



MEETING DATE: 6/15/09

ITEM NO:

CONSENT

8

COUNCIL AGENDA REPORT

DATE: June 9, 2009

TO: MAYOR AND TOWN COUNCIL

FROM: GREG LARSON, TOWN MANAGER

A handwritten signature in black ink, appearing to be "GL", written over the name "GREG LARSON".

SUBJECT: ADOPT A RESOLUTION AUTHORIZING THE TOWN MANAGER TO AMEND AN AGREEMENT WITH DESIGN, COMMUNITY AND ENVIRONMENT TO INCLUDE REVISIONS TO THE NORTH 40 SPECIFIC PLAN AND PROVIDE FOR CONSISTENCY WITH THE GENERAL PLAN.

RECOMMENDATION:

Adopt a resolution (Attachment 1) authorizing the Town Manager to amend an agreement with Design, Community and Environment (DC&E) to include revisions to the North 40 Specific Plan (N40SP) and provide for consistency with the General Plan.

BACKGROUND:

On August 25, 2008, the Council held a Study Session to provide direction on how to proceed with finalizing the N40SP in light of prospective development proposals in the North 40 area. Specifically, the question was what process to follow:

- Complete the N40SP; and/or
- Consider specific development proposals in advance of completion of the N40SP.

The Town Council voted 5-0 directing staff to finalize the N40SP. The Council indicated the Draft N40SP should be used as the foundation for an updated Plan. The Council also specified that the areas of focus for the update would be the following:

- How to fund and maintain infrastructure
- Review the design standards in the Draft N40SP to address concerns that the design guidelines and images contained in the draft do not clearly reflect the character of Los Gatos.

PREPARED BY:

A handwritten signature in black ink, appearing to be "BNL", written over the name "BUD N. LORTZ".

BUD N. LORTZ

DEPUTY TOWN MANAGER

Reviewed by: PS Assistant Town Manager OK Town Attorney
____ Clerk Administrator ____ Finance ____ Community Development

- Determine an appropriate land use mix that does not compete with the Downtown, including limited residential development and a possible recreation component. The evaluation of residential uses should include an analysis of potential impacts to schools.
- Review the draft development standards, which currently includes a 500,000 square foot cap on commercial mixed-use development, limits the size of any single use to a maximum of 70,000 square feet, states the average size of retail uses and structures should not exceed 30,000 square feet, and establishes a maximum building height of 35 feet (exceptions can be granted through the Planned Development process to permit buildings up to 45 feet).

On May 18, 2009, the Council reviewed the proposed scope of work for the completion of the N40SP. At the meeting, Council raised questions regarding the scope of the proposal, cost of the proposal and the use of an overlay designation for the North 40. As a result of the Council's discussion, staff asked DC&E to revise the scope of work to identify the costs for each individual task to give staff and the Council an opportunity to consider whether all of the proposed tasks are necessary. Additionally, staff informed DC&E that the General Plan Committee (GPC) should have flexibility to explore optional approaches for integrating the North 40 into the General Plan.

DISCUSSION:

Based on Council and staff direction, a revised proposal from DC&E has been prepared. The revised scope of work is attached (Attachment 2) and would include updating the N40SP, integrating the N40SP into the General Plan, and completing the required environmental review as part of the General Plan Update EIR process.

DC&E has knowledge of the Town having prepared the Open Space, Parks and Trails Inventory and through their current work preparing the Housing Element and General Plan Update for the Town. DC&E is able to offer joint management for incorporation of the North 40 into the General Plan, revising the N40SP and its required environmental documentation, which allows efficiency in production and effective coordination between the two documents.

The estimated additional cost to complete the revised scope of work for the N40SP is \$93,179. A contingency fee of \$4,659 is included to fund any unanticipated services. The base amount plus contingencies totals \$97,838. The contingency funding has been included to allow the Town Manager to authorize limited additional costs in order to complete the project within the proposed schedule. The revised budget includes attendance by DC&E's staff at only one Stakeholder meeting and two GPC meetings. Attendance by DC&E for additional meetings would cost \$1,760 per meeting.

When compared to the scope of work previously reviewed by the Council on May 18, 2009, the cost has been reduced by \$53,581. This reduction was based on staff's determination that the following tasks are not necessary:

- Optional Task for developing alternatives (Cost Savings - \$39,206).

Staff determined that it is appropriate to eliminate this task because staff is confident that clear consensus on a preferred alternative will be obtained. If an alternatives analysis is needed, staff will bring the issue to Council for consideration.

- Community Workshop #1 and #2 (Cost Savings - \$11,450)

Staff determined that it is appropriate to eliminate these two tasks because extensive public outreach was conducted as part of the public process regarding the current draft North 40 Specific Plan. Additionally, public involvement is encouraged and welcomed at the Stakeholder meeting, GPC meetings in this proposed scope of work, and future GPC, GPAC, Planning Commission, and Council meetings as the General Plan Update and North 40 Specific Plan move forward.

- Stakeholder Meeting #2 (Cost Savings - \$2,925)

Staff determined that it is appropriate to eliminate this task because there will be a stakeholders meeting at the beginning of the process to solicit input regarding potential modifications to the North 40 Specific Plan. Additionally, there will be multiple opportunities for stakeholders as well as other members of the public to participate in the discussions regarding the North 40 Specific Plan at future GPC meetings.

The original contract (\$711,247) plus contingencies (\$57,335) for DC&E to complete the General Plan Update and EIR process was \$768,582. The proposed amendment to complete the North 40 Specific Plan and EIR process would cost an additional \$93,179 plus contingencies (\$4,659) for a total of \$97,838. The combined total of DC&E's contract would be \$804,426 (\$866,420 including contingencies), which includes the General Plan Update, finalizing the N40SP, and environmental review for the General Plan Update and North 40.

CONCLUSION:

Staff is recommending approval of the revised scope of work which includes the deletion of the three tasks listed above for the reasons stated and Council's comments at the May 18, 2009 meeting. If Council concurs with staff's recommendation then staff will finalize the amendment to the agreement unless directed otherwise by Council.

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MAYOR AND TOWN COUNCIL
SUBJECT: DC&E CONTRACT AMENDMENT
June 15, 2009

Staff has concluded that DC&E provides the best fit, capacity and professional expertise to finalize the N40SP Update within the established time frame. During preparation of the Recreation Inventory, Housing Element and General Plan update, DC&E repeatedly proved their ability to produce a quality product within challenging time constraints.

ENVIRONMENTAL ASSESSMENT:

Approval of the DC&E contract amendment is not a project as defined by CEQA. An environmental assessment will be conducted for the update and will be presented to the Planning Commission and Town Council with the Draft General Plan.

FISCAL IMPACT:

Funding for the N40SP will come from the General Plan Update Fund. Sufficient funds are available in this account.

Attachments:

1. Resolution
2. Scope of Work

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RESOLUTION

RESOLUTION AUTHORIZING THE TOWN MANAGER TO AMEND AN AGREEMENT WITH DESIGN, COMMUNITY AND ENVIRONMENT TO INCLUDE REVISIONS TO THE NORTH 40 SPECIFIC PLAN AND PROVIDE FOR CONSISTENCY WITH THE GENERAL PLAN

WHEREAS, the Town of Los Gatos desires to complete the North 40 Specific Plan and provide consistency with the General Plan; and

WHEREAS, Design, Community and Environment is the most qualified firm to prepare revisions to the North 40 Specific Plan and provide for consistency with the General Plan because of their extensive experience preparing Specific Plans and General Plans for jurisdictions throughout California; and

WHEREAS, David Early, Design, Community and Environment's Principal-in-Charge for this project, has extensive applicable experience preparing Specific Plans and General Plan Updates for jurisdictions throughout California.

WHEREAS, Design, Community and Environment, is currently preparing the Town's General Plan Update.

RESOLVED, by the Town Council that the Town Manager is authorized to execute an amendment to an agreement with Design, Community and Environment for preparation of the General Plan Update and revisions to the North 40 Specific Plan to increase total compensation to an amount not to exceed \$804,426 plus contingencies for a total of \$866,420.

PASSED AND ADOPTED at a regular meeting of the Town Council held on the ____
day of June, 2009, by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

/s/ Mike Wasserman
MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

ATTEST:

/s/ Jackie Rose
CLERK ADMINISTRATOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

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June 11, 2009

Bud Lortz, Deputy Town Manager
Town of Los Gatos
1110 East Main Street
Los Gatos, CA 95031

Re: North Forty Specific Plan Update

Dear Bud:

Please accept this proposed scope of work and cost estimate to incorporate a planning process for the North Forty area into the Town of Los Gatos General Plan Update as a separate but parallel effort. This planning process will build on the existing 1999 Public Review Draft North Forty Specific Plan, which has never been adopted, and will focus on integrating land use, urban design, and circulation concepts for the North Forty area into the overall General Plan.

North Forty Specific Plan Area Background

The North Forty area is generally located west of Los Gatos Boulevard, east of Highway 17, north of Lark Avenue and south of Highway 85. The area consists of approximately 44 acres, which is predominantly in agricultural use. The existing vision statement for the Plan Area calls for a mix of commercial uses, allowing retail commercial, office, entertainment, restaurants, lodging, and public and civic uses, targeting primarily town residents. The Specific Plan's objective is for the proposed uses to complement, not directly compete with, the town's downtown. The Specific Plan states that Level of Service (LOS) D is the minimum LOS acceptable on roadways and intersections surrounding the Plan Area. The area is envisioned to have a unique, pedestrian-oriented "sense of place."

The planning concept for the North Forty area shown in the existing Draft Specific Plan accommodates approximately 500,000 square feet of commercial mixed-use development, with the majority as destination retail. Neighborhood (convenience) retail is limited to 100,000 square feet of the total. Office use, excluding medical-related offices and use, is also limited to 100,000 square feet of the total. These development parameters will be confirmed and refined as necessary through the scope of work below.

Approaches for Inclusion in the General Plan Update

DC&E is aware that the Town Council would like to ensure that the North Forty area is seamlessly incorporated into the General Plan Update process. To achieve this, the Town Council will work with the Planning Commission and General Plan Committee (GPC) to identify the appropriate minor revisions that will be made to the North Forty Specific Plan. Because the North Forty area will be a part of the General Plan Land Use Element, buildout allowed under the updated Specific Plan will be analyzed as part of the General Plan EIR. As a result, there will be no need for a separate CEQA review process in this effort.

At the direction of Town Council, DC&E will work with the GPC to determine the best approach to include the North Forty area in the General Plan. There are different approaches to include the North Forty in the General Plan, which will be explored with the GPC. Regardless of the approach taken, DC&E will include the basic parameters for development on the site in the updated Land Use Element. These basic parameters will be fully supported by the more detailed Specific Plan.

Proposed Scope of Work

The following scope of work outlines the tasks DC&E would add to our existing scope of work for the General Plan Update and EIR to incorporate the North Forty area into the General Plan and update the 1999 North Forty Specific Plan.

Task A. Understand Existing Conditions

DC&E staff will conduct a site visit of the North Forty area to document existing conditions through maps and photographs. During this visit, we will also meet with Town staff to review the existing 1999 Specific Plan, discuss the history of the site, and understand current views on the future of the area.

The labor cost of this task is \$ 3,400

Task B. Refine Specific Plan Concepts

DC&E will review and refine the concepts in the 1999 Draft Specific Plan with the property owners, community members, and the General Plan Committee.

1. Stakeholder Meeting

First, DC&E will meet with key property owners whose participation in the North Forty planning process is particularly important to discuss what changes, if any, are needed to the concepts in the 1999 North Forty Specific Plan. This meeting may be attended by as many as 10 individual stakeholders. We assume that Town staff will assist with identifying appropriate stakeholders to interview and obtaining contact information.

The labor cost of this sub-task is \$ 2,925

2. Develop Specific Plan Concepts

With direction from Town staff, DC&E will create the concept material that will be utilized during the GPC Meeting #1. Preliminarily, we expect that this will include an exploration of issues such as:

- ◆ Development capacity of the Plan Area
- ◆ Inclusion of a recreational component in the Plan Area
- ◆ Revising land use distribution to locate smaller buildings along the Los Gatos Boulevard frontage, and office and lodging uses away from Los Gatos Boulevard
- ◆ Potential for pedestrian orientation and linkages
- ◆ Potential housing options for the site (housing is currently not allowed)

The labor cost of this sub-task is \$ 5,980

3. General Plan Committee Meeting #1

The Town Council has directed the GPC to discuss the North Forty area and determine whether changes should be made to the 1999 Draft Specific Plan. DC&E will attend one GPC meeting to report the feedback received at the stakeholder meeting, and participate in an interactive group exercise.

The GPC may also offer guidance on more technical Specific Plan issues, such as adjusting requirements for projects on parcels of 40,000 square feet and larger, which currently require approval of a zone change to Planned Development

The labor cost of this sub-task is \$ 1,760

4. Town Staff Input

To supplement the input received from stakeholders, the public, and the GPC, DC&E will work with Town staff to review and receive direction for revisions to the following Specific Plan Components:

- ◆ Location of gateway features and nodes
- ◆ Design of frontage access drive, currently envisioned adjacent and parallel to Los Gatos Boulevard

The labor cost of this sub-task is \$ 1,280

5. Revise Specific Plan

Based on the four sources of input described above, DC&E will revise the following sections of the Specific Plan as needed to reflect the updated vision for the Plan Area:

- ◆ Goals and Policies (Chapter 2 Section C)
- ◆ Planning Concepts (Chapter 2 Section D), including:
 - Exhibit 2-1 Master Concept Development Plan
 - Exhibit 2-2 Urban Design Concept Plan
- ◆ Site Planning Guidelines (Chapter 3 Section D), including:
 - Exhibit 3-1 Main Access Road Setback
 - Exhibit 3-2 Secondary Access Road Setback
 - Exhibit 3-3 Building Setbacks
 - Exhibit 3-4 Frontage Road Building Setbacks
 - Exhibit 3-5 Orchard-style Planting Design

The labor cost of this sub-task is \$ 7,910

Task C. Create Photosimulations

DC&E will create a total of four photosimulations of views from Highway 17, looking over the North Forty area towards the hills. We will show what future development would look like from two different locations, with development at two different heights (two stories and three stories). The photosimulations will portray building height and massing, showing potential building envelopes and not architectural details of the buildings.

The labor cost of this task is \$ 8,420

Task D. Update Infrastructure Information

DC&E will update the information related to existing infrastructure capacity, future capacity, any plans for infrastructure expansion and funding opportunities. DC&E will also update the figures to show the new connections that have been made in the North Forty area. This includes the Infrastructure Concept Plan (Chapter 2 Section G) and the following:

- ◆ Exhibit 2-10 Existing Water Lines
- ◆ Exhibit 2-11 Existing Sewer Mains
- ◆ Exhibit 2-12 Existing Storm Drainage

The labor cost of this task is \$ 1,585

Task E. Reformat Specific Plan

DC&E will reformat the entire Specific Plan for an up-to-date look. DC&E will submit an Administrative Draft Specific Plan for Town staff to review. Based on staff comments, DC&E will produce a Draft Specific Plan for GPC and public review.

1. Text

This scope assumes that DC&E will create an editable Word version of the 1999 Draft Specific Plan.

The labor cost of this sub-task is \$ 3,425

2. Graphics

As described above, DC&E will re-create all of the graphics in the 1999 Draft Specific Plan, revising the content and format to be consistent with the updated concepts. In addition, DC&E will update the photos in the current Specific Plan document with similar, full-color photos.

The labor cost of this sub-task is \$ 5,965

3. Development Standards and Design Guidelines

DC&E will coordinate with the architect contracted separately by the Town and incorporate the text and photographs submitted by the architect in the Building Design section (Chapter 3 Section F, pages 3-20 through 3-30). We assume that the Town-contracted architect will provide DC&E with text in Word and graphics in Adobe InDesign or another editable format for easy incorporation into the document.

The labor cost of this sub-task is \$ 18,030

Task F. Create North Forty Regulatory Program

Based on the land use change approach agreed upon by the GPC and Town, DC&E will create a North Forty regulatory program that will be incorporated into the updated General Plan as deemed appropriate by the GPC and Town. The regulatory program will require that all parcels in the North Forty be developed in a cohesive manner that is consistent with the goals of the updated General Plan and with the outcomes of the North Forty planning process. It will establish the appropriate mix and type of uses in the area,

maximum permissible densities, and maximum buildout for each land use type in either number of dwelling units or square feet of non-residential space.

Because the North Forty regulatory program will be a part of the General Plan Land Use Element, buildout allowed under the North Forty regulatory program will be analyzed, along with buildout allowed under all other General Plan designations and policies, in the General Plan EIR.

The final provisions of the North Forty regulatory program will be reviewed by the public and elected officials as part of the Draft General Plan and will be adopted by the Town Council as part of the final General Plan adoption.

The labor cost of this task is \$ 5,630

Task G. Present the Updated Specific Plan

DC&E will present the updated North Forty Specific Plan and corresponding North Forty regulatory program to property owners, community members, and the General Plan Committee.

1. Develop Updated Specific Plan

DC&E will prepare all materials needed for the presentation of the updated Specific Plan to the GPC. Preliminarily, we expect this to include: large format posters and display boards, creation of a formal presentation, development of an interactive exercise, and all associated materials.

The labor cost of this sub-task is \$ 5,640

2. General Plan Committee Meeting #2

DC&E will attend one GPC meeting to review the Draft Specific Plan and ask the GPC to give direction on what revisions are needed, if any. We will not revise the Draft Specific Plan prior to this GPC meeting.

The labor cost of this sub-task is \$ 1,760

Task H. Final Revisions

Based on direction from GPC Meeting #2 and Town staff, DC&E will make any needed revisions and produce a Final Specific Plan for Town Council approval. This scope of work does not include DC&E attendance at any special Specific Plan adoption hearings since we assume that adoption will occur with the General Plan.

The labor cost of this task is \$ 15,240

Deliverables

DC&E will deliver the following products to Town staff:

- ◆ Agenda, handouts, maps and other materials for the stakeholder meeting and two GPC meetings (electronic format)
- ◆ Summary notes from the stakeholder meeting, two GPC meetings (electronic format)

- ♦ Administrative Draft Specific Plan, including photosimulations, for internal review (electronic .pdf)
- ♦ Administrative Draft North Forty regulatory program text for internal review (electronic .pdf)
- ♦ Draft Specific Plan, including revised photosimulations, for GPC review (15 hard copies)
- ♦ Final Specific Plan for Council adoption (25 hard copies)

The public review draft North Forty regulatory program will be included in the public review draft General Plan.

Schedule

Upon approval of the this scope of work, DC&E will work with Town staff to create a schedule that works seamlessly with the ongoing General Plan and Housing Element update schedules. In developing the schedule, DC&E will ensure that we will submit an administrative draft conceptual land use and circulation diagram no later than September 2009 so that it can be reviewed by Town staff and incorporated into the General Plan EIR project description, due in October 2009.

As noted above, the North Forty regulatory program will be integrated into the Administrative Draft General Plan, due to the Town in December 2009, and Public Review Draft General Plans, due in March 2010.

Cost Estimate

As detailed in Table 1, DC&E can complete the scope of work described in this proposal, plus expenses, for \$93,179.

The proposed budget includes preparation of materials and attendance by David Early and DC&E's Project Manager at community workshops and presentations to Town Council. Joanna Jansen and DC&E's Project Manager will attend all other meetings, and are available for additional meetings for \$1,760 per meeting.

Please don't hesitate to contact me if you have any questions about this proposal. DC&E enjoys working with the Town on the General Plan Update and Housing Element and is very excited about expanding that work to encompass the North Forty planning effort.

Sincerely,

DESIGN, COMMUNITY & ENVIRONMENT, INC.

David Early
Founding Principal

Table I
Design, Community & Environment
North Forty Specific Plan Update and General Plan Inclusion
Cost Estimate

Hours per Task	Founding Principal	Associate Principal	Associate/ Project Manager	Project Planner	Graphics/ WP	Urban Designer	Graphics Tech	Labor Cost Per Task
A. Existing Conditions	2	2	8	8	-	8	-	3,400
B. Refine Specific Plan Concepts	9	23	41	48	-	38	-	19,855
B.1 Stakeholder Meeting	1	6	6	8	-	-	-	2,925
B.2 Develop Specific Plan Concepts	2	4	12	16	-	18	-	5,980
B.3 General Plan Committee Meeting #1	-	5	5	2	-	-	-	1,760
B.4 Town Staff Input	2	2	2	2	-	-	-	1,280
B.5 Revise Specific Plan	4	6	16	20	-	20	-	7,910
C. Create Photosimulations	1	1	4	-	-	88	-	8,420
D. Update Infrastructure Information		1	2	6	-	6	-	1,585
E. Reformat Specific Plan	2	8	40	68	18	74	64	27,420
E.1 Text	-	1	2	12	8	8	4	3,425
E.2 Graphics	-	1	10	6	-	26	20	5,965
E.3 Development Standards and Design Guidelines	2	6	28	50	10	40	40	18,030
F. North Forty Regulatory Program	2	4	12	24	-	4	-	5,630
G. Present Updated Specific Plan	2	11	17	26	-	-	-	7,400
G.1 Develop Updated Specific Plan Materials	2	6	12	24	-	-	-	5,640
G.2 General Plan Committee Meeting #2	-	5	5	2	-	-	-	1,760
H. Final Revisions	4	12	32	40	8	24	12	15,240
Total Hours	22	62	156	220	26	242	76	
Billing Rate	\$225	\$175	\$135	\$105	\$90	\$85	\$80	
Labor Cost	\$4,950	\$10,850	\$21,060	\$23,100	\$2,340	\$20,570	\$6,080	
Total Firm Labor Cost								\$88,950
EXPENSES								
Mileage (@ \$0.55 per mile)							250	
Reprographics and Mapping							600	
Specific Plan Printing							1,500	
Deliveries							100	
Office Expenses (Phone, Fax, Copies, etc)							1,779	
Total Expenses							4,229	
TOTAL DC&E								\$93,179
Contingency Fee								\$4,659