 MATT MORLEY: In the current design, which is
10 identified through the Specific Plan, Los Gatos Boulevard
11 has the capacity to carry the traffic that will be
12 generated in the area, so there's no degradation of service
13 along that area. The big concerns of traffic are at the
14 intersections, especially signalized intersections, and you
15 can see in the project, that's where the focus on the
16 improvements are to carry through that.

17 It's also why, for instance, where the merge
18 occurs on Los Gatos Boulevard, it's less important that
19 it's a merge midstream and more important that the traffic
20 is moved through the intersection. By moving traffic
21 through an intersection, you allow a lessening of green
22 time at that particular movement, and that by definition
23 allows for extension of green time elsewhere, and improves
24 the service level.
25

1 COMMISSIONER EREKSON: Okay, thank you very much.
2 That was very helpful.

3 CHAIR BADAME: All right, Commissioners, are we
4 ready to move on to Open Space and the Look and Feel of Los
5 Gatos? All right, Mr. Morley and Mr. Pu, thank you very
6 much for your help.

7 I'm going to combine these two together, because
8 they are interrelated, and it's starting to move on to the
9 eleventh hour of the evening and we still need to look at
10 the different components of the application. So I will look
11 to Commissioners for their comments on open space and look
12 and feel of Los Gatos. Commissioner Hanssen.

13 COMMISSIONER HANSEN: My comment on open space
14 was I didn't have a lot of problem with it. The issues I
15 have are more related to other parts of the project than
16 the open space.

17 The look and feel was another matter, though. I
18 read and reread the Specific Plan, and although I could see
19 pictures of things that looked like they were in the plan
20 proposal, I was having trouble tying it to anything that I
21 could think of in Los Gatos. We don't have a development
22 like this in Los Gatos. I know that we have some townhouses
23 that are 35' or so in height, but I was struggling with
24 that.
25

1 There is some language in the Specific Plan about
2 it complementing what we have and going to a new place, but
3 I'm still left with I couldn't place it with anything else,
4 and especially when you consider this isn't really a
5 neighborhood analysis thing, but if you looked at the
6 closest residential in Highland Oaks, and then also across
7 the street from Los Gatos Boulevard, there are single-story
8 houses, so I struggled with that. It isn't clear in the
9 Specific Plan that it doesn't comply, but there were some
10 pictures that... And there were some guidelines about how to
11 vary the roof forms and the walls, but it didn't look like
12 anything else I know of in Los Gatos.

14 CHAIR BADAME: Commissioner Hudes.

15 COMMISSIONER HUDES: This is an area that to me
16 is very difficult, it gets very close to subjective
17 standards, and so I didn't spend a lot of time on it. But
18 two things did occur to me that I want to mention, and
19 maybe get some reaction from other Commissioners.

20 One of them is the individual architectural
21 styles, and if an individual architectural style can't be
22 found anywhere in Los Gatos, and that individual
23 architectural style is used frequently in the project, such
24 as a row house, then is it possible to for us to even make
25 a finding of fact that that architectural style is

1 consistent with the look and feel? Again, I'm trying to
2 just say are there facts that can lead me to conclude one
3 way or another?

4 The other point on this is, and I think as
5 Commissioner Hanssen pointed out, the assembly of buildings
6 in a grid pattern of this size. Again, is that something
7 that is consistent from a factual basis with Los Gatos? Can
8 it even be found anywhere that would allow us to make a
9 finding of fact that it is?

10 So I'm just kind of putting that out there. I'm
11 not advocating that these are necessarily objective, but
12 they are getting somewhat close to the line, in my opinion,
13 about what's a fact.

14 CHAIR BADAME: I would agree with that. I found
15 that the architecture was a departure from what we want as
16 the rural history of the site, or even architecture that I
17 found throughout the Town. It's modern urban design. Any
18 other Commissioners? Although I know the Town Architect put
19 his approval on it, but he's an independent consultant.
20 Commissioner Hanssen.

21 COMMISSIONER HANSSSEN: Just adding onto that, I
22 have great respect for the Town Architect, and he did bless
23 this, but I also remember that during the public testimony
24 yesterday some of the people that participated in the
25

1 survey had chosen the traditional and Mission style, and I
2 didn't see any of that in this proposal, so I wonder what
3 happened between then and now? If I look it, a lot of it
4 looks similar to things you see in Santana Row, maybe not
5 as tall, but the look and feel of the buildings. I feel
6 like something happened in between, so I just wanted to add
7 that.

8 CHAIR BADAME: Commissioner Erekson.

9
10 COMMISSIONER EREKSON: Architectural style from
11 my perspective is only one piece of the look and feel, so
12 what I'm going to say next is really only applicable to
13 architectural style.

14 What I'm trying to understand is architectural
15 style and how it's consistent with the look and feel of Los
16 Gatos. I would suggest that Los Gatos has a rich collection
17 of architectural styles that reflect the historical
18 development of the Town during different periods of time.
19 That's what we have in town. We don't have a single style,
20 we don't have a dominant style, we have a rich collection
21 of styles. That's what makes the place, from my
22 perspective, as I came to appreciate when I served on the
23 Historic Preservation Committee.

24
25 When I evaluate a particular building or set of
buildings, I need to do that in the context of the time

1 period in which they were constructed. If I were to use the
2 historical neighborhoods of the downtown area as a standard
3 by which to evaluate the South Kennedy Road, the Aventino
4 Apartments, et cetera, I would not be using a proper kind
5 of standard to judge them by.

6 So I thought how do I then think about it, and
7 how do I pose the question to myself to understand whether
8 a style would be, so the question for me is, is this
9 architectural style that's being proposed an appropriate
10 contemporary architectural interpretation that captures the
11 spirit and intent of the Vision Statement and the Guiding
12 Principles of the North 40 Specific Plan, and in particular
13 is it respectful and captures the history and agricultural
14 heritage of the site such that it makes a positive
15 contribution to the rich collection of architectural styles
16 that the Town has?

18 So I understand the question, and I feel not
19 particularly prepared, because I'm not an architect, to
20 answer the question. The only guidance that I have is the
21 guidance that the consulting architect has provided and the
22 Historic Preservation Committee has provided, and they
23 would suggest that it's at least nodding in that direction.
24 That doesn't necessarily convince me that it's making a
25 positive contribution to the rich collection, but it also

1 doesn't suggest to me that it is not consistent with the
2 look and feel of the Town. It's a question which I've kind
3 of wondered about, contemplated about, that I don't know
4 exactly how to answer, but I think the real question for me
5 is, is it an appropriate contemporary? Because these are
6 being built now; they're not being built in the 1950s,
7 they're not being built in the 1800s, they're being built
8 now, so how do we think about it as a contemporary
9 architectural interpretation now?
10

11 CHAIR BADAME: Commissioner O'Donnell.

12 COMMISSIONER O'DONNELL: I also sit on the
13 Historic Preservation Committee, and it did come before us,
14 and ultimately it was approved. The Town Architect also
15 approved it.

16 I believe this guideline is subjective. If
17 there's anything that's subjective, I think this discussion
18 illustrates it. Beauty is in the eye of the beholder almost
19 is the way this conversation is going. But if this is not
20 subjective, then we don't have to worry about subjective,
21 because nothing is subjective. That will simplify what
22 we're doing. But if it is subjective, then we don't get to
23 deny a project based on a subjective guideline.
24

25 CHAIR BADAME: Understood.

1 ROBERT SCHULTZ: The whole discussion, I've let
2 you go a while, but I'll draw you back to my first one. We
3 need you to connect any of your statements with actual...
4 Whether it's objective or any standards, I haven't heard
5 anybody say...

6 I'll give the cellar example. They should have
7 cellars. Well, tell me where in the Specific Plan it says
8 they should have cellars, because if you can't find that,
9 then you're not going to be able to connect that and
10 require cellars.

11 Same for the comment is, well, I don't see row
12 houses anymore, so it doesn't have the look and feel. Our
13 Specific Plan specifically says they can do row houses, so
14 you're not going to be able to connect the dots there.

15 That's what I'd like to see is you connecting the
16 dots as to the standards that are in our Specific Plan if
17 you would like to see changes made.

18 CHAIR BADAME: All right, Vice Chair Kane.

19 VICE CHAIR KANE: I can't do that, and that's
20 regrettable. The Specific Plan is telling me, the Town
21 Architect is telling me, the Staff Report is telling me,
22 that it has the look and feel, and I'd rather go to the
23 Supreme Court definition of pornography. "I don't know what
24 it is, but I know it when I look at it." It doesn't look
25

1 like anything that I've seen in Los Gatos, so how can that
2 have a look and feel? It can have a look and feel because
3 three authorities say so, and I can't connect the dots
4 between the subjectivity and date, but it doesn't look like
5 anything I've seen in Town.

6 If there is disagreement with that, tell me where
7 there is something comparable, and I'll stand corrected.
8 I'm not saying it's good or bad. I'm saying the first time
9 I saw that line, "To preserve the look and feel of Los
10 Gatos," I just went, "Why did they put that on there? Just
11 do what you want?" because it doesn't, and yet three
12 authorities say it's acceptable.

13 So I'm answering your question. I can't do it,
14 and that's regrettable. That's my opinion.

15 CHAIR BADAME: All right, we've heard Vice Chair
16 Kane's opinion, and unless we have any other comments or
17 questions on those two items, we can move on to the
18 application for which we have five components to work
19 through, and we're going to be approaching 11:30 before we
20 know it.

21 COMMISSIONER O'DONNELL: Why don't we see where
22 we are, because we can always make a motion to extend it at
23 11:25.

1 CHAIR BADAME: I understand that. I'm trying to
2 move the conversation along is what I'm trying to do,
3 especially since two of you won't be here on July 20th.

4 So back to the Open Space and Look and Feel, are
5 we done discussing that for now? All right, let's get our
6 applications out, if we don't mind.

7 COMMISSIONER HUDES: Maybe I could comment on
8 that, because I had suggested that we go through this at
9 this point, and I've found I've been able to weave in my
10 individual comments on there, with the exception of a few
11 questions, that I don't feel the need to go through it, at
12 least personally, to do that, because I've been moving
13 stuff from the plan page-by-page to the four topics as
14 we've been going through this.

15 So I have a few questions, but they're almost
16 check the box kind of questions that I want to make sure
17 that we're okay on, and I don't know if that would be okay
18 for me to go through those and just try to get a quick
19 answer.
20

21 CHAIR BADAME: Absolutely.

22 COMMISSIONER HUDES: There's a section called the
23 Illustrative Plan, and 3.13 uses that term, and a number of
24 others do in the plan. Is that an acceptable submission for
25

1 a project approval, to use illustrative rather than to use
2 actual elevations and things of that sort?

3 JOEL PAULSON: And you said 3.12?

4 COMMISSIONER HUDES: 3.13. It appears throughout.
5 There are a lot of these illustrative elevations.

6 JOEL PAULSON: I think if you look, there's
7 illustrative and there are also the technical elevations,
8 so both are provided.

9 COMMISSIONER HUDES: They're both?
10

11 JOEL PAULSON: Correct.

12 COMMISSIONER HUDES: So the technical is
13 required, and the illustrative is nice to have, maybe?

14 JOEL PAULSON: Correct.

15 COMMISSIONER HUDES: I want to just quickly, 315-
16 A, which deals with the height, and I want to make sure
17 that we understand this. What elements are permitted to go
18 beyond height limits of 35' and 45' per the General Plan?

19 JOEL PAULSON: I will pull out the Specific Plan.
20 I'll have to pull out those exact areas.

21 COMMISSIONER HUDES: I'm sorry, I meant specific.

22 JOEL PAULSON: Right, so I'll pull those areas
23 specifically out, but it's roof pitches over, I want to
24 say, 6/12, and then some other architectural features, and
25

1 I will pull out the exact language as we go through the
2 further deliberations.

3 COMMISSIONER HUDES: My understanding is that
4 those elements are not permitted, except that they are
5 asking for a waiver in order to have those?

6 JOEL PAULSON: I'm sorry, I thought you meant
7 just in general for those, but they are requesting a
8 waiver, so those limits can be extended above.

9 COMMISSIONER HUDES: This was about the square
10 footage, 321, the square footage of the senior affordable
11 units. We had testimony from the Applicant that 580 square
12 feet is fine. I think they said maybe 600 or something. I
13 wonder if Staff or anyone has verified as to whether 580
14 square feet is really adequate, and is it an average size
15 of senior affordable housing in the Bay Area? It looks
16 pretty small. It's a little bigger than a typical garage.

17 JOEL PAULSON: Staff does not do that analysis.
18 We have technical experts from the Applicant's side, but we
19 do not regulate the size of any of the units, regardless if
20 it's senior or any of the other types of units, or how
21 those compare to other developments, either in town or
22 throughout the Bay Area.

23 COMMISSIONER HUDES: Right. The reason that I'm
24 asking is that I think this relates back to unmet need, and
25

1 I think there needs to be an unmet need for a dwelling unit
2 of this size, and so I was hoping that Staff would verify
3 we didn't only have to take the word of the Applicant that
4 that's adequate, given that it looks like a pretty small
5 number to me.

6 JOEL PAULSON: I think that things like that,
7 those are topics that, when the Planning Commission makes a
8 recommendation and it moves forward, we will be prepared to
9 handle as well with the Council.
10

11 CHAIR BADAME: Commissioner Hanssen.

12 COMMISSIONER HANSEN: I just wanted to make a
13 comment that when we were on the Housing Element Advisory
14 Board I asked Laurel Prevetti for an introduction to Eden
15 Housing, because I wanted to get more information.

16 I spoke with the president of Eden Housing and we
17 did actually discuss this, and this size of unit is very
18 typical for the kind of projects that they do, and they do
19 a lot of this affordable housing—I think it was testified
20 last night—and typically over commercial. So I took comfort
21 in that. I don't know if that's helpful, but that didn't
22 come from the Applicant. Well, Eden Housing is part of the
23 Applicant, but they're the ones that are going to own it
24 and manage it.
25

1 COMMISSIONER HUDES: Along that vein of trying to
2 trust and verify, on 322 there was a comment from the
3 consulting architect about providing below grade parking
4 for the senior affordable. Has that been provided, and is
5 there a security gate to segregate the senior affordable
6 from the other parking area?

7 JOEL PAULSON: There is an underground portion of
8 the parking garage. That is the lower level, obviously. I
9 believe the senior parking is above, in one of the upper
10 levels, and I will have to check on the security of that,
11 whether or not it's gated.

12 COMMISSIONER HUDES: Then along the lines, again,
13 we had testimony from the Applicant that one-half space per
14 unit is adequate. Has Staff looked into that, and do we
15 believe that that's the case?

16 JOEL PAULSON: That meets the requirements of the
17 Specific Plan.

18 COMMISSIONER HUDES: Then 6.3, the lot coverage.
19 There's a lot coverage chart, and maybe I have the wrong
20 number. There are two 6.3s.

21 JOEL PAULSON: 6.5?

22 COMMISSIONER HUDES: No, 6.3, the one that says,
23 "Phase 1 lot coverage diagram."
24

25 JOEL PAULSON: Mmm-hmm.

1 COMMISSIONER HUDES: That is lot coverage that is
2 consistent with the density, et cetera. How does that lot
3 coverage relate to other similar developments in town?

4 JOEL PAULSON: The lot coverage requirement for
5 the Specific Plan is a maximum of 50%. The lot coverage for
6 the proposed Phase 1 application is 31.4%, so they comply
7 with the requirement of the Specific Plan.

8 COMMISSIONER HUDES: This one is a question about
9 open space and setbacks on 6.4. There are setbacks that are
10 also open space, correct?

11 JOEL PAULSON: Correct.

12 COMMISSIONER HUDES: Particularly the orchard
13 along Lark. Are setbacks normally considered open space?

14 JOEL PAULSON: The Specific Plan requires those
15 areas to be landscape buffered, so the perimeter area was
16 considered to be that.

17 COMMISSIONER HUDES: Is that normally considered
18 then in other developments, or is that something that's
19 unique?

20 JOEL PAULSON: Well, it's not unique, because we
21 don't have an open space component for commercial that's a
22 requirement of any other development.

23 COMMISSIONER HUDES: But what about for
24 residential?

1 JOEL PAULSON: For residential you'd just have
2 the front setback, which typically is landscaping, but
3 there's no open space requirement.

4 COMMISSIONER HUDES: I've seen it in some other
5 zoning land elsewhere.

6 JOEL PAULSON: Correct. We don't have an open
7 space requirement.

8 COMMISSIONER HUDES: Okay. That's the last of
9 mine.

10 CHAIR BADAME: Any further questions or comments
11 from Commissioners? Vice Chair Kane.

12 VICE CHAIR KANE: (Inaudible).

13 COMMISSIONER HUDES: 3.21.

14 VICE CHAIR KANE: Mr. Paulson, is it relevant
15 and/or within my purview to ask what are the anticipated
16 rents? None of these can be purchased, the seniors; they're
17 all rentals, right?

18 JOEL PAULSON: These are all proposed to be
19 rentals.

20 VICE CHAIR KANE: And they're supposed to be
21 below market.

22 JOEL PAULSON: They will be.

23 VICE CHAIR KANE: Do we know what that really is?
24 What would I pay for 580 square feet, do we know?
25

1 JOEL PAULSON: It's based on the income of the
2 individual, and then there is a percentage of that,
3 depending on the income level, so there's a formula that
4 generally changes, I believe, every year and puts out
5 standards, and so rents follow that metric, but we don't
6 have a number.

7 VICE CHAIR KANE: We can't ballpark this?

8 JOEL PAULSON: I believe that the Applicant in
9 their testimony said \$600 to \$1,000.
10

11 VICE CHAIR KANE: For this one?

12 JOEL PAULSON: If I remember correctly.

13 VICE CHAIR KANE: So indeed, it would be
14 affordable, even though it's Los Gatos, because sometimes
15 we do BMPs that can't be afforded anyway, but this is
16 really a low rent for Los Gatos.

17 JOEL PAULSON: Correct.

18 VICE CHAIR KANE: And I think the BMP is all
19 spelled out in the March 30th Staff Report. I've seen the
20 complexity of it before, but I couldn't translate it to a
21 number, and that seems to be a decent number. Thank you.

22 CHAIR BADAME: Any further comments, questions,
23 entertain a motion, Commissioners?
24

25 COMMISSIONER HUDES: Maybe I'll start some
discussion that someone could challenge or add onto, but I

1 would move to deny the application, based on findings that
2 the project does not address identified unmet needs; that
3 the views are not addressed by the layout of the site as
4 required in not only the Vision Statement, but in Policy OS
5 Policy 01, page 2-11, the Commercial Design Guidelines,
6 page 3-2, and additional requirements for views on 3.2-
7 6.B.I, page 3-9 where are the requirements for views, and
8 that's where I would just get things started.
9

10 CHAIR BADAME: We have a motion to deny.
11 Commissioner Erekson has his hand up. Did I see you had
12 your hand up? No, okay. Do we have a second? Commissioner
13 O'Donnell has a question.

14 COMMISSIONER O'DONNELL: A question. There are
15 several matters before us. That's a motion, but does it
16 deal with the Vesting Tentative Map? It isn't clear to me
17 what the motion pertains to.

18 COMMISSIONER HUDES: That was actually a question
19 that we asked, I think, before, and I looked for some
20 advice from Staff about how far we have to go if denial is
21 each of the requirements.

22 JOEL PAULSON: The Vested Tentative Map has
23 specific findings. You would have to make one of those
24 specific findings to recommend denial of that. However,
25 without the Architecture and Site approval, and I look to

1 the Town Attorney, if you're recommending denial of the
2 Architecture and Site approval, that's specifically tied to
3 the Vested Tentative Map, so the recommendation could be
4 for denial for both of them, but again, we want to make
5 sure we're tying to the findings and providing the link to
6 those objective standards.

7 CHAIR BADAME: So can you repeat the motion and
8 see if we can get a second?

9 COMMISSIONER HUDES: There are several parts to
10 this. Is it adequate to make a recommendation to deny the
11 Architecture and Site Application, which is described in S-
12 13090 in the Vested Tentative Map, and 13014, and to not
13 move forward to the density bonus, the waiver development
14 standards, and the subdivision, or do they need to be
15 considered together?

16 ROBERT SCHULTZ: No, if you make the
17 determination that the Vested Tentative Map and the
18 Architecture and Site is denied based on specific standards
19 in the Specific Plan, you don't have to get to the bonus
20 issue and the other denials at this particular time.

21 COMMISSIONER HUDES: So to clarify Commissioner
22 O'Donnell's question, my motion would be to deny the
23 Architecture and Site Application S-13-090 and the Vested
24 Tentative Map M-13-014.

1 ROBERT SCHULTZ: Based on the policies that you
2 stated a few minutes ago, and that's a recommendation of
3 denial to Council, not an actual denial.

4 CHAIR BADAME: Commissioner Erekson, you kind of
5 had your hand up, or you don't?

6 COMMISSIONER EREKSON: Ultimately, if the motion
7 has a second and stands as a motion, I have a question of
8 clarification, but I'll hold the question of clarification
9 until such second.
10

11 CHAIR BADAME: All right. Commissioner Hanssen.

12 COMMISSIONER HANSEN: I'll second the motion.

13 CHAIR BADAME: All right, so we have a motion and
14 a second. Commissioner Erekson, we're ready for discussion.

15 COMMISSIONER EREKSON: I would ask either Mr.
16 Hudes or the Staff to repeat the basis for the denial,
17 because it went real fast, and it seems to me it's critical
18 to understand what the basis of the denial is before one
19 can vote on it.

20 COMMISSIONER HUDES: I'd be happy to expand
21 first, maybe. The basis for denial is that it is not
22 consistent with the North 40 Specific Plan; the views are
23 not consistent with regard to Policy 01, page 2-11, the
24 Commercial Design Guidelines, page 3-2, and Section 3.2-
25 6.B.I, page 3-9 that addresses the requirement for views.

1 Also, with regard to the unmet needs for senior housing, as
2 described in 2.4 for Residential Development, and those are
3 the two that I included in my motion.

4 CHAIR BADAME: Commissioner Erekson.

5 COMMISSIONER EREKSON: Then I have a question for
6 Staff. Part of the motion is based on not meeting unmet
7 needs, so can you help me understand the language? Is the
8 obligation of an Applicant to meet all of the unmet needs
9 for the Town, or in fact if they meet some unmet needs, is
10 that adequate?
11

12 JOEL PAULSON: I will start, and then if the Town
13 Attorney has any additional. There's nothing in the
14 Specific Plan that requires an Applicant to meet all the
15 unmet needs of the Town.

16 COMMISSIONER EREKSON: So then, hypothetically-
17 I'm not saying that this would be the case-if in fact one
18 met one unmet need of the Town, that would be sufficient,
19 given the language of the Specific Plan, to be consistent
20 with meeting the unmet needs of the Town?

21 JOEL PAULSON: It could be, and that would be a
22 determination made by each individual planning
23 commissioner. You, as individual Commissioners, will decide
24 whether or not it meets the unmet needs requirement that
25 Mr. Hudes has pointed out. I've told you it doesn't need to

1 meet all of them, but if it does meet one or more of them;
2 then it's clearly meeting unmet needs. There's no threshold
3 there that's an objective standard that says you have to
4 meet the certain objective unmet needs.

5 COMMISSIONER EREKSON: Thank you.

6 CHAIR BADAME: All right, Commissioner O'Donnell.

7 COMMISSIONER O'DONNELL: I will not be supporting
8 the motion, but the good news is we're not making the
9 decision, the Town Council is.

10
11 What I'm concerned with is that if there's ever
12 been a project we've worked on that doesn't have as strong
13 a possibility of litigation as this one does, I don't
14 recall it, but I'm sure the Council will do a somewhat
15 different job in analyzing what they're doing than we have
16 given it. As I understand it, the Town Attorney is in fact
17 getting some additional legal advice, and that I assume
18 will be helpful.

19 I can respect the motion and the reason for the
20 motion, but I don't think this motion will be of much
21 assistance to the Town Council, but that may be okay, too.
22 I'm just very glad we don't have the ultimate
23 responsibility.

24 CHAIR BADAME: Vice Chair Kane.

1 VICE CHAIR KANE: Commissioner O'Donnell, was
2 there something you wanted to put in its place?

3 COMMISSIONER O'DONNELL: Not that would be
4 supported.

5 CHAIR BADAME: I will add a comment, in that the
6 intensity of this project is out of character for the Town,
7 and when I look at the Specific Plan, it relies on
8 hypothetical data and a glossary to characterize the
9 intensity of unit sizes; that's hypothetical data.

10 Real data provided by the Town on page 6 of the
11 Staff Report provides documentation that high-density
12 housing in Los Gatos typically ranges from 516 square feet
13 to 1,484 square feet, so that is powerful to me. Scaling it
14 back with the intensity could have the effect of providing
15 more open space, greater building articulation, possibly
16 reduced building height, possibly reduced building
17 footprint, quite possibly greater affordability in unmet
18 housing needs, and it would protect hillside views, so I
19 will be supporting the motion.
20

21 Any further discussion? All right, we are coming
22 up to 11:30, so I will call the question very quickly. All
23 in favor? Opposed? All right, so it fails. We have a tie
24 vote.
25

I need a motion to go past 11:30. It's 11:30.

1 COMMISSIONER O'DONNELL: So moved.

2 CHAIR BADAME: All right, Commissioner O'Donnell
3 made the motion. Seconded by...

4 VICE CHAIR KANE: I'll second it.

5 CHAIR BADAME: All right, all in favor? All
6 right. Vice Chair Kane.

7 VICE CHAIR KANE: I didn't support the motion,
8 because I felt that unless one watched the tape much of
9 what we said and what we're concerned about was not
10 reflected in the motion. I thought the motion would be like
11 14 points long. Am I off base?
12

13 One of the things I'd like in the motion is a
14 reflection of whereas I appreciated the economic analyst's
15 report, and I appreciate the Applicant's willingness to
16 have a dialogue with those merchants who are threatened, or
17 think they're possibly threatened to go out of business,
18 I'd like that in the motion, as opposed to just in the
19 film, and other things that we talked about that were of
20 concern. So how detailed does this have to be?

21 JOEL PAULSON: I think we need another motion.
22 There have been instances where there's a motion and a
23 second, and folks want to have things added to it, so they
24 request that of the maker and the seconder, but at this
25 point we will need a new motion.

1 CHAIR BADAME: Commissioner O'Donnell.

2 COMMISSIONER O'DONNELL: Just to verify, if we
3 have a tie vote, it doesn't mean that it can't go on to the
4 Council who will make the ultimate decision, it will just
5 fail, is that correct?

6 ROBERT SCHULTZ: Correct, but I'm sure Council
7 would like you to at least deliberate a little bit further
8 to see if a motion gets a majority, if after a period of
9 time, like deliberations for a jury.
10

11 COMMISSIONER O'DONNELL: And that's fine, it's
12 just that Mr. Kane's point is well taken. That is, if
13 anyone reviews the record they'll see a lot of things that
14 were said that I'm not altogether sure necessarily has to
15 be in the motion.

16 ROBERT SCHULTZ: Has to be in the motion,
17 correct.

18 COMMISSIONER O'DONNELL: But so many things were
19 said by the citizens and by us that I don't care how long
20 the motion is, it's not going to get the full flavor of
21 peoples' concerns and why the majority of this Planning
22 Commission has made the motion they have. That is not to
23 say we shouldn't go ahead and try; I just want everybody to
24 feel comfortable with what will happen.
25

1 VICE CHAIR KANE: To the maker of the former
2 motion, if you could repeat your motion and add the we're
3 serious about the full flavor of whatever Commissioner
4 O'Donnell just said. You've been talking for a very long
5 time, and you've done a great deal of research, and I
6 thought the motion was almost myopic in terms of the stated
7 concerns that you've had, the other Commissioners, and I
8 didn't know if they're just going to read the executive
9 summary or listen to these two days of deliberation, not to
10 mention the 610 letters we've received.

11
12 JOEL PAULSON: I would just offer, before Mr.
13 Hudes jumps in, that the verbatim minutes will be prepared
14 for both the meetings and they'll be submitted to the
15 Council. Everything that the Commission has received will
16 also be forwarded to the Council, so they'll receive all
17 that information, plus any additional information that the
18 public wishes to submit prior to the Council meeting.

19 VICE CHAIR KANE: Consider remaking your motion,
20 and I'll have more faith in the process.

21 ROBERT SCHULTZ: I think what Council is really
22 going to be looking for though is those standards that you
23 felt it was not in compliance, like Commissioner Hudes
24 mentioned in the open space. Whether they're subjective or
25 objective, I've left that open to any standards, so if

1 there are any other standards you want to point out in not
2 only that motion, or any that are added, I think that would
3 greatly help the recommendations to Council.

4 CHAIR BADAME: Commissioner Hanssen.

5 COMMISSIONER HANSSEN: I had a question and a
6 comment. I thought your comments, Chair Badame, were very
7 good about the intensity. Did you have a specific section
8 of the Specific Plan that we could refer to on the
9 intensity?
10

11 CHAIR BADAME: I was dealing with unit sizes, and
12 that's part of the unspecificity of the Specific Plan, so
13 all I could go off of was the hypothetical data that was
14 provided in the glossary, rather than real data, about what
15 type of intensity with square footages we might be looking
16 for for units of this size, with this particular density,
17 or with this acreage. I felt it was out of character for
18 what we have in Los Gatos with similar parcels.

19 VICE CHAIR KANE: Would that be an element of a
20 potential motion?

21 CHAIR BADAME: That was the element of why I
22 supported the motion.

23 VICE CHAIR KANE: We don't have a motion now. I
24 just wanted you to put it in there.
25

1 COMMISSIONER O'DONNELL: If I understand it, you
2 can add things to the motion if the maker is willing to do
3 that.

4 ROBERT SCHULTZ: But the motion was (inaudible).

5 COMMISSIONER O'DONNELL: What I'm suggesting is
6 rather than go to that motion again, you can say the same
7 motion, you don't have to repeat it, and then you can ask
8 for amendments to that. I'm just trying to save some time.

9 CHAIR BADAME: I'd be happy to make an amendment
10 if you want to start that motion again, then we'll
11 hopefully get the second, and I will make my amendment with
12 the discussion that I had about why I supported the motion.

13 COMMISSIONER HUDES: Right, I'm happy to do that.
14 I wanted to explore one additional area, and that's the
15 economic impact to see whether there were some things that
16 Commissioner Kane might want to suggest as grounds for
17 denial with regard to that area.

18 VICE CHAIR KANE: It goes to the Mission
19 Statement or some of the LEED Statements in the North 40
20 Specific Plan, having a concern or preservation for the
21 downtown district, I don't know what the reference is right
22 now, but that's my concern, that there's not enough concern
23 spelled out where it could be a regulated part, and I just
24 want to protect the downtown.
25

1 COMMISSIONER HUDES: So let me ask, then, there
2 was an inclusion of an inclusion of an economic report. How
3 does that tie back to the Specific Plan? That was a
4 required document, correct?

5 JOEL PAULSON: Correct.

6 COMMISSIONER HUDES: Where is that tied in, if I
7 could? Because I don't have the number.

8 VICE CHAIR KANE: I do.

9 JOEL PAULSON: I believe it's on page 24, but let
10 me just check here.

11 VICE CHAIR KANE: It's Exhibit 9. If we're
12 looking for this document, it's Exhibit 9.

13 JOEL PAULSON: He's looking for the requirement
14 in the Specific Plan.

15 VICE CHAIR KANE: Okay.

16 COMMISSIONER HUDES: Could you point me to the
17 requirement?
18

19 JOEL PAULSON: I'm attempting to get there.

20 COMMISSIONER HUDES: Okay.

21 JOEL PAULSON: I'm sorry, it's on page 2.6, it's
22 2.4.2, Commercial Uses, "Projects proposing new commercial
23 square footage must present the proposal to the CDAC."
24

25 COMMISSIONER HUDES: Right, so I would suggest
that the economic impact study was flawed in that it did

1 not consider the true circumstances of the downtown, where
2 the downtown has Conditional Use Permits. I believe the
3 consultant stated that he did not recognize or consider
4 that, and also analyzed the differences in the parking
5 ability in the downtown as well, so I would maybe suggest
6 that might be a way to address this economic issue, and
7 that is why I think, in my opinion, that the report is
8 flawed.

9
10 ROBERT SCHULTZ: So if we could get a motion on
11 the floor, and as I understand it, the motion right now
12 would be based on three that I've heard, so if we get a
13 motion that is based on the open space and the standards
14 that you mentioned in your first motion, it's based on the
15 statements made by Chair Badame about the intensity of
16 development and that it does not meet the standards set
17 forth in the glossary for square footage requirements, and
18 then the third one is the economic study. So is there a
19 motion that we could put on the floor for that and get a
20 second? Then you can add anything else to it.

21 CHAIR BADAME: Commissioner Hanssen.

22 COMMISSIONER HANSSEN: I just wanted to make a
23 comment relative to Commissioner Hudes redoing the motion.
24 There was a question in the discussion of the original
25 motion about the unmet needs. In addition to Section 2.4

1 where it describes that the development shall be focused on
2 the unmet needs, Appendix C clearly outlines that there are
3 two major populations for unmet needs. Now, it would be up
4 to the Council to determine whether or not meeting the
5 needs of the Millennials will be sufficient, but it clearly
6 spells out in the second page of Appendix C that baby
7 boomers are an unmet need of the Town. It's documented in
8 the Specific Plan, and it documents what their requirements
9 are, stacked flats, elimination of stairs and such. That
10 was the basis for my bringing it up to begin with, so if we
11 could add that to the evidence.
12

13 ROBERT SCHULTZ: As long as we get a motion and a
14 second.

15 COMMISSIONER HUDES: One second, just want to get
16 it all. Chair Badame, what section were you citing, please?

17 CHAIR BADAME: Mine had more to do with the
18 General Plan as it relates to the Specific Plan, and that
19 was with intensity relating to the character of the Town
20 and that the project as proposed is too intense, and that
21 reducing the intensity...

22 And again, the intensity is not spelled out in
23 the Specific Plan. There is a hypothetical chart in the
24 glossary that talks about unit sizes that is not based on
25 real data, whereas the Town on page 6 of the Staff Report

1 has provided documentation that high-density housing in Los
2 Gatos with this particular 20 units per acre typically
3 ranges from 516 square feet to 1,484 square feet.

4 So this is a departure, it's out of character for
5 what we have in Los Gatos. We've got units that range from
6 at least almost 2,000 square feet, so I'd like to see the
7 intensity scaled back, and doing so would provide more open
8 space, greater building articulation, reduce building
9 height, reduce building footprint, give greater
10 affordability for unmet housing needs, and protect hillside
11 views.
12

13 ROBERT SCHULTZ: And the chart she's talking
14 about is a conceptual model of residential sizes, which is
15 on 6-14.

16 CHAIR BADAME: Thank you for providing the page.
17 Vice Chair Kane.

18 VICE CHAIR KANE: In our Residential Design
19 Guidelines, Commissioner Hudes, there's a requirement for
20 excellence in design, and what I can find similar to that
21 in the North 40 Specific Plan is on page 3.1, Design
22 Guidelines Under Architecture and Site, talking about
23 complementing the existing character of Los Gatos, and
24 under Design Guideline 6, Architecture, "Produce high
25 quality authentic design," et cetera. I have concerns about

1 those two units, 24 and 25. They really seem crammed in
2 there and I wish they were somewhere else, and certainly
3 not on Los Gatos Boulevard, so that's my citing for...

4 COMMISSIONER HUDES: Do you have a page number?

5 VICE CHAIR KANE: 3-1, Article 3.1.

6 COMMISSIONER HUDES: I wanted to come back to
7 Chair Badame's concern, the intensity concern, and I wanted
8 to ask the attorney about whether that is something that he
9 would support with regard to the requirements that we have
10 for certain kind of density of 20 units per acre, and are
11 those consistent?
12

13 ROBERT SCHULTZ: I don't know. I wouldn't know if
14 it's even consistent with still being able to meet the
15 density requirement of 20 units per acre. Is that your
16 question?

17 COMMISSIONER HUDES: Correct.

18 ROBERT SCHULTZ: And I don't know that. I'm
19 assuming when we went through that with the Specific Plan
20 that it would meet it, but I don't know that for a fact,
21 but certainly you can use that as one of your... At least
22 you've tied your reasoning to something within the Specific
23 Plan, which is where I'm trying to guide the discussion.
24

25 COMMISSIONER HUDES: I'm a little concerned,
because this is an example with a hypothetical example

1 rather than a requirement. I believe that's what this table
2 says, so I'm a little concerned. Maybe we can have a little
3 more discussion about that.

4 CHAIR BADAME: Well, it's not specified in the
5 Specific Plan what square footage units should or shouldn't
6 be, so it's left open ended. When I look at what is
7 characteristic of Los Gatos, I don't want to use a
8 hypothetical chart. I don't know who made up those numbers
9 or where they came from. I want to look at hardcore data,
10 what is more typical for Los Gatos for this type of
11 density, and what I see, what's been provided to me by
12 Staff, is on page 6 of the Staff Report, and they give five
13 examples of similar types of development at 20 units per
14 acre in town. Aventino Apartments, 516 square feet to 1,418
15 square feet. Bay Tree Apartments, 782 square feet to 1,114.
16 Riviera Terrace, 639 square feet to 1,035 square feet. Lora
17 Drive, 800 square feet to 1,000 square feet.

19 So if we're going to be cramming a lot of units
20 in there, I want them smaller in size to reduce the
21 intensity, to have the effect that we want for a better
22 project for Los Gatos that gives us all those extra
23 benefits of open space, building articulation, reduced
24 building height, et cetera; I've gone through the list.
25 That's what's more characteristic of the Town of Los Gatos

1 that I would like to see that celebrates our town. Does
2 that help?

3 COMMISSIONER HUDES: It does. I may ask you to
4 amend my motion with that specific part. So let me try
5 again.

6 ROBERT SCHULTZ: Are you going to make it now?

7 COMMISSIONER HUDES: Yeah. I'm going to start
8 with the previous motion. So the project is not in
9 compliance with the applicable goals and objectives of the
10 General Plan; the project is not in compliance with the
11 North 40 Specific Plan with regard to views; not consistent
12 with the policies that I cited earlier; the pages that I've
13 cited earlier with regard to that; and with regard to the
14 unmet needs for senior housing as in Section 2.4 not
15 addressed. Then I would include the quality of architecture
16 as expressed in 3-13.1, in particular two units, 24 and 25,
17 not in compliance with that; and then I would also cite the
18 failure to meet the economic report in 2-4, "The
19 application submittal must include an economic impact study
20 to assess economic competitiveness," and that that study is
21 flawed, as it didn't consider certain elements of the
22 downtown, including the need for the restrictions in
23 downtown that include Conditional Use Permit and parking
24
25

1 restrictions were not considered in the preparation of that
2 report.

3 So that's where I am. I would maybe stop there
4 and see if I can get a second, and then if Chair Badame
5 would like to add something about intensity. I wanted to
6 make sure I got that language correct. I think we need to
7 get a second before we can do that.

8 VICE CHAIR KANE: I'll second it.

9 CHAIR BADAME: All right, Vice Chair Kane and
10 Commissioner Hanssen seconded it at the same time, so I
11 don't know who to give the credit to. All right,
12 Commissioner Hanssen, since she seconded it the first time
13 around.

14 All right, so I would ask the maker of the motion
15 if they would add that the Specific Plan envisions lower
16 intensity residential for the Lark District. To me, the
17 lower intensity residential equates to smaller square
18 footage in unit size. Based upon that, I am referring to
19 what I think is real data as to what's characteristic of
20 Los Gatos for low-intensity residential, and that would be
21 the information provided on page 6 of the Staff Report with
22 the examples given of similar development in Los Gatos.
23
24
25

1 So the intensity, the square footage of the unit
2 sizes, need to be less intense. Would the maker of the
3 motion add that?

4 COMMISSIONER HUDES: I would add that.

5 CHAIR BADAME: All right, does the seconder
6 accept that?

7 COMMISSIONER HANSSEN: Yes.

8 CHAIR BADAME: All right, any further discussion?
9 Commissioner Erekson.

10 COMMISSIONER EREKSON: I have a request of the
11 Chair. I would like for the Staff to outline in writing all
12 of the bases, because this is both complicated and
13 important, to outline and put them up on the screen and
14 give us a five to ten minute break to figure out whether or
15 not we could—because I've lost track of them—kind of come
16 to grips with whether or not they provide an adequate basis
17 for supporting the motion, or not. That's a request.

18 CHAIR BADAME: All right, I would like to honor
19 that request; it seems reasonable.

20 JOEL PAULSON: At least ten minutes.

21 CHAIR BADAME: Ten minutes. We will take a ten-
22 minute break.
23

24 (INTERMISSION)
25

1 CHAIR BADAME: All right, Commissioners, per
2 Commissioner Erekson's request, we have the motion on the
3 overhead.

4 JOEL PAULSON: I will go ahead and read it, and
5 then we would be looking for confirmation from Commissioner
6 Hudes and Commissioner Hanssen as to whether or not that
7 captures the essence of their motion.

8 The motion is to recommend denial of the
9 Architecture and Site Application and Vested Tentative Map
10 Application to the Town Council, based on findings that the
11 project is not consistent with the General Plan and North
12 40 Specific Plan; because it doesn't meet the unmet needs,
13 as it doesn't address unmet housing needs for senior
14 housing as outlined in Section 2.4 and Appendix C of the
15 North 40 Specific Plan in relation to views; as it doesn't
16 incorporate views adequately in the layouts as called out
17 in Open Space Policy 01; and also as related to Design
18 Guidelines 3.2.1.D, and then relationship to the economic
19 study from Section 2.4.2 of the Specific Plan, that the
20 study was flawed because it did not consider the downtown
21 CUP requirements and parking requirements; in relationship
22 to intensity, that the North 40 Specific Plan envisions
23 lower intensity residential in the Lark District; and the
24 units should be smaller, typical of the examples cited in
25

1 the Planning Commission Staff Report for July 12th on page
2 6, which stated examples of other developments in town; and
3 then from the Design Guidelines, Policy DG-6, that
4 Buildings 24 and 25 do not comply with this policy.

5 CHAIR BADAME: Commissioner Hudes.

6 COMMISSIONER HUDES: I think under views there
7 was an additional item, which is very long, 3.2.6.E.I., on
8 page 3-9. "Special care shall be taken to avoid obstructing
9 views to the surrounding hills."
10

11 CHAIR BADAME: Are all the Commissioners able to
12 read the material that's on the overhead? Yes? All right,
13 we have a motion on the table and second, so I am back to
14 any further discussion before I call the question?
15 Commissioner Hanssen.

16 COMMISSIONER HANSSEN: I just had a comment. I
17 wondered what we should do with the discussion that we had
18 at the beginning about distributing the units differently
19 for any proposal that would go forward. It could pertain to
20 view and intensity. I don't think it's a ground for denial,
21 and I certainly the Council will get a transcript of our
22 discussion, but I thought it was important that we include
23 that in our recommendation. Maybe you guys don't agree that
24 that should be part of the recommendation, but I'm going to
25 throw that out there.

1 CHAIR BADAME: All right. Commissioner Hudes.

2 COMMISSIONER HUDES: I just want to add that that
3 tied in with my thinking about views in that site
4 configuration could be adjusted from the application,
5 because there is some ability to move units within the site
6 and within the application area as well as within the
7 district, so that's how it tied in. It's not an additional
8 item; it's just my thinking behind why it's okay to look at
9 the views as an issue as well.
10

11 CHAIR BADAME: Vice Chair Kane.

12 VICE CHAIR KANE: I think it's an adequate
13 representation of what we said. It could help with the
14 motion being voted on. I'd just prefer that we know that
15 the actual text of the motion as from the verbatim minutes
16 is what in fact we said, just in case there's some bad
17 grammar up there or whatever; what we said is what we said.

18 CHAIR BADAME: All right, any further discussion?
19 Commissioner Hudes.

20 COMMISSIONER HUDES: Just since I'm somewhat new
21 to this, is it possible to vote for and support the motion
22 without supporting every one of the points that are on
23 there?

24 ROBERT SCHULTZ: Your motion will be taken as a
25 whole, and whether you're for the motion, because it's all

1 parts, but you certainly can put on the record, say for
2 example, you're going to support the motion, because
3 overall you're in support of it, but you do have an issue
4 with one of them, to let Council know that maybe you didn't
5 agree with that, but you can't vote on part and not the
6 other.

7 COMMISSIONER HUDES: Okay, thank you.

8 CHAIR BADAME: All right, so again, I believe we
9 have a motion on the table, and we have a second by
10 Commissioner Hanssen. Is there any further discussion?
11 Seeing none, I will call the question. All in favor?
12 Opposed? Passes 4-2, with Commissioner O'Donnell and
13 Commissioner Erekson opposed.

14 Mr. Paulson, are there appeal rights of the
15 actions of the Commission on a recommendation to Town
16 Council?
17

18 JOEL PAULSON: There are not.
19
20
21
22
23
24
25