# TOWN OF LOS GATOS
## PLANNING COMMISSION STAFF REPORT
**Meeting Date: August 13, 2014**

**ITEM NO: 1**

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| PREPARED BY: | Joel Paulson, Planning Manager<br>jpaulson@losgatosca.gov |
| APPLICATION NO: | General Plan Amendment GP-14-001<br>Zoning Code Amendment Z-14-001<br>Environmental Impact Report EIR-10-002 |
| SUBJECT: | North Forty Specific Plan |
| LOCATION: | The plan area comprises approximately 44 acres located at the northern extent of the Town of Los Gatos, bordered by State Route 17 and State Route 85 freeways to the west and north, Los Gatos Boulevard to the east, and Lark Avenue to the south. APN 424-07-009, 010, 024 through 027, 031 through 037, 052 through 054, 060, 063 through 065, 070, 081 through 086, 090, 094 through 096, 099, 100, 424-06-115, 116, and 129. |
| PROJECT SUMMARY: | A Specific Plan for the North Forty Area (area bounded by Lark Avenue, Los Gatos Boulevard, Highway 85 and Highway 17) with a maximum development capacity of up to 364 housing units and 580,000 square feet of non-residential uses. Of the non-residential uses, the maximum development capacities are up to 250,000 square feet of office/hotel, and up to 400,000 square feet of other commercial (such as retail, restaurants, specialty market, health clubs, personal service, and entertainment). At least 30% of the area (approximately 13.2 acres) would be open space. The adoption of the Specific Plan includes the approval of General Plan text amendments and a new Zoning designation for the area. |
| APPLICANT: | The Town of Los Gatos |
| PROPERTY OWNERS: | Thomas & Miyoko Yuki, Herbert & Barbara Yuki, ETPH LP, William Mattes, Peter Brutsche, William Fales. William Hirschman, Elizabeth Dodson, Patricia Connell, Hans Mattes, Tak Petroleum, Dewey Ventura, Alexander & Betty Moisenco, Lucy, Dagostino, Robert & Georgianna Spinazze, Marianne Ezell, Los Gatos Medical Office Center, LLC |
| CEQA: | An Environmental Impact Report (EIR) and Mitigation Monitoring and Reporting Program have been prepared for the North 40 Specific Plan. |

ACTION: The Planning Commission is a recommending body to the Town Council on the items associated with the North 40 Specific Plan.

RECOMMENDATION: Recommend that the Planning Commission recommend to the Town Council:

(a) Certification of the EIR in compliance with the California Environmental Quality Act (CEQA), including the adoption of a Resolution for Findings of Fact and Statement of Overriding Considerations;
(b) Adoption of the Mitigation Monitoring and Reporting Program;
(c) Make the required findings and adopt a Resolution adopting the North 40 Specific Plan;
(d) Make the required findings and adopt a Resolution adopting General Plan Amendments (GP-14-001) of the Town General Plan; and
(e) Make the required findings and introduce an Ordinance effecting a Zoning Code Amendment of the Town Code (Z-14-001)

FINDINGS: The Planning Commission must make a finding that the Specific Plan is consistent with the goals and policies of the General Plan and its elements, if the recommendation is for approval.

The Planning Commission must make a finding that the General Plan amendments are consistent with the goals and policies of the General Plan and its elements, if the recommendation is for approval.

The Planning Commission must make a finding that the Zoning Code Amendment is consistent with the General Plan, if the recommendation is for approval.

EXHIBITS: Previously received on April 4, 2014:

1. Draft EIR (Note: The complete DEIR is also available online at: www.losgatosca.gov/N40DEIR)

Previously received on July 7, 2014:

2. Public Hearing Draft North Forty Specific Plan (Note: The complete Specific Plan including appendices is also available online at: http://www.losgatosca.gov/N40SP)

Previously received with the July 23, 2014 Staff Report:

3. Location Map
4. Required Findings
5. Final EIR which includes the Mitigation Monitoring and Reporting Program
6. Draft Findings of Fact and Statement of Overriding Considerations for the Certification of the North 40 Environmental Impact Report (298 pages)
7. Proposed General Plan Amendments
8. Proposed Zoning Code Amendment
9. May 28, 2014 and June 25, 2014 Historic Preservation Committee Minutes excerpts (8 pages)
10. Notes of the North 40 Advisory Committee Meeting of October 15, 2013, including two letters provided to the North 40 Advisory Committee as a desk item (15 pages)
11. Changes made to the Specific Plan after the North 40 Advisory Committee's October 15, 2013 meeting (12 pages)
12. Letter from A. Don Capobres, Linda Mandolini, and Wendi Baker dated July 14, 2014 (7 pages)
13. Written communications from the public (4 pages)

Previously received with the July 23, 2014 Desk Item 1:

14. Draft Findings of Fact and Statement of Overriding Considerations for the Certification of the North 40 Environmental Impact Report (Exhibit 6 from staff report) (64 pages)
15. Power Point slides from Grosvenor (38 pages)
16. Feasibility of Alternatives Memorandum (2 pages)
17. Written communications from the public (3 pages)

Previously received with the July 23, 2014 Desk Item 2:

18. Written communication from the public (1 page)

Received with this Report:

19. Revised Proposed General Plan Amendments (4 pages)
20. Revised Proposed Zoning Code Amendment (1 page)
21. Detailed comments provided by Lee Quintana submitted to the Town in October 2013 (168 pages)
22. Verbatim minutes from the July 23, 2014 Planning Commission meeting (144 transcribed pages)
23. Written communications from the public (6 pages)
24. Letter from A. Don Capobres, Linda Mandolini, and Wendi Baker dated July 14, 2014 (7 pages)
25. Information regarding regulating retail (2 pages)
26. Information regarding height (5 pages)
27. Information regarding views (3 pages)
28. Information regarding schools (6 Pages)

BACKGROUND:

On July 23, 2014, the Planning Commission conducted a public hearing on the Draft North 40 Specific Plan, its Final Environmental Impact Report (FEIR), and other related items. The Commission heard testimony from 25 individuals and closed the public portion of the public hearing. Due to the lateness of the hour, the Commission continued the entire item to its regularly scheduled meeting of August 13, 2014 including the opportunity for the applicant (i.e., the Town) to respond to the testimony and answer Commission questions. The Town Attorney explained that the applicant response does not constitute a reopening of the public hearing.

In addition, the Planning Commission identified specific issues for staff follow up to facilitate its deliberation on the North 40 under the topics of Transportation/Traffic, Residential, Retail, Height, Schools, Historic Resources, Alternatives, Environmental Impact Report, Utilities, and General. This Report responds to those issues by topic area and responds to public comments and questions that were not specifically identified in the Commission's requests. The information contained in the Report was coordinated with the Town Attorney, Parks and Public Works Department, and Economic Vitality staff.

As the Planning Commission considers and deliberates on these and other topics, staff has provided "starting point" language that, in some cases, could be added or replaced in the Specific Plan document to address or clarify these points. Individual Commissioners are also welcome to draft their own text changes for consideration by the full Commission. These modifications could be part of the Planning Commission's recommendation to the Town Council.

ANALYSIS:

***Planning Commission Requests***

Transportation and Traffic

- **Identify an alternative circulation pattern that requires a multi-modal path.**

  This topic is related to and addressed under a couple of other Transportation and Traffic responses below. Please see the responses to bullet items 2 and 6.

- **Explain whether a Class 2 bicycle lane or a multi-modal path result in higher bicycle ridership on Lark Avenue. When was the decision made and by whom to have a multi-modal path?**

  The California Streets and Highway Code Section 890.4 defines a "Bikeway" as a facility that is provided primarily for bicycle travel.

  (1) Class I Bikeway (Bike Path). Provides a completely separated right of way for the exclusive use of bicycles and pedestrians with cross flow by motorists minimized.
  (2) Class II Bikeway (Bike Lane). Provides a striped lane for one-way bike travel on a street or highway. (Minimum width of 4 feet, except 5 feet if adjacent to on-street parking, or 6 feet if posted speeds are greater than 40 mph).
  (3) Class III Bikeway (Bike Route). Provides for shared use with pedestrian or motor vehicle traffic. (No recommended minimum width.)

  In September 2005, the "shared lane marking" was approved by the California Traffic Control Devices committee for use by California jurisdictions. The primary purpose of the shared lane marking (sometimes referred to as "sharrows") is to provide positional guidance to bicyclists on roadways that are too narrow to be striped with bicycle lanes and to alert motorists of the location a cyclist may occupy on the roadway. The recommended width with street parking is 11 feet.

  The California Manual on Uniform Traffic Control Devices only allows shared lane markings to be used on urban roadways with on-street parallel parking.

  The appropriate type of bicycle lane, trail, or multi-modal path depends on its purpose, the intended users, and street connectivity. In general, multi-modal paths encourage more recreational travel. The experienced riders are likely to stay on streets with or without a bike path or bike lanes. Inexperienced riders prefer bike paths because they are separated from vehicles.

The Advisory Committee discussed multi-modal travel on Lark Avenue and this is addressed specifically in the Specific Plan in Section 4.13.5. The multi-modal path was selected to provide safe access along Lark and Los Gatos Boulevard and provide a direct connection from project site to Lark and Los Gatos Boulevard. It should be noted that the width of the northernmost lane has sufficient room to incorporate a bike lane should that be determined to be more appropriate.

- **Consider traffic signal and lane alternatives on Lark Avenue and Los Gatos Boulevard per public testimony.**

  Mitigation for the entire Specific Plan is based on traffic related flows from the proposed development. Table 23 of the Traffic Impact Analysis (TIA) [Exhibit 1, Environmental Impact Report (EIR), Appendix M] provides mitigation recommendations for the Lark/Los Gatos Boulevard intersection. The North 40 project is not expected to add any traffic to this right turn movement from eastbound Lark to southbound Los Gatos Boulevard and therefore, mitigation is not required.

  If there were a second right turn from Lark going south, all right turns would require signalization due to potential conflicts with pedestrian crossings. This means that cars could not turn right on a red light (i.e., it would no longer be a "free right"), and cars would stack up causing traffic delays.

- **Describe an alternative circulation plan that would keep most of the traffic on North 40 given actual circulation and the concerns with four egress points.**

  Alternatives were not included in the TIA. Due to the location of the North 40 Specific Plan Area, the site can only be accessed via Lark Avenue and Los Gatos Boulevard. Given the location of existing intersections along the project frontage, there are limited opportunities to add access without (a) interfering with existing intersection operations or (b) creating potential conflicts between through traffic and vehicles entering and exiting the site. The access alternative which was studied presented the best opportunity to facilitate site access while reducing potential conflicts with through traffic on these two major streets.

  Alternative access configurations could be evaluated to determine whether they would create new impacts or worsen impacts identified in the EIR. The Planning Commission's recommendation to Council could include additional evaluation of specific alternative(s).

- **Explain how the traffic study considered current traffic, recently approved projects, and developments under construction (such as the Palo Alto Medical Foundation building).**

  The TIA includes traffic counts of existing conditions. The existing intersection Level of Service (LOS) data represents existing traffic conditions. The TIA does include anticipated traffic from approved (including ones under construction) and pending Planning projects.

  There are no signalized intersections within the Town that are operating at LOS E or F under existing conditions. For more detail, please see Table 7 in the TIA.

  A few intersections (National/Samaritan, Los Gatos Boulevard/Terreno De Flores, and Los Gatos Boulevard/Camino Del Sol) have LOS E or F for traffic exiting the side streets only. With the build out of the Specific Plan, a raised median island would be constructed along Los Gatos Boulevard to prohibit left turn movements off Terreno De Flores and Camino Del Sol. This is intended to improve the safety of the intersections. The intersection of National/Samaritan is shared with the City of San Jose. The City of San Jose and Town staff have previously discussed measures for improving the operation of the intersection. Due to its close proximity to Los Gatos Boulevard, signalization of National/Samaritan was removed from consideration. Alternative measures, such as providing access easterly on Samaritan Drive within the City of San Jose, are being considered by the City of San Jose. Implementation of Mitigation TR-3 in the EIR requires future development to mitigate its share of traffic impacts. The Town cannot ask new development to mitigate existing conditions.

  The three big developments, the approved Albright, proposed CVS, and approved PAMF buildings are included in the background and cumulative scenarios. The effects of these developments together with the North 40 have been considered in the TIA and are the basis for the required traffic mitigations. The EIR also includes Mitigations TR-1 and TR-2 to address the Specific Plan development together with the background conditions. The Development under the Specific Plan would also be required to mitigate cumulative traffic impacts as described in Mitigations CUM-TR-1 and CUM-TR-2.

- **Describe how the Plan could protect opportunities for bicycle path connections to the Los Gatos Creek Trail. What language could be added to the Plan?**

  Staff offers the following, starting point policy language for the Planning Commission's consideration as part of its recommendation to Council:

  *Future development of the North 40 should preserve the opportunity for bicycle connectivity to the rest of the Town and the Los Gatos Creek Trail.*

- **Explain who recommended the extra storage lanes for Highway 17 and who will pay for this.**

  The Town General Plan, on Page TRA-17, identifies this improvement under the Lark Avenue heading. This improvement would be a condition of development in the early phase(s) of the North 40. For example, if the pending application is approved, this condition would be a requirement in the Architecture and Site Permit.

Residential

- **Clarify the number, type, and location of housing, particularly as it addresses the Town's unmet needs.**

  The maximum number of residential units allowed by the Draft Specific Plan is 364. The Draft Specific Plan envisions the opportunity for housing in all three Districts. Unmet residential needs are addressed throughout the Draft Specific Plan and more specifically in the Guiding Principles and Residential Development Standards. Appendix C of the Draft Specific Plan also contains some current demographic trends associated with seniors, empty nesters, and young adults. The Specific Plan is intended to provide flexibility for housing types that meet the needs of these demographic segments.

- **Explain how the Plan could be strengthened to require a specific number or percentage of senior housing.**

  The Planning Commission could recommend that a minimum number or a percentage of the maximum number of units be designated as senior housing.

Retail

- **Identify specific types of retail that would complement or be a detriment to the Town's existing retail establishments. Explain the Town's unmet needs for retail in an easy to understand manner.**

  The Planning Commission received Economic and Urban Decay Analyses in Appendix K of the EIR (Exhibit 1). The Town's Economic Vitality staff reviewed the documents and found that the overall description of the retail areas within the Town of Los Gatos are consistent with staff's field observations, conversations with local business owners and the Chamber of Commerce, and communications with real estate brokers active in the Town. Table 7 of the Urban Decay Analysis (page 25) shows the breakdown of businesses in different subareas of Los Gatos with specific retail detail in Table 8 for the Downtown Core (210 retail businesses). Similar data are contained in Table 9 for Los Gatos Boulevard and Table 10 for neighborhood centers in Town.

Businesses that would complement the Town's existing retail establishments would be those that provided retail products that Town residents now travel outside of Los Gatos to purchase (i.e., unmet needs). Based on the Sales and Leakage Analysis contained in the Urban Decay Analysis, building materials, gardening supplies, appliances, home furnishings, and general merchandise (e.g., socks and other basic items) are the greatest unmet needs of Town residents. For example, the nearest general merchandise store is a Target located on Hillsdale Avenue in San Jose. Given the Town's concern regarding large format retail, it may be possible to attract a small scale general merchandise store in the North 40 that would complement existing Town businesses.

Businesses in the North 40 that might be a detriment to existing Town businesses may be those that directly compete for the same customers for similar retail, restaurant, or service needs. Given the dynamic nature of the market, the changing influence of internet shopping, and other factors, it is difficult to predict a specific mix of businesses that would, by themselves, have a negative impact on the Town.

The North 40 Advisory Committee also reviewed options on how to try to regulate the size of retail on the North 40 (Exhibit 25). There was a number of iterations of a commercial square footage table (Table 2-7 Exhibit 25) analyzed and it ultimately was decided that the table was over regulating the commercial and was not appropriate for inclusion in the Specific Plan.

- **Clean up the Conditional Use Permit requirements for retail to be consistent with other parts of Los Gatos.**

  The North 40 Advisory Committee spent a number of meetings reviewing each permitted and conditionally permitted land use and suggesting changes to the Land Use table. If the Planning Commission believes that some of the permitted uses outlined in the Draft Specific Plan should require Conditional Use Permits then those recommendations can be forwarded to the Town Council.

Height

- **Describe specifically how the Specific Plan is consistent with the General Plan with respect to height limits.**

  The Specific Plan incorporates height polices, standards, and guidelines that will encourage a mix of building heights. Lower buildings are required around the perimeter of the site and a few key taller buildings (hotel, affordable senior, and empty-nester housing with podium parking or commercial below) may be allowed when centrally/internally located in the Transition District only. The Plan encourages more

varied roof lines and allows for tower elements and pitched roof forms while preserving hillside views and the character of the community.

The Specific Plan includes height policies and standards with the overall intent of creating a neighborhood, not a development:

- Allow flexibility and creativity for agrarian roof forms.
- Encourage varied roof silhouettes.
- Accommodate the empty nester and millennial housing types - such as, higher floor to ceiling heights for expansiveness.
- Encourage open space by allowing the overall building footprints of these uses to be reduced, thereby increasing the amount of open space between and surrounding the buildings.

Staff has also provided some additional information regarding height in Exhibit 26.

The General Plan provides the overarching land use policy foundation for the community. Page LU-16 of the Los Gatos General Plan in Section F Special Planning Areas acknowledges that "Development in Los Gatos can be targeted to achieve a more specific outcome by designating specific overlay zones and special planning areas. These areas have more detailed development guidelines that remain consistent with existing policies." Therefore, the General Plan anticipates that the Town Council may decide to approve heights or other development standards in the Town Code or a Specific Plan that differ from the land use designation heights.

To enhance the consistency between the Town General Plan and the proposed Specific Plan with respect to height and other issues, staff is recommending additional General Plan amendments (see Exhibit 19). Similarly, staff has modified the proposed Zoning Code amendment (see Exhibit 20).

- **Explain the maximum allowable heights.**

A maximum height limit was not determined by the North 40 Advisory Committee; however, the Planning Commission could recommend a maximum height limit to the Town Council and the recommendation would be incorporated into the proposed Specific Plan and proposed General Plan amendments for Council consideration.

Staff offers the following as a basis for the Planning Commission's discussion on recommending a maximum height for the Specific Plan: As stated on Draft EIR pages 3-9 and 3-10, a building near State Route 17 at a height of about 80 to 110 feet would visually reach to the ridgeline as viewed from State Route 17. A building near State Route 17 at a height of about 35 to 55 feet would visually reach to the top of the lower

vegetation line when viewed from State Route 17. Therefore, buildings up to 55 feet in height would not significantly impact views of the ridgeline. At locations within the Plan Area that are farther from the highway, a higher building height would be necessary to reach these view thresholds. Buildings that are at or below the vegetation line would not block hillside views at all. Buildings that visually extend above the vegetation line would begin to encroach on hillside views. Figure 14 from the EIR is provided in Exhibit 27.

- **Explain how the proposed heights in the Specific Plan protect view corridors.**

  The Specific Plan uses a combination of policies, standards, and guidelines to guide future development and the protection of hillside views. In addition, the EIR analyzes view impacts and incorporates mitigation measures to further address view protection. Staff has provided excerpts from the Specific Plan that address view protection in Exhibit 27.

Schools

- **Describe the results of the Town's meetings with all four affected school districts, including meeting attendees.**

  Staff has provided some background information regarding school financing and school district mitigation in Exhibit 28.

  Two school districts have jurisdiction over the northern portion of the Specific Plan Area: Cambrian School District and Campbell Union High School District. The balance of the Specific Plan Area is in the jurisdiction of the Los Gatos School District and the Los Gatos Saratoga Joint Union High School District.

  Staff reached out to all four Superintendents. To date the only School District that has responded is the Los Gatos Union School District. Laurel Prevetti and Joel Paulson met with Diana Abbati and Martin Fregoso on July 30th and discussed the Specific Plan. Town Staff committed to continue working with the School District in their ongoing efforts to address student generation and the challenges associated with their capacity concerns. If the Town has communication with the other three Districts, this information will be provided in a Desk Item or will be part of staff's verbal report.

Historic Resources

- **Ask the Historic Preservation Committee to review and comment on the Feasibility of Alternatives Memorandum (Exhibit 16 of Desk item 1).**

Exhibit 16 of Desk Item 1 compares the alternatives in the EIR with the stated project objectives. This does not diminish the input of the Historic Preservation Committee's recommendation for additional policy language regarding historic resources. The individual members of the Historic Preservation Committee are also welcome to provide comments on the Specific Plan and any other associated material. However, it is not the role of the HPC to comment as a body on the Response to Comments or other components of the Final Environmental Impact Report.

Utilities

- **Explain the power needs for the North 40. Describe if new transformers are required and where they would be located.**

  Page 5-13 of the Draft Specific Plan discusses the utility needs. Power is provided by a combination of underground and overhead facilities. As required by Town Code, utilities are required to be underground. Additional transformers, utilities vaults, and possible power poles will be provided to serve the new developments. Details and specific locations will be provided and considered with future development application(s).

Alternatives

- **Describe the work needed to analyze the environmental implications of a reduced retail and reduced residential alternative.**

  Based on the Commission discussion, staff developed an alternative that has a 25% reduction in commercial and residential development. This 25% reduction would allow the potential for up to 435,000 square feet of commercial and 273 residential units. The reduction is based on the reduced scale alternative for commercial uses already contained in the EIR.

  Because the EIR considers the No Project Alternative and a Reduced Scale Alternative in addition to the Specific Plan, the analysis contained in these alternatives brackets the potential impacts of a 25% reduction alternative. In other words, the existing EIR provides environmental clearance for the 25% reduction alternative because it is in between other alternatives that were considered. Therefore, the potential impacts of items such as traffic would be reduced by 25% and no additional analysis is necessary.

- **Consider open space options that reflect the HPC's recommendations.**

  The HPC recommendation could be accommodated in several ways in future development and open space proposals. One of the most direct options would be to require a certain amount of orchard acreage to be retained along with the barn and family

home. The buildings might need to be moved in closer proximity to one another and the orchard to accomplish this while providing a viable, developable area.

Environmental Impact Report

- **Explain the adequacy of the FEIR to address all of the issues mentioned above.**

  The EIR adequately addresses all of the issues that were raised as well as all other topics as required by the California Environmental Quality Act (CEQA).

General

- **Explain how the Draft Specific Plan meets the Town Council's vision statement.**

  The Advisory Committee's work that resulted in the Draft Specific Plan before the Planning Commission was based on the Council adopted Vision and Guiding Principles. The goals and policies included in the Draft Specific Plan reflect the Vision and Guiding Principles. The Commission may recommend additional specific policy language to strengthen any component.

***Public Comments and Questions***

Traffic and Transportation

- **TIA says every intersection has adequate storage space but does not discuss the added time delay it takes to get through the intersection. Can this be addressed?**

  The intersection delay is shown in the in the TIA in Tables 7, 13, 22, 29, 30, and 37.

- **In Blossom Hill Manor one cannot get out from Farley to Los Gatos Boulevard due to traffic.**

  The intersection of Los Gatos Boulevard/Farley Road is not included in the TIA. The intersection is controlled with stop signs for Farley Road. It is not included in the TIA because it was determined that the development of the North 40 would not cause a significant impact to the intersection.

- **The North 40 needs to address existing traffic problems for Highland Oaks. Blocking access to Highland Oaks going left onto Highway 17 will cause more problems for residents in this area.**

  Existing traffic conditions, including Highland Oaks, are accounted for in the TIA. The traffic will increase with or without development in the North 40 (under background and cumulative conditions). To maintain a safe access would require signalization of Highland Oaks/Lark, which would encourage cut through traffic. Alternative routes from this area are making a right turn from Highland Oaks and then making a U turn at the Los Gatos Boulevard/Lark intersection, or entering/exiting the area via the Gateway/Los Gatos Boulevard intersection. This topic was also addressed in the response to comment letter 26 from Mr. Loughridge (May 19, 2014) in the Final EIR.

- **Close Highland Oaks at Lark entirely.**

  The current right turn movements are safe and do not generate much cut through traffic. There is currently a sign restricting right turn movements from Lark to Highland Oaks. The future development in the North 40 is not expected to add traffic to this movement.

- **Solar and Cool Roofs.**

  The Specific Plan includes Sustainability Guidelines in Section 3.3.8.

CONCLUSION:

As part of its recommendation to the Town Council, the Planning Commission may identify any of the following:

- Specific language for changes to the Specific Plan text, including but not limited to, policies, diagrams, or other text.

- Specific direction for additional modifications to the Specific Plan.

- Specific analyses, evaluations, or considerations.

- Other process or substantive comments.

As the Planning Commission is the recommending body, the Town Council would decide if it wished to pursue any of these items as part of their action on the Specific Plan and related materials.

RECOMMENDATION:

When the Planning Commission has completed its consideration of the materials, including public testimony, the Commission should forward a recommendation to the Town Council to:

1. Certify the EIR in compliance with the California Environmental Quality Act (CEQA), including the adoption of Findings of Fact and Statement of Overriding Considerations;
2. Adopt the Mitigation Monitoring and Reporting Plan;
3. Make the required findings and adopt a Resolution adopting the North 40 Specific Plan;
4. Make the required findings and adopt a Resolution adopting General Plan Amendments (GP-14-001) of the Town General Plan; and
5. Make the required findings and introduce an Ordinance effecting a Zoning Code Amendment of the Town Code (Z-14-001)

Prepared by:
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Planning Manager

Approved by:
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Assistant Town Manager/
Community Development Director

LRP:JP:cg

cc: Grosvenor Americas, Attn: Steve O'Connell, 1 California Street, Suite 2500, San Francisco, CA 94111
Summerhill Homes, Attn: Wendi E. Baker, 3000 Executive Pkwy, Suite 450, San Ramon, CA 94583

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## PROPOSED GENERAL PLAN AMENDMENTS

California law requires a Specific Plan to be consistent with a Town's General Plan. Although amendments to the Town's General Plan will be necessary to adopt this Specific Plan, the policies, standards and guidelines of the North 40 Specific Plan are consistent with the overarching goals of the Los Gatos General Plan. The proposed amendments to the Land Use Element are below.

Figure LU-3:
The legend would be modified as follows:

North Forty Specific Plan ~~Overlay~~

Section E. General Plan Land Use Designations:

**1. Residential Land Use Designations**

This section provides a brief description of each residential land use designation and the desirable range of density for each designation. A Specific Plan may also address residential uses.

**2. Non-Residential Land Use Designations**

For non-residential land uses, the specific uses mentioned are illustrative, and other compatible uses, including those authorized in any other Zoning District within the Town, may be permitted where authorized by a Planned Development Overlay Zone or Specific Plan.

Section F. Special Planning Areas:
Delete Section 3. Overlay Designation and move this text as revised to the revised number Section 3 Other Plans:

~~**3. Overlay Designation**~~

~~The North Forty Specific Plan Overlay is applied to the approximately 40 acre property bounded by Los Gatos Boulevard to the east, Highway 17 to the west, Lark Avenue to the south, and Highway 85 to the North. This Overlay requires the preparation and adoption of a specific plan that will determine the mix of uses, dimensional standards, architectural standards, phasing, and infrastructure to support the development of the property prior to approval of any entitlements. Drawing on the draft North Forty Specific Plan prepared in 1999, the General Plan overlay designation is intended to help guide the future development of this property. The 2020 General Plan Environmental Impact Report assumed a maximum capacity of 750 mixed residential units and 580,000 square feet of retail and offices uses for the purposes of assessing environmental impacts associated with the development of the property. While this is the maximum development capacity under this General Plan, the specific plan may be approved with lower densities and~~

~~square footage of residential and commercial uses, respectively. The North Forty Specific Pan will be based on the following general guidelines:~~

- ~~Include a mixture of uses that will complement the Downtown and the rest of the community.~~
- ~~Be based on sustainable and "smart" development practices.~~
- ~~Include public gathering spaces such as a plaza and park.~~
- ~~Provide for a variety of residential housing types, both rental- and owner- occupied. A minimum of 20 percent of the units shall be affordable to households at the moderate income level or below.~~
- ~~Include high-quality architecture and design that reflects the rural and agricultural history of the site.~~
- ~~Provide pedestrian-oriented buildings along the Los Gatos Boulevard frontage, with minimal parking oriented to the street.~~
- ~~Take advantage of the grade change across the site.~~
- ~~Continue the "boulevard treatment" along Los Gatos Boulevard, with interconnections from one parcel's drive aisle to the next.~~
- ~~Include connections to existing intersections along Los Gatos Boulevard and Lark Avenue.~~
- ~~Develop gateway or landmark features at Los Gatos Boulevard and Lark Avenue and at Los Gatos Boulevard and the Highway 85 off-ramp.~~
- ~~Provide an easily accessible, fully connected street network that encourages walking.~~
- ~~Provide a vegetative buffer and screening along Highways 17 and 85.~~
- ~~Preserve Town character and views.~~

**3. Other Plans**

The Hillside Specific Plan and Los Gatos Boulevard Plan areas are each developed according to separate land use goals and in different areas of the Town. In addition to these approved ~~Specific~~ Plans, the Town ~~will be developing~~ has adopted a North Forty Specific Plan.

...

d. The North Forty Specific Plan

The North Forty Specific Plan provides land use and development guidance to the approximately 40-acre property bounded by Los Gatos Boulevard to the east, Highway 17 to the west, Lark Avenue to the south, and Highway 85 to the North. This Specific Plan determines the mix of uses, dimensional standards, architectural standards, phasing, and infrastructure to support the development of the site. The Specific Plan has a

maximum capacity of 364 housing units and up to 580,000 square feet of commercial uses. The North Forty Specific Plan is based on:

- Include a mixture of uses that complement the Downtown and the rest of the community.
- Be based on sustainable and "smart" development practices.
- Include public gathering spaces such as a plaza and park.
- Provide for a variety of residential housing types, both rental- and owner- occupied. A minimum of 20 percent of the units shall be affordable to households at the moderate income level or below.
- Include high-quality architecture and design that reflects the rural and agricultural history of the site.
- Provide pedestrian-oriented buildings along the Los Gatos Boulevard frontage, with minimal parking oriented to the street.
- Take advantage of the grade change across the site.
- Continue the "boulevard treatment" along the southwestern end of Los Gatos Boulevard, with interconnections from one parcel's drive aisle to the next where feasible.
- Include connections to existing intersections along Los Gatos Boulevard and Lark Avenue.
- Allow for future development of gateway or landmark features at Los Gatos Boulevard and Lark Avenue and at Los Gatos Boulevard and the Highway 85 off-ramp.
- Provide an easily accessible, fully connected street network that encourages walking.
- Provide a vegetative buffer and screening along Highways 17 and 85.
- Preserve Town character and views.

These elements are embodied in the Town Council's Vision Statement and Guiding Principles:

*Vision*

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

*Guiding Principles to Achieve this Vision*

- The North 40 will look and feel like Los Gatos.
- The North 40 will embrace hillside views, trees and open space.
- The North 40 will address the Town's residential and/or commercial unmet needs.

- The North 40 will minimize or mitigate impacts on town infrastructure, schools, and other community services.

Modify Land Use Policy 11.4 as follows:

Policy LU 11.4 Include a variety of ~~regional destination and local-serving~~ commercial uses ~~in the North Forty area, following~~ reflective of the Town Council's Vision and Guiding Principles for the North Forty. Land uses shall follow a logical land use pattern that takes advantage of the site opportunities while protecting adjacent uses.

Delete Land Use Action Item LU-11.1 as follows:

~~Action LU-11.1 Prepare and adopt a specific plan for the North Forty area prior to development of the site.~~

**PROPOSED ZONING CODE AMENDMENT**

The Town of Los Gatos Zoning Map will be modified to add a new Zoning District called North 40 Specific Plan to the legend and a hatching pattern will be added to all of the parcels that are included in the North 40 Specific Plan Area



EXHIBIT 20

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