

**MINUTES OF THE TOWN COUNCIL/PARKING
AUTHORITY/REDEVELOPMENT AGENCY
JUNE 4, 2007**

The Town Council of the Town of Los Gatos conducted a Regular Meeting on Monday, June 4, 2007 at 7:00 P.M.

TOWN COUNCIL/PARKING AUTHORITY/ REDEVELOPMENT AGENCY

MEETING CALLED TO ORDER

ROLL CALL

Present: Mayor Joe Pirzynski, Vice Mayor Barbara Spector, Council Member Steve Glickman, Council Member Diane McNutt, and Council Member Mike Wasserman.

Absent: None.

PLEDGE OF ALLEGIANCE - LED BY BOY SCOUTS

Boy Scout Troop 556 led the Pledge of Allegiance. The Audience was invited to participate.

The Boy Scouts also performed God Bless America.

CLOSED SESSION REPORT

CONFERENCE WITH LABOR NEGOTIATOR

(Government Code Section 54957.6)

Town Negotiator (Lead): Rumi Portillo, Human Resources Director

Employee Organization: American Federation of State, County and Municipal Employees Local No. 101 (AFSCME)

Mr. Korb stated that direction was given and no action was taken.

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

(Government Code Section 54956.9[b])

Threat of Closure of Olde Drive

Mr. Korb stated that direction was taken and no action was taken.

Closed Session – Continued

**PUBLIC EMPLOYMENT/PUBLIC EMPLOYEE APPOINTMENT PURSUANT TO
(Government Code Section 54957)**

Title: Interim Town Manager

Mr. Korb stated that Council voted to appoint **Pamela Jacobs** as interim Town Manager. Council also directed **Orry Korb**, Town Attorney to negotiate agreement with Les White to provide special advisory services to Council during the transitional period.

TOWN COUNCIL

CONSENT ITEMS (TO BE ACTED UPON BY A SINGLE MOTION)

1. Ratify payroll for the month of April 2007
2. Ratify accounts payable for the month of April 2007
3. Accept Treasurer's for February, March and April, 2007
4. Adopt resolution granting appeal of a Planning Commission decision denying approval to modify an existing CUP (Café Rouge) to allow a coffee and yogurt business (Café Delatti) on property zoned C-2. APN 529-03-035. Conditional Use Permit U-07-24 Property Location: 42 Elm Street Property Owner: Mike Cobler Applicant/Appellant: Suh Chung Kim. RESOLUTION 2007-073
5. Adopt resolution establishing the Fiscal Year 2007/08 Gann Appropriation Limit for FY 2007/08 RESOLUTION 2007-070
6. Oka Road Right-of-Way Abandonment and Quitclaim Deed
 - a. Adopt resolution ordering the summary vacation of a portion of excess right-of-way on Oka Road RESOLUTION 2007-061
 - b. Adopt resolution authorizing the Mayor to sign the Quitclaim Deed in favor of the State of California RESOLUTION 2007-062
7. Tract 9505 - Shannon Valley Ranch (17101 Hicks Road) Adopt resolution accepting work of GHC Shannon Valley Ranch, L.L.C., and authorizing the Town Manager to execute Certificate of Acceptance and Notice of Completion for recording by the Clerk Administrator. RESOLUTION 2007-063

Consent Items - Continued

8. **Adopt resolution of the Town Council of The Town of Los Gatos approving an agreement of purchase and sale and escrow instructions to acquire real property located at 15900 Los Gatos Boulevard from Verizon California Inc. RESOLUTION 2007-072**

REDEVELOPMENT AGENCY

9. **Ratify accounts payable for the month of April 2007**

TOWN COUNCIL/REDEVELOPMENT AGENCY

10. **Consider Amending Town Council Meeting Schedule for 2007- 2008 Fiscal Year (This item has been pulled from the agenda)**
11. **Approve Council/Agency minutes of May 21, 2007**
12. **Operating and Capital Budgets Adopt resolutions approving the Town and Redevelopment Agency's Fiscal Year 2007/08 Operating Budget, Capital Improvement Plan for Fiscal Years 2007/08-20011/12, carry- forward appropriations, and other approved adjustments and minor corrections. RESOLUTION 2007-071**

Item #11 pulled by **Mr. Davis**. Mayor **Joe Pirzynski** stated that Item #11 will Be heard after Other Business this evening.

Mr. Korb stated that there was a desk item relating to Item #4 - 42 Elm Street which includes the revised resolution.

MOTION: **Motion by Council Member Steve Glickman to approve Consent Items #1-10 and Consent Item #12.
Seconded by Council Member Mike Wasserman.**

VOTE: Motion passed unanimously.

VERBAL COMMUNICATIONS

Mr. Davis

- Commented regarding the lack of signs prohibiting children in diapers from
- Requested having an accounting firm to go over the books before the hire of a new Town Manager.
- Commented against postponing the DeSantis project until August, 2007.

Ms. Deloumi

- Commented regarding the recreational needs relating to the youth in the community.
- Commented regarding the community's commitment towards a skatepark.
- Commented regarding the proposed petition relating to the construction of a skate park on Miles Avenue.

Closed Verbal Communication

PUBLIC HEARINGS

13. Landscape and Lighting Assessment Districts No. 1 & 2

- a. Adopt resolution confirming the diagram and assessments, and levying and authorizing collection of assessments for Landscaping and Lighting Assessment District No. 1- Blackwell Drive Benefit Zone. RESOLUTION 2007-064
- b. Adopt resolution confirming the diagram and assessments, and levying and authorizing collection of assessments for Landscaping and Lighting Assessment District No. 1- Kennedy Meadows Benefit Zone. RESOLUTION 2007-065
- c. Adopt resolution confirming the diagram and assessments, and levying and authorizing collection of assessments for Landscaping and Lighting Assessment District No. 1 - Santa Rosa Heights Benefit Zone. RESOLUTION 2007-066
- d. Adopt resolution confirming the diagram and assessments, and levying and authorizing collection of assessments for Landscaping and Lighting Assessment District No. 1- Vasona Heights Benefit Zone. RESOLUTION 2007-067

Public Hearing Item #13 - Continued

- e. Adopt resolution confirming the diagram And assessments, and levying and authorizing collection of assessments for Landscaping And Lighting Assessment District No. 1- Hillbrook Drive Benefit Zone. RESOLUTION 2007-068

- f. **Adopt resolution confirming the diagram and assessments, and levying and authorizing collection of assessments for Landscaping And Lighting Assessment District No. 2- Gemini Court Benefit Zone. RESOLUTION 2007-069**

Staff report made by **Kevin Rohani**, Interim Director of Parks and Public Works

Open/Close Public Hearing

MOTION: **Motion by Vice Mayor Barbara Spector** to adopt resolutions confirming the diagram and assessments, and levying and authorizing collection of assessments for Landscaping and Lighting Assessment Districts No.1 and 2. **Seconded by Council Member Mike Wasserman.**

VOTE: Motion passed unanimously.

PUBLIC HEARINGS - Continued

14. **Consider an appeal of a Planning Commission decision denying modification of an approved Architecture & Site application relating to grading and landscape improvements on property zoned HR- 2 ½. APN 537-24-013 Architecture and Site Application S-06-066. Property Location: 15350 Suview Drive Property Owner/Applicant/Appellant: Charles Hackett (Staff Recommends Continuance to 6/18/07)**

Mayor Joe Pirzynski

- Stated that Item #14, 15350 Suview Drive has been recommended by staff to be continued to June 18, 2007.

MOTION: **Motion by Council Member Steve Glickman** continue an appeal of a Planning Commission decision denying modification of an approved Architecture & Site application relating to grading and landscape improvements on property zoned HR- 2 ½. APN 537-24-013 Architecture and Site Application S-06-066. Property Location: 15350 Suview Drive Property Owner/Applicant/Appellant: Charles Hackett (Staff Recommends Continuance to 6/18/07) to June 18, 2007. **Seconded by Council Member Diane McNutt.**

Public Hearing Item #14 – Continued

VOTE: Motion passed 4/0. **Vice Mayor Barbara Spector abstained.**

15. Consider a request to modify an existing Conditional Use Permit (Andale) to allow the service of full liquor on property zoned C-2 LHP. APN 510-44-036. Conditional Use Permit U-07-22 Property Location: 21 N. Santa Cruz Ave Property Owner/Applicant: Andale Properties

Staff Report made by **Randy Tsuda**, Assistant Director of Community Development.

Council Discussion

- Clarification regarding the service of alcohol when purchasing food at the counter.
- Questioned the limitations on live entertainment relating to the proposed Conditional Use Permit.

Open Public Comment

Mr. Floras, Applicant

- Commented regarding questions and concerns from the Planning Commission meeting about how alcohol will be served with meals and from the counter, the issue of the closing time, and the signage relating alcohol permitted on the premises.

Council Commented

- Questioned if alcohol service would be permitted on the patio area.

Mr. Kaylor, Andale's Attorney

- Commented on the applicant's plans relating to the request for alcohol service at the establishment.
- Commented that they have no intention of turning the establishment into a bar.
- Commented that there have been no prior problems with alcohol at the establishment.

Mr. Chambers

- Commented that Andale's has contributed a great deal to the community.

Mr. Floras

- Requested that the Council approve the proposed Conditional Use Permit.

Closed Public Hearing

Public Hearing Item #15 - Continued

Council Discussion

- Requested that Council modify Conditional Use Permit to allow amplified music.
- Commented that the language as stated in the proposed Conditional Use Permit is sufficient.

MOTION: **Motion by Council Member Steve Glickman** to approve a request to modify an existing Conditional Use Permit (Andale) to allow the service of full liquor on property zoned C-2 LHP. APN 510-44-036. Conditional Use Permit U-07-22
Property Location: 21 N. Santa Cruz Ave Property
Owner/Applicant: Andale Properties.
Seconded by Council Member Diane McNutt.

Council Discussion

- Commented regarding the Planning Commission's statements relating to changing beer and wine licenses to full alcohol service.
- Commented on the issues of demographics relating to changing beer and wine licenses to full liquor licenses and also granting full liquor licenses to high turn over restaurants.
- Commented that there is more take-out associated with high turn-over restaurants.
- Commented that a full liquor license runs with the land.

VOTE: Motion passed unanimously.

OTHER BUSINESS

16. **Direction regarding the sale of 13-acre Town-owned parcel in Vasona Park to County of Santa Clara for continued use as parkland**
 - a. **Authorize the Town Attorney to develop an agreement for Council's approval for the sale of a 13-acre Town-owned parcel in Vasona Park to the County of Santa Clara for \$6 million and the transfer of a .66 acre County-owned parcel adjacent to Oak Meadow Park, with both properties remaining in use in perpetuity and with a guarantee that the County will allow Billy Jones Railroad to continue to operate on County property --OR --**
 - b. **Provide alternative direction to Town staff regarding the Town-owned property**

Other Business Item #16 - Continued

Staff report made by **Debra Figone, Pamela Jacobs, and Randy Tsuda.**

Ms. Figone

- Commented regarding the history of and alternatives to the sale of the Vasona Park property.
- Commented regarding previous proposals relating to a land exchange with the County.
- Commented regarding the Parks Commission's review of the proposed sale of the Town owned property at Vasona Park.
- Commented that the Planning Commission stated that the sale does comply with the General Plan.
- Commented on key public comments received throughout public reviews and the Town's response to the comments.
- Commented regarding the county's policy for passive use in the park.

Mr. Tsuda

- Commented regarding the limited 18-foot wide access to the Town's 13-acre parcel.
- Commented regarding acreage which is in the creek corridor.
- Commented regarding the challenging concept of building a vehicular bridge to access the Town property at Vasona Park.
- Commented on the consideration of the need to enlarge the public parking lot in Oak Meadow Park and construct a road through the park to access the property.
- Commented that the only area that would accommodate a soccer field would require 10,000 cubic feet of grading.
- Commented regarding the appraisal process and the three appraisals for the proposed property.
- Commented that the appraisal was based on extraordinary assumptions about development potential on the site.

Ms. Figone

- Commented regarding the public comment that the Town should hold onto the property until 2010 and pursue a sale, trade or development of a sports field.
- Commented that the development constraints referred to in the staff report would still apply.
- Commented that the Town has no basis to assume that the policy on passive uses would change.
- Commented that the County may not have funds to purchase our park land at that time.
- Commented on summary of key considerations of staff recommendations.

Other Business Item #16 - Continued

Ms. Figone - Continued

- Commented that another interest from the community is that the Town should trade for County property in Vasona with greater potential for sports fields.
- Commented that although the Town has not pursued a trade with soccer fields in mind, it did discuss trades with the skatepark in mind.

Pete Kutras, Santa Clara County Parks Executive

- Commented regarding the County's position relating to the sale of the property.
- Commented that this property is not the right site for any sports use.
- Commented regarding the passive use policy at Vasona County Park.
- Commented regarding potential parking and easement access issues.
- Urged of the approval of the sale of the property.

Council Comment

- Clarification regarding County's policy relating to passive use for sports fields, but not for a site for the skatepark when discussed back in 2001.

Mr. Kutras

- Commented regarding the previous skatepark discussions.
- Commented that the County is not willing to carve off pieces of Vasona Park.

Council Discussion

- Commented regarding the acreage of the Town owned property.
- Commented regarding the passive use policy for Vasona Park.
- Commented on the Town's need for sports fields.
- Questioned if a trade could be made relating to the County's property on Pepper Tree Lane.

Mr. Kutras

- Commented regarding different ways that communities are accessing sports fields.

Ms. Killough, Santa Clara County Parks Director

- Commented regarding the facilities located at Pepper Tree and Lakeview.
- Commented regarding the trees at that location and the impact on the vegetation.

Other Business Item #16 – Continued

Council Comments

- Clarification regarding a land swap with the Town owned parcel and the property located at Pepper Tree Lane.
- Questioned if a similar appraisal methodology would be used for the Pepper Tree land.
- Commented on the needs of the County and the needs of the Town relating to land uses.
- Questioned if there are any considerations for other land owned by the County, in Town which could be used for a swap.
- Commented regarding hesitations to sell the property at this time.

Mr. Kutras

- Commented that the County is trying to control and gain possession of lands that have been used by the County, the Town, and Billy Jones Railroad, for almost 50 years.

Open Public Comments

Ms. Beveridge

- Commented on supporting the use of sports fields in Los Gatos.
- Commented that currently youth needs to go outside of Town to play soccer.

Mr. Hibbitts

- Suggested putting the \$6 million from the sale into an account for park use or sports field use at a later date.

Mr. Davis

- Commented regarding the Boston Tea Party.
- Commented that the community needs more time to discuss the issue relating to the sale of the property.
- Commented that he feels that the County has made a "low ball" offer.
- Commented that the Parks Commission has not made their recommendations due to lack of time to discuss.

Mr. Ross

- Complimented Council on their ideas relating to the swap of properties with the County.
- Suggested that the Town needs time to discuss alternatives.
- Suggested negotiating to extend the lease to the County.

Other Business Item #16 - Continued
Public Comments

Mr. Chapman

- Commented on the dire need for additional athletic facilities in Town.
- Suggested the Town take more time to evaluate the process before making a decision to sell the property to the County.

Mr. Dallas

- Commented on supporting alternative property swaps for the Town owned property.

Mr. Greenley

- Commented regarding the need for sports fields in Town.
- Would like to see a land swap to gain some land for sports use.
- Would like to see the funds from the sale marked for future sports fields.

Mr. Carroll

- Commented on supporting the swap with the property on Pepper Tree Lane.
- Commented regarding the property on Knowles Drive.
- Suggested that the Town lease the Pepper Tree Lane property from the County and the County lease the 13 acres from the Town

Ms. Schmidt

- Commented regarding the active uses at Vasona Park.
- Would like to have more time to discuss alternatives.

Mr. Huestby

- Questioned what happens when the lease with the County expires.
- Commented regarding long term land leases.

Mayor Joe Pirzynski called for a recess at 9:05 p.m. Meeting resumed at 9:10 p.m.

Mr. Johannessen

- Would like to see Vasona Park remain a passive use Park.

Mr. Clark

- Would like to see Vasona Park continue as a passive use park.
- Supports the sale of the property and the idea to save the funds from sale for future park use.

Other Business Item #16 – Continued
Public Comments

Mr. Laccabue

- Suggested that the Town and community take some time to look into alternatives for the land.

Mr. Despars

- Suggested to find ways to bring more sports fields to the Town.
- Would like to see the tax dollars which are spent outside of Town be brought back to Town.
- Suggested to delay the sale to look into alternatives way to include sports usage for the community.

Mr. Konrad

- Suggested to further pursue recommendations from this evening.
- Supports more active sports facilities in Town.
- Commented regarding dedicating the money to future sports use.

Mr. McCarney

- Commented that he feels the Town should not sell the property under any circumstances.
- Commented that he feels the County did not come to the table to negotiate.

Mr. Beveridge

- Suggested looking into other alternatives discussed this evening.

Mr. Clancey

- Commented that the Town should defer the decision to a further date.

Mr. Tebo

- Commented on supporting the exploration of alternatives before selling the property.

Ms. Mercik

- Commented regarding a request to appoint a community group to work with Parks Commission to discuss options.
- Feels there are community members with expertise to assist the Town.

Other Business Item #16 – Continued
Public Comments

Mr. Green

- Commented that negotiations should include the trail and the railroad which runs through the County.
- Commented regarding concerns about negotiations between the Town and the County.

McKenna

- Commented on supporting the suggestions to swap property which would benefit sports usage for the community.

Mr. McIlven

- Commented that the Town should hold off on the sale of the property.
- Commented that the County can not afford to purchase the property.
- Commented that the County should be putting the money towards health care.

Closed Public Comment

Mr. Korb

- Stated that the lease ends in 2010 and the lease does not include provisions for extension.
- Commented that the property would revert back to the Town and the Town would decide what is to be done with the property consistent with the General Plan and zoning designations.

Mr. Kutras

- Clarification regarding previous uses of the Knowles property which the County currently owns.
- Commented that the Knowles property became surplus about two years ago.
- Commented that he appreciates comments brought forward tonight and urges Council to approve the sale of the property.

Other Business Item #16 – Continued

Council Discussion

- Questioned if the current offer from County has a time limit or cut-off date for the Town to respond.
- Questioned if there has been any discussions with Supervisor Don Gage for consideration to hold a Town Hall type meeting.
- Suggested to consider an extension of time for the offer and to engage in a Town Hall type meeting with Supervisor Don Gage.
- Questioned if the lease expiration in 2010 would also apply to Billy Jones Railroad.
- Suggested to direct staff to conduct parks and recreational needs assessment study.

MOTION: Motion by Council Member Mike Wasserman Motion for Council's consideration to include:

- Deferring the decision to sell to County for up to 6 months. Item should be returned to Council by the beginning of December, 2007.
- Fastrack a parks and recreational needs assessment study as recommended in Option B.
- Mayor and County Supervisor will meet to initiate dialogue regarding the Town owned property at Vasona Park.

Seconded by Council Member Steve Glickman.

Council Discussion

- Questioned if it would be County staff's recommendation to the Board of Supervisors to extend the time limit for up to 6 months to allow discussions with Supervisor Don Gage and the community.
- Questioned if **Mr. Kutras** would be willing to recommend to the board the possibility of contacting the Town if the board wishes to pull the offer.
- Discussed reluctance of voting for the motion because of the lack of sports facilities within the Town.
- Commented on pursuing conversations with County to see if there are any other alternatives for land options.
- Commented that decision-making should not be money driven, but for the need of recreational facilities.
- Commented that the Town and the County should not come out of this with an adversarial relationship.
- Commented that a key issue is that multiple sports usage is a priority to the community.
- Commented that the recreational needs of the youth in Town are not being met.

Other Business Item #16 – Continued

Council Discussion

- Commented that the \$6 million dollars should be put towards sports usage.
- Thanked County for opportunity to express community needs.

Mr. Kutras

- Advised Council that he would bring recommendations to the Board of Supervisors on June 18, 2007.
- Commented that he will contact the Town regarding the June 18, 2007 meeting.

VOTE: Motion passed unanimously.

Pulled Consent Item #11.

Approve Council/Agency minutes of May 21, 2007

Mr. Davis

- Commented that there has been a positive change in the minutes and thanked Council for making it happen.
- Commented that he feels the minutes should reflect that there was Council consensus relating to the item addressing the format of action only minutes at the May 21, 2007 Council meeting and commented that he feels direction given is the same as a consensus.

MOTION: Motion by **Mayor Joe Pirzynski** Pulled consent item #11.
Seconded by **Council Member Mike Wasserman.**

VOTE: Motion passed unanimously.

COUNCIL/TOWN MANAGER REPORTS

17. Council Matters Verbal report from Mayor and Vice Mayor on Town Manager recruitment process

Mayor Joe Pirzynski and Vice Mayor Barbara Spector

- Gave a verbal update on the Town Manager recruitment timeline with a target of selecting a candidate by October 12, 2007.
- Commented that the target date for a Town Manager to start would be November 12, 2007.
- Commented that Council and management should be receiving information regarding an interview date with Avery and Associates.
- Commented that **Mr. Avery's** objective is to have all of the interviews with staff and Council by June 18, 2007.
- Clarification regarding whether or not the full Council will see the applications.
- Commented that **Mr. Avery** will be creating a binder of all applicants for all Council Members.
- Requesting advance notice for extra meetings that require Council participation.

18. Manager Matters

None this evening.

ADJOURNMENT

Attest:

Jackie D. Rose, Clerk Administrator