



MEETING DATE: 1/20/04
 ITEM NO. 18
 DESK ITEM

COUNCIL AGENDA REPORT

DATE: January 20, 2004
 TO: MAYOR AND TOWN COUNCIL
 FROM: TOWN MANAGER *[Signature]*
 SUBJECT: CONSIDER A REQUEST TO MODIFY AN APPROVED PLANNED DEVELOPMENT RELATING TO THE ALLOWED SQUARE FOOTAGE OF OFFICE SPACE AND NUMBER OF APARTMENT UNITS ON PROPERTY ZONED CM:PD. APN 424-32-068. PROPERTY LOCATION: 14300 WINCHESTER BLVD. FILE #PD-03-1. PROPERTY OWNER/APPLICANT: SOBRATO DEVELOPMENT COMPANIES.

DISCUSSION:

Attachments 25 through 33 are letters that were received following printing and distribution of the staff report and addendum. Attachment 34 is additional data for the open space areas within the residential portion of the project.

The plans do not include the size and unit mix for the apartments. The table below includes a break down of units types and approximate square footage figures.

| | studio | 1 BR apt. | 1 BR TH | 2 BR apt. | 2 BR TH | 3BR apt. | total |
|-------------------|--------|-----------|---------|-----------|---------|----------|-------|
| market rate units | 12 | 100 | 24 | 78 | 23 | 5 | 242 |
| BMP units | 3 | 20 | 5 | 15 | 4 | 1 | 48 |
| TOTAL | 15 | 120 | 29 | 93 | 27 | 6 | 290 |
| % of units | 5% | 41% | 10% | 32% | 9% | 2% | 100% |
| size (sq ft) | 500 | 850 | 706 | 1,130 | 1350 | 1350 | |

PREPARED BY: *[Signature]*
 BUD N. LORTZ,
 DIRECTOR OF COMMUNITY DEVELOPMENT

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Reviewed by: PSJ Assistant Town Manager OK Town Attorney _____ Clerk _____ Finance _____
 _____ Community Development Revised: 1/20/04 4:39 pm

Reformatted: 5/30/02

Conditions of Approval

The applicant has requested language changes to several conditions in the Planned Development (PD) Ordinance (Attachment 2 to the staff report). The requested changes and staff responses follow.

1. Condition #4: Delete the last sentence and require the BMP units to comply with the regulations in effect at the time of approval of the PD.

Staff recommends that the last sentence remain as it requires the BMP units to be low income (80% of median income as currently required by the BMP regulations). The traditional approach used by the Town has been to require compliance with the BMP regulations in place at the time of building permit issuance. The Council should discuss this issue because of the significant impact a change to the BMP regulations could have on this project and determine if the change requested by the applicant is appropriate.

2. Condition #12: Allow wheel stops in the parking garage.

Staff recommends against this change as it is contrary to Town Code. Wheel stops are not allowed because they create a tripping hazard and trap debris. The applicant may propose an alternative to wheel stops for consideration or the Council could allow wheel stops under the PD or allow limited use of wheel stops to be determined as part of the architecture and site approval

3. Condition #13: The drinking fountain is part of the community benefit package. It will be provided as part of the riparian corridor improvements if approved by the Santa Clara Valley Water District (SCVWD) and the Water District agrees to maintain it once installed.

The condition does not require the drinking fountain absolutely; it specifies that it is to be installed if approved by SCVWD. Staff suggests that a water fountain be located along the trail, but on the Sobrato property so that it can be maintained by the applicant. The location of the fountain will need to be accessible to trail users.

4. Condition #36(b): The wording should be modified to clarify that the applicant is not required to improve the crossing at Knowles Drive.

Staff suggests that the language be modified to read as follows:

- b. *Pedestrian and bicycle facilities shall be provided at the Winchester Blvd. driveway and along A Street to Knowles Drive. Safe railroad crossing shall also be provided at the Winchester driveway access. Sidewalks to accommodate both pedestrian and bicycles . . . recommended to be located.*

5. Condition 53: The applicant proposes to either pay this fee with the \$50,000 contribution for traffic and circulation improvements offered as part of the Community Benefit package.

Staff recommends that the sidewalk in-lieu fee be required independent of the Community Benefit offerings from the applicant. The sidewalk in-lieu fee is charged to all developers for future frontage improvements. For purposes of this condition, the determination has been made that the property line along Winchester Boulevard is a frontage and a sidewalk is a reasonable and necessary improvement. The sidewalk installation will be deferred until the light rail extension is constructed.

6. Condition #58: The language should be rewritten to state that the applicant will provide Eco Passes to those full time employees who request them for their personal use.

Staff recommends that the condition be modified as follows:

58. *ECO PASS. Eco Pass stickers shall be provided for all full time employees within the development upon request. Proof of Eco Pass purchases shall be provided to the Town annually.*

7. Condition #73: The last sentence should be deleted as the cable television installation is not required.

Staff concurs and recommends that the last sentence of the condition be deleted.

8. Condition #109: A security guard should not be required. The applicant will work directly with the Police Department and security consultant and will provide added security measures if the need arises.

Staff recommends that the condition be reworded as follows:

109. *SECURITY. A thorough security plan component shall be established between the applicant and the Police Department. During the architecture and site review process the applicant shall work with the Police Department and security consultant to develop an overall security plan to ensure appropriate security elements are incorporated into the project, and which may include but is not limited to, security cameras, lighting, landscaping, access control and on-site security personnel.*

Traffic Impact Mitigation Fees

Attachment 26 is a letter from Jack Bonno stating that the residents of Charter Oaks are concerned that Transportation Mitigation Funds accruing from the Sobrato project will be used somewhere where the needs "...are totally unrelated to Sobrato impacts." The Transportation Mitigation Fund

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MAYOR AND TOWN COUNCIL
SUBJECT: 14300 WINCHESTER BOULEVARD
January 20, 2004

was created to attend to Town-wide traffic issues created by development projects occurring anywhere in the Town. It was found that projects do create a potential need to mitigate impacts throughout the Town. The traffic impact fees from the Sobrato project, therefore, could be used anywhere in the Town to provide traffic mitigation in line with the purposes of the fund. Town Council and staff are aware that impact of a project may be more strenuous nearer the project site. As needs are considered in the Capital Improvement Program, this point will be looked at as one of the many parameters used by staff to recommend a project and by Council to authorize its funding.

Attachments:

- 1-24. Previously sent under separate cover
25. Letter from Jonathan L. Carter (one page), received January 15, 2004
26. Letter from Jack Bonno (one page), received January 16, 2004
27. Letter from Steve Lopes (one page), received January 20, 2004
28. Letter from Alison Brunner & Andrew Coven (one page), received January 20, 2004
29. Letter from Steve Mirassou (one page), received January 20, 2004
30. Letter from Mark Brodsky (one page), received January 20, 2004
31. Letter from Kyle Lanza, Woody Needom, and Sue & Howard Anawalt (one page), received January 19, 2004
32. Letter from Don Gralnek (one page), received January 20, 2004
33. Comments from Lowell Gratton (one page), received January 20, 2004
34. Data on open space areas within the project (one page), received January 20, 2004

BNL:SD

Bud Lortz - Sobrato Development

From: "Jonathan Carter" <jcarter@pillardata.com>
To: <blortz@town.los-gatos.ca.us>
Date: 1/15/2004 12:56 PM
Subject: Sobrato Development

Mayor Steve Glickman
Los Gatos Town Hall
110 E. Main St.
Los Gatos, CA 95030

Jan. 15, 2004

Dear Mayor Glickman and City Council Members,

As a lifetime Los Gatos resident and an electrical engineer, I'm very aware that this combination invariably means commuting a significant distance to work via automobile.

I support the proposed Sobrato Development project on Winchester Boulevard at Highway 85 because it will enable two groups of people to reduce or avoid these long automobile commutes. The two groups comprise people who already work in Los Gatos, but cannot afford to live here and people like me who already live in Los Gatos, but would commute by mass transit were it available. Los Gatos has long accepted that it has a responsibility to the region to accommodate both groups.

The original project, which you have already approved, provided more jobs and fewer homes than the current plan. But in the end it is the market that determines the appropriate mix. It's pretty clear that with 60 million square feet vacant in Silicon Valley, the commercial buildings would be better scaled back. On the other hand, the demand for apartments in Los Gatos, especially at the lower rental range, is likely to remain strong.

Please approve the amended Sobrato application so this important project can proceed.

Sincerely,

Jonathan L. Carter

Jonathan L. Carter
216 Bacigalupi Drive
Los Gatos, Ca 95032

From: "Jack Bonno" <jb@bonno.com>
To: "Suzanne Davis" <sdavis@losgatosca.gov>
Date: 1/16/04 6:13PM
Subject: Letter to Council re Sobrato Project

Dear Members of the Town Council:

This letter is coming to you on behalf of Charter Oaks, a 10 acre townhouse development consisting of 101 units and over 200 residents located at Lark Avenue and Charter Oaks Drive. We watch the growing traffic on Lark Avenue with increased concern. As you know, there is only one way in and out of Charter Oaks.

With the addition of the Sobrato development, the JCC development and continuing traffic growth over time there are three specific traffic situations of which you need to be aware:

1. Increased difficulty and decreased safety in making left turns out of Charter Oaks onto Lark.
2. Increased difficulty in making left turns from Lark onto Charter Oaks.
3. Increased difficulty in making right turns from Charter Oaks onto Lark because cars speed up make the light at Winchester.

The above turns are becoming increasingly problematic and dangerous because cross traffic is speeding up in both directions at this intersection in order to make the lights at the next intersection. While traffic conditions are generally tolerable at present, it is not rocket science to realize that the addition of 2,000 trips related to Sobrato is not going to make it any better. It will get worse.

Since the developer is required to mitigate the traffic impacts of his development, we are asking for an assurance from Council that when the time comes for a light at Lark and Charter Oaks and or other traffic management improvements, Los Gatos will have funds available and will not procrastinate or delay or hide behind a lack of funds.

We specifically ask that you take the necessary steps to reserve a specific percentage of the mitigation fee for the purposes of alleviating the impacts of increased traffic on Lark Avenue in front of Charter Oaks Drive, much of which traffic will be attributable to the Sobrato development.

It seems clear that you going to approve this development, notwithstanding its considerable impacts on the community. Why you would do that in light of the planning commission request for further review is not at all clear to this community. Nevertheless, the very least you can do is guarantee to those who will be most impacted by Sobrato that their traffic management needs will be attended to when and as necessary from the funds contributed by the developer to the Town for this very purpose.

Thank you for your attention to this matter.

Jack Bonno
200 Willow Hill Court
Los Gatos, CA 95032
408-871-1882 tel

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JAN 20 04

TOWN OF LOS GATOS
PLANNING DEPARTMENT

Mayor Steve Glickman

Los Gatos Town Council

Town Hall

Dear Mayor Glickman and Town Council Members,

I am writing to urge your support for Sobrato Development's proposed project on Winchester Blvd. Knowing the Sobratos for two decades and being familiar with many other projects they've completed in the valley, I am confident the development they're proposing for Los Gatos is a quality one. I understand at this juncture, Sobrato is advocating a change in the ratio of commercial and residential uses. This makes sense at this time, not only because of the change in the commercial office market, but because the requirements for housing have increased dramatically, causing an even greater shortfall in the middle and lower income market. I think the location on Winchester, with its proximity to the freeway both at Lark Ave. and Camden Ave., would easily handle the increased traffic flow for this development.

I urge your support for Sobrato's amendment to this plan.

Steve Lopes

200 Creffield Heights

Monte Sereno, Ca 95030

**Alison Brunner & Andrew Coven
39 Ashler Avenue
Los Gatos, CA 95030**

January 20, 2004

Mayor Steve Glickman
Town Council
Town of Los Gatos
110 East Main Street
Los Gatos, CA 95030
SENT BY FAX: (408) 354-8431

Re: Los Gatos Gateway Development

Dear Mayor Glickman and Members of the Town Council:

We are writing to encourage your support for the revised Los Gatos Gateway project, which will come before you tonight.

The revised project is even better for Los Gatos, as it will provide more housing for our teachers, nurses, technical workers and others who are vital to our community and who are already contributing to it. There is a housing crisis for people in the Bay Area who are living on modest incomes, and this high quality development will help meet this real need.

As homeowners in Los Gatos and natives of Santa Clara County, we are familiar with the needs of our community. The fact that the development will provide 49 units of long-term affordable housing, at no cost to our town finances, is extremely important. Los Gatos should be thrilled to be the beneficiary of this substantial community benefit.

We believe this project will fit nicely within our community, and hope that you will give it your full support.

Sincerely,



Alison Brunner & Andrew Coven

Mayor Steve Glickman
Los Gatos City Council
110 E. Main St.
Los Gatos, Ca 95030

January 12, 2004

Dear Mayor Glickman

It's been reported that some people from Monte Sereno have appeared at the Planning Commission hearings on Los Gatos Gateway to tell the Sobratos: "We don't like your project", and "build us a new soccer field."

Please know that many others in our town consider this attitude to be selfish, unfair, short-sighted and borderline extortion. The more reasoned approach is, "We like your project", and "build us a new soccer field."

Actually, Los Gatos Gateway stands on its own merits as a project that is good for the people who will live and work there and good for both Los Gatos and Monte Sereno. We supported the approved plan, and we support the application for revision. We urge you to approve it.

As for the soccer fields, we agree with the newspaper that they should not be part of the discussion. If the Sobratos want to contribute to "playing fields," it should be done outside the development approval process.

Sincerely,

Steve Mirassou
17294 Nagpal Court
Monte Sereno, CA 95030
408.354.1122

Marilyn Cosden - Please Send Sobrato back to Planning

From: Mark Brodsky <mbrodsky@montesereno.org>
To: <sglickman@losgatosca.gov>, <mwasserman@losgatosca.gov>, <sdecker@losgatosca.gov>, <dmcnutt@losgatosca.gov>, <jpirzynski@losgatosca.gov>, <manager@town.los-gatos.ca.us>
Date: 1/20/2004 10:57 AM
Subject: Please Send Sobrato back to Planning
CC: Brian Loventhal <bloventhal@montesereno.org>, <electerin@aol.com>, <bnesbet@aol.com>, <David@davidbaxtermontesereno.com>, <cwright@montesereno.org>, Kyle Goldman <kyleg1@earthlink.net>

Dear Los Gatos Councilmembers and Town Manager,

Due to conflicting council schedules, I must write to ask your council to please send the current design for the Sobrato project back to the Planning commission for the following reasons:

1. Traffic studies have not been completed for Winchester Boulevard. This study was formally requested by Monte Sereno at the last public meeting on this subject. The proposed development may have a tremendous impact on the carrying capacity of the single southbound lane that would provide the only access for any school children from this development. I think I can speak for all council members that under no circumstances would the city of Monte Sereno entertain removal of the 2 way turn lane to add a traffic lane to carry more cars. The sentiment of the majority of the council is to proceed with our requested Phase II design, perhaps providing the leadership for Los Gatos to follow. This design is counter productive to these aims.
2. The Sobrato Project should no longer be considered a Transit Oriented Development because there will be no funds to extend Light Rail from Campbell for the next 30 years. The VTA has already begun borrowing against 2006 Measure A tax funds and still has a short fall finding operations for the soon to be completed Capital Avenue LRT. Bringing light rail to this site would require another vote to raise sales taxes for 50 years and that seems unlikely. For this reason this site would no longer qualify for a waiver to increase traffic congestion per Figueroa Senate Bill SB1636.
3. The current Sobrato design does not look uniquely like Los Gatos. It still resembles a common Southern California development. As one of your councilmembers stated, "in trying to look like a European village, they have created the look of a fortress castle!" The design shuts out the community and denigrates the style and value of the Los Gatos mystique. The largest development in town should augment those design elements and pedestrian features that make Los Gatos (and Monte Sereno) special.

For these reasons, please send the design back the Planning Commission.
 Thank you,
 Councilmember Mark Brodsky
 City of Monte Sereno

Debra Figone - Regarding Sobrato Development in Los Gatos

From: "Kyle" <kyleg1@earthlink.net>
To: <jpirzynski@losgatosca.gov>, <dmcnut@losgatosca.gov>, <sdecker@losgatosca.gov>, <mwasserman@losgatosca.gov>, <sglickman@losgatosca.gov>
Date: 1/19/2004 2:59 PM
Subject: Regarding Sobrato Development in Los Gatos
CC: "Howie Anawalt" <h@anawalt.com>, "Sue Anawalt" <sue@anawalt.com>, "Woody Nedom" <danin@earthlink.net>, "Kyle Goldman" <kyleg1@earthlink.net>

Dear Mayor Glickman and Members of the Los Gatos Town Council,

With the Sobrato development before the council this week, we feel it is imperative that members of the Los Gatos town council who have accepted large campaign contributions from the Sobrato Corporation recuse themselves from voting on the Sobrato Winchester Avenue development. A council member who accepts a campaign donation, in an amount that exceeds what is normally donated by an individual resident, from the corporation slated to build the largest development in Los Gatos, forfeits their ability to cast an unbiased vote on the matter at hand.

We ask each council member, prior to the council meeting this Tuesday night, to publicly state how much campaign money they have received from the Sobrato Corporation and it's affiliates, and additionally what percentage of their campaign monies this represented. Thank you.

Sincerely,

Kyle Lanza
Woody Nedom
Sue Anawalt
Howard Anawalt

Donald D. Gralnek
371 Pennsylvania Avenue
Los Gatos, CA 95030

Phone: (408) 354-6254
Fax: (408) 354-9344

January 20, 2004

VIA ORIGINAL MAIL

Mayor Steve Glickman
Los Gatos Town Council
110 E. Main St.
Los Gatos, CA 95030

Dear Mayor Glickman and Town Council:

The amendment to the PD zoning for Los Gatos Gateway that is coming before you continues the same good, long-term planning that prompted the town to approve the original plan in 2002. The project benefits include housing, jobs, public transportation and an improved appearance for Winchester Boulevard. Altering the mix of approved uses does not diminish these benefits and should assure that the project gets built in a timely fashion.

The large commercial component of the approved plan derives from a different time, the boom period of the late 1990s when Silicon Valley seemed capable of forever generating masses of new jobs. While we are again experiencing economic growth, the new jobs no longer seem to be forthcoming in the numbers once contemplated. The scaled back commercial use is more appropriate for today's market as well as for the market as long as we can safely forecast.

The demand for housing, meanwhile, has performed quite the opposite. Particularly at the lower end, the housing market is strong throughout the valley and particularly in Los Gatos.

The revised plan for Los Gatos Gateway maintains virtually all of the benefits of the original plan, while adding to the amount of new rental housing that is so desperately needed.

I urge your approval of the Sobrato Development application for a revised PD zoning of Los Gatos Gateway.

Sincerely,


Don Gralnek

Sobrato Property

1. Los Gatos agrees to Purchase the property.
All cash one year to close. A 6 month extension by paying 5% interest. Total 18 months to close.
2. Purchase price to be 80% of Fair Market Value today valued with existing plans. Sale to be under threat of condemnation. Sobrato to agree to make a charitable contribution to City to provide a below market price which they should be happy to provide.
3. Skateboarders asked to provide 1.5 to 2 million in pledges of donations to City for a soccer field. If no pledges then a park will be considered for about 1/3 of property.
4. The city to provide a plan for the property. The new plan now proposed by Sobrato if approved should be worth 120 to 130 percent of present value.
5. Consider Townhouses of 10 to 14 units per acre and/or condos of 20 to 30 units per acres. These uses should provide a value of 3 million an acre.
6. The plan to be a gated community buffered by a park or soccer field and a sound wall. With the approved plan most of the property could be sold providing funds to purchase and sell the property with no expense to city.
7. This can be a win win project for everyone. My guess is that Sobrato, because of the existing market, is really not too interested in building apartments or office buildings on the site and would welcome and opportunity to dispose of the property with a profit. Secondly, it is extremely doubtful that a light-rail station will ever be built at the site.

Lowell Grattan
204 Casitas Blvd.
Los Gatos, CA 95032
(408) 379-2350

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JAN 20 2004

TOWN OF LOS GATOS
COMMUNITY DEVELOPMENT

LOS GATOS GATEWAY

20 January 2004

Village Green

Total Area- 18,500 s.f./ .41 Acres
Total Lawn- 12,000 s.f.
Other Landscape- 4,000 s.f.

Gazebo Green

Total Area- 9,200 s.f./ .21 Acres
Total Lawn- 4,200 s.f.
Other Landscape- 2,000 s.f.

Pool Area

Total Area- 10,960 s.f./ .25 Acres
Pool- 2,100 s.f.
Spa- 120 s.f.
Landscape Area- 1,700 s.f.

Tot Lot

Total Area- 5,300 s.f./ .12 Acres
Total Lawn- 2,500 s.f.

Townhouse Green

Total Area- 9,000 s.f./ .21 Acres
Total Lawn- 4,700 s.f.

Triangle

Total Area- 6,600 s.f./ .15 Acres
Total Lawn- 2,800 s.f.
Other Landscape- 2,300 s.f.

String of Courtyards-

Office Building Courtyard

Total Area- 9,100 s.f./ .21 Acres
Total Lawn- 3,200 s.f.
Other Landscape- 2,600 s.f.

Residential Entry Courtyard (On Podium)

Total Area- 2,500 s.f./ .06 Acres
Landscape Area- 1,400 s.f.