

**MINUTES OF THE TOWN COUNCIL/PARKING  
AUTHORITY/REDEVELOPMENT AGENCY  
APRIL 7, 2008**

The Town Council of the Town of Los Gatos conducted a Regular Meeting on Monday, April 7, 2008 at 7:00 P.M.

**TOWN COUNCIL/PARKING AUTHORITY/REDEVELOPMENT AGENCY**

**MEETING CALLED TO ORDER**

**ROLL CALL**

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

**Absent:** None.

**PLEDGE OF ALLEGIANCE - LED BY FUTURE LEADER**

**Brandi Pech and Bronwyn Stone**, 11th grade students at Los Gatos High School led the Pledge of Allegiance. The Audience was invited to participate.

**PRESENTATIONS**

**Get Your Green On**

- **Mayor Barbara Spector** presented a proclamation to **Ms. Bui and Mr. Jensen** on behalf of the West Valley Green Leaf Committee to proclaim the month of April as the "Get your Green on Day."

**Keep Los Gatos Beautiful Month/National Arbor Day**

- **Mayor Barbara Spector** presented a proclamation to **Regina Falkner**, Director of Community Services and **Kevin Rohani**, Interim Director of Parks and Public Works on behalf of the Town of Los Gatos for Keep Los Gatos Beautiful month and National Arbor Day.
- **Ms. Falkner** encouraged the community to visit the Town website for more information on Keep Los Gatos Beautiful and the Arbor Day events.

**National Volunteer Month**

- **Mayor Barbara Spector** presented a proclamation to **Regina Falkner**, Director of Community Services on behalf of the Town of Los Gatos for National Volunteer Month in recognition of the many hours contributed to the Town by community volunteers.

## **CLOSED SESSION REPORT**

Orry Korb, Town Attorney stated that there was no Closed Session report.

## **TOWN COUNCIL**

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

1. Approve Council minutes of March 22, 2008 Council Retreat.
2. Accept staff recommendations on County Referrals
  - a. Projects Outside Urban Service Area: None
  - b. Projects Inside Urban Service Area: 17230 Deer Park Road
  - c. Status of Previous Applications: None
3. Adopt resolution supporting Measure E, a Los Gatos Union School District Parcel Tax RESOLUTION 2008-026
4. Consider allocation of Community Grant Funds for Fiscal Year 2008/09, including:
  - a. Approve the Community and Arts General Fund Grant allocations for inclusion in the 2008/09 Operating Budget.
  - b. Adopt a resolution allocating FY 2008/09 Community Development Block Grant (CDBG) Funds; and RESOLUTION 2008-027
  - c. Refer review of requests for community grant increases to the Fiscal Year 2008/09 operating budget process.
5. Adopt resolution authorizing the Town Manager to execute an agreement with CPO Ltd to provide lease and maintenance services for copiers and printers within the Town of Los Gatos  
RESOLUTION 2008-028
6. Landscape and Lighting Assessment Districts No. 1 & 2. Adopt resolution describing improvements and directing preparation of Engineer's Report for Fiscal Year 2008-09. RESOLUTION 2008-029

## **TOWN COUNCIL/REDEVELOPMENT AGENCY**

- 7. Approve Council/Agency minutes of March 17, 2008.**
- 8. Increase a previous commitment to loan \$777,700 of Redevelopment Agency Low and Moderate Income Housing Fund monies to \$832,700 for Senior Housing Solutions to acquire and rehabilitate a home to provide five units of very low-income senior housing, modify the terms of the loan, and direct staff to negotiate the loan documents.**

**Mr. Davis** pulled Consent Items #2 and #7.

**Mayor Barbara Spector** stated that the pulled Consent Items would be heard following Other Business.

**MOTION:**                   **Motion by Council Member Joe Pirzynski** to approve Consent Items #1, #3-6, and #8.  
                                  **Seconded by Council Member Steve Glickman.**

**Council Member Diane McNutt** recused herself from Consent Item #8 due to her business association with Senior Housing Solutions.

**VOTE:**                   **Motion passed unanimously.**

## **VERBAL COMMUNICATIONS**

### **Mr. Viale**

- Commented about the narrowness of the street and limited parking on Alpine Avenue.
- Requested that the Town incorporate Alpine Avenue into the Residential Parking program.

### **Ms. Nerney**

- Expressed concerns about increased traffic and parking from the newly remodeled salon at Main Street and Alpine Avenue.
- Questioned if the 2 hour parking limit for the public parking lot at Alpine Avenue and Main Street is being enforced.
- Commented that the narrow street presents a hazard with the high traffic from the business.

## Verbal Communications – Continued

### **Mr. Follmar**

- Expressed concerns about the lack of public parking and high traffic generated by the hair salon.
- Questioned how the Town could allow 18 salon operator permits given the available parking.

### **Mr. Davis**

- Commented against the Council's decision to withdraw the Conditional Use Permit (CUP) application for the skate park.
- Questioned available funding for recreational uses in the community.

## Closed Verbal Communication

### **Mr. Larson, Town Manager**

- Commented that the number of stations at the salon is not subject to Town regulations.
- Commented that staff will review the parking issues on Alpine Avenue and provide Council a recommended course of action for consideration.

### **Council Comments**

- Suggested that staff expedite the process to address the parking issues along Alpine Avenue.
- Questioned if the Town has a policy that guides establishment of new permit parking districts or changes to hourly parking.

## **PUBLIC HEARING**

9. 115 N. Santa Cruz Avenue and 112 Wilder Avenue (APN 510-17-065 and 071) Negative Declaration ND-07-10; Subdivision Application M-07-005; General Plan Amendment GP-07-01; Zone Change Z-07-001; Architecture and Site Application S-07-019; Conditional Use Permit U-07-020; Variance Application V-07-01 Property owner: Santa Cruz Wilder, LLC Applicant: John Lien Appellants: Santa Cruz Wilder, LLC and Lee Quintana. RESOLUTION 2008-031
- a. General Plan amendment from Medium Density Residential to Central Business for a portion of the parking lot parcel, and
- b. a Zone Change from R-1D:LHP to C-2:LHP for a portion of the parking lot parcel Consider an appeal of the Planning Commission decisions on:
- 1) approving a modification to a Conditional Use Permit for the conversion of an existing fine dining restaurant into a smaller fine dining restaurant on the first floor and office space on the second floor,
  - 2) approving an Architecture and Site application to modify the exterior of the existing commercial building and to add parking along the west side of the alley and denying two new detached commercial buildings and additional parking on the east side of the alley, and
  - 3) approving a Variance to convert the existing parking lot which fronts on Wilder Avenue to a residential use. Properties zoned C-2:LHP and R-10D:LHP. No significant environmental impacts have been identified as a result of this project, and a Mitigated Negative Declaration is recommended.

Staff report and presentation made by **Bud Lortz**, Director of Community Development.

### **Council Comments**

- Questioned if the Town regulates the type of retail which would be permitted at the proposed site.

### **Mr. Lortz**

- Clarified that non-formula retail is the only permitted use for the downtown area and that any other type would require a Conditional Use Permit.

## **Open Public Hearing**

### **Mr. Korb**

- Noted for the record that the Desk Item submitted on April 7, 2008 contains a letter written by Brandt Hawley Law Group on behalf of the appellant.

### **Mr. Segwick, Applicant**

- Commented about the appropriateness of the proposed retail buildings.
- Commented that the owners do not have any desire to sell the property on North Santa Cruz Avenue.
- Commented that the proposed project would have mixed use and would be a good use of public space.
- Would like to make the mansion more welcoming and accessible to pedestrian traffic.
- Commented on the idea of a fire pit and antique push carts to enhance the site.
- Commented on the quality of tenants which they would like at the site.

### **Mr. Matteoni**

- Commented on the challenge associated with the Negative Declaration.
- Commented that the property is a commercial setting.
- Commented that Council has the tools to assess the aesthetic impacts on the site.

### **Council Comments**

- Questioned the design of the outside patio area.
- Questioned visibility and layout of the foyer and dining area.

### **Mr. Segwick**

- Commented about the amount of glass needed to enable views through the proposed buildings.
- Commented about the look of the existing patio area.

### **Mr. Lein, Architect**

- Commented on the ADA requirement for the proposed project.
- Stated that people on the patio would not be visible from the sidewalk.

## Public Hearing Item #9 – Continued

### **Ms. Quintana, Appellant**

- Commented that she is qualified to analyze the documents for the proposed project.
- Commented that her appeal was related to the Negative Declaration, CEQA, and the proposed project in general.
- Commented on the idea of adding vitality to the site and would consider a plaza with push carts at the site.

### **Council Comments**

- Questioned **Ms. Quintana** about the Wilder portion of the project.
- Questioned **Ms. Quintana's** concerns about the design of the proposed home.

### **Ms. Quintana**

- Commented that the lot would be "atypical" compared to other lots on the street.
- Expressed concerns about the findings made for the proposed lot on Wilder Avenue.

### **Mr. Davis**

- Commented about staff making discretionary recommendations.
- Commented that the mansion is a historical site and should stand alone.

### **Ms. Farwell**

- Commented on supporting the proposed project which she feels will energize the property.
- Commented that the home enhances the project and the neighborhood.
- Commented that the proposed project is inviting and enhances the mansion.
- Commented that this would add to Los Gatos charm and will help to restore and maintain the mansion and feels that the design is respectful.

### **Mr. Miller**

- Commented on supporting the proposed project.
- Commented that the proposed project would improve the site.
- Commented that the proposed project embraces the mansion.

## Public Hearing Item #9 – Continued

### **Mr. Johnson**

- Commented on supporting the proposed project.
- Commented that the proposed project would enhance the street and promote pedestrian traffic.
- Commented that the proposed buildings create a welcoming look from the sidewalk.

### **Mr. Pacheco**

- Commented about the historical perspective discussed by the Historic Preservation Committee.
- Commented that in Victorian times it would have been appropriate to build a glass structure on the site.
- Would like to see the deck re-designed as it was when it was the mortuary.

### **Mr. Carter**

- Commented on supporting the proposed project.
- Suggested that proposed retail such as an art gallery or a jewelry store would complement the mansion and surrounding property.

### **Mr. Arzie**

- Commented that the proposed buildings restrict the view of the mansion.
- Commented that eliminating the parking lot at Wilder Avenue will create more parking problems downtown.
- Commented against eliminating private parking lots before the Town designates more public parking.

### **Ms. Morgan**

- Commented that most of the historical mansions in the downtown area are gone.
- Expressed concern that the proposed buildings would not complement the historic mansion.
- Commented that the building next door has blocked views of the historic mansion.



## Public Hearing Item #9 – Continued

### **Mr. Achabal**

- Commented that Los Gatos has worked to maintain the character of the downtown area.
- Commented that the role of the Council and Planning Commission is to find ways to better serve the community.
- Would like to see retail businesses that are not chain stores at the location.

### **Ms. Quintana, Appellant**

- Commented on the lack of a direct handicap ramp.
- Requested that Council uphold the Planning Commissions decision and deny the project.

### **Mr. Matteoni, Applicant**

- Commented on the Environmental Impact Review (EIR) and the proposed project.
- Commented that Council has the tools to mitigate aesthetic impacts.

### **Mr. Sewick, Applicant**

- Commented about pedestrian traffic comparisons.
- Commented that the proposed exits are the only additions to the mansion.
- Commented that the landscape changes would improve the property.

### **Council Comments**

- Commented on the proposed design options to enhance and add vitality to the location.

### **Mr. Segwick**

- Commented that he would like to see the project move forward.
- Requested that the proposed buildings go hand in hand with the extensive upgrading of the patio area.

Closed Public Hearing

Public Hearing Item #9 – Continued

**Council Discussion**

- Commented that the Planning Commission correctly analyzed the environmental impacts.
- Commented on the proposed enhancements to the property.
- Commented about the proposed buildings on the site and would like to see as much glass as possible.
- Commented about the Planning Commissions recommendations for the proposed buildings.
- Commented that the right building design would enhance the site.

**MOTION:**                    **Motion by Council Member Diane McNutt to uphold the decisions of the Planning Commission.**  
                                     **Seconded by Council Member Joe Pirzynski.**

**Council Discussion**

- Commented that if you stood on either side of the lot the view of the mansion would be blocked.
- Commented that the Travesse Restaurant is hidden, but still well known.
- Commented on the definition of a kiosk verses a building.
- Commented on creating a design with vibrancy that complements the historic mansion, and adds economic vitality to the area.
- Would like to see a people-friendly space created at the site, as well as retail buildings that promote economic vitality.
- Commented on the beauty of the location and that vitality can be created without adding buildings requiring Architecture and Site permits.

**VOTE:**                    **Motion passed 4/1 with Council Member Steve Glickman voting no.**

**Council Comments**

- Consensus to allow increased seating based on parking requirements for Travesse Restaurant.

**Mr. Lortz**

- Presented the seating and parking options for the restaurant.
- Commented on the description of the proposed home at 112 Wilder Avenue.

Public Hearing Item #9 – Continued

**Council Comments**

- Commented that many improvements need to be made to the back side of the mansion.
- Questioned available parking at the back of the mansion.
- Suggested approving 143 seats at the restaurant.

**MOTION:**           **Motion by Council Member Diane McNutt** to make the Mitigated Negative Declaration and adopt the Mitigated Monitoring Plan and to increase the amount of seating allowed per parking requirements. (Exhibit 8 and 9 of Attachment 7 - Not Applicable to the two new retail buildings)  
**Seconded by Vice Mayor Mike Wasserman.**

**VOTE:**           **Motion passed unanimously.**

**MOTION:**           **Motion by Vice Mayor Mike Wasserman** to approve Architecture and Site with conditions (Attachment 15)

- Approve modifications to mansion
- Approve parking on west side of alley
- Deny parking on east side of alley
- Deny two new buildings
- Make required findings (Attachment 10)

**Seconded by Mayor Barbara Spector.**

**VOTE:**           **Motion passed 4/1 with Council Member Steve Glickman voting no.**

**MOTION:**           **Motion by Council Member Diane McNutt** to make the required findings (Attachment 10) and to approve Resolution approving the General Plan amendment (Attachment 11).  
**Seconded by Council Member Joe Pirzynski.**

**VOTE:**           **Motion passed unanimously.**

**MOTION:**           **Motion by Council Member Diane McNutt** to waive the reading of the zone change ordinance.  
**Seconded by Vice Mayor Mike Wasserman.**

**VOTE:**           **Motion passed unanimously.**

**Mayor Barbara Spector** Directed **Jackie Rose**, Clerk Administrator to read the title of the ordinance.

**VOTE:** Motion passed unanimously.

**Mayor Barbara Spector** called for a recess. Meeting resumed at 8:40 p.m.

## **OTHER BUSINESS**

### **TOWN COUNCIL/REDEVELOPMENT AGENCY**

#### **10. Los Gatos Library Project**

- a. Authorize Town Manager to negotiate and execute agreement with Noll & Tam Architects in an amount not to exceed \$184,765 for conceptual design services for a new Los Gatos library.**
- b. Authorize an adjustment to the Fiscal Year 2007/08 - 2001/12 Capital Improvement Program budget adding the library project in the amount of \$18,383,086.00 with funding sources as detailed in the fiscal impact statement**

Staff report made by **Pamela Jacobs**, Assistant Town Manager

**Ms. Jacobs** presented a Power Point presentation on the RFP process.

#### **Council Comments**

- Questioned if the new library is in the Redevelopment Agency (RDA) area.
- Expressed concerns about the use of RDA funds for the proposed library.

#### **Open Public Comment**

##### **Mr. Davis**

- Commented that the staff report did not adequately explain the true cost of the library.
- Stated that the net cost will be about \$40 million to build the new library.
- Commented that Council turned down a \$1 million skate park for a \$40 million library.

##### **Ms. Hill**

- Supports the construction of a new library.
- Commented on current library use and the need for a new library.

#### **Closed Public Comments**

## Other Business Item #10 – Continued

### Council Discussion

- Commented that when the library was built it was for a smaller population and is no longer adequate given the Town's current size.
- Commented that the community should vote on the issue and stated that other communities have placed bond measures on the ballot for new libraries.
- Commented about limited RDA funds for other projects.
- Commented that there are several libraries that have recently been built with Redevelopment Agency funds and have not gone to a ballot for public vote.
- Clarified that the Town is not using all of its available funds to build the library.

### MOTION:

**Motion by Council Member Diane McNutt to:**

- a. Authorize Town Manager to negotiate and execute agreement with Noll & Tam Architects in an amount not to exceed \$184,765 for conceptual design services for a new Los Gatos library.
- b. Authorize an adjustment to the Fiscal Year 2007/08 - 2001/12 Capital Improvement Program budget adding the library project in the amount of \$18,383,086.00 with funding sources as detailed in the fiscal impact statement.

**Seconded by Vice Mayor Mike Wasserman.**

### Council Discussion

- Commented that in lieu of taxing residents, the proposed library project would be funded through Redevelopment Agency funds.
- Suggested that the proposed Library project be placed on the ballot.
- Clarified that the Town is not raising taxes for the new library and therefore would not place it on the ballot.
- Commented that the Los Gatos Library receives a quarter of a million visits every year.
- Commented that the Town needs a new library because of a lack of space for programs resulting in overcrowding.

### VOTE:

**Motion passed 4/1 with Council Member Steve Glickman voting no.**

## **TOWN COUNCIL**

### **11. 506 University Avenue APN: 529-08-017**

- a. Consider adoption of an ordinance to re-zone a parcel to R-1D from RM:12-20 (zone change Z-07-001); or ORDINANCE**
- b. Decide whether to reconsider prior decision to introduce an ordinance to re-zone a parcel to R-1D from RM:12-20 and approve a corresponding General Plan amendment Property owner: Arnerich Revocable Trust Applicant: Dennis Lowery, Capital Ventures.**

Staff report made by **Orry Korb**, Town Attorney.

#### **Open Public Comments**

##### **Mr. Lowery, Applicant**

- Commented that the issue is worthy of re-consideration due to the need to preserve affordable housing stock.
- Commented that the site is economically challenging due to the fact that the historic home will remain on the site which decreases the remaining lot sizes.
- Commented that building two single family homes would be more affordable than building multi family homes.

##### **Council Comments**

- Questioned affordable single family housing verses the natural progression of multi family homes along Towne Terrace.

##### **Mr. Lowery**

- Suggested that there would be flexibility with the architecture process for single family homes.
- Stated that building single family homes would be more affordable.

##### **Council Comments**

- Commented that it would be more expensive to purchase a single family home verses multi-family units.
- Commented on creating a design that would be compatible with the neighborhood.

## Other Business Item #11 – Continued

### **Mr. Lowery**

- Commented that a single family home would have more room than a multi-family unit.

### **Ms. Keffer**

- Commented that she would like to see single family homes proposed at the site.

### **Mr. Keffer**

- Concerned that adding more units would require more parking and would compound the existing parking issues.
- Suggested keeping the trees on the site.

### **Mr. Iverson**

- Supports the proposed project with single family homes.

### **Council Comments**

- Commented that design and compatibility are the key issues when it comes to building projects that fit the neighborhood.
- Questioned **Mr. Iverson's** thoughts on change at the location.

### **Mr. Menchaca**

- Commented against the boxy look of multi-family homes.
- Suggested that single family homes have an aesthetic quality.

### **Ms. Jarmello**

- Commented that the neighbors support the development of single family homes on the site.
- Asked Council to reconsider the application.

Closed Public Comment



Other Business Item #11 – Continued

**MOTION:**                    **Motion by Council Member Steve Glickman** to adopt ordinance to re-zone a parcel to R-1D from RM:12-20 located at 506 University Avenue, deny re-consideration of prior decision to introduce ordinance, and approve a corresponding General Plan amendment.  
**Seconded by Vice Mayor Mike Wasserman.**

**Council Discussion**

- Commented that 1/3 of Los Gatos' housing stock is rental and multi-family is appropriate.
- Commented that the Town should maintain a balance of housing.
- Commented that the proposed project does not skew the ratio of rental to owned homes.
- Commented that there may be a need for smaller single family residential homes in the community due to the loss of smaller homes in the community.
- Requested clarification about the definition of "affordable" housing.
- Questioned the feasibility of a triplex being built on the lot.

**Mr. Lortz**

- Clarified that a triplex would be feasible, but trees would have to be removed and community input would be necessary.

**VOTE:**                    **Motion passed 3/2 with Council Member Diane McNutt and Council Member Joe Pirzynski voting no.**

Other Business - Continued

**12. Approve an amendment to contract between the Board of Administration California Public Employees' Retirement System and the Town Council of the Town Of Los Gatos RESOLUTION 2008-030**

- a. Adopt resolution of intention to amend contract.**
- b. Introduce ordinance approving amendment.**

Staff report made by **Rumi Portillo**, Director of Human Resources

Open/Close Public Comments

**MOTION:**               **Motion by Council Member Steve Glickman to adopt resolution of intention to amend contract.  
Seconded by Council Member Joe Pirzynski.**

**VOTE:**               **Motion passed unanimously.**

**MOTION:**               **Motion by Council Member Steve Glickman to waive the reading of the ordinance.  
Seconded by Council Member Joe Pirzynski.**

**VOTE:**               **Motion passed unanimously.**

**Mayor Barbara Spector** directed **Jackie Rose**, Clerk Administrator to read the title of the ordinance.

**MOTION:**               **Motion by Council Member Steve Glickman to introduce the ordinance to amendment to contract between the Board of Administration California Public Employees' Retirement System and the Town Council of the Town Of Los Gatos.  
Seconded by Council Member Joe Pirzynski.**

**VOTE:**               **Motion passed unanimously.**

## **PULLED CONSENT ITEMS**

### **2. Accept staff recommendations on County Referrals**

#### **Mr. Davis**

- Commented against proposed development on the back side of Deer Park Road which is located in the County.
- Stated that the development has a 40% average slope.
- Commented that **Mr. Lortz** did not forward any comments to the County under County Referrals.

### **7. Approve Council/Agency minutes of March 17, 2008.**

#### **Mr. Davis**

- Commented that his statements about the Clerk Administrator copying the skate park petitions were not reflected correctly in the March 17, 2008 minutes.

**MOTION:**                    **Motion by Council Member Steve Glickman to adopt Consent Items #2 and #7.**  
                                     **Seconded by Council Member Joe Pirzynski.**

**VOTE:**                    **Motion passed unanimously.**

## **COUNCIL/TOWN MANAGER REPORTS**

### **13. Council Matters**

#### **Mr. Glickman**

- Thanked **Mayor Barbara Spector** for the Tartan Day proclamation and stated that he would present the proclamation on April 8, 2008.

### **14. Manager Matters**

#### **Mr. Larson**

- Commented about the closure of the Library due to electrical problems over the weekend.

## **ADJOURNMENT**

Attest:

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Jackie D. Rose, Clerk Administrator