



**TOWN OF LOS GATOS  
STUDY SESSION AGENDA**

MEETING DATE: 09/20/2021

ITEM NO: 1

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DATE: September 16, 2021  
TO: Mayor, Town Council, and Planning Commission  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Joint Town Council and Planning Commission Study Session regarding the Draft 2040 General Plan

**RECOMMENDATION:**

Discuss the Draft 2040 General Plan.

**BACKGROUND:**

On February 6, 2018, Town Council began the process of updating the 2020 General Plan with a discussion of the scope and process for the General Plan update. At that meeting, the Town Council indicated that the General Plan is serving the community well, and an update provides the opportunity to refine the General Plan, address emerging trends and recent State laws, and consider new issues.

Over the following three and a half years, the General Plan update process has included multiple community engagement opportunities, meetings with the Planning Commission and Town Council, and the following key milestones:

- On April 17, 2018, the Town Council established the General Plan Update Advisory Committee (GPAC) and identified initial guiding principles to support their work.
- On July 9, 2018, after approval by the Town Council, the Town Manager executed an agreement with Mintier Harnish Planning consultants for preparation of the General Plan update and Draft Environmental Impact Report (EIR).
- On October 30, 2018, the GPAC held its first meeting.
- On March 15, 2019, the Background Report (available online here: <http://losgatos2040.com/documents.html>) was released.
- On June 20, 2019, the GPAC reviewed the Issues, Opportunities, and Constraints Report (available online here: <http://losgatos2040.com/documents.html>).

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Interim Planning Manager

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

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BACKGROUND (continued):

- On August 20, 2019, the Town Council adopted the General Plan Vision and Guiding Principles (available online here: <http://losgatos2040.com/documents.html>).
- In December 2019, the Land Use Alternatives Report (available online here: <http://losgatos2040.com/documents.html>) was released.
- On March 3, 2020, the GPAC started review and discussion of the initial drafts of individual elements of the General Plan.
- On April 7, 2020, the Town Council approved the Preferred Land Use Alternatives Framework (available online here: <http://losgatos2040.com/documents.html>).
- On May 6, 2021, the GPAC recommended approval of the Draft 2040 General Plan (available online here: <http://losgatos2040.com/documents.html>).
- On June 18, 2021, the Draft 2040 General Plan was released for public review.
- On July 31, 2021, the Draft EIR (available online here: <http://losgatos2040.com/documents.html>) was released for public review. The public comment period ended on September 13, 2021.

Over the course of two and a half years and 35 meetings, the GPAC has worked with staff and the consultant to create an updated General Plan. The GPAC reviewed each General Plan Element to ensure a forward-looking document that is consistent and accessible. Each Element was considered over multiple meetings (between two and five GPAC meetings per Element) with the GPAC providing comments to staff and the consultant, and then further review and direction on the implementation of those comments in a revised draft of each Element. The Draft 2040 General Plan (Attachment 1, previously provided) is the result of this extensive work and outreach.

Additional outreach activities conducted throughout the process have included social media posts, online engagement activities, newsletters, two in-person community workshops, numerous in-person and online community meetings, informational booths at the farmers market, the library, Spring into Green, and Music in the Park.

DISCUSSION:

The joint study session is intended for a discussion by the Town Council and Planning Commission before the formal hearings for consideration, recommendation, and final decision on the 2040 General Plan and EIR.

A. GPAC Recommendation

After the thorough work described above, on May 6, 2021, the GPAC recommended approval of the Draft 2040 General Plan. The discussion at this meeting also included a recommendation for some modifications to the Vision and Guiding Principles to better

DISCUSSION (continued):

reflect the direction developed over the previous years' work. These changes are shown in Attachment 2 and summarized here:

- Revise the Vision for added clarity and add a sentence about racial, social, and environmental justice;
- Delete "downtown" from the Community Vitality Guiding Principle so that it applies throughout Town;
- Add a new Guiding Principle titled "Connectivity" to state the importance of connecting all facets of the Town to build a strong sense of community through building design, walkability, and safe streets;
- Delete "the Town's" from the Fiscal Stability/Responsibility Guiding Principles; and
- Replace the word "Recognize" with the word "Value" in the Inclusivity Guiding Principle.

B. Summary of Proposed Changes

Through the General Plan update process, the GPAC has refined the goals of the update based on direction from Town Council at the start and at key points throughout the process. The initial direction from Town Council was that the 2020 General Plan was serving the Town well, and this update provides the opportunity for the Town to refine the General Plan, address emerging trends and recent State laws, and consider new issues. The work that was done to fulfill this direction and provide opportunities for the approximately 2,000 residential units that were expected to be required by Regional Housing Needs Allocation (RHNA), and the need for inclusivity that came to the forefront in 2020, lead to updates within every Element of the General Plan. The most substantial changes are:

- A new Racial, Social and Environmental Justice Element;
- Increased housing opportunities for mixed-use developments in commercial areas and missing middle housing in neighborhoods with design requirements;
- New Community Commercial land use designation;
- New Community Place Districts to provide more objective design standards and focus on community form for all development;
- Shift in focus of transportation policies to street design, connectivity, and mobility for all users (bicycles, pedestrians, vehicles, etc.) to reduce Vehicle Miles Traveled;
- New goals in the Environment and Sustainability Element; and
- Expanded policies to prepare for wildfire, climate change, and community health threats.

The increased housing opportunities are provided through changes in the maximum allowed densities and heights. The increases to the maximum allowed residential density are seen in most areas, excluding the hillsides, with a focus on the commercial, mixed-use,

DISCUSSION (continued):

and medium/high density residential designations. This coincides with the location of the Community Place Districts, where the Plan also includes new design standards. The next section discusses the housing numbers in greater detail. The following table depicts the changes in density and height for all land use designations:

Land Use Designations	Density Range (du/ac)		Maximum Height	
	Existing General Plan	Draft General Plan	Existing General Plan	Draft General Plan
Hillside Residential	0 to 1	0 to 1	30	25
Low Density Residential	0 to 5	1 to 12	30	30
Medium Density Residential	5 to 12	14 to 24	30	35
High Density Residential	12 to 20	30 to 40	30	45
Mixed-Use	NA	30 to 40	35	45
Neighborhood Commercial	NA	10 to 20	35	35
Community Commercial	NA	20 to 30	35	45
Central Business District	NA	20 to 30	45	45
Office Professional	NA	30 to 40	35	35
Service Commercial	NA	20 to 30	35	35
Light Industrial	NA	None	35	35
Public	NA	None	NA	35
Open Space	NA	None	NA	30
Agriculture	NA	0 to 1	NA	30
Albright Specific Plan	See Specific Plan	No Change	See Specific Plan	No Change
North Forty Specific Plan	See Specific Plan	No Change	See Specific Plan	No Change

C. Housing Units

As described above, the modifications included in the Draft 2040 General Plan include increases to the maximum allowed residential density in most areas, excluding the hillsides, and with a focus on the commercial, mixed-use, and medium/high density residential designations. Throughout the process there has been an understanding that the updated General Plan would need to have sufficient capacity to allow, at a minimum, the Housing Element update to provide at least 2,000 dwelling units through vacant parcels, redevelopment capacity, and new programs. While the Housing Element update is conducted in a separate process from the General Plan update, and on an 8-year cycle rather than the General Plan's 20-year cycle, the regulations and policies in the General Plan

DISCUSSION (continued):

need to be consistent with the changes that will be needed to complete the Housing Element to accommodate the Town's RHNA.

The Town anticipated a high RHNA number of approximately 2,000 units for the next Housing Element cycle and the Town Council approved a Preferred Land Use Alternative Framework to accommodate the RHNA for the next Housing Element cycle. The following list lays out how the housing numbers evolved through the General Plan update process:

- Land Use Alternative C in the Land Use Alternatives Report (available online here: <http://losgatos2040.com/documents.html>): **2,303** housing units including Accessory Dwelling Units (ADUs).
- GPAC Recommended Preferred Alternative: **2,464** housing units including ADUs and downtown.
- Town Council adopted Preferred Land Use Alternative Framework: **2,464** housing units including ADUs and downtown.
- Staff and the consultant developed an implementation of the Framework: **2,950** housing units. This approximately 400-unit increase is primarily a result of an increase in the assumed typical density for the Mixed-Use Designation (previously 26 dwelling units per acre, currently proposed 36 dwelling units per acre), and inclusion of a new Community Commercial land use designation so that Neighborhood Commercial designated shopping centers like Pollard and Harwood could remain at a lower height and density.
- GPAC added 313 housing units to Office Professional and Service Commercial: **3,263** housing units.
- With the 475 existing/previously approved projects included: **3,738** housing units as shown in the General Plan Buildout table in the Draft 2040 General Plan.

Staff has prepared the following table to present the information from the General Plan Buildout Table (Table 3-1 in the Land Use Element of the Draft 2040 General Plan) along with comparable information from the existing 2020 General Plan. Please note that Table 3-1 in the Draft 2040 General Plan represented changes to density and did not include the Hillside Residential units on vacant land. The table below includes those units and staff will be working with the consultants to clarify this in the Draft 2040 General Plan.

DISCUSSION (continued):

Land Use Designation	Density Range (du/ac)		Typical Density (du/ac)		Assumed Redevelopment (Redev)	Existing General Plan		Draft General Plan	
	Existing General Plan	Draft General Plan	Existing General Plan	Draft General Plan		New Housing (Vacant Land)	New Housing (Redev)	New Housing (Vacant Land)	New Housing (Redev)
Hillside Residential	0 to 1	0 to 1	1	1	0%	116	-	166	-
Low Density Residential	0 to 5	1 to 12	4	12	5%	75	13	283	84
Medium Density Residential	5 to 12	14 to 24	10	20	10%	107	133	224	343
High Density Residential	12 to 20	30 to 40	18	36	15%	53	111	110	268
Neighborhood Commercial	10 to 20	10 to 20	16	18	10%	11	39	26	91
Community Commercial	0	20 to 30	0	26	15%	-	-	-	156
Mixed-Use	10 to 20	30 to 40	16	36	20%	55	242	126	605
Central Business District	10 to 20	20 to 30	16	26	15%	12	46	21	113
Office Professional	0	30 to 40	0	36	15%	-	-	4	255
Service Commercial	0	20 to 30	0	26	15%	-	-	10	44
Subtotal						429	584	970	1,959
Housing Units, New and Redeveloped							1,013		2,929
Housing Units, ADUs							500		500
Subtotal							1,513		3,429
Housing Units, Existing Projects							475		475
TOTAL							1,988		3,904

DISCUSSION (continued):

The State is requiring jurisdictions to plan for housing and the GPAC, Planning Commission, and Town Council have chosen to do so on our terms through Goals and Policies in the Community Design Element of the General Plan. Additionally, the Town has begun an effort to create Objective Standards to provide additional requirements for new development to address the character of the Town. Planning for these State mandates provides the Town more control than if the General Plan did not to plan for them. However, as can be seen in the Housing Element Annual Progress Report (Attachment 3), the planned housing units do not always get built. A table showing the full RHNA allocation for all jurisdictions within Santa Clara County is available as Attachment 4.

Many jurisdictions have appealed their RHNA allocations. The Town did not choose to file an appeal. Appeals are nearly always unsuccessful absent unique extenuating circumstances. For example, the Southern California Association of Governments (SCAG) is on a slightly different Housing Element cycle than the Bay Area and they have already concluded their appeals process which resulted in two jurisdictions receiving reductions in their RHNA of the 47 jurisdictions that filed appeals. Appeals also often provide false hope to residents that there will be a significant reduction in their RHNA as evidenced by the SCAG appeal process.

D. Public Outreach

As described in the background section of this report, in addition to the 35 public meetings held by the GPAC, the General Plan update process also included extensive public outreach. Since the GPAC's final meeting on May 6, 2021, the Town has received public comments on the Draft 2040 General Plan, which are included as Attachment 5. Many of the public comments include concerns about the potential impact of the new housing that would be allowed under the Draft 2040 General Plan. As described under Environmental Assessment Section below, the Draft EIR has been prepared and includes analysis of many of the subjects of concern mentioned in the public comments including utilities, wildfires, and transportation.

COORDINATION:

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

ENVIRONMENTAL ASSESSMENT:

A Draft Environmental Impact Report (EIR) analyzed the Draft 2040 General Plan as required under State law. The Draft EIR evaluated a wide range of topics as listed on the next page.

ENVIRONMENTAL ASSESSMENT (continued):

- Aesthetics;
- Agriculture and Forest Resources;
- Air Quality;
- Biological Resources;
- Cultural and Tribal Cultural Resources;
- Energy;
- Geology and Soils;
- Greenhouse Gas Emissions;
- Hazards and Hazardous Materials;
- Hydrology and Water Quality;
- Land Use and Planning;
- Noise;
- Population and Housing;
- Public Services and Recreation;
- Transportation;
- Utilities and Service Systems; and
- Wildfire.

The Draft EIR found that the Draft 2040 General Plan would have the potential to cause significant and unavoidable impacts with Greenhouse Gas Emissions and Transportation. For a community without high quality public transit, it is common for there to be significant unavoidable impacts in the areas of Greenhouse Gas Emissions and Transportation. The Draft EIR does show that while these emissions and vehicle miles traveled (VMT) would increase under the proposed Plan, the focus on infill development helps reduce the per person emission and VMT.

The public, government agencies, and other organizations were given 45 days to comment on the environmental document. A Final EIR is currently being prepared with responses to comments received on the Draft EIR.

CONCLUSION:

The GPAC recommended Draft 2040 General Plan includes changes and updates, including increases in housing capacity to meet State requirements. To ensure that this is accomplished, there are multiple factors beyond the 1,993 housing units required by RHNA. These factors include a State Housing and Community Development Department (HCD) recommendation for an additional 20 to 30 percent buffer in the number of housing units. It is also a best practice that a General Plan should have capacity for multiple different methods for meeting the Town's RHNA in recognition of the fact that HCD may not certify a Housing Element if it disagrees with the assumptions, housing sites, or programs. A certified Housing Element is essential for the



CONCLUSION (continued):

Town to receive State infrastructure dollars. The GPAC completed its work on the Draft 2040 General Plan by listening to the community and Town Council and by identifying goals, policies, and action items to protect the special character of Los Gatos, meet emerging needs, and plan proactively for State requirements.

Staff looks forward to additional public input and the Town Council and Planning Commission discussion regarding the Draft 2040 General Plan.

NEXT STEPS:

The next steps in the General Plan update process include:

- Community Meeting via teleconference at 6:00 p.m. on Wednesday, October 6, 2021.
- Planning Commission review and recommendation on the Draft 2040 General Plan and Final EIR, pending completion of the responses to the EIR comments.
- Town Council consideration of the Draft 2040 General Plan and Final EIR.

ATTACHMENTS:

Attachments previously provided:

1. Draft 2040 General Plan (available online here: <http://losgatos2040.com/documents.html>)

Attachments received with this report:

2. GPAC Recommended Changes to the Vision and Guiding Principles
3. Housing Element Annual Progress Report
4. Santa Clara County RHNA Allocations
5. Public Comments received by 11:00 a.m. on September 16, 2021