



**TOWN OF LOS GATOS
COUNCIL MEETING AGENDA
MARCH 17, 2020
110 EAST MAIN STREET
LOS GATOS, CA**

*Marcia Jensen, Mayor
Barbara Spector, Vice Mayor
Rob Rennie, Council Member
Marico Sayoc, Council Member
Vacant, Council Member*

PARTICIPATION IN THE PUBLIC PROCESS

How to participate: The Town of Los Gatos strongly encourages your active participation in the public process, which is the cornerstone of democracy. If you wish to speak to an item on the agenda, please complete a “speaker’s card” located on the back of the chamber benches and return it to the Town Council. If you wish to speak to an item NOT on the agenda, you may do so during the “Verbal Communications” period. The time allocated to speakers may change to better facilitate the Town Council meeting.

Effective Proceedings: The purpose of the Town Council meeting is to conduct the business of the community in an effective and efficient manner. For the benefit of the community, the Town of Los Gatos asks that you follow the Town’s meeting guidelines while attending Town Council meetings and treat everyone with respect and dignity. This is done by following meeting guidelines set forth in State law and in the Town Code. Disruptive conduct is not tolerated, including but not limited to: addressing the Town Council without first being recognized; interrupting speakers, Town Council or Town staff; continuing to speak after the allotted time has expired; failing to relinquish the podium when directed to do so; and repetitiously addressing the same subject.

Deadlines for Public Comment and Presentations are as follows:

- Persons wishing to make an audio/visual presentation on any agenda item must submit the presentation electronically, either in person or via email, to the Clerk’s Office no later than 3:00 p.m. on the day of the Council meeting.
- Persons wishing to submit written comments to be included in the materials provided to Town Council must provide the comments as follows:
 - For inclusion in the regular packet: by 11:00 a.m. the Thursday before the Council meeting
 - For inclusion in any Addendum: by 11:00 a.m. the Monday before the Council meeting
 - For inclusion in any Desk Item: by 11:00 a.m. on the day of the Council Meeting

***Town Council Meetings Broadcast Live on KCAT, Channel 15 (on Comcast) on the 1st and 3rd Tuesdays at 7:00 p.m.
Rebroadcast of Town Council Meetings on the 2nd and 4th Mondays at 7:00 p.m.
Live & Archived Council Meetings can be viewed by going to:
www.losgatosca.gov/Councilvideos***

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE CLERK DEPARTMENT AT (408) 354-6834. NOTIFICATION 48 HOURS BEFORE THE MEETING WILL ENABLE THE TOWN TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING [28 CFR §35.102-35.104]

AMENDED*
TOWN OF LOS GATOS
COUNCIL MEETING AGENDA
MARCH 17, 2020
7:00 PM

**THIS MEETING WILL BE CONDUCTED PURSUANT TO THE PROVISIONS OF THE
GOVERNOR'S EXECUTIVE ORDER WHICH SUSPENDS CERTAIN
REQUIREMENTS OF THE RALPH M. BROWN ACT**

**THE PUBLIC IS NOTIFIED THAT GATHERINGS POSE A HEIGHTENED RISK OF COVID-
19 TRANSMISSION, AND THAT OLDER ADULTS AND INDIVIDUALS WITH EXISTING
HEALTH CONDITIONS ARE AT PARTICULARLY SERIOUS RISK AND SHOULD NOT
ATTEND. THE TOWN ENCOURAGES OUR RESIDENTS TO SUBMIT WRITTEN
COMMENTS AND WATCH OUR TOWN COUNCIL MEETINGS THROUGH
CABLE OR THE INTERNET**

**DUE TO RECENT FEDERAL, STATE, AND COUNTY REGULATIONS RELATED TO THE
CORONAVIRUS, THE AMENDED AGENDA IS CONTINUING CERTAIN AGENDA ITEMS
THAT DO NOT HAVE ESSENTIAL TIME FRAMES FOR ADOPTION OR MAY INVOLVE
GREATER PUBLIC PARTICIPATION THAN ALLOWED UNDER THE REGULATIONS**

[https://www.sccgov.org/sites/phd/DiseaseInformation/novel-
coronavirus/Documents/Updated-Guidance-and-Orders-English.pdf](https://www.sccgov.org/sites/phd/DiseaseInformation/novel-coronavirus/Documents/Updated-Guidance-and-Orders-English.pdf)

[https://www.gov.ca.gov/wp-content/uploads/2020/03/3.12.20-EO-N-25-
20-COVID-19.pdf](https://www.gov.ca.gov/wp-content/uploads/2020/03/3.12.20-EO-N-25-20-COVID-19.pdf)

MEETING CALLED TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

COUNCIL / MANAGER MATTERS

CONSENT ITEMS *(Items appearing on the Consent Items are considered routine and may be approved by one motion. Any member of the Council or public may request to have an item removed from the Consent Items for comment and action. If an item is pulled, the Mayor has the sole discretion to determine when the item will be heard. Unless there are separate discussions and/or actions requested by Council, staff, or a member of the public, it is requested that items under the Consent Items be acted on simultaneously.)*

- [1.](#) Approve Council Meeting Minutes of March 3, 2020.
- [2.](#) Annual Progress Report for General Plan and Housing Element Implementation.
- [3.](#) Authorize the Town Manager to Execute an Agreement for Consultant Services with Ruggeri-Jenson-Azar for Professional Design Services for the Guardrail Replacement Project 18-812-0120 in an Amount Not to Exceed \$130,000

4. Authorize the Following Actions for The Creek Trail, Park Pathway, and Parking Lot Seal Coat and Striping Project (18-831-4609):
 - a. Approve the Plans and Specifications;
 - b. Authorize the Town Manager to Advertise the Project for Bid;
 - c. Authorize the Town Manager to Award and Execute a Construction Agreement in an Amount not no Exceed \$212,000, Including Contingencies and Change Orders;
 - d. Authorize Staff to Execute Future Change Orders in an Amount not to Exceed Ten Percent of the Contract Award Amount.
5. Authorize the Town Manager to execute a first amendment to the agreement for financial auditing services with Badawi and Associates to extend the contract for two years for a total contract amount not to exceed \$167,985.
6. Adopt a Resolution Ratifying the Director of Emergency Services' Proclamation on March 12, 2020 of the Existence of a Local Emergency Resulting from Community Spread of the Coronavirus, also Known as COVID-19 in the County of Santa Clara.
7. *Introduce an Ordinance, by Title Only, Effecting Amendments to Chapter 29 (Zoning Regulations) of the Town Code Regarding Family Daycare Home Regulations. Town Code Amendment Application A-20-002. Applicant: Town of Los Gatos. **(continued to April 7, 2020)**
8. *Introduce an Ordinance, by Title only, Effecting Amendments to Chapter 29 (Zoning Regulations) of the Town Code Regarding Accessory Dwelling Units, Town Wide. Town Code Amendment Application A-20-001. Applicant: Town of Los Gatos. **(continued to April 7, 2020)**
9. *Approve a Preferred Land Use Alternative Framework for the General Plan Update. **(continued to April 7, 2020)**
10. *Fee and Fine Schedules for Fiscal Year 2020/21 **(continued to April 7, 2020)**
 - a. Adopt a resolution approving the Comprehensive Fee Schedule for FY 2020/21 to continue certain department fees, rates, and charges, and amending certain fees, rates, and charges for FY 2020/21.
 - b. Adopt a resolution approving the Comprehensive Fine Schedule for FY 2020/21 to continue certain department fines.

VERBAL COMMUNICATIONS *(Members of the public are welcome to address the Town Council on any matter that is not listed on the agenda. To ensure all agenda items are heard and unless additional time is authorized by the Mayor, this portion of the agenda is limited to 30 minutes and no more than three (3) minutes per speaker. In the event additional speakers were not able to be heard during the initial Verbal Communications portion of the agenda, an additional Verbal Communications will be opened prior to adjournment.)*

ADJOURNMENT *(Council policy is to adjourn no later than midnight unless a majority of Council votes for an extension of time)*

Writings related to an item on the Town Council meeting agenda distributed to members of the Council within 72 hours of the meeting are available for public inspection at the front desk of the Los Gatos Town Library, located at 100 Villa Avenue, and are also available for review on the official Town of Los Gatos website. Copies of desk items distributed to members of the Council at the meeting are available for review in the Town Council Chambers.

Note: The Town of Los Gatos has adopted the provisions of Code of Civil Procedure §1094.6; litigation challenging a decision of the Town Council must be brought within 90 days after the decision is announced unless a shorter time is required by State or Federal law.



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/17/2020

ITEM NO: 1

**DRAFT
Minutes of the Town Council Meeting
March 3, 2020**

The Town Council of the Town of Los Gatos conducted a Regular Meeting on Tuesday, March 3, 2020, at 7:00 p.m.

MEETING CALLED TO ORDER AT 7:00 P.M.

ROLL CALL

Present: Mayor Marcia Jensen, Vice Mayor Barbara Spector, Council Member Rob Rennie, Council Member Marico Sayoc.

Absent: None

PLEDGE OF ALLEGIANCE

Adam Moore led the Pledge of Allegiance. The audience was invited to participate.

PRESENTATIONS

Mayor Jensen presented a Community Champion proclamation to the American Red Cross. Executive Director Ken Toren and volunteers Sherry Oliver, Denise Ramon-Herrera, and Brad Gordon, accepted on behalf of the Red Cross and thanked the Town for their support.

COUNCIL/TOWN MANAGER REPORTS

Council Matters

- Council Member Rennie stated he met with the staff liaison of the Valley Transportation Authority (VTA) Congestion Management Committee.
- Vice Mayor Spector stated she participated in a conference call regarding the Coronavirus (COVID-19) with the County of Santa Clara and individuals on the State and Federal level; she attended the West Valley Mayors and Managers meeting; she performed a ribbon cutting at Office Revolution; and she met with the staff of the West Valley Sanitation District (WVSD).

Manager Matters

- Outlined the precautions the Town is taking to protect the community against the Coronavirus.
- Announced the Annual Youth Commissioner and Mid-Year Adult Commissioner recruitment is underway. Adult Commissioner applications are due May 8 and Youth Commissioner applications are due May 1.

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

1. Approve Closed Session Meeting Minutes of February 18, 2020.
2. Approve Council Meeting Minutes of February 18, 2020.
3. Adopt a resolution making determinations and approving the reorganization of an uninhabited area designated as El Gato Lane No. 4, approximately 0.49 acres, located at 15765 El Gato Lane (APN 523-27-040). Annexation Application AN19-004. Property Owner/Applicant: Ed Pearson. **RESOLUTION 2020-004**
4. Approve the Preliminary Design and Authorize Preparation of the Final Design for the Los Gatos Creek Trail to Highway 9 Trailhead Connector Project 18-832-4505.
5. Highway 17 Bicycle and Pedestrian Overcrossing Feasibility Study
 - a. Approve the Project Purpose and Need
 - b. Authorize Staff to Proceed with Design Alternatives for a Separate Bicycle and Pedestrian Overcrossing.

MOTION: Motion by Council Member Sayoc to approve the Consent Items. **Seconded** by Council Member Rennie.

VOTE: Motion passed unanimously.

PUBLIC HEARINGS

6. Consider an appeal of a Planning Commission decision approving a request for construction of a new single-family residence and removal of large protected trees on a vacant property zoned HR-2 1/2:PD. APN 527-09-036. Architecture and Site Application S-18-052. Project Location: 15365 Santella Court. Property Owner: Christian and Hellen Olgaard. Applicant: Hari Sripadanna. Appellant: David Weissman. **RESOLUTION 2020-005**

Erin Walters, Associate Planner, presented the staff report.

Opened Public Comment.

David Weissman, appellant

- Commented on his reasons for appealing the project.

Hari Sripadanna and David Fox, applicant

- Commented on the project.

David Weissman

- Responded to the applicant's comments.

Hari Sripadanna and David Fox

- Responded to the appellant's comments.

Public Hearing Item #6 – continued

Closed Public Comment.

Council discussed the matter.

MOTION: Motion by **Council Member Rennie** to adopt a resolution denying the appeal of the Planning Commission decision and approving the application with the required findings and considerations (Attachment 9, Exhibit A), conditions of approval (Attachment 9, Exhibit B), and development plans (Attachment 13). **Seconded** by **Council Member Sayoc**.

VOTE: Motion passed unanimously.

MOTION: Motion by **Council Member Sayoc** to ask the Policy Committee to review and determine if the definition of elevation contained in the Hillside Development Standards and Guidelines should be revised. **Seconded** by **Council Member Rennie**.

VOTE: Motion passed unanimously.

OTHER BUSINESS

7. Staff Recommends that the Town Council Conclude the School Bus Pilot Program at the End of Fiscal Year 2019/20.

Ying Smith, Transportation and Mobility Manager, presented the staff report.

Opened Public Comment.

Dorice Piraino

- Commented in opposition of discontinuing the program.

Moshe Shaham

- Commented in opposition of discontinuing the program and inquired if there were any other options or compromises that could be explored.

Chetan Jog

- Commented in opposition of discontinuing the program and inquired if there were any other options or compromises that could be explored.

Other Business Item #7 – continued

Kristen Linden

- Commented in opposition of discontinuing the program and inquired if there were any other options or compromises that could be explored.

Maria Ristow

- Commented in support of discontinuing the program.

Sashi Balasingam

- Commented in opposition of discontinuing the program and inquired if there were any other options or compromises that could be explored.

Leif Linden

- Commented in opposition of discontinuing the program and inquired if there were any other options or compromises that could be explored.

Closed Public Comment.

Council discussed the matter.

MOTION: Motion by Mayor Jensen to conclude the School Bus Pilot Program. Motion failed for lack of a second.

MOTION: Motion by Vice Mayor Spector to continue the School Bus Pilot Program with the current budget funding, to direct staff and the community to do further analysis and to come back to Council with transportation options to and from the our schools, to consider funding options that may include the use of Measure G funds, and not be limited by Measure B congestion relief metrics or any other specified type of financing. Seconded by Mayor Jenson.

VOTE: Motion passed unanimously.

Recess at 9:31 p.m.

Reconvene at 9:42 p.m.

8. Approve the Connect Los Gatos Program and Community Engagement Plan.

Lisa Petersen, Town Engineer/Assistant Parks and Public Works Director, presented the staff report.

Other Business Item #8 – continued

Opened Public Comment.

No one spoke.

Closed Public Comment.

Council discussed the matter.

MOTION: Motion by Council Member Sayoc to approve the Connect Los Gatos Program and Community Engagement. **Seconded by Council Member Rennie.**

VOTE: Motion passed unanimously.

9. Term Limits Initiative

- a. Accept Elections Official's Certification of the Sufficiency of the Term Limits Initiative Petition,
- b. Adopt a Resolution Calling the Election, and **RESOLUTION 2020-006**
- c. Direct the Inclusion of the Preliminary Estimated Cost of the Election for the Term Limits Initiative of \$54,200 in the Town Manager's Proposed Operating Budget for Fiscal Year (FY) 2020/21.

Shelley Neis, Town Clerk, presented the staff report.

Opened Public Comment.

No one spoke.

Closed Public Comment.

Council discussed the matter.

MOTION: Motion by Council Member Sayoc to accept the Elections Official's certification of the sufficiency of the Term Limits Initiative Petition, adopt a resolution calling the election (Attachment 3), and direct the inclusion of the preliminary estimated cost of the election for the Term Limits Initiative of \$54,200 in the Town Manager's Proposed Operating Budget for Fiscal Year (FY) 2020/21. **Seconded by Mayor Jensen.**

VOTE: Motion passed unanimously.

10. Finance Commission Initiative

- a. Accept Elections Official's Certification of the Sufficiency of the Finance Commission Initiative Petition.
- b. Adopt a Resolution Calling the Election and Direct the Inclusion of the Preliminary Estimated Cost of the Election for the Finance Commission Initiative of \$54,200 in the Town Manager's Proposed Operating Budget for Fiscal Year 2020/21; or **RESOLUTION 2020-007**
- c. Order Report Pursuant to California Elections Code Section 9212.

Robert Schultz, Town Attorney, presented the staff report.

Opened Public Comment.

Lee Fagot

- Commented in support of Council adopting the initiative as an Ordinance without alteration.

Jak Van Nada, proponent of the initiative

- Commented on the reasons for the initiative petition.

Catherine Somers, Los Gatos Chamber of Commerce Executive Director

- Commented in support of Council adopting the initiative as an Ordinance without alteration.

Closed Public Comment.

Council discussed the matter.

MOTION: Motion by Council Member Rennie to accept the Elections Official's Certification of the Sufficiency of the Finance Commission Initiative Petition and order report pursuant to California Elections Code Section 9212. **Seconded by Mayor Jensen.**

VOTE: Motion failed 1/3. Mayor Jensen, Vice Mayor Spector, and Council Member Sayoc voting no.

MOTION: Motion by Council Member Sayoc to accept the Elections Official's Certification of the Sufficiency of the Finance Commission Initiative Petition. **Seconded by Vice Mayor Spector.**

VOTE: Motion passed unanimously.

Other Business Item #10 – continued

MOTION: Motion by **Mayor Jensen** to adopt a resolution (Attachment 4) calling an election to be consolidated with the Santa Clara County General Election occurring on November 3, 2020 and direct the Town Attorney to prepare an impartial analysis of the initiative pursuant to California Elections Code Section 9280 and direct the inclusion of the preliminary estimated cost of the election for the Finance Commission Initiative of \$54,200 in the Town Manager's Proposed Operating Budget for Fiscal Year 2020/21. **Seconded by Vice Mayor Spector.**

VOTE: Motion passed 3/1. Council Member Rennie voting no.

MOTION: Motion by **Council Member Sayoc** to direct the Town Attorney to work on a compromise and hope that the proponents would withdraw the initiative. **Seconded by Council Member Rennie.**

VOTE: Motion failed 2/2. Mayor Jensen and Vice Mayor Spector voting no.

11. Authorize the Town Manager to Prepare and Execute an Agreement for the Production of Music in the Park 2020, Including Any Council Direction.

Arn Andrews, Assistant Town Manager, presented the staff report.

Opened Public Comment.

Mark Secchia

- Commented on his proposal.

Closed Public Comment.

Council discussed the matter.

MOTION: Motion by **Council Member Sayoc** to approve the recommendation contained in the staff report. **Seconded by Vice Mayor Spector.**

VOTE: Motion passed unanimously.

VERBAL COMMUNICATIONS

Susan Bassi

- Commented on lack of access to public records and a documentary she is doing.

Ed Turner did not come forward.

Robert Lipp did not come forward.

Theodore Chin

- Commented in opposition to the parklet going in at Montebello and Main.

Claire Wilson

- Commented in opposition to the parklet going in at Montebello and Main.

Joanne Justis

- Commented on the traffic issues on Blossom Hill Road and requested changes be made for pedestrian safety.

Richard Kelso

- Commented in opposition to the parklet going in at Montebello and Main and inquired how to stop the parklet from going in.

Gerald Scott did not come forward.

John Eichinger

- Commented in opposition of the parklets and Santa Clara Valley Water District putting fluoride in the water.

ADJOURNMENT

The meeting adjourned at 11:44 p.m.

Attest:

Shelley Neis, Town Clerk



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/17/2020

ITEM NO: 2

DATE: March 11, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Annual Progress Report for General Plan and Housing Element Implementation.

RECOMMENDATION:

Accept the Annual Progress Report for General Plan and Housing Element implementation.

BACKGROUND:

Government Code Section 65400 mandates that cities and counties submit an annual report on the status of their General Plan and any progress in its implementation to their legislative bodies. Annual Progress Reports (APRs) must be presented to the local legislative body for its review and acceptance, usually as a consent or discussion item on a regular meeting agenda. After review and acceptance, a copy of the APR is required to be filed with the Governor's Office of Planning and Research (OPR) and the Housing and Community Development Department (HCD).

There is no standardized form or format for the preparation of the General Plan APR. The attached APR meets the statutory requirements of State law and highlights key aspects of the Town's General Plan and Housing Element implementation during the calendar year of 2019 (Attachment 1). Given the State requirements, Exhibit A of Attachment 1 contains a significant amount of data. For enhanced readability, Exhibit A might be best reviewed electronically to adjust to the individual reader's needs.

FISCAL IMPACT:

There is no fiscal impact from accepting the APR.

PREPARED BY: Joel Paulson
Community Development Director

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

PAGE 2 OF 2

SUBJECT: Annual Progress Report for General Plan and Housing Element Implementation

DATE: March 11, 2020

CEQA:

The General Plan Annual Report is not a project under the California Environmental Quality Act (CEQA). It is a type of activity that is Categorical Exempt, Class 6 (Information Collection) based on Section 15306 of the CEQA Guidelines.

Attachment:

1. 2019 General Plan Annual Progress Report, with Exhibit A



**GENERAL PLAN
2019 ANNUAL PROGRESS REPORT**

INTRODUCTION

The Town Council adopted the Town of Los Gatos 2020 General Plan on September 20, 2010 after an extensive two-year community process to update and build upon the strong foundational framework established by the Town's 2000 General Plan.

On May 5, 2015, the Town adopted its 2015-2023 Housing Element which is a required sub-element of the General Plan. The State Housing and Community Development Department certified the Housing Element on May 20, 2015.

Government Code Section 65400 mandates that cities and counties submit an annual report on the status of their General Plan and any progress in its implementation to their legislative bodies. Annual Progress Reports (APRs) must be presented to the local legislative body for its review and acceptance, usually as a consent or discussion item on a regular meeting agenda.

2019 SIGNIFICANT PROJECTS

The following significant Planning efforts made progress or were completed in 2019:

- General Plan Update
The Town Council approved a Vision and Guiding Principles for the General Plan update and the General Plan Advisory Committee continued their work on the update. Work on the update is anticipated to be completed by the end of 2020.
- 16212 Los Gatos Boulevard
The Town Council conducted public hearings and approved a Planned Development application with modifications. The Los Gatos Boulevard application allows for a new 11,300-square foot commercial building.
- 16100 Greenridge Terrace
The Town Council conducted public hearings and approved a Planned Development application with modifications. The Greenridge Terrace application allows for eight hillside lots.
- Town Code Amendments (Streamlining)
Amendments to the Town Code streamlining the process for shared parking, valet parking, parking lot improvements, and hillside homes were adopted by the Town Council.
- Town Code Amendments (Hillside Fences)
Amendments to the Town Code regarding fences, hedges, and walls, including regulations for the hillside area of Town were adopted by the Town Council.

- Town Code Amendments (Demolition)
Amendments to the Town Code regarding demolition regulations were adopted by the Town Council.
- Town Code Amendments (Building, Fire, and Reach Codes)
Amendments to the Town Code regarding Building, Fire, and Reach codes were adopted by the Town Council.
- Town Code Amendments (Land Use Appeals)
Amendments to the Town Code regarding the land use appeal process were adopted by the Town Council.

HOUSING ELEMENT ANNUAL PROGRESS

The Housing Element Annual Progress Report for 2019 is attached as Exhibit A.

PROPERTIES ANNEXED TO THE TOWN IN 2019

The Town Council approved the following annexations to the Town of Los Gatos from Unincorporated Santa Clara County in 2019:

- El Gato Lane No. 3: 15760 El Gato Lane (approximately 0.19 acres)
Approved February 5, 2019
- Island Annexations (approximately 308 parcels)
Approved June 18, 2019

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Jurisdiction	Los Gatos	
Reporting Year	2019	(Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

(CCR Title 25 §6202)

Note: "+" Indicates an optional field

Cells in grey contain auto-calculation formulas

Table A																			
Housing Development Applications Submitted																			
Project Identifier					Unit Types		Date Application Submitted	Proposed Units - Affordability by Household Incomes							Total Approved Units by Project	Total Disapproved Units by Project	Streamlining	Notes	
1					2	3	4	5							6	7	8	9	10
Prior APN*	Current APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Unit Category (SFA,SFD,2 to 4,5+,ADU,MH)	Tenure R=Renter O=Owner	Date Application Submitted	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Total PROPOSED Units by Project	Total APPROVED Units by project	Total DISAPPROVED Units by Project (Auto-calculated Can Be Overwritten)	Was APPLICATION SUBMITTED Pursuant to GC 65913.4(b)? (SB 35 Streamlining)	Notes*
Summary Row: Start Data Entry Below								0	0	2	0	0	52	4	58	58	0	0	
	527-11-009	15665 Shady Ln			SFD	O	2/6/2019								1	1	1	0	No
	529-01-017	25 W. Main St			2 to 4	R	1/24/2019			2					1	3	3	0	No
	529-18-053	16940 Roberts Rd			SFD	O	2/11/2019								2	2	2	0	No
	424-18-025	146 Oakmont Way			ADU	R	1/7/2019							1		1	1	0	No
529-44-005	529-44-012	133 Sisters Ct			ADU	R	1/10/2019								1	1	1	0	No
	510-15-020	211 A Belmont Ave			ADU	R	1/11/2019							1	1	1	1	0	No
	510-41-007	33 Walnut Ave			ADU	R	1/23/2019							1	1	1	1	0	No
	537-11-034	14310 Arnerich Rd			ADU	R	1/28/2019							1	1	1	1	0	No
	523-25-023	15935 Linda Ave			ADU	R	2/8/2019							1	1	1	1	0	No
529-15-005	529-15-100	16789 Frank Ave			ADU	R	2/12/2019							1	1	1	1	0	No
	510-43-005	56 A Fairview Plaza			ADU	R	2/14/2019							1	1	1	1	0	No
	532-15-024	142 Twin Oaks			ADU	R	2/28/2019							1	1	1	1	0	No
	532-07-039	16496 Ferris Ave			ADU	R	4/8/2019							1	1	1	1	0	No
	529-39-040	201 Sund Ave			ADU	R	4/10/2019							1	1	1	1	0	No
	410-19-018	15964 Rose Ave			ADU	R	4/11/2019							1	1	1	1	0	No
	529-21-044	17260 Pine Ave			ADU	R	4/19/2019							1	1	1	1	0	No
	527-02-006	15840 Shady Ln			ADU	R	5/14/2019							1	1	1	1	0	No
	510-47-025	100 Clifton Ave			ADU	R	5/14/2019							1	1	1	1	0	No
	424-20-032	15547 Corinne Dr			ADU	R	2/25/2019							1	1	1	1	0	No
	529-35-065	101 Central Ave			ADU	R	5/15/2019							1	1	1	1	0	No
	407-14-006	14530 Quito Rd			ADU	R	5/22/2019							1	1	1	1	0	No
	532-29-061	52 Whitney Ave			ADU	R	2/20/2019							1	1	1	1	0	No
	532-28-038	210 Loma Alta			ADU	R	5/28/2019							1	1	1	1	0	No
	537-24-015	333 A Happy Acres			ADU	R	4/5/2019							1	1	1	1	0	No
	532-35-041	16868 Filmer Ave			ADU	R	6/12/2019							1	1	1	1	0	No

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Jurisdiction	Los Gatos	
Reporting Year	2019	(Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
 (CCR Title 25 §6202)

This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs.
 Please contact HCD if your data is different than the material supplied here

Table B													
Regional Housing Needs Allocation Progress													
Permitted Units Issued by Affordability													
		1	2									3	4
Income Level		RHNA Allocation by Income Level	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted	201											201
	Non-Deed Restricted												
Low	Deed Restricted	112		2								2	110
	Non-Deed Restricted												
Moderate	Deed Restricted	132										55	77
	Non-Deed Restricted		2	3	4	18	28						
Above Moderate		174	13	38	9	7	3					70	104
Total RHNA		619											
Total Units			15	43	13	25	31					127	492

Note: units serving extremely low-income households are included in the very low-income permitted units totals
 Cells in grey contain auto-calculation formulas

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	Los Gatos		
Reporting Year	2019	(Jan. 1 - Dec. 31)	
Table D			
Program Implementation Status pursuant to GC Section 65583			
Housing Programs Progress Report			
Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
1	2	3	4
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
North 40 Specific Plan Area Rezoning	Rezone Specific Plan Area	Within 3 years	North 40 Specific Plan zoning designation adopted on August 4, 2015.
Below Market Price (BMP) Program	Continue to implement the BMP Program in order to increase the number of affordable units in the community.	On-going	BMP Program is implemented on all residential projects that meet the criteria.
Enhanced Second Unit Policy	Amend the Town Code to allow more opportunities for new deed-restricted second units to be affordable to lower income households.	Within 1 year	Accessory Dwelling Unit Ordinance amendments adopted on 2/6/18.
General Plan Density Bonus	Continue to provide up to a 100% density bonus for developments that provide housing for elderly, handicapped, and/or very low and low income households.	On-going	This is an incentive that would be provided to projects that meet the criteria.
BMP In-Lieu Fees	Use BMP in-lieu fees to increase and preserve affordable housing.	On-going	Use of BMP in-lieu fees will be considered as opportunities arise.
Extremely Low-Income Households	Offer incentives to developers to develop this type of housing.	On-going	The Town will consider incentives when projects of this nature are proposed.
Funds for Development for Extremely Low-Income Households	Use BMP in-lieu fees to subsidize these types of projects.	On-going	Use of BMP in-lieu fees will be considered as opportunities arise.

Large Site Program	To assist development of housing for lower income households on sites larger than 10 acres.	On-going	Incentives and assistance will be considered as opportunities arise.
Affordable Housing Overlay Zone	Continue to implement minimum density and incentives in the AHOZ.	On-going	This will be implemented when a project in the AHOZ is considered.
Meeting Los Gatos' Housing Needs Using the AHOZ	Develop by-right development findings for North 40 and AHOZ site.	Within 1 year	This has not yet been completed.
Transitional and Supportive Housing	Amend Town Code to clarify Transitional and Supportive housing is a permitted use in residential zones.	Within 1 year	The Town will comply with State Law and SB 743 if a project is proposed before the Town Code is amended.
By Right Findings	Develop by-right development findings for North 40 and AHOZ site.	Within 1 year	This has not yet been completed.
No Net Loss	If residential capacity is reduced on a property on the Sites Inventory then the Town will identify and zone another property to accommodate the remaining RHNA.	On-going	If this situation arises the Town will comply with this requirement.
Preserve "At-Risk" Affordable Housing Units	Monitor affordable housing to ensure affordability status is maintained.	On-going	No units are at-risk of converting to market rents in the planning period.
Rental Housing Conservation Program	Any conversion of residential uses must satisfy the housing goals and policies of the General Plan.	On-going	This will be considered if a conversion of residential uses is proposed.
CDBG and other Housing Rehabilitation Programs	Continue to participate in CDBG JPA and CDBG Housing Rehabilitation programs.	On-going	The Town still participates in these programs.
Countywide Home Repair Programs	Support countywide programs that provide assistance to lower income households.	On-going	The Town supports these programs.
Town Housing Resources Guide	Provide information on developments that provide affordable housing units.	On-going	Town Housing Resources Guide is updated when necessary.
Rental Dispute Resolution Program	Continue to administer a Rental Dispute Resolution Program.	On-going	The Town continues to use Project Sentinel to administer a Rental Dispute Resolution Program.
Emergency Shelters	Change Town Code to allow emergency shelters in the CM zoning district as a permitted use.	Within 1 year	Town Code has been amended to address this.

Supportive Services for the Homeless	Continue to support organizations that provide supportive services for homeless persons.	On-going	The Town continues to support organizations that provide supportive services for homeless persons.
Santa Clara County Housing Consortium	Support the efforts of the Santa Clara County Fair Housing Consortium.	On-going	Project Sentinel is a member of the Santa Clara County Fair Housing Consortium and administers the Town's Rental Dispute Resolution Program.
Non-Profit Affordable Housing Providers	Support the efforts of non-profit affordable housing organizations.	On-going	The Town has met with affordable housing organizations regarding potential development in Town.
Increased Range of Housing Opportunities for the Homeless	Continue to support Santa Clara County's Continuum of Care Plan.	On-going	The Town continues to support Santa Clara County's Continuum of Care Plan.
Compliance with the Employee Housing Act	Amend Town Code to address the Employee Housing Act.	Within 1 year	The Town will comply with State Law if a project is proposed or an issue comes up before the Town Code is amended.
Senior Housing Resources	Update senior resource materials regularly.	Annually	Senior resource materials are updated when necessary.
Governmental Constraints	Remove affordable housing development constraints.	Every 3 years	The Town's Housing Element contains a number of items that limit or remove constraints.
Reasonable Accommodation Ordinance	Amend the Town's Reasonable Accommodation Ordinance.	Within 1 year	This has not yet been completed.
Persons with Disabilities	Remove constraints to housing with persons with disabilities.	Every 3 years	Removal of constraints is considered when necessary.
Special Needs Housing	Give priority to special needs housing.	On-going	If a project of this nature is submitted it will be given priority.
Special Needs Housing	Include preferential handling of special needs populations.	On-going	Will be considered when plans are adopted and projects are funded.
Rental Assistance for Persons with Developmental Challenges	Explore opportunities to work with local and/or regional partners to provide rental assistance for persons with developmental challenges.	On-going	The Town will explore opportunities with local and/or regional partners during this Housing Element cycle.
Universal Design	Consider universal design enhancements and include universal design features in new construction.	Every 2 years	The Town will consider enhancements to universal design and the Town requires universal design features in new construction consistent with Building Code requirements.
Universal Design Awareness	Increase awareness of universal design principles.	Within 2 years	The Town will take appropriate actions to increase awareness of universal design principles.
Developmental Challenges	Continue to work with the CA Department of Developmental Services to inform citizens of available services.	On-going	The Town will work with the CA Department of Developmental Services to inform citizens of available services.

Jurisdiction	Los Gatos	
Reporting Year	2019	(Jan. 1 - Dec. 31)

Building Permits Issued by Affordability Summary		
Income Level		Current Year
Very Low	Deed Restricted	0
	Non-Deed Restricted	0
Low	Deed Restricted	0
	Non-Deed Restricted	0
Moderate	Deed Restricted	0
	Non-Deed Restricted	28
Above Moderate		3
Total Units		31

Note: Units serving extremely low-income households are included in the very low-income permitted units totals

Housing Applications Summary	
Total Housing Applications Submitted:	55
Number of Proposed Units in All Applications Received:	58
Total Housing Units Approved:	58
Total Housing Units Disapproved:	0

Use of SB 35 Streamlining Provisions	
Number of Applications for Streamlining	0
Number of Streamlining Applications Approved	0
Total Developments Approved with Streamlining	0
Total Units Constructed with Streamlining	0

Units Constructed - SB 35 Streamlining Permits			
Income	Rental	Ownership	Total
Very Low	0	0	0
Low	0	0	0
Moderate	0	0	0
Above Moderate	0	0	0
Total	0	0	0

Cells in grey contain auto-calculation formulas



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/17/2020

ITEM NO: 3

DATE: March 12, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize the Town Manager to Execute an Agreement for Consultant Services with Ruggeri-Jenson-Azar for Professional Design Services for the Guardrail Replacement Project 18-812-0120 in an Amount Not to Exceed \$130,000

RECOMMENDATION:

Authorize the Town Manager to Execute an Agreement for Consultant Services with Ruggeri Jenson Azar for Professional Design Services for the Guardrail Replacement Project 18-812-0120 in an Amount Not to Exceed \$130,000.

BACKGROUND:

The adopted FY 2019/20-2023/24 Capital Improvement Program (CIP) designates funding for guardrail replacement through project 18-812-0120. The project will replace guardrails at various locations throughout the Town.

Guardrails are key safety features on many roadways within the Town. Some guardrails protect vehicles from adjacent embankments or drop-offs on narrow and windy hillside roads. Other guardrails shield pedestrian pathways from adjacent vehicle traffic. There are several locations where guardrails have exceeded their useful design lives and need replacement. While the Town has implemented a guardrail maintenance and replacement program consistently over the years, the maintenance costs associated with these locations currently exceed replacement costs. In addition, the Town's safety standards for guardrails have evolved since many of these older facilities were constructed, compounding the need for replacement.

On August 31, 2018, the Town submitted a Highway Safety Improvement Program (HSIP) grant application for federal funding for the repair of approximately a half-mile of guardrails on Town

PREPARED BY: Lisa Petersen
Assistant Director of Parks and Public Works/Town Engineer

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Parks and Public Works Director

PAGE 2 OF 3

SUBJECT: Authorize the Town Manager to Execute an Agreement for Consultant Services with Ruggeri-Jenson-Azar for Professional Design Services for the Guardrail Replacement Project 18-812-0120 in an Amount Not to Exceed \$130,000

DATE: March 12, 2020

BACKGROUND (continued):

roadways. The application requested funding to improve guardrails on Blossom Hill Road, Cleland Avenue, Los Gatos Boulevard, Miles Avenue, More Avenue, Reservoir Road, and three segments on Santa Rosa Drive. On November 16, 2018, the Town was awarded a federal grant for \$980,100 for the project design and construction, with no local match required.

DISCUSSION:

On October 23, 2019, a Request for Proposals (RFP) for professional engineering design services for the Guardrail Replacement Project was released. The RFP process followed the required federal guidelines for the project to remain eligible for the federal reimbursement. On November 22, 2019, the Town issued an addendum extending the proposal due date by three weeks. The time extension was due to lack of interest by design firms. Staff began a phone campaign to qualified design firms to increase interest in the project. On December 18, 2019, a single proposal was received from a professional engineering design firm, Ruggeri-Jensen-Azar (RJA). Town staff reviewed the proposal against the selection criteria in the RFP and interviewed the consultant pursuant to federal guidelines. Staff found RJA to be well qualified and selected them to complete the project design. RJA previously qualified for (and is currently part of) the Town's on-call civil engineering consultant list.

The attached Agreement for Consultant Services, including the scope of services and associated cost proposals, have been negotiated with RJA. The anticipated cost to design the Guardrail Replacement Project is \$130,000. This design fee is below the upper limit set by the federal grant. The consultant agreement utilized for this project is in the Caltrans format due to the federal funding associated with the project.

Should the Town Council approve the Consultant Service Contract with RJA, it is anticipated the design will begin immediately and will be complete by November of 2020.

CONCLUSION:

Authorize the Town Manager to execute an Agreement for Consultant Services with Ruggeri Jenson Azar for professional design services for Guardrail Replacement Project 18-812-0120 in an amount not to exceed \$130,000.

SUBJECT: Authorize the Town Manager to Execute an Agreement for Consultant Services with Ruggeri-Jenson-Azar for Professional Design Services for the Guardrail Replacement Project 18-812-0120 in an Amount Not to Exceed \$130,000

DATE: March 12, 2020

COORDINATION:

The proposed Consultant Services Agreement has been reviewed with the Town Attorney's Office. Additionally, the project is required to comply with the requirements for federally funded projects and has been coordinated with the Caltrans Office of Local Assistance.

FISCAL IMPACT:

The Guardrail Replacement Project has been identified in the FY 2019/2020 Capital Improvement Program with funding of \$ 1,073,115. In house staffing for project management will be conducted by temporary staff retained for this project specifically. The use of this staffing model allows for the delivery of projects above and beyond the capacity of Department staffing. The additional staffing will be billed directly to the project.

Guardrail Replacement Project 18-812-0120		
	Budget	Costs
HSIP Grant	\$ 980,100	
GFAR Carry-Forward	\$ 93,015	
Total Budget	\$ 1,073,115	
Ruggeri-Jensen-Azar Contract		\$ 130,000
Staff Costs (temporary)		\$ 35,000
Total Expenditures		\$ 165,000
Remaining Balance		\$ 908,115

ENVIRONMENTAL ASSESSMENT:

Actions approving the consultant services agreement are not a project as defined under CEQA, and no further action is required. The consultant hired will complete the CEQA process for the Guardrail Replacement Project.

Attachment:

1. Draft Agreement for Consultant Services

AGREEMENT FOR CONSULTANT SERVICES

LOS GATOS GUARDRAIL REPLACEMENT PROJECT PROJECT 18-812-0120

ARTICLE I INTRODUCTION

- A. This AGREEMENT is made and entered into on _____ by and between the **TOWN OF LOS GATOS**, a California municipal corporation, hereinafter referred to as, **LOCAL AGENCY** and **RUGGERI-JENSEN-AZAR**, hereinafter referred to as, **CONSULTANT**, whose address is 8055 Camino Arroyo, Gilroy, CA 95020. The CONSULTANT is incorporated in the State of California.

The Project Manager for the "CONSULTANT" will be Leo Trujillo, Senior Project Manager.

The Contract Administrator for LOCAL AGENCY will be Lisa Petersen, Assistant Public Works Director/Town Engineer.

This Agreement is made with reference to the following facts.

The LOCAL AGENCY desires to engage CONSULTANT to provide professional engineering design services for the Los Gatos Guardrail Replacement Project.

The CONSULTANT represents and affirms that it is willing to perform the desired work pursuant to this Agreement.

The CONSULTANT represents to LOCAL AGENCY that it possesses the distinct professional skills, qualifications, experience, and resources necessary and has all licenses, permits, qualifications and approvals of whatsoever nature which are legally required for CONSULTANT to practice its profession and to timely perform the services described in this Agreement. CONSULTANT acknowledges LOCAL AGENCY has relied upon these representations to retain the CONSULTANT.

CONSULTANT shall use due professional care to comply with all applicable laws, codes, ordinances, and regulations of governing federal, state and local laws.

CONSULTANT shall maintain a Town of Los Gatos business license pursuant to Chapter 14 of the Code of the Town of Los Gatos.

- B. The work to be performed under this contract is described in Article II entitled Statement of Work and the approved CONSULTANT's Cost Proposal dated **February 20, 2020**. The approved CONSULTANT's Scope of Service (Exhibit A) and Cost Proposal (Exhibit B) is attached hereto and incorporated by reference. If there is any conflict between the approved Scope of Services or Cost Proposal and this contract, this contract shall take precedence.
- C. CONSULTANT agrees to save, keep, indemnify and hold harmless and defend the LOCAL AGENCY, its officers, , employees and volunteers from all damages, claims, demands, liabilities, penalties, costs, or expenses in law or equity to the extent they are caused by a willful or negligent act, errors, or omissions of the CONSULTANT, or any of the CONSULTANT'S officers, employees, or its sub-consultant. CONSULTANT will reimburse LOCAL AGENCY for any expenditure, including reasonable and actually incurred attorney fees, incurred by LOCAL AGENCY in defending against claims ultimately determined to be due to negligent acts, errors, or omissions of CONSULTANT.
- D. CONSULTANT and the agents and employees of CONSULTANT, in the performance of this contract, shall act in an independent capacity and not as officers or employees or agents of LOCAL AGENCY. As an independent contractor he/she shall not obtain any rights to retirement benefits or other benefits which accrue to LOCAL AGENCY employee(s). With prior written consent, the CONSULTANT may perform some obligations under this

Agreement by subcontracting, but may not delegate ultimate responsibility for performance or assign or transfer interests under this Agreement. Consultant agrees to testify in any litigation brought regarding the subject of the work to be performed under this Agreement. CONSULTANT shall be compensated for its costs and expenses in preparing for, traveling to, and testifying in such matters at its then current hourly rates of compensation, unless such litigation is brought by CONSULTANT or is based on allegations of CONSULTANT'S negligent performance or wrongdoing.

- E. The services to be performed under this Agreement are unique and personal to the CONSULTANT. No portion of these services shall be assigned or subcontracted without the written consent of the LOCAL AGENCY.
- F. No alteration or variation of the terms of this contract shall be valid, unless made in writing and signed by the parties hereto; and no oral understanding or agreement not incorporated herein, shall be binding on any of the parties hereto.
- G. The consideration to be paid to CONSULTANT as provided herein, shall be in compensation for all of CONSULTANT's expenses incurred in the performance hereof, including travel and per diem, unless otherwise expressly so provided.

ARTICLE II STATEMENT OF WORK

CONSULTANT agrees to perform the services as outlined in "Exhibit A –Scope of Services" within the time frames specified therein, and "Exhibit B – Consultant's Cost Proposal" which are hereby incorporated by reference and attached.

ARTICLE III CONSULTANT'S REPORTS OR MEETINGS

- A. CONSULTANT shall submit progress reports at least once a month. The report should be sufficiently detailed for the Contract Administrator to determine, if CONSULTANT is performing to expectations, or is on schedule; to provide communication of interim findings, and to sufficiently address any difficulties or special problems encountered, so remedies can be developed.
- B. CONSULTANT's Project Manager shall meet with LOCAL AGENCY's Contract Administrator, as needed, to discuss progress on the contract.

ARTICLE IV PERFORMANCE PERIOD

- A. This contract shall go into effect on _____, contingent upon approval by LOCAL AGENCY, and CONSULTANT shall commence work after notification to proceed by LOCAL AGENCY'S Contract Administrator. The contract shall end at the earlier of final project construction or on 06/20/21 unless extended by contract amendment.
- B. CONSULTANT is advised that any recommendation for contract award is not binding on LOCAL AGENCY until the contract is fully executed and approved by LOCAL AGENCY.

ARTICLE V ALLOWABLE COSTS AND PAYMENTS

TASK A

- A. The method of payment for TASK A of this contract will be based on lump sum. The total lump sum price paid to CONSULTANT will include compensation for all work and deliverables, including travel and equipment described in Article II Statement of Work of this contract. No additional compensation will be paid to CONSULTANT, unless there is a change in the scope of the work or the scope of the project. In the instance of a change in the scope of

work or scope of the project, adjustment to the total lump sum compensation will be negotiated between CONSULTANT and LOCAL AGENCY. Adjustment in the total lump sum compensation will not be effective until authorized by contract amendment and approved by LOCAL AGENCY.

- B. Progress payments may be made monthly in arrears based on the percentage of work completed by CONSULTANT. If CONSULTANT fails to submit the required deliverable items according to the schedule set forth in the Statement of Work, LOCAL AGENCY shall have the right to delay payment or terminate this Contract in accordance with the provisions of Article VI Termination.
- C. CONSULTANT shall not commence performance of work or services until this contract has been approved by LOCAL AGENCY and notification to proceed has been issued by LOCAL AGENCY'S Contract Administrator. No payment will be made prior to approval of any work, or for any work performed prior to approval of this contract.
- D. CONSULTANT will be reimbursed, as promptly as fiscal procedures will permit, upon receipt by LOCAL AGENCY'S Contract Administrator of itemized invoices in triplicate. Invoices shall be submitted no later than 45 calendar days after the performance of work for which CONSULTANT is billing. Invoices shall detail the work performed on each milestone, on each project as applicable. Invoices shall follow the format stipulated for the Cost Proposal and shall reference this contract number and project title. Final invoice must contain the final cost and all credits due LOCAL AGENCY that include any equipment purchased under the provisions of Article XI Equipment Purchase of this contract. The final invoice should be submitted within 60-calendar days after completion of CONSULTANT's work. Invoices shall be mailed to LOCAL AGENCY's Contract Administrator at the following address:

Town of Los Gatos Parks and Public Works Department
ATTN: Lisa Petersen, Assistant Public Works Director/Town Engineer
Los Gatos Guardrail Replacement Project
41 Miles Avenue
Los Gatos, CA 95030

- E. The total amount payable by LOCAL AGENCY for TASK A shall not exceed **\$117,639.**

TASK B and TASK C

- A. The method of payment for the TASK B and TASK C shall be at the rate specified for each item, as described in this Article. The specified rate shall include full compensation to CONSULTANT for the item as described, including but not limited to, any repairs, maintenance, or insurance, and no further compensation will be allowed therefore.
- B. The specified rate to be paid for vehicle expense for CONSULTANT's field personnel shall be **\$0.58/Mile** per approved Cost Proposal. This rate shall be for a fully equipped vehicle, with radio and flashing yellow light (if needed), as specified in Article II of this contract.

The specified rate to be paid for equipment shall be, as listed in "Exhibit B – Consultant's Cost Proposal" Attachment.

- C. The method of payment for TASK B and TASK C of this contract, except those items to be paid for on a specified rate basis, will be based on cost per unit of work. LOCAL AGENCY will reimburse CONSULTANT for actual costs (including labor costs, employee benefits, travel, equipment-rental costs, overhead and other direct costs) incurred by CONSULTANT in performance of the work. CONSULTANT will not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead and other estimated costs set forth in the approved Cost Proposal, unless additional reimbursement is provided for, by contract amendment. In no event, will CONSULTANT be reimbursed for overhead costs at a rate that exceeds LOCAL AGENCY approved overhead rate set forth in the approved Cost Proposal. In the event, LOCAL AGENCY determines that changed work from that specified in the approved Cost Proposal and contract is required; the actual costs reimbursable by LOCAL AGENCY may be adjusted by contract amendment to accommodate the

changed work. The maximum total cost as specified in Paragraph "J," shall not be exceeded unless authorized by contract amendment.

- D. In addition to the allowable costs, LOCAL AGENCY will pay CONSULTANT a fixed fee of **\$0.00**. The fixed fee is nonadjustable for the term of the AGREEMENT, except in the event of a significant change in the scope of work and such adjustment is made by AGREEMENT amendment.
- E. Reimbursement for transportation and subsistence costs shall not exceed the rates specified in the approved Cost Proposal.
- F. When milestone cost estimates are included in the approved Cost Proposal, CONSULTANT shall obtain prior written approval for a revised milestone cost estimate from the Contract Administrator before exceeding such cost estimate.
- G. Progress payments will be made monthly in arrears based on services provided and allowable incurred costs. A pro rata portion of CONSULTANT's fixed fee will be included in the monthly progress payments. If CONSULTANT fails to submit the required deliverable items according to the schedule set forth in the Statement of Work, LOCAL AGENCY shall have the right to delay payment or terminate this Contract in accordance with the provisions of Article VI Termination.
- H. No payment will be made prior to approval of any work, nor for any work performed prior to approval of this contract.
- I. CONSULTANT will be reimbursed, as promptly as fiscal procedures will permit upon receipt by LOCAL AGENCY's Contract Administrator of itemized invoices in triplicate. Invoices shall be submitted no later than 45 calendar days after the performance of work for which CONSULTANT is billing. Invoices shall detail the work performed on each milestone and each project as applicable. Invoices shall follow the format stipulated for the approved Cost Proposal and shall reference this contract number and project title. Final invoice must contain the final cost and all credits due LOCAL AGENCY including any equipment purchased under the provisions of Article XI Equipment Purchase of this contract. The final invoice should be submitted within 60 calendar days after completion of CONSULTANT's work. Invoices shall be mailed to LOCAL AGENCY's Contract Administrator at the following address:

Town of Los Gatos Parks and Public Works Department
ATTN: Lisa Petersen, Assistant Public Works Director/Town Engineer
Los Gatos Guardrail Replacement Project
41 Miles Avenue
Los Gatos, CA 95030

- J. The total amount payable by LOCAL AGENCY including the fixed fee for TASK B and TASK C shall not exceed **\$10,976**.
- K. Salary increases will be reimbursable if the new salary is within the salary range identified in the approved Cost Proposal and is approved by LOCAL AGENCY's Contract Administrator.
- L. For personnel subject to prevailing wage rates as described in the California Labor Code, all salary increases, which are the direct result of changes in the prevailing wage rates are reimbursable.

ARTICLE VI TERMINATION

- A. LOCAL AGENCY reserves the right to terminate this contract upon thirty (30) calendar days written notice to CONSULTANT with the reasons for termination stated in the notice.
- B. LOCAL AGENCY may terminate this contract with CONSULTANT should CONSULTANT fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination,

LOCAL AGENCY may proceed with the work in any manner deemed proper by LOCAL AGENCY. If LOCAL AGENCY terminates this contract with CONSULTANT, LOCAL AGENCY shall pay CONSULTANT the sum due to CONSULTANT under this contract prior to termination, unless the cost of completion to LOCAL AGENCY exceeds the funds remaining in the contract. In which case the overage shall be deducted from any sum due CONSULTANT under this contract and the balance, if any, shall be paid to CONSULTANT upon demand.

ARTICLE VII COST PRINCIPLES AND ADMINISTRATIVE REQUIREMENTS

- A. CONSULTANT agrees that the Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31.000 et seq., shall be used to determine the cost allowability of individual items.
- B. CONSULTANT also agrees to comply with federal procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- C. Any costs for which payment has been made to CONSULTANT that are determined by subsequent audit to be unallowable under 2 CFR, Part 200 and 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31.000 et seq., are subject to repayment by CONSULTANT to LOCAL AGENCY.

ARTICLE VIII RETENTION OF RECORDS/AUDIT

For the purpose of determining compliance with Public Contract Code 10115, et seq. and Title 21, California Code of Regulations, Chapter 21, Section 2500 et seq., when applicable and other matters connected with the performance of the contract pursuant to Government Code 8546.7; CONSULTANT, subconsultants, and LOCAL AGENCY shall maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of the contract, including but not limited to, the costs of administering the contract. All parties shall make such materials available at their respective offices at all reasonable times during the contract period and for three years from the date of final payment under the contract. The state, State Auditor, LOCAL AGENCY, FHWA, or any duly authorized representative of the Federal Government shall have access to any books, records, and documents of CONSULTANT and its certified public accountants (CPA) work papers that are pertinent to the contract and indirect cost rates (ICR) for audit, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested.

ARTICLE IX AUDIT REVIEW PROCEDURES

- A. Any dispute concerning a question of fact arising under an interim or post audit of this contract that is not disposed of by agreement, shall be reviewed by LOCAL AGENCY'S Chief Financial Officer.
- B. Not later than 30 days after issuance of the final audit report, CONSULTANT may request a review by LOCAL AGENCY'S Chief Financial Officer of unresolved audit issues. The request for review will be submitted in writing.
- C. Neither the pendency of a dispute nor its consideration by LOCAL AGENCY will excuse CONSULTANT from full and timely performance, in accordance with the terms of this contract.
- D. CONSULTANT and subconsultant contracts, including cost proposals and ICR, are subject to audits or reviews such as, but not limited to, a contract audit, an incurred cost audit, an ICR Audit, or a CPA ICR audit work paper review. If selected for audit or review, the contract, cost proposal and ICR and related work papers, if applicable, will be reviewed to verify compliance with 48 CFR, Part 31 and other related laws and regulations. In the instances of a CPA ICR audit work paper review it is CONSULTANT's responsibility to ensure federal, state, or local government officials are allowed full access to the CPA's work papers including making copies as necessary. The contract, cost proposal, and ICR shall be adjusted by CONSULTANT and approved by LOCAL AGENCY contract manager to conform to the audit or review recommendations. CONSULTANT agrees that individual terms of costs identified in the audit report shall be incorporated into the contract by this reference if directed by LOCAL AGENCY at its sole

discretion. Refusal by CONSULTANT to incorporate audit or review recommendations, or to ensure that the federal, state or local governments have access to CPA work papers, will be considered a breach of contract terms and cause for termination of the contract and disallowance of prior reimbursed costs.

For contracts of \$3,500,000 or greater, the following shall apply:

E. CONSULTANT Cost Proposal is subject to a CPA ICR Audit Work Paper Review by Caltrans' Audit and Investigation (Caltrans). Caltrans, at its sole discretion, may review and/or audit and approve the CPA ICR documentation. The Cost Proposal shall be adjusted by the CONSULTANT and approved by the LOCAL AGENCY Contract Administrator to conform to the Work Paper Review recommendations included in the management letter or audit recommendations included in the audit report. Refusal by the CONSULTANT to incorporate the Work Paper Review recommendations included in the management letter or audit recommendations included in the audit report will be considered a breach of the contract terms and cause for termination of the contract and disallowance of prior reimbursed costs.

1. During a Caltrans' review of the ICR audit work papers created by the CONSULTANT's independent CPA, Caltrans will work with the CPA and/or CONSULTANT toward a resolution of issues that arise during the review. Each party agrees to use its best efforts to resolve any audit disputes in a timely manner. If Caltrans identifies significant issues during the review and is unable to issue a cognizant approval letter, LOCAL AGENCY will reimburse the CONSULTANT at a provisional ICR until a FAR compliant ICR (e.g. 48 CFR, part 31; GAGAS (Generally Accepted Auditing Standards); CAS (Cost Accounting Standards), if applicable; in accordance with procedures and guidelines of the American Association of State Highways and Transportation Officials Audit Guide; and other applicable procedures and guidelines) is received and approved by A&I. Provisional rates will be as follows:
 - a. If the proposed rate is less than 150% - the provisional rate reimbursed will be 90% of the proposed rate.
 - b. If the proposed rate is between 150% and 200% - the provisional rate will be 85% of the proposed rate.
 - c. If the proposed rate is greater than 200% - the provisional rate will be 75% of the proposed rate.
2. If Caltrans is unable to issue a cognizant letter per paragraph E.1. above, Caltrans may require CONSULTANT to submit a revised independent CPA-audited ICR and audit report within three (3) months of the effective date of the management letter. Caltrans will then have up to six (6) months to review the CONSULTANT's and/or the independent CPA's revisions.
3. If the CONSULTANT fails to comply with the provisions of this Section E, or if Caltrans is still unable to issue a cognizant approval letter after the revised independent CPA-audited ICR is submitted, overhead cost reimbursement will be limited to the provisional ICR that was established upon initial rejection of the ICR and set forth in paragraph E.1. above for all rendered services. In this event, this provisional ICR will become the actual and final ICR for reimbursement purposes under this contract.
4. CONSULTANT may submit to LOCAL AGENCY final invoice only when all of the following items have occurred: (1) Caltrans approves or rejects the original or revised independent CPA-audited ICR; (2) all work under this contract has been completed to the satisfaction of LOCAL AGENCY; and, (3) Caltrans has issued its final ICR review letter. The CONSULTANT MUST SUBMIT ITS FINAL INVOICE TO local agency no later than 60 days after occurrence of the last of these items.

The provisional ICR will apply to this contract and all other contracts executed between LOCAL AGENCY and the CONSULTANT, either as a prime or subconsultant, with the same fiscal period ICR.

ARTICLE X SUBCONTRACTING

- A. Nothing contained in this contract or otherwise, shall create any contractual relation between LOCAL AGENCY and any subconsultant(s), and no subcontract shall relieve CONSULTANT of its responsibilities and obligations hereunder. CONSULTANT agrees to be as fully responsible to LOCAL AGENCY for the acts and omissions of its

subconsultant(s) and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by CONSULTANT. CONSULTANT's obligation to pay its subconsultant(s) is an independent obligation from LOCAL AGENCY'S obligation to make payments to the CONSULTANT.

- B. CONSULTANT shall perform the work contemplated with resources available within its own organization and no portion of the work pertinent to this contract shall be subcontracted without written authorization by LOCAL AGENCY's Contract Administrator, except that, which is expressly identified in the approved Cost Proposal.
- C. CONSULTANT shall pay its subconsultants within fifteen (15) calendar days from receipt of each payment made to CONSULTANT by LOCAL AGENCY.
- D. All subcontracts entered into as a result of this contract shall contain all the provisions stipulated in this contract to be applicable to subconsultants.
- E. Any substitution of subconsultant(s) must be approved in writing by LOCAL AGENCY's Contract Administrator prior to the start of work by the subconsultant(s).

ARTICLE XI EQUIPMENT PURCHASE

- A. Prior authorization in writing, by LOCAL AGENCY's Contract Administrator shall be required before CONSULTANT enters into any unbudgeted purchase order, or subcontract exceeding \$5,000 for supplies, equipment, or CONSULTANT services. CONSULTANT shall provide an evaluation of the necessity or desirability of incurring such costs.
- B. For purchase of any item, service or consulting work not covered in CONSULTANT's Cost Proposal and exceeding \$5,000 prior authorization by LOCAL AGENCY's Contract Administrator; three competitive quotations must be submitted with the request, or the absence of bidding must be adequately justified.
- C. Any equipment purchased as a result of this contract is subject to the following: "CONSULTANT shall maintain an inventory of all nonexpendable property. Nonexpendable property is defined as having a useful life of at least two years and an acquisition cost of \$5,000 or more. If the purchased equipment needs replacement and is sold or traded in, LOCAL AGENCY shall receive a proper refund or credit at the conclusion of the contract, or if the contract is terminated, CONSULTANT may either keep the equipment and credit LOCAL AGENCY in an amount equal to its fair market value, or sell such equipment at the best price obtainable at a public or private sale, in accordance with established LOCAL AGENCY procedures; and credit LOCAL AGENCY in an amount equal to the sales price. If CONSULTANT elects to keep the equipment, fair market value shall be determined at CONSULTANT's expense, on the basis of a competent independent appraisal of such equipment. Appraisals shall be obtained from an appraiser mutually agreeable to by LOCAL AGENCY and CONSULTANT, if it is determined to sell the equipment, the terms and conditions of such sale must be approved in advance by LOCAL AGENCY." 2 CFR, Part 200 requires a credit to Federal funds when participating equipment with a fair market value greater than \$5,000 is credited to the project.

ARTICLE XII STATE PREVAILING WAGE RATES

- A. CONSULTANT shall comply with the State of California's General Prevailing Wage Rate requirements in accordance with California Labor Code, Section 1770, and all Federal, State, and local laws and ordinances applicable to the work.
- B. Any subcontract entered into as a result of this contract, if for more than \$25,000 for public works construction or more than \$15,000 for the alteration, demolition, repair, or maintenance of public works, shall contain all of the provisions of this Article, unless the awarding agency has an approved labor compliance program by the Director of Industrial Relations.

- C. When prevailing wages apply to the services described in the scope of work, transportation and subsistence costs shall be reimbursed at the minimum rates set by the Department of Industrial Relations (DIR) as outlined in the applicable Prevailing Wage Determination. See <http://www.dir.ca.gov>.

ARTICLE XIII CONFLICT OF INTEREST

- A. CONSULTANT shall disclose any financial, business, or other relationship with LOCAL AGENCY that may have an impact upon the outcome of this contract, or any ensuing LOCAL AGENCY construction project. CONSULTANT shall also list current clients who may have a financial interest in the outcome of this contract, or any ensuing LOCAL AGENCY construction project, which will follow.
- B. CONSULTANT hereby represents that it does not now have, nor shall it acquire any financial or business interest that would conflict with the performance of services under this contract.
- C. CONSULTANT hereby represents that neither CONSULTANT, nor any firm affiliated with CONSULTANT will bid on any construction contract, or on any contract to provide construction inspection for any construction project resulting from this contract. An affiliated firm is one, which is subject to the control of the same persons through joint-ownership, or otherwise.
- D. Except for subconsultants whose services are limited to providing surveying or materials testing information, no subconsultant who has provided design services in connection with this contract shall be eligible to bid on any construction contract, or on any contract to provide construction inspection for any construction project resulting from this contract.

ARTICLE XIV REBATES, KICKBACKS OR OTHER UNLAWFUL CONSIDERATION

CONSULTANT represents that this contract was not obtained or secured through rebates kickbacks or other unlawful consideration, either promised or paid to any LOCAL AGENCY employee. For breach or violation of this warranty, LOCAL AGENCY shall have the right in its discretion; to terminate the contract without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback or other unlawful consideration.

ARTICLE XV PROHIBITION OF EXPENDING LOCAL AGENCY STATE OR FEDERAL FUNDS FOR LOBBYING

- A. CONSULTANT represents to the best of his or her knowledge and belief that:
1. No state, federal or local agency appropriated funds have been paid, or will be paid by-or-on behalf of CONSULTANT to any person for influencing or attempting to influence an officer or employee of any state or federal agency; a Member of the State Legislature or United States Congress; an officer or employee of the Legislature or Congress; or any employee of a Member of the Legislature or Congress, in connection with the awarding of any state or federal contract; the making of any state or federal grant; the making of any state or federal loan; the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any state or federal contract, grant, loan, or cooperative agreement.
 2. If any funds other than federal appropriated funds have been paid, or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency; a Member of Congress; an officer or employee of Congress, or an employee of a Member of Congress; in connection with this federal contract, grant, loan, or cooperative agreement; CONSULTANT shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- B. This is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction

imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- C. CONSULTANT also agrees by signing this document that he or she shall require that the language of this certification be included in all lower-tier subcontracts, which exceed \$100,000 and that all such sub recipients shall certify and disclose accordingly.

ARTICLE XVI STATEMENT OF COMPLIANCE

- A. CONSULTANT's signature affixed herein, and dated, shall constitute a certification under penalty of perjury under the laws of the State of California that CONSULTANT has, unless exempt, complied with, the nondiscrimination program requirements of Government Code Section 12990 and Title 2, California Administrative Code, Section 8103.
- B. During the performance of this Contract, Consultant and its subconsultants shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Consultant and subconsultants shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Consultant and subconsultants shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Contract by reference and made a part hereof as if set forth in full. Consultant and its subconsultants shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.
- C. The Consultant shall comply with regulations relative to Title VI (nondiscrimination in federally-assisted programs of the Department of Transportation – Title 49 Code of Federal Regulations, Part 21 - Effectuation of Title VI of the 1964 Civil Rights Act). Title VI provides that the recipients of federal assistance will implement and maintain a policy of nondiscrimination in which no person in the state of California shall, on the basis of race, color, national origin, religion, sex, age, disability, be excluded from participation in, denied the benefits of or subject to discrimination under any program or activity by the recipients of federal assistance or their assignees and successors in interest.
- D. The Consultant, with regard to the work performed by it during the Agreement shall act in accordance with Title VI. Specifically, the Consultant shall not discriminate on the basis of race, color, national origin, religion, sex, age, or disability in the selection and retention of Subconsultants, including procurement of materials and leases of equipment. The Consultant shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the U.S. DOT's Regulations, including employment practices when the Agreement covers a program whose goal is employment.

ARTICLE XVII DEBARMENT AND SUSPENSION CERTIFICATION

- A. CONSULTANT's signature affixed herein, shall constitute a representation under penalty of perjury under the laws of the State of California, that CONSULTANT has complied with Title 2 CFR, Part 180, "OMB Guidelines to Agencies on Government wide Debarment and Suspension (nonprocurement)", which represents that he/she or any person associated therewith in the capacity of owner, partner, director, officer, or manager, is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency; has not been suspended, debarred, voluntarily excluded, or determined ineligible by any federal agency within the past three (3) years; does not have a proposed debarment pending; and has not been indicted, convicted, or had a

civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three (3) years. Any exceptions to this certification must be disclosed to LOCAL AGENCY.

- B. Exceptions will not necessarily result in denial of recommendation for award, but will be considered in determining CONSULTANT responsibility. Disclosures must indicate to whom exceptions apply, initiating agency, and dates of action.
- C. Exceptions to the Federal Government Excluded Parties List System maintained by the General Services Administration are to be determined by the Federal highway Administration.

ARTICLE XVIII FUNDING REQUIREMENTS

- A. It is mutually understood between the parties that this contract may have been written before ascertaining the availability of funds or appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays that would occur if the contract were executed after that determination was made.
- B. This contract is valid and enforceable only, if sufficient funds are made available to LOCAL AGENCY for the purpose of this contract. In addition, this contract is subject to any additional restrictions, limitations, conditions, or any statute enacted by the Congress, State Legislature, or LOCAL AGENCY governing board that may affect the provisions, terms, or funding of this contract in any manner.
- C. It is mutually agreed that if sufficient funds are not appropriated, this contract may be amended to reflect any reduction in funds.
- D. LOCAL AGENCY has the option to void the contract under the 30-day termination clause pursuant to Article VI, or by mutual agreement to amend the contract to reflect any reduction of funds.

ARTICLE XIX CHANGE IN TERMS

- A. No modification, waiver, mutual termination, or amendment of this Agreement is effective unless made in writing and signed by the LOCAL AGENCY and the CONSULTANT.
- B. CONSULTANT shall only commence work covered by an amendment after the amendment is executed and notification to proceed has been provided by LOCAL AGENCY'S Contract Administrator.
- C. There shall be no change in CONSULTANT's Project Manager or members of the project team, as listed in the approved Cost Proposal, which is a part of this contract without prior written approval by LOCAL AGENCY'S Contract Administrator.

ARTICLE XX DISADVANTAGED BUSINESS ENTERPRISES (DBE) PARTICIPATION

- A. This contract is subject to 49 CFR, Part 26 entitled "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs". Consultants who obtain DBE participation on this contract will assist Caltrans in meeting its federally mandated statewide overall DBE goal.
- B. The goal for DBE participation for this contract is 12%. Participation by DBE consultant or subconsultants shall be in accordance with information contained in the Consultant Proposal DBE Commitment (**Exhibit 10-01**), or in the Consultant Contract DBE Information (**Exhibit 10-02**) attached hereto and incorporated as part of the Contract. If a DBE subconsultant is unable to perform, CONSULTANT must make a good faith effort to replace him/her with another DBE subconsultant, if the goal is not otherwise met.
- C. DBEs and other small businesses, as defined in 49 CFR, Part 26 are encouraged to participate in the performance of contracts financed in whole or in part with federal funds. CONSULTANT or subconsultant shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. CONSULTANT shall carry out

applicable requirements of 49 CFR, Part 26 in the award and administration of US DOT-assisted agreements. Failure by CONSULTANT to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as LOCAL AGENCY deems appropriate.

- D. Any subcontract entered into as a result of this contract shall contain all of the provisions of this section.
- E. A DBE firm may be terminated only with prior written approval from LOCAL AGENCY and only for the reasons specified in 49 CFR 26.53(f). Prior to requesting LOCAL AGENCY consent for the termination, CONSULTANT must meet the procedural requirements specified in 49 CFR 26.53(f).
- F. A DBE performs a Commercially Useful Function (CUF) when it is responsible for execution of the work of the contract and is carrying out its responsibilities by actually performing, managing, and supervising the work involved. To perform a CUF, the DBE must also be responsible with respect to materials and supplies used on the contract, for negotiating price, determining quality and quantity, ordering the material, and installing (where applicable) and paying for the material itself. To determine whether a DBE is performing a CUF, evaluate the amount of work subcontracted, industry practices, whether the amount the firm is to be paid under the contract is commensurate with the work it is actually performing, and other relevant factors.
- G. A DBE does not perform a CUF if its role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of DBE participation. In determining whether a DBE is such an extra participant, examine similar transactions, particularly those in which DBEs do not participate.
- H. If a DBE does not perform or exercise responsibility for at least thirty percent (30%) of the total cost of its contract with its own work force, or the DBE subcontracts a greater portion of the work of the contract than would be expected on the basis of normal industry practice for the type of work involved, it will be presumed that it is not performing a CUF.
- I. CONSULTANT shall maintain records of materials purchased or supplied from all subcontracts entered into with certified DBEs. The records shall show the name and business address of each DBE or vendor and the total dollar amount actually paid each DBE or vendor, regardless of tier. The records shall show the date of payment and the total dollar figure paid to all firms. DBE prime consultants shall also show the date of work performed by their own forces along with the corresponding dollar value of the work.
- J. Upon completion of the Contract, a summary of these records shall be prepared and submitted on the form entitled, "Final Report-Utilization of Disadvantaged Business Enterprise (DBE), First-Tier Subconsultants" CEM-2402F [Exhibit 17-F, of the LAPM], certified correct by CONSULTANT or CONSULTANT's authorized representative and shall be furnished to the Contract Administrator with the final invoice. Failure to provide the summary of DBE payments with the final invoice will result in twenty-five percent (25%) of the dollar value of the invoice being withheld from payment until the form is submitted. The amount will be returned to CONSULTANT when a satisfactory "Final Report-Utilization of Disadvantaged Business Enterprises (DBE), First-Tier Subconsultants" is submitted to the Contract Administrator.
- K. If a DBE subconsultant is decertified during the life of the contract, the decertified subconsultant shall notify CONSULTANT in writing with the date of decertification. If a subconsultant becomes a certified DBE during the life of the Contract, the subconsultant shall notify CONSULTANT in writing with the date of certification. Any changes should be reported to LOCAL AGENCY's Contract Administrator within 30 days.

ARTICLE XXI CONTINGENT FEE

CONSULTANT represents, by execution of this contract that no person or selling agency has been employed, or retained, to solicit or secure this contract upon an agreement or understanding, for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees, or bona fide established commercial or selling agencies maintained by CONSULTANT for the purpose of securing business. For breach or violation of this warranty, LOCAL AGENCY has the right to annul this contract without liability; pay only for the value of the work actually performed, or

in its discretion to deduct from the contract price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

ARTICLE XXII DISPUTES

- A. Any dispute, other than audit, concerning a question of fact arising under this contract that is not disposed of by agreement shall be decided by a committee consisting of LOCAL AGENCY's Contract Administrator and Public Works Director, who may consider written or verbal information submitted by CONSULTANT.
- B. Not later than 30 days after completion of all deliverables necessary to complete the plans, specifications and estimate, CONSULTANT may request review by LOCAL AGENCY Governing Board of unresolved claims or disputes, other than audit. The request for review will be submitted in writing.
- C. Neither the pendency of a dispute, nor its consideration by the committee will excuse CONSULTANT from full and timely performance in accordance with the terms of this contract.
- D. In any dispute over any aspect of the Agreement, the prevailing party shall be entitled to reasonable attorney's fees, including costs of appeal.

ARTICLE XXIII INSPECTION OF WORK

CONSULTANT and any subconsultant shall permit LOCAL AGENCY, the state, and the FHWA if federal participating funds are used in this contract; to review and inspect the project activities and files at all reasonable times during the performance period of this contract including review and inspection on a daily basis.

ARTICLE XXIV SAFETY

- A. CONSULTANT shall comply with OSHA regulations applicable to CONSULTANT regarding necessary safety equipment or procedures. CONSULTANT shall comply with safety instructions issued by LOCAL AGENCY Safety Officer and other LOCAL AGENCY representatives. CONSULTANT personnel shall wear hard hats and safety vests at all times while working on the construction project site.
- B. Pursuant to the authority contained in Section 591 of the Vehicle Code, LOCAL AGENCY has determined that such areas are within the limits of the project and are open to public traffic. CONSULTANT shall comply with all of the requirements set forth in Divisions 11, 12, 13, 14, and 15 of the Vehicle Code. CONSULTANT shall take all reasonably necessary precautions for safe operation of its vehicles and the protection of the traveling public from injury and damage from such vehicles.
- C. Any subcontract entered into as a result of this contract, shall contain all of the provisions of this Article.
- D. CONSULTANT must have a Division of Occupational Safety and Health (CAL-OSHA) permit(s), as outlined in California Labor Code Sections 6500 and 6705, prior to the initiation of any practices, work, method, operation, or process related to the construction or excavation of trenches which are five feet or deeper.

ARTICLE XXV INSURANCE

- A. Prior to commencement of the work described herein, CONSULTANT shall furnish LOCAL AGENCY a Certificate of Insurance in compliance with the following:

Minimum Scope of Insurance:

- i. Consultant agrees to have and maintain, for the duration of the contract, General Liability insurance policies insuring him/her and his/her firm to an amount not less than: one million

dollars (\$1,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage.

- ii. Consultant agrees to have and maintain for the duration of the contract, an Automobile Liability insurance policy ensuring him/her and his/her staff to an amount not less than one million dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage.
- iii. Consultant shall provide to the LOCAL AGENCY all certificates of insurance, with original endorsements effecting coverage. Consultant agrees that all certificates and endorsements are to be received and approved by the LOCAL AGENCY before work commences.
- iv. Consultant agrees to have and maintain, for the duration of the contract, professional liability insurance in amounts not less than \$1,000,000 which is sufficient to insure Consultant for professional errors or omissions in the performance of the particular scope of work under this agreement.

General Liability:

- i. The LOCAL AGENCY, its officers, officials, employees and volunteers are to be covered as insured as respects: liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of Consultant, premises owned or used by the Consultant. This requirement does not apply to the professional liability insurance required for professional errors and omissions.
- ii. The Consultant's insurance coverage shall be primary insurance as respects the LOCAL AGENCY, its officers, officials, employees and volunteers. Any insurance or self-insurances maintained by the LOCAL AGENCY, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
- iii. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the LOCAL AGENCY, its officers, officials, employees or volunteers.
- iv. The Consultant's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

All Coverages. Each insurance policy required in this item shall be endorsed to state that coverage shall not be, cancelled, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the LOCAL AGENCY. Current certification of such insurance shall be kept on file at all times during the term of this agreement with the Town Clerk.

Workers' Compensation. In addition to these policies, Consultant shall have and maintain Workers' Compensation insurance as required by California law and shall provide evidence of such policy to the LOCAL AGENCY before beginning services under this Agreement. Further, Consultant shall ensure that all subcontractors employed by Consultant provide the required Workers' Compensation insurance for their respective employees.

Indemnification. The Consultant shall save, keep, hold harmless and indemnify and defend the LOCAL AGENCY its officers, agent, employees and volunteers from all damages, liabilities, penalties, costs, or

expenses in law or equity because of damages to property or personal injury received by a willful or negligent act or omissions of the Consultant, or any of the Consultant's officers, employees, or subconsultant.

- B. CONSULTANT agrees that the insurance herein provided for, shall be in effect at all times during the term of this contract. In the event said insurance coverage expires at any time or times during the term of this contract, CONSULTANT agrees to provide a new Certificate of Insurance evidencing insurance coverage as provided for herein, for not less than either the remainder of the term of the contract, or for a period of not less than one (1) year. New Certificates of Insurance are subject to the approval of LOCAL AGENCY. In the event CONSULTANT fails to keep in effect at all times insurance coverage as herein provided, LOCAL AGENCY may, in addition to any other remedies it may have, terminate this contract upon occurrence of such event.

ARTICLE XXVI OWNERSHIP OF DATA

- A. Upon completion of all work under this contract and full payment to Consultant for the services rendered pursuant to this Agreement, ownership and title to all reports, documents, plans, specifications, and estimates produce as part of this contract will automatically be vested in LOCAL AGENCY; and no further agreement will be necessary to transfer ownership to LOCAL AGENCY. CONSULTANT shall furnish LOCAL AGENCY all necessary copies of data needed to complete the review and approval process.
- B. It is understood and agreed that all calculations, drawings and specifications, whether in hard copy or machine-readable form, are intended for one-time use in the construction of the project for which this contract has been entered into.
- C. CONSULTANT is not liable for claims, liabilities, or losses arising out of, or connected with the modification, or misuse by LOCAL AGENCY of the machine-readable information and data provided by CONSULTANT under this contract; further, CONSULTANT is not liable for claims, liabilities, or losses arising out of, or connected with any use by LOCAL AGENCY of the project documentation on other projects for additions to this project, or for the completion of this project by others, except only such use as many be authorized in writing by CONSULTANT.
- D. Applicable patent rights provisions regarding rights to inventions shall be included in the contracts as appropriate (48 CFR 27, Subpart 27.3 - Patent Rights under Government Contracts for federal-aid contracts).
- E. LOCAL AGENCY may permit copyrighting reports or other agreement products. If copyrights are permitted; the agreement shall provide that the FHWA shall have the royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use; and to authorize others to use, the work for government purposes.

ARTICLE XXVII CLAIMS FILED BY LOCAL AGENCY'S CONSTRUCTION CONTRACTOR

- A. If claims are filed by LOCAL AGENCY's construction contractor relating to work performed by CONSULTANT's personnel, and additional information or assistance from CONSULTANT's personnel is required in order to evaluate or defend against such claims; CONSULTANT agrees to make its personnel available for consultation with LOCAL AGENCY'S construction contract administration and legal staff and for testimony, if necessary, at depositions and at trial or arbitration proceedings.
- B. CONSULTANT's personnel that LOCAL AGENCY considers essential to assist in defending against construction contractor claims will be made available on reasonable notice from LOCAL AGENCY. Consultation or testimony will be reimbursed at the same rates, including travel costs that are being paid for CONSULTANT's personnel services under this contract.
- C. Services of CONSULTANT's personnel in connection with LOCAL AGENCY's construction contractor claims will be performed pursuant to a written contract amendment, if necessary, extending the termination date of this contract in order to resolve the construction claims.

ARTICLE XXVIII CONFIDENTIALITY OF DATA

- A. All financial, statistical, personal, technical, or other data and information relative to LOCAL AGENCY's operations, which are designated confidential by LOCAL AGENCY and made available to CONSULTANT in order to carry out this contract, shall be protected by CONSULTANT from unauthorized use and disclosure.
- B. Permission to disclose information on one occasion, or public hearing held by LOCAL AGENCY relating to the contract, shall not authorize CONSULTANT to further disclose such information, or disseminate the same on any other occasion.
- C. CONSULTANT shall not comment publicly to the press or any other media regarding the contract or LOCAL AGENCY's actions on the same, except to LOCAL AGENCY's staff, CONSULTANT's own personnel involved in the performance of this contract, at public hearings or in response to questions from a Legislative committee.
- D. CONSULTANT shall not issue any news release or public relations item of any nature, whatsoever, regarding work performed or to be performed under this contract without prior review of the contents thereof by LOCAL AGENCY, and receipt of LOCAL AGENCY'S written permission.
- E. Any subcontract entered into as a result of this contract shall contain all of the provisions of this Article.
- F. All information related to the construction estimate is confidential, and shall not be disclosed by CONSULTANT to any entity other than LOCAL AGENCY.

ARTICLE XXIX NATIONAL LABOR RELATIONS BOARD CERTIFICATION

In accordance with Public Contract Code Section 10296, CONSULTANT hereby states under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against CONSULTANT within the immediately preceding two-year period, because of CONSULTANT's failure to comply with an order of a federal court that orders CONSULTANT to comply with an order of the National Labor Relations Board.

ARTICLE XXX EVALUATION OF CONSULTANT

CONSULTANT's performance will be evaluated by LOCAL AGENCY. A copy of the evaluation will be sent to CONSULTANT for comments. The evaluation together with the comments shall be retained as part of the contract record.

ARTICLE XXXI RETENTION OF FUNDS

- A. Any subcontract entered into as a result of this Contract shall contain all of the provisions of this section.
- B. The Agency shall hold retainage from the prime consultant and shall make prompt and regular incremental acceptances of portions, as determined by the Agency, of the contract work, and pay retainage to the prime consultant based on these acceptances. The prime consultant, or subconsultant, shall return all monies withheld in retention from a subconsultant within thirty (30) days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by the agency. Federal law (49 CFR 26.29) requires that any delay or postponement of payment over thirty (30) days may take place only for good cause and with the agency's prior written approval. Any violation of this provision shall subject the violating prime consultant or subconsultant to the penalties, sanctions and other remedies specified in Section 7108.5 of the Business and Professions Code. These requirements shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the prime consultant or subconsultant in the event of a dispute involving late payment or nonpayment by the prime Consultant, deficient subconsultant performance, or noncompliance by a subconsultant. This provision applies to both DBE and non-DBE prime consultant and subconsultants.

ARTICLE XXXII NOTIFICATION

All notices hereunder and communications regarding interpretation of the terms of this contract and changes thereto, shall be affected by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

CONSULTANT: RUGGERI-JENSEN-AZAR
ATTN: LEO TRUJILLO, SENIOR PROJECT MANAGER
8055 CAMINO ARROYO
GILROY, CA 95020

LOCAL AGENCY: PARKS AND PUBLIC WORKS DEPARTMENT
ATTN: LISA PETERSEN, ASSISTANT PUBLIC WORKS DIRECTOR/TOWN ENGINEER
41 MILES AVENUE
LOS GATOS, CA 95030

ARTICLE XXXIII CONTRACT

The two parties to this contract, who are the before named CONSULTANT and the before named LOCAL AGENCY, hereby agree that this contract constitutes the entire agreement which is made and concluded in duplicate between the two parties. Both of these parties for and in consideration of the payments to be made, conditions mentioned, and work to be performed; each agree to diligently perform in accordance with the terms and conditions of this contract as evidenced by the signatures below.

ARTICLE XXXIV SIGNATURES

Recommended by Department Head:

IN WITNESS WHEREOF, THE LOCAL AGENCY AND CONSULTANT HAVE EXECUTED THIS AGREEMENT.

TOWN OF LOS GATOS by:

Laurel Prevetti, Town Manager

CONSULTANT by:

Signature

Printed Name and Title

Approved as to Form:

Robert Schultz, Town Attorney

Attest:

Shelley Neis, CMC, Town Clerk

February 20, 2020

Lisa Petersen
Assistant Public Works Director/Town Engineer
Town of Los Gatos-Parks and Public Works Department
41 Miles Avenue
Los Gatos, CA 95030

RE: Revised Scope of Services for Los Gatos Guardrail Replacement Project

Dear Ms. Petersen:

Ruggeri-Jensen-Azar (RJA) is pleased to provide professional engineering services for guardrail replacement improvements at several different locations throughout the Town of Los Gatos. The original proposal and scope of work for this project (dated December 17, 2019) was submitted to the Town on December 18, 2019. Since then, RJA has coordinated with Town staff through several phone conversations, as well as one project scoping meeting on January 16, 2020. During this coordination, Town staff has decided to implement a much simpler approach to the design aspect of replacing the guardrails. This revised scope of work and fee estimate reflects our understanding and assumptions based on the new direction from Town staff, and they supersede RJA's previously proposed scope of work and fee estimate. The project understanding, assumptions, and specific services to be provided are described in Exhibit A of this proposal. The proposed fee estimate is included in Exhibit B.

RJA will retain sub-consultant services from Hunting Environmental (for environmental engineering) and ActiveWayz Engineering (for QA/QC). Both of these consultants are DBE firms, and their assistance on this project will fulfill the project's DBE requirement. Terms of this agreement will be as set forth in the Town's "Agreement for Consultant Services" contract. Hourly rates will adhere to the previously completed 10-H2 form. We appreciate having the opportunity to assist you with this project, and we look forward to providing you with excellent service. If you need additional information, please contact me at your convenience.

Respectfully Submitted,

Ruggeri-Jensen-Azar



Leo Trujillo, PE, TE
Sr. Project Manager
T 408-848-0300 | LTrujillo@RJA-GPS.com

EXHIBIT A
SCOPE OF SERVICES
For
LOS GATOS GUARDRAIL REPLACEMENT PROJECT
TOWN OF LOS GATOS

RJA JOB NUMBER: Proposal

TYPE OF WORK: Civil & Traffic Engineering Services

CLIENT: Town of Los Gatos

BACKGROUND:

The Town of Los Gatos (TLG) has secured federal funding for design and construction of guardrail repairs at several locations and published an RFP soliciting proposals for guardrail design. The RFP identified a broad range of services that could be incorporated into responses but was purposely vague on what the specific scope of work was to entail. We understand that this was to allow creativity and flexibility on the part of the design firms responding to the RFP, and provide the Town with a “buffet” of services to select from. RJA studied the RFP guidelines and prepared a comprehensive scope of work that covered the full range of services identified in the RFP. This scope was presented in our proposal dated December 17, 2019 and included allowances for road widening, earthwork, and retaining walls in addition to guardrail repair. This scope was comprehensive in that it incorporated the very latest design criteria that have yet to be adopted by most local agencies and had an associated fee well over the Town’s budget. On January 16th, RJA and Town staff met to discuss scope modifications needed to bring design fees and budgets into alignment. At this meeting the Town stated the following project goals and design guidelines should be incorporated into the scope of services:

1. Repair wooden guardrails identified in the federal grant;
2. Employ creativity and engineering knowledge to incorporate current Town Standards, to the maximum extent possible, in the new guardrail design. “To the maximum extent possible” was further clarified to preclude construction of new retaining walls or placement of earthwork embankments to create wider roadbeds as may be necessary to achieve full compliance with Town standards.
3. In situations where strict compliance to Town Standards is not possible, the standards will be modified to meet the intent of the standard. For example, when the dimension between a guardrail post and the slope hinge point cannot be met, the post length and possibly other post dimensions shall be increased based on engineering knowledge.
4. The Town Standards will serve as the basis of design. Other standards, such as MASH and the latest Caltrans standards do not apply to this project.

We have modified our original proposal based on these goals and guidelines. This proposal now fully supersedes our December 17, 2019 submittal. The following assumptions and understanding further clarify how we interpret the general guidelines outlined above.

ASSUMPTIONS & UNDERSTANDING:

- The project is funded with HSIP Federal dollars. As such, some federal processes will apply. There has been some misunderstanding on which federal processes will apply. We understand that since the project is not on the federal highway system, local design standards will apply. Caltrans will process environmental review and distribution of HSIP funds, and federal processes will be adhered to for all elements Caltrans oversees. This includes consultant selection as well as bid processes and contract administration. We understand that the other than some assistance with environmental review, the Town will take the lead in processing Caltrans approvals and providing federally compatible front-end specifications
- The project will replace approximately 2,500 lineal feet of guardrail at nine locations along seven roadways within the Town.
- Given that roadbed widening is not included in the design scope, new guardrails will be placed along the existing guardrail alignment.
- The Town has adopted the 2010 Caltrans standards. This will serve as the basis of design. We will work with the Town during design to explore whether elements of current Caltrans standards should be incorporated into the design. Regardless of the base standard selected, modifications will be made as needed to accommodate the guideline that the roadbed will not be altered.
- The guardrail on Reservoir Road uses I-beams of the adjacent retaining wall as posts. In this location we anticipate reconstructing the railing to new standards and reattaching it to the existing wall. Should the existing railing satisfy height standards, this location may be eliminated from the scope of work.
- Based on the items listed above, our Team will make every effort to meet Town standards and requirements to the maximum extent practical. There is a strong possibility, however, that it will not be possible to attain strict compliance with the standards. We will identify points on non-compliance and present alternative solutions to the Town for discussion. The Town will determine the acceptability of deviations from the adopted standards.
- Post and block dimensions and post embedment depths will be adjusted in locations where roadbed geometry precludes strict compliance with Town standards. We will research other commonly accepted sources to determine if standards exist that cover project conditions. Should structural calculations be required to design site specific details, these would be performed as an additional service.
- The Town will provide high-resolution aerial images and topographic maps with two-foot contours and one-foot horizontal and vertical accuracy. Right-of-Way (ROW) and easement lines will also be provided in the same files. This information will be provided for all project locations. No additional survey work is required from Consultant.
 - It is assumed that the topographic information provided by the Town will also be acceptable to the Town for Consultant to use for final PS&E preparation.
 - Consultant will provide simple field measurements with a measuring wheel and/or measuring tape to record features such as; guardrail height, distance from edge of pavement to rail face, approximate average distance from edge of pavement to hinge point, distance from edge of pavement to existing trees (within 8 feet from the edge of pavement), rail post and block dimensions, and other pertinent features.
 - Should the Town require additional topo surveying information on the design plans, additional scope and fee will be required from the Town.
- The RFP requirement that the Consultant assist the Town in preparation of the Request for Authorization for Construction to Caltrans no longer applies. The items encompassed with this task include PS&E checklist, PS&E certification, ROW certification, and Utility Certification. According to the Town's responses to

questions, the Town will now be responsible for preparing and submitting to Caltrans the necessary LAPM forms for the Request for Authorization (E-76). Consultant will only be responsible to provide the necessary construction documents (i.e. PS&E).

- According to the Town's responses to questions, the Town does not anticipate any utility relocations will be necessary for this project. Therefore, no utility relocation design is included in our scope of work. If it is discovered during the design process that utility relocation is necessary, a contract amendment will be necessary for the additional scope and fee to cover this work.
- For utility mapping, our Team will contact the local utility companies and request records of the utilities in the project segments. The information provided by the utility companies will then be transferred to our design plans and show them as approximate locations, based on as-built information only.
- Pot-holing for underground utility identification is not required and is not included in our scope of work. The project specifications will state that it shall be the Contractor's responsibility to pot-hole and confirm location of any underground utilities prior to / during construction.
- Our Team has reviewed the project from an environmental perspective. Given that we expect to install new guardrail systems at the same location as the existing guardrails, it is anticipated that the project would qualify to be categorically exempt from the requirements to prepare environmental documents under CEQA per CEQA Guidelines Section 15301(c) – Existing Facilities. Therefore, our Team will prepare a Notice of Exemption (NOE) for the project as well as the County's required CEQA Document Declaration Cover Sheet.
- According to the Preliminary Environmental Study (PES) prepared for the project, four technical studies would be required for the NEPA document: Traffic Technical Memo; Air Quality; Water Quality Technical Memo; & Floodplain Forms. Once Caltrans accepts these studies, our Team will prepare the Categorical Exclusion (CE), which will complete the NEPA review process.
- If additional memos are required for the NEPA documentation or the project is considered to not be categorically exempt by the Town or Caltrans, a contract amendment will be necessary to cover the necessary environmental compliance requirements as requested by the Town and/or Caltrans.
- As directed from Town staff, a geotechnical investigation will not be required, as no significant grading will be implemented and no structural calculations will be required.
- As directed from Town staff, it will be the Contractor's responsibility to prepare traffic control plans and get Town approval prior to start of work. Our Team will include the necessary text in the technical specifications document to make this requirement clear. At the City's request, the preparation of traffic control plans can be added as part of a contract amendment.
- The site will disturb less than one acre of land and will not require preparation of a SWPPP. However, an Erosion Control Plan sheet will be provided to identify recommended Erosion Control measures.
- Town staff has provided Consultant with a sample set of plans and specifications for a guardrail replacement project that was completed in 2014. Town staff have directed that the project plans and specifications for this project contain similar level of effort and information as contained in the 2014 improvement plans provided by the Town. A few details and cross-sections showing certain design elements which deviate from Town standards will be added to the plans.

SCOPE OF SERVICES:

TASK A – DESIGN SERVICES

Task A.1 – Project Management

A.1.1 General Project Management & Coordination

This task encompasses general project management, administrative and reporting activities, coordination with the project team and Town staff, and budget management. RJA's Project Manager will perform the management activities that include coordination with the RJA Team (i.e., in-house staff and subconsultants), coordination with Town staff, assisting in coordination with Caltrans, ensuring QA/QC, and tracking the schedule and budget. Following are specific tasks:

- Provide Quality Control / Quality Assurance
 - Provide independent checks of material being reviewed and developed for the contract documents.
 - Independent checking includes check, back-check and verification of all deliverables.
 - Project Manager will supervise staff and sub-consultants and perform Quality Control of all deliverables.
- Coordinate with Town staff and other project team members and participate in conference calls as necessary to discuss action items, design elements, and status of project.
- As mentioned in the assumptions and understanding section, Town staff will be responsible for preparing the relevant forms and submitting the packages to Caltrans for review. Our Team will assist the Town by providing material related to the PS&E package, as described below.

A.1.2 Project Meetings

As part of the project coordination, it is expected that several project meetings and conference calls will be held at key stages of the project. For example, meetings might be held with Town staff to make decisions on the proposed modifications to the standard guardrail improvements. Meetings may also be held with Town staff when issues arise that require collaborative input to arrive at a solution. Upon receiving approval for the project, RJA will start the project with a kick-off meeting with Town staff and any other project stakeholders to clarify the Town's intent for the project, discuss the more challenging project segments, and to focus on the more critical items and locations first. Any known issues and constraints will also be discussed and taken into consideration for the preparation of the improvement plans. A total of three (3) project meetings (including the kickoff meeting) are budgeted for this project. RJA will prepare agendas and minutes for the meetings.

Task A.1 Deliverables:

- Monthly Progress Reports
- Project Schedule
- Meeting Agenda & Minutes
- Action Item Logs

Task A.2 – Preliminary Engineering

A.2.1 Document Search & Review

The RJA Team will perform a search and review of currently available documents. This includes as-built plans for the existing guardrails and retaining walls, topographic survey CAD files, preliminary environmental study form, and other relevant documents. The as-built plans will be used to help assess the condition of the existing guardrails (i.e. whether existing guardrails can be repaired/ upgraded and/or if any posts can be reused). The preliminary environmental study form will be used as a guide to prepare the necessary technical reports to complete the CEQA and NEPA process.

Our Team will also review the Town's Standard Specifications and Details for Construction. Originally the Town stated that the design shall adhere to 2010 Caltrans Standard Plans & Specifications, but the most current version is the 2018 Standard Plans & Specifications. Consultation with Town staff will be undertaken to decide what version should be used.

A.2.2 Project Site Visit

The RJA Team will also conduct a site visit to review and assess the existing conditions of the nine project sites along the seven roadways. During the site visit, the following features will be reviewed and recorded:

- Overall guardrail appearance (deformities, structural damage, etc.)
- General hinge point location with respect to guardrail location
- Shoulder backing erosion causing guardrail posts to shift/slip
- Guardrail height
- Rail post and block dimensions
- Guardrail end-treatments
- Guardrail connection to retaining wall
- Above-ground and overhead utility facilities that are visible within the project limits

A.2.3 Preliminary Layout Design

Based on the data collected during the site visit and the evaluation of the condition of the existing guardrails, our Team will develop a preliminary layout design of the guardrail improvements. An order of magnitude opinion of probable cost will also be prepared. The preliminary material will be submitted to the Town for review and comment. A project meeting with Town staff and the Water District is expected at this stage of the project to discuss critical items and the overall improvements.

Task A.2 Deliverables:

- Field data documentation and pictures
- Recommendation regarding existing guardrail attached to retaining wall on Reservoir Road
- Location of utilities within project area per simple field measurements (this will be supplemented once coordination with the local utility companies is established and record utility data is obtained from them)
- Determination if any guardrail conditions and if any posts can be reused
- Summary of existing conditions highlighting any special/potential conditions that may affect the

- final design
- Preliminary design and order of magnitude opinion of probable cost

Task A.3 – Environmental Studies and Documentation

A.3.1 CEQA

It is assumed that the project will be categorically exempt from the requirement to prepare environmental documents under CEQA per CEQA Guidelines Section 15301(c) - Existing Facilities. Our Team will prepare a Notice of Exemption (NOE) for the project as well as the County's required CEQA Document Declaration Cover Sheet. These documents will be submitted electronically to the Town for signature and posting at the Santa Clara County Clerk's Office.

A.3.2 NEPA

According to the Preliminary Environmental Study (PES) prepared for the project, four technical studies would be required for the NEPA document. These include the following:

1. Traffic Technical Memo - Caltrans requests "traffic control during construction, construction hours." Our Team will prepare a brief technical memo outlining the traffic control measures and construction hour limitations to be implemented.
2. Air Quality - Caltrans requests "PM_{2.5} e-mail." Our Team will use the California Emissions Estimator Model (CalEEMod) computer model to calculate the project's construction emissions and prepare a brief technical memo summarizing the results.
3. Water Quality Technical Memo - Caltrans requests "BMPs during construction." Our Team will prepare of a brief technical memo describing the water quality BMPs to be implemented during project construction.
4. Floodplain Forms – Our Team will complete the Caltrans' standard Location Hydraulic Study and Summary Floodplain Encroachment Report forms.

Our Team will prepare a complete package of the above described technical studies and a summary of required mitigation measures for the Town's electronic submittal to the Caltrans SER or designee. Once Caltrans has accepted the studies, its staff will prepare the Categorical Exclusion (CE) completing the NEPA review process.

Task A.3 Deliverables:

- Four (4) Technical studies and reports for CEQA and NEPA compliance for the Town's electronic submittal

Task A.4 – Base Map Formatting

A.4.1 Topographic Survey CAD Files

Upon receipt from Town staff of the CAD files for the available topographic survey data for all project locations, RJA will review the topo and ROW base map and format it accordingly to match our CAD style and plot files. The formatted base map will then be used to prepare the design plans.

Task A.4 Deliverables:

- Re-formatted Base Map

Task A.5 – Utility Coordination

A.5.1 Utility Coordination

Our team will coordinate with local utility companies (e.g., power, gas, water, telephone, cable, fiber optics, sanitary, storm drain, etc.) to obtain pertinent utility information within the project site. The identification of underground utilities on our plans will be based on information provided by the local serving utility companies.

A.5.2 Base Map Update

The utility information provided by the serving utility companies will be incorporated into the existing conditions base map. As previously stated, no utility relocations are anticipated. Therefore, this scope of work excludes any utility relocation design or coordination.

Task A.5 Deliverables:

- Copies of request letters to utility companies
- Updated base map

Task A.6 – Right of Way Certification

A.6.1 ROW Certification Coordination

As previously stated, according to the Town's responses to questions, the Town will be responsible for preparing and submitting to Caltrans the necessary LAPM forms for the Request for Authorization (E-76), including the ROW certification. Our Team will only be responsible to provide the necessary construction documents (i.e. PS&E) to Town staff. The project plans will clearly show the Town ROW, as well as the limits of the proposed improvements.

Task A.6 Deliverables:

- Copies of project plans clearly showing limits of work and Town ROW

Task A.7 – Final Design

A.7.1 35% PS&E

Consultant will prepare a layout of the preliminary guardrail improvements at the project locations. A 35%-level specifications document and opinion of probable cost will also be prepared. The design features for this project will be based on the explanation included in the "Assumptions and Understanding" section of

this proposal. The following plan sheets will be provided for the project improvements:

- Title Sheet
- Existing Conditions / Demolition Plan
- Guardrail Layout Plans
- Sections & Details
- Erosion Control Plans (to be done at 65% submittal)

The 35% package will be submitted to the Town for initial review and comment.

A.7.2 65% PS&E

Upon receipt of Town comments from the previous submittal, our Team will update the improvement plans, make all appropriate revisions, and prepare a set of 65% Plans, Specifications, and Estimate. The 65% documents will include construction drawings for the guardrail improvements, as well as the technical specifications/special provisions document. Coordination with Town staff will be maintained throughout the preparation of the 65% documents. The opinion of probable construction cost document will also be updated accordingly. The 65% documents will be submitted to the Town for review and comment.

A.7.3 95% PS&E

Upon receipt of Town comments from the previous submittal, our Team will update the improvement plans, make all appropriate revisions, and prepare a set of 95% Plans, Specifications, and Estimate. The 95% documents will include construction drawings, as well as the technical specifications/special provisions document and engineer's estimate of probable construction cost. Coordination with Town staff will be maintained throughout the preparation of the 95% documents. The 95% documents will be submitted to the Town for review and comment.

A.7.4 Final PS&E

Following the Town's review of the 95% documents, our Team will update the construction documents accordingly and prepare a final set PS&E. All final PS&E documents will be stamped and signed by RJA's Project Manager or the appropriate subconsultant engineer. The Final documents will be submitted to the Town for construction use.

Task A.7 Deliverables:

- 35% Submittal, 65% Submittal, & 95% Submittal
 - 5 hard copy sets of D-size (24"x36") plans
 - 3 hard copy sets of B-size (11"x17") plans
 - 5 hard copies of the technical specifications & special provisions document
 - 5 hard copies of the engineer's estimate of probable cost
 - Electronic PDF of all project documents
- Final Submittal
 - 1 hard copy signed mylar set of D-size (24"x36") plans
 - 1 hard copy signed technical specifications & special provisions document

- 1 hard copy signed of the engineer's estimate of probable cost
- Electronic PDF of all project documents
- Project Plans in Auto CAD format
- Technical specifications in Word format
- Engineer's estimate of probable cost in Excel format

Task A.8 – Coordination with the Water District

A.8.1 Water District Coordination

The RJA Team will coordinate with the Water District with regards to the short segment of guardrail along Miles Avenue on the western side of Los Gatos Creek, since the guardrail is located within the Water District's ROW. Our Team will prepare the necessary permit forms on behalf of the Town to obtain approval from the Water District. The Town will be responsible for any and all charges associated with the permit process.

Task A.8 Deliverables:

- Completed Water District permit forms

Task A.9 – Construction Phase Authorization

A.9.1 Request for Authorization Coordination

As previously stated, according to the Town's responses to questions, the Town will be responsible for preparing and submitting to Caltrans the necessary LAPM forms for the Request for Authorization (E-76). Our Team will only be responsible to provide the necessary construction documents (i.e. PS&E) to Town staff. The project plans will clearly show the Town ROW, as well as the limits of the proposed improvements.

Task A.9 Deliverables:

- Copies of project plans clearly showing limits of work and Town ROW

TASK B – BID SUPPORT SERVICES

Task B.1 – Bid Services

Our Team will provide services requested by the Town during the bidding phase of this project. Our services may include the following:

- Respond to questions and RFI's during bidding
- Prepare addendums (with explanation of implications to the project's construction cost estimate)
- Conformed Contract Document (incorporating any addenda into the final contract documents)

To cover this task, we have allocated a relatively small budget to reflect the anticipated small amount of effort. Labor in excess of this will be considered "additional services"/"extra work" and be billed on a time and expense basis per the agreed upon rate schedule.

Task B.1 Deliverables:

- 1 hard copy signed mylar set of D-size (24"x36") conformed plans
- 1 hard copy signed technical specifications & special provisions document
- 1 hard copy signed of the engineer's opinion of probable cost
- Electronic PDF of all project documents
- Project Plans in Auto CAD format
- Technical specifications in Word format
- Engineer's opinion of probable cost in Excel format

TASK C – CONSTRUCTION SUPPORT SERVICES

Task C.1 – Construction Support Services

Our Team will provide services requested by the Town during the construction phase of this project. Our services may include the following;

- Review of equipment/material submittals for compliance with the Contract Documents
- Review and respond to RFI's, request for change orders, & quotes from Contractor
- Review of Contract Change Orders
- Review and tracking of results from materials testing for conformance to the Contract Documents
- Field review and geotechnical monitoring
- Prepare design modifications if necessary due to unforeseen conditions
- Conduct supplemental reports and services as needed

The list above contains several items that are difficult to predict and budget, especially the last three bullets. We are assuming that the amount of services necessary for this task will be relatively moderate, and therefore we have allocated a moderate budget to cover the amount of services expected for these items. Labor in excess of this will be considered "additional services"/"extra work" and be billed on a time and expense basis per the agreed upon rate schedule.

Task C.1 Deliverables:

- Responses / approvals of equipment/material submittals
- Response to RFI's and Change Orders
- Materials testing tracking documentation
- Design modifications (if necessary)
- Supplemental reports (if necessary)

REIMBURSABLE/ADDITIONAL SERVICES/EXCLUSIONS

The services to be provided are those detailed in this Scope of Services (Exhibit A). All items not expressly described in this Scope of Services shall be deemed "additional services"/"extra work" and compensation shall be on a time and expense basis per the attached Rate and Expense Schedule. The following items are specifically excluded from this Scope of Work:

A. Exclusions

1. Collection of any traffic data
2. Collection of topographic survey
3. Aerial photograph base map or aerial topographic survey
4. Preparation of any traffic control plans
5. Any environmental investigations and/or technical studies in addition to what is specified in this proposal
6. Any soils investigations and/or reports
7. Any structural calculations or plans for adjustments to guardrail standards
8. Design of any new retaining walls or retaining wall modifications
9. Potholing of existing underground facilities/utilities and any field survey measurements
10. Preparation of any pavement analysis
11. Calculation for pavement structural sections
12. Design of any slope re-grading
13. Preparation of any design elements other than those specifically mentioned in this scope of services
14. Design of any utility relocations
15. Site visits in addition to what is specifically included in this proposal
16. Meetings in addition to what is specifically included in this proposal
17. Inspection services
18. Construction staking
19. Survey services related to field measurements, utility/improvement locations, and filing of any corner record if any monumentation is disturbed or destroyed. If such is necessary per State Law, additional services and compensation will be required.

MISCELLANEOUS PROVISIONS

A. Opinion of Probable Construction Costs/Representative Cost Study/Order of Magnitude Cost Study

The Consultant's opinion of probable construction costs (OPC), representative cost study (RCS), and/or order of magnitude cost study (OMC), if rendered as a service under this agreement, is an opinion based on assumed unit costs, historical information for similar work performed in the general project area (if available), and approximate quantities of civil related improvements, and therefore is of a conditional character. The OPC, RCS, and/or OMC is not being prepared by a professional estimator. Consultant cannot guarantee the actual cost of work to be performed by others due to items such as the market or bidding conditions at the time of bidding, changes in the scope, changes to items of work, quantity changes to the Project may affect said costs, and/or contractor means and methods, profit margins, etc. The OPC, RCS, and/or OMC is provided for the purpose stated in the scope of services, only, and it is the responsibility of the Client to confirm all unit prices, market conditions, contractor's means and methods, and other factors that may affect the project costs.

B. Record of Surveys

Pursuant to "The State of California Professional Land Surveyors Act" (Government Code Section 8762 - January 1, 2007), if after performing the boundary survey for the project, any material discrepancies in the boundary information and existing monumentation are found, the resolved boundary information will be depicted on the final map for the project and the corresponding boundary monumentation will be set. Should the Client decide not to pursue a final map for the project, a "Record of Survey" will be prepared by RJA and recorded by the Client. Additionally, all required boundary monumentation will be set according to the Record of Survey. If a Record of Survey is required, Client agrees to compensate RJA on a Time and Expense (T&E) basis per the attached Rate and Expense Schedule for all costs associated with the preparation of the boundary survey and boundary monumentation.

C. Schedule

The Client and Consultant are aware that many factors outside the Consultant's control may affect the Consultant's ability to complete the services to be provided under this Agreement. The Consultant will perform these services with reasonable diligence and expediency consistent with sound professional practices.

D. Notice of Licensure

As of the date of this Agreement, RJA's Gilroy office employs the following individuals licensed by the State of California (RCE unless otherwise noted): Arminta J. Jensen, #42321; James W. Schul, #49688; Leopoldo Trujillo, #63950; Paul C. Patton, #66271; Jamie L. Platz, #67490; Luis Santiago-Sotelo, #79665; William E. Link, #85625; Bryan D. Pierce, P.L.S. #8859; Arminta J. Jensen, P.L.S. #9311; Drexyl Ekparian, P.L.S. #9362; Lawrence Roy, P.L.A. #6243; Leopoldo Trujillo, TR #2458.

E. Site Visits and Construction Support

If included in this Scope of Services, Site Visits and/or Construction Support are only for visual observation of construction to permit the Consultant, as an experienced and qualified professional, to answer field questions from Client and aid in expressing intent of documents prepared by Consultant. In making such visits or providing support, the Consultant makes no guarantees for, and shall have no authority or control over, the Contractor's

performance or failure to perform the Work in accordance with the Contract Documents. The Consultant shall have no responsibility for the means, methods, techniques, sequences or procedures selected by the Contractor or for the Contractor's safety precautions and programs nor for failure by the Contractor to comply with any laws or regulations relating to the performance or furnishing of the Work by the Contractor.

F. Electronic Media

If Client requires a copy of RJA's horizontal layout and/or control data in electronic media form (electronic media) for use by them and their consultants/contractors (Client and Client Users), the Client and Client Users will comply with the State Business and Professions Code Chapters 7 and 15, Professional Engineers Act and Professional Land Surveyors Act, respectively; any such use governed by these codes will be performed by, or under the responsible charge of a qualified/licensed individual as set forth and defined therein. In addition, Client and Client Users are responsible to confirm the accuracy by checking the media against the accompanying hard copy ("hardcopy") of the electronic media. If there is a discrepancy, the data on the hardcopy information governs. Client and Client Users hereby assume full responsibility for comparing the electronic media information to the hardcopy information and agrees to notify RJA in writing of any observed discrepancies. Client and Client and hereby agrees to assume any and all responsibility from any results obtained in use of this electronic media, as RJA makes no representation as to the accuracy of the electronic media information.

HOURLY RATES AND EXPENSE WILL ADHERE TO THE PREVIOUSLY SUBMITTED 10-H2 FORM.

Note: Mark-ups are Not Allowed



Prime Consultant



Subconsultant



2nd Tier Subconsultant

Consultant:

Ruggeri Jensen Azar

Project No.

Contract No.

Date

2/13/2020

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Principal	Arminta Jensen, PE, PLS*	4	\$ 123.00	\$ 492.00
Sr. Project Manager	Leo Trujillo, PE, TE*	238	\$ 83.00	\$ 19,754.00
Project Manager	Luis Santiago, PE, QSD*	14	\$ 60.76	\$ 850.64
Sr. Engineer	Jamie Platz, PE, QSD	26	\$ 50.41	\$ 1,310.66
Project Engineer	Erik Trujillo, EIT	260	\$ 41.17	\$ 10,704.20
Sr. Surveyor	Bryan Pierce, LS	0	\$ 55.75	\$ -
Survey Manager	Jeff Vest, LSIT**	0	\$ 45.03	\$ -
Surveyor	Gilbert Escobedo**	0	\$ 45.03	\$ -
Surveyor	Mike Sutherland**	0	\$ 45.03	\$ -

LABOR COSTS

a) Subtotal Direct Labor Costs

\$ 33,111.50

b) Anticipated Salary Increases (see page 2 for calculation)

\$ 496.67

c) TOTAL DIRECT LABOR COSTS [(a) + (b)] \$ 33,608.17**INDIRECT COSTS**

d) Fringe Benefits (Rate: 42.00%)

e) Total Fringe Benefits [(c) x (d)] 14115.43

f) Overhead & G&A (Rate: 0.00%) included

g) Overhead [(c) x (f)] 0.00

h) General & Admin (Rate: 129.00%)

i) Gen & Admin [(c) x (h)] 43354.54

j) TOTAL INDIRECT COSTS [(e) + (g) + (i)] \$ 57,469.97**FIXED FEE**

10.00%

k) TOTAL FIXED FEE [(c) + (j)] x fixed fee:

\$ 9,107.81

l) CONSULTANT'S OTHER DIRECT COSTS (ODC) - ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit	Unit Cost	Total
Mileage Costs	400.00	Miles	\$ 0.580	\$ 232.00
Bond Plan Sheets (24"x36")	330.00	Sheets	\$ 1.50	\$ 495.00
Bond Plan Sheets (11"x17")	330.00	Sheets	\$ 0.50	\$ 165.00
Mylar Plan Sheets (24"x36")	22.00	Sheets	\$ 10.00	\$ 220.00
Report / Specifications Copies	1500.00	Pages	\$ 0.15	\$ 225.00
Currier	5.00	Delivery	\$ 50.00	\$ 250.00
				\$ -
				\$ -
				\$ -

l) TOTAL OTHER DIRECT COSTS \$ 1,587.00**m) SUBCONSULTANTS' COSTS (Add additional pages if necessary)**

Subconsultant 1: Hunting Environmental \$ 3,978.00

Subconsultant 2: ActiveWayz Engineering \$ 11,888.00

Subconsultant 3: \$ -

Subconsultant 4: \$ -

m) TOTAL SUBCONSULTANTS' COSTS \$ 15,866.00**n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l) + (m)]** \$ 17,453.00**TOTAL COST [(c) + (j) + (k) + (n)]** \$ 117,638.96**NOTES:**

- Key personnel must be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
- The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
- Anticipated salary increases calculation (page 2) must accompany.

CALCUATIONS FOR ANTICIPATED SALARY INCREASES

Consultant **Ruggeri Jensen Azar**

Project No. _____

Contract No. _____

Date **2/13/2020**

1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor <u>Subtotal</u> per Cost Proposal	Total Hours per Cost Proposal		Avg Hourly Rate	5 Year Contract Duration
\$ 33,111.50	542	=	\$ 61.09	Year 1 Avg Hourly Rate

2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Avg Hourly Rate		Proposed Escalation			
Year 1	\$ 61.09	+	3%	=	\$ 62.92	Year 2 Avg Hourly Rate
Year 2	\$ 62.92	+	3%	=	\$ 64.81	Year 3 Avg Hourly Rate
Year 3	\$ 64.81	+	3%	=	\$ 66.76	Year 4 Avg Hourly Rate
Year 4	\$ 66.76	+	3%	=	\$ 68.76	Year 5 Avg Hourly Rate

3. Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year		Total Hours per Cost Proposal		Total Hours per Year	
Year 1	50.00%	*	542.0	=	271.0	Estimated Hours Year 1
Year 2	50.00%	*	542.0	=	271.0	Estimated Hours Year 2
Year 3	0.00%	*	542.0	=	0.0	Estimated Hours Year 3
Year 4	0.00%	*	542.0	=	0.0	Estimated Hours Year 4
Year 5	0.00%	*	542.0	=	0.0	Estimated Hours Year 5
Total	100%		Total	=	542.0	

4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)		Cost per Year	
Year 1	\$ 61.09	*	271	=	\$ 16,555.75	Estimated Hours Year 1
Year 2	\$ 62.92	*	271	=	\$ 17,052.42	Estimated Hours Year 2
Year 3	\$ 64.81	*	0	=	\$ -	Estimated Hours Year 3
Year 4	\$ 66.76	*	0	=	\$ -	Estimated Hours Year 4
Year 5		*	0	=	\$ -	Estimated Hours Year 5
Total Direct Labor Cost with Escalation				=	\$ 33,608.17	
Direct Labor Subtotal before Escalation				=	\$ 33,111.50	
Estimated total of Direct Labor Salary Increase				=	\$ 496.67	Transfer to Page 1

NOTES:

1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
2. An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. \$250,000 x 2% x 5 yrs = \$25,000 is not an acceptable methodology).
3. This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.
4. Calculations for anticipated salary escalation must be provided.

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Local governments are responsible for applying only cognizant agency or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: Ruggeri Jensen Azar *by: Arminata J. Jensen* Title: Chief Financial Officer

Signature:  Date of Certification: 2/13/2020

Email: Ajensen@ria-gps.com Phone number: 408-848-0300

Address: 8055 Camino Arroyo, Gilroy, CA 95020

* An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Engineering services to provide design of guardrail replacement improvements at various locations within the Town of Los Gatos. The work includes general civil, traffic, and environmental engineering services.

Note: Mark-ups are Not Allowed

☐ Prime Consultant☒ Subconsultant☐ 2nd Tier SubconsultantConsultant: **ActiveWayz Engineering, Inc.**

Project No. _____

Contract No. _____

Date **2/6/2020****DIRECT LABOR**

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Project Manager	Admas Zewdie	67.00	\$ 75.00	\$ 5,025.00
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -

LABOR COSTS

a) Subtotal Direct Labor Costs

\$ 5,025.00

b) Anticipated Salary Increases (see page 2 for calculation)

\$ 121.50

c) TOTAL DIRECT LABOR COSTS [(a) + (b)] \$ 5,146.50**INDIRECT COSTS**

d) Fringe Benefits (Rate: 0.00%)

e) Total Fringe Benefits [(c) x (d)] 0.00

f) Overhead & G&A (Rate: 110.00%) included

g) Overhead [(c) x (f)] 5661.15

h) General & Admin (Rate: 0.00%)

i) Gen & Admin [(c) x (h)] 0.00

j) TOTAL INDIRECT COSTS [(e) + (g) + (i)] \$ 5,661.15**FIXED FEE**

10.00%

k) TOTAL FIXED FEE [(c) + (j)] x fixed fee:

\$ 1,080.77

l) CONSULTANT'S OTHER DIRECT COSTS (ODC) - ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit	Unit Cost	Total
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -

l) TOTAL OTHER DIRECT COSTS \$ -**m) SUBCONSULTANTS' COSTS (Add additional pages if necessary)**

Subconsultant 1:

Subconsultant 2:

Subconsultant 3:

Subconsultant 4:

m) TOTAL SUBCONSULTANTS' COSTS \$ -**n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l) + (m)]** \$ -**TOTAL COST [(c) + (j) + (k) + (n)]** \$ 11,888.43**NOTES:**

1. Key personnel must be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
2. The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
3. Anticipated salary increases calculation (page 2) must accompany.

CALCUATIONS FOR ANTICIPATED SALARY INCREASES

Consultant **ActiveWayz Engineering, Inc.**

Project No. _____

Contract No. _____

Date **2/6/2020**

1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor <u>Subtotal</u> per Cost Proposal	Total Hours per Cost Proposal		Avg Hourly Rate	5 Year Contract Duration
\$ 5,025.00	67	=	\$ 75.00	Year 1 Avg Hourly Rate

2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Avg Hourly Rate		Proposed Escalation			
Year 1	\$ 75.00	+	3%	=	\$ 77.25	Year 2 Avg Hourly Rate
Year 2	\$ 77.25	+	3%	=	\$ 79.57	Year 3 Avg Hourly Rate
Year 3	\$ 79.57	+	3%	=	\$ 81.95	Year 4 Avg Hourly Rate
Year 4	\$ 81.95	+	3%	=	\$ 84.41	Year 5 Avg Hourly Rate

3. Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year		Total Hours per Cost Proposal		Total Hours per Year	
Year 1	40.00%	*	67.0	=	26.8	Estimated Hours Year 1
Year 2	40.00%	*	67.0	=	26.8	Estimated Hours Year 2
Year 3	20.00%	*	67.0	=	13.4	Estimated Hours Year 3
Year 4	0.00%	*	67.0	=	0.0	Estimated Hours Year 4
Year 5	0.00%	*	67.0	=	0.0	Estimated Hours Year 5
Total	100%		Total	=	67.0	

4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)		Cost per Year	
Year 1	\$ 75.00	*	27	=	\$ 2,010.00	Estimated Hours Year 1
Year 2	\$ 77.25	*	27	=	\$ 2,070.30	Estimated Hours Year 2
Year 3	\$ 79.57	*	13	=	\$ 1,066.20	Estimated Hours Year 3
Year 4	\$ 81.95	*	0	=	\$ -	Estimated Hours Year 4
Year 5		*	0	=	\$ -	Estimated Hours Year 5
Total Direct Labor Cost with Escalation				=	\$ 5,146.50	
Direct Labor Subtotal before Escalation				=	\$ 5,025.00	
Estimated total of Direct Labor Salary Increase				=	\$ 121.50	Transfer to Page 1

NOTES:

1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
2. An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. \$250,000 x 2% x 5 yrs = \$25,000 is not an acceptable methodology).
3. This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.
4. Calculations for anticipated salary escalation must be provided.

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Local governments are responsible for applying only cognizant agency or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: Admas Zewdie Title *: Principal

Signature:  Date of Certification: February 6, 2020

Email: admas@activewayz.engineering Phone number: 510-989-2420/408-219-5678

Address: 7901 Oakport Street, Ste 4225, Oakland, CA 94621

* An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Project Management, Constructability Review

Note: Mark-ups are Not Allowed

☐ Prime Consultant☒ Subconsultant☐ 2nd Tier SubconsultantConsultant: **Hunting Environmental, LLC**

Project No. _____

Contract No. _____

Date **2/6/2020****DIRECT LABOR**

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Project Manager	Joyce Hunting	8.00	\$ 43.27	\$ 346.16
Environmental Analyst	Kristin Faoro	40.00	\$ 38.70	\$ 1,548.00
Environmental Analyst	Kelly Jackson	0.00	\$ 38.70	\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -

LABOR COSTS

a) Subtotal Direct Labor Costs

\$ 1,894.16

b) Anticipated Salary Increases (see page 2 for calculation)

\$ -

c) TOTAL DIRECT LABOR COSTS [(a) + (b)] \$ 1,894.16**INDIRECT COSTS**

d) Fringe Benefits (Rate: 60.00%)

e) Total Fringe Benefits [(c) x (d)] 1136.50

f) Overhead & G&A (Rate: 30.00%) included

g) Overhead [(c) x (f)] 568.25

h) General & Admin (Rate: 20.00%)

i) Gen & Admin [(c) x (h)] 378.83

j) TOTAL INDIRECT COSTS [(e) + (g) + (i)] \$ 2,083.58**FIXED FEE**

0.00%

k) TOTAL FIXED FEE [(c) + (j)] x fixed fee:

\$ -

l) CONSULTANT'S OTHER DIRECT COSTS (ODC) - ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit	Unit Cost	Total
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -

l) TOTAL OTHER DIRECT COSTS \$ -**m) SUBCONSULTANTS' COSTS (Add additional pages if necessary)**

Subconsultant 1: _____

Subconsultant 2: _____

\$ -

Subconsultant 3: _____

\$ -

Subconsultant 4: _____

\$ -

m) TOTAL SUBCONSULTANTS' COSTS \$ -**n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l) + (m)]** \$ -**TOTAL COST [(c) + (j) + (k) + (n)]** \$ **3,977.74****NOTES:**

- Key personnel must be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
- The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
- Anticipated salary increases calculation (page 2) must accompany.

CALCULATIONS FOR ANTICIPATED SALARY INCREASES

 Consultant **Hunting Environmental, LLC**

Project No.

Contract No.

 Date **2/6/2020**

1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor <u>Subtotal</u> per Cost Proposal	Total Hours per Cost Proposal		Avg Hourly Rate	5 Year Contract Duration
\$ 1,894.16	48	=	\$ 39.46	Year 1 Avg Hourly Rate

2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Avg Hourly Rate		Proposed Escalation			
Year 1	\$ 39.46	+	5%	=	\$ 41.43	Year 2 Avg Hourly Rate
Year 2	\$ 41.43	+	5%	=	\$ 43.51	Year 3 Avg Hourly Rate
Year 3	\$ 43.51	+	5%	=	\$ 45.68	Year 4 Avg Hourly Rate
Year 4	\$ 45.68	+	5%	=	\$ 47.97	Year 5 Avg Hourly Rate

3. Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year		Total Hours per Cost Proposal		Total Hours per Year	
Year 1	100.00%	*	48.0	=	48.0	Estimated Hours Year 1
Year 2	0.00%	*	48.0	=	0.0	Estimated Hours Year 2
Year 3	0.00%	*	48.0	=	0.0	Estimated Hours Year 3
Year 4	0.00%	*	48.0	=	0.0	Estimated Hours Year 4
Year 5	0.00%	*	48.0	=	0.0	Estimated Hours Year 5
Total	100%		Total	=	48.0	

4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)		Cost per Year	
Year 1	\$ 39.46	*	48	=	\$ 1,894.16	Estimated Hours Year 1
Year 2	\$ 41.43	*	0	=	\$ -	Estimated Hours Year 2
Year 3	\$ 43.51	*	0	=	\$ -	Estimated Hours Year 3
Year 4	\$ 45.68	*	0	=	\$ -	Estimated Hours Year 4
Year 5		*	0	=	\$ -	Estimated Hours Year 5
Total Direct Labor Cost with Escalation				=	\$ 1,894.16	
Direct Labor Subtotal before Escalation				=	\$ 1,894.16	
Estimated total of Direct Labor Salary Increase				=	\$ -	Transfer to Page 1

NOTES:

- This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
- An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. \$250,000 x 2% x 5 yrs = \$25,000 is not an acceptable methodology).
- This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.
- Calculations for anticipated salary escalation must be provided.

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:


1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Local governments are responsible for applying only cognizant agency or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: Joyce Hunting Title *: Owner/Principal Biologist

Signature:  Date of Certification: 2/20/2020

Email: jhunting@huntenv.com Phone number: (530) 387-7618

Address: 9274 Madison Avenue, Suite 3 Orangevale, CA 95662

* An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Hunting Environmental will provide environmental compliance services including preparation of a CEQA Notice of Exemption and technical studies to support preparation of a NEPA Categorical Exclusion.

Exhibit 10-H3 Cost Proposal

Cost Per Unit of Work Contracts

Note: Mark-ups are Not Allowed

☒ Prime Consultant☐ Subconsultant☐ 2nd Tier SubconsultantConsultant: **Ruggeri Jensen Azar**

Project No.

Contract No.

Date

2/13/2020

Unit/Item of Work:

Provide bidding supports services and construction support services.

DIRECT LABOR

Classification/Title	Name	Hours	Billing Hourly Rate	Total
Principal	Arminta Jensen, PE, PLS*	0	\$ 367.00	\$ -
Sr. Project Manager	Leo Trujillo, PE, TE*	24	\$ 247.00	\$ 5,928.00
Project Manager	Luis Santiago, PE, QSD*	4	\$ 181.00	\$ 724.00
Sr. Engineer	Jamie Platz, PE, QSD	4	\$ 150.00	\$ 600.00
Project Engineer	Erik Trujillo, EIT	24	\$ 123.00	\$ 2,952.00
Sr. Surveyor	Bryan Pierce, LS	0	\$ 166.00	\$ -
Survey Manager	Jeff Vest, LSIT**	0	\$ 134.00	\$ -
Surveyor	Gilbert Escobedo**	0	\$ 134.00	\$ -
Surveyor	Mike Sutherland**	0	\$ 134.00	\$ -
EQUIPMENT 1				
EQUIPMENT 2				

CONSULTANT'S OTHER DIRECT COSTS (ODC) - ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit	Unit Cost	Total
Mileage Costs	400.00	Miles	\$ 0.580	\$ 232.00
Mylar Plan Sheets (24"x36")	44.00	Sheets	\$ 10.00	\$ 440.00
Currier	2.00	Delivery	\$ 50.00	\$ 100.00
Other				\$ -
Other				\$ -
Other				\$ -
Subconsultant 1:				\$ -
Subconsultant 2:				\$ -
Subconsultant 3:				\$ -

TOTAL COST PER UNIT OF WORK**\$10,976.00****NOTES:**

- Key personnel must be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals. The cost proposal format shall not be amended.
- Hourly billing rates should include prevailing wage rates and be consistent with publicly advertised rates charged to all clients (Commercial, Private or Public).
- Mobilization/De-mobilization is based on site location and number and frequency of tests/items.
- ODC items shall be based on actual costs and supported by historical data and other documentation.
- ODC items that would be considered "tools of the trade" are not reimbursable.
- Billing Hourly Rates must be actual, allowable, and reasonable.

Exhibit 10-H3 Cost Proposal

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Prime Consultant or Subconsultant Certifying:

Name: Ruggeri Jensen Azar by: Arminia J. Jensen Title *: Chief Financial Officer

Signature:  Date of Certification: 2/13/2020

Email: Ajensen@ria-gps.com Phone number: 408-848-0300

Address: 8055 Camino Arroyo, Gilroy, CA 95020

* An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Scope under this 10-H3 Form includes engineering support services during the bidding and construction phases of the project. The PS&E phase of the project (included separately in the 10-H1 Form) will include design of guardrail replacement improvements at various locations within the Town of Los Gatos. The design work includes general civil, traffic, and environmental engineering services.



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/17/2020

ITEM NO: 4

DATE: March 11, 2020

TO: Mayor and Town Council

FROM: Laurel Prevetti, Town Manager

SUBJECT: Authorize the Following Actions for The Creek Trail, Park Pathway, and Parking Lot Seal Coat and Striping Project (18-831-4609):

- a. Approve the Plans and Specifications;
- b. Authorize the Town Manager to Advertise the Project for Bid;
- c. Authorize the Town Manager to Award and Execute a Construction Agreement in an Amount not no Exceed \$212,000, Including Contingencies and Change Orders;
- d. Authorize Staff to Execute Future Change Orders in an Amount not to Exceed Ten Percent of the Contract Award Amount.

RECOMMENDATION:

Authorize the Following Actions for The Creek Trail, Park Pathway, and Parking Lot Seal Coat and Striping Project (18-831-4609):

- a. Approve the Plans and Specifications;
- b. Authorize the Town Manager to Advertise the Project for Bid;
- c. Authorize the Town Manager to Award and Execute a Construction Agreement in an Amount not no Exceed \$212,000, Including Contingencies and Change Orders;
- d. Authorize Staff to Execute Future Change Orders in an Amount not to Exceed Ten Percent of the Contract Award Amount.

BACKGROUND:

The adopted FY 2019/20-2023/24 Capital Improvement Program (CIP) designates funding for asphalt maintenance at the most heavily used park facilities through project 18-831-4609. The following parking lots and trails will be resurfaced and restriped with this project:

PREPARED BY: Lisa Petersen
Assistant Director of Parks and Public Works/Town Engineer

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Parks and Public Works Director

SUBJECT: Approve Actions for the Creek Trail, Park Pathway, and Parking Lot Seal Coat and Striping Project (18-831-4609)

DATE: March 11, 2020

BACKGROUND (continued):

- Blossom Hill Park Parking Lots (north and south lots)
- Belgatos Park Parking Lot
- Creekside Park Parking Lot (Restriping Only)
- Oak Meadow Park Parking Lot and Trails
- Live Oak Manor Trails
- Los Gatos Creek Trail Within Town Maintenance Limits

These facilities are heavily used every day. Resurfacing and restriping is needed to keep pavement surfaces in good condition and prevent long term wear and damage.

DISCUSSION:

The pavement resurfacing will occur in two phases. The initial preparatory phase will be performed by Town maintenance crews. This work will consist of filling cracks and potholes, and grinding uneven surfaces typically created by root uplifting. The second phase will consist of resurfacing and restriping by a contractor. Pavement resurfacing in this case involves the application of two layers of an oil seal coat. The seal coat is applied as a liquid and is heated prior to application. The treated facility must remain closed until the seal coat has hardened and restriping is complete. For the material to harden, the work must be completed in the summer during the day, when temperatures are warmer.

The contract documents contain provisions to minimize adverse impacts on park users. A maximum three-day consecutive closure is allowed, with all work occurring during a single closure period at each location. This is particularly critical for work on the Los Gatos Creek Trail, where the limits extend from North of Highway 85 to south of Miles Avenue (excluding the portion of trail in Vasona Park). To expedite the completion of the maintenance work on the trail, the Contractor will be allowed to work between 7:00 a.m. to 7:00 p.m.

Several organizations and agencies were contacted to discuss the project and the potential impacts it may have on their summer operations, including Youth Science Institute (YSI), Los Gatos Saratoga Recreation, and Santa Clara County Parks. Several additional scheduling restrictions and requirements were added to the contract documents to address their needs.

The base bid engineer's estimate for this project is \$225,000 including a 10% contingency and project delivery costs, all within the project budget. The project plans and specifications can be viewed on the Town website at <https://www.losgatosca.gov/108/Capital-ImprovementProgram>.

SUBJECT: Approve Actions for the Creek Trail, Park Pathway, and Parking Lot Seal Coat and Striping Project (18-831-4609)

DATE: March 11, 2020

CONCLUSION:

Approval of the recommendations will allow this project to move forward for bidding and award.

COORDINATION:

This project has been coordinated with the Town's Event Specialist and the Finance Department.

FISCAL IMPACT:

The Parks and Public Works Department continues to plan for, and track costs associated with capital improvement projects. Where projects can be delivered within the workload of staff already budgeted in the Department's operating budget, no costs will be associated with the project. This project requires the use of some temporary staffing not included in the Department budget in order to meet schedule and workload commitments. The costs of the temporary employees will be charged to the project budget.

Creek Trail, Park Pathway, and Parking Lot Seal Coat and Striping Project Project 831-4609		
	Budget	Costs
GFAR	\$ 225,000	
Total Budget	\$ 225,000	
Project Construction (Including 10% Contingency)		\$ 212,000
Staff Costs (temporary staffing)		\$ 13,000
Total Expenditures		\$ 225,000
Remaining Balance		\$0

Department staff costs (7% -not charged to project)

(\$14,840)

ENVIRONMENTAL ASSESSMENT:

This is a project as defined under CEQA but is Categorical Exempt (Section 15301(c) Existing streets, sidewalks, trails and similar facilities). A Notice of Exemption will be filed.



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/17/2020

ITEM NO: 5

DATE: March 11, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize the Town Manager to execute a first amendment to the agreement for financial auditing services with Badawi and Associates to extend the contract for two years for a total contract amount not to exceed \$167,985.

RECOMMENDATION:

Authorize the Town Manager to execute a first amendment to the agreement for financial auditing services with Badawi and Associates to extend the contract for two years for a total contract amount not to exceed \$167,985.

BACKGROUND:

In 2017, the Town of Los Gatos issued a Request for Proposals (RFP) for qualified independent certified public accounting firms to audit its annual financial statement for three fiscal years (FY 2016/17, 2017/18, and 2018/19), with an option to extend the agreement an additional two fiscal years with Town Council approval. After a thorough review of the RFP responses, the review committee selected Badawi and Associates, Certified Public Accountants as the firm to provide the Town with auditing and other optional services.

DISCUSSION:

For the past three years, Badawi and Associates have provided the following services for the Town:

- The annual audit of the basic financial statements in accordance with Governmental Accounting Standards and preparation of the Town's Comprehensive Annual Financial Report (CAFR);
- A report communicating information related to the audit to the Town Manager and Town Council at the conclusion of the audit;

PREPARED BY: Stephen Conway
Finance Director

Reviewed by: Town Manager, Assistant Town Manager, and Town Attorney

SUBJECT: First amendment to the agreement for audit services with Badawi and Associates

DATE: March 11, 2020

DISCUSSION (continued):

- A management letter containing any comments or recommendations resulting from the review of systems of internal controls in connection with the financial audit;
- A Single Audit for grant funding if required under the Title 2 U.S. Code of Federal Regulations; and
- Optional services including the preparation of the annual report of financial transactions to the State Controller.

CONCLUSION:

Authorize the Town Manager to execute a first amendment to the agreement for audit services with Badawi and Associates to extend the contract for two years for a total contract amount not to exceed \$167,985.

FISCAL IMPACT:

Funds for this amendment will be included in the Town's proposed FY 2020/21 Operating and Capital Budget.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Agreement with Badawi and Associates
2. First Amendment to provide auditing and optional services with Badawi and Associates.

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT is made and entered into on May 24, 2017 by and between TOWN OF LOS GATOS, a California municipal corporation, ("Town") and Badawi & Associates, ("Consultant"), whose address is 180 Grand Avenue, Suite 1500, Oakland CA. This Agreement is made with reference to the following facts.

I. RECITALS

- 1.1 The Town desire to engage Consultant to provide professional auditing services.
- 1.2 The Consultant represents and affirms that it is willing to perform the desired work pursuant to this Agreement.
- 1.3 Consultant warrants it possesses the distinct professional skills, qualifications, experience, and resources necessary to timely perform the services described in this Agreement. Consultant acknowledges Town has relied upon these warranties to retain Consultant.

II. AGREEMENTS

- 2.1 Scope of Services. Consultant shall provide services as described in that certain Technical proposal for professional auditing services sent to the Town on March 31, 2017, which is hereby incorporated by reference and attached as Exhibit A.
- 2.2 Term and Time of Performance. This contract will remain in effect from June 1, 2017 to June 30, 2020. Consultant shall perform the services described in this agreement as described in Exhibit A.
- 2.3 Compliance with Laws. The Consultant shall comply with all applicable laws, codes, ordinances, and regulations of governing federal, state and local laws. Consultant represents and warrants to Town that it has all licenses, permits, qualifications and approvals of whatsoever nature which are legally required for Consultant to practice its profession. Consultant shall maintain a Town of Los Gatos business license pursuant to Chapter 14 of the Code of the Town of Los Gatos.
- 2.4 Sole Responsibility. Consultant shall be responsible for employing or engaging all persons necessary to perform the services under this Agreement.
- 2.5 Information/Report Handling. All documents furnished to Consultant by the Town and all reports and supportive data prepared by the Consultant under this Agreement are the Town's property, unless proprietary in nature, and shall be delivered to the Town upon the completion of Consultant's services or at the Town's written request. All reports, information, data, and exhibits prepared or assembled by Consultant in connection with the performance of its services pursuant to this Agreement are confidential until released by the Town to the public, and the Consultant shall not make any of the these documents or information available to any individual or organization not employed by the Consultant or

the Town without the written consent of the Town before such release. The Town acknowledges that the reports to be prepared by the Consultant pursuant to this Agreement are for the purpose of evaluating a defined project, and Town's use of the information contained in the reports prepared by the Consultant in connection with other projects shall be solely at Town's risk, unless Consultant expressly consents to such use in writing. Town further agrees that it will not appropriate any methodology or technique of Consultant which is and has been confirmed in writing by Consultant to be a trade secret of Consultant.

- 2.6 Compensation. Compensation for Consultant's professional services for fiscal year ending June 30, 2017 shall not exceed \$32,015; for fiscal year ending June 30, 2018 shall not exceed \$33,175; and for fiscal year ending June 30, 2019 shall not exceed \$34,265, inclusive of all costs, as described in that certain "Sealed Dollar Cost Bid for professional auditing services" submitted to the Town on March 31, 2017, which is hereby incorporated as Exhibit B. Payment shall be based upon Town approval of each task.

- 2.7 Billing. ~~Billing shall be monthly by invoice within thirty (30) days of the rendering of the service and shall be accompanied by a detailed explanation of the work performed by whom at what rate and on what date. Also, plans, specifications, documents or other pertinent materials shall be submitted for Town review, even if only in partial or draft form.~~ Billing shall be made as follows; 45 percent of the contract after the interim phase, 45 percent after the year-end phase and 10 percent after all work is completed and final reports are issued. RuS

Payment shall be net thirty (30) days. All invoices and statements to the Town shall be addressed as follows:

Invoices:

Town of Los Gatos
Attn: Accounts Payable
P.O. Box 655
Los Gatos, CA 95031-0655

- 2.8 Availability of Records. Consultant shall maintain the records supporting this billing for not less than three years following completion of the work under this Agreement. Consultant shall make these records available to authorized personnel of the Town at the Consultant's offices during business hours upon written request of the Town.
- 2.9 Assignability and Subcontracting. The services to be performed under this Agreement are unique and personal to the Consultant. No portion of these services shall be assigned or subcontracted without the written consent of the Town.
- 2.10 Independent Contractor. It is understood that the Consultant, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and not an agent or employee of the Town. As an independent contractor he/she shall not obtain any rights to retirement benefits or other benefits which accrue to Town employee(s). With prior written consent, the Consultant may perform some obligations under this Agreement by subcontracting, but may not delegate ultimate responsibility for performance or assign or transfer interests under this Agreement. Consultant agrees to testify in any litigation brought

regarding the subject of the work to be performed under this Agreement. Consultant shall be compensated for its costs and expenses in preparing for, traveling to, and testifying in such matters at its then current hourly rates of compensation, unless such litigation is brought by Consultant or is based on allegations of Consultant's negligent performance or wrongdoing.

- 2.11 Conflict of Interest. Consultant understands that its professional responsibilities are solely to the Town. The Consultant has and shall not obtain any holding or interest within the Town of Los Gatos. Consultant has no business holdings or agreements with any individual member of the Staff or management of the Town or its representatives nor shall it enter into any such holdings or agreements. In addition, Consultant warrants that it does not presently and shall not acquire any direct or indirect interest adverse to those of the Town in the subject of this Agreement, and it shall immediately disassociate itself from such an interest, should it discover it has done so and shall, at the Town's sole discretion, divest itself of such interest. Consultant shall not knowingly and shall take reasonable steps to ensure that it does not employ a person having such an interest in this performance of this Agreement. If after employment of a person, Consultant discovers it has employed a person with a direct or indirect interest that would conflict with its performance of this Agreement, Consultant shall promptly notify Town of this employment relationship, and shall, at the Town's sole discretion, sever any such employment relationship.
- 2.12 Equal Employment Opportunity. Consultant warrants that it is an equal opportunity employer and shall comply with applicable regulations governing equal employment opportunity. Neither Consultant nor its subcontractors do and neither shall discriminate against persons employed or seeking employment with them on the basis of age, sex, color, race, marital status, sexual orientation, ancestry, physical or mental disability, national origin, religion, or medical condition, unless based upon a bona fide occupational qualification pursuant to the California Fair Employment & Housing Act.

III. INSURANCE AND INDEMNIFICATION

- 3.1 Minimum Scope of Insurance:
- i. Consultant agrees to have and maintain, for the duration of the contract, General Liability insurance policies insuring him/her and his/her firm to an amount not less than: one million dollars (\$1,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage.
 - ii. Consultant agrees to have and maintain for the duration of the contract, an Automobile Liability insurance policy ensuring him/her and his/her staff to an amount not less than one million dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage.
 - iii. Consultant shall provide to the Town all certificates of insurance, with original endorsements effecting coverage. Consultant agrees that all

certificates and endorsements are to be received and approved by the Town before work commences.

- iv. Consultant agrees to have and maintain, for the duration of the contract, professional liability insurance in amounts not less than \$1,000,000 which is sufficient to insure Consultant for professional errors or omissions in the performance of the particular scope of work under this agreement.

General Liability:

- i. The Town, its officers, officials, employees and volunteers are to be covered as insured as respects: liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of Consultant, premises owned or used by the Consultant. This requirement does not apply to the professional liability insurance required for professional errors and omissions.
 - ii. The Consultant's insurance coverage shall be primary insurance as respects the Town, its officers, officials, employees and volunteers. Any insurance or self-insurances maintained by the Town, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
 - iii. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Town, its officers, officials, employees or volunteers.
 - iv. The Consultant's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- 3.2 All Coverages. Each insurance policy required in this item shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Town. Current certification of such insurance shall be kept on file at all times during the term of this agreement with the Town Clerk.
- 3.3 Workers' Compensation. In addition to these policies, Consultant shall have and maintain Workers' Compensation insurance as required by California law and shall provide evidence of such policy to the Town before beginning services under this Agreement. Further, Consultant shall ensure that all subcontractors employed by Consultant provide the required Workers' Compensation insurance for their respective employees.
- 3.4 Indemnification. The Consultant shall save, keep, hold harmless and indemnify and defend the Town its officers, agent, employees and volunteers from all damages, liabilities,

penalties, costs, or expenses in law or equity that may at any time arise or be set up because of damages to property or personal injury received by reason of, or in the course of performing work which may be occasioned by a willful or negligent act or omissions of the Consultant, or any of the Consultant's officers, employees, or agents or any sub consultant.

IV. GENERAL TERMS

- 4.1 Waiver. No failure on the part of either party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that party may have hereunder, nor does waiver of a breach or default under this Agreement constitute a continuing waiver of a subsequent breach of the same or any other provision of this Agreement.
- 4.2 Governing Law. This Agreement, regardless of where executed, shall be governed by and construed to the laws of the State of California. Venue for any action regarding this Agreement shall be in the Superior Court of the County of Santa Clara.
- 4.3 Termination of Agreement. The Town and the Consultant shall have the right to terminate this agreement with or without cause by giving not less than fifteen days (15) written notice of termination. In the event of termination, the Consultant shall deliver to the Town all plans, files, documents, reports, performed to date by the Consultant. In the event of such termination, Town shall pay Consultant an amount that bears the same ratio to the maximum contract price as the work delivered to the Town bears to completed services contemplated under this Agreement, unless such termination is made for cause, in which event, compensation, if any, shall be adjusted in light of the particular facts and circumstances involved in such termination.
- 4.4 Amendment. No modification, waiver, mutual termination, or amendment of this Agreement is effective unless made in writing and signed by the Town and the Consultant.
- 4.5 Disputes. In any dispute over any aspect of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, including costs of appeal.
- 4.6 Notices. Any notice required to be given shall be deemed to be duly and properly given if mailed postage prepaid, and addressed to:

Town of Los Gatos
Attn: Town Clerk
110 E. Main Street
Los Gatos, CA 95030

Badawi & Associates
Attn: Ahmed Badawi, CPA
180 Grand Avenue, Suite 1500
Oakland, CA 94612

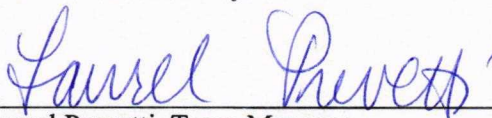
or personally delivered to Consultant to such address or such other address as Consultant designates in writing to Town.

4.7 Order of Precedence. In the event of any conflict, contradiction, or ambiguity between the terms and conditions of this Agreement in respect of the Products or Services and any attachments to this Agreement, then the terms and conditions of this Agreement shall prevail over attachments or other writings.


4.8 Entire Agreement. This Agreement, including all Exhibits, constitutes the complete and exclusive statement of the Agreement between the Town and Consultant. No terms, conditions, understandings or agreements purporting to modify or vary this Agreement, unless hereafter made in writing and signed by the party to be bound, shall be binding on either party.

IN WITNESS WHEREOF, the Town and Consultant have executed this Agreement.

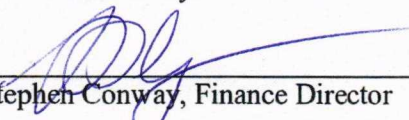
Town of Los Gatos by:


Laurel Prevetti, Town Manager

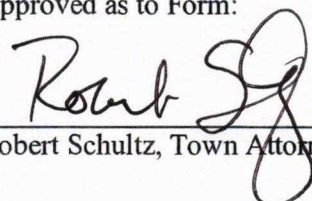
Consultant, by:


Ahmed Badawi, CPA

Recommended by:


Stephen Conway, Finance Director

Approved as to Form:


Robert Schultz, Town Attorney

Town of Los Gatos

TECHNICAL PROPOSAL

For Professional Auditing Services for the Town of Los Gatos

*For the fiscal years ending June 30, 2017 to 2019 with the option to
extend for two subsequent one-year terms*

March 31, 2017

Contact Person:

Ahmed Badawi, CPA
Badawi & Associates
Certified Public Accountants
180 Grand Avenue, Suite 1500
Oakland, CA 94612
Phone: (510) 768-8244
Fax: (510) 768-8249
E-mail: abadawi@b-acpa.com



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Town of Los Gatos

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March 9, 2017

Mr. Stephen Conway
Director of Finance
Town of Los Gatos
110 East Main Street
Los Gatos, CA 95030

Dear Mr. Conway,

Badawi & Associates (B&A), Certified Public Accountants (the "Firm") is pleased to have the opportunity to respond to your request for a proposal to provide external audit services and to submit its qualifications to perform an independent audit of the financial statements of the Town of Los Gatos (the "Town") for the fiscal years ending June 30, 2017 to 2019 with option to extend for two subsequent one-year terms. The objective of our audits is to issue opinions regarding the fairness of presentation of the financial position of the Town in accordance with generally accepted accounting principles. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) *Government Auditing Standards*, the provisions of the federal Single Audit Act of 1984, as amended in 1996, and the Uniform Guidance, *Audits of States, Local Governments and Non-Profit Organizations*, Uniform Administrative Requirements, as well as any other applicable federal, state, local or programmatic audit requirements.

We will also perform the following as part of our engagement:

- Single Audit (if required)
- GANN Limit
- Audit Pension Trust Fund (optional)
- Annual State Controller's Reports (optional)

We will also apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information. In addition, we will prepare the management letter containing comments and recommendations regarding our review and evaluation of the systems of internal control and accounting procedures.

This proposal will highlight the background of the partners and staff assigned to the engagement, summarize our experience in the governmental area, and describe our approach to auditing the Town.

This proposal demonstrates our ability to render the quality examination and to perform the necessary accounting and auditing services requested by the Town on a timely basis.

As a partner of the Firm, I will be the primary contact for negotiation of the contract. Additionally, I have been authorized to legally bind the Firm. You may contact me at the following address and phone number:

Mr. Ahmed Badawi, CPA
Badawi & Associates
Certified Public Accountants
180 Grand Ave. Suite 1500
Oakland, CA 94612
Telephone: (510)768-8244
E-mail: abadawi@b-acpa.com

Mr. Stephen Conway
Director of Finance
Town of Los Gatos
Page 2

We are committed to performing the required work, completing the audit, and issuing the necessary auditors' reports prior to the Town's published time frames and commit to you that we will perform the work within the time frames required.

We believe we are the best qualified to perform the audit because our audit staff includes individuals well versed in municipal auditing and reporting requirements. We have performed auditing and consulting engagements for numerous cities throughout California. We will be responsive to the needs of the Town, we understand the Town's operational environment, and pledge to you our complete commitment to providing a quality product that meets the Town's requirements.

The approach to the audit has been designed to meet the audit requirements of the various authorities with the least disruption to the Town's office operations. The foundation of the audit approach is based on communication coupled with a strong knowledge of Town operations and detailed planning at the initial stages of the audit. Open communication lines with all parties of the Engagement Team and Town Management and staff throughout the engagement eliminate "surprises". Initial planning and proper assignment of duties to experienced personnel provide for an effective and efficient audit process. Consequently, inefficiencies and disruptions are kept to a minimum. In addition, we perform almost half of the audit tasks during the interim phase to minimize any unforeseen delays during the year-end phase and to ensure a smooth and timely audit process.

The Firm maintains liability insurance coverage for professional liability, Workers' Compensation, Comprehensive General Liability and Auto as part of our comprehensive insurance policy.

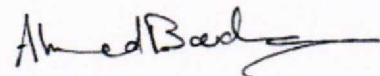
The Firm is an Equal Opportunity employer and complies with all Federal and State hiring requirements. The Firm also supports Affirmative Action philosophies and works hard to provide disadvantaged groups with opportunities for self enhancement.

This proposal is a firm and irrevocable offer for 180 days.

We are confident that you will find our organization offers the required expertise, technical knowledge, and business understanding to perform an audit of the Town. Our past experience provides us with a thorough understanding of the needs and requirements of the Town, as well as the technical knowledge to perform such services in accordance with the accounting and auditing guidelines as published by the various authoritative entities.

We welcome your inquiries and look forward to further discussions with you.

Sincerely,



Ahmed Badawi
Partner
Badawi & Associates
Certified Public Accountants

Independence**Independence**

The Firm is independent of the Town of Los Gatos as defined by the GAO's *Standards for Audit of Governmental Organizations, Programs, Activities and Functions*, and the AICPA and California State Society of Certified Public Accountants as promulgated in various auditing and professional standards.

**Firm
Qualifications
and
Experience****Insurance**

The Firm maintains professional liability insurance and other coverage as part of our comprehensive insurance policy. Upon selection as Town's independent auditor, the Firm and our insurance provider will provide a certificate of insurance to Town which shows the minimum requirements identified by Town have been met.

License to Practice in California

The Firm and all key professional staff assigned to Town's audit are properly licensed to practice as Certified Public Accountants in the State of California and comply with GAO *Government Auditing Standards*.

The Firm is registered with the California State Board of Accountancy. Its State number is COR6823.

The Firm has met all required State and local laws, rules, and regulations.

Firm Qualifications

Badawi & Associates was founded by Mr. Ahmed Badawi. Mr. Badawi has over 20 years of experience working with state and local government with a special focus on cities. Prior to founding B&A, Mr. Badawi was a partner with several local and national firms, where he headed their government practice in Northern California. Mr. Badawi founded Badawi & Associates to serve the fast-paced needs of California's local governments. The goal is to build a proactive, client-focused culture from the ground up and to eliminate the entrenched bureaucratic culture and intrinsic limitations of the big audit firms.

Located in Oakland, CA, the Firm serves a variety of cities throughout California as well as conducting financial related services for numerous special districts and authorities. Names and phone numbers of several of our current and past clients and other references are provided for your inquiries. We encourage you to contact these individuals to obtain information on the quality of the audit and the ability of the audit staff.

Our Oakland office will be the Engagement Office assigned to the Town.

In addition to specific city financial statements, the Firm members have also audited numerous redevelopment agencies, public financing authorities, hospitals, housing authorities, transportation authorities, special districts, water districts, OCJP grants, self-insurance pools, joint power authorities and has also performed numerous compliance audits in accordance with the Single Audit Act, childcare regulations, TOT regulations, AQMD regulations, franchise requirements, RDA compliance, and other special projects. Additionally, the Firm has significant experience in bond offerings, post closure landfill costs, and recent changes to redevelopment agency reporting requirements.

The Engagement Partner assigned to the Town, Mr. Ahmed Badawi. Mr. Badawi has over 20 years of government audit experience. He is a member of various governmental committees, has actively participated in the development of accounting and audit guidelines for the governmental sector, and is an instructor for the California Society of Municipal Finance Officers.



The professional staffs assigned to the Engagement are qualified and experienced. Each individual of the Engagement Team has several years of experience and has conducted or participated in numerous municipal audits of various sizes. Their understanding of governmental operations and the various authoritative guidelines will provide the where-with-all to perform the audit in an efficient and effective manner with minimal disruption to the Town's finance department.

Technical Approach

The approach to the audit has been designed to meet the audit requirements of the various authorities with the least disruption to the Town's operations. The foundation of the audit approach is based on communication coupled with a strong knowledge of Town operations and detailed planning at the initial stages of the audit. Open communication lines with all parties of the Engagement Team and Town Management and staff throughout the engagement eliminate "surprises". Initial planning and proper assignment of duties to experienced personnel provide for an effective and efficient audit process. Consequently, inefficiencies, disruptions, and lack of understanding are kept to a minimum.

The audit approach will consist of four phases:

Initial Planning Meeting:

The Engagement Partner and Manager will meet with Town Management to discuss the audit approach, identify specific needs of Town Management, and familiarize themselves with Town policies and practices.

Interim:

The Engagement Team members including the Engagement Team Partner will perform the internal control reviews, test transactions, evaluate compliance with Single Audit Act requirements, identify potential audit issues that need to be addressed, perform limited confirmation procedures, and develop a clear understanding between the Engagement Team and Town Management of the year end audit responsibilities and assignments. **In addition, we strive to complete many of the year-end audit tasks during the interim phase to ensure a smoother audit process. We will work with the Town on providing a list of those tasks that we will target to complete during interim and work with the Town on how to complete them to minimize the amount of effort and time needed at year-end which in turn will assist the Town in meeting its goal of issuing the CAFR by the desired deadline.**

Year end:

The Engagement Team members including the Engagement Team Partner will conduct validation procedures on general ledger account balances, complete confirmation procedures, perform analytical procedures on revenue and expenditures, perform search for unrecorded liabilities, complete compliance work on Federal Assistance, and wrap up audit field work.

Reporting:

Auditor's reports for all Town reporting entities and compliance requirements will be finalized along with Single Audit Reports and Management Letter comments. The Partner and Manager will be available to make presentations to the Town Council and/or designated bodies.



Firm Experience

The Firm is located in Oakland, and provides a full range of accounting services to governmental agencies throughout California, including audit, tax and accounting. The Firm's professional staff members provide the financial background and specific experience to meet the Town's operational needs. Additionally, this situation provides the Town with an auditing firm that has depth in capabilities to address any financial issue the Town may need assistance with, and the quality audit approach that you expect.

Our Oakland office will be the Engagement Office assigned to the Town.

Firm policy requires that the Engagement Partner, during the first year of the engagement, be actively involved in the daily fieldwork. This means to the Town that Mr. Badawi will actually be on-site during the audit coordinating the audit process, supervising the audit staff, gaining a hands-on understanding of Town processes, and benefiting the Town with his broad municipal experience. We have found that this effort benefits the Town and the Firm through developing a thorough knowledge of the Town's practices and issues and establishing a close working relationship with the Town's Management. Additionally, continuity of audit personnel is assured because of the hands on involvement of the Partner.

We are committed to providing appropriate and related experience, personal involvement, and a broad business perspective to produce a quality end product within the time frames required.

The Firm provides financial and compliance auditing services to governmental agencies throughout California. We are a governmental agency auditing firm and our professional staff members have been performing these services for many years. As a result, we have performed financial and compliance audits on most, if not all, types of governmental agencies and operations including:

- | | | |
|--------------------------|---|-----------------------------|
| • Cities | • Waste Management Authorities and Operations | • Investment Activities |
| • Redevelopment Agencies | • Pension Plans | • Landfills |
| • Financing Authorities | • Child Care Operations | • Enterprise Funds |
| • Housing Authorities | • Joint Power Authorities | • Airports |
| • Special Districts | | • Transportation Operations |
| • Water Districts | | • Federal and State Grants |

Additional Activities

We offer a full range of accounting and finance services to the governmental sector. These services include:

- | | |
|---|---|
| • Financial audits | • Operational reviews |
| • Compliance audits | • Technical guidance on existing and upcoming accounting issues |
| • Tax advice | • Training seminars |
| • Development of financial and accounting policies and procedures | • Pension/profit-sharing plans |
| • Investment review and compliance evaluation | • Performance audits |
| | • Business consulting |

Consequently, Firm personnel are well qualified to perform the services expected by the Town.



Client Training Seminar

The Firm hosts an annual update on recent technical accounting and finance issues affecting the governmental area. This all day session reviews new and anticipated pronouncements from GASB, discusses future issues under consideration by GASB, reviews accounting treatment of various transactions where issues may arise, and provides a general overview of state and federal compliance issues. All of our clients are invited to attend, free of charge. The one day session qualifies for CPE under the rules of the State Board of Accountancy and is held in locations throughout the Bay Area.

CSMFO Training

The Firm provides a one-day training session entitled "Introduction to Governmental Accounting" to members of CSMFO. Firm personnel developed the class materials and teach the sessions. Approximately 10 sessions are held annually at various locations throughout the State. The Firm provides these sessions for only the cost of materials to CSMFO in keeping with its philosophy to support the industry in which it serves.

GASB 68 Firm Developed Tools and Assistance

The Firm has developed tools to assist our clients with GASB 68 implementation or preparation of journal entries for the CalPERS' Plans. In addition to providing our clients with these tools and instructions on how to use them, we are available to answer any questions on how to prepare and complete your GASB 68 journal entries.

Quality Control Review

According to Government Auditing Standards, firms who perform audits under the Yellow Book are required to have a peer review once every three years. We received a report with a rating of pass with no deficiencies which we attached for your review.



JOHN LERIAS, CPA
STEPHEN C. WILLIAMS, CPA
JOSEPH O. ROMERO, CPA

System Review Report

Badawi & Associates

Oakland, California;

and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Badawi & Associates (the firm) in effect for the year ended February 29, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*.

In our opinion, the system of quality control for the accounting and auditing practice of Badawi & Associates in effect for the year ended February 29, 2016, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Badawi & Associates has received a peer review rating of *pass*.

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GYL Decauwer LLP

Ontario, California
May 20, 2016

*your
Success
is our
DESTINATION*

CPA MERICA
INTERNATIONAL
Crown Horwath International

B&A have policies and procedures to ensure it hires only qualified people, that it properly supervises them and provides professional training, that it advances them to responsibilities they are capable of handling, and that it provides them with necessary technical resources. All members of B&A are very familiar with the stringent quality control standards established by the AICPA.

The Firm is a member of the AICPA Government Audit Quality Center.

The Firm is a member of the AICPA Private Companies Practice Section.

Federal or State Desk Reviews

The Firm has had no negative federal or state reviews in the past three (3) years.

Disciplinary Action

There has not been any state or federal disciplinary actions taken or pending against the Firm nor any findings to report.

Lost Clients and Pending Litigations:

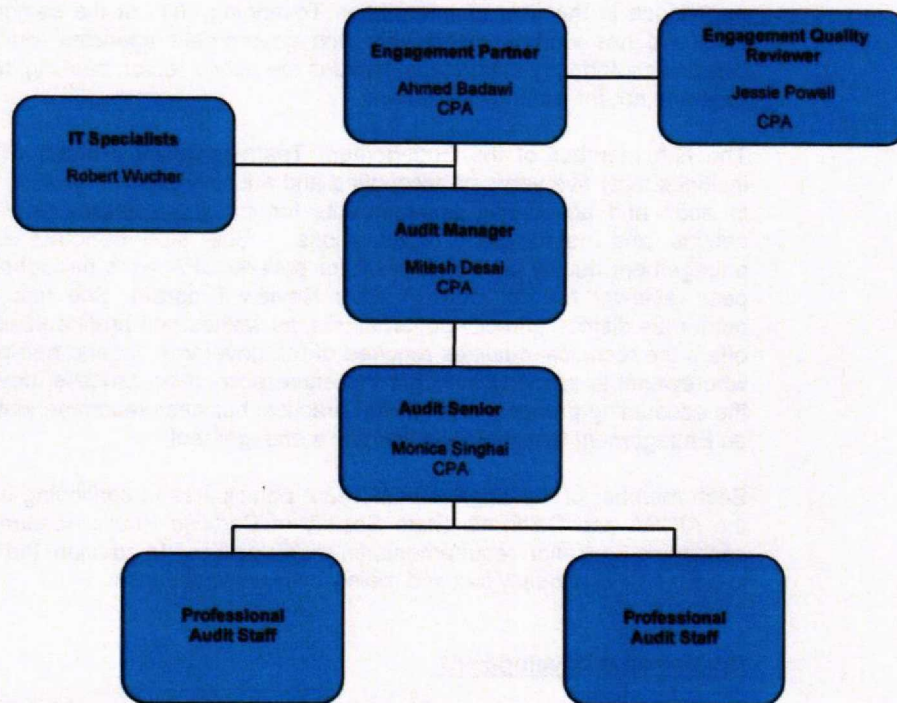
The Firm has not experienced termination of any contracts before completion, and has not experienced any lawsuits or legal actions that have been resolved or are currently pending in the prior five years.

Conflict of Interest :

The Firm does not have a conflict of interest with any officials or employees of the Town of Los Gatos. If a conflict of interest were to become known, the firm would immediately divulge such facts to the Town.

Partner, Supervisory, and Staff Qualifications and Experiences

The Engagement Team will normally consist of seven individuals who provide a broad business perspective and significant experience in governmental auditing. This team will provide access to a wide range of technical capabilities which will provide the Town with not only the technical support necessary to perform the audit, but also the broad business background to interpret findings and observations to offer effective solutions to issues, and the personal involvement of the Engagement and Compliance Partners of the Firm.



The Engagement Team will be led by Ahmed Badawi, CPA. Mr. Badawi's background includes over twenty years of municipal auditing and accounting experience with a special focus on cities. He is the instructor of the CSMFO "Introduction to Governmental Accounting" training classes. Mr. Badawi is a member of the Government Accounting and Auditing Committee, the Accounting Principles and Auditing Standards Committee and the State Technology Committee of the California Society of Certified Public Accountants. He has participated in the audits of numerous city, county and special district governments, as well as non-profit entities. His diversified background offers the technical qualities required of the governmental and non-profit areas and the necessary wherewithal to properly evaluate the entire accounting process, develop opportunities to improve the accounting process, and to offer practical business recommendations. Mr. Badawi is licensed as a CPA with the ability to attest an opinion on an audit.

The second member of the Engagement Team is Mitesh Desai, CPA. Mr. Desai's background includes ten years of experience in municipal auditing with a special focus on cities. Mr. Desai has participated in the audits of numerous governmental agencies, assisted in their efforts to publish their CAFRs in compliance with GASB 34, and a volunteer member of the GFOA Special Review Committee. Mr. Desai has also achieved the Advanced Single Audit Certificate offered by the AICPA. He will serve as the Audit Manager.



The third member of the Engagement Team is Monica Singhai, CPA. Mrs. Singhai's background includes over fourteen years of experience in municipal auditing experience. She has participated in the audits of numerous governmental agencies and assisted in their efforts to publish their financial statements in compliance with various regulations. Mrs. Singhai will be the Senior of this engagement.

The fourth member of the Engagement Team is Robert Wucher. Mr. Wucher has 30 years of experience in the field of Information Technology (IT) at the senior and executive management level. He has worked extensively with government agencies, private organizations and public companies. Industry experience includes the public sector, banking, manufacturing, Internet, health care and not-for-profit organizations.

The fifth member of the Engagement Team is Jessie Powell, CPA. Ms. Powell background includes thirty five years of accounting and auditing experience. She has an extensive background in audit and accounting engagements for small businesses and specializing in governmental entities and not-for-profit organizations. She also performs second partner reviews and engagement quality control reviews for several CPA firms throughout California and is an active peer reviewer for the CalCPA Peer Review Program. She has participated in the audits of numerous district, and city governments, as well as non-profit entities. Her diversified background offers the technical qualities required of the governmental and non-profit areas and the necessary wherewithal to properly evaluate the entire accounting process, develop opportunities to improve the accounting process, and to offer practical business recommendations. Ms. Powell will serve as an Engagement Quality Reviewer of this engagement.

Each member of the Engagement Team participates in continuing education programs offered by the AICPA and California State Society of Certified Public Accountants, and each has met the continuing education requirements for municipalities. In addition, the firm offers at least 60 hours of in-house CPE annually focused mainly on municipal audits.

Professional Development:

The Firm maintains a comprehensive training program targeted at appropriate professional staff levels. It utilizes in-house developed educational programs, AICPA and California CPA Foundation educational programs, and on-the-job training.

The Firm's annual training schedule which officially begins in April for all professional staff and administrative staff includes comprehensive in-house training sessions on such topics as:

- Review of principles of accounting and financial reporting for state and local governments.
- Review of governmental fund types and account groups.
- Review of newly issued generally accepted auditing standards and GAO auditing standards.
- Review of Internal Control evaluation approaches including COSO principles.
- Updates on recent governmental accounting and reporting guidelines.
- Review of Single Audit requirements and approaches.
- Review of financial audit approaches.
- Overview of audit and internal control work paper techniques.
- Review of GASB reporting requirements.
- Review of current issues facing the governmental community.



During the year, professional staff members are sent to various educational sessions sponsored by the AICPA and California State Society of CPAs, as considered appropriate for the level and need of the individual. These classes include, among others:

- Governmental Financial Reporting Standards and Practices.
- Yellow Book: Government Auditing Standards.
- Financial Accounting Standards: Comprehensive Review.
- Single Audit.
- Governmental Auditing & Accounting Update.
- Governmental Accounting Principles.
- Comprehensive Review of Generally Accepted Auditing Standards

The result of the Firm's training program is the production of a highly educated and competent municipal audit group capable of performing an efficient and effective audit for the Town.

The Team members will continue their professional development efforts.

Staff Retention and Continuity:

The Firm's policy on providing service to our clients includes a commitment to maintaining continuity of audit personnel. We cannot guarantee that our staff will remain with the Firm. However, to encourage our staff to remain with us, we pay competitive wage rates; offer promotional opportunities; provide state-of-the-art equipment and excellent working conditions; and offer various benefits, such as retirement plans, medical plans, profit sharing programs, educational benefits, and other such benefits. Additionally, we will guarantee that any staff member assigned to this engagement will return to the Town in subsequent years if he or she is still with the Firm. We can also guarantee that the partner will be involved in future years. Continuity of audit staff is of prime concern to us and because of the hands-on involvement of the partner; we can assure you that future years' audits will be conducted in an efficient and effective manner with qualified and experienced professionals.

The Firm is an Equal Opportunity employer and complies with all Federal and State hiring requirements. The Firm also supports Affirmative Action philosophies and works hard to provide disadvantaged groups with opportunities for self enhancement.

Resumes of each member of the Engagement Team are as follows.



Resumes of Engagement Team**Ahmed Badawi, Certified Public Accountant – Engagement Partner****Length of Career**

- Twenty years' experience in municipal auditing and accounting with a special focus on cities.
- Certified Public Accountant for the State of California.

Professional Experience

- Partial listing of clients served:

	Services Provided					
	Financial Audit	Single Audit	RDA Audit	PFA Audit	Enterprise Fund	Other
Cities:						
Antioch	X	X		X	X	X
Albany	X	X	X			X
Berkeley	X	X	X		X	X
Burlingame	X				X	X
Dublin	X	X				X
Fremont	X	X	X			X
Pleasanton	X	X		X		X
Redwood City	X	X	X		X	X
Richmond	X	X	X	X	X	X
San Bruno	X	X	X		X	X
San Leandro	X	X	X			X
San Mateo	X	X	X		X	X
Turlock	X	X	X	X	X	X
Union City	X	X	X		X	X
Walnut Creek	X	X	X		X	X
Counties:						
Santa Cruz County	X	X	X	X	X	X
Contra Costa County	X	X	X	X	X	X
County of Lassen	X	X			X	X
Special Districts and Other:						
Port of Redwood City	X	X				X
Marin Municipal Water District	X					X
Coastside Fire Protection District	X					X
Alameda County Water District	X				X	X
Cosumnes Community Services District	X					X
East Bay Regional Park District	X	X				X
Metropolitan Transportation Commission						X
South Bayside System Authority	X					X
Stanislaus County Childcare	X					X
West County Wastewater District	X					X
Health Care:						
Alameda County Medical Center	X	X				X
Family HealthCare Network	X					X

- Has performed numerous financial audits, Single Audits, Transportation Development Act audits, housing audits, electrical utility audits, RDA audits, PFA audits, and Trust Fund audits, and has prepared numerous CAFRs.

Education

- BS Degree in Accounting from the University of Alexandria, Egypt.

Professional Activities

- Instructor, CSMFO's "Introduction to Governmental Accounting" training class.
- Member, CALCPA Government Accounting and Auditing Committee
- Member, American Institute of Certified Public Accountants.
- Member, California Society of Certified Public Accountants.
- Member, Government Finance Officers Association.
- Member, California Society of Municipal Finance Officers.
- Chair, Audit Committee, San Francisco SPCA, a CA nonprofit organization

Continuing Education

Has met the current CPE educational requirements to perform audits on governmental agencies



Mitesh Desai, Certified Public Accountant – Professional Audit Manager**Length of Career**

- Ten years' experience in municipal auditing with a special focus on cities.
- Certified Public Accountant for the State of California.

Professional Experience

- Has participated in several financial audits, Single Audits, RDA audits, PFA audits, Transportation Development Act audits, and housing audits

	Services Provided					
	Financial Audit	Single Audit	RDA Audit	PFA Audit	Enterprise Fund	Other
Cities:						
Antioch	X				X	X
Albany	X					
Barstow	X	X			X	X
Berkeley	X	X	X		X	X
Buena Park	X	X			X	X
Foster City	X	X	X		X	X
Fremont	X	X	X		X	X
East Palo Alto	X	X			X	X
Lemon Grove	X				X	
Newark	X	X	X			X
Menlo Park	X				X	X
Oakdale	X	X			X	X
Pittsburg	X	X	X		X	X
Placerville	X	X			X	X
Redwood City	X	X			X	X
Rio Vista	X		X		X	X
San Mateo	X	X	X		X	X
Susanville	X					
Turlock	X				X	X
Union City	X				X	X
Vacaville	X	X	X	X		X
Yountville	X				X	X
Counties:						
Contra Costa	X	X	X	X	X	X
Glenn		X				
Santa Cruz	X	X	X	X	X	X
Other:						
Alameda County Water District	X					X
Alameda County Medical Center	X	X				X
Castro Valley Sanitary District	X					
Cosumnes Community Services District	X					
Golden Valley Health Centers	X					X
Marin Municipal Water District	X					
West County Wastewater District	X					X
Contra Costa Child Development Programs	X					X
Stanislaus County Childcare	X					X

Education

- BS Degree in Business Economics with an emphasis in Accounting from University of California, Santa Barbara

Professional Activities

- Member, American Institute of Certified Public Accountants.
- Member, California Society of Certified Public Accountants.
- Volunteer Member, GFOA Special Review Committee

Continuing Education

- Various municipal accounting courses offered by the California Society of CPAs and local universities including:
 - Governmental Financial Reporting Standards and Practices
 - Yellow Book: Government Auditing Standards
 - Municipal Accounting
 - Single Audit
- Has met the current CPE educational requirements to perform audits on governmental agencies.

Monica Singhai, Certified Public Accountant – Professional Audit Senior**Length of Career**

- Fourteen years' experience in auditing with special focus on municipalities.
- One year experience in accounting related position.
- Certified Public Accountant for the State of California.

Professional Experience

- Has participated in several financial audits, Single Audits, RDA audits and PFA audits

	Services Provided				
	Financial Audit	Single Audit	RDA Audit	PFA Audit	Enterprise Fund
Cities:					
City of Berkeley	X	X			X
City of East Palo Alto	X				X
City of Menlo Park	X	X			X
City of Redwood City	X	X			X
Special District:					
Alameda County Fire District	X				
Alameda County Law Library	X				
Burbank Sanitary District	X				X
Lions Gate Community Service District	X				
Los Medanos Community Health Care District	X				
Oakland-Alameda County Coliseum Authority	X				
School District:					
Bayshore Elementary School District	X				
Belmont-Redwood Shores School District	X	X		X	
Brisbane School District	X				
Jefferson Elementary School District	X	X			
La Honda-Pescadero Unified School District	X	X		X	
Pacifica School District	X	X			
Ravenswood City School District	X	X			X
Redwood City School District	X	X			
San Mateo-Foster City School District	X	X			X
Charter schools:					
Oakland Military Institute College Preparatory Academy	X	X			
Sacramento Valley Charter School	X				
West Sacramento College Prep Charter School	X				
First 5:					
First 5 Alameda County	X	X			
First 5 Inyo County	X				
First 5 Marin County	X				
First 5 Monterey County	X				
First 5 Santa Cruz County	X				
Others:					
Alameda County Housing Community Development Agency	X	X			X
Alameda County Redevelopment Agency	X		X		
Alameda County Successor Agency	X				
City of Oakland - Measure C	X				
City of Oakland - Measure Y	X				
City of Oakland - Child Care and Development Program	X				
City of Oakland - Wildfire Prevention Assessment District	X				

Education

- Bachelor of Science in Accounting from Jabalpur University, India.

Professional Activities

- Member, California Society of Certified Public Accountants.
- Member, Institute of Chartered Accountants of India.

Continuing Education

- Various local governments and not for profit accounting courses offered by the California Society of CPAs and AICPA including:
 - Governmental Financial Reporting Standards and Practices
 - Yellow Book: Government Auditing Standards
 - Single Audit

Has met the current CPE educational requirements to perform audits on governmental agencies.



Robert Wucher – Information Technology Specialist**Length of Career**

- Thirty years' experience in information technology (IT)
- Worked extensively with government agencies, private organizations and public companies
- Industry experience includes public sector, banking, manufacturing, internet, healthcare, and not-for profit organizations

Areas of Expertise

- Systems Auditing and Controls Review (SEC AU-314, SAS-109, SAS-94)
- Sarbanes-Oxley, Section 404 IT Compliance Consulting and Auditing
- Journal Entry Analysis in Support of SAS-99 using IDEA by Caseware
- SSAE-16 (SOC 1, 2 & 3), Type I & II Reporting (Formerly SAS-70)
- ERP/MRP System Reviews and Workflow Analysis
- Software as a Service (SaaS) Cloud Computing Technologies
- International and Multinational Company IT Audit Expertise
- Forensic Data Analysis and Litigation Support in Support of Fraud Auditing
- Systems Selection and Request-for-Proposal (RFP) Development
- Systems Programming and Data Conversion
- Systems Failure Analysis and Quality Improvement
- E-Commerce and EDI Systems
- Information Technology Strategic Planning
- System Process/Procedures Development and Implementation
- Disaster Recovery and Business Continuity Planning

Publications

- Author, The Top Five Tips Every Technology Executive Needs to Know About Sarbanes-Oxley, Published 2007, Aspatore Books
- Author, Winning Legal Strategies for Technology & E-Business, An Overview of IT Controls Under Sarbanes-Oxley Published 2005, Aspatore Books

Presentations

- IT Security Trends
- Data Privacy and Cloud Computing
- IT Trends and Red Flag Rule
- IT Controls for NFP Organizations

Education

- B.S. degree in Business Administration, Finance, Old Dominion University, Norfolk, VA.

Professional and Civic Associations

- Member, Information Systems Audit and Control Association (IASCA)
- MAS-90 Accounting Application Suite Qualified Installer, SAGE Systems
- Former Board Member, Pets are Wonderful Support (PAWS), San Francisco, CA



Jessie Powell, CPA – Engagement Quality Reviewer**Length of Career**

- Thirty-five years of accounting and auditing experience.
- Extensive background in audit and accounting engagements for small businesses and specializes in governmental entities and not-for-profit organizations
- Performs second partner reviews and engagement quality control reviews
- Active peer reviewer for the CalCPA Peer Review Program
- Participates in the audits of numerous district, and city governments, as well as non-profit entities.

Education

- B.S, Business Administration, California State University, Long Beach

Professional Activities

- * Board Member, Kimberly-Shirk Association
- * Board Member, YMCA of the East Valley
- * Member, American Institute of Certified Public Accountants
- * Member, California Society of Certified Public Accountants
- * Member, CalCPA Governmental Accounting & Auditing Committee
- * Committee Member, CalCPA Accounting Principles and Auditing Standards Committee
- * Member, Redlands Chapter of the American Association of University Women
- * Former Member, CalCPA Peer Review Committee
- * Former team captain, AICPA Peer Review Program
- * Former President, Inland Empire Chapter of CalCPA
- * Former President, YMCA of the East Valley
- * Former President, Soroptimist International of Redlands
- * Former Treasurer, Kimberly-Shirk Association
- * Former Treasurer, CalCPA Group Insurance Trust
- * Former Treasurer, Redlands Community Music Association
- * Former Treasurer, Family Service Association of Redland
- * Former Treasurer, Soroptimist International of Redlands
- * Former Committee Chair, CalCPA Accounting Principles and Auditing Standards Committee
- * Former Member, California State Board of Accountancy Administrative Committee
- * Former Lecturer on Governmental and Non-Profit Accounting at university level



**Similar
Engagements
with Other
Governmental
Entities**

The table on the following page is a partial listing of our clients similar to the Town, and illustrates the many different types of components involved in each audit engagement that present very difficult and complex auditing and accounting challenges.

*

Indicates cities with population over 50,000

**

Indicates cities with governmental revenues over 100 million and population over 50,000

	City	Client Since	Hours	Engagement Partner	Principal Contact	CAFR	GFOA Award	RDA/ Successor Agency	Single Audit	TDA	Child Care Audit	Housing Authority	Enterprise Funds
**	Berkeley	2008	1800	Ahmed Badawi	Mr. Henry Oyekanmi Finance Director (510)981-7300 hoyekanmi@ci.berkeley.ca.us	Yes	Yes	X	X	X			X
**	Redwood City	2006	600	Ahmed Badawi	Mr. Derek Rampone Financial Services Manager (650)780-7071 drampone@redwoodcity.org	Yes	Yes	X	X	X			X
**	San Mateo	2004	500	Ahmed Badawi	Mr. Drew Corbett Finance Director (650)522-7104 dcorbett@cityofsanmateo.org	Yes	Yes	X	X	X			X
**	Vacaville	2008	600	Ahmed Badawi	Mrs. Davina Hatfield Accounting Manager (707)449-5104 dhatfield@cityofvacaville.com	Yes	Yes	X	X	X		X	X
*	Union City	2006	600	Ahmed Badawi	Ms. Gayle Okada Supervising Accountant (510)675-5352 gayleo@unioncity.org	Yes	Yes	X	X	X			X
*	Antioch	2005	470	Ahmed Badawi	Ms. Dawn Merchant Finance Director (925)779-6135 dmerchant@ci.antioch.ca.us	Yes	Yes	X	X	X			X
	Menlo Park	2014	514	Ahmed Badawi	Mr. Rosendo Rodriguez Finance Director (650)330-6640 RRodriguez@menlopark.org	Yes	Yes	X	X	X	X		X
	Newark	2009	550	Ahmed Badawi	Ms. Susie Woodstock Director of Administrative Services (510)578-4804 susie.woodstock@newark.org	Yes	Yes	X	X	X			
	Albany	2008	380	Ahmed Badawi	Mr. David Glasser Finance & Administrative Service Director (510)528-5730	Yes	Yes	X		X			X
	Rio Vista	2009	480	Ahmed Badawi	Ms. Mary Lee Sharer Finance Manager (707)374-6451 Ext. 1118 msharer@ci.rio-vista.ca.us	No	N/A	X	X	X			X
	Barstow	2012	550	Ahmed Badawi	Ms. Cindy Prothro Finance Director (760)255-5115 cprothro@barstow.ca.org	Yes	Yes	X	X				X
	Buena Park	2013	500	Ahmed Badawi	Mr. Sung Hyun Finance Director (714)562-3717 shuyn@buenapark.com	Yes	Yes	X	X				X
	Susanville	2013	450	Ahmed Badawi	Mr. Jared Hancock City Administrator (530)252-5100 jhancock@cityofsusanville.org	Yes	CSMFO						X
	East Palo Alto	2014	450	Ahmed Badawi	Ms. Brenda Olwin Finance Director (650)853-3122 bolwin@cityofepa.org	Yes	Yes	X	X				X
	Millbrae	2015	400	Ahmed Badawi	Mr. Kenneth Spray Finance Director (650)259-2433 kspray@ci.millbrae.ca.us	Yes	N/A	X					X
	Calimesa	2013	350	Ahmed Badawi	Ms. Bonnie Johnson Finance Director (909)795-9801 ext 231 bjohnson@cityofcalimesa.net	No	N/A						
	Yountville	2015	300	Ahmed Badawi	Mrs. Maria Ojeda Finance Director (707)944-8851 marrow@yvtile.com	No	N/A						X
	Lemon Grove	2013	350	Ahmed Badawi	Mr. Gilbert Rojas Finance Director (619)825-3803 grojas@lemongrove.ca.gov	No	N/A	X					X
	Crescent City	2014	300	Ahmed Badawi	Ms. Linda Leaver Finance Director (707)464-7483 x224 lleaver@crescentcity.org	No	N/A	X	X			X	X



The table below lists all special district engagements:

Special District	Client Since	Hours	Engagement Partner	Principal Contact	CAFR	GFOA Award	Single Audit	Enterprise Funds
Florin Resource Conservation District/ Elk Grove Water District	2015	350	Ahmed Badawi	Mr. Jim Malberg Finance Manager/Treasurer (916)685-3556 jmalberg@egwd.org	Yes	Yes		X
Marin Municipal Water District	2010	350	Ahmed Badawi	Mrs. Mikiyung Pustelnik Finance Manager (415)945-1410 mpustelnik@marinwater.org	Yes	Yes	X	X
Cosumnes Community Services District	2008	350	Ahmed Badawi	Mr. Jeff Ramos General Manager (916)405-7150 jefframos@yourcsd.com	Yes	Yes		
Monterey Bay Unified Air Pollution Control District	2016	200	Ahmed Badawi	Ms. Joyce Giuggre Administrative Services Manager (831)-718-8019 jgiuggre@mbard.org	No	N/A		
Port of Redwood City	2006	200	Ahmed Badawi	Mr. Rajesh Sewak Manager of Finance & Admin. (650)306-4150 rsewak@redwoodcityport.com	No	N/A	X	X
Central County Fire Department	2012	150	Ahmed Badawi	Ms. Jan Cooke Finance Director (650)375-7408 jcooke@hillsborough.net	Yes	Yes		
Aptos La Selva Fire District	2016	120	Ahmed Badawi	Ms. Tracy New Director of Business Services 6934 Soquel Drive Aptos, CA 95003 (831)-685-6690	No	N/A		



What Our Clients Say About Us

In addition to the references provided in Appendix A, we have also provided contact information for all our clients on the previous page if you would like to speak to any of them about their experience with us. These are some of the things our clients have said about us.

"I would recommend Badawi & Associates to anyone seeking professional and knowledgeable audit services"

**Sung Hyun
Finance Director
City of Buena Park**

"This was the District's first year with Badawi & Associates and I found the entire team to be responsive, thorough, detailed and professional. Not only was this a first year audit, but we also implemented GASB 68 and completed a major restatement of the District's Capital Assets. With all of those moving pieces, this was by far the smoothest first year audit that I have ever participated in."

**Jim Malberg
Finance Manager
Florin Resource Conservation District/
Elk Grove Water District**



Understanding of Services to be Provided

The Town desires an audit of the financial records for the Town and an expression of an opinion in accordance with generally accepted accounting principles on the fairness of presentation of financial statements for the fiscal years ending June 30, 2017 to 2019 with option to extend for two subsequent one-year terms.

The Firm will:

- Express an opinion on the fair presentation of its basic financial statement which includes but is not limited to the financial statements of governmental activities, the business-type activities, each major fund and all aggregate remaining fund information in conformity with generally accepted accounting principles in the United States of America.
- Express an opinion on the fair presentation of its combining and individual non-major and fiduciary fund financial statements and schedules in conformity with generally accepted accounting principles. The Firm will provide an "in-relation-to" report on the supporting schedules contained in the comprehensive annual financial report based on the auditing procedures applied during the audit of the basic financial statements and schedules.
- Provide an "in-relation-to" report on the schedule of federal financial assistance based on the auditing procedures applied during the audit of the financial statements.
- Perform the audit in accordance with generally accepted auditing standards accepted in the United States of America, applicable to the financial audit contained in the Government Auditing Standards issued by the Comptroller General of the United States and the provisions of the Uniform Guidance, Audits of States, Local Governments and Non-Profit Organizations.
- Perform limited procedures on supplementary information required by the Government Accounting Standards Board.
- Issue the following reports, following the completion of the audit of the fiscal year's financial statements:
 - Independent Auditor's Report on Financial Statements and Schedule of Expenditure of Federal awards
 - Town's Comprehensive Annual Financial Report
 - Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
 - Management Letter comments on Internal Controls
 - Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with the Uniform Guidance
 - Schedule of findings and questioned costs
 - Auditor's Communication with Those Charged with Governance
 - Single Audit (*if required*)
 - GANN Limit Report
 - Audit Report for Pension Trust Fund (*optional*)
 - Annual State Controller's Reports (*optional*)
- Provide special assistance to the Town as needed.
- Retain all working papers and reports at the audit firm's expense for a minimum of 7 years. In addition, make working papers available to the Town and/or any government agency as appropriate.



Should any conditions be discovered requiring corrective action, the Firm will provide a detailed description of the findings and recommended actions as to their resolution.

The Firm will submit a report to the Town Council and management detailing auditor's responsibility under generally accepted auditing standards, significant accounting policies, management judgments and accounting statements, significant audit adjustments, other information in documents containing audited financial statements, disagreements with management, management consultations with other accountants, major issues discussed with management prior to retention, difficulties encountered during the audit, and any significant deficiencies or material weaknesses found during the audit. Non-material instances of noncompliance will be reported in a separate management letter, if appropriate, along with any other observations or recommendations determined to be informative to Town management.

The Firm will be available to provide advice and counsel regarding significant matters during the year.

The Firm's Partner and Staff welcome the opportunity to make presentations to the Town Council and will be ready to respond to questions from the Council and citizens of the Town.

Specific Audit Approach

Objectives of Our Services

The basic objective of our audit of the Town is to conduct an examination of the financial statements in accordance with generally accepted auditing standards and to express our opinion on the fairness of presentation of such financial statements in conformity with generally accepted accounting principles.

Additionally, we believe that another real value of our audit lies in meeting other objectives at no additional cost. The following are other objectives of our services that have important benefits to the Town:

- To offer substantive observations and recommendations relating to accounting and operating control policies and procedures.
- To identify opportunities for operating efficiencies and isolate candidate activities for cost reduction opportunities.
- To perform a professional audit in an efficient and effective way to minimize disruption to the office operations.
- To offer ongoing advisory services to assist in the running of the operation and implementation of improved operating procedures.

The engagement will be conducted within the framework of the Firm's quality control program which includes the use of audit programs, careful planning, use of computerized audit software and internal control evaluation & documentation software, and objective review procedures. On-site staff will use Firm supplied portable computers and printers.

Audit Approach

The specific audit approach has been designed to efficiently and effectively address the audit requirements of the Town, to perform the audit of the Town's financial records in a timely manner with minimal disruptions to office operations, and to meet the Town's timeline.

The audit will be conducted in accordance with:

- 1) Generally accepted auditing standards established by the AICPA.
- 2) The standards contained in Government Auditing Standards issued by the GAO.
- 3) Provisions of the Single Audit Act and the Uniform Guidance.
- 4) Requirements issued by the California State Controller's office.
- 5) Other requirements as required.



We will conduct the necessary audit steps to perform:

- Planning of the engagement.
- Evaluation of the existing internal control environment to determine degree of risk of material misstatement.
- Determination of degree of compliance with laws, regulations, grant provisions, and Town approved policies.
- Assessment of potential fraudulent issues.
- Validation of account balances.
- Verification of reasonableness of management estimates.

Technical Approach

We use an industry specific audit approach tailored to governmental entities. Our governmental audit approach addresses the special risks and circumstances of local governments. As a result, the audit is conducted efficiently and effectively with minimal disruption to your staff.

The core of our governmental technical audit approach can be summarized as follows:

1. **Planning, Understanding and Communication:**

Based on our previous audit experience, using the budget, organizational charts, manuals and other financial information systems and our knowledge of how governments work, we will obtain an insight to the specific concerns and sensitivities of the Town. Our understanding is updated continuously through our year-round contact and communication efforts. We will agree on common audit objectives and expectations with management before audit work begins and, throughout the audit, will meet regularly with management to discuss audit issues and to gather feedback.

2. **In-Depth Review of Systems and Controls:**

We have developed diagnostic reviews which enable us to evaluate your systems and controls, and to provide management with constructive feedback. Combined with our knowledge of the Town and understanding and experience with the Town's accounting software, our control review will form the basis of our audit risk assessment. We will utilize the COSO approach in our evaluation of the Town's internal processes to identify potential control deficiencies. In future years, we will update our understanding through similar procedures.

3. **Risk-Based Customized Testing Program:**

Our audit approach is tailored to governmental applications. We will use audit programs specifically designed to address the operational environment of governmental entities. Our approach will identify potential control risks and the opportunities for risk of material misstatements and fraud. We will evaluate the various risk assessments and identify the potential risks relating to the:

- Balance Sheets/ Statement of Net Position
- Statement of Revenues and Expenditures / Statement of Activities
- Presentation
- Disclosure

Our audit procedures will then be developed to address these risk areas.



4. Expanded Interim Fieldwork:

Timeliness and audit efficiency is enhanced by performing extensive interim work. Partners, managers and senior staff work with Town staff to identify and resolve potential audit issues early. Accordingly, the amount of audit work to perform at year end is minimized. Because our audit staff is familiar with the operations before year-end fieldwork begins, disruption of accounting staff is minimized.

5. Smooth Transition:

Our testing program focuses on audit risks identified by our understanding of the Town's operations. We will work with the accounting staff to identify the most effective ways to address our objectives. Communication between the members of the audit engagement team and Town staff will be fluid and continuous.

6. Sample Size and Sampling Techniques:

Our audit approach will include sampling activities. Population size and the level of assurance to be derived from a particular test will dictate the sample size. We use sampling in our audit approach to compliment skilled judgment and knowledge of the particular situation. Our sample size will range normally from 25 to 60 items.

7. Automated Systems:

We will evaluate controls over the IT functions to assess control risk. We intend to test controls for purposes of reliance. Our review procedures will evaluate controls over:

- Security Management
- Logical and Physical Access
- Configuration Management
- Segregation of Duties
- Contingency Planning

In addition, we will review controls over:

- Input, processing, output, master data
- Application interface
- Data management system interface

Our Information Technology Specialists Group will evaluate the IT operating control environment.

8. Analytical Procedures:

We use analytical procedures in several aspects of our audit. Extensive knowledge and industry background are required for effective analytics, and our staff possesses the appropriate experience and knowledge for the Town to benefit from these procedures.

9. Approach to be Taken in Determining Laws and Regulations Subject to Audit Test Work:

We continuously refer to specific regulations, compliance supplements, state guidelines and contracts currently in force. We perform the procedures required related to laws and regulations, using inquiries, observations and sampling techniques. Some of the laws and regulations that we believe may be applicable to the Town are the requirements of the California Public Utilities Commission, Single Audit Act and other applicable laws and regulations, including the California Government Code, provisions of applicable Grant guidelines, California Constitution GANN Limit requirements, requirements of local measures, Child Care Program compliance requirements, etc.



10. Report Format:

We will meet with Town Management to review report formats. Any report format changes will be made in conjunction with approval from the Town's management.

11. Work Plans:

The detailed work plans will be designed to efficiently and effectively address the audit requirements of the Town in accordance with generally accepted auditing standards, to perform the audit of the Town's financial records in a timely manner with minimal disruptions to office operations, and to meet the Town's timeline.

12. Adjusting Journal Entries:

We will discuss and explain proposed audit adjusting entries with the Town's designated Finance Department personnel prior to recording. Audit adjusting entries will be provided in a format showing the lowest level of posting detail needed for data entry on the Town's general ledger system.

13. Listing of Schedules and Tables (anticipated to be prepared by the Town):

Based on preliminary inquiries made with management and Town staff and review of documents, we will tailor a list of schedules, tables, and other reconciliations required for the audit. We will take into account as much as possible reconciliations already prepared by the Town for day to day operations and reporting, as well as any reports that are system generated to limit the need for additional Town staff hours.

The following is a listing of significant reconciliations that we would normally expect the Town to provide to us in assisting us in conducting our fieldwork.

- Trial Balance
- CAFR and Account Roll Up Schedule
- Budget to Actual Reports
- Bank Reconciliations
- Listing of manually prepared journal entries posted
- Summary of Investments held by the Town
- Capital Asset Schedules
- Long Term Debt Schedules
- Debt amortization schedules & Calculations of deferred amounts
- Calculations of any debt covenants amounts or percentages
- Schedule of Operating Leases
- Schedule of Expenditures of Federal Awards
- Analysis of Deferred Inflows of Resources and Deferred Outflows of Resources
- Reconciliation of Receivables to subsidiary ledgers
- Calculations for estimate of allowance for uncollectible accounts
- Loans Receivable Schedules
- Reconciliation of Significant Revenue Accounts
- Utility billing Registers and Fee schedules
- Compensated Absences and Early Retirement Obligation Schedules and Copies of Related Policies
- Claims Payable schedules
- Pension and OPEB Roll Forward & Supporting Schedules
- GASB 54 Fund Balance Roll Forward Schedule
- Interfund Transaction Schedules



14. Computer Software:

The firm maintains a variety of software packages in the audit and financial statement compilation process, which include MS Office (Word, Excel, etc.), Prosystem fx Engagement, PPC Checkpoint and Checkpoint Tools, and Single Audit SMART Tool. Our I.T. Specialist also has the ability to run reports using IDEA (data analysis software).

Our audit software enables us to link our audit trial balance to the financial statements, for efficient financial statement compilation. It also allows us to create various analytical reports easily (e.g. year to year comparisons, budget to actual comparisons, trend analysis, ratio analysis, etc.).

Our research tools are always kept up to date to ensure compliance with accounting and auditing standards, and are also a resource for us to provide guidance to our clients.

We also use Prosystem electronic portal, which allows our clients to easily upload requested audit schedules and testing selections. The portal is very helpful in the audit process as it reduces duplicated audit requests, and allows our engagement team to review uploaded schedules prior to beginning audit fieldwork.



Audit Schedule

2017 Period	Audit Tasks
	Award of Contract
	Interim Audit Procedures:
June	<p data-bbox="591 568 870 589">- Planning and Administration</p> <ul style="list-style-type: none"> ▸ Review and obtain copies of key work papers of prior audit firm. ▸ Entrance conference with Town Management to discuss audit approach, timing, assistance, and issues ▸ Review and evaluate the Town's accounting and financial reporting. Prepare an overall memo of recommendations, potential issues, and suggestions for improvements. ▸ Prepare overall memo to Town confirming audit procedures, timing, and assistance. ✓ ▸ Prepare detailed audit work plan and audit programs, audit budget and staffing schedule, and list of schedules to be prepared by Town staff, and provide it to Town Management.
June	<p data-bbox="591 987 850 1008">- Internal Control Evaluation</p> <ul style="list-style-type: none"> ▸ Meeting with key Finance Division personnel. ▸ Obtain and document understanding of key internal control systems through walk-throughs, interviews of staff, and review of supporting documentation: <ul style="list-style-type: none"> General ledger system. Budgeting system. Revenue, utility billing, accounts receivable, and cash collections. Purchasing, expenditures, accounts payable, and cash disbursements. Payroll. Federal Financial Assistance. Other systems. ▸ Identify control risks. ▸ Evaluate IT control environment. ✓ ▸ Perform testing of the internal control system and evaluate the effectiveness of the Town's systems. Select large dollar and random samples of transactions in key operating systems. Sample size to meet required level for determined degree of risk. Review supporting documentation of selected transactions, evaluate adequacy of support and approvals, and conclude on degree of adherence to accuracy and compliance with Town policies. ▸ Conduct fraud assessment procedures. ✓ ▸ Assess degree of risk for material misstatement. ✓ ▸ Provide to the Town's management a memo concerning management letter points and identify issues, if any. ✓



2017 Period	Audit Tasks
June	<p data-bbox="553 410 674 431">- Other Tasks</p> <ul style="list-style-type: none"> ▸ Review minutes of Town Council meetings and other key committees. ▸ Preliminary testing, verify and validate account balances by reviewing supporting documentation including invoices, vouchers, council resolutions, minutes, and other documents, as required. ▸ Preliminary Single Audit and other compliance testing ▸ Coordinate with Town staff and prepare of all appropriate confirmation requests including: <ul style="list-style-type: none"> Bank accounts. Investment pool accounts. Accounts receivable. Federal grants. Revenue from governmental agencies. Bond and other debts. Pension plan. Attorney letters. Others, as required. ▸ Provide Town with audit plan and list of year end audit schedules. ▸ Hold progress conference with Town Management. ▸ Hold exit conference with Town Management.
September - October	<p data-bbox="553 1038 712 1059">- Final Field work</p> <ul style="list-style-type: none"> ▸ Entrance conference with Town Management. ▸ Follow-up on all outstanding confirmations. ▸ Verify and validate account balances by reviewing supporting documentation including invoices, vouchers, council resolutions, minutes, and other documents, as required. ▸ Perform analytical review of revenue and expenditures. Determine reason for material differences between budget and actual. ▸ Perform a search for unrecorded liabilities by reviewing disbursements subsequent to June 30, testing terms of contractual obligations, and interviewing Town staff. ▸ Perform review of subsequent events by discussions with Town Management and update all minutes of Town Council and key committees.
September - October	<p data-bbox="553 1453 786 1474">- Single Audit Compliance</p> <ul style="list-style-type: none"> ▸ Entrance conference with Town Management. ▸ Obtain Federal Financial Assistance Schedule. ▸ Determine grants to be considered as major programs including clusters. ▸ Perform audit tests of major grant programs and compliance with Federal Law and Regulations. ▸ Review grant documents, select sufficient number of transactions to test for compliance of Federal Requirements. ▸ Coordinate Single Audit efforts with the Financial Audit efforts. ▸ Communicate findings to Town Management. ▸ Other Compliance

Audit Schedule, Continued

2017 Period	Audit Tasks
October - November	<p>- Audit Reports</p> <ul style="list-style-type: none">* Prepare draft of the Town's financial statements* Prepare draft of Single Audit Reports concerning internal control structure, compliance with laws and regulations, and administering of federal financial assistance programs. (if required)* Prepare other reports as required.* Provide drafts of reports to Town Management for review.* Provide revised final drafts of all required reports to the Town for approval
December	<p>- Final Audit Reports, Financial Statements, Single Audit, and Other Reports delivered</p>

**Discussion of
Relevant
Accounting
Issues****Identification of Anticipated Potential Audit Problems**

We do not anticipate that there will be any audit problems at the Town. However, the following are some areas that we will carefully investigate and monitor during our audit procedures:

- Financial Reporting:
 - Review and evaluate that the Town's Annual Financial Reports are in compliance with current reporting and disclosures requirements issued by the GASB and GFOA.
 - Review Annual Financial Reports for financial reporting conformance awards issued by CSMFO and GFOA.
 - Review and evaluate degree of compliance with the various GASBs in effect.
 - Review degree of compliance with infrastructure obligations and regulatory provisions.
- Internal Control Structure:
 - Review and evaluate the Town's internal control functions and ascertain compliance with proper internal control philosophies.
 - Review computer system processes and controls and evaluate adequacy of the control environment.

Several new GASB pronouncements will become effective over the time period of this proposal. As such, specific attention will be provided to determine the proper implementation of these new pronouncements. A list of known new pronouncements with implementation dates that fall within this proposal period are as follows:

2017

- Statement 74 – Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans
- Statement 77 – Tax Abatement Disclosures
- Statement 78 – Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans
- Statement 80 – Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14
- Statement 82 – Pension Issues, an amendment of GASB Statements No. 67, No. 68, and No. 73

2018

- Statement 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pension
- Statement 81 – Irrevocable Split-Interest Agreements
- Statement 85 – Omnibus 2017

2019

- Statement 83 – Certain Asset Retirement Obligations

2020

- Statement 84 – Fiduciary Activities

Conclusion

A client relationship with the Town will be of great value to our Firm and we welcome the opportunity to develop a long-term relationship with the Town. We are committed to:

- Rendering the highest standard of service.
- Developing a long-term working relationship dedicated to meeting the needs of the Town.
- Assisting the Town in operational issues.
- Producing a quality end-product.

We have the technical qualifications and experience to provide the level of service desired and expected by the Town and stand ready to provide our knowledge and experience for the benefit of your organization.

We would like to express our appreciation to the Town and to its Staff for allowing us the opportunity to submit a proposal to perform professional auditing services. We are available, at your convenience, to discuss any aspects of our proposal.

Thank you for allowing us to present our Firm to you.



Appendix A

References

- 1) City of Berkeley
 - Scope of Work: Comprehensive Annual Financial Report, Gann Limit, SAS114, Measure B (Alameda County), Vehicle Registration Fee Audit (Alameda County), Due Diligence Reviews for the RDA Successor Agency
 - Contract Amount: \$188,000
 - Engagement Partner: Ahmed Badawi
 - Principal Contact:
Mr. Henry Oyekanmi
Finance Director
(510)981-7300
hoyekanmi@ci.berkeley.ca.us
- 2) City of Newark
 - Scope of Work: Comprehensive Annual Financial Report, Single Audit, Gann Limit, SAS114, Utility Users Tax, Vehicle Registration Fee Audit (Alameda County), Measure B (Alameda County), Transportation Development Act, Newark Betterment Corporation Audit, Newark Betterment Corporation 990 Tax Return, Due Diligence Reviews for the RDA Successor Agency
 - Contract Amount: \$55,000
 - Engagement Partner: Ahmed Badawi
 - Address: 37101 Newark Blvd, Newark, CA 94560
 - Principal Contact:
Mrs. Susie Woodstock
Director of Administrative Services
Phone: (510)578-4804
Fax: (510)578-4358
susie.woodstock@newark.org
- 3) City of San Mateo
 - Scope of Work: Comprehensive Annual Financial Report, Gann Limit, SAS114, Measure A (San Mateo County), Due Diligence Reviews for the RDA Successor Agency
 - Contract Amount: \$60,000
 - Engagement Partner: Ahmed Badawi
 - Address: 330 W 20th Avenue, San Mateo, CA 94403
 - Principal Contact:
Mr. Drew Corbett
Director of Finance
Phone: (650)522-7102
- 4) City of East Palo Alto
 - Scope of Work: Comprehensive Annual Financial Report, Single Audit, Gann Limit, SAS114, Measure C, Measure A Report (San Mateo County),
 - Contract Amount: \$60,000
 - Engagement Partner: Ahmed Badawi
 - Address: 2415 University Avenue, East Palo Alto, CA 94303
 - Principal Contact:
Mrs. Brenda Olwin
Finance Director
Phone: (650) 853-3122
bolwin@cityofepa.org



- 5) City of Buena Park
- Scope of Work: Comprehensive Annual Financial Report, Single Audit, Gann Limit, SAS 114, Buena Park Foundation
 - Contract Amount: \$30,735
 - Engagement Partner: Ahmed Badawi
 - Address: 6650 Beach Boulevard, 1st Floor, Buena Park, CA 90622
 - Principal Contact:
Mr. Sung Hyun
Finance Director
Phone: (714)562-3713
shyun@buenapark.com
- 6) City of Calimesa
- Scope of Work: Basic Financial Statements, Gann Limit, SAS 114
 - Contract Amount: \$25,462
 - Engagement Partner: Ahmed Badawi
 - Address: 908 Park Avenue, Calimesa, CA 92320
 - Principal Contact:
Ms. Bonnie Johnson
City Manager
Phone: (909)795.9801
bjohnson@cityofcalimesa.net
- 7) City of Barstow
- Scope of Work: Comprehensive Annual Financial Report, Single Audit, Gann Limit, SAS 114, Barstow Fire Protection District, Odessa Water District
 - Contract Amount: \$71,152
 - Engagement Partner: Ahmed Badawi
 - Address: 220 E. Mountain View Street, Ste. A, Barstow, CA 92311
 - Principal Contact:
Mrs. Cindy Prothro
Finance Director
Phone: (760)255-5115
cprothro@barstowca.org



Appendix B

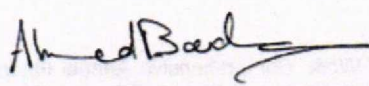
PROPOSER WARRANTIES

The proposer warrants that it can and will provide and make available, at a minimum, all of the services and deliverables set forth in this RFP.

The proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts or omissions of any officers, employees, or agents in conjunction with the services to be provided. Coverage limits shall be \$2,000,000 or more per occurrence, without reduction for claims paid during the policy period. The carrier should be duly insured and authorized to issue similar insurance policies for this nature in the State of California.

The proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Town.

The proposer warrants that all information provided by it in connection with this proposal is true and accurate.


Signature: _____

Printed Name: Ahmed Badawi

Title: President

Firm: Badawi & Associates

Date: March 31, 2017



Town of Los Gatos

SEALED DOLLAR COST BID

For Professional Auditing Services for the Town of Los Gatos

*For the fiscal years ending June 30, 2017 to 2019 with the
option to extend for two subsequent one-year terms.*

March 31, 2017

Contact Person:

Ahmed Badawi, CPA
Badawi & Associates
Certified Public Accountants
180 Grand Avenue, Suite 1500
Oakland, CA 94612
Phone: (510) 768-8244
Fax: (510) 768-8249
E-mail: abadawi@b-acpa.com



Los Angeles County

[REDACTED]

For information, the undersigned is a
member of the County Board of Supervisors
and is hereby certifying that the above
information is true and correct.

Very truly yours,

[Signature]

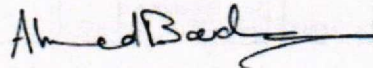
My commission expires on [Date]
I am a member of the County Board of Supervisors
and am hereby certifying that the above
information is true and correct.
[Signature]
[Title]
[Address]

Name of Firm and Certification

The undersigned declares that he or she has carefully examined the Request for Proposal document and is thoroughly familiar with its contents and is authorized to represent the proposing firm; and hereby agrees to perform the specified work for the cost quoted below in full.

Firm Name: Badawi & Associates
 Firm Address: 180 Grand Avenue, Suite 1500
Oakland, CA 94612
 Contact Name: Ahmed Badawi
 Contact Title: President
 Contact Phone: (510) 768-8244
 Contact E-mail: abadawi@b-acpa.com

Signature of Authorized Representative:



Signature: _____
 Print Name: Ahmed Badawi
 Title: President
 Date: March 31, 2017

Schedule of All-Inclusive Maximum Price by Report

All-Inclusive Maximum Price by Report	June 30, 2017	June 30, 2018	June 30, 2019	Optional Years	
				June 30, 2020	June 30, 2021
Town Audit*	\$ 24,040	\$ 25,590	\$ 26,115	\$ 26,115	\$ 26,115
Single Audit	2,420	2,730	2,940	2,940	2,940
CAFR Preparation	2,690	1,640	1,745	1,745	1,745
Gann limit	395	440	475	475	475
Management Letter	325	360	390	390	390
Total Requested Services	29,870	30,760	31,665	31,665	31,665
Optional Services:					
State Controllers Report	2,145	2,415	2,600	2,600	2,600
Audit of Pension Trust Fund*	-	-	-	-	-
Total All Services	\$ 32,015	\$ 33,175	\$ 34,265	\$ 34,265	\$ 34,265

*Audit of the Pension Trust Fund (if created by the Town) will be included as part of our audit of the Town's financial statements.



BADAWI & ASSOCIATES
 CERTIFIED PUBLIC ACCOUNTANTS

Schedule of Professional Fees and Expenses by Deliverable for FY2017 to FY2019**Town Audit (FY2017)**

	Hours	Quoted Hourly Rate	Quoted Total
Partners	28	\$ 135	\$ 3,780
Managers	61	105	6,405
Supervisory staff	85	85	7,225
Staff	91	70	6,370
I.T. Specialist	2	100	200
Clerical	1	60	60
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 24,040

Town Audit (FY2018)

	Hours	Quoted Hourly Rate	Quoted Total
Partners	27	\$ 155	\$ 4,185
Managers	58	110	6,380
Supervisory staff	83	95	7,885
Staff	86	80	6,880
I.T. Specialist	2	100	200
Clerical	1	60	60
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 25,590

Town Audit (FY2019)

	Hours	Quoted Hourly Rate	Quoted Total
Partners	25	\$ 170	\$ 4,250
Managers	54	115	6,210
Supervisory staff	77	105	8,085
Staff	86	85	7,310
I.T. Specialist	2	100	200
Clerical	1	60	60
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 26,115

Single Audit (FY2017)

	Hours	Quoted Hourly Rate	Quoted Total
Partners	2	\$ 135	\$ 270
Managers	2	105	210
Supervisory staff	8	85	680
Staff	18	70	1,260
I.T. Specialist	-	100	-
Clerical	-	60	-
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 2,420

Single Audit (FY2018)

	Hours	Quoted Hourly Rate	Quoted Total
Partners	2	\$ 155	\$ 310
Managers	2	110	220
Supervisory staff	8	95	760
Staff	18	80	1,440
I.T. Specialist	-	100	-
Clerical	-	60	-
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 2,730

Single Audit (FY2019)

	Hours	Quoted Hourly Rate	Quoted Total
Partners	2	\$ 170	\$ 340
Managers	2	115	230
Supervisory staff	8	105	840
Staff	18	85	1,530
I.T. Specialist	-	100	-
Clerical	-	60	-
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 2,940

Schedule of Professional Fees and Expenses by Deliverable for FY2017 to FY2019 (Continued)**CAFR (FY2017)**

	Hours	Quoted Hourly Rate	Quoted Total
Partners	2	\$ 135	\$ 270
Managers	3	105	315
Supervisory staff	7	85	595
Staff	19	70	1,330
I.T. Specialist	-	100	-
Clerical	3	60	180
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 2,690

CAFR (FY2018)*

	Hours	Quoted Hourly Rate	Quoted Total
Partners	1	\$ 155	\$ 155
Managers	2	110	220
Supervisory staff	3	95	285
Staff	10	80	800
I.T. Specialist	-	100	-
Clerical	3	60	180
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 1,640

CAFR (FY2019)*

	Hours	Quoted Hourly Rate	Quoted Total
Partners	1	\$ 170	\$ 170
Managers	2	115	230
Supervisory staff	3	105	315
Staff	10	85	850
I.T. Specialist	-	100	-
Clerical	3	60	180
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 1,745

*CAFR preparation estimated hours for 2018 and 2019 are assuming this service was provided in FY2017

Gann Limit (FY2017)

	Hours	Quoted Hourly Rate	Quoted Total
Partners	1	\$ 135	\$ 135
Managers	1	105	105
Supervisory staff	1	85	85
Staff	1	70	70
I.T. Specialist	-	100	-
Clerical	-	60	-
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 395

Gann Limit (FY2018)

	Hours	Quoted Hourly Rate	Quoted Total
Partners	1	\$ 155	\$ 155
Managers	1	110	110
Supervisory staff	1	95	95
Staff	1	80	80
I.T. Specialist	-	100	-
Clerical	-	60	-
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 440

Gann Limit (FY2019)

	Hours	Quoted Hourly Rate	Quoted Total
Partners	1	\$ 170	\$ 170
Managers	1	115	115
Supervisory staff	1	105	105
Staff	1	85	85
I.T. Specialist	-	100	-
Clerical	-	60	-
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 475

Schedule of Professional Fees and Expenses by Deliverable for FY2017 to FY2019**Management Letter (FY2017)**

	Hours	Quoted Hourly Rate	Quoted Total
Partners	1	\$ 135	\$ 135
Managers	1	105	105
Supervisory staff	1	85	85
Staff	-	70	-
I.T. Specialist	-	100	-
Clerical	-	60	-
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 325

Management Letter (FY2018)

	Hours	Quoted Hourly Rate	Quoted Total
Partners	1	\$ 155	\$ 155
Managers	1	110	110
Supervisory staff	1	95	95
Staff	-	80	-
I.T. Specialist	-	100	-
Clerical	-	60	-
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 360

Management Letter (FY2019)

	Hours	Quoted Hourly Rate	Quoted Total
Partners	1	\$ 170	\$ 170
Managers	1	115	115
Supervisory staff	1	105	105
Staff	-	85	-
I.T. Specialist	-	100	-
Clerical	-	60	-
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 390

State Controllers Report (FY2017)

	Hours	Quoted Hourly Rate	Quoted Total
Partners	1	\$ 135	\$ 135
Managers	2	105	210
Supervisory staff	8	85	680
Staff	16	70	1,120
I.T. Specialist	-	100	-
Clerical	-	60	-
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 2,145

State Controllers Report (FY2018)

	Hours	Quoted Hourly Rate	Quoted Total
Partners	1	\$ 155	\$ 155
Managers	2	110	220
Supervisory staff	8	95	760
Staff	16	80	1,280
I.T. Specialist	-	100	-
Clerical	-	60	-
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 2,415

State Controllers Report (FY2019)

	Hours	Quoted Hourly Rate	Quoted Total
Partners	1	\$ 170	\$ 170
Managers	2	115	230
Supervisory staff	8	105	840
Staff	16	85	1,360
I.T. Specialist	-	100	-
Clerical	-	60	-
Out-of-pocket expenses:			
Meals & lodging			-
Transportation			-
Other (specify):			-
Total all-inclusive maximum			\$ 2,600



Manner of Payment:**Billing Sequence:**

We will submit our bill for services on a progress basis:

- Interim fieldwork (Progress Billing 1)
- Year-end fieldwork (Progress Billing 2)
- Report issuance (Final Billing)

Rates for Additional Professional Services:

Any services outside the scope of our engagement will be promptly identified before the services are rendered. Upon mutual agreement, the out-of-scope services will be separately billed at our standard hourly rates. While it can be difficult to simply state hourly rates, as often times the needs of the client and the specific tasks directly impact the billing rates for our services, we want to provide the following information regarding our published billing rates:

Position	Hourly Rate
Partner	\$ 200
EQR	200
Manager	150
Senior	125
Staff	100
IT	150
Admin.	75

Our Standard Hourly Rates are adjusted annually by 3% for Cost of Living and Inflation Adjustments



A client relationship with the Town will be of great value to our Firm and we welcome the opportunity to develop a long-term relationship with the Town. We are committed to:

- Rendering the highest standard of service.
- Developing a long-term working relationship dedicated to meeting the needs of the Town.
- Assisting the Town in operational issues.
- Producing a quality end-product.

We have the technical qualifications and experience to provide the level of service desired and expected by the Town and stand ready to provide our knowledge and experience for the benefit of your organization.

We would like to express our appreciation to the Town and to its Staff for allowing us the opportunity to submit a proposal to perform professional auditing services. We are available, at your convenience, to discuss any aspects of our proposal.

Thank you for allowing us to present our Firm to you.



FIRST AMENDMENT TO AGREEMENT

This FIRST AMENDMENT TO AGREEMENT is dated for identification this 6th day of March, 2020 and amends that certain agreement for audit services dated May 24, 2017, made by and between the Town of Los Gatos, ("Town,") and Badawi & Associates. ("Consultant")

RECITALS

- A. Town and Consultant entered into an auditing services Agreement on May 24, 2017, ("Agreement"), a copy of which is attached hereto and incorporated by reference as Exhibit A to this Amendment.

AMENDMENT

1. Section 2.2 – Term and Time of Performance is hereby amended to state this contract will remain in effect from June 1, 2017 to June 30, 2022.
2. Section 2.6 – Compensation is hereby amended to add professional services for fiscal year ending June 30, 2021 which shall not exceed \$34,265; for fiscal year ending June 30, 2022 which shall not exceed \$34,265.
2. All other terms and conditions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, the Town and Consultant have executed this Amendment.

Town of Los Gatos

Approved as to Consent:

By: _____
Laurel Prevetti, Town Manager

By: _____
Ahmed Badawi, CPA

Department Approval:

Stephen Conway
Finance Director

Approved as to Form:

Attest:

Robert Schultz, Town Attorney

Shelley Neis, MMC, Town Clerk



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/17/2020

ITEM NO: 6

DATE: March 12, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Adopt a Resolution Ratifying the Director of Emergency Services' Proclamation on March 12, 2020 of the Existence of a Local Emergency Resulting from Community Spread of the Coronavirus, also Known as COVID-19 in the County of Santa Clara.

RECOMMENDATION:

Adopt a resolution ratifying the Director of Emergency Services' proclamation on March 12, 2020 of the existence of a local emergency resulting from community spread of the coronavirus, also known as COVID-19 in the County of Santa Clara.

DISCUSSION:

Municipal Code Section No. 8.10.035, Article A-1 of the Los Gatos Municipal Code empowers the Director of Emergency Services (Town Manager), or in the Director's absence the Acting Director to proclaim the existence or threatened existence of a local emergency when the Town of Los Gatos is affected or likely to be affected by a public calamity and the Town Council is not in session. Based on the County Department of Public Health's increased infection case reports and expanded guidance and recommendations to deter community spread, the Town determined that a large part of its workforce and resident population are at risk of contracting COVID-19. Due to the risk of prolonged impacts a COVID-19 outbreak could have on employees, residents, businesses, and operations, the Director of Emergency Services issued a Proclamation of Local Emergency on March 12, 2020.

The Town Council is required to take action to ratify the proclamation within seven (7) days thereafter or the proclamation shall have no further force or effect. Ratification of the Director of Emergency Services' proclamation of a local emergency allows the Town to:

PREPARED BY: Arn Andrews
Assistant Town Manager

Reviewed by: Town Manager, Town Attorney, and Disaster Council

DISCUSSION (Continued):

1. Make and issue rules and regulations on matters reasonably related to the protection of life and property as affected by such emergency; provided, however, such rules and regulations must be confirmed at the earliest practicable time by the Town Council;
2. Obtain vital supplies, equipment and such other properties found lacking and needed for the protection of life and property and to bind the Town for the fair value thereof and, if required immediately, to commandeer the same for public use;
3. Require emergency services of any Town officer or employee and, in the event of the proclamation of a state of emergency in the County in which this Town is located or the existence of a state of war emergency, to command the aid of as many citizens of this community as the Director deems necessary in the execution of the Director's duties; such persons shall be entitled to all privileges, benefits, and immunities as are provided by State law for registered disaster service workers;
4. Requisition necessary personnel or material of any Town department or agency; and
5. Execute all of the Director's ordinary powers as Town Manager, all of the special powers conferred upon the Director by this chapter or by resolution or emergency plan pursuant hereto adopted by the Town Council, and all powers conferred upon the Director by any statute, by an agreement approved by the Town Council, and by any other lawful authority.

Termination of the proclamation of local emergency when conditions warrant is required by law.

CONCLUSION:

Pursuant to the Town of Los Gatos Municipal Code and the California Government Code, these actions must be ratified by the Town Council within seven days or the proclamation shall have no further force or effect. Ratification of the Proclamation of Local Emergency is required by law and allows the Town to exercise emergency powers as necessary.

COORDINATION:

This item was coordinated with the Disaster Council and Town Attorney

FISCAL IMPACT:

No impact

PAGE 3 OF 3

SUBJECT: Proclamation of Local Emergency

DATE: March 12, 2020

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachment:

1. Resolution

RESOLUTION 2020-

RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS RATIFYING AND CONTINUING THE PROCLAMATION OF EXISTENCE OF LOCAL EMERGENCY ISSUED BY THE DIRECTOR OF EMERGENCY SERVICES.

WHEREAS, Municipal Code Section No. 8.10.035, Article A-1 of the Los Gatos Municipal Code empowers the Director of Emergency Services, or in the Director's absence the Acting Director, to proclaim the existence or threatened existence of a local emergency when the Town of Los Gatos is affected or likely to be affected by a public calamity and the Town Council is not in session, and

WHEREAS, pursuant to California Government Code Section 8680.9, a local emergency is a condition of extreme peril to persons or property proclaimed as such by the governing body of the local agency affected by a natural or manmade disaster; and

WHEREAS, the purpose of a local emergency proclamation is to provide extraordinary powers to issue rules and regulations on matters reasonably related to the protection of life and property as affected by such emergency, obtain vital supplies, and require emergency services of employees; and

WHEREAS, a local emergency proclamation is a prerequisite for requesting state or federal assistance; and

WHEREAS, conditions of extreme peril to safety of persons and property have arisen within the Town, based on the following:

1. A novel coronavirus (named "COVID-19") was first detected in Wuhan City, Hubei Province, China in December 2019. The Centers for Disease Control and Prevention (CDC) determined the virus to be a very serious public health threat.
2. On January 30, 2020, the World Health Organization declared the Covid-19 outbreak a Public Health Emergency of International Concern.
3. On January 30, 2020, the United States Secretary of Health and Human Services declared a Public Health Emergency.
4. On January 31, 2020, the first case of COVID-19 was confirmed in Santa Clara County ("County").
5. On February 10, 2020, the County declared a local health emergency and proclaimed a local emergency.
6. On March 11, 2020, the County had 48 cases of COVID-19 with increased community spread.

ATTACHMENT 1

7. On March 11, 2020, the World Health Organization declared COVID-19 an International Pandemic.

WHEREAS, the Town Council does hereby find that the above described conditions of extreme peril did warrant and necessitate the proclamation of the existence of a local emergency in the Town; and

WHEREAS, California Government Code, Title 2, Division 1, Chapter 7.5 - California Disaster Assistance Act (CDAA) allows that with the Proclamation of a Local Emergency the Town may seek financial assistance and may request reimbursement of expenses incurred during any response, if approved by the Director of the California Office of Emergency Services or Concurrence or Governor's Proclamation; and

WHEREAS, on March 12, 2020, the Director of Emergency Services issued a proclamation declaring the existence of a local emergency within the Town; and

WHEREAS, the associated emergency conditions are on-going and the emergency should not be terminated at this time;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LOS GATOS THAT:

1. The Proclamation of Existence of a Local Emergency (Exhibit A), as issued by the Director of Emergency Services on March 12, 2020, is hereby ratified and confirmed.
2. The Town Council has reviewed the need for continuing the declaration of local emergency and finds based on substantial threat of continued community spread that the public interest and necessity require the continuance of the proclamation of local emergency related to COVID-19.
3. Said local emergency shall be deemed to continue to exist until terminated by the Town Council of the Town of Los Gatos.
4. The Director of the Office of Emergency Services is hereby directed to report to the Town Council within sixty (60) days on the need for further continuing the local emergency.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 17th day of March 2020, by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

Proclamation by the Director of Emergency Services of a Local Emergency

WHEREAS, Municipal Code Section No. 8.10.035, Article A-1 of the Los Gatos Municipal Code empowers the Director of Emergency Services, or in the Director's absence the Acting Director to proclaim the existence or threatened existence of a local emergency when the Town of Los Gatos is affected or likely to be affected by a public calamity and the Town Council is not in session, and;

WHEREAS, the Director of Emergency Services of the Town of Los Gatos hereby finds:

1. A novel coronavirus (named "COVID-19") was first detected in Wuhan City, Hubei Province, China in December 2019. The Centers for Disease Control and Prevention (CDC) determined the virus to be a very serious public health threat.
2. On January 30, 2020, the World Health Organization declared the Covid-19 outbreak a Public Health Emergency of International Concern.
3. On January 30, 2020, the United States Secretary of Health and Human Services declared a Public health Emergency.
4. On January 31, 2020, the first case of Covid-19 was confirmed in Santa Clara County ("County").
5. On February 10, 2020, the County declared a local health emergency and proclaimed a local emergency.
6. On March 11, 2020, the County had 48 cases of Covid-19 with increased community spread.
7. On March 11, 2020, the World Health Organization declared Covid-19 an international Pandemic.

WHEREAS, the above facts give rise to conditions of extreme peril to the safety and health of persons within the Town of Los Gatos.

WHEREAS, these conditions are or are likely to be beyond the control of the services, personnel, equipment, and facilities of the Town of Los Gatos, and;

WHEREAS, the efforts required to prepare for, respond to, mitigate, and recover from the increasing spread of Covid-19 have and will likely impose extraordinary requirements and expenses on the Town, requiring diversion of resources from day-to-day operations; and

WHEREAS, the Town Council of the Town of Los Gatos is not in session and cannot immediately be called into session:

IT IS FURTHER PROCLAIMED AND ORDERED that during the existence of said local emergency the powers, functions, and duties of the emergency organization of the Town of Los Gatos shall be those prescribed by state law, by ordinances, and resolutions of this Town, and; That this emergency proclamation shall expire in 7 days after issuance unless confirmed and ratified by the Town Council of the Town of Los Gatos.

Dated: 12 March 2020

By: *L. Prevetti*

Print Name Laurel Prevetti

Town Manager/Director of
Address 110 E. Main Street Emergency
Los Gatos CA 95030 Services



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/17/2020

ITEM NO: 7

DATE: March 11, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Introduce an Ordinance, by Title Only, Effecting Amendments to Chapter 29 (Zoning Regulations) of the Town Code Regarding Family Daycare Home Regulations. Town Code Amendment Application A-20-002. Applicant: Town of Los Gatos.

RECOMMENDATION:

Introduce an Ordinance (Attachment 4), by title only, effecting amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding family daycare home regulations.

BACKGROUND:

In September of 2019, Governor Newsom signed Senate Bill 234 (Attachment 1, Exhibit 3), amending sections 1596.72 – 1597.543 of the Health and Safety Code regarding large family daycare homes.

On February 26, 2020, the Planning Commission considered and forwarded a recommendation to the Town Council for approval of the proposed amendments to Chapter 29 of the Town Code to align with new State law regarding family daycare homes. The new State law requires small and large family daycare homes to be allowed by right in all districts where residential uses are allowed. The new law also increases the number of participants in small and large family daycare homes (Attachment 1, Exhibit 1).

PREPARED BY: Diego Mora
Assistant Planner

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Community Development Director, and Finance Director

DISCUSSION:

Planning Commission

On February 26, 2020, the Planning Commission reviewed the proposed Town Code amendments (Attachment 4). Details of the proposed Town Code amendments may be found in the staff report for the Planning Commission as Attachment 1, Exhibit 1. No public comment was received at the Planning Commission public hearing.

Attachment 2 contains the verbatim minutes for the Planning Commission meeting. The Planning Commission recommended approval of the draft Ordinance language with no changes.

PUBLIC OUTREACH:

Public input has been requested through the following media and social media resources:

- An eighth-page public notice in the newspaper;
- A poster at the Planning counter at Town Hall;
- The Town's website home page, What's New;
- The Town's Facebook page;
- The Town's Twitter account;
- The Town's Instagram account; and
- The Town's NextDoor page.

PUBLIC COMMENTS:

At the time of this report's preparation, the Town has not received any public comment.

CONCLUSION:

Staff recommends that the Town Council:

1. Make the finding that the project is Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15061(b)(3) (Attachment 3);
2. Make the finding as required that the amendments to the Town Code (Zoning Regulations) are consistent with the General Plan (Attachment 3); and
3. Introduce the Ordinance of the Town of Los Gatos effecting the amendments of the Town Code regarding family daycare home regulations A-20-002 (Attachment 4), by title

CONCLUSION (continued):

only, with any specific changes identified and agreed upon by the majority of the Town Council.

ALTERNATIVES:

Alternatively, the Council may:

1. Continue this item to a date certain with specific direction to staff;
2. Refer the item back to the Planning Commission with specific direction; or
3. Take no action, leaving the Town Code unchanged.

ENVIRONMENTAL ASSESSMENT:

The project is Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15061(b)(3), in that it can be seen with certainty that there is no possibility that this project will have a significant effect on the environment.

Attachments:

1. February 26, 2020 Planning Commission Staff Report with Exhibits 1-4
2. February 26, 2020 Planning Commission Verbatim Minutes
3. Required Findings
4. Draft Ordinance



**TOWN OF LOS GATOS
PLANNING COMMISSION
REPORT**

MEETING DATE: 02/26/2020

ITEM NO: 3

DATE: February 21, 2020
TO: Planning Commission
FROM: Joel Paulson, Community Development Director
SUBJECT: Forward a recommendation to the Town Council for approval of the amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding family daycare home regulations, Town Wide. Town Code Amendment Application A-20-002. Applicant: Town of Los Gatos.

RECOMMENDATION:

Forward a recommendation to the Town Council for approval of the amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding family daycare home regulations.

CEQA:

The project is Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15061(b)(3), in that it can be seen with certainty that there is no possibility that this project will have a significant effect on the environment.

FINDINGS:

- The project is Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15061(b)(3); and
- The amendments to Chapter 29 of the Town Code are consistent with the General Plan.

BACKGROUND:

In September of 2019, Governor Newsom signed Senate Bill 234 (Exhibit 3), amending sections 1596.72 – 1597.543 of the Health and Safety Code regarding large family daycare homes. The new State law requires a large family daycare home to be considered a residential use by right,

PREPARED BY: Diego Mora
Assistant Planner

Reviewed by: Planning Manager and Community Development Director

BACKGROUND (continued):

where residential uses are permitted.

DISCUSSION:

A. Town Code Amendments

Section 29.10.020. – Definitions

A family daycare home, as defined by State law, is a facility that regularly provides care, protection, and supervision for 14 or fewer children, in the provider's own home, for periods of less than 24 hours per day.

Existing Town Code Section 29.10.020 defines family daycare home as:

Family day care home means a dwelling where day care is provided for children under eighteen (18) years of age who are unrelated to the licensee. A small family day care home is for six (6) or fewer children and a large family day care home is for seven (7) to twelve (12) children. Both limitations include the number of children residing in the dwelling unit.

The draft Ordinance (Exhibit 2) would modify the definition for family daycare home in Section 29.10.020 – Definitions, to be consistent with the new State law as follows:

Family ~~day care~~ daycare home means a dwelling where ~~day care~~ daycare is provided for children under eighteen (18) years of age who are unrelated to the licensee. A small family ~~day care~~ daycare home is for ~~six eight~~ (6 8) or fewer children and a large family day care home is for ~~seven nine~~ (7 9) to ~~twelve fourteen~~ (12 14) children. Both limitations include ~~the number of children residing in the dwelling unit~~ children under 10 years of age who reside at the home.

Section 29.10.09050 – Large family daycare homes.

Existing Town Code Section 29.10.09050 currently requires a non-discretionary large family daycare home permit that must be approved by the Development Review Committee prior to issuance of a business license, as previously allowed by State law. The new State law removed that provision and requires large family daycare homes to be considered a residential use by right, where residential uses are permitted. The draft Ordinance (Exhibit 2) would remove Section 29.10.09050 of the Town Code to conform to the new State law.

DISCUSSION (continued):

Sections 29.20.745(10). – Development Review Committee.

Existing Town Code currently assigns the approval of large family daycare home permits to the Development Review Committee. The new State law allows a large family daycare home to be considered a residential use by right, where residential uses are permitted. The draft Ordinance (Exhibit 2) would amend Section 29.10.745(10) of the Town Code to conform to the new State law.

Sections 29.40.160 through 29.40.835. – Permitted Uses.

Existing Town Code currently identifies a small family daycare home as a permitted use in residential zones. The new State law allows both a small and large family daycare home to be considered a residential use by right, where residential uses are permitted. The draft Ordinance (Exhibit 2) would modify the permitted uses to permit any family daycare home in all residential zones to conform to the new State law.

PUBLIC OUTREACH:

Public input has been requested through the following media and social media resources:

- An eighth-page public notice in the newspaper;
- A poster at the Planning counter at Town Hall;
- The Town's website home page, What's New;
- The Town's Facebook page;
- The Town's Twitter account;
- The Town's Instagram account; and
- The Town's NextDoor page.

PUBLIC COMMENTS:

At the time of this report's preparation, the Town has not received any public comment.

CONCLUSION:

A. Recommendation

Based on the analysis above, staff recommends that the Planning Commission review the information included in the staff report and forward a recommendation to the Town Council for approval. The Commission should also include any comments or recommended changes to the draft Ordinance in taking the following actions:

PAGE 4 OF 4

SUBJECT: Family Daycare Home Regulations /A-20-002

DATE: February 21, 2020

CONCLUSION (continued):

1. Make the finding that the project is Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15061(b)(3) (Exhibit 1);
2. Make the required finding that the amendments to the Town Code (Zoning Regulations) are consistent with the General Plan (Exhibit 1); and
3. Forward a recommendation to the Town Council for approval of the proposed amendments to Chapter 29 of the Town Code (Exhibit 2).

B. Alternatives

Alternatively, the Commission can:

1. Forward a recommendation to the Town Council for approval of the draft Ordinance with modifications; or
2. Forward a recommendation to the Town Council for denial of the draft Ordinance; or
3. Continue the matter to a date certain with specific direction.

Exhibits:

1. Required Findings
2. Draft Ordinance
3. California Government Sections 1596.72 – 15.97.543 as amended

PLANNING COMISSION – February 26, 2020
REQUIRED FINDINGS FOR:

Town Code Amendment Application A-20-002

Consider Amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding family daycare home regulations.

FINDINGS

Required Findings for CEQA:

- The project is Exempt pursuant to the adopted Guidelines for Implementation of the California Environmental Quality Act, Section 15061(b)(3).

Required Findings for General Plan:

- The amendments to Chapter 29 of the Town Code are consistent with the General Plan.

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DRAFT ORDINANCE

**AN ORDINANCE OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
AMENDING CHAPTER 29 (ZONING REGULATIONS) OF THE TOWN CODE
REGARDING FAMILY DAYCARE HOME REGULATIONS**

WHEREAS, in 2019, Senate Bill 234 amended Government Code Sections 1596.72 through 1597.543 regarding family daycare homes; to address the current shortage of regulated childcare; and

WHEREAS, the current definition of large family daycare home within the Town Code is for seven (7) to twelve (12) children; and

WHEREAS, the new State law requires family daycare homes to allow up to fourteen (14) children; and

WHEREAS, the current regulations of family daycare homes within the Town Code would require a large family daycare home to obtain approval of a discretionary large family daycare home permit from the Development Review Committee; and

WHEREAS, the new State law requires large family daycare homes to be considered a residential use by right; and

WHEREAS, the Town Council wishes to amend the Town Code, to consider a small or large family daycare home as a residential use by right, to comply with the new State law; and

WHEREAS, this matter was regularly noticed in conformance with State and Town law and came before the Planning Commission for public hearing on February 26, 2020; and

WHEREAS, on February 26, 2020, the Planning Commission reviewed and commented on the proposed amendments regarding family daycare home regulations and forwarded a recommendation to the Town Council for approval of the proposed amendments; and

WHEREAS, this matter was regularly noticed in conformance with State and Town law and came before the Town Council for public hearing on ____ , ____; and

WHEREAS, on ____ , ____ , the Town Council reviewed and commented on the proposed amendments regarding family daycare home regulations and the Town Council voted to introduce the Ordinance.

EXHIBIT 2

**NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF LOS GATOS DOES
ORDAIN AS FOLLOWS:**

SECTION I

Chapter 29 of the Town Code is hereby amended as follows:

ARTICLE I. DIVISION 1. - MISCELLANEOUS

Sec. 29.10.020. - Definitions.

...

Family ~~day-care~~ daycare home means a dwelling where ~~day-care~~ daycare is provided for children under eighteen (18) years of age who are unrelated to the licensee. A small family ~~day-care~~ daycare home is for ~~six~~ eight (6 8) or fewer children and a large family day care home is for ~~seven~~ nine (7 9) to ~~twelve~~ fourteen (12 14) children. Both limitations include ~~the number of children residing in the dwelling unit~~ children under 10 years of age who reside at the home.

...

~~Sec. 29.10.09050. - Large family day care homes.~~

~~(a) Scope. Large family day care homes are allowed in all residential zones subject to the following regulations:~~

- ~~(1) All perimeter gates must be self-latching and the latches shall be a minimum of four (4) feet above grade.~~
- ~~(2) The rear yard must be enclosed with a minimum five-foot high fence.~~
- ~~(3) Use of the garage for day care must meet Uniform Building Code for living space.~~
- ~~(4) Two (2) off-street parking spaces must be provided, plus one (1) space for each employee.~~
- ~~(5) No double key deadbolts may be used on exterior doors.~~
- ~~(6) A minimum of two (2) exits must be provided.~~
- ~~(7) A minimum of one hundred (100) square feet of habitable space as defined by Section 409 of the Uniform Building Code shall be provided for each child.~~
- ~~(8) No child care space is permitted on the second floor unless approved by the Building Official.~~

- ~~(9) No signs may be displayed.~~
- ~~(10) A minimum lot size of six thousand (6,000) square feet is required.~~
- ~~(11) A minimum of five hundred (500) feet between large family day care homes is required.~~
- ~~(12) The day care home operator must be a resident of the home.~~
- ~~(13) The large family day care home shall not alter the single-family residential character of the premises.~~
- ~~(b) Permit. A large family day care permit must be obtained from the Development Review Committee and all conditions identified must be satisfied prior to issuance.~~
- ~~(c) Inspection. Prior to issuance of a permit, the large family day care home is subject to an on-site inspection to insure compliance with all regulations to the satisfaction of the Building Official and Planning Director.~~
- ~~(d) Notification. All property owners within one hundred (100) feet shall be notified prior to the issuance that a large family day care home permit will be issued and the notification shall include the conditions under which the permit shall operate.~~
- ~~(e) Affidavit. All property owners of the property where the large family day care home is to be located shall sign an affidavit certifying that the property shall remain in compliance with the requirements of subsection 29.10.09050(a).~~
- ~~(f) Denial. The Planning Director may not issue a large family day care home permit where he finds the day care home will not comply with the provisions of this chapter.~~
- ~~(g) Revocation. The Planning Director may revoke large family day care home permits for violations of this chapter. Before revoking a large family day care home permit, the Planning Director shall give the permittee ten (10) days' notice in writing that revocation is under consideration, shall consider whatever evidence the permittee wishes to present to contest the revocation, and shall give the permittee written notice of this decision. Both notices shall be mailed to the address given by the permittee in his application for the large family day care home permit or such other address as the permittee has provided the Planning Director.~~

...

ARTICLE II. DIVISION 3. – APPROVALS

Sec. 29.20.185. – Table of conditional uses.

...

(4) Schools

...

Table of Conditional Uses		RC	HR	R1	RD	R-M	R-1D	RMH	O	C-1	C-2	CH	LM	CM
d.	Small family day care daycare home								X	X	X	X		
e.	Large family day care home Reserved.													

...

ARTICLE II. DIVISION 7. – ASSIGNMENT OF DUTIES

Sec. 29.20.745. – Development Review Committee.

...

(10) Reserved.

...

ARTICLE IV. DIVISION 2. – RC OR RESOURCE CONSERVATION ZONE

Sec. 29.40.160. – Permitted Uses.

...

(4) ~~Small family day care home~~ Family daycare home.

...

ARTICLE IV. DIVISION 3. – HR OR HILLSIDE RESIDENTIAL ZONE

Sec. 29.40.235. – Permitted Uses.

...

(3) ~~Small family day care home~~ Family daycare home.

...

ARTICLE IV. DIVISION 4. – R-1 OR SINGLE-FAMILY RESIDENTIAL ZONE

Sec. 29.40.385. – Permitted Uses.

...

(3) ~~Small family day care home~~ Family daycare home.

...

ARTICLE IV. DIVISION 5. – R-D OR DUPLEX RESIDENTIAL ZONE

Sec. 29.40.510. – Permitted Uses.

...

(3) ~~Small family day care home~~ Family daycare home.

...

ARTICLE IV. DIVISION 6. – R-M OR MULTIPLE-FAMILY RESIDENTIAL ZONE

Sec. 29.40.610. – Permitted Uses.

...

(3) ~~Small family day care home~~ Family daycare home.

...

ARTICLE IV. DIVISION 7. – R-1D OR SINGLE-FAMILY RESIDENTIAL DOWNTOWN ZONE

Sec. 29.40.725. – Permitted Uses.

...

(3) ~~Small family day care home~~ Family daycare home.

...

ARTICLE IV. DIVISION 8. – RMH OR MOBILE HOME RESIDENTIAL ZONE

Sec. 29.40.835. – Permitted Uses.

...

(6) Family daycare home.

SECTION II

With respect to compliance with the California Environmental Quality Act (CEQA), the Town Council finds as follows:

A. These Town Code amendments are not subject to review under CEQA pursuant to sections and 15061(b)(3), in that it can be seen with certainty that there is no possibility that the proposed amendment to the Town Code would have significant impact on the environment; and

B. The proposed Town Code amendments are consistent with the General Plan and its Elements.

SECTION III

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable. This Town Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the ordinance be enforced.

SECTION IV

Except as expressly modified in this Ordinance, all other sections set forth in the Los Gatos Town Code shall remain unchanged and shall be in full force and effect.

SECTION V

This Ordinance was introduced at a regular meeting of the Town Council of the Town of Los Gatos on the ____ day of 2020, and adopted by the following vote as an ordinance of the Town of Los Gatos at a regular meeting of the Town Council of the Town of Los Gatos on the ____ day of 2020. This ordinance takes effect 30 days after it is adopted. In lieu of publication of the full text of the ordinance within fifteen (15) days after its passage a summary of the ordinance may be published at least five (5) days prior to and fifteen (15) days after adoption by the Town Council and a certified copy shall be posted in the office of the Town Clerk, pursuant to GC 36933(c)(1).

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

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California

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SB-234 Family daycare homes. (2019-2020)

Disclaimer: The bill is compared here to the law that was in affect at the time. Note that the code section(s) in question may have been subsequently amended.

As Amends the Law on Nov 18, 2019

[As Amends the Law Today](#)

SECTION 1. Section 1596.72 of the Health and Safety Code is amended to read:

1596.72. The Legislature finds all of the following:

- (a) That child ~~day-care~~ *daycare* facilities can contribute positively to a child's emotional, cognitive, and educational development.
- (b) That it is the intent of this state to provide a comprehensive, quality system for licensing child ~~day-care~~ *daycare* facilities to ensure a quality ~~day-care~~ *childcare* environment.
- (c) That this system of licensure requires a special understanding of the unique characteristics and needs of the children served by child ~~day-care~~ *daycare* facilities.
- (d) That it is the intent of the Legislature to establish within the State Department of Social Services an organizational structure to separate licensing of child ~~day-care~~ *daycare* facilities from those facility types administered under Chapter 3 (commencing with Section 1500).
- (e) That good quality ~~child-day-care~~ *childcare* services are an essential service for working parents.
- (f) California has a tremendous shortage of regulated childcare, and only a small fraction of families who need childcare have it. Parents should be able to support their families without having to sacrifice their child's well-being.*
- (g) With childcare, families have more options for jobs and education to improve their prospects. Good, affordable childcare gives children a strong start and creates opportunities for families and communities.*

SEC. 2. Section 1596.73 of the Health and Safety Code is amended to read:

1596.73. The purposes of this act are to:

- (a) Streamline the administration of ~~child-care~~ *childcare* licensing and thereby increase the efficiency and effectiveness of this system.
- (b) Encourage the development of licensing staff with knowledge and understanding of children and ~~child-care~~ *childcare* needs.
- (c) Provide providers of ~~child-care~~ *childcare* with technical assistance about licensing requirements.
- (d) Enhance consumer awareness of licensing requirements and the benefits of licensed ~~child-care~~ *childcare*.
- (e) Recognize that affordable, quality licensed ~~child-care~~ *childcare* is critical to the well-being of parents and children in this state.
- (f) Promote the development and expansion of regulated childcare.*

SEC. 3. Section 1596.78 of the Health and Safety Code is amended to read:

EXHIBIT 3

1596.78. (a) "Family ~~day-care- daycare~~ home" means a ~~home facility~~ that regularly provides care, protection, and supervision for 14 or fewer children, in the provider's own home, for periods of less than 24 hours per day, while the parents or guardians are away, and is either a large family ~~day-care- daycare~~ home or a small family ~~day-care- daycare~~ home.

(b) "Large family ~~day-care- daycare~~ home" means a ~~home facility~~ that provides ~~family-day-care- care, protection, and supervision~~ for 7 to 14 children, inclusive, including children under ~~the-age-of- 10 years of age~~ who reside at the home, as set forth in Section 1597.465 and as defined in regulations.

(c) "Small family ~~day-care- daycare~~ home" means a ~~home facility~~ that provides ~~family-day-care- care, protection, and supervision~~ for eight or fewer children, including children under ~~the-age-of- 10 years of age~~ who reside at the home, as set forth in Section 1597.44 and as defined in regulations.

(d) A small family daycare home or large family daycare home includes a detached single-family dwelling, a townhouse, a dwelling unit within a dwelling, or a dwelling unit within a covered multifamily dwelling in which the underlying zoning allows for residential uses. A small family daycare home or large family daycare home is where the daycare provider resides, and includes a dwelling or a dwelling unit that is rented, leased, or owned.

SEC. 4. Section 1597.30 of the Health and Safety Code is amended to read:

1597.30. The Legislature finds and ~~declares+~~ *declares all of the following:*

(a) ~~It-~~ *The Legislature* has a responsibility to ensure the health and safety of children in family homes that provide ~~day-care- daycare~~.

(b) ~~That there are insufficient numbers~~ *There is an extreme shortage* of regulated family ~~day-care homes in California-~~ *daycare homes in California, and the number has decreased significantly since 2008.*

(c) There ~~will- continues to~~ be a growing need for child ~~day-care- daycare~~ facilities due to the ~~increase-in working-parents-~~ *increased number of working parents. Parents need childcare so they can work and attend school, and so their children can thrive.*

(d) Many parents prefer ~~child-day-care- childcare~~ located in their neighborhoods in family homes.

(e) There should be a variety of ~~child-care- childcare~~ settings, including regulated family ~~day-care- daycare~~ homes, as suitable ~~alternatives~~ *choices* for parents.

(f) ~~That-the~~ *The licensing* program to be operated by the state should be cost effective, streamlined, and simple to administer in order to ensure adequate care for children placed in family ~~day-care- daycare~~ homes, while not placing undue burdens on the providers.

(g) ~~That-the~~ *The* state should maintain an efficient program of regulating family ~~day-care- daycare~~ homes that ensures the provision of adequate protection, supervision, and guidance to children in their homes.

(h) The state has a responsibility to promote the development and expansion of regulated family daycare homes to care for children in residential settings.

SEC. 5. Section 1597.40 of the Health and Safety Code is repealed.

~~1597.40. (a) It is the intent of the Legislature that family day care homes for children should be situated in normal residential surroundings so as to give children the home environment which is conducive to healthy and safe development. It is the public policy of this state to provide children in a family day care home the same home environment as provided in a traditional home setting.~~

~~The Legislature declares this policy to be of statewide concern with the purpose of occupying the field to the exclusion of municipal zoning, building and fire codes and regulations governing the use or occupancy of family day care homes for children, except as specifically provided for in this chapter, and to prohibit any restrictions relating to the use of single family residences for family day care homes for children except as provided by this chapter.~~

~~(b) Every provision in a written instrument entered into relating to real property which purports to forbid or restrict the conveyance, encumbrance, leasing, or mortgaging of the real property for use or occupancy as a family day care home for children, is void and every restriction or prohibition in any such written instrument as the use or occupancy of the property as a family day care home for children is void.~~

~~(c) Except as provided in subdivision (d), every restriction or prohibition entered into, whether by way of covenant, condition upon use or occupancy, or upon transfer of title to real property, which restricts or prohibits directly, or indirectly limits, the acquisition, use, or occupancy of such property for a family day care home for children is void.~~

~~(d) (1) A prospective family day care home provider, who resides in a rental property, shall provide 30 days' written notice to the landlord or owner of the rental property prior to the commencement of operation of the family day care home.~~

~~(2) For family day care home providers who have relocated an existing licensed family day care home program to a rental property on or after January 1, 1997, less than 30 days' written notice may be provided in cases where the department approves the operation of the new location of the family day care home in less than 30 days, or the home is licensed in less than 30 days, in order that service to the children served in the former location not be interrupted.~~

~~(3) A family day care home provider in operation on rental or leased property as of January 1, 1997, shall notify the landlord or property owner in writing at the time of the annual license fee renewal, or by March 31, 1997, whichever occurs later.~~

~~(4) Notwithstanding any other provision of law, upon commencement of, or knowledge of, the operation of a family day care home on his or her property, the landlord or property owner may require the family day care home provider to pay an increased security deposit for operation of the family day care home. The increase in deposit may be required notwithstanding that a lesser amount is required of tenants who do not operate family day care homes. In no event, however, shall the total security deposit charged exceed the maximum allowable under existing law.~~

~~(5) Section 1596.890 shall not apply to this subdivision.~~

SEC. 6. Section 1597.40 is added to the Health and Safety Code, to read:

1597.40. (a) It is the intent of the Legislature that family daycare homes for children should be situated in normal residential surroundings so as to give children the home environment that is conducive to healthy and safe development. It is the public policy of this state to provide children in a family daycare home the same home environment as provided in a traditional home setting.

(b) The Legislature declares this policy to be of statewide concern with the purpose of occupying the field. This act, the state building code, and the fire code, and regulations promulgated pursuant to those provisions, shall preempt local laws, regulations, and rules governing the use and occupancy of family daycare homes. Local laws, regulations, or rules shall not directly or indirectly prohibit or restrict the use of a facility as a family daycare home, including, but not limited to, precluding the operation of a family daycare home.

SEC. 7. Section 1597.41 is added to the Health and Safety Code, to read:

1597.41. (a) Every provision in a written instrument relating to real property that purports to restrict the conveyance, encumbrance, leasing, or mortgaging of the real property for use or occupancy as a family daycare home is void, and every restriction in that written instrument as to the use or occupancy of the property as a family daycare home is void.

(b) An attempt to deny, restrict, or encumber the conveyance, leasing, or mortgaging of real property for use or occupancy as a family daycare home is void. A restriction related to the use or occupancy of the property as a family daycare home is void. A property owner or manager shall not refuse to sell or rent, or refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a detached single-family dwelling, a townhouse, a dwelling unit within a dwelling, or a dwelling unit within a covered multifamily dwelling in which the underlying zoning allows for residential use to a person because that person is a family daycare provider.

(c) Except as provided in subdivision (d), a restriction, whether by way of covenant, contract, condition upon use or occupancy, or by transfer of title to real property, that restricts directly or indirectly limits the acquisition, use, or occupancy of a detached single-family dwelling, a townhouse, a dwelling unit within a dwelling, or a dwelling unit within a covered multifamily dwelling in which the underlying zoning allows for residential use as a family daycare home is void.

(d) A prospective family daycare home provider who resides in a rental property shall provide 30 days' notice to the landlord or owner of the rental property prior to the commencement of operation of the

family daycare home.

(2) A family daycare home provider who has relocated an existing licensed family daycare home program to a rental property on or after January 1, 1997, may provide less than 30 days' written notice when the department approves the operation of the new location of the family daycare home in less than 30 days, or the home is licensed in less than 30 days, so that service to the children served in the former location not be interrupted.

(3) A family daycare home provider in operation on rental or leased property as of January 1, 1997, shall notify the landlord or property owner in writing at the time of the annual license fee renewal, or by March 31, 1997, whichever occurs later.

(4) Notwithstanding any other law, upon commencement of, or knowledge of, the operation of a family daycare home on an individual's property, the landlord or property owner may require the family daycare home provider to pay an increased security deposit for operation of the family daycare home. The increase in deposit may be required notwithstanding that a lesser amount is required of tenants who do not operate family daycare homes. The total security deposit charged shall not exceed the maximum allowable under existing law.

(5) Section 1596.890 does not apply to this subdivision.

(e) During the license application process for a small or large family daycare home, the department shall notify the applicant that the remedies and procedures in Article 2 (commencing with Section 12980) of Chapter 7 of Part 2.8 of Division 3 of Title 2 of the Government Code relating to fair housing are available to family daycare home providers, family daycare home provider applicants, and individuals who claim that any of the protections provided by this section or Section 1597.40, 1597.42, 1597.43, 1597.45, 1597.455, or 1597.46 have been denied.

(f) For the purpose of this section, "restriction" means a restriction imposed orally, in writing, or by conduct and includes prohibition.

(g) This section does not alter the existing rights of landlords and tenants with respect to addressing and resolving issues related to noise, lease violations, nuisances, or conflicts between landlords and tenants.

SEC. 8. Section 1597.42 is added to the Health and Safety Code, to read:

1597.42. The use of a home as a family daycare home, operated under the standards of state law, in a residentially zoned area shall be considered a residential use of property for the purposes of all local ordinances, regulations, and rules, and shall not fundamentally alter the nature of the underlying residential use.

SEC. 9. Section 1597.45 of the Health and Safety Code is amended to read:

1597.45. ~~All of the following shall apply to small family day care homes:~~

(a) The use of a ~~single-family-residence- home~~ as a small ~~family-day-care-~~ or large family daycare home shall be considered a residential use of property ~~and a use by right~~ for the purposes of all local ordinances, including, ~~but not limited to, zoning~~ ordinances.

(b) ~~No~~ A local jurisdiction shall ~~not~~ impose a business license, fee, or tax for the privilege of operating a small ~~family-day-care- or large family daycare~~ home.

(c) Use of a ~~single-family-dwelling-for-purposes-of- home as~~ a small ~~family-day-care- or large family daycare~~ home shall not constitute a change of occupancy for purposes of Part 1.5 (commencing with Section 17910) of Division 13 (State Housing Law) or for purposes of local building codes.

(d) A small ~~family-day-care- or large family daycare~~ home shall not be subject to ~~Article 1 (commencing with Section 13100) or Article 2 (commencing with Section 13140) of Chapter 1 of Part 2 of Division 12, except that a small family-day-care home shall contain a fire extinguisher and smoke detector device that meet standards established by the State Fire Marshal and one or more functioning carbon monoxide detectors that meet the requirements of Chapter 8 the provisions of Division 13 (commencing with Section 13260) of Part 2 of Division 12. The department shall account for the presence of the carbon monoxide detectors during inspections. 21000)~~ of the Public Resources Code.

(e) The provisions of this chapter do not preclude a city, county, or other local public entity from placing ~~restrictions on building heights, setback, or lot dimensions of a family daycare home, as long as those restrictions are identical to those applied to all other residences with the same zoning designation as the family~~

daycare home. This chapter does not preclude a local ordinance that deals with health and safety, building standards, environmental impact standards, or any other matter within the jurisdiction of a local public entity, as long as the local ordinance is identical to those applied to all other residences with the same zoning designation as the family daycare home. This chapter also does not prohibit or restrict the abatement of nuisances by a city, county, or city and county. However, the ordinance or nuisance abatement shall not distinguish family daycare homes from other homes with the same zoning designation, except as otherwise provided in this chapter.

(f) For purposes of this chapter, "small family daycare home or large family daycare home" includes a detached single-family dwelling, a townhouse, a dwelling unit within a dwelling, or a dwelling unit within a covered multifamily dwelling in which the underlying zoning allows for residential uses. A small family daycare home or large family daycare home is where the family daycare provider resides, and includes a dwelling or dwelling unit that is rented, leased, or owned.

SEC. 10. Section 1597.455 is added to the Health and Safety Code, to read:

1597.455. (a) A small family daycare home shall not be subject to Article 1 (commencing with Section 13100) or Article 2 (commencing with Section 13140) of Chapter 1 of Part 2 of Division 12, except that a small family daycare home shall contain a fire extinguisher and smoke detector device that meet standards established by the State Fire Marshal.

(b) A small family daycare home for children shall have one or more carbon monoxide detectors in the facility that meet the standards established in Chapter 8 (commencing with Section 13260) of Part 2 of Division 12. The department shall account for the presence of these detectors during inspections.

SEC. 11. Section 1597.46 of the Health and Safety Code is repealed.

~~1597.46. All of the following shall apply to large family day care homes:~~

~~(a) A city, county, or city and county shall not prohibit large family day care homes on lots zoned for single-family dwellings, but shall do one of the following:~~

~~(1) Classify these homes as a permitted use of residential property for zoning purposes;~~

~~(2) Grant a nondiscretionary permit to use a lot zoned for a single-family dwelling to a large family day care home that complies with local ordinances prescribing reasonable standards, restrictions, and requirements concerning spacing and concentration, traffic control, parking, and noise control relating to those homes, and complies with subdivision (c) and regulations adopted by the State Fire Marshal pursuant to that subdivision. Noise standards shall be consistent with local noise ordinances implementing the noise element of the general plan and shall take into consideration the noise level generated by children. The permit issued pursuant to this paragraph shall be granted by the zoning administrator or, if there is no zoning administrator, by the person or persons designated by the planning agency to grant these permits, upon the certification without a hearing;~~

~~(3) Require a large family day care home to apply for a permit to use a lot zoned for single-family dwellings. The zoning administrator or, if there is no zoning administrator, the person or persons designated by the planning agency to handle the use permits, shall review and decide the applications. The use permit shall be granted if the large family day care home complies with local ordinances, if any, prescribing reasonable standards, restrictions, and requirements concerning the following factors: spacing and concentration, traffic control, parking, and noise control relating to those homes, and complies with subdivision (c) and regulations adopted by the State Fire Marshal pursuant to that subdivision. Noise standards shall be consistent with local noise ordinances implementing the noise element of the general plan and shall take into consideration the noise levels generated by children. The local government shall process a required permit as economically as possible.~~

~~Fees charged for review shall not exceed the costs of the review and permit process. An applicant may request a verification of fees, and the city, county, or city and county shall provide the applicant with a written breakdown within 45 days of the request. Beginning July 1, 2007, the application form for large family day care home permits shall include a statement of the applicant's right to request the written fee verification.~~

~~Not less than 10 days prior to the date on which the decision will be made on the application, the zoning administrator or person designated to handle the use permits shall give notice of the proposed use by mail or delivery to all owners shown on the last equalized assessment roll as owning real property within a 100-foot radius of the exterior boundaries of the proposed large family day care home. A hearing on the application for a~~
~~issued pursuant to this paragraph shall not be held before a decision is made unless a hearing is~~

~~requested by the applicant or other affected person. The applicant or other affected person may appeal the decision. The appellant shall pay the cost, if any, of the appeal.~~

~~(b) In connection with an action taken pursuant to paragraph (2) or (3) of subdivision (a), a city, county, or city and county shall do all of the following:~~

~~(1) Upon the request of an applicant, provide a list of the permits and fees that are required by the city, county, or city and county, including information about other permits that may be required by other departments in the city, county, or city and county, or by other public agencies. The city, county, or city and county shall, upon request of an applicant, also provide information about the anticipated length of time for reviewing and processing the permit application.~~

~~(2) Upon the request of an applicant, provide information on the breakdown of any individual fees charged in connection with the issuance of the permit.~~

~~(3) If a deposit is required to cover the cost of the permit, provide information to the applicant about the estimated final cost to the applicant of the permit, and procedures for receiving a refund from the portion of the deposit not used.~~

~~(c) A large family day care home shall not be subject to the provisions of Division 12 (commencing with Section 21000) of the Public Resources Code.~~

~~(d) Use of a single family dwelling for the purposes of a large family day care home shall not constitute a change of occupancy for purposes of Part 1.5 (commencing with Section 17910) of Division 13 (State Housing Law), or for purposes of local building and fire codes.~~

~~(e) A large family day care home shall have one or more functioning carbon monoxide detectors that meet the requirements of Chapter 8 (commencing with Section 13260) of Part 2 of Division 12. The department shall account for the presence of the carbon monoxide detectors during inspections.~~

~~(f) Large family day care homes shall be considered as single family residences for the purposes of the State Uniform Building Standards Code and local building and fire codes, except with respect to any additional standards specifically designed to promote the fire and life safety of the children in these homes adopted by the State Fire Marshal pursuant to this subdivision. The State Fire Marshal shall adopt separate building standards specifically relating to the subject of fire and life safety in large family day care homes, which shall be published in Title 24 of the California Code of Regulations. These standards shall apply uniformly throughout the state and shall include, but not be limited to: (1) the requirement that a large family day care home contain a fire extinguisher or smoke detector device, or both, that meets standards established by the State Fire Marshal; (2) specification as to the number of required exits from the home; and (3) specification as to the floor or floors on which day care may be provided. Enforcement of these provisions shall be in accordance with Sections 13145 and 13146. No city, county, city and county, or district shall adopt or enforce a building ordinance or local rule or regulation relating to the subject of fire and life safety in large family day care homes that is inconsistent with those standards adopted by the State Fire Marshal, except to the extent the building ordinance or local rule or regulation applies to single family residences in which day care is not provided.~~

~~(g) The State Fire Marshal shall adopt the building standards required in subdivision (d) and any other regulations necessary to implement this section.~~

SEC. 12. Section 1597.46 is added to the Health and Safety Code, to read:

1597.46. (a) A large family daycare home shall abide by all standards, in addition to the requirements of the State Uniform Building Standards Code, that are specifically designed to promote fire and life safety in large family daycare homes. The State Fire Marshal shall adopt separate building standards specifically relating to the subject of fire and life safety in family daycare homes, which shall be published in Title 24 of the California Code of Regulations. These standards shall apply uniformly throughout the state and shall include, but not be limited to, all of the following:

(1) The requirement that a large family daycare home contain a fire extinguisher or smoke detector device, or both, that meets childcare standards established by the State Fire Marshal.

(2) Specification as to the number of required exits from the home.

Specification as to the floor or floors on which childcare may be provided and the number of required exits on each floor.

(b) A large family daycare home for children shall have one or more carbon monoxide detectors in the facility that meet the standards established in Chapter 8 (commencing with Section 13260) of Part 2 of Division 12. The department shall account for the presence of these detectors during inspections.

(c) Enforcement of this section shall be in accordance with Sections 13145 and 13146. A city, county, city and county, or district shall not adopt or enforce a building ordinance or local rule or regulation relating to the subject of fire and life safety in large family daycare homes that is inconsistent with those standards adopted by the State Fire Marshal, except to the extent the building ordinance or local rule or regulation applies to all residences with the same zoning designation in which childcare is provided.

SEC. 13. Section 1597.47 of the Health and Safety Code is repealed.

~~1597.47. The provisions of this chapter shall not be construed to preclude any city, county, or other local public entity from placing restrictions on building heights, setback, or lot dimensions of a family day care facility as long as such restrictions are identical to those applied to other single family residences. The provisions of this chapter shall not be construed to preclude the application to a family day care facility for children of any local ordinance which deals with health and safety, building standards, environmental impact standards, or any other matter within the jurisdiction of a local public entity. The provisions of this chapter also shall not be construed to prohibit or restrict the abatement of nuisances by a city, county, or city and county. However, such ordinance or nuisance abatement shall not distinguish family day care facilities from other single family dwellings, except as otherwise provided in this chapter.~~

SEC. 14. Section 1597.54 of the Health and Safety Code is amended to read:

1597.54. (a) All family ~~day-care~~ **daycare** homes for children, shall apply for a license under this chapter, except that any home ~~which that~~, on June 28, 1981, had a valid and unexpired license to operate as a family ~~day-care~~ **daycare** home for children under other provisions of law shall be deemed to have a license under this chapter for the unexpired term of the ~~license~~ **license**, at which time a new license may be issued upon fulfilling the requirements of this chapter.

(b) An applicant for licensure as a family ~~day-care~~ **daycare** home for children shall file with the department, pursuant to its regulations, an application on forms furnished by the department, which shall include, but not be limited to, all of the following:

~~(a)~~ (1) A brief statement confirming that the applicant is financially secure to operate a family ~~day-care~~ **daycare** home for children. The department shall not require any other specific or detailed financial disclosure.

~~(b)~~ (2) ~~(A)~~ Evidence that the small family ~~day-care~~ **daycare** home contains a fire extinguisher or smoke detector device, or both, ~~which that~~ meets standards established by the State Fire Marshal under ~~subdivision (d) of Section 1597.45, Section 1597.455,~~ or evidence that the large family ~~day-care~~ **daycare** home meets the standards established by the State Fire Marshal under subdivision ~~(d)~~ (a) of Section 1597.46.

~~(2)~~ (B) Evidence satisfactory to the department that there is a fire escape and disaster plan for the facility and that fire drills and disaster drills will be conducted at least once every six months. The documentation of these drills shall be maintained at the facility on a form prepared by the department and shall include the date and time of the drills.

~~(c)~~ (3) The fingerprints of any applicant of a family ~~day-care~~ **daycare** home license, and any other adult, as required under subdivision (b) of Section 1596.871.

~~(d)~~ (4) Evidence of a current tuberculosis clearance, as defined in regulations that the department shall adopt, for any adult in the home during the time that children are under care. This requirement may be satisfied by a current certificate, as defined in subdivision (f) of Section 121525, that indicates freedom from infectious tuberculosis as set forth in Section 121525.

~~(e)~~ (5) Commencing September 1, 2016, evidence of current immunity or exemption from immunity, as described in Section 1597.622, for the applicant and any other person who provides care and supervision to the children.

~~(f)~~ (6) Evidence satisfactory to the department of the ability of the applicant to comply with this chapter and Chapter 3.4 (commencing with Section 1596.70) and the regulations adopted pursuant to those chapters.

~~(g)~~ (7) Evidence satisfactory to the department that the applicant and all other persons residing in the home are of reputable and responsible character. The evidence shall include, but not be limited to, a criminal record clearance pursuant to Section 1596.871, employment history, and character references.

(8) Other information as required by the department for the proper administration and enforcement of the act.

~~(h)~~ (c) Failure of the applicant to cooperate with the licensing agency in the completion of the application shall result in the denial of the application. Failure to cooperate means that the information described in this section and in regulations of the department has not been provided, or not provided in the form requested by the licensing agency, or both.

~~(i) Other information as may be required by the department for the proper administration and enforcement of the act.~~

SEC. 15. Section 1597.543 of the Health and Safety Code is repealed.

~~1597.543. Every family day care home for children shall have one or more carbon monoxide detectors in the facility that meet the standards established in Chapter 8 (commencing with Section 13260) of Part 2 of Division 12. The department shall account for the presence of these detectors during inspections.~~

SEC. 16. Section 1597.543 is added to the Health and Safety Code, to read:

1597.543. (a) The State Fire Marshal shall update the building and fire standards necessary to implement the sections of this chapter relating to life and fire safety, including, but not limited to, Sections 1597.455 and 1597.46, and shall publish the updates in the California Code of Regulations (CCR) in the next Title 19 and Title 24 CCR adoption cycle.

(b) Prior to the publication of the updates required by subdivision (a), but not later than January 1, 2021, the State Fire Marshal shall issue guidance on implementing the sections listed in subdivision (a).

(c) The State Fire Marshal shall update the regulations at least every three years to conform to changes in this chapter. The State Fire Marshal may issue guidance on implementing this chapter annually in the years in which the regulations are not updated in Title 19 and Title 24 of the CCR.

A P P E A R A N C E S:

Los Gatos Planning
Commissioners: Melanie Hanssen, Chair
Kathryn Janoff, Vice Chair
Mary Badame
Jeffrey Barnett
Kendra Burch
Matthew Hudes
Reza Tavana

Town Manager: Laurel Prevetti

Community Development
Director: Joel Paulson

Town Attorney: Robert Schultz

Transcribed by: Vicki L. Blandin
(619) 541-3405

ATTACHMENT 2

1
2
3 P R O C E E D I N G S:
4

5 CHAIR HANSSEN: We will be moving on to Item 3,
6 which is the Town Code Amendment Application A-20-002.
7 Project location is Town Wide. The Applicant is the Town of
8 Los Gatos. We're asked to forward a recommendation to Town
9 Council for approval of the amendments to Chapter 29
10 (Zoning Regulations) of the Town Code regarding family
11 daycare home regulations.

12 We have a new Staff member, Mr. Mora, and I
13 understand you'll be giving the Staff Report this evening.

14 SALLY ZARNOWITZ: Yes, and I'd just like to
15 introduce Mr. Mora. He comes to us from the City of San
16 Jose. He has a degree from Santa Clara University and is
17 currently completing his Masters in Urban and Regional
18 Planning with San Jose State University. He's been with us
19 about six months and we're delighted to have him.
20

21 CHAIR HANSSEN: Great. Welcome.

22 DIEGO MORA: Thank you, Chair and Commissioners.
23 Before you tonight are consideration of amendments to
24 Chapter 29 of the Town Code regarding family daycare home
25 regulations.

1 In September of 2019 Governor Newsom signed
2 Senate Bill 234, Exhibit 3, amending Sections 1596.72
3 through 1597.543 of the Health and Safety Code regarding
4 large family daycare homes. The code amendments are related
5 to definition of family daycare home, including small and
6 large daycare home and family daycare home as a residential
7 use by right where residential uses are permitted.

8
9 Based on the evidence and discussion provided in
10 the Staff Report Staff recommends that the Planning
11 Commission forward a recommendation of approval to the Town
12 Council. The Commission should also include any comments or
13 recommended changes to the Draft Ordinance in Exhibit 2.

14 This concludes Staff's presentation and we are
15 happy to answer any questions you have.

16 CHAIR HANSSEN: Would any Commissioners like to
17 ask questions? Commissioner Burch.

18 COMMISSIONER BURCH: Just so I'm clear, we are
19 essentially updating our ordinance to match the current
20 state requirements, correct?

21 DIEGO MORA: That is correct.

22 COMMISSIONER BURCH: Thanks.

23 CHAIR HANSSEN: Commissioner Hudes.
24
25

1 COMMISSIONER HUDES: In the attachment there's a
2 text from the state that's today's law as amended, 1596.78,
3 and that seems to cover a lot of the definitions that we
4 have in our proposed code. Maybe you could correct me if
5 I'm wrong, but it seems like we didn't use that verbatim.
6 Is there a reason why we didn't just adopt that language
7 from the state for definitions and things like that? Or
8 maybe I missed it; maybe we did, I don't know.

9
10 SALLY ZARNOWITZ: No, I'll take a stab at that. I
11 think that we work with the ordinance as it stands for the
12 most part and try to amend that and make sort of surgical
13 amendments to that as much as possible rather than
14 rewriting a definition where we already have one. So, we
15 just adjusted it to cover the number of children in the
16 large family daycare.

17 COMMISSIONER HUDES: Okay. I mean, I think that's
18 obviously going to be within the purview of the Staff and
19 how they want to handle that. I just was surprised that we
20 didn't just cut and paste from the state.

21 SALLY ZARNOWITZ: Yeah, there was also the state
22 was a little bit ambiguous as to the numbers between the
23 small and the large family daycare, so that said also
24 probably made it a little bit more challenging to do that,
25

1 so it seemed clearer to work with the ordinance as it
2 stands.

3 CHAIR HANSSEN: I just wanted to ask a clarifying
4 question. As I understand it, whereas in the past we would
5 have them apply for a business license if they wanted to
6 have a family daycare, now they won't be able to do that
7 anymore because the state wants to really streamline things
8 and really promote the family daycare. So, that was one
9 question. Is that correct?
10

11 DIEGO MORA: That is correct. It will be
12 considered a permitted use by right where residential uses
13 are permitted.

14 CHAIR HANSSEN: Okay. And that basically this is
15 a necessary step that we need to take to be in compliance
16 with the state law and there aren't any options for us to
17 make any deviations from it?

18 DIEGO MORA: That is correct, unless you want to
19 change something in the Draft Ordinance to make comments or
20 verbiage to it, but in essence this is to conform to state
21 law.

22 CHAIR HANSSEN: Thank you. Do other Commissioners
23 have questions? And then if that's not the case then we
24 will open up the hearing to public comment. Is there anyone
25

1 in the audience that would like to speak on this item? If
2 so, then please fill out a speaker card and step up to the
3 podium. It doesn't look like we have any speaker or any
4 comments from the public. Okay, that being the case I will
5 close the public portion of the hearing and ask if any
6 Commissioners have additional questions for Staff, want to
7 make comments, or will introduce a motion for
8 consideration, and I would remind us that our objective is
9 to make a recommendation to the Town Council who will also
10 consider this following our recommendation. Commissioner
11 Burch.

12
13 COMMISSIONER BURCH: I'll make a motion. I will
14 move that we forward a recommendation to the Town Council
15 to approve the amendments to Chapter 29 of the Town Code
16 regarding family daycare home regulations. I can make the
17 required findings for CEQA and the required findings for
18 the General Plan.

19 CHAIR HANSSEN: Second? Commissioner Badame.

20 COMMISSIONER BADAME: So moved.

21 CHAIR HANSSEN: All right, are there any
22 additional comments or questions before we take a vote? All
23 right, seeing none, all in favor? Opposed? No abstentions.
24 It passes unanimously. Thank you.
25

1 Ms. Zarnowitz, just to clarify, there are no
2 appeal rights because we're making a recommendation to Town
3 Council.

4 SALLY ZARNOWITZ: That's correct.

5 CHAIR HANSSEN: Okay.
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TOWN COUNCIL – March 17, 2020
REQUIRED FINDINGS FOR:

TOWN CODE AMENDMENT APPLICATION A-20-002

Consider Amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding family daycare home regulations.

FINDINGS

Required Findings for CEQA:

- The project is Exempt pursuant to the adopted Guidelines for Implementation of the California Environmental Quality Act, Section 15061(b)(3).

Required Findings for General Plan:

- The amendments to Chapter 29 of the Town Code are consistent with the General Plan.

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DRAFT ORDINANCE

**AN ORDINANCE OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
AMENDING CHAPTER 29 (ZONING REGULATIONS) OF THE TOWN CODE
REGARDING FAMILY DAYCARE HOME REGULATIONS**

WHEREAS, in 2019, Senate Bill 234 amended Government Code Sections 1596.72 through 1597.543 regarding family daycare homes; to address the current shortage of regulated childcare; and

WHEREAS, the current definition of large family daycare home within the Town Code is for seven (7) to twelve (12) children; and

WHEREAS, the new State law requires family daycare homes to allow up to fourteen (14) children; and

WHEREAS, the current regulations of family daycare homes within the Town Code would require a large family daycare home to obtain approval of a discretionary large family daycare home permit from the Development Review Committee; and

WHEREAS, the new State law requires large family daycare homes to be considered a residential use by right; and

WHEREAS, the Town Council wishes to amend the Town Code, to consider a small or large family daycare home as a residential use by right, to comply with the new State law; and

WHEREAS, this matter was regularly noticed in conformance with State and Town law and came before the Planning Commission for public hearing on February 26, 2020; and

WHEREAS, on February 26, 2020, the Planning Commission reviewed and commented on the proposed amendments regarding family daycare home regulations and forwarded a recommendation to the Town Council for approval of the proposed amendments; and

WHEREAS, this matter was regularly noticed in conformance with State and Town law and came before the Town Council for public hearing on March 17, 2020; and

WHEREAS, on March 17, 2020, the Town Council reviewed and commented on the proposed amendments regarding family daycare home regulations and the Town Council voted to introduce the Ordinance.

ATTACHMENT 4

**NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF LOS GATOS DOES
ORDAIN AS FOLLOWS:**

SECTION I

Chapter 29 of the Town Code is hereby amended as follows:

ARTICLE I. DIVISION 1. - MISCELLANEOUS

Sec. 29.10.020. - Definitions.

...

Family ~~day care~~ daycare home means a dwelling where ~~day care~~ daycare is provided for children under eighteen (18) years of age who are unrelated to the licensee. A small family ~~day care~~ daycare home is for ~~six~~ eight (~~6~~ 8) or fewer children and a large family day care home is for ~~seven~~ nine (~~7~~ 9) to ~~twelve~~ fourteen (~~12~~ 14) children. Both limitations include ~~the number of children residing in the dwelling unit~~ children under 10 years of age who reside at the home.

...

~~Sec. 29.10.09050. — Large family day care homes.~~

~~(a) Scope. Large family day care homes are allowed in all residential zones subject to the following regulations:~~

- ~~(1) All perimeter gates must be self-latching and the latches shall be a minimum of four (4) feet above grade.~~
- ~~(2) The rear yard must be enclosed with a minimum five-foot high fence.~~
- ~~(3) Use of the garage for day care must meet Uniform Building Code for living space.~~
- ~~(4) Two (2) off-street parking spaces must be provided, plus one (1) space for each employee.~~
- ~~(5) No double key deadbolts may be used on exterior doors.~~
- ~~(6) A minimum of two (2) exits must be provided.~~
- ~~(7) A minimum of one hundred (100) square feet of habitable space as defined by Section 409 of the Uniform Building Code shall be provided for each child.~~
- ~~(8) No child care space is permitted on the second floor unless approved by the Building Official.~~

- ~~(9) No signs may be displayed.~~
- ~~(10) A minimum lot size of six thousand (6,000) square feet is required.~~
- ~~(11) A minimum of five hundred (500) feet between large family day care homes is required.~~
- ~~(12) The day care home operator must be a resident of the home.~~
- ~~(13) The large family day care home shall not alter the single family residential character of the premises.~~
- ~~(b) Permit. A large family day care permit must be obtained from the Development Review Committee and all conditions identified must be satisfied prior to issuance.~~
- ~~(c) Inspection. Prior to issuance of a permit, the large family day care home is subject to an on-site inspection to insure compliance with all regulations to the satisfaction of the Building Official and Planning Director.~~
- ~~(d) Notification. All property owners within one hundred (100) feet shall be notified prior to the issuance that a large family day care home permit will be issued and the notification shall include the conditions under which the permit shall operate.~~
- ~~(e) Affidavit. All property owners of the property where the large family day care home is to be located shall sign an affidavit certifying that the property shall remain in compliance with the requirements of subsection 29.10.09050(a).~~
- ~~(f) Denial. The Planning Director may not issue a large family day care home permit where he finds the day care home will not comply with the provisions of this chapter.~~
- ~~(g) Revocation. The Planning Director may revoke large family day care home permits for violations of this chapter. Before revoking a large family day care home permit, the Planning Director shall give the permittee ten (10) days' notice in writing that revocation is under consideration, shall consider whatever evidence the permittee wishes to present to contest the revocation, and shall give the permittee written notice of this decision. Both notices shall be mailed to the address given by the permittee in his application for the large family day care home permit or such other address as the permittee has provided the Planning Director.~~

...

ARTICLE II. DIVISION 3. – APPROVALS

Sec. 29.20.185. – Table of conditional uses.

...

(4) Schools

...

Table of Conditional Uses		RC	HR	R1	RD	R-M	R-1D	RMH	O	C-1	C-2	CH	LM	CM
d.	Small family day care daycare home								X	X	X	X		
e.	Large family day care home <u>Reserved.</u>													

...

ARTICLE II. DIVISION 7. – ASSIGNMENT OF DUTIES

Sec. 29.20.745. – Development Review Committee.

...

(10) ~~Issue large family day care home permits~~ Reserved.

...

ARTICLE IV. DIVISION 2. – RC OR RESOURCE CONSERVATION ZONE

Sec. 29.40.160. – Permitted Uses.

...

(4) ~~Small family day care home~~ Family daycare home.

...

ARTICLE IV. DIVISION 3. – HR OR HILLSIDE RESIDENTIAL ZONE

Sec. 29.40.235. – Permitted Uses.

...

(3) ~~Small family day care home~~ Family daycare home.

...

ARTICLE IV. DIVISION 4. – R-1 OR SINGLE-FAMILY RESIDENTIAL ZONE

Sec. 29.40.385. – Permitted Uses.

...

(3) ~~Small family day care home~~ Family daycare home.

...

ARTICLE IV. DIVISION 5. – R-D OR DUPLEX RESIDENTIAL ZONE

Sec. 29.40.510. – Permitted Uses.

...

(3) ~~Small family day care home~~ Family daycare home.

...

ARTICLE IV. DIVISION 6. – R-M OR MULTIPLE-FAMILY RESIDENTIAL ZONE

Sec. 29.40.610. – Permitted Uses.

...

(3) ~~Small family day care home~~ Family daycare home.

...

ARTICLE IV. DIVISION 7. – R-1D OR SINGLE-FAMILY RESIDENTIAL DOWNTOWN ZONE

Sec. 29.40.725. – Permitted Uses.

...

(3) ~~Small family day care home~~ Family daycare home.

...

ARTICLE IV. DIVISION 8. – RMH OR MOBILE HOME RESIDENTIAL ZONE

Sec. 29.40.835. – Permitted Uses.

...

(6) Family daycare home.

SECTION II

With respect to compliance with the California Environmental Quality Act (CEQA), the Town Council finds as follows:

A. These Town Code amendments are not subject to review under CEQA pursuant to sections and 15061(b)(3), in that it can be seen with certainty that there is no possibility that the proposed amendment to the Town Code would have significant impact on the environment; and

B. The proposed Town Code amendments are consistent with the General Plan and its Elements.

SECTION III

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable. This Town Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the ordinance be enforced.

SECTION IV

Except as expressly modified in this Ordinance, all other sections set forth in the Los Gatos Town Code shall remain unchanged and shall be in full force and effect.

SECTION V

This Ordinance was introduced at a regular meeting of the Town Council of the Town of Los Gatos on the 17th day of 2020, and adopted by the following vote as an ordinance of the Town of Los Gatos at a regular meeting of the Town Council of the Town of Los Gatos on the 7th day of April 2020. This ordinance takes effect 30 days after it is adopted. In lieu of publication of the full text of the ordinance within fifteen (15) days after its passage a summary of the ordinance may be published at least five (5) days prior to and fifteen (15) days after adoption by the Town Council and a certified copy shall be posted in the office of the Town Clerk, pursuant to GC 36933(c)(1).

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

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**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/17/2020

ITEM NO: 7

ADDEMDUM

DATE: March 11, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Introduce an Ordinance, by Title Only, Effecting Amendments to Chapter 29 (Zoning Regulations) of the Town Code Regarding Family Daycare Home Regulations. Town Code Amendment Application A-20-002. Applicant: Town of Los Gatos.

REMARKS:

Town staff request that the item be continued to the April 7, 2020 meeting to allow for public discussion of this item.

PREPARED BY: Diego Mora
Assistant Planner

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Community Development Director, and Finance Director



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/17/2020

ITEM NO: 8

DATE: March 11, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Introduce an Ordinance, by Title only, Effecting Amendments to Chapter 29 (Zoning Regulations) of the Town Code Regarding Accessory Dwelling Units, Town Wide. Town Code Amendment Application A-20-001. Applicant: Town of Los Gatos

RECOMMENDATION:

Introduce an Ordinance, by title only, effecting amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding accessory dwelling units.

BACKGROUND:

In October of 2019, Governor Newsom signed new State law, including Senate Bill 13, Assembly Bill 68, and Assembly Bill 881, further amending land use regulations regarding accessory dwelling units. Changes to California Government Code Section 65852 expanded the ability of California homeowners to construct accessory dwelling units and junior accessory dwelling units on their properties.

The new State law includes substantive changes related to the minimum number, size, and location of accessory dwelling units required to be allowed on a lot. A local ordinance that does not wholly conform to the minimum requirements of the new State law for the creation of accessory dwelling units is superseded until amendments to the local ordinance are adopted; however, the new State law does not limit the authority of jurisdictions to adopt less restrictive regulations for the creation of accessory dwelling units.

PREPARED BY: Sally Zarnowitz, AIA, LEED AP
Planning Manager

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Community Development Director, and Finance Director

DISCUSSION:

A. Planning Commission

On February 26, 2020, the Planning Commission considered a draft Ordinance incorporating amendments to Chapter 29 of the Town Code, Sections 29.10.305 – 29.10.400 (Accessory Dwelling Units). Attachment 1 includes the staff report for the Planning Commission meeting. The Planning Commission forwarded a recommendation to the Town Council for approval of the amendments which are required to conform to the new State law, and forwarded specific direction on options to adopt less restrictive regulations for the creation of accessory dwelling units, as outlined below (see also the draft Ordinance, Attachment 5). Attachment 3 contains the verbatim minutes for the Planning Commission meeting.

Section 29.10.320. (b) – Design and development standards.

Subsection (1) Number.

The Zoning Regulations currently state that only one accessory dwelling unit may be permitted on a lot. On single- or two-family lots, the new State law requires at least one junior accessory dwelling unit contained within the space of a proposed or existing primary dwelling, and one detached accessory dwelling unit to be allowed. On multiple-family lots, the new State law requires at least a number equal to 25 percent of the existing multiple-family dwelling units rounded-up to the next whole number, within the portions of an existing multi-family dwelling not used as livable space, and two detached accessory dwelling units to be allowed. These requirements have been incorporated into the draft Ordinance (Attachment 5, page 4) to conform to the new State law.

Options for Junior Accessory Dwelling Unit Configurations

On single- or two-family lots, the new State law does not require a junior accessory dwelling unit contained within the space of a proposed or existing primary dwelling, to be allowed with an attached accessory dwelling unit; nor does the new State law require a junior accessory dwelling unit to be allowed within the space of a proposed or existing detached accessory dwelling unit. The Planning Commission recommended allowing these options for the creation of junior accessory dwelling units with attached accessory dwelling units or within detached accessory dwelling units. These recommendations have been incorporated into the draft Ordinance (Attachment 5, page 4).

Subsection (3) Setbacks.

Option for Accessory Dwelling Unit Construction in front of Historic Resources

The Planning Commission supported the incorporation of a standard clarifying that no accessory dwelling unit may be constructed in front of a primary dwelling that is a historic

DISCUSSION (continued):

resource, to prevent adverse impacts on historic resources. The proposed standard has been incorporated into the draft Ordinance (Attachment 5, page 5).

New attached accessory dwelling units in all residential zones and detached accessory structures that exceed a floor area of 800 square feet in the HR and RC zones would continue to be required to comply with the setbacks of the zone for a primary dwelling. However, notwithstanding other standards, the new State law [Section 65852.2(e)] allows at least one detached accessory dwelling unit that does not exceed a floor area of 800 square feet and a height of 16 feet, with minimum rear and side setbacks of four feet. The draft Ordinance (Attachment 5, page 5) revises the minimum detached accessory dwelling unit rear and side setback standards to four feet to conform to the new State law.

Option for Reduced Setbacks for Attached Accessory Dwelling Units

The new State law does not require attached accessory dwelling units to be allowed minimum rear and side setback standards of four feet. The Planning Commission did not recommend allowing this option for the creation of attached accessory dwelling units. The draft Ordinance (Attachment 5, page 4) continues to require new attached accessory dwelling units to comply with the setbacks of the zone for a primary dwelling.

Subsection (4) Height.

Option for Second Story Accessory Dwelling Units on Historic Resources

The Planning Commission supported the incorporation of a standard clarifying that an accessory dwelling unit may not be added to an existing second story of a primary dwelling that is a historic resource, to prevent adverse impacts on historic resources. The proposed standard has been incorporated into the draft Ordinance (Attachment 5, page 5).

The draft Ordinance (Attachment 5, page 5) revises the maximum height standard for detached accessory dwelling units to 16 feet to conform to the new State law.

Subsections (5) Maximum unit size, (6) Floor area (FAR) standards, and (7) Lot coverage.

The proposed amendments would continue to regulate the size of accessory dwelling units up to a maximum of 1,200 square feet through floor area ratio (FAR) and lot coverage standards. However, notwithstanding FAR and lot coverage standards, the new State law allows at least an accessory dwelling unit that does not exceed a floor area of 800 square feet. The draft Ordinance (Attachment 5, pages 5-6) incorporates this minimum allowance to conform to the new State law.

DISCUSSION (continued):

Subsection (8) Parking.

The new State law states that in cases where a garage is demolished, or rebuilt in the same location, in conjunction with the construction of an accessory dwelling unit, replacement spaces shall not be required. The draft Ordinance (Attachment 5, page 6) would remove the requirement for replacement spaces in these cases to conform to the new State law.

Subsection (13) Conversion of existing floor area.

The previous State law allowed an accessory dwelling unit to be contained within the space of an existing structure. The new State law also allows an accessory dwelling unit to be contained within the space of a structure that is rebuilt in the same location as an existing structure. The new State law further allows an expansion of 150 square feet beyond the physical dimensions of the existing structure, to accommodate for ingress and egress. The draft Ordinance (Attachment 5, page 7) incorporates these provisions to conform to the new State law.

PUBLIC OUTREACH:

Public input has been requested through the following media and social media resources:

- An eighth-page public notice in the newspaper;
- A poster at the Planning counter at Town Hall;
- The Town's website home page, What's New;
- The Town's Facebook page;
- The Town's Twitter account;
- The Town's Instagram account; and
- The Town's NextDoor page.

PUBLIC COMMENTS:

At the time of this report's preparation, the Town has not received any additional public comments.

CONCLUSION:

Staff recommends that the Town Council:

1. Make the finding that the project is exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15061(b)(3), in that it can be seen with certainty that there is no possibility that the project will have a significant effect on the environment (Attachment 4);
2. Make the finding as required that the amendments to Chapter 29 of the Town Code in the draft Ordinance are consistent with the General Plan (Attachment 4); and
3. Introduce the Ordinance of the Town of Los Gatos effecting the amendments to Chapter 29 of the Town Code (Attachment 5), by title only, with any specific changes identified and agreed upon by the majority of the Town Council.

ALTERNATIVES:

Alternatively, the Council may:

1. Continue this item to a date certain with specific direction to staff;
2. Refer the item back to the Planning Commission with specific direction; or
3. Take no action, leaving the Town Code unchanged.

ENVIRONMENTAL ASSESSMENT:

The project is exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15061(b)(3), in that it can be seen with certainty that there is no possibility that the project will have a significant effect on the environment.

Attachments:

1. February 26, 2020 Planning Commission Staff Report with Exhibits 1-3
2. February 26, 2020 Planning Commission Desk Item Report with Exhibit 4
3. February 26, 2020 Planning Commission Verbatim Minutes
4. Required Findings
5. Draft Ordinance



**TOWN OF LOS GATOS
PLANNING COMMISSION
REPORT**

MEETING DATE: 02/26/2020

ITEM NO: 4

DATE: February 21, 2020
TO: Planning Commission
FROM: Joel Paulson, Community Development Director
SUBJECT: Forward a recommendation to the Town Council for approval of the amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding accessory dwelling units, Town Wide. Town Code Amendment Application A-20-001. Applicant: Town of Los Gatos.

RECOMMENDATION:

Forward a recommendation to the Town Council for approval of the amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding accessory dwelling units.

CEQA:

The project is Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15061(b)(3); in that it can be seen with certainty that there is no possibility that this project will have a significant effect on the environment.

FINDINGS:

- The project is Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15061(b)(3); and
- The amendments to Chapter 29 of the Town Code are consistent with the General Plan.

BACKGROUND:

In October of 2019, Governor Newsom signed new State law, including Senate Bill 13, Assembly Bill 68, and Assembly Bill 881, further amending land use regulations regarding accessory dwelling units. Changes to California Government Code Section 65852 expanded the ability of California homeowners to construct accessory dwelling units and junior accessory dwelling

PREPARED BY: Sally Zarnowitz, AIA, LEED AP
Planning Manager

Reviewed by: Planning Manager and Community Development Director

BACKGROUND (continued):

units on their properties. The new State law includes substantive changes related to the minimum number, size, and location of accessory dwelling units required to be allowed on a lot. A local ordinance that does not wholly conform to the minimum requirements of the new State law for the creation of accessory dwelling units is superseded until amendments to the local ordinance are adopted; however, the new State law does not limit the authority of jurisdictions to adopt less restrictive regulations for the creation of accessory dwelling units.

Below is a discussion of a draft Ordinance incorporating amendments to Chapter 29 of the Town Code (Zoning Regulations), Sections 29.10.305 – 29.10.400 (Accessory Dwelling Units), which are required to conform to the new State law. The discussion includes options to adopt less restrictive regulations for the creation of accessory dwelling units.

DISCUSSION:

A. Town Code Amendments

Section 29.10.310. - Definitions

The Zoning Regulations currently define accessory dwelling units in Section 29.10.020. The draft Ordinance would relocate the accessory dwelling unit definition from Section 29.10.020 (Definitions) to Section 29.10.310 (Accessory Dwelling Units - Definitions) of the Town Code.

The Zoning Regulations do not currently allow junior accessory dwelling units; however, the new State law requires jurisdictions to allow junior accessory dwelling units. State law defines a junior accessory dwelling unit as a dwelling unit that does not exceed a floor area of 500 square feet and is contained within the space of a proposed or existing primary dwelling. A junior accessory dwelling unit must include a small food preparation area; however, it may share sanitation facilities with the primary dwelling. The draft Ordinance (Exhibit 2) includes a junior accessory dwelling unit definition to conform to the new State law.

Section 29.10.320.(b) – Design and development standards

Subsection (1) Number

The Zoning Regulations currently state that only one accessory dwelling unit may be permitted on a lot. On single- or two-family lots, the new State law requires at least one junior accessory dwelling unit and one detached accessory dwelling unit to be allowed. On multi-family lots, the new State law requires at least a number equal to 25 percent of the existing multi-family dwelling units rounded-up to the next whole number, within the portions of an existing multi-family dwelling not used as livable space, and two detached

DISCUSSION (continued):

accessory dwelling units to be allowed. These requirements have been incorporated into the draft Ordinance (Exhibit 2) to conform to the new State law.

Option

On single- or two-family lots, the new State law does not require a junior accessory dwelling unit to be allowed with an attached accessory dwelling unit; nor does the new State law require a junior accessory dwelling unit to be allowed within a detached accessory structure or accessory dwelling unit. The Planning Commission may recommend allowing these options for the creation of junior accessory dwelling units with attached accessory dwelling units or within detached accessory structures or accessory dwelling units.

Subsection (3) Setbacks

Option

A standard has been included in the draft Ordinance clarifying that no accessory dwelling unit may be constructed in front of a primary dwelling that is a historic resource, to prevent adverse impacts on historic resources.

The Planning Commission may recommend allowing this option for the creation of accessory dwelling units in front of historic resources.

New attached accessory dwelling units in all residential zones and detached accessory structures that exceed a floor area of 800 square feet in the HR and RC zones would continue to be required to comply with the setbacks of the zone for a primary dwelling. However, notwithstanding other standards, the new State law [Section 65852.2(e)] allows at least one detached accessory dwelling unit that does not exceed a floor area of 800 square feet and a height of 16 feet, with minimum rear and side setbacks of four feet. The current Zoning Regulations have minimum detached accessory dwelling unit rear and side setback standards of five feet. The draft Ordinance (Exhibit 2) revises the minimum detached accessory dwelling unit rear and side setback standards to four feet to conform to the new State law.

Option

The new State law does not require attached accessory dwelling units to be allowed minimum rear and side setback standards of four feet. The Planning Commission may recommend allowing this option for the creation of attached accessory dwelling units with minimum rear and side setback standards of four feet.

DISCUSSION (continued):

Subsection (4) Height

Option

A standard has been included in the draft Ordinance clarifying that an accessory dwelling unit may not be added to an existing second story of a primary dwelling that is a historic resource, to prevent adverse impacts on historic resources. The Planning Commission may recommend allowing this option for the creation of second story accessory dwelling units on historic resources.

The Zoning Regulations currently limit the height of detached accessory dwelling units to 15 feet. The new State law allows a detached accessory dwelling unit that does not exceed a floor area of 800 square feet to have a maximum height of 16 feet. The draft Ordinance (Exhibit 2) revises the maximum height standard for detached accessory dwelling units to 16 feet to conform to the new State law.

Subsections (5) Maximum unit size, (6) Floor area (FAR) standards, and (7) Lot coverage

The proposed amendments would continue to regulate the size of accessory dwelling units up to a maximum of 1,200 square feet through floor area ratio (FAR) and maintain lot coverage standards. However, notwithstanding FAR and lot coverage standards, on a single- or two-family lot, the new State law allows at least an attached accessory dwelling unit that does not exceed a floor area of 800 square feet, or a junior accessory dwelling unit that does not exceed a floor area of 500 square feet; or a detached accessory dwelling unit that does not exceed a floor area of 800 square feet, and a junior accessory dwelling unit that does not exceed 500 square feet. On a multi-family lot, the new State law allows at least two detached accessory dwelling units that do not exceed a floor area of 800 square feet; and an accessory dwelling unit that does not exceed a floor area of 800 square feet that is contained within the portions of an existing multi-family dwelling that are not used as livable space. The draft Ordinance (Exhibit 2) incorporates these minimums to conform to the new State law.

Subsection (8) Parking

The Zoning Regulations currently address parking for accessory dwelling units in Section 29.10.150 (Number of off-street spaces required) and Section 29.10.320. The draft Ordinance would remove parking for accessory dwelling units from Section 29.10.150 (Number of off-street spaces required) and they would only be located in Section 29.10.320 of the Town Code.

The new State law allows that when a garage is demolished, or rebuilt in the same location, in conjunction with the construction of an accessory dwelling unit, replacement spaces cannot be required. The draft Ordinance (Exhibit 2) will remove the requirement for replacement spaces to conform to the new State law.

DISCUSSION (continued):

Subsection (13) Conversion of existing floor area

The current State law allows an accessory dwelling unit to be contained within the space of an existing structure. The new State law also allows an accessory dwelling unit to be contained within the space of a structure that is reconstructed in the same location and to the same dimensions as an existing structure. The new State law further allows an expansion of 150 square feet beyond the physical dimensions of the existing structure, to accommodate ingress and egress. The draft Ordinance (Exhibit 2) incorporates these provisions to conform to the new State law.

B. Public Outreach

Public input has been requested through the following media and social media resources:

- A poster at the Planning counter at Town Hall;
- The Town's website home page, What's New;
- The Town's Facebook page;
- The Town's Twitter account;
- The Town's Instagram account; and
- The Town's Next Door page.

PUBLIC COMMENTS:

At the time of this report's writing, the Town has not received any public comment.

CONCLUSION:

A. Recommendation

Staff recommends that the Planning Commission review the information included in the staff report and forward a recommendation to the Town Council for approval of the amendments to Chapter 29 of the Town Code in the draft Ordinance. The Commission should also include any comments or recommended changes to the draft Ordinance in taking the following actions:

1. Make the finding that the project is Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15061(b)(3) (Exhibit 1);
2. Make the required finding that the amendments to Chapter 29 of the Town Code in the draft Ordinance are consistent with the General Plan (Exhibit 1); and
3. Forward a recommendation to the Town Council for approval of the amendments to Chapter 29 of the Town Code in the draft Ordinance (Exhibit 2).

CONCLUSION (continued):

B. Alternatives

Alternatively, the Commission can:

1. Forward a recommendation to the Town Council for approval of the draft Ordinance with modifications; or
2. Forward a recommendation to the Town Council for denial of the draft Ordinance; or
3. Continue the matter to a date certain with specific direction.

EXHIBITS:

1. Findings
2. Draft Ordinance
3. California Government Code Section 65852

PLANNING COMMISSION – February 26, 2020
REQUIRED FINDINGS FOR:

Town Code Amendment Application A-20-001

Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding accessory dwelling units.

FINDINGS

Required Findings for CEQA:

- It has been determined that there is no possibility that this project will have a significant impact on the environment; therefore, the project is not subject to the California Environmental Quality Act, Section 15061 (b)(3).

Required Findings for General Plan:

- The proposed amendments to Chapter 29 of the Town Code regarding accessory dwelling units are consistent with the General Plan.

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DRAFT ORDINANCE

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS
AMENDING CHAPTER 29 (ZONING REGULATIONS) OF THE TOWN CODE
REGARDING ACCESSORY DWELLING UNITS**

WHEREAS, effective January 1, 2020, Assembly Bill 881, Assembly Bill 68, and Senate Bill 13 amended Government Code Section 65852 regarding accessory dwelling unit and junior accessory dwelling unit regulations, to further address barriers to the development of accessory dwelling units and junior accessory dwelling units; and

WHEREAS, the Town of Los Gatos 2015-2023 Housing Element Enhanced Second Unit Program identified amending the Town Code to allow new second units to be affordable to lower income households on nonconforming residential lots and in the Hillside Residential Zone (Action HOU-1.2) as a strategy to accommodate the Town's Regional Housing Needs Allocation (RHNA); and

WHEREAS, the Town Council wishes to amend the Town Code to comply with State law and to address Action HOU-1.2 of the Town of Los Gatos 2015-2023 Housing Element; and

WHEREAS, on February 26, 2020, the Planning Commission reviewed and commented on the proposed amendments regarding accessory dwelling units; and

WHEREAS, this matter was regularly noticed in conformance with State and Town law and came before the Planning Commission for public hearing on February 26, 2020; and

WHEREAS, on February 26, 2020, the Planning Commission reviewed and commented on the proposed amendments regarding accessory dwelling units and forwarded a recommendation to the Town Council for approval of the proposed amendments; and

WHEREAS, this matter was regularly noticed in conformance with State and Town law and come before the Town Council for public hearing on _____, _____; and

WHEREAS, on _____, _____, the Town Council reviewed and commented on the proposed amendments regarding family daycare home regulations and the Town Council voted to introduce the Ordinance.

**NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF LOS GATOS DOES
HEREBY ORDAIN AS FOLLOWS:**

SECTION I

Chapter 29 of the Town Code is hereby amended to read as follows:

ARTICLE I. DIVISION 1. MISCELLANEOUS

Sec. 29.10.020. - Definitions.

.....

~~Accessory dwelling unit means a detached or attached dwelling unit. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation and is generally smaller and located on the same parcel as the primary dwelling unit. An accessory dwelling unit also includes efficiency units and manufactured homes.~~

~~(1) A detached accessory dwelling unit is physically separate from the primary dwelling unit.~~

~~(2) An attached accessory dwelling unit is physically attached to the primary dwelling unit.~~

.....

ARTICLE I. DIVISION 4. PARKING

Sec. 29.10.150 (c). Number of off-street spaces required.

.....

~~(2) Accessory dwelling units . One parking space per unit or bedroom, whichever is less, shall be provided in addition to the required minimum number of parking spaces for the primary dwelling unit. These spaces may be provided in a front setback on a driveway (provided that it is feasible based on specific site or fire and life safety conditions) or through tandem parking.~~

~~When a garage is demolished in conjunction with the construction of an accessory dwelling unit, or converted to an accessory dwelling unit, any lost off-street parking spaces required for the primary residence may be located in any configuration on the same lot as the accessory dwelling unit, including as tandem spaces, or by the use of mechanical automobile parking lifts.~~

~~a. Exceptions. No parking spaces shall be required if the accessory dwelling unit meets any of the following criteria:~~

~~1. The accessory dwelling unit is located within one-half mile of a public transit stop.~~

- ~~2. The accessory dwelling unit is located within an architecturally and historically significant historic district.~~
- ~~3. The accessory dwelling unit is within the existing space of a primary residence or an existing accessory structure.~~
- ~~4. When on street parking permits are required but not offered to the occupant of the accessory dwelling unit.~~
- ~~5. When there is a car share vehicle (as defined by the California Vehicle Code) located within one block of the accessory dwelling unit.~~
- ~~6. When the Director finds that the lot does not have adequate area to provide parking.~~

.....

ARTICLE I. DIVISION 7. ACCESSORY DWELLING UNITS

Sec. 29.10.305. Intent and authority.

This division is adopted to comply with amendments to State Law § 65852.2 and 65852.22 which mandates that applications for accessory dwelling units be considered ministerially without a public hearing; and sets Town standards for the development of accessory dwelling units in order to increase the supply of affordable housing in a manner that is compatible with existing neighborhoods.

Sec. 29.10.310. Definitions.

Accessory dwelling unit. An accessory dwelling unit is a detached or attached dwelling unit. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation and is generally smaller and located on the same parcel as a proposed or existing primary dwelling. An accessory dwelling unit also includes efficiency units and manufactured homes.

(1) A detached accessory dwelling unit is physically separate from a primary dwelling.

(2) An attached accessory dwelling unit is contained within the space of and/or physically attached to a proposed or existing primary dwelling.

.....

Junior accessory dwelling unit. A junior accessory dwelling unit is a dwelling unit that does not exceed a floor area of 500 square feet and is contained within the space of a proposed or existing single-family or two-family primary dwelling. It shall include a cooking facility with appliances, and a food preparation counter and storage cabinets that are of reasonable size in relation to the size of the junior accessory dwelling unit. It may include separate sanitation facilities or may share sanitation facilities with the primary dwelling.

.....

~~*New accessory dwelling unit.* A new accessory dwelling unit is an attached (with either an interior or exterior entrance) or a detached unit, created after December 31, 1987, which includes permanent provisions for living, sleeping, eating, cooking, and sanitation, and is generally smaller and located on the same parcel as the dwelling unit. An accessory dwelling unit also includes efficiency units and manufactured homes.~~

Sec. 29.10.315. Reserved.

Sec. 29.10.320. New accessory dwelling units.

(a) *Incentive program.* Any accessory dwelling unit developed under an Incentive Program which may be established by Resolution of the Town Council shall be made affordable to eligible applicants pursuant to the requirements of the Incentive Program. A deed restriction shall be recorded specifying that the accessory dwelling unit shall be offered at a reduced rent that is affordable to a lower income renter (less than 80 percent AMI) provided that the unit is occupied by someone other than a member of the household occupying the primary dwelling unit.

(b) *Design and development standards.*

- (1) *Number.* ~~Only~~ Not more than either one (1) attached accessory dwelling unit or one (1) junior accessory dwelling unit; or a combination of one (1) detached accessory dwelling unit and one (1) junior accessory dwelling unit; may be permitted on a lot with a proposed or existing primary dwelling.

Not more than a number equal to 25 percent of the existing multi-family dwelling units rounded-up to the next whole number, within the portions of an existing multi-family dwelling not used as livable space, and two (2) detached accessory dwelling units, may be permitted on a lot with a proposed or existing multi-family dwelling. No additional accessory dwelling unit is allowed upon a lot with an existing accessory dwelling unit.

- (2) *Permitted zones.* Accessory dwelling units are allowed on lots in the R-1, R-D, R-M, R-1D, RMH, HR, and RC zones, or include an existing primary dwelling.
- (3) *Setbacks.* Attached accessory dwelling units shall comply with the setbacks of the zone for a primary dwelling ~~unit~~.

No accessory dwelling unit may be constructed in front of a primary dwelling that is a historic resource.

No detached accessory dwelling unit may be placed in front of the primary dwelling ~~unit~~ in the R-1, R-D, R-M, RMH, and R-1D zones.

Detached accessory dwelling units shall comply with the following minimum setbacks:

- a. Front and side setbacks abutting a street of the zone for a primary dwelling ~~unit~~.
- b. Rear and side setbacks of ~~five (5)~~ four (4) feet in the R-1, R-D, R-M, RMH, and R-1D zones.
- c. Setbacks from any other structure located on the same lot of five (5) feet.
- d. Setbacks for a primary dwelling and located within the Least Restrictive Development Area (LRDA), in the HR and RC zones.

(4) *Height.* Accessory dwelling units shall not exceed one (1) story ~~in height~~, and shall not exceed ~~fifteen (15)~~ sixteen (16) feet in height, unless the accessory dwelling unit is contained within the existing ~~two-second~~ story space of a primary dwelling ~~unit~~ or accessory structure; added to an existing ~~two-second~~ story ~~of a primary dwelling unit that is not a historic resource~~; or added directly above an existing one-story accessory structure on a property with an existing two-story primary dwelling ~~unit~~ in the R-1, R-D, R-M, RMH, and R-1D zones.

(5) *Maximum unit size and maximum number of bedrooms.* The maximum floor area of an accessory dwelling unit is 1,200 square feet. The maximum number of bedrooms is two (2).

Detached accessory dwelling units exceeding a combined square footage of 450 square feet in the R-1, R-D, R-M, RMH, and R-1D zones shall not be subject to the Administrative Procedure for Minor Residential Projects. Detached accessory dwelling units exceeding a combined square footage of 600 or 1,000 square feet in the HR and RC zones shall not be subject to Development Review Committee or Planning Commission approval.

(6) *Floor area ratio (FAR) standards.* All accessory dwelling units (attached or detached) are allowed a ten (10) percent increase in the floor area ratio standards for all structures, excluding garages; except, notwithstanding the FAR standards in this subsection, an accessory dwelling unit that does not exceed a floor area of 800 square feet shall be permitted.

(7) *Lot coverage.* Accessory dwelling units must comply with lot coverage maximums for the zone; ~~except, with regard to the.~~ notwithstanding the lot coverage standards in this subsection, an accessory dwelling unit that does not exceed a floor area of 800 square feet shall be permitted.

- (8) *Parking.* One (1) accessory dwelling unit parking space per unit or bedroom, whichever is less, shall be provided in addition to the required minimum number of parking spaces for the primary dwelling. These spaces may be provided in a front or side setback abutting a street on a driveway (provided that it is feasible based on specific site or fire and life safety conditions) or through tandem parking.

In addition to parking otherwise required for units as set forth in section 29.10.150 of the Town Code, the number of off-street parking spaces required by this chapter for the primary dwelling ~~unit~~ shall be provided prior to the issuance of a building permit or final inspection, for a new accessory dwelling unit. When a garage is demolished in conjunction with the construction of an accessory dwelling unit, or converted to an accessory dwelling unit, any lost off-street parking spaces required for the primary dwelling shall not be required to be replaced. ~~may be located in any configuration on the same lot as the accessory dwelling unit, including as tandem spaces, or by the use of mechanical automobile parking lifts.~~

- a. *Exceptions.* No parking spaces shall be required if the accessory dwelling unit meets any of the following criteria:
1. The accessory dwelling unit is located within one-half mile walking distance of a public transit stop.
 2. The accessory dwelling unit is located within an architecturally and historically significant historic district.
 3. The accessory dwelling unit is within the existing space of a primary dwelling or an existing accessory structure.
 4. When on-street parking permits are required but not offered to the occupant of the accessory dwelling unit.
 5. When there is a car share vehicle (as defined by the California Vehicle Code) located within one block of the accessory dwelling unit.
 6. When the Director finds that the lot does not have adequate area to provide parking.
- (9) *Design, form, materials, and color.* The design, form, roof pitch, materials, and color of a new accessory dwelling unit shall be compatible with the primary dwelling ~~unit~~ and the neighborhood. Entrances serving the accessory dwelling unit shall not be constructed on any elevation facing a public street. Accessory dwelling units shall retain the ~~single-family~~ residential appearance of the property.
- (10) *Town codes and ordinances.* All accessory dwelling units shall comply with all the provisions of this chapter and other applicable Town codes.

- (11) *Building codes.* The accessory dwelling unit shall comply with applicable building, health and fire codes. The accessory dwelling unit shall not be required to provide fire sprinklers if they are not required for the primary dwelling unit.
- (12) *Denial.* An application may be denied if it does not meet the design and development standards. An application may also be denied if the following findings are made:
- a. Adverse impacts on health, safety, and/or welfare of the public.
- (13) *Conversion of existing floor area .* An attached accessory dwelling unit or a junior accessory dwelling unit shall be permitted if the ~~accessory dwelling unit~~ is contained within the existing space of a primary dwelling, or constructed in substantially the same location and manner as an existing primary dwelling unit or. A detached accessory dwelling unit shall be permitted if contained within the existing space of an accessory structure, or constructed in substantially the same location and manner as an existing accessory structure. The following provisions shall apply:
- a. The accessory dwelling unit shall be located on a lot zoned to allow single-family, two-family, or multi-family residential ~~within a zone for a single family~~ use.
 - b. The accessory dwelling unit shall have separate entrance from the primary dwelling unit.
 - c. The accessory dwelling unit shall have existing side and rear setbacks sufficient for fire safety.
 - d. No parking spaces shall be required for the accessory dwelling unit.
 - e. An expansion of 150 square feet beyond the physical dimensions of the existing structure, limited to accommodating ingress and egress, shall be permitted.
 - f. When an existing structure is non-conforming as to setback standards and converted to an accessory dwelling unit, any expansion of that structure may not be nearer to a property line than the existing building in accordance with section 29.10.245.

.....

SECTION II

With respect to compliance with the California Environmental Quality Act (CEQA), the Town Council finds as follows:

A. These Town Code amendments are not subject to review under CEQA pursuant to sections and 15061(b)(3), in that it can be seen with certainty that there is no possibility that the proposed amendment to the Town Code would have significant impact on the environment; and

B. The proposed Town Code amendments are consistent with the General Plan and its Elements.

SECTION III

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable. This Town Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the ordinance be enforced.

SECTION IV

Except as expressly modified in this Ordinance, all other sections set forth in the Los Gatos Town Code shall remain unchanged and shall be in full force and effect.

SECTION V

This Ordinance was introduced at a regular meeting of the Town Council of the Town of Los Gatos on the ____ day of _____ 2020, and adopted by the following vote as an ordinance of the Town of Los Gatos at a regular meeting of the Town Council of the Town of Los Gatos on the ____ day of _____ 2020. This ordinance takes effect 30 days after it is adopted. In lieu of publication of the full text of the ordinance within fifteen (15) days after its passage a summary of the ordinance may be published at least five (5) days prior to and fifteen (15) days after adoption by the Town Council and a certified copy shall be posted in the office of the Town Clerk, pursuant to GC 36933(c)(1).

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

GOV. CODE: TITLE 7, DIVISION 1, CHAPTER 4, ARTICLE 2

(AB 881, AB 68 and SB 13 Accessory Dwelling Units)

(Changes noted in strikeout, underline/italics)

Effective January 1, 2020, Section 65852.2 of the Government Code is amended to read:

65852.2.

(a) (1) A local agency may, by ordinance, provide for the creation of accessory dwelling units in areas zoned to allow single-family or multifamily dwelling residential use. The ordinance shall do all of the following:

(A) Designate areas within the jurisdiction of the local agency where accessory dwelling units may be permitted. The designation of areas may be based on ~~criteria that may include, but are not limited to,~~ the adequacy of water and sewer services and the impact of accessory dwelling units on traffic flow and public safety. A local agency that does not provide water or sewer services shall consult with the local water or sewer service provider regarding the adequacy of water and sewer services before designating an area where accessory dwelling units may be permitted.

(B) (i) Impose standards on accessory dwelling units that include, but are not limited to, parking, height, setback, ~~lot coverage,~~ landscape, architectural review, maximum size of a unit, and standards that prevent adverse impacts on any real property that is listed in the California Register of Historic Places. Resources. These standards shall not include requirements on minimum lot size.

(ii) Notwithstanding clause (i), a local agency may reduce or eliminate parking requirements for any accessory dwelling unit located within its jurisdiction.

(C) Provide that accessory dwelling units do not exceed the allowable density for the lot upon which the accessory dwelling unit is located, and that accessory dwelling units are a residential use that is consistent with the existing general plan and zoning designation for the lot.

(D) Require the accessory dwelling units to comply with all of the following:

(i) The accessory dwelling unit may be rented separate from the primary residence, ~~buy~~ but may not be sold or otherwise conveyed separate from the primary residence.

(ii) The lot is zoned to allow single-family or multifamily dwelling residential use and includes a proposed or existing ~~single-family~~ dwelling.

(iii) The accessory dwelling unit is either attached to, or located ~~within the living area of the~~ within, the proposed or existing primary dwelling or dwelling, including attached garages, storage areas or similar uses, or an accessory structure or detached from the proposed or existing primary dwelling and located on the same lot as the proposed or existing primary dwelling.

(iv) ~~The total area of floorspace of. If there is an existing primary dwelling, the total floor area of~~ an attached accessory dwelling unit shall not exceed 50 percent of the ~~proposed or existing primary dwelling living area or 1,200 square feet.~~ existing primary dwelling.

(v) The total floor area ~~of floorspace~~ for a detached accessory dwelling unit shall not exceed 1,200 square feet.

(vi) No passageway shall be required in conjunction with the construction of an accessory dwelling unit.

(vii) No setback shall be required for an existing garage living area or accessory structure or a structure constructed in the same location and to the same dimensions as an existing structure that is converted to an accessory dwelling unit or to a portion of an accessory dwelling unit, and a setback of no more than ~~five~~ four feet from the side and rear lot lines shall be required for an accessory dwelling

unit that is constructed above a garage, not converted from an existing structure or a new structure constructed in the same location and to the same dimensions as an existing structure.

(viii) Local building code requirements that apply to detached dwellings, as appropriate.

(ix) Approval by the local health officer where a private sewage disposal system is being used, if required.

(x) (I) Parking requirements for accessory dwelling units shall not exceed one parking space per accessory dwelling unit or per bedroom, whichever is less. These spaces may be provided as tandem parking on a driveway.

(II) Offstreet parking shall be permitted in setback areas in locations determined by the local agency or through tandem parking, unless specific findings are made that parking in setback areas or tandem parking is not feasible based upon specific site or regional topographical or fire and life safety conditions.

(III) This clause shall not apply to a an accessory dwelling unit that is described in subdivision (d).

(xi) When a garage, carport, or covered parking structure is demolished in conjunction with the construction of an accessory dwelling unit or converted to an accessory dwelling unit, ~~and the local agency requires~~ shall not require that those ~~offstreet~~ offstreet parking spaces be replaced, ~~the replacement spaces may be located in any configuration on the same lot as the accessory dwelling unit, including, but not limited to, as covered spaces, uncovered spaces, or tandem spaces, or by the use of mechanical automobile parking lifts. This clause shall not apply to a unit that is described in subdivision (d).~~ replaced.

(xii) Accessory dwelling units shall not be required to provide fire sprinklers if they are not required for the primary residence.

(2) The ordinance shall not be considered in the application of any local ordinance, policy, or program to limit residential growth.

~~(3) When a local agency receives its first application on or after July 1, 2003, for a permit pursuant to this subdivision, the application~~ A permit application for an accessory dwelling unit or a junior accessory dwelling unit shall be considered and approved ministerially without discretionary review or a hearing, notwithstanding Section 65901 or 65906 or any local ordinance regulating the issuance of variances or special use permits, ~~within 120 days after receiving the application.~~ permits. The permitting agency shall act on the application to create an accessory dwelling unit or a junior accessory dwelling unit within 60 days from the date the local agency receives a completed application if there is an existing single-family or multifamily dwelling on the lot. If the permit application to create an accessory dwelling unit or a junior accessory dwelling unit is submitted with a permit application to create a new single-family dwelling on the lot, the permitting agency may delay acting on the permit application for the accessory dwelling unit or the junior accessory dwelling unit until the permitting agency acts on the permit application to create the new single-family dwelling, but the application to create the accessory dwelling unit or junior accessory dwelling unit shall be considered without discretionary review or hearing. If the applicant requests a delay, the 60-day time period shall be tolled for the period of the delay. A local agency may charge a fee to reimburse it for costs that it incurs ~~as a result of amendments to this paragraph enacted during the 2001-02 Regular Session of the Legislature,~~ incurred to implement this paragraph, including the costs of adopting or amending any ordinance that provides for the creation of an accessory dwelling unit.

(4) An existing ordinance governing the creation of an accessory dwelling unit by a local agency or an accessory dwelling ordinance adopted by a local agency ~~subsequent to the effective date of the act adding this paragraph~~ shall provide an approval process that includes only ministerial provisions for the approval of accessory dwelling units and shall not include any discretionary processes, provisions, or requirements for those units, except as otherwise provided in this subdivision. ~~In the event that~~ If a local agency has an existing accessory dwelling unit ordinance that fails to meet the requirements of this subdivision, that ordinance shall be null and void ~~upon the effective date of the act adding this paragraph~~ and that agency shall thereafter apply the standards established in this

subdivision for the approval of accessory dwelling units, unless and until the agency adopts an ordinance that complies with this section.

(5) No other local ordinance, policy, or regulation shall be the basis for the *delay or* denial of a building permit or a use permit under this subdivision.

(6) This subdivision establishes the maximum standards that local agencies shall use to evaluate a proposed accessory dwelling unit on a lot ~~zoned for residential use~~ that includes a proposed or existing single-family dwelling. No additional standards, other than those provided in this subdivision, shall be ~~utilized~~ *used* or imposed, *including any owner-occupant requirement*, except that a local agency may require an applicant for a permit issued pursuant to this subdivision to be an owner-occupant or that the property be used for rentals of terms longer than 30 days.

(7) A local agency may amend its zoning ordinance or general plan to incorporate the policies, procedures, or other provisions applicable to the creation of an accessory dwelling unit if these provisions are consistent with the limitations of this subdivision.

(8) An accessory dwelling unit that conforms to this subdivision shall be deemed to be an accessory use or an accessory building and shall not be considered to exceed the allowable density for the lot upon which it is located, and shall be deemed to be a residential use that is consistent with the existing general plan and zoning designations for the lot. The accessory dwelling unit shall not be considered in the application of any local ordinance, policy, or program to limit residential growth.

(b) When a local agency that has not adopted an ordinance governing accessory dwelling units in accordance with subdivision (a) receives an application for a permit to create an accessory dwelling unit pursuant to this subdivision, the local agency shall approve or disapprove the application ministerially without discretionary review pursuant to subdivision ~~(a)~~ *within 120 days after receiving the application.* *(a). The permitting agency shall act on the application to create an accessory dwelling unit or a junior accessory dwelling unit within 60 days from the date the local agency receives a completed application if there is an existing single-family or multifamily dwelling on the lot. If the permit application to create an accessory dwelling unit or a junior accessory dwelling unit is submitted with a permit application to create a new single-family dwelling on the lot, the permitting agency may delay acting on the permit application for the accessory dwelling unit or the junior accessory dwelling unit until the permitting agency acts on the permit application to create the new single-family dwelling, but the application to create the accessory dwelling unit or junior accessory dwelling unit shall still be considered ministerially without discretionary review or a hearing. If the applicant requests a delay, the 60-day time period shall be tolled for the period of the delay. If the local agency has not acted upon the completed application within 60 days, the application shall be deemed approved.*

(c) (1) Subject to paragraph (2), a local agency may establish minimum and maximum unit size requirements for both attached and detached accessory dwelling units.

(2) Notwithstanding paragraph (1), a local agency shall not establish by ordinance any of the following:

(A) A minimum square footage requirement for either an attached or detached accessory dwelling unit that prohibits an efficiency unit.

(B) A maximum square footage requirement for either an attached or detached accessory dwelling unit that is less than either of the following:

(i) 850 square feet.

(ii) 1,000 square feet for an accessory dwelling unit that provides more than one bedroom.

~~(c) (C)~~ *A local agency may establish minimum and maximum unit size requirements for both attached and detached accessory dwelling units. No minimum* *Any other minimum* *or maximum size for an accessory dwelling unit, or size based upon a percentage of the proposed or existing primary dwelling, shall be established by ordinance or limits on lot coverage, floor area ratio, open space, and minimum lot size, for either attached or detached dwellings that does not permit at least an efficiency-unit to be constructed in compliance with local development standards. Accessory dwelling units shall not be required to provide fire sprinklers if they are not required for the primary residence. 800 square*

foot accessory dwelling unit that is at least 16 feet in height with four-foot side and rear yard setbacks to be constructed in compliance with all other local development standards.

(d) Notwithstanding any other law, a local agency, whether or not it has adopted an ordinance governing accessory dwelling units in accordance with subdivision (a), shall not impose parking standards for an accessory dwelling unit in any of the following instances:

(1) The accessory dwelling unit is located within one-half mile walking distance of public transit.

(2) The accessory dwelling unit is located within an architecturally and historically significant historic district.

(3) The accessory dwelling unit is part of the proposed or existing primary residence or an accessory structure.

(4) When on-street parking permits are required but not offered to the occupant of the accessory dwelling unit.

(5) When there is a car share vehicle located within one block of the accessory dwelling unit.

(e) (1) ~~Notwithstanding subdivisions (a) to (d), inclusive, a local agency shall ministerially approve an application for a building permit to create within a zone for single-family use one accessory dwelling unit per single-family lot if the unit is contained within the existing space of a single-family residence or accessory structure, including, but not limited to, a studio, pool house, or other similar structure, has independent exterior access from the existing residence, and the side and rear setbacks are sufficient for fire safety. Accessory dwelling units shall not be required to provide fire sprinklers if they are not required for the primary residence. A city may require owner occupancy for either the primary or the accessory dwelling unit created through this process. within a residential or mixed-use zone to create any of the following:~~

(A) One accessory dwelling unit or junior accessory dwelling unit per lot with a proposed or existing single-family dwelling if all of the following apply:

(i) The accessory dwelling unit or junior accessory dwelling unit is within the proposed space of a single-family dwelling or existing space of a single-family dwelling or accessory structure and may include an expansion of not more than 150 square feet beyond the same physical dimensions as the existing accessory structure. An expansion beyond the physical dimensions of the existing accessory structure shall be limited to accommodating ingress and egress.

(ii) The space has exterior access from the proposed or existing single-family dwelling.

(iii) The side and rear setbacks are sufficient for fire and safety.

(iv) The junior accessory dwelling unit complies with the requirements of Section 65852.22.

(B) One detached, new construction, accessory dwelling unit that does not exceed four-foot side and rear yard setbacks for a lot with a proposed or existing single-family dwelling. The accessory dwelling unit may be combined with a junior accessory dwelling unit described in subparagraph (A). A local agency may impose the following conditions on the accessory dwelling unit:

(i) A total floor area limitation of not more than 800 square feet.

(ii) A height limitation of 16 feet.

(C) (i) Multiple accessory dwelling units within the portions of existing multifamily dwelling structures that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, if each unit complies with state building standards for dwellings.

(ii) A local agency shall allow at least one accessory dwelling unit within an existing multifamily dwelling and shall allow up to 25 percent of the existing multifamily dwelling units.

(D) Not more than two accessory dwelling units that are located on a lot that has an existing multifamily dwelling, but are detached from that multifamily dwelling and are subject to a height limit of 16 feet and four-foot rear yard and side setbacks.

(2) A local agency shall not require, as a condition for ministerial approval of a permit application for the creation of an accessory dwelling unit or a junior accessory dwelling unit, the correction of nonconforming zoning conditions.

(3) The installation of fire sprinklers shall not be required in an accessory dwelling unit if sprinklers are not required for the primary residence.

(4) A local agency shall require that a rental of the accessory dwelling unit created pursuant to this subdivision be for a term longer than 30 days.

(5) A local agency may require, as part of the application for a permit to create an accessory dwelling unit connected to an onsite water treatment system, a percolation test completed within the last five years, or, if the percolation test has been recertified, within the last 10 years.

(6) Notwithstanding subdivision (c) and paragraph (1) a local agency that has adopted an ordinance by July 1, 2018, providing for the approval of accessory dwelling units in multifamily dwelling structures shall ministerially consider a permit application to construct an accessory dwelling unit that is described in paragraph (1), and may impose standards including, but not limited to, design, development, and historic standards on said accessory dwelling units. These standards shall not include requirements on minimum lot size.

(f) (1) Fees charged for the construction of accessory dwelling units shall be determined in accordance with Chapter 5 (commencing with Section 66000) and Chapter 7 (commencing with Section 66012).

(2) ~~Accessory-~~ An accessory dwelling unit shall not be considered by a local agency, special district, or water corporation to be a new residential use for the purposes of calculating connection fees or capacity charges for utilities, including water and sewer ~~service-~~ service, unless the accessory dwelling unit was constructed with a new single-family dwelling.

(3) (A) A local agency, special district, or water corporation shall not impose any impact fee upon the development of an accessory dwelling unit less than 750 square feet. Any impact fees charged for an accessory dwelling unit of 750 square feet or more shall be charged proportionately in relation to the square footage of the primary dwelling unit.

(B) For purposes of this paragraph, "impact fee" has the same meaning as the term "fee" is defined in subdivision (b) of Section 66000, except that it also includes fees specified in Section 66477. "Impact fee" does not include any connection fee or capacity charge charged by a local agency, special district, or water corporation.

~~(A)~~ (4) For an accessory dwelling unit described in subparagraph (A) of paragraph (1) of subdivision (e), a local agency, special district, or water corporation shall not require the applicant to install a new or separate utility connection directly between the accessory dwelling unit and the utility or impose a related connection fee or capacity charge- charge, unless the accessory dwelling unit was constructed with a new single-family home.

~~(B)~~ (5) For an accessory dwelling unit that is not described in subparagraph (A) of paragraph (1) of subdivision (e), a local agency, special district, or water corporation may require a new or separate utility connection directly between the accessory dwelling unit and the utility. Consistent with Section 66013, the connection may be subject to a connection fee or capacity charge that shall be proportionate to the burden of the proposed accessory dwelling unit, based upon either its size- square feet or the number of its plumbing fixtures, drainage fixture unit (DFU) values, as defined in the Uniform Plumbing Code adopted and published by the International Association of Plumbing and Mechanical Officials, upon the water or sewer system. This fee or charge shall not exceed the reasonable cost of providing this service.

(g) This section does not limit the authority of local agencies to adopt less restrictive requirements for the creation of an accessory dwelling unit.

(h) ~~Local (1) -agencies-~~ A local agency shall submit a copy of the ordinance adopted pursuant to subdivision (a) to the Department of Housing and Community Development within 60 days after adoption. ~~The department may review and comment on this submitted ordinance. After adoption of an ordinance, the department may submit written findings to the local agency as to whether the ordinance complies with this section.~~

(2) (A) If the department finds that the local agency's ordinance does not comply with this section, the shall notify the local agency and shall provide the local agency with a reasonable time,

no longer than 30 days, to respond to the findings before taking any other action authorized by this section.

(B) The local agency shall consider the findings made by the department pursuant to subparagraph (A) and shall do one of the following:

(i) Amend the ordinance to comply with this section.

(ii) Adopt the ordinance without changes. The local agency shall include findings in its resolution adopting the ordinance that explain the reasons the local agency believes that the ordinance complies with this section despite the findings of the department.

(3) (A) If the local agency does not amend its ordinance in response to the department's findings or does not adopt a resolution with findings explaining the reason the ordinance complies with this section and addressing the department's findings, the department shall notify the local agency and may notify the Attorney General that the local agency is in violation of state law.

(B) Before notifying the Attorney General that the local agency is in violation of state law, the department may consider whether a local agency adopted an ordinance in compliance with this section between January 1, 2017, and January 1, 2020.

(i) The department may review, adopt, amend, or repeal guidelines to implement uniform standards or criteria that supplement or clarify the terms, references, and standards set forth in this section. The guidelines adopted pursuant to this subdivision are not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2.

(j) As used in this section, the following terms mean:

(1) "Living area" means the interior habitable area of a dwelling unit including basements and attics but does not include a garage or any accessory structure.

(2) "Local agency" means a city, county, or city and county, whether general law or chartered.

(3) For purposes of this section, "neighborhood" has the same meaning as set forth in Section 65589.5.

(4) (1) "Accessory dwelling unit" means an attached or a detached residential dwelling unit which ~~that~~ provides complete independent living facilities for one or more persons. persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family or multifamily dwelling is or will be situated. An accessory dwelling unit also includes the following:

(A) An efficiency unit.

(B) A manufactured home, as defined in Section 18007 of the Health and Safety Code.

(2) "Accessory structure" means a structure that is accessory and incidental to a dwelling located on the same lot.

(A) (3) An efficiency unit, "Efficiency unit" has the same meaning as defined in Section 17958.1 of the Health and Safety Code.

(B) (4) A manufactured home, as defined in Section 18007 of the Health and Safety Code, "Living area" means the interior habitable area of a dwelling unit, including basements and attics, but does not include a garage or any accessory structure.

(5) "Local agency" means a city, county, or city and county, whether general law or chartered.

(6) "Neighborhood" has the same meaning as set forth in Section 65589.5.

(7) "Nonconforming zoning condition" means a physical improvement on a property that does not conform with current zoning standards.

(5) (8) "Passageway" means a pathway that is unobstructed clear to the sky and extends from a street to one entrance of the accessory dwelling unit.

(9) "Proposed dwelling" means a dwelling that is the subject of a permit application and that meets the requirements for permitting.

(10) "Public transit" means a location, including, but not limited to, a bus stop or train station, where the public may access buses, trains, subways, and other forms of transportation that charge set fares, run on fixed routes, and are available to the public.

~~(6)~~ (11) "Tandem parking" means that two or more automobiles are parked on a driveway or in any other location on a lot, lined up behind one another.

(k) A local agency shall not issue a certificate of occupancy for an accessory dwelling unit before the local agency issues a certificate of occupancy for the primary dwelling.

(j) (l) Nothing in this section shall be construed to supersede or in any way alter or lessen the effect or application of the California Coastal Act of 1976 (Division 20 (commencing with Section 30000) of the Public Resources Code), except that the local government shall not be required to hold public hearings for coastal development permit applications for accessory dwelling units.

(m) A local agency may count an accessory dwelling unit for purposes of identifying adequate sites for housing, as specified in subdivision (a) of Section 65583.1, subject to authorization by the department and compliance with this division.

(n) In enforcing building standards pursuant to Article 1 (commencing with Section 17960) of Chapter 5 of Part 1.5 of Division 13 of the Health and Safety Code for an accessory dwelling unit described in paragraph (1) or (2) below, a local agency, upon request of an owner of an accessory dwelling unit for a delay in enforcement, shall delay enforcement of a building standard, subject to compliance with Section 17980.12 of the Health and Safety Code:

(1) The accessory dwelling unit was built before January 1, 2020.

(2) The accessory dwelling unit was built on or after January 1, 2020, in a local jurisdiction that, at the time the accessory dwelling unit was built, had a noncompliant accessory dwelling unit ordinance, but the ordinance is compliant at the time the request is made.

(o) This section shall remain in effect only until January 1, 2025, and as of that date is repealed.

Effective January 1, 2020, Section 65852.22 of the Government Code is amended to read (changes noted in strikeout, underline/italics) (AB 68 (Ting)):

65852.22.

(a) Notwithstanding Section 65852.2, a local agency may, by ordinance, provide for the creation of junior accessory dwelling units in single-family residential zones. The ordinance may require a permit to be obtained for the creation of a junior accessory dwelling unit, and shall do all of the following:

(1) Limit the number of junior accessory dwelling units to one per residential lot zoned for single-family residences with a single-family residence ~~already built~~ built, or proposed to be built, on the lot.

(2) Require owner-occupancy in the single-family residence in which the junior accessory dwelling unit will be permitted. The owner may reside in either the remaining portion of the structure or the newly created junior accessory dwelling unit. Owner-occupancy shall not be required if the owner is another governmental agency, land trust, or housing organization.

(3) Require the recordation of a deed restriction, which shall run with the land, shall be filed with the permitting agency, and shall include both of the following:

(A) A prohibition on the sale of the junior accessory dwelling unit separate from the sale of the single-family residence, including a statement that the deed restriction may be enforced against future purchasers.

(B) A restriction on the size and attributes of the junior accessory dwelling unit that conforms with this section.

(4) Require a permitted junior accessory dwelling unit to be constructed within the ~~existing~~ walls of the structure, and ~~require the inclusion of an existing bedroom.~~ proposed or existing single-family residence.

(5) Require a permitted junior accessory dwelling to include a separate entrance from the main entrance to the structure, ~~with an interior entry to the main living area. A permitted junior accessory dwelling may include a second interior doorway for sound attenuation.~~ proposed or existing single-family residence.

(6) Require the permitted junior accessory dwelling unit to include an efficiency kitchen, which shall include all of the following:

~~(A) A sink with a maximum waste line diameter of 1.5 inches.~~

~~(B) (A) A cooking facility with appliances that do not require electrical service greater than 120 volts, or natural or propane gas.~~ appliances.

~~(C) (B)~~ (B) A food preparation counter and storage cabinets that are of reasonable size in relation to the size of the junior accessory dwelling unit.

(b) (1) An ordinance shall not require additional parking as a condition to grant a permit.

(2) This subdivision shall not be interpreted to prohibit the requirement of an inspection, including the imposition of a fee for that inspection, to determine ~~whether if~~ if the junior accessory dwelling unit ~~is in compliance~~ complies with applicable building standards.

(c) An application for a permit pursuant to this section shall, notwithstanding Section 65901 or 65906 or any local ordinance regulating the issuance of variances or special use permits, be considered ministerially, without discretionary review or a hearing. ~~A permit shall be issued within 120 days of submission of an application for a permit pursuant to this section.~~ The permitting agency shall act on the application to create a junior accessory dwelling unit within 60 days from the date the local agency receives a completed application if there is an existing single-family dwelling on the lot. If the permit application to create a junior accessory dwelling unit is submitted with a permit application to create a new single-family dwelling on the lot, the permitting agency may delay acting on the permit application for the junior accessory dwelling unit until the permitting agency acts on the permit application to create the new single-family dwelling, but the application to create the junior accessory unit shall still be considered ministerially without discretionary review or a hearing. If the

applicant requests a delay, the 60-day time period shall be tolled for the period of the delay. A local agency may charge a fee to reimburse the local agency for costs incurred in connection with the issuance of a permit pursuant to this section.

(d) For the purposes of any fire or life protection ordinance or regulation, a junior accessory dwelling unit shall not be considered a separate or new dwelling unit. This section shall not be construed to prohibit a city, county, city and county, or other local public entity from adopting an ordinance or regulation relating to fire and life protection requirements within a single-family residence that contains a junior accessory dwelling unit so long as the ordinance or regulation applies uniformly to all single-family residences within the zone regardless of whether the single-family residence includes a junior accessory dwelling unit or not.

(e) For the purposes of providing service for water, sewer, or power, including a connection fee, a junior accessory dwelling unit shall not be considered a separate or new dwelling unit.

(f) This section shall not be construed to prohibit a local agency from adopting an ordinance or regulation, related to parking or a service or a connection fee for water, sewer, or power, that applies to a single-family residence that contains a junior accessory dwelling unit, so long as that ordinance or regulation applies uniformly to all single-family residences regardless of whether the single-family residence includes a junior accessory dwelling unit.

(g) If a local agency has not adopted a local ordinance pursuant to this section, the local agency shall ministerially approve a permit to construct a junior accessory dwelling unit that satisfies the requirements set forth in subparagraph (A) of paragraph (1) of subdivision (e) of Section 65852.2 and the requirements of this section.

~~(g)~~ (h) For purposes of this section, the following terms have the following meanings:

(1) "Junior accessory dwelling unit" means a unit that is no more than 500 square feet in size and contained entirely within ~~an existing~~ a single-family structure. residence. A junior accessory dwelling unit may include separate sanitation facilities, or may share sanitation facilities with the existing structure.

(2) "Local agency" means a city, county, or city and county, whether general law or chartered.

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**TOWN OF LOS GATOS
PLANNING COMMISSION
REPORT**

MEETING DATE: 02/26/2020

ITEM NO: 4

DESK ITEM

DATE: February 26, 2020
TO: Planning Commission
FROM: Joel Paulson, Community Development Director
SUBJECT: Forward a recommendation to the Town Council for approval of the amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding accessory dwelling units, Town Wide. Town Code Amendment Application A-20-001. Applicant: Town of Los Gatos.

REMARKS:

Exhibit 4 includes additional public comments received between 11:01 a.m., Friday, February 21, 2020 and 11:00 a.m., Wednesday, February 26, 2020.

Exhibits:

Previously received with February 26, 2020 Staff Report:

1. Findings
2. Draft Ordinance
3. California Government Code Section 65852

Received with this Desk Item:

4. Public comments received between 11:01 a.m., February 21, 2020 and 11:00 a.m., February 26, 2020

PREPARED BY: Sally Zarnowitz, AIA, LEED AP
Planning Manager

Reviewed by: Planning Manager and Community Development Director

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Sally Zarnowitz

From: Bonnie Noehr <bbnoehr@gmail.com>
Sent: Wednesday, February 26, 2020 9:08 AM
To: Sally Zarnowitz
Subject: ADU discission

Hi Sally,

I'm not sure that my comments are relevant for tonight's meeting as I live in Monte Sereno. Nevertheless, I am very interested in this subject as we have lived here since 1983 and, now that we are retired and on a fixed income, we do not want to leave this expensive area. An ADU would allow us space for a caregiver should that need arise. In the meantime, we could provide a low rent option to someone working in the community. We have worked (18 years at Los Gatos Saratoga HS District for me) and volunteered in this community for a long time and do not like facing the prospect of having to leave. I would hope that the fees to obtain a permit would not be prohibitive.

Sincerely,
Bonnie (and Rolf) Noehr
17445 Pleasant View Avenue
Monte Sereno, CA 95030

408 354-3223

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A P P E A R A N C E S:

Los Gatos Planning Commissioners:	Melanie Hanssen, Chair Kathryn Janoff, Vice Chair Mary Badame Jeffrey Barnett Kendra Burch Matthew Hudes Reza Tavana
Town Manager:	Laurel Prevetti
Community Development Director:	Joel Paulson
Town Attorney:	Robert Schultz
Transcribed by:	Vicki L. Blandin (619) 541-3405

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3 P R O C E E D I N G S:
4

5 CHAIR HANSSEN: Now we will move on to Agenda
6 Item 4, which is Town Code Amendment Application A-20-001,
7 project location Town Wide. Project Applicant is the Town
8 of Los Gatos. We are asked to forward a recommendation to
9 the Town Council for approval of amendments to Chapter 29
10 (Zoning Regulations) of the Town Code this time regarding
11 Accessory Dwelling Units, and Ms. Zarnowitz, I understand
12 you'll be giving the Staff Report this evening.

13 SALLY ZARNOWITZ: Yes, thank you. Also in October
14 2019 new law was passed regarding Accessory Dwelling Units,
15 or ADUs, and the laws pertained particularly to the sizes,
16 locations, number of ADUs allowed, and the parking.

17 Before you tonight is a Draft Ordinance which
18 addresses those changes and amends the zoning regulations
19 to address those changes. Also in the discussion there are
20 options for less restrictive regulations should the
21 Commission recommend those to the Town Council.
22 Jurisdictions have the right to be less restrictive than
23 the state would even require, and so there are several of
24
25

1 those options in the Staff Report pertaining primarily to
2 locations and setbacks.

3 That concludes Staff's report and we are here to
4 answer questions.

5 CHAIR HANSSEN: Do any Commissioners have
6 questions of Staff? Commissioner Badame.

7 COMMISSIONER BADAME: Do we have any regulations
8 to prevent ADUs from being used as an Airbnb?
9

10 SALLY ZARNOWITZ: Yes, the Airbnb, or the Short-
11 term Rental Ordinance that went through recently prohibited
12 new ADUs from being used as a short-term rental.

13 COMMISSIONER BADAME: Thank you.

14 CHAIR HANSSEN: Any other questions for Staff?
15 All right, seeing none then I will invite comments from
16 members of the public. Is there anyone that would wish to
17 make comments on this item? It appears not, so then I will
18 close... Oh, I'm sorry. I apologize. So, please step to the
19 podium and state your name and address, and you'll have up
20 to three minutes.

21 JENNIFER KRETSCHMER: Hello, my name is Jennifer
22 Kretschmer, AIA. I live at 101 Old Blossom Hill Road. I'm a
23 resident and a business owner. I am also the vice president
24 of the AIA Silicon Valley Chapter and on the board of
25

1 directors for the AIA California, although I'm here to
2 speak primarily on behalf as a resident and business owner
3 in Los Gatos.

4 The main item that I would like to address is the
5 decision to not allow Accessory Dwelling Units in front of
6 primary residences, primarily because the state does
7 require cities or towns to allow existing buildings to be
8 converted into ADUs. We have a situation in this town where
9 we do have a lot of older homes that are small enough to be
10 considered an ADU, and rather than seeing those smaller
11 homes demolished in order to build a larger home and then
12 they still put an ADU in the back, I would like to propose
13 that the Commission here consider existing infrastructure
14 to be allowed to be a detached ADU in front of a primary
15 residence.
16

17 The other thing that I'd like you to consider is
18 that the current amendments are allowing four setbacks of
19 4'. That is quite adequate but we could go so far as 3' and
20 still comply to building codes and still have space to go
21 around the structure, and therefore leave more open space
22 in the yards of properties if the detached ADU is pushed
23 all the way towards the back of the property. It still
24 allows for preventative fire measures, so that is one other
25

1 consideration that I'd like you to think about, and that's
2 it.

3 CHAIR HANSSEN: Do any of the Commissioners have
4 questions for the speaker? Commissioner Hudes.

5 COMMISSIONER HUDES: I had two questions. With
6 regard to the setback, would changing the setback in any
7 way allow certain ADUs to be larger than they otherwise
8 would be?

9 JENNIFER KRETSCHMER: No, it should not as long
10 as the Town is complying to the state regulations as far as
11 size.
12

13 COMMISSIONER HUDES: But there's a difference
14 between the distance in some small lots, whereby having
15 more setback the structure would be farther away and
16 potentially could be larger because of the distance from
17 the main structure, correct?

18 JENNIFER KRETSCHMER: I think you could end up
19 making it larger one way or another depending on the space
20 that's allocated. There are distances that are required
21 from the existing primary structure so you can't build
22 them, even for fire code, right up next to each other, so
23 that also limits how large an ADU can be.
24
25

1 COMMISSIONER HUDES: Okay. I had another
2 questions, if I may?

3 CHAIR HANSSEN: For the speaker?

4 COMMISSIONER HUDES: Yeah.

5 CHAIR HANSSEN: Sure.

6 COMMISSIONER HUDES: The first point that you
7 made about putting an ADU in front of a primary dwelling,
8 does that apply to historic as well?

9 JENNIFER KRETSCHMER: I think that that's
10 actually one of the best ways to utilize that. We have a
11 few structures where I know people are considering adding
12 almost what I would call a Frankenhouse. In order to keep
13 the existing character of the original small, historic home
14 they're adding a giant addition onto the back. If they
15 would have the option of keeping that smaller, historic
16 home still in the front area, and if they have of course
17 enough lot size and enough FAR to build the main structure
18 behind, then the existing neighborhood character of the
19 street could remain without that existing historic
20 structure being demolished or being altered in such a way.

21 COMMISSIONER HUDES: So, are you referring
22 specifically to the language that says, "An option. A
23 standard has been included in the Draft Ordinance
24
25

1 clarifying that no Accessory Dwelling Unit may be
2 constructed in front of a Primary Dwelling Unit that is a
3 historic resource," and are you suggesting that we should
4 adopt that option?

5 JENNIFER KRETSCHMER: Correct. I am specifically
6 speaking to Section 29.10.320(b)(3).

7 COMMISSIONER HUDES: Okay, thank you.

8 CHAIR HANSSEN: Vice Chair Janoff.

9 VICE CHAIR JANOFF: Just a question about the
10 setback. The option that I'm reading is not speaking to a
11 detached Accessory Dwelling Unit but an attached Accessory
12 Dwelling Unit and it's asking about whether essentially to
13 limit it from the current, which is a 5' setback, to allow
14 a four foot setback. The question I have for you is we
15 currently require a 5' distance between a primary residence
16 and an Accessory Dwelling Unit, so if we use the term
17 "circulation" what's your thought about not having a 5'
18 circulation, which is generally the requirement for a
19 detached? It's not a setback from the property line.

20 JENNIFER KRETSCHMER: Right.

21 VICE CHAIR JANOFF: So, if you're suggesting
22 this... And again, this is referring to attached, that's what
23 the option language before us...
24
25

1 JENNIFER KRETSCHMER: Right.

2 VICE CHAIR JANOFF: I understand your point about
3 the detached.

4 JENNIFER KRETSCHMER: Right.

5 VICE CHAIR JANOFF: Would you also say that you
6 would advocate either the 4' or even the 3' setback if it's
7 an attached ADU?

8 JENNIFER KRETSCHMER: No, I think if it's
9 attached it needs to be attached; there shouldn't be any
10 breezeway. I mean, if they want to design a breezeway they
11 could be allowed a breezeway, but it should not be
12 required.
13

14 VICE CHAIR JANOFF: No, I'm not talking about the
15 breezeway, I'm saying... Let's say it's right smack against
16 the primary dwelling unit. What kind of setback are you
17 advocating for that Accessory Dwelling Unit on the
18 property?

19 JENNIFER KRETSCHMER: Got it. The setback that is
20 for the new writing in the code is acceptable; it's the 5'.
21

22 VICE CHAIR JANOFF: Five feet.

23 JENNIFER KRETSCHMER: Yeah.

24 VICE CHAIR JANOFF: Thank you.
25

1 CHAIR HANSSEN: Any other questions for the
2 speaker? Thank you very much for your comments; it was very
3 helpful. Is there anyone else from the public that would
4 like to speak on this item? Sure I didn't miss anyone?
5 Okay, seeing none, then I will close the public portion of
6 the hearing and then ask if any of the Commissioners would
7 like to ask any additional questions of Staff?

8
9 Before we proceed forward with any motions or
10 anything I did want to make a comment that in the Staff
11 Report there is the request to forward a recommendation to
12 Council for adopting the changes that the state has
13 designated, and then as Ms. Zarnowitz mentioned there are
14 several options that we could also consider that would be
15 more lenient than the state code if we want to facilitate
16 the development of ADUs.

17 What I'd like to do in terms of process is have
18 the Commission vote first on the recommendation to adopt
19 the state law changes and then consider each of the options
20 separately, and we don't need to reopen the public hearing
21 for that but we can discuss each one and then vote as to
22 whether we'd like to go in that direction or not in the
23 recommendation. So, that being the case are there any
24 additional questions for Staff, comments that Commissioners
25

1 would like to make, or would anyone like to make a motion
2 on the first item, which would be to adopt the state law
3 changes? Commissioner Barnett.

4 COMMISSIONER BARNETT: I had a very small nit to
5 pick on pages six and seven of the Draft Ordinance and that
6 is that Item 8 at the top of page 6 requires one parking
7 unit per unit for an Accessory Dwelling Unit and then it's
8 followed by six exceptions, and I was proposing an
9 additional exception to tie in or to make consistent
10 paragraph 13(d) on page seven. So the import of this is
11 that it would harmonize the Draft Ordinance Section
12 29.10.320(b)(8) on page six with Section
13 29.10.320(b)(13)(d) on page seven. In other words, that
14 there would be no parking spaces required for Accessory
15 Dwelling Units.
16

17 CHAIR HANSSEN: So, you're suggesting to make a
18 correction to the Draft Ordinance?

19 COMMISSIONER BARNETT: Correct.

20 CHAIR HANSSEN: Could Staff...

21 SALLY ZARNOWITZ: Yes, I think the understanding
22 was that that might relate to Junior Accessory Dwelling
23 Units was the consistency that the Commissioner might be
24 looking for. Section 13 is about the conversion of existing
25

1 floor area, and so the conversion does exist. Maybe it's
2 number 3 under A, (8)(a)(3), "The ADU is within the
3 existing space of a primary dwelling or an existing
4 accessory structure," and did you want to add "Junior" to
5 that, or "Junior ADU"?

6 CHAIR HANSSEN: Commissioner Barnett.

7 COMMISSIONER BARNETT: Yeah, that was the intent
8 and I did discuss it with Ms. Zarnowitz.

9 CHAIR HANSSEN: Okay, so you would be comfortable
10 if they made that change that you recommended with the
11 language in the ordinance?
12

13 COMMISSIONER BARNETT: Yes, to harmonize those
14 two sections.

15 SALLY ZARNOWITZ: Yes, and to clarify, we can go
16 back to make sure those two sections match, which was, I
17 believe, the Commissioner's concern.

18 CHAIR HANSSEN: Other comments from
19 Commissioners? Would anyone like to make a motion for the
20 Draft Ordinance, and then keeping in mind that we'll
21 discuss the different options that were presented in the
22 Staff Report subsequent? Commissioner Badame.

23 COMMISSIONER BADAME: I'll try a motion. I move
24 to forward a recommendation to the Town Council for Town
25

1 Code Amendment Application A-20-001, amendments to Chapter
2 29 of the Town Code regarding Accessory Dwelling Units,
3 with the addition of the changes as recommended by
4 Commissioner Barnett. I can make the required findings for
5 CEQA, and I can make the required findings for the General
6 Plan per Exhibit 1.

7 CHAIR HANSSEN: Is there a second? Commissioner
8 Hudes.

9 COMMISSIONER HUDES: Second.

10 CHAIR HANSSEN: Would anyone else like to make
11 comments on the motion before we take a vote? Seeing none,
12 all in favor? Opposed? Passes unanimously. And are there
13 appeal rights for the motion?
14

15 SALLY ZARNOWITZ: No, there are not because it's
16 a recommendation to Town Council.

17 CHAIR HANSSEN: Thank you. All right, so having
18 done that I thought we ought to go through the different
19 options that are in the Staff Report and make a
20 recommendation as to whether we would wish to recommend to
21 Council to be more lenient then the language in the state
22 law.

23 The first option, and I might ask Staff to give
24 additional explanation. I mean, it's described here but the
25

1 first option is on page 3, and as I understand it, it has
2 to do with whether or not... There is a limit of two ADUs
3 that can be had, but the state law says detached or an
4 additional Junior ADU inside the house, and then do we want
5 to add an attached ADU as one of the possibilities, and so
6 if you could comment on that, if I got that right.

7 SALLY ZARNOWITZ: That's correct, and I have a
8 sketch if you want to see an example of an attached or a
9 detached with the Junior. So the Junior ADU as defined by
10 the state as within the primary residence.

11 CHAIR HANSSEN: I think we would like to see the
12 drawing.

13 SALLY ZARNOWITZ: The Junior ADU is within the
14 residence and we'll have an example of a Junior ADU in the
15 residence and then a detached Accessory Dwelling Unit,
16 which is what the state requires, and then we also have an
17 example of attached, which the state does not require that
18 jurisdictions allow it. So, this is what the state would
19 require to be allowed and that's what the ordinance allows
20 right now, a detached. The Junior ADU is within the primary
21 dwelling plus 150 square feet are allowed for egress.
22 That's what the state is allowing and then the question is
23 would the Town want to allow the Junior ADU on the bottom
24
25

1 and then the attached ADU all in one structure? So, it
2 wouldn't increase the numbers. One could still have one ADU
3 and one Junior ADU, it's just a question of whether or not
4 you would allow that second ADU to be attached.

5 CHAIR HANSSEN: Do any Commissioners have
6 questions or comments on that? Commissioner Burch first.

7 COMMISSIONER BURCH: I definitely think we should
8 support that. I think that that's going to be easier on a
9 homeowner to provide... That's a much simpler modification or
10 construction than a completely detached unit that has to be
11 built. I don't see anything wrong with that.

12 CHAIR HANSSEN: Other comments? Vice Chair
13 Janoff.

14 VICE CHAIR JANOFF: Yeah, I would agree with
15 Commissioner Burch. We do want to increase the housing
16 units, and so this is a good way to do it and giving
17 homeowners the flexibility to accommodate the nuances of
18 their property makes good sense.

19 Question for Staff. Is there also an option, if
20 you go back to the first diagram, that the Junior ADU could
21 be associated with the ADU?

22 SALLY ZARNOWITZ: Yeah, there should be another
23 one where there's a Junior ADU. There we go. That is the
24
25

1 second question in this option. Yes, would the Town like to
2 allow a Junior ADU not just within the primary but within
3 the space of an accessory structure or a larger ADU?

4 VICE CHAIR JANOFF: So, before us is the option
5 to allow for both, this as well as the prior slide?

6 SALLY ZARNOWITZ: Right, still with the same
7 number of one ADU and one Junior ADU.

8 VICE CHAIR JANOFF: Okay. My general comment is
9 yes. I mean, why make it more difficult for homeowners to
10 manage efficient building of their property and allow for
11 these additional units?

12 CHAIR HANSSEN: Question for Staff. Allowing this
13 option they wouldn't be able to have additional square
14 footage, or would they? Because there's a limit on the
15 total square footage for a detached ADU, so if the Junior
16 is... Does that imply that you add the... It could be larger
17 than it was before?

18 SALLY ZARNOWITZ: There are all these kinds of
19 questions. The detached ADU would have a certain size up to
20 the 1,200, and then the Junior ADU would come out of that
21 one would assume, which would reduce the size of the ADU
22 just as the Junior ADU reduces the size of the primary
23 dwelling, the main house.
24
25

1 CHAIR HANSSEN: Okay.

2 SALLY ZARNOWITZ: And the Junior ADU still
3 wouldn't be able to be more than 500 square feet. The
4 Junior ADU doesn't necessarily have to have its own
5 restroom; it can share a restroom with the main dwelling,
6 and it just has a little counter and appliance for cooking.

7 CHAIR HANSSEN: Vice Chair Janoff.

8 VICE CHAIR JANOFF: So, do we need to specify
9 that? It may be our understanding, but do we need to say
10 that in this scenario where you have a detached ADU and the
11 Junior ADU in one building the total does not exceed 1,200
12 square feet?
13

14 SALLY ZARNOWITZ: I'm seeing that that might be a
15 good idea from the attorney.

16 VICE CHAIR JANOFF: I'm just concerned that we
17 might have a 1,200 ADU and a 500 Junior ADU in that
18 scenario, which is not our intent.

19 SALLY ZARNOWITZ: Right, and the state requires
20 that you allow up to an 800 square foot ADU, so that would
21 be 1,300.

22 VICE CHAIR JANOFF: Would we need to say up to
23 1,300 if it's joined? Can we have two Junior ADUs?
24

25 SALLY ZARNOWITZ: Well, no. No, you can't.

1 VICE CHAIR JANOFF: Well, I'm just wondering if
2 there's a minimum ADU and a maximum or a set Junior. Then
3 if this is the scenario that's brought before the Town we
4 might want to say yes to 1,300 square foot total. I mean,
5 considering that these are ministerial decisions and
6 there's no discretion, the more that we bound that envelope
7 to make it perfectly clear seems reasonable.

8 SALLY ZARNOWITZ: It does, and I think we can
9 take that direction and look at it more closely as well,
10 because there are other regulations pertaining to accessory
11 structures on lots and so we could look at that and see how
12 that would play out, but the main idea of the Junior ADU is
13 that it is within the existing space or proposed space—
14 which becomes, I know, complicated—of a structure.

15 JOEL PAULSON: If the Commission is ultimately
16 interested in providing that direction we can carry that
17 information forward to the Council and then provide them
18 with our findings and then they can make that decision.

19 CHAIR HANSSEN: One more question for Staff.
20 Relative to Vice Chair Janoff's question though, by
21 definition a Junior ADU is then a primary dwelling, so you
22 can't have a Junior ADU within a Junior ADU, right?
23
24
25

1 SALLY ZARNOWITZ: Well, the state allows the
2 jurisdiction to limit it to that definition, but should you
3 wish to take it beyond that we can revise that definition
4 if that's the direction you're giving. As Mr. Paulson said,
5 we can look at that and move it forward.

6 JOEL PAULSON: But you theoretically could have a
7 499 square foot Junior ADU and a 480 square foot detached
8 ADU, so just because it's less than 500 does not make it a
9 Junior ADU, so ultimately it's kind of semantics but
10 technically you could have a detached ADU that's less than
11 500 and an attached that's within the existing home that's
12 less than 500 and one of them is going to be a Junior ADU
13 and one of them is going to be a regular detached ADU.

14 CHAIR HANSSEN: Right, okay. I'm thinking we
15 should make... I'm going to ask Staff. Would you like us to
16 make a motion and vote on these or just have comments about
17 whether we think it's a good idea or not?

18 JOEL PAULSON: I think it would be helpful for
19 Council's discussion to actually have a motion.

20 SALLY ZARNOWITZ: Yeah, since it's not in the
21 first motion, then just have individual motions.

22 CHAIR HANSSEN: All right, and I think we can do
23 this fairly quickly, so let's do that. So, this option is
24
25

1 two different options, which is kind of the A and B.
2 There's the adding the attached ADU as an option and then
3 the Junior ADU within the detached. So, would someone be
4 willing to make a motion about whether we want to do that
5 or not? Commissioner Burch.

6 COMMISSIONER BURCH: I'm going to make a motion
7 that based on the diagrams shown by Staff for the two
8 options I would move to forward a recommendation of
9 approval to Council and note some of the conversation that
10 has occurred based on the configuration of square footage.
11

12 CHAIR HANSSEN: Is there a second? Commissioner
13 Tavana.

14 COMMISSIONER TAVANA: I'll second that.

15 CHAIR HANSSEN: Are there any comments from
16 Commissioners on this item? Seeing none, I will call the
17 question. All in favor? Opposed? Passes unanimously.

18 The next option says no Accessory Dwelling Unit...
19 It's in the Draft Ordinance and do we want to be more
20 lenient that, "No Accessory Dwelling Unit may be
21 constructed in front of a primary dwelling that is a
22 historic resource to prevent adverse impacts on historic
23 resources." But we could recommend allowing this option to
24 create Accessory Dwelling Units in front of historic
25

1 resources to add more flexibility. So, comments on that?
2 And I don't know if Staff wants to clarify any more than
3 that.

4 SALLY ZARNOWITZ: I would just say that
5 pertaining to the public comment that we got that it's not
6 the intent that this language would preclude the conversion
7 of existing accessory structures or square footage to an
8 ADU in front of a historic resource, so if there's a
9 gatehouse or some sort of structure in front of it or that
10 that could be converted to an ADU.

11
12 CHAIR HANSSEN: So, this questions is whether we
13 allow people to construct a new ADU that isn't there right
14 now in front of a historic resource?

15 SALLY ZARNOWITZ: Yes.

16 CHAIR HANSSEN: Okay. Commissioner Burch.

17 COMMISSIONER BURCH: I just want to make sure
18 before I make my other comments I'm clear. We do have some
19 properties downtown that are these very tiny, original
20 little bungalows but that are existing, so would this say
21 that for the sake of keeping historic we would allow that
22 to become an ADU just like... Is that semantics correct?

23 SALLY ZARNOWITZ: That correct, because it's
24 existing.
25

1 COMMISSIONER BURCH: Okay. All right, thank you.

2 CHAIR HANSSEN: I just want to ask a clarifying
3 question, then Commissioner Hudes. We can't prevent that
4 anyway, or is this something we need to vote on, where they
5 have a detached Accessory Dwelling Unit, or it's not a
6 dwelling unit but an accessory unit in front, we have to
7 vote whether to allow that or not, or they can
8 automatically do it because of the state law?
9

10 SALLY ZARNOWITZ: They can convert the existing
11 floor area; that would be allowed by the state law and by
12 the ordinance as it's written. The question would be could
13 they build a new ADU in front of the small bungalow?

14 CHAIR HANSSEN: Commissioner Hudes.

15 COMMISSIONER HUDES: I would strongly oppose that
16 option. I think it would decrease the value of historic
17 resources and it would also decrease the value of the
18 neighborhoods and the Town to put new construction in front
19 of historic resources. I think we would be getting some
20 additional dwellings but we would be outright attacking our
21 historic character of the Town.

22 CHAIR HANSSEN: Vice Chair Janoff.

23 VICE CHAIR JANOFF: Yeah, I agree with
24 Commissioner Hudes except that I think what's proposed is
25

1 the reverse. It currently says that no accessory dwelling
2 may be constructed, and so we're advocating that language
3 continue.

4 But I did want to comment that the benefit of
5 having public testimony is I hadn't really thought about
6 the concept of these small historic properties being
7 converted to the ADU intact and allowing a new primary
8 residence to be constructed. I would just like to say,
9 having served on the Historic Preservation Committee, it's
10 a brilliant idea to allow that because there have been
11 many, many applications that are asking to tear down the
12 historic because it doesn't accommodate the big new house
13 that the whole family needs and we're saying no, you can't
14 do that but you've got to make it look the same because
15 that's Los Gatos' way, and to allow those beautiful little
16 structures to shine and be purposeful is something I think
17 is just really brilliant and I thank you for bringing that
18 concept. I know Staff has it but I hadn't in my mind, so I
19 appreciate that, and I think anything we can do to preserve
20 the historic integrity of the Town by not cluttering the
21 front of these properties with an Accessory Dwelling Unit
22 that obscures the elevation I think is a great idea.
23
24
25

1 CHAIR HANSSEN: Commissioner Hudes, you had
2 additional?

3 COMMISSIONER HUDES: Just to clarify, those are
4 two separate concepts. The concept that we heard in public
5 testimony has nothing to do with this option. This option,
6 it says would you allow the creation of Accessory Dwelling
7 Units in front of historic resources and I think that would
8 be a big mistake.

9 CHAIR HANSSEN: Okay, so would someone like to
10 make a motion?

11 COMMISSIONER HUDES: I would move to make a
12 recommendation to Council that we do not adopt this option.

13 CHAIR HANSSEN: Second? Commissioner Badame.

14 COMMISSIONER BADAME: Second.

15 CHAIR HANSSEN: Does anyone else want to make a
16 comment before we vote? All right, all in favor? Opposed?
17 None. Passes unanimously. Okay, so that's that option.

18 There are four options total. Option 3 is the new
19 state law does not require attached Accessory Dwelling
20 Units to be allowed minimums and rear and side setbacks of
21 4' and we could recommend this option for having it go from
22 5' to 4' even though the detached, it's already stated by
23 state law that it's 4', and correct me if I'm wrong, Staff,
24
25

1 we could also allow the attached to have 4' instead of 5'.
2 So the question on the table is do we want to allow
3 attached to go down to 4'?

4 SALLY ZARNOWITZ: Maybe just to clarify right
5 now, the attached ADU would need to meet the setbacks of
6 the primary dwelling, so 8' in the R-1:8, 10' in the R-1:10
7 for a side setback. So, this would be allowing even the
8 attached ADU to go down to 4' on the side or the rear.

9 CHAIR HANSSEN: Vice Chair Janoff.

10 VICE CHAIR JANOFF: For the reasons I commented
11 on before I think reducing that setback to 4' may not make
12 sense from a general circulation standpoint, so I
13 personally would not be in favor of reducing it to the 4'
14 setback this time.

15 CHAIR HANSSEN: Commissioner Hudes.

16 COMMISSIONER HUDES: Yeah, I would agree with
17 that. I think that an attached ADU by definition gives you
18 greater contiguous façade area and so the perception of
19 greater mass encroaching on space the neighbors assumed
20 they had would be an issue to me, so again, I don't think
21 that one is worth it.

22 CHAIR HANSSEN: Okay, would someone like to..
23 First of all, does anyone else want to comment, and if not
24
25

1 would someone like to make a motion on this option?

2 Commissioner Burch.

3 COMMISSIONER BURCH: It sounds like I am going to
4 move that we do not adopt this option.

5 CHAIR HANSSEN: Is there a second? Commissioner
6 Hudes.

7 COMMISSIONER HUDES: Second.

8 CHAIR HANSSEN: Any additional comments? Then
9 I'll call the question. All in favor of the motion? Anyone
10 opposed? No. Passes unanimously.
11

12 All right, we have one more. It's on page four.
13 An option has been included in the Draft Ordinance
14 clarifying that an Accessory Dwelling Unit may not be added
15 to an existing second story of a primary dwelling that is
16 an historic resource to prevent adverse impacts on historic
17 resources. We could be more lenient and allow people to
18 create second story Accessory Dwelling Units on historic
19 resources. Comments or questions? Okay, we have a picture.
20 Commissioner Burch has a question.

21 COMMISSIONER BURCH: I don't think I understand
22 why adding a second story ADU means it has to be higher.
23 What drove that particular option?
24
25

1 SALLY ZARNOWITZ: The ordinance currently allows
2 for a second floor ADU only in the case where there's
3 already a second floor on a primary dwelling. I think I
4 said that right. And so in this case when we have a
5 historic structure, such as the one on the left, that has a
6 big sloping roof but in the rear there's a second story, so
7 then when you go to the right the new ADU is put on the
8 front of the structure on the second story and it has the
9 potential to change the shape of the house, the primary
10 dwelling, fairly significantly. So that's in order to get
11 the plate height in order to stand...to create more plate
12 height to get the square footage basically, because while a
13 lot of it could be fit under a gable in order to get more
14 square footage the plate height goes up.

16 CHAIR HANSSEN: Vice Chair Janoff.

17 VICE CHAIR JANOFF: Just again, recognizing what
18 the Historic Preservation Committee is trying to do in the
19 Town, we don't readily allow a second story addition even
20 if the historic property has a second story that
21 substantially changes the overall appearance of the
22 historic house, and so I'm not sure why we would be
23 entertaining adding an ADU which essentially does the same
24

1 thing to alter the historic appearance of a home; I'm not
2 sure that makes sense for us to do that.

3 CHAIR HANSSEN: Commissioner Badame.

4 COMMISSIONER BADAME: I agree with Vice Chair
5 Janoff. I'm strongly opposed to this one. I think it has
6 the potential to impact the character of the historic
7 neighborhood.

8 CHAIR HANSSEN: And Commissioner Hudes, I thought
9 you had (inaudible).

10 COMMISSIONER HUDES: I agree.

11 CHAIR HANSSEN: You agree. All right, then if no
12 one else has a comment would someone like to make a motion
13 on this item? Maybe Commissioner Burch.

14 COMMISSIONER BURCH: I'm on a roll tonight. I am
15 going to move that we do not recommend this option either.

16 CHAIR HANSSEN: Is there a second? Commissioner
17 Hudes.

18 COMMISSIONER HUDES: Second.

19 CHAIR HANSSEN: Okay. If there are no other
20 comments, and seeing none, I will call the question. All in
21 favor? Anyone opposed? No. It passes unanimously. Okay,
22 great.
23
24
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1 So, that is all the options that Staff had in
2 their Staff Report for us to consider, and we already
3 talked about whether there are appeal rights and I don't
4 think there would be on the other options either.
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TOWN COUNCIL – March 17, 2020

REQUIRED FINDINGS FOR:

Town Code Amendment Application A-20-001

Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding accessory dwelling units.

FINDINGS

Required Findings for CEQA:

- The project is exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15061(b)(3), in that it can be seen with certainty that there is no possibility that the project will have a significant effect on the environment.

Required Findings for General Plan:

- The amendments to Chapter 29 of the Town Code are consistent with the General Plan.

DRAFT ORDINANCE

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS
AMENDING CHAPTER 29 (ZONING REGULATIONS) OF THE TOWN CODE
REGARDING ACCESSORY DWELLING UNITS**

WHEREAS, effective January 1, 2020, Assembly Bill 881, Assembly Bill 68, and Senate Bill 13 amended Government Code Section 65852 regarding accessory dwelling unit and junior accessory dwelling unit regulations, to further address barriers to the development of accessory dwelling units and junior accessory dwelling units; and

WHEREAS, the Town of Los Gatos 2015-2023 Housing Element Enhanced Second Unit Program identified amending the Town Code to allow new second units to be affordable to lower income households on nonconforming residential lots and in the Hillside Residential Zone (Action HOU-1.2) as a strategy to accommodate the Town's Regional Housing Needs Allocation (RHNA); and

WHEREAS, the Town Council wishes to amend the Town Code to comply with State law and to address Action HOU-1.2 of the Town of Los Gatos 2015-2023 Housing Element; and

WHEREAS, on February 26, 2020, the Planning Commission reviewed and commented on the proposed amendments regarding accessory dwelling units; and

WHEREAS, this matter was regularly noticed in conformance with State and Town law and came before the Planning Commission for public hearing on February 26, 2020; and

WHEREAS, on February 26, 2020, the Planning Commission reviewed and commented on the proposed amendments regarding accessory dwelling units and forwarded a recommendation to the Town Council for approval of the proposed amendments; and

WHEREAS, this matter was regularly noticed in conformance with State and Town law and come before the Town Council for public hearing on March 17, 2020; and

WHEREAS, on March 17, 2020, the Town Council reviewed and commented on the proposed amendments regarding accessory dwelling units and the Town Council voted to introduce the Ordinance.

**NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF LOS GATOS DOES
HEREBY ORDAIN AS FOLLOWS:**

SECTION I

Chapter 29 of the Town Code is hereby amended to read as follows:

ARTICLE I. DIVISION 1. MISCELLANEOUS

Sec. 29.10.020. - Definitions.

.....

~~Accessory dwelling unit means a detached or attached dwelling unit. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation and is generally smaller and located on the same parcel as the primary dwelling unit. An accessory dwelling unit also includes efficiency units and manufactured homes.~~

~~(1) A detached accessory dwelling unit is physically separate from the primary dwelling unit.~~

~~(2) An attached accessory dwelling unit is physically attached to the primary dwelling unit.~~

.....

ARTICLE I. DIVISION 4. PARKING

Sec. 29.10.150 (c). Number of off-street spaces required.

.....

~~(2) Accessory dwelling units . One parking space per unit or bedroom, whichever is less, shall be provided in addition to the required minimum number of parking spaces for the primary dwelling unit. These spaces may be provided in a front setback on a driveway (provided that it is feasible based on specific site or fire and life safety conditions) or through tandem parking.~~

~~When a garage is demolished in conjunction with the construction of an accessory dwelling unit, or converted to an accessory dwelling unit, any lost off-street parking spaces required for the primary residence may be located in any configuration on the same lot as the accessory dwelling unit, including as tandem spaces, or by the use of mechanical automobile parking lifts.~~

~~a. Exceptions. No parking spaces shall be required if the accessory dwelling unit meets any of the following criteria:~~

~~1. The accessory dwelling unit is located within one-half mile of a public transit stop.~~

- ~~2. The accessory dwelling unit is located within an architecturally and historically significant historic district.~~
- ~~3. The accessory dwelling unit is within the existing space of a primary residence or an existing accessory structure.~~
- ~~4. When on street parking permits are required but not offered to the occupant of the accessory dwelling unit.~~
- ~~5. When there is a car share vehicle (as defined by the California Vehicle Code) located within one block of the accessory dwelling unit.~~
- ~~6. When the Director finds that the lot does not have adequate area to provide parking.~~

.....

ARTICLE I. DIVISION 7. ACCESSORY DWELLING UNITS

Sec. 29.10.305. Intent and authority.

This division is adopted to comply with amendments to State Law § 65852.2 and 65852.22 which mandates that applications for accessory dwelling units be considered ministerially without a public hearing; and sets Town standards for the development of accessory dwelling units in order to increase the supply of affordable housing in a manner that is compatible with existing neighborhoods.

Sec. 29.10.310. Definitions.

Accessory dwelling unit. An accessory dwelling unit is a detached or attached dwelling unit. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation and is generally smaller and located on the same parcel as a proposed or existing primary dwelling. An accessory dwelling unit also includes efficiency units and manufactured homes.

(1) A detached accessory dwelling unit is physically separate from a primary dwelling.

(2) An attached accessory dwelling unit is contained within the space of and/or physically attached to a proposed or existing primary dwelling.

.....

Junior accessory dwelling unit. A junior accessory dwelling unit is a dwelling unit that does not exceed a floor area of 500 square feet and is contained within the space of a proposed or existing primary dwelling or detached accessory dwelling unit. It shall include a cooking facility with appliances, and a food preparation counter and storage cabinets that are of reasonable size in relation to the size of the junior accessory dwelling unit. If the junior accessory dwelling unit is contained within the proposed or existing space of a primary dwelling, it may include separate sanitation facilities, or it may share sanitation facilities with the primary dwelling. If the junior accessory dwelling unit is contained within the proposed or

existing space of a detached accessory dwelling unit, it shall include separate sanitation facilities.

.....

~~*New accessory dwelling unit*. A new accessory dwelling unit is an attached (with either an interior or exterior entrance) or a detached unit, created after December 31, 1987, which includes permanent provisions for living, sleeping, eating, cooking, and sanitation, and is generally smaller and located on the same parcel as the dwelling unit. An accessory dwelling unit also includes efficiency units and manufactured homes.~~

Sec. 29.10.315. Reserved.

Sec. 29.10.320. New accessory dwelling units.

(a) *Incentive program*. Any accessory dwelling unit developed under an Incentive Program which may be established by Resolution of the Town Council shall be made affordable to eligible applicants pursuant to the requirements of the Incentive Program. A deed restriction shall be recorded specifying that the accessory dwelling unit shall be offered at a reduced rent that is affordable to a lower income renter (less than 80 percent AMI) provided that the unit is occupied by someone other than a member of the household occupying the primary dwelling unit.

(b) *Design and development standards*.

- (1) *Number*. ~~Only~~ Not more than one (1) junior accessory dwelling unit contained within the space of a proposed or existing primary dwelling or detached accessory dwelling unit, and one (1) accessory dwelling unit, may be permitted on a lot with a proposed or existing primary dwelling.

Not more than a number equal to 25 percent of the existing multi-family dwelling units rounded-up to the next whole number, within the portions of an existing multi-family dwelling not used as livable space, and two (2) detached accessory dwelling units, may be permitted on a lot with a proposed or existing multi-family dwelling. ~~No additional accessory dwelling unit is allowed upon a lot with an existing accessory dwelling unit.~~

- (2) *Permitted zones*. Accessory dwelling units are allowed on lots in the R-1, R-D, R-M, R-1D, RMH, HR, and RC zones, or include an existing primary dwelling.
- (3) *Setbacks*. Attached accessory dwelling units shall comply with the setbacks of the zone for a primary dwelling ~~unit~~.

No accessory dwelling unit may be constructed in front of a primary dwelling that is a historic resource.

No detached accessory dwelling unit may be placed in front of the primary dwelling ~~unit~~ in the R-1, R-D, R-M, RMH, and R-1D zones.

Detached accessory dwelling units shall comply with the following minimum setbacks:

- a. Front and side setbacks abutting a street of the zone for a primary dwelling ~~unit~~.
- b. Rear and side setbacks of ~~five (5)~~ four (4) feet in the R-1, R-D, R-M, RMH, and R-1D zones.
- c. Setbacks from any other structure located on the same lot of five (5) feet.
- d. Setbacks for a primary dwelling ~~unit~~ and located within the Least Restrictive Development Area (LRDA), in the HR and RC zones.

~~An accessory dwelling unit with existing side and rear setbacks sufficient for fire safety shall be permitted if the accessory dwelling unit is contained within the existing space of a primary dwelling unit or accessory structure.~~

- (4) *Height.* Accessory dwelling units shall not exceed one (1) story ~~in height~~, and shall not exceed ~~fifteen (15)~~ sixteen (16) feet in height, unless the accessory dwelling unit is contained within the existing ~~two-second~~ story space of a primary dwelling ~~unit~~ or accessory structure; added to an existing ~~two-second~~ story of a primary dwelling unit that is not a historic resource; or added directly above an existing one-story accessory structure on a property with an existing two-story primary dwelling ~~unit~~ in the R-1, R-D, R-M, RMH, and R-1D zones.
- (5) *Maximum unit size and maximum number of bedrooms.* The maximum floor area of an accessory dwelling unit is 1,200 square feet. The maximum number of bedrooms is two (2).

Detached accessory dwelling units exceeding a combined square footage of 450 square feet in the R-1, R-D, R-M, RMH, and R-1D zones shall not be subject to the Administrative Procedure for Minor Residential Projects.

Detached accessory dwelling units exceeding a combined square footage of 600 or 1,000 square feet in the HR and RC zones shall not be subject to Development Review Committee or Planning Commission approval.

- (6) *Floor area ratio (FAR) standards.* All accessory dwelling units (attached or detached) are allowed a ten (10) percent increase in the floor area ratio standards for all structures, excluding garages; except, notwithstanding the FAR standards in this subsection, an accessory dwelling unit that does not exceed a floor area of 800 square feet shall be permitted.
- (7) *Lot coverage.* Accessory dwelling units must comply with lot coverage maximums for the zone; ~~except, with regard to the addition of a single-efficiency unit,~~ notwithstanding the lot coverage standards in this subsection,

an accessory dwelling unit that does not exceed a floor area of 800 square feet shall be permitted.

- (8) *Parking.* One (1) accessory dwelling unit parking space per unit or bedroom, whichever is less, shall be provided in addition to the required minimum number of parking spaces for the primary dwelling. These spaces may be provided in a front or side setback abutting a street on a driveway (provided that it is feasible based on specific site or fire and life safety conditions) or through tandem parking.

In addition to parking otherwise required for units as set forth in section 29.10.150 of the Town Code, the number of off-street parking spaces required by this chapter for the primary dwelling ~~unit~~ shall be provided prior to the issuance of a building permit or final inspection, for a new accessory dwelling unit. When a garage is demolished in conjunction with the construction of an accessory dwelling unit, or converted to an accessory dwelling unit, any lost off-street parking spaces required for the primary dwelling shall not be required to be replaced. ~~unit may be located in any configuration on the same lot as the accessory dwelling unit, including as tandem spaces, or by the use of mechanical automobile parking lifts.~~

- a. *Exceptions.* No parking spaces shall be required if the accessory dwelling unit meets any of the following criteria:

1. The accessory dwelling unit is located within one-half mile walking distance of a public transit stop.
2. The accessory dwelling unit is located within an architecturally and historically significant historic district.
3. The accessory dwelling unit or junior accessory dwelling unit is contained within the existing space of or constructed in substantially the same location and manner as an existing primary dwelling ~~unit~~ or ~~an existing~~ accessory structure.
4. When on-street parking permits are required but not offered to the occupant of the accessory dwelling unit.
5. When there is a car share vehicle (as defined by the California Vehicle Code) located within one block of the accessory dwelling unit.
6. When the Director finds that the lot does not have adequate area to provide parking.

- (9) *Design, form, materials, and color.* The design, form, roof pitch, materials, and color of a new accessory dwelling unit shall be compatible with the primary dwelling ~~unit~~ and the neighborhood. Entrances serving the accessory dwelling unit shall not be constructed on any elevation facing a public street. Accessory dwelling units shall retain the ~~single-family~~ residential appearance of the property. Detached junior accessory dwelling units shall be

- (10) *Town codes and ordinances.* All accessory dwelling units shall comply with all the provisions of this chapter and other applicable Town codes.
- (11) *Building codes.* The accessory dwelling unit shall comply with applicable building, health and fire codes. The accessory dwelling unit shall not be required to provide fire sprinklers if they are not required for the primary dwelling ~~unit~~.
- (12) *Denial.* An application may be denied if it does not meet the design and development standards. An application may also be denied if the following findings are made:
- a. Adverse impacts on health, safety, and/or welfare of the public.
- (13) *Conversion of existing floor area.* An accessory dwelling unit shall be permitted if the accessory dwelling unit is contained within the existing space of or constructed in substantially the same location and manner as an existing primary dwelling ~~unit~~ or accessory structure. The following provisions shall apply:
- a. The accessory dwelling unit shall be located on a lot zoned to allow single-family, two-family, or multi-family residential ~~within a zone for a single family~~ use.
 - b. The accessory dwelling unit shall have separate entrance from the primary dwelling ~~unit~~.
 - c. The accessory dwelling unit shall have existing side and rear setbacks sufficient for fire safety.
 - d. No parking spaces shall be required for the accessory dwelling unit.
 - e. An expansion of 150 square feet beyond the physical dimensions of an existing structure, limited to accommodating ingress and egress, shall be permitted.
 - f. When an existing structure is non-conforming as to setback standards and converted to an accessory dwelling unit, any expansion of that structure may not be nearer to a property line than the existing building in accordance with section 29.10.245.

.....

SECTION II

With respect to compliance with the California Environmental Quality Act (CEQA), the Town Council finds as follows:

- A. These Town Code amendments are not subject to review under CEQA

pursuant to sections and 15061(b)(3), in that it can be seen with certainty that there is no possibility that the proposed amendment to the Town Code would have significant impact on the environment; and

B. The proposed Town Code amendments are consistent with the General Plan and its Elements.

SECTION III

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable. This Town Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the ordinance be enforced.

SECTION IV

Except as expressly modified in this Ordinance, all other sections set forth in the Los Gatos Town Code shall remain unchanged and shall be in full force and effect.

SECTION V

This Ordinance was introduced at a regular meeting of the Town Council of the Town of Los Gatos on the 17th day of March 2020, and adopted by the following vote as an ordinance of the Town of Los Gatos at a regular meeting of the Town Council of the Town of Los Gatos on the 7th day of April 2020. This ordinance takes effect 30 days after it is adopted. In lieu of publication of the full text of the ordinance within fifteen (15) days after its passage a summary of the ordinance may be published at least five (5) days prior to and fifteen (15) days after adoption by the Town Council and a certified copy shall be posted in the office of the Town Clerk, pursuant to GC 36933(c)(1).

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/17/2020

ITEM NO: 8

ADDENDUM

DATE: March 11, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Introduce an Ordinance, by Title only, Effecting Amendments to Chapter 29 (Zoning Regulations) of the Town Code Regarding Accessory Dwelling Units, Town Wide. Town Code Amendment Application A-20-001. Applicant: Town of Los Gatos

REMARKS:

Town staff request that the item be continued to the April 7, 2020 meeting to allow for public discussion of this item.

PREPARED BY: Sally Zarnowitz, AIA, LEED AP
Planning Manager

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Community Development Director, and Finance Director



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/17/2020

ITEM NO: 9

DATE: March 11, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Approve a Preferred Land Use Alternative Framework for the General Plan Update.

RECOMMENDATION:

Approve a Preferred Land Use Alternative Framework for the General Plan update.

BACKGROUND:

The Town of Los Gatos is in the process of updating its long range, comprehensive General Plan that looks forward to the year 2040. The Town Council appointed a General Plan Update Advisory Committee (GPAC) consisting of two Council Members, three Planning Commissioners, members of the General Plan Committee, and other residents. The GPAC is an advisory body to the Planning Commission and Town Council. All GPAC staff reports are available online: www.losgatosca.gov/13/Agendas-Minutes

Key General Plan update milestones are brought to the Planning Commission and Town Council for consideration and approval. The purpose of this agenda item is for the Town Council to consider the Planning Commission's recommendation of approval of the GPAC recommended preferred land use alternative framework. This report focuses on the development of the preferred land use alternative recommended by the GPAC and Planning Commission.

DISCUSSION:

The identification of a preferred land use alternative framework is an important step in the General Plan update. The preferred alternative becomes the framework for the preparation of the 2040 General Plan Land Use Element and informs the other required Elements, including Open Space, Sustainability, and Mobility. The alternative provides high level guidance

PREPARED BY: Jennifer Armer, AICP
Senior Planner

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

DISCUSSION (continued):

regarding the type and location of land uses, in combination with the Town Vision and Guiding Principles (approved by Town Council on August 20, 2019) to guide the development of General Plan goals, policies, and implementation programs through the conclusion of the update process (Attachment 1, Exhibit 6).

On June 20, 2019, July 18, 2019, and August 15, 2019, the GPAC met to discuss and provide direction for draft land use alternatives. As part of the materials provided for these discussions, the GPAC received an excerpt of the 2020 General Plan land use designations (Attachment 1, Exhibit 1), an excerpt of the Background Report, Section 3.3: Existing General Plan Land Use Designations (Attachment 1, Exhibit 2), a summary of the Regional Housing Needs Allocation (RHNA) objectives and factors (Attachment 1, Exhibit 3), information about Missing Middle Housing (Attachment 1, Exhibit 4), and a booklet of housing type examples (Attachment 1, Exhibit 5).

The GPAC discussed the importance of maintaining the Town's diverse economy, commercial and industrial businesses, and potential for new enterprises. As such, most of the GPAC discussions and direction focused on how the Town could meet its expected State mandates to plan for significant amounts of new housing in a way that would implement the Town Vision and Guiding Principles for the Town's General Plan 2040. The specific goal, as determined by the GPAC, was to provide 2,000 new residential units.

On December 12, 2019, the GPAC met to discuss the proposed land use alternatives and provide guidance on an upcoming Community Workshop. The consultants provided four land use alternative concepts (A, B, C, and D) designed to accommodate future housing growth. The description and analysis of the alternatives was provided to the GPAC in a Land Use Alternatives Report (available online: www.losgatos2040.com/documents.html).

The four alternatives vary based on certain assumptions, including height, density, and the redevelopment rate for each of the land use designations included in the analysis. In addition, the consultant identified seven opportunity areas where there is capacity to accommodate additional residential density due to the proximity of commercial services and/or employment centers to support additional development. The allowed density and redevelopment rates are set at a higher level for properties within the opportunity areas.

As described in the Land Use Alternatives Report, the preferred land use alternative could be one of the four alternatives described in the report (Alternative A, B, C, or D), or could be a combination of features from different alternatives.

On January 16, 2020, the Town hosted the second Community Workshop for the General Plan update process. The Community Workshop was held to inform the community about the

DISCUSSION (continued):

General Plan update process and obtain feedback regarding the land use alternatives. A summary of the Community Workshop and online feedback collected over the following two weeks is included as Attachment 1, Exhibit 10.

On January 30, 2020, the GPAC met to develop a preferred land use alternative recommendation. The GPAC received comparison tables for the four land use alternatives (Attachment 1, Exhibits 7, 8, and 9) to assist with its deliberations.

The GPAC had a robust discussion regarding the alternatives and the implications for development within Los Gatos. The GPAC considered eliminating Alternatives A and D from consideration because A did not achieve the housing target and D was too aggressive. Major topics of the discussion included:

- The need to meet the housing target by providing opportunities for a variety of housing strategies;
- The density range for the Low Density Residential land use designation;
- Compatible interface of development on major corridors with adjacent neighborhoods;
- Whether an entire opportunity area had redevelopment potential;
- Historic preservation;
- The additional regulatory controls in the Town's Zoning Code that would work in concert with implementation of the General Plan to maintain the Town's urban form in existing residential neighborhoods; and
- Opportunities for mixed-use in downtown.

The GPAC passed a motion (7-2 with Committee Members Quintana and Rosenberg opposed, and Committee Members Burch and Jarvis absent) to recommend Alternative C as a framework for the General Plan update with the addition of downtown as an eighth opportunity area. The General Plan update consultants have created a description of the recommended GPAC land use alternative framework (Attachment 1, Exhibit 11).

The GPAC recommendation is the outcome of their discussions and consideration of the approved Vision and Guiding Principles. The overarching framework provides Los Gatos with more housing opportunities and a menu of housing strategies. In this way, particular housing types would be available to and appropriate in certain geographic locations. For example, a duplex could be accommodated within the "shell" of an existing single-family home in a predominately single-family neighborhood, while vertical mixed use development might be more fitting for commercial corridors, such as Los Gatos Boulevard.

DISCUSSION (continued):

This approach maintains the unique character of Los Gatos, its historic neighborhoods, and business areas while creating opportunities to adapt to State requirements, create housing choices for seniors, millennials, and others to live in Town, and better integrate land use and transportation.

The preferred alternative is a framework. As the GPAC works on the Land Use Element and other content of the General Plan update, the GPAC may refine the specific application of height and density increases within and outside the identified Opportunity Areas.

On February 26, 2020, the Planning Commission met to discuss the GPAC preferred land use alternative framework recommendation. The Planning Commission received public comments that included concerns about increased heights and traffic, and support for missing middle type density and more housing downtown. The Planning Commission had a robust discussion regarding the alternatives and the implications for development within Los Gatos. Major topics of the discussion included:

- The General Plan timeframe, and why this plan has a 20-year timeframe;
- The order of the General Plan update process, particularly how the preferred land use alternative supports updates of the land use goals and policies;
- Height limits, and the potential for State density bonuses that could allow greater heights;
- The RHNA requirements, and the Town's housing needs; and
- The characterization of the potential traffic impacts of the alternatives.

Verbatim minutes are included as Attachment 2. The Planning Commission voted unanimously to recommend approval of the GPAC recommended preferred land use alternative, with a comment that the Planning Commission expects that further analysis and discussion on these topics will be part of the goals and policy development.

On March 4, 2020, the League of California Cities published an article online describing a housing production proposal supported by the League's board of directors by a near-unanimous vote in February 2020. The article is available online here:

<https://www.cacities.org/Top/News/News-Articles/2020/March/League-of-California-Cities-Unveils-Bold-Housing-P>

PUBLIC COMMENTS:

No written public comments have been received.

CONCLUSION:

Based on the recommendation of the GPAC and Planning Commission, staff recommends that the Town Council review and approve the Preferred Land Use Alternative Framework described in Attachment 1, Exhibit 11.

ALTERNATIVES:

Alternatively, Town Council can:

1. Approve the draft Preferred Land Use Alternative Framework with modifications; or
2. Remand the Preferred Land Use Alternative Framework to the GPAC or Planning Commission with specific direction; or
3. Deny the Preferred Land Use Alternative Framework and keep the existing General Plan land use regulations; or
4. Continue the matter to a date certain with specific direction.

COORDINATION:

This report has been coordinated with the Town Manager's Office.

FISCAL IMPACT:

This action has no fiscal impact. Funding for the General Plan update comes from the General Plan update fund. Sufficient funds are available in this account.

PUBLIC OUTREACH:

The Los Gatos General Plan update process has so far included the following outreach activities and other opportunities for community participation:

- All-hands kick-off meeting (August 23, 2018);
- Launch of the General Plan update website: losgatos2040.com (early September 2018);
- EngagementHQ (Topics and surveys opened October 1, 2018);
- Newsletter #1 General Plan Overview (October 1, 2018);
- Community Workshop #1: Assets, Issues, Opportunities, and Vision (October 17, 2018);
- GPAC Meeting #1 (October 30, 2018);
- GPAC Meeting #2 (December 11, 2018);
- Democracy Tent Presentation (March 14, 2019);
- Background Report (March 15, 2019);
- Newsletter #2: Background Report Summary (March 20, 2019);
- Spring into Green Booth (April 14, 2019);

PUBLIC OUTREACH (continued):

- GPAC Meeting #3 (April 23, 2019);
- GPAC Meeting #4 (April 30, 2019);
- GPAC Meeting #5 (May 23, 2019);
- GPAC Meeting #6 (June 20, 2019);
- Planning Commission Meeting on Vision Statement and Guiding Principles (July 10, 2019);
- GPAC Meeting #7 (June 18, 2019);
- GPAC Meeting #8 (August 15, 2019);
- Town Council Meeting on Vision Statement and Guiding Principles (August 20, 2019);
- Land Use Alternatives Report (December 2019);
- GPAC Meeting #9 (December 12, 2019);
- Community Workshop #2: Land Use Alternatives (January 16, 2019);
- GPAC Meeting #10 (January 30, 2020);
- Planning Commission Meeting on Preferred Land Use Alternative Framework (February 26, 2020); and
- GPAC Meeting #11 (March 5, 2020).

Additional outreach activities have included informational booths at the Farmers Market, the Library, and Music in the Park during Summer 2019.

ENVIRONMENTAL ASSESSMENT:

The Planning Commission's recommendation to the Town Council has no effect on the environment and is not subject to the California Environmental Quality Act (CEQA). A final decision on the preferred land use alternative will be considered as part of the approval of the 2040 General Plan. An Environmental Impact Report will be prepared as part of the General Plan update process.

Attachments:

1. February 26, 2020 Planning Commission Staff Report with Exhibits 1 - 11
2. February 26, 2020 Planning Commission Verbatim Minutes



**TOWN OF LOS GATOS
PLANNING COMMISSION
REPORT**

MEETING DATE: 02/26/2020

ITEM NO: 2

DATE: February 21, 2020
TO: Planning Commission
FROM: Joel Paulson, Community Development Director
SUBJECT: Recommend a Preferred Land Use Alternative Framework for the General Plan Update to the Town Council.

RECOMMENDATION:

Recommend a preferred land use alternative framework for the General Plan update to the Town Council.

BACKGROUND:

The Town of Los Gatos is in the process of updating its long range, comprehensive General Plan that looks forward to the year 2040. The Town Council appointed a General Plan Update Advisory Committee (GPAC) consisting of two Council Members, three Planning Commissioners, members of the General Plan Committee, and other residents. The GPAC is advisory to the Planning Commission and Town Council. All GPAC staff reports are available online: www.losgatosca.gov/13/Agendas-Minutes

Key milestones are brought to the Planning Commission for its recommendation(s) to the Town Council. The purpose of this agenda item is for the Planning Commission to consider forwarding the GPAC's recommendation on a preferred land use alternative to the Town Council. This report focuses on the development of the preferred land use alternative through the work of the GPAC.

DISCUSSION:

The identification of a preferred land use alternative is an important step in the General Plan update. The preferred alternative becomes the framework for the preparation of the 2040 General Plan Land Use Element and informs the other required Elements, including Open Space, Sustainability, and Mobility. The alternative provides high level guidance regarding the

PREPARED BY: Jennifer Armer, AICP
Senior Planner

Reviewed by: Planning Manager and Community Development Director

DISCUSSION (continued):

type and location of land uses, in combination with the Town Vision and Guiding Principles (approved by Town Council on August 20, 2019) to guide the development of General Plan goals, policies, and action items through the conclusion of the update process.

On June 20, 2019, July 18, 2019, and August 15, 2019, the GPAC met to discuss and provide direction for draft land use alternatives. As part of the materials provided for these discussions, the GPAC received an excerpt of the 2020 General Plan land use designations (Exhibit 1), an excerpt of the Background Report, Section 3.3: Existing General Plan Land Use Designations (Exhibit 2), a summary of the Regional Housing Needs Allocation (RHNA) objectives and factors (Exhibit 3), information about Missing Middle Housing (Exhibit 4), and a booklet of housing type examples (Exhibit 5).

In addition, the Town Council approved the Vision and Guiding Principles in August 2019 (Exhibit 6) which also informed the development of the preferred land use alternative.

The GPAC discussed the importance of maintaining the Town's diverse economy, its commercial and industrial businesses, and potential for new enterprises. As such, most of the GPAC discussions and direction focused on how the Town could meet its expected State mandates to plan for significant amounts of new housing in a way that would implement the Town Vision and Guiding Principles for the Town's General Plan 2040. The specific goal, as determined by the GPAC, was to provide 2,000 new residential units.

On December 12, 2019, the GPAC met to discuss the proposed land use alternatives and provide guidance on an upcoming Community Workshop. The consultants put forward four land use alternative concepts (A, B, C, and D) designed to accommodate future housing growth. The description and analysis of the alternatives was provided to the GPAC in a Land Use Alternatives Report (available online: www.losgatos2040.com/documents.html).

The four alternatives vary based on certain assumptions, including height, density, and the redevelopment rate for each of the land use designations included in the analysis. In addition, the consultant identified seven opportunity areas where there is capacity to accommodate additional residential density due to the proximity of commercial services and/or employment centers to support additional development. The allowed density and redevelopment rates are set at a higher level for properties within the opportunity areas.

As described in the Land Use Alternatives Report, the preferred land use alternative could be one of the four alternatives described in the report (Alternatives A, B, C, or D), or could be a combination of features from several alternatives.

On January 16, 2020, the Town hosted the second Community Workshop for the General Plan update process. The Community Workshop was held to inform the community about the

DISCUSSION (continued):

General Plan update process and obtain feedback regarding the land use alternatives. A summary of the Community Workshop and online feedback collected over the following two weeks is included as Exhibit 10.

On January 30, 2020, the GPAC met to develop a preferred land use alternative recommendation. The Committee received a comparison table of the four land use alternatives (Exhibits 7, 8, and 9) to assist with its deliberations.

The GPAC had a robust discussion regarding the alternatives and the implications for development within Los Gatos. The Committee eliminated Alternatives A and D from consideration because A did not achieve the housing target and D was too aggressive. Major features of the discussion included:

- The need to meet the housing target by providing opportunities for a variety of housing strategies;
- The density range for the Low Density Residential land use designation;
- Compatible interface of development on major corridors with adjacent neighborhoods;
- Whether an entire opportunity area had redevelopment potential;
- Historic preservation;
- The additional regulatory controls in the Town's Zoning Code that would work in concert with implementation of the General Plan to maintain the Town's urban form in existing residential neighborhoods; and
- Opportunities for mixed use in downtown.

The GPAC passed a motion (7-2 with Quintana and Rosenberg opposed, and Burch and Jarvis absent) to recommend Alternative C as a framework for the General Plan update with the addition of downtown as an eighth opportunity area. The General Plan update consultants have created a description of the recommended GPAC land use alternative framework (Exhibit 11).

The GPAC recommendation is a logical outcome of the Committee's discussions and consideration of the approved Vision and Guiding Principles. The overarching framework provides Los Gatos with more housing opportunities and a menu of housing strategies. In this way, particular housing types would be available to and appropriate in certain geographic locations. For example, a duplex could be accommodated within the "shell" of an existing single-family home in a predominately single-family neighborhood, while vertical mixed use development might be more fitting for commercial corridors, such as Los Gatos Boulevard.

This approach maintains the unique character of Los Gatos, its historic neighborhoods, and business areas while creating opportunities to adapt to State requirements, create housing

DISCUSSION (continued):

choices for seniors, millennials, and others to live in Town, and better integrate land use and transportation.

The preferred alternative is a framework. As the GPAC works on the Land Use Element and other content of the General Plan update, the GPAC may refine the specific application of height and density increases within and outside the identified Opportunity Areas.

CONCLUSION:

Based on the recommendation of the GPAC, staff recommends that the Planning Commission review the GPAC recommended preferred land use alternative framework included as Exhibit 11 and forward a recommendation to the Town Council for approval.

ALTERNATIVES:

Alternatively, the Commission can:

1. Forward a recommendation to the Town Council for approval of the GPAC recommended preferred land use alternative framework with modifications; or
2. Forward a recommendation to the Town Council for a different land use alternative; or
3. Continue the matter to a date certain with specific direction.

PUBLIC COMMENTS:

No written public comments have been received.

PUBLIC OUTREACH:

The Los Gatos General Plan update process has so far included the following outreach activities and other opportunities for community participation:

- All-hands kick-off meeting (August 23, 2018)
- Launch of the General Plan update website: losgatos2040.com (early September 2018)
- EngagementHQ (Topics and surveys opened October 1, 2018)
- Newsletter #1 General Plan Overview (October 1, 2018)
- Community Workshop #1: Assets, Issues, Opportunities, and Vision (October 17, 2018)
- GPAC Meeting #1 (October 30, 2018)
- GPAC Meeting #2 (December 11, 2018)
- Democracy Tent Presentation (March 14, 2019)
- Background Report (March 15, 2019)

PUBLIC OUTREACH (continued):

- Newsletter #2: Background Report Summary (March 20, 2019)
- Spring into Green Booth (April 14, 2019)
- GPAC Meeting #3 (April 23, 2019)
- GPAC Meeting #4 (April 30, 2019)
- GPAC Meeting #5 (May 23, 2019)
- GPAC Meeting #6 (June 20, 2019)
- Planning Commission Meeting on Vision Statement and Guiding Principles (July 10, 2019)
- GPAC Meeting #7 (June 18, 2019)
- GPAC Meeting #8 (August 15, 2019)
- Town Council Meeting on Vision Statement and Guiding Principles (August 20, 2019)
- Land Use Alternatives Report (December 2019)
- GPAC Meeting #9 (December 12, 2019)
- Community Workshop #2: Land Use Alternatives (January 16, 2019)
- GPAC Meeting #10 (January 30, 2020)

Additional outreach activities have included informational booths at the Farmers Market, the Library, and Music in the Park during Summer 2019.

CEQA:

The Planning Commission's recommendation to the Town Council has no effect on the environment and is not subject to the California Environmental Quality Act (CEQA). A final decision on the preferred land use alternative will be considered as part of the approval of the 2040 General Plan. An Environmental Impact Report will be prepared as part of the General Plan update process.

EXHIBITS:

1. 2020 General Plan Land Use Designations
2. Background Report Section 3.3: Existing General Plan Land Use Designations
3. RHNA Objectives and Factors
4. Missing Middle Housing Information
5. Booklet of Housing Type Examples
6. Council Approved Vision and Guiding Principles
7. Master Land Use Alternatives Comparison Table
8. Opportunity Area Dwelling Units by Alternatives Comparison Table
9. Assumptions, Development Standards, and Net New Dwelling Unit Comparison Table
10. Community Workshop #2 Summary
11. GPAC Recommended Preferred Land Use Alternative Summary

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playgrounds and neighborhood parks, country clubs, and natural open spaces. After Residential – Single Family land use, Open Space/Recreation comprises the second highest percentage of total land in Los Gatos. There are approximately 1,624 acres of open space in the Town and approximately 2,218 acres in the SOI. Much of this acreage is contained in four large facilities: St. Joseph’s Hill and Sierra Azul Open Space to the south of Los Gatos, and Vasona Lake County Park and La Rinconada Country Club to the north.

10. Vacant

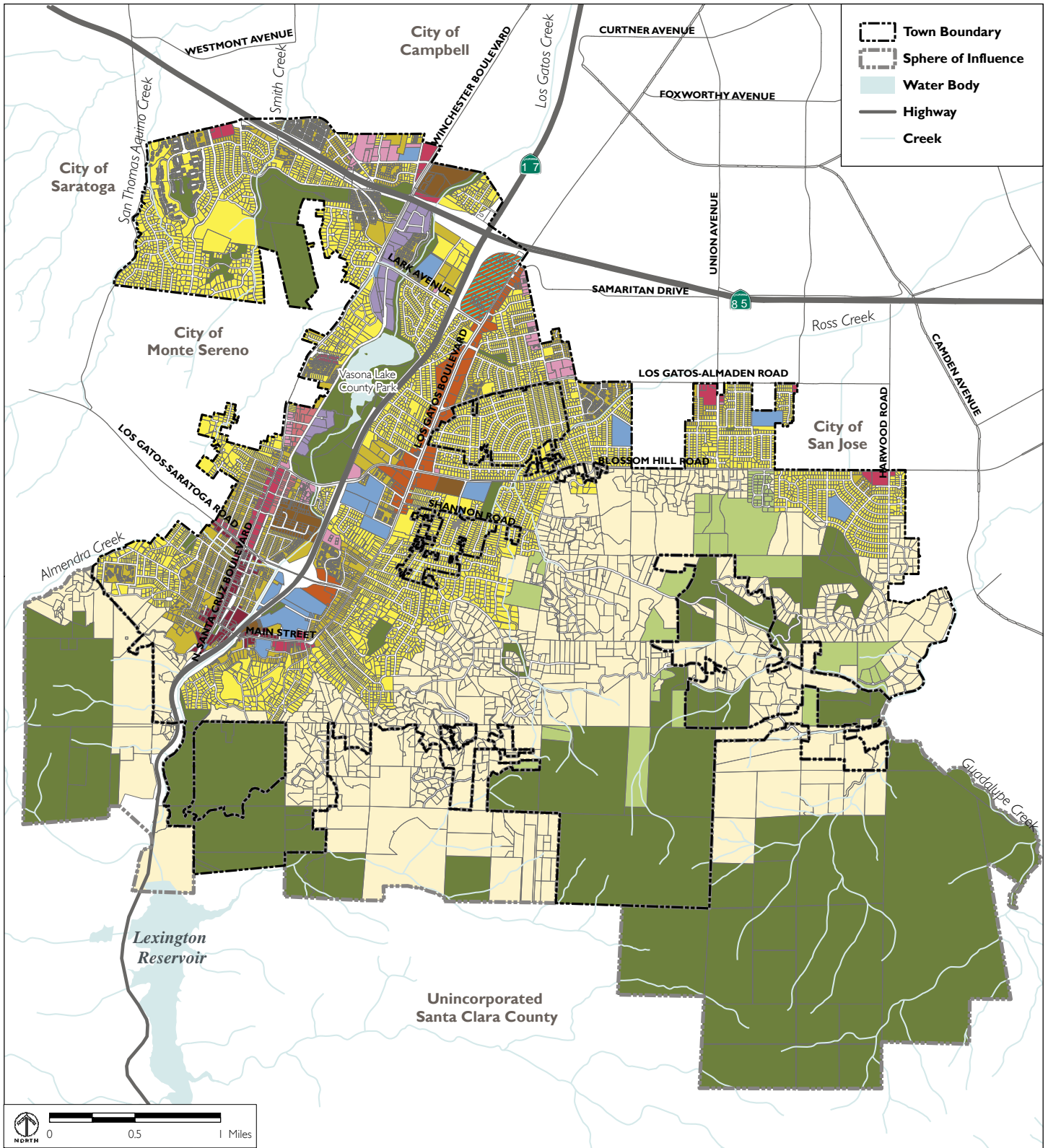
Approximately 292 acres within the Town are vacant parcels of varying sizes that are scattered throughout the Town. Most of the vacant acreage in Los Gatos is located in the single-family residential area on the eastern side of the Town. Parcels here are generally larger than they are elsewhere in Los Gatos, and a number of significantly sized parcels are vacant. Generally, vacancies are more common in residential areas of Los Gatos than in commercial areas, although a few small, isolated commercial vacancies exist. Additionally, the SOI contains approximately 107 acres of vacant property.

E. General Plan Land Use Designations

The Land Use Element is the basis for physical development in Los Gatos. The land use map and designations identify the general location, density, and extent of land available for residential and non-residential uses. Land use designations do not necessarily reflect the existing land use of each parcel. Figure LU-3 presents a map of the land use designations in Los Gatos. Each land use designation is listed and described below.

1. Residential Land Use Designations

This section provides a brief description of each residential land use designation and the desirable range of density for each designation.



Source: Town of Los Gatos, 2008; Santa Clara County Office of the Assessor, 2008.



FIGURE LU-3

- a. Hillside Residential: 0-1 dwelling units per net acre

Up to 3.5 persons per acre

The Hillside Residential designation provides for very low density, rural, large lot or cluster, single-family residential development. This designation allows for development that is compatible with the unique mountainous terrain and vegetation of parts of Los Gatos.

- b. Low Density Residential: 0-5 dwelling units per net acre

Up to 17.5 persons per acre

The Low Density Residential designation provides for single-family residential properties located on generally level terrain. It encourages single-family residential development in either the standard development established by traditional zoning or by innovative forms obtained through planned development.

- c. Medium Density Residential: 5-12 dwelling units per net acre

Up to 24 persons per acre

The Medium Density Residential designation provides for multiple-family residential, duplex, and/or small single-family homes.

- d. High Density Residential: 12-20 dwellings per net acre

Up to 40 persons per acre

The High Density Residential designation provides for more intensive multi-family residential development. Its objective is to provide quality housing in close proximity to transit or a business area.

- e. Mobile Home Park: 5-12 dwellings per net acre

Up to 24 persons per acre

The Mobile Home Park designation provides for mobile home parks. The intent is to provide and preserve Mobile Home Parks as a source of affordable housing. This designation is described in this Element; however, it is not represented on the accompanying General Plan Land Use Map.

2. Non-Residential Land Use Designations

For non-residential land uses, the specific uses mentioned are illustrative, and other compatible uses, including those authorized in any other Zoning District within the Town, may be permitted where authorized by a Conditional Use Permit or Planned Development Overlay Zone. In a mixed-use project residential uses may be permitted in conjunction with other permitted uses in non-residential Zoning Districts with the exception of the Commercial Industrial and Controlled Manufacturing Zoning Districts. For non-residential land uses, building intensity limits are indicated by either allowable land coverage or floor area ratio(FAR) and a maximum height limit.

- ◆ Office Professional: Up to 50 percent land coverage with a 35-foot height limit

The Office Professional designation provides for professional and general business offices. This designation applies to various locations throughout the Town, often in close proximity to neighborhood- or community-oriented commercial facilities, or as a buffer between commercial and residential uses. The intent of this designation is to satisfy the community's need for general business and professional services and local employment.

- ◆ Central Business District: 0.6 FAR with a 45-foot height limit

The Central Business District designation applies exclusively to the downtown and accomplishes the following:

- ◆ Encourages a mixture of community-oriented commercial goods, services and lodging unique in its accommodation of small-town style merchants and maintenance of small-town character.
- ◆ Maintains and expands landscaped open spaces and mature tree growth without increasing setbacks.
- ◆ Integrates new construction with existing structures of historical or architectural significance and emphasizes the importance of the pedestrian.

- ◆ Mixed-Use Commercial: Up to 50 percent land coverage with a 35-foot height limit

The Mixed-Use Commercial designation permits a mixture of retail, office, and residential in a mixed-use project, along with lodging, service, auto-related businesses, non-manufacturing industrial uses, recreational uses, and restau-

rants. Projects developed under this designation shall maintain the small-town, residential scale and natural environments of adjacent residential neighborhoods, as well as provide prime orientation to arterial street frontages and proper transitions and buffers to adjacent residential properties. This designation should never be interpreted to allow development of independent commercial facilities with principal frontage on the side streets.

- d. Neighborhood Commercial: Up to 50 percent land coverage with a 35-foot height limit

The Neighborhood Commercial designation provides for necessary day-to-day commercial goods and services required by the residents of the adjacent neighborhoods. This designation encourages concentrated and coordinated commercial development at easily accessible locations.

- e. Service Commercial: Up to 50 percent land coverage with a 35-foot height limit

The Service Commercial designation provides for service businesses necessary for the conduct of households or businesses. These include auto repair, building materials sales, paint suppliers, janitorial services, towing businesses, contractors offices and yards, launderers and dry cleaners, as well as wholesaling and warehousing activities.

- f. Light Industrial: Up to 50 percent land coverage with a 35-foot height limit

The Light Industrial designation provides for large-scale office developments and well-controlled research and development, industrial-park-type and service-oriented uses subject to rigid development standards. These uses should respond to community or region-wide needs.

- g. Public

The Public designation identifies public facilities in the Town such as the Civic Center, courthouse, schools, parks, libraries, hospitals, churches, and fire stations.

h. Agriculture

The Agricultural designation identifies areas for commercial agricultural crop production.

i. Open Space

The Open Space designation identifies the location of public parks, open space preserves, private preserves, and stream corridors.

F. Special Planning Areas

Development in Los Gatos can be targeted to achieve a more specific outcome by designating specific overlay zones and special planning areas. These areas have more detailed development guidelines that remain consistent with existing policies. Los Gatos has three overlay zones that implement land use policies through the Town Code, five Historic Districts, three Specific Plans, and one Redevelopment Project Area.

1. Overlay Zones

There are three overlay zones in the Town Code, the Landmark and Historic Preservation, Planned Development, and Public School Overlay Zones.

- ◆ **Landmark and Historic Preservation (LHP) Overlay Zone.** This zone is designated by Town Council and is applied to individual sites and structures or small areas deemed of architectural and/or historical significance. The structure(s) in LHP overlays are subject to special standards regarding their appearance, use, and maintenance.
- ◆ **Planned Development (PD) Overlay Zone.** The PD overlay zone is intended to ensure orderly planning and quality design that will be in harmony with the existing or potential development of the surrounding neighborhood. The Planned Development Overlay is a specially tailored development plan and ordinance which designates the zoning regulations for the accompanying project, sets specific development standards, and ensures that zoning and the General Plan are consistent. Commercial,

residential or industrial property or a mixture of these uses may be considered for a Planned Development Overlay.

- ◆ **Public School (PS) Overlay Zone.** The PS overlay zone is intended to allow school buildings to be used, without extensive exterior modifications, in ways which will make it unnecessary to sell school facilities. The overlay permits a variety of community-related and education-related uses, including, but not limited to, museums, community centers, playgrounds, and nursery schools. Any land owned by a public school district (regardless of underlying zone) may be zoned PS.

2. Historic Districts

The Town has established five historic districts to preserve neighborhoods deemed significant to the history of Los Gatos.

- ◆ **Almond Grove Historic District.** An approximately 40-acre area that constitutes the largest subdivision following incorporation of the Town of Los Gatos. This District was established by ordinance in 1980.
- ◆ **Broadway Historic District.** An approximately 100-acre area that is the site of the first residential subdivision and first residential street in the Town of Los Gatos. This District was established by ordinance in 1985.
- ◆ **Los Gatos Historic Commercial District.** Bounded by Elm Street to the north, Main Street to the south, Los Gatos Creek to the east, and North Santa Cruz Avenue to the west. The Town's only concentration of intact historic commercial buildings. It was established by ordinance in 1991.
- ◆ **Fairview Plaza Historic District.** Limited to the cul-de-sac termination of Fairview Plaza, part of an historic subdivision originally surveyed in 1885 known as the "Fairview Addition." The District retains the same configuration as originally mapped and contains a rare collection of Victorian and Craftsman homes, unique in their compact scale and proximity to one another. This District was established by ordinance in 1992.
- ◆ **University/Edelen Historic District.** Bounded by Saratoga Avenue to the north, Main Street to the south, Los Gatos Creek to the east, and the

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3.3 Existing General Plan Land Use Designations

The Los Gatos General Plan guides how land in the Town may be developed and used by designating each parcel of land for a particular use or combination of uses, as well as, by establishing broad development policies. Land use designations identify both the types of development (e.g., residential, commercial, industrial) that are permitted and the density or intensity of allowed development, such as the minimum or maximum number of housing units permitted on an acre of land, or the amount of building square footage allowed. This section identifies existing general plan land use designations, as outlined in the Town of Los Gatos 2020 General Plan.

Major Findings

- Hillside residential is the most common land use, accounting for approximately 40.0 percent (4257.1 acres) of the total land designated in the existing 2020 General Plan.
- Open space represents 28.9 percent (3091.2 acres) of the current 2020 General Plan land use area. Four large tracts in the southern half of the SOI account for a majority of open space land.
- Low-density residential is the third largest land use in the Town, accounting for 17.7 percent (1890.3 acres) of the total 2020 General Plan land use area.
- Commercial uses (Office, Neighborhood Commercial, Mixed-Use Commercial, Service Commercial, Central Business District, and Light Industrial) make up 3.4 percent (362.2 acres) of the land use area designated in the 2020 General Plan.

Existing Conditions

The 2020 General Plan includes 15 land use designations, which are relatively broad and intended to indicate the general type of activity that may occur on a site. Figure 3.3-1 shows the land use designations throughout the Town. Table 3.3-1 shows the total acreage per land use designation.

The 2020 General Plan designations, as described in the Land Use Element, are summarized below.

Hillside Residential District

The purpose of this designation is to allow for very-low density, rural, large lot, or cluster, single-family residential development that is compatible with the mountainous parts of the Town.

Density/Intensity

- Up to one dwelling unit per net acre
- Up to 3.5 persons per acre

Low-Density Residential

The purpose of this designation is to allow for low-density single-family residential development formed through standard zoning or through planned development.

Density/Intensity

- Up to five dwelling units per net acre
- Up to 17.5 persons per acre

Medium-Density Residential

The purpose of this designation is to allow for multi-family residential, duplex, and/or small single-family homes.

Density/Intensity

- Up to five to 12 dwelling units per net acre
- Up to 24 persons per acre

High-Density Residential

The purpose of this designation is to allow for intensive multi-family residential and to provide quality business and transit-oriented development.

Density/Intensity

- Up to 12 to 20 units per net acre
- Up to 40 persons per acre

Mobile Home Park

The purpose of this designation is to allow for affordable housing within mobile home parks. This designation is not represented on the 2020 General Plan Land Use Map.

Density/Intensity

- Five to 12 dwelling units per acre
- Up to 24 persons per acre

Office Professional

The purpose of this designation is to allow for professional and general business office uses. This designation applies to various locations throughout the Town. Locations are often near neighborhood or commercial-orientated facilities or serve as a buffer between commercial and residential uses. The intent of the designation is to meet community needs for general business and commercial services and provide local employment.

Density/Intensity

- Up to 50 percent land coverage
- 35-foot height limit

Neighborhood Commercial

The purpose of this designation is to allow for necessary day-to-day goods and services within close proximity of neighborhoods. This designation encourages concentrated and coordinated commercial development at easily accessible locations.

Density/Intensity

- 50 percent land coverage
- 35-foot height limit

Mixed-Use Commercial

The purpose of the Mixed-Use designation is to provide for a combination of residential, office, retail, commercial, non-manufacturing industrial, and recreation uses. This designation is for sites that are centrally located in Town and will not conflict with existing land uses.

Density/Intensity

- 50 percent land coverage
- 35-foot height limit

Service Commercial

The purpose of this designation is to allow for service-oriented businesses. Types of businesses allowed include auto repair, building materials sales, paint suppliers, janitorial services, towing businesses, contractors offices and yards, launderers and dry cleaners, as well as wholesaling and warehousing activities.

Density/Intensity

- 50 percent land coverage
- 35-foot height limit

Central Business District

The purpose of this designation is to encourage a mixture of community-orientated commercial goods and services within the downtown. This designation applies exclusively to the downtown, with the goal to accommodate and retain small-town merchants and preserve the Town's character. The District shall maintain and expand open spaces and mature tree growth without increasing setbacks, as well as, integrate new construction with existing structures of archeological and historical significance.

Density/Intensity

- 0.6 FAR
- 45-foot height limit

Light Industrial

The purpose of this designation is to allow for large-scale office developments, well-controlled research and development facilities, industrial parks and service-oriented uses subject to rigid development standards. These uses shall respond to the community and regional-wide needs.

Density/Intensity

- Up to 50 percent land coverage
- 35-foot height limit.

Public

The purpose of this designation is to allow for public facilities within the Town such as the Civic Center, courthouse, schools, parks, libraries, hospitals, churches, and fire stations.

Agriculture

The purpose of this designation is to allow for commercial agricultural crop production.

Open Space

The purpose of this designation is to allow for public parks, open space preserves, private preserves, and stream corridors.

Albright Specific Plan

The purpose of this designation is to provide land for the Albright Specific Plan as described in Section 3.5.

North 40 Specific Plan

The purpose of this designation is to provide land for the North 40 Specific Plan as described in Section 3.5.

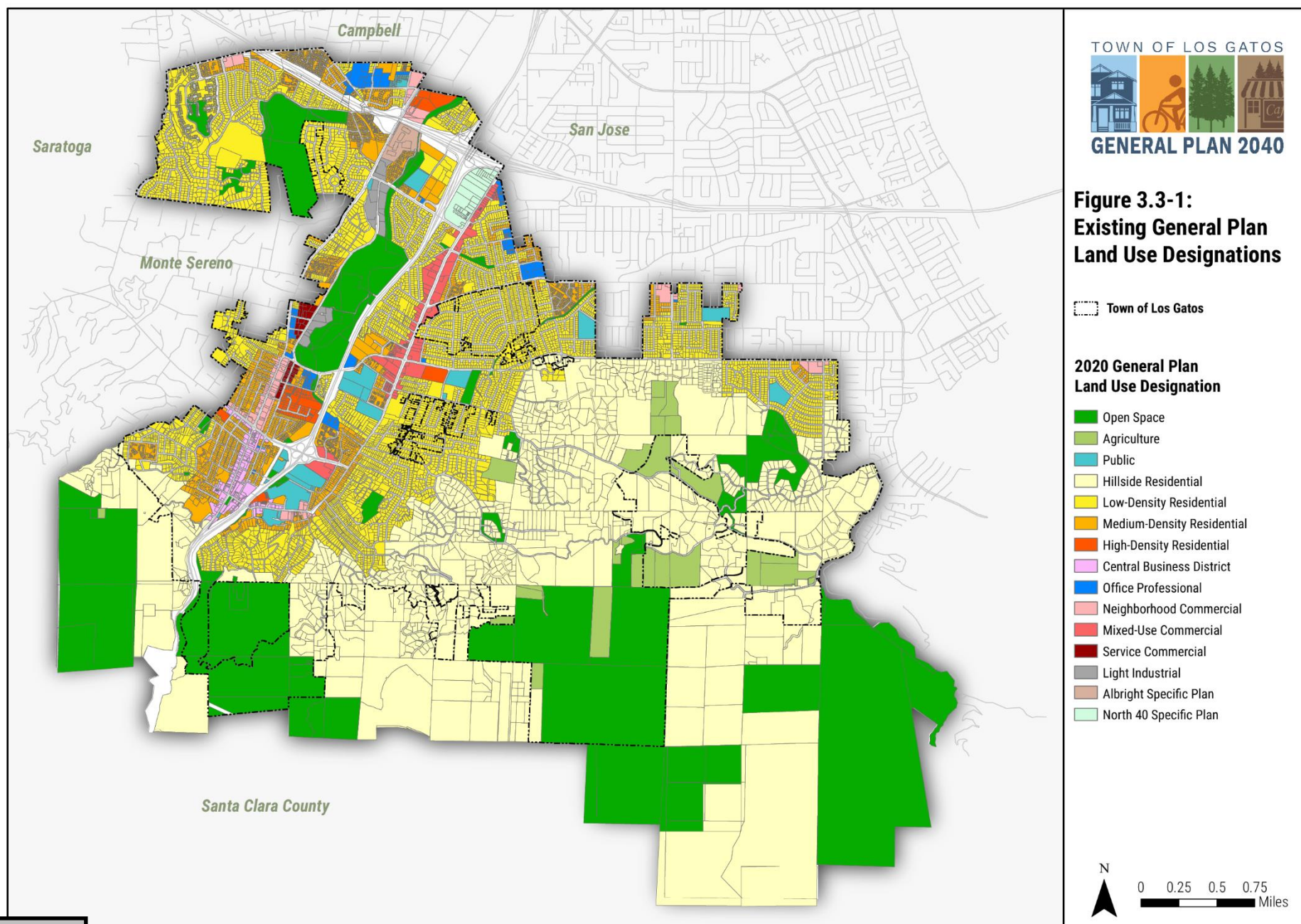


Table 3.3-1 General Plan Land Use Designation Summary

Land Use Designation		Density/Intensity	Acres	Percent of Total
HR	Hillside Residential	0-1 du/ac	4257.07	39.91%
LDR	Low-Density Residential	0-5 du/ac	1890.35	17.72%
MDR	Medium-Density Residential	5-12 du/ac	514.45	4.82%
HDR	High-Density Residential	12-20 du/ac	60.29	0.57%
MHP¹	Mobile Home Park	5-12 du/ac	0.00	0.00%
O	Office Professional	Up to 50 percent land coverage 35-foot height limit	65.05	0.61%
NC	Neighborhood Commercial	Up to 50 percent land coverage 35-foot height limit	68.32	0.64%
MUC	Mixed-Use Commercial	Up to 50 percent land coverage 35-foot height limit	100.11	0.94%
SC	Service Commercial	Up to 50 percent land coverage 35-foot height limit	17.93	0.17%
CBD	Central Business District	0.6 FAR 45-foot height limit	48.50	0.45%
LI	Light Industrial	Up to 50 percent land coverage 35-foot height limit	39.91	0.37%
P	Public	N/A	135.40	1.27%
A	Agriculture	N/A	311.88	2.92%
OS	Open Space	N/A	3088.56	28.96%
A SP	Albright Specific Plan		24.99	0.23%
NF SP	North 40 Specific Plan	0-20	43.70	0.41%
Total			10666.51	100.00%

Source: Town of Los Gatos, 2018; Mintier Harnish, 2018.

¹ The Town of Los Gatos has two mobile home parks that are designated Medium-Density Residential in the 2020 General Plan. The mobile home parks are currently not designated Mobile Home Park in the current General Plan as noted above in Table 3.1-1. The underlying zoning for both mobile home parks is Mobile Home Park Residential Zone (RMH) shown in Table 3.3-2.

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RHNA Objectives and Factors

Summary of RHNA Objectives *(from Government Code §65584(d) and (e))*

The regional housing needs allocation plan shall further all of the following objectives:

- (1) Increase housing supply and mix of housing types, tenure, and affordability all cities and counties within the region in an equitable manner
- (2) Promote infill development and socioeconomic equity, protect environmental and agricultural resources, encourage efficient development patterns, and achieve GHG reduction targets
- (3) Promote improved intraregional jobs-housing relationship, including balance between low-wage jobs and housing units affordable to low-wage workers in each jurisdiction
- (4) Balance disproportionate household income distributions (more high-income RHNA to lower-income areas and vice-versa)
- (5) Affirmatively further fair housing

Summary of RHNA Factors *(from Government Code §65584.04(d))*

- (1) Existing and projected jobs and housing relationship, particularly low-wage jobs and affordable housing
- (2) Lack of capacity for sewer or water service due to decisions outside the jurisdiction's control.
- (3) The availability of land suitable for urban development.
- (4) Lands protected from urban development under existing federal or state programs
- (5) County policies to preserve prime agricultural land.
- (6) The distribution of household growth assumed for regional transportation plans and opportunities to maximize use of public transportation and existing transportation infrastructure.
- (7) Agreements between a county and cities in a county to direct growth toward incorporated areas of the county
- (8) The loss of units in assisted housing developments as a result of expiring affordability contracts.
- (9) The percentage of existing households paying more than 30 percent and more than 50 percent of their income in rent.
- (10) The rate of overcrowding.
- (11) The housing needs of farmworkers.
- (12) The housing needs generated by the presence of a university within the jurisdiction.
- (13) The loss of units during a state of emergency that have yet to be rebuilt or replaced at the time of the analysis.
- (14) The region's greenhouse gas emissions targets provided by the State Air Resources Board.

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What is Missing Middle Housing?

Opticos Design founder Daniel Parolek inspired a new movement for housing choice in 2010 when he coined the term “Missing Middle Housing,” a transformative concept that highlights a time-proven and beloved way to provide more housing and more housing choices in sustainable, walkable places.

Missing Middle Housing:

House-scale buildings
with multiple units
in walkable neighborhoods

These building types, such as duplexes, fourplexes and bungalow courts, provide diverse housing options to support walkable communities, locally-serving retail, and public transportation options. We call them “Missing” because they have typically been illegal to build since the mid-1940s and “Middle” because they sit in the middle of a spectrum between detached single-family homes and mid-rise to high-rise apartment buildings, in terms of form and scale, as well as number of units and often, affordability.



Missing Middle Housing is primarily about the form and scale of these buildings, designed to provide more housing choices in low-rise walkable neighborhoods, although it also tends to be more affordable than other new housing products currently being built.

And while they are “missing” from our new building stock, these types of buildings from the 1920s and 30s are beloved by many who have lived in them. Ask around, and your aunt may have fond memories of living in a fourplex as a child, or you might remember visiting your grandmother as she grew old in a duplex with neighbors nearby to help her out. And today, young couples, teachers, single, professional women and baby boomers are among those looking for ways to live in a walkable neighborhood, but without the cost and maintenance burden of a detached single-family home. Missing Middle Housing helps solve the mismatch between the available U.S. housing stock and shifting demographics combined with the growing demand for walkability.

We need a greater mix of housing types to meet differing income and generational needs. This is where Missing Middle Housing can change the conversation.”

— Debra Bassert, National Association of Home Builders

Opticos Design is driving a radical paradigm shift, urging cities, elected officials, urban planners, architects and builders to fundamentally rethink the way they design, locate, regulate, and develop homes. Americans want and need more diverse housing choices in walkable neighborhoods; homes that are attainable, sustainable, and beautifully designed.

This website is designed to serve as a collective resource for elected officials, planners and developers seeking to implement Missing Middle projects. You will find clear definitions of the types of housing that are best for creating walkable neighborhoods, as well as information on the unifying characteristics of these building types. You’ll also find information on how to integrate Missing Middle Housing into existing neighborhoods, how to regulate these building types, and pin-point the market demographic that demands them.

“If there’s one thing Americans love, it’s choices: what to eat, where to work, who to vote for. But when it comes where we live or how to get around, our choices can be limited. Many people of all ages would like to live in vibrant neighborhoods, downtowns, and Main Streets—places where jobs and shops lie within walking distance—but right now those places are in short supply. ‘Missing Middle’ Housing provides more housing choices. And when we have more choices, we create living, thriving neighborhoods for people and businesses.

— Lynn Richards, President and CEO of the Congress for the New Urbanism

What does the market want?

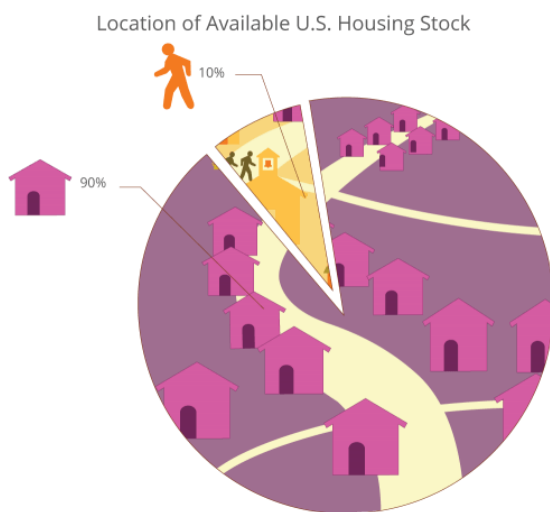
Demand for Housing Choice

A greater variety of household sizes and demographics require a greater variety of housing choices.

Young, highly educated, technology-driven **millennials** desire mobile, walkable lifestyles. They are willing to exchange space for shorter commutes, mixed-use neighborhoods, and shared open spaces that foster community interaction.

At the same time, **baby boomers** are working and living longer. They want to stay mobile and active in their later years, but they won't drive forever and don't want to be dependent on their family members to get around. They also want to find ways to stay in their community without having to care for a large home and yard.

Multigenerational homes have increased by 17% since 1940, and that number continues to rise. The growing senior population, more families with multiple working parents, diverse family cultures, and an increased desire to live in intergenerational neighborhoods all contribute to the growing demand for multigenerational and even multi-family households. Affluent seniors seek to downsize from their large suburban homes to more convenient, easy-to-care-for townhouses, apartments, or condos, while others need quality, affordable housing that won't break their limited budget. Many retirees would like to move close to, but not live with, their children and grandchildren.



The growing demand for a walkable lifestyle has the potential to transform sprawling suburbs into walkable communities.

90% of available housing in the U.S. is located in a conventional neighborhood of single-family homes, adding up to a 35 million unit housing shortage. Source: Dr. Arthur C. Nelson, "Missing Middle: Demand and Benefits," Utah Land Use Institute conference, October 21, 2014.

Walkable and Accessible Amenities

Up to 85% of households will be childless by 2025.

“This country is in the middle of a structural shift toward a walkable urban way of living. After 60 years of almost exclusively building a drivable suburban way of life ... the consumer is now demanding the other alternative,” wrote Christopher Leinberger in the *New York Times* article [“Car-Free in America? Bottom Line: It’s Cheaper.”](#)

By 2020, 34% of all American households will consist of a single person, and many of these will be women, or older persons. By 2025, up to 85% of households will be childless as millennials choose to marry later and have fewer children and the number of empty nester households continues to grow.

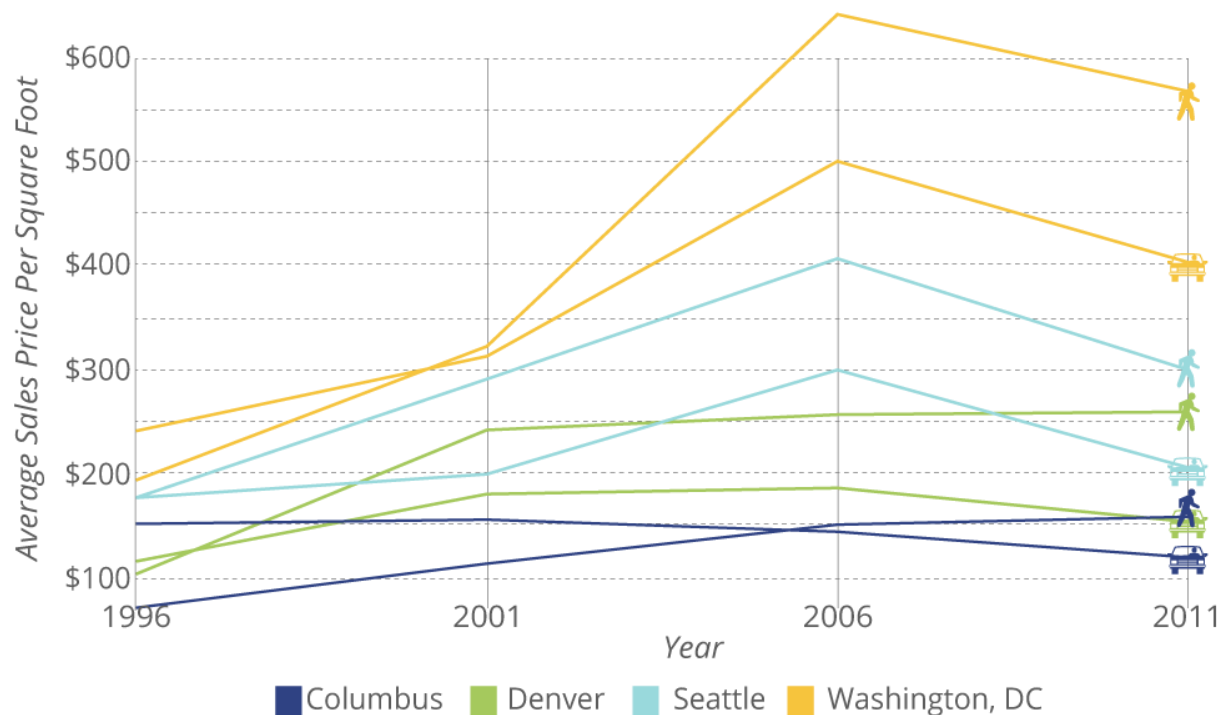
Housing trends show singles demand more amenities, and women and older persons who live alone generally seek housing options that offer better security. They also drive less, reducing the need for off-street parking in private garages or lots, and increasing the need for accessible public transportation.

“The present economic research finds that business wants talent, but talent wants place—so more businesses are relocating to places. When drilled further the research finds Missing Middle Housing is the fastest growing preference because it has the ‘place’ quality talent seeks. Hence development of Missing Middle is now recognized as a housing AND economic development strategy.”

— James Tischler, Michigan State Housing Development Authority

According to the National Association of Realtors, walkability is fast becoming one of the most important factors in choosing where to live. People want of all ages want easy access to amenities such as stores, businesses, cultural center, and transit. Homebuyers are seeking locations within walking distance to shopping, cultural amenities, jobs, and open space and the value of homes in these types of neighborhoods has increased at a much faster pace than homes in driveable suburban neighborhoods. “In a scenario where two houses are nearly identical, the one with a five-foot-wide sidewalk and two street trees not only sells for up to \$34,000 more, but it also sells in less time,” wrote J. Cortright, in CEOs for Cities’ [Walking the Walk: How Walkability Raises Home Values in U.S. Cities](#). But, as the chart at the right shows, now you don’t have to live in a dense urban center to live a walkable lifestyle. Some 70% of upcoming, walkable places in Washington D.C. are quaint neighborhoods located outside of the urban core.

Home Price Comparison Walkable vs. Drivable Neighborhoods



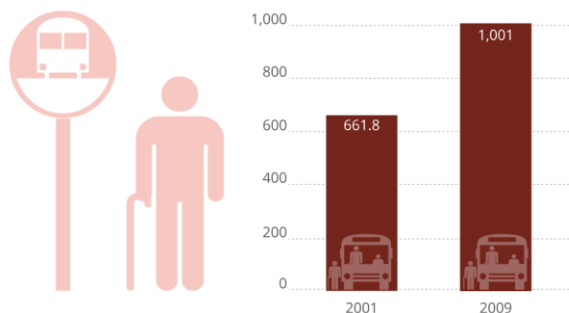
70% of walkable places in Washington D.C. are located outside the urban core.

Variety of Transportation

Accessibility to useful multimodal transit—public transportation, bike friendly streets, and car share—is needed by baby boomers and desired by millennials. But there is an economic argument, too.

“American families who are car-dependent spent 25% of their household income on their fleet of cars, compared to just 9% for transportation for those who live in walkable urban places,” [says Leinberger](#).

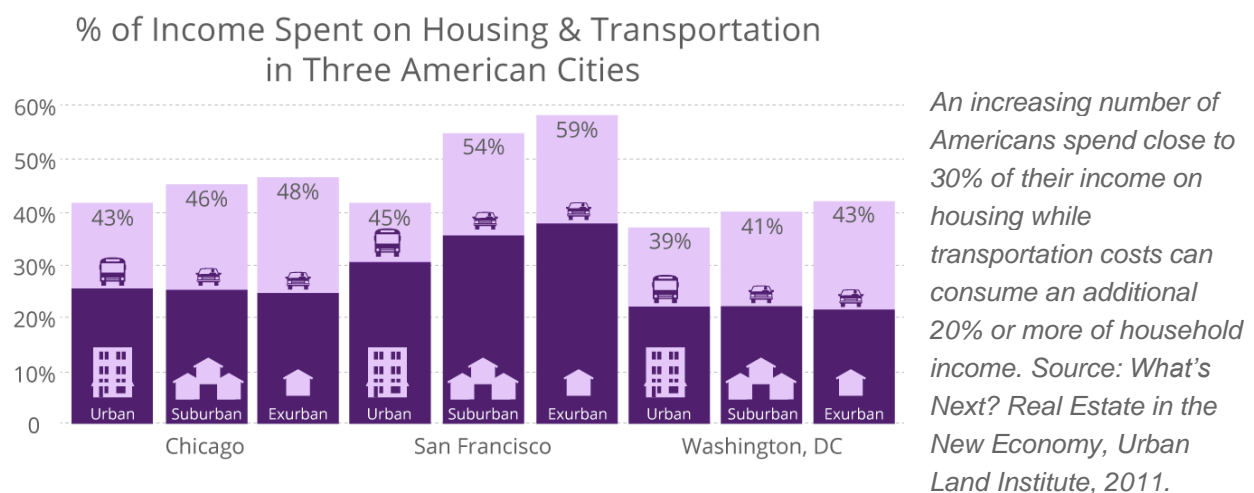
Trips by Seniors on Public Transportation in the U.S.



Walkable neighborhoods are now a top priority for seniors, along with access to transportation, and connectivity. Source: *What's Next? Real Estate in the New Economy*, Urban Land Institute, 2011; *Transportation for America*.

The same is true for bike friendly cities. According to the [Livable Street Alliance](#), as reported on the [AARP Livability Fact Sheet](#), the average American household spends more than \$8,000 a year on cars while the cost to maintain a bicycle is only about \$300 per year. These savings, which could amount into the billions if trends were widely adopted, could be reinvested into transit-oriented development and infrastructure, education, and health care.

Cities and property owners benefit from less car dependent zoning too. “An off-street parking space costs between \$3,000 and \$27,000 to build, and about \$500 a year to maintain and manage. On-street parking is more efficient and can bring in as much as \$300,000 per space in annual revenues,” writes Prof. Donald Shoup, in [Instead of Free Parking](#).



Affordability

Housing affordability is a primary concern for many Americans across the country ranging from blue-collar workers to early-career singles, young families and seniors. There is an increasing segment of the population that spends more than 30% of their income on housing, reducing their purchasing power for other amenities (*Source: What's Next? Real Estate in the New Economy, Urban Land Institute, 2011*).

Smaller homes and apartments cost less to rent or purchase and maintain, while urban neighborhoods provide services and amenities within walking distance as well as a variety of affordable transportation options.

Cities and towns that want to retain or attract these household types need to focus on providing diverse, affordable housing options near jobs, schools, and other amenities within walkable communities. In addition, suburbs that want to retain their aging populations and attract newer, younger families, will need to

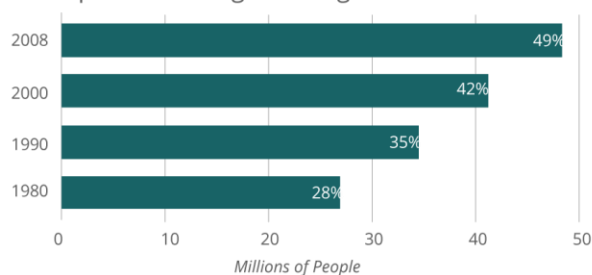
create new, walkable urban environments and encourage the construction of Missing Middle Housing through rezoning and by providing public transportation options.

Sense of Community

More and more, Americans say living in a diverse community that includes people at all stages of life is an important factor in determining where to live.

Seniors want to live near family and friends, but not with them. Missing Middle building types allow people to stay in their community throughout their lives because of the variety of sizes available and an increased accessibility to services and amenities.

% U.S. Population Living in Multigenerational Households



Almost 49% of Americans are living in a multigenerational household. Source: Pew Research Center analysis of U.S. Decennial Census and American Community Surveys.

According to Chris Leinberger in his article [“The Next Slum?” for The Atlantic](#), elements that used to draw families into the suburbs—better schools and safer communities—are now becoming the norm in cities, while these elements could worsen in suburbs that are dependent on home values and new development.

Housing market projections suggest that construction in the near future will accelerate only moderately for single-family housing but will greatly increase for multifamily housing (Source: Jordan Rappaport, [“The Demographic Shift From Single-Family to Multifamily Housing,” Economic Review, Kansas City: Federal Reserve Bank of Kansas City, 2013](#)). Implemented in both urban and rural contexts, Missing Middle Housing allows people to stay in their community during different stages of life because of the wide variety of sizes, housing levels, and accessibility it provides.

What are the characteristics of Missing Middle Housing?

Missing Middle Housing is not a new type of building. It is a range of building types that exist in cities and towns across the country and were a fundamental building block in pre-1940s neighborhoods. They are most likely present on some of your favorite city blocks—you may even have them in your own neighborhood.

Combined together (and usually with detached single-family homes), Missing Middle building types help provide enough households within walking distance to support public transit and local businesses, and they are found within many of the most in-demand communities in places like Denver, Cincinnati, Austin and San Francisco.

So what do Missing Middle building types have in common?



Development patterns in walkable urban neighborhoods make walking and biking convenient and support robust public transit. (Bouldin Creek neighborhood in Austin, TX.)

Walkable Context

Missing Middle housing types are best located in a walkable context. Buyers and renters of these housing types are often trading space (housing and yard square footage) for place (proximity to services and amenities).

Small-Footprint Buildings

These housing types typically have small- to medium-sized footprints, with a body width, depth and height no larger than a detached single-family home. This allows a range of Missing Middle types—with varying densities but compatible forms—to be blended into a neighborhood, encouraging a mix of socioeconomic households and making these types a good tool for compatible infill.



Missing Middle housing types generally have a similar size footprint to detached single-family homes.

Lower Perceived Density

Due to the small footprint of the building types and the fact that they are usually mixed with a variety of building types even on an individual block, the perceived density of these types is usually quite low—they do not look like dense buildings.

But one of the primary benefits of Missing Middle Housing is that it helps provide the number of households needed for transit and neighborhood-serving local businesses to be viable (typically about 16 dwelling units per acre).

“From the perspective of my work, Missing Middle Housing has a natural complement in MMP (missing middle plan), a.k.a. a ‘hybrid grid’ or as named it in my work, a Fused Grid ... The Fused Grid proposes a set of neighborhood modular layouts (reminiscent of Savannah) that incorporate all the desirable elements—livability, safety, security, sociability, and delight—as do MMH buildings.”

— Fanis Grammenos, Director of Urban Pattern Associates and author of “Remaking the City Street Grid – A Model for Urban and Suburban Development”

Smaller, Well-Designed Units

Most Missing Middle housing types have smaller units. The challenge is to create small spaces that are well designed, comfortable, and usable. The ultimate unit size will depend on the context, but smaller-sized units can help developers keep their costs down and attract a different market of buyers and renters who are not being provided for in all markets.



One characteristic of Missing Middle Housing is smaller, well-designed units. Courtesy: [The Cottage Company](#)

Fewer Off-street Parking Spaces

Because they are built in walkable neighborhoods with proximity to transportation options and commercial amenities, Missing Middle housing types do not need the same amount of parking as suburban housing. We typically recommend no more than one parking spot per unit, and preferably less. In fact, requiring more than one parking space per unit can make Missing Middle Housing infeasible to build. For example, if your zoning code requires two parking spaces per unit, a fourplex would require eight parking spaces, which would never fit on a typical residential lot. In addition, providing that much off-street parking for each fourplex would create a neighborhood of small parking lots rather than the desired neighborhood of homes. Finally, requiring too much parking means that fewer households can fit in the same amount of land, lessening the viability of transit and local businesses.

Simple Construction

Missing Middle Housing is simply constructed (wood-frame/Type V), which makes it a very attractive alternative for developers to achieve good densities without the added financing challenges and risk of more complex construction types. This aspect can also increase affordability when units are sold or rented.

As providing single family detached sub-\$200,000 starter homes is becoming increasingly out of reach for builders across the country, Missing Middle Housing can provide [an attractive and affordable alternative starter home](#).

Creates Community

Missing Middle Housing creates community through the integration of shared community spaces within the building type (e.g. [bungalow court](#)), or simply from being located within a vibrant neighborhood with places to eat, drink, and socialize.



This is an important aspect in particular considering the growing market of single-person households (nearly 30% of all households) that want to be part of a community.

Missing Middle housing types help to create walkable communities.

Marketable

Because of the increasing demand from baby boomers and millennials, as well as shifting household demographics, the market is demanding more vibrant, sustainable, walkable places to live. These Missing Middle housing types respond directly to this demand.

In addition, the scale of these housing types makes them more attractive to many buyers who want to live in a walkable neighborhood, but may not want to live in a large condominium or apartment building.

If there is land for beautifully-designed homes that fill a gap between stand-alone houses and mid-rise apartments, the smart thing to do is to fill it with housing types we've been missing in our market for so long.”

— Heather Hood, Deputy Director, Northern California, Enterprise Community Partners

How does Missing Middle Housing integrate into blocks?

Missing Middle Housing [types](#) typically have a footprint not larger than a large detached single-family home, making it easy to integrate them into existing neighborhoods, and serve as a way for the neighborhood to transition to higher-density and main street contexts. There are a number of ways in which this can be accomplished:

Distributed throughout a block

Missing Middle Housing types are spread throughout the block and stand side-by-side with detached single-family homes. This blended pattern of detached single-family homes and Missing Middle Housing types, with densities up to 40 dwelling units per acre, works well because the forms of these types are never larger than a large house.



“For us, mixing housing types is important in today’s market. Buyers want choices, the investors and lenders want more flexibility in the projects, and planning officials expect a more thoughtful integration into the existing neighborhoods. The mixing of product provides a diverse community, enhances value, and it helps create the type of place our buyers are looking for today.”

— David Leazenby, Onyx+East

Placed on the end-grain of a block

Missing Middle Housing types are placed on the end-grain of a block with detached single-family homes, facing the primary street, which is often a slightly busier corridor than the streets to which the detached single-family homes are oriented. The most common condition is to have several [fourplex](#) units on the end grain lots facing the primary street. This configuration is usually located on the end grain of several continuous blocks adjacent to a neighborhood main

street, which increases the blended density to achieve the 16 dwelling units/acre necessary to support small, locally-serving commercial and service amenities.

This configuration allows for the use of slightly larger buildings because the Missing Middle housing types are not sitting next to detached single-family homes. In this block type, the alley to the rear of the lots also allows for a good transition in scale to the detached single-family home lots behind them. Often you will see a similar block configuration with one or two fourplexes on the corners of the end grain lots on the block.



Transitioning to a commercial corridor

Missing Middle Housing is excellent to transition from a neighborhood to a Main Street with commercial and mixed-use buildings. These types are generally more tolerant and better able to effectively mitigate any potential conflicts related to the proximity to commercial/retail buildings or parking lots behind commercial buildings.



Transitioning to higher-density housing

Smaller-scale Missing Middle Housing types are placed on a few of the lots that transition from the side street to the primary street, providing a transition in scale to the larger buildings on the end grain of the block along the primary street.



What's the best way to regulate Missing Middle Housing?

Hint: Conventional Zoning Doesn't Work

Conventional (Euclidean) zoning practice regulates primarily by land use or allowed activities, dividing neighborhoods into single-family residential, multifamily residential, commercial, office, etc. This separation of uses is the antithesis of mixed-use walkable neighborhoods. Along with use, the zones are often defined and controlled by unpredictable numeric values, such as floor area ratio (FAR) and density, which create all sorts of barriers to Missing Middle Housing.

For starters, Missing Middle Housing (MMH) is intended to be part of low-rise residential neighborhoods, which are typically zoned as “single-family residential” in conventional zoning. However, because MMH contains multiple units, it is, by definition, not allowed in single-family zones. On the other hand, most multifamily zones in conventional codes allow much bigger buildings (taller and wider) and also typically encourage lot aggregation and large suburban garden apartment buildings. The environments created by these zones are not what Missing Middle Housing is intended for.

In addition, density-based zoning doesn't work with the blended densities that are typical in neighborhoods where Missing Middle Housing thrives. MMH are similar in form and scale to detached single-family homes, but because they include more units, they often vary dramatically in their densities, making them impossible to regulate with a density-based system. For example, a bungalow court can have densities of up to 35 dwelling units per acre even though the buildings are only one story tall, because the size of each cottage is only 25 feet by 30 feet. So if a zoning district sets a maximum density of 20 dwelling units per acre, it would not allow the bungalow court type. On the other hand, if the zoning district has a maximum density of 35 dwelling units per acre with few or no additional form standards, every builder/developer will max out a lot with a large, out-of-scale apartment building, rather than building the bungalow court the neighborhood would prefer.

And one more thing: density-based zoning treats all units the same regardless of size. This means that a 3,500-square-foot unit is considered the same as a 600-square-foot unit for calculations such as density, parking and open space, thus discouraging much-needed smaller units. For example, a fourplex with four 600sf units would require four times the parking and open space as a 2,400sf detached

single-family home, even though the size of the building is the same, typically making the fourplex infeasible to fit on a typical lot.



This Alameda, CA neighborhood has several Missing Middle housing types on each block.

The Alternative: Form-Based Coding

[Form-Based Coding](#) is a proven alternative to conventional zoning that effectively regulates Missing Middle Housing. Form-Based Codes (FBCs) remove barriers and incentivize Missing Middle Housing in appropriate locations in a community.

FBCs represent a paradigm shift in the way that we regulate the built environment, using physical form rather than a separation of uses as the organizing principal, to create predictable, built results and a high-quality public realm.

The Form-Based Approach to Regulating Missing Middle Housing

Regulating Missing Middle Housing starts by defining a range of housing types appropriate for the community based on the community's existing physical patterns, climate, and other considerations, as part of the early Community Character Analysis phase of a planning and Form-Based Coding project.

Specific to Building Types		1703-3.30	1703-3.30	Specific to Building Types	
Table 1703-3.30.A: Building Types General		Table 1703-3.30.B: Building Types General (continued)		Table 1703-3.30.C: Building Types General (continued)	
Building Type	Transect Zone	Building Type	Transect Zone	Building Type	Transect Zone
 Carriage House. This building type is an accessory structure, typically located at the rear of a lot. It is typically used for either a residential home office space or other small commercial or service use that may be above a garage or on a ground level. This type is important for providing affordable housing opportunities and creating a vibrant neighborhood.	TBC	 Detached House, Medium. This building type is a medium-sized detached structure, typically located in a medium-density residential neighborhood. It is a single-story or two-story detached house with a gabled roof and a front porch. This type is important for providing affordable housing opportunities and creating a vibrant neighborhood.	TBC	 Detached House, Small. This building type is a small detached structure, typically located in a medium-density residential neighborhood. It is a single-story or two-story detached house with a gabled roof and a front porch. This type is important for providing affordable housing opportunities and creating a vibrant neighborhood.	TBC
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A building types page from Cincinnati's Form-Based Code

[illegible]

In addition for each type, there are typically supplemental form standards that are regulated to allow some of the individual aspects of certain MMH types while preventing overbuilding in terms of height and bulk. For example, a bungalow court type typically allows for more units, but has a maximum height of 1–1.5 stories, a maximum building footprint/unit size of around 800 square feet and a minimum size of courtyard. A Form-Based Code can regulate these fine-grained details, such that on a 100' by 100' lot, two fourplexes or a bungalow court with eight small, one-story units could be allowed, but not a single, larger eight-unit apartment building.

1903-1-100

Specific to Building Types

Specific to Building Types

1903-1-100

1903-1-100 Multiple-Plex Small

A brick gable center is a medium-density neighborhood, with all units accessed from a central way.

A walk high-gate with town entrance leads to duplex

A flat-gate with single flat-front entrance allowing

Connect More Photos on this page on [Architecture](#), [Real Estate](#), or [Signage](#)

Specific to Building Types

Size

☐ RDW / Low Line
☐ Suburb Line

☐ Building
☐ Street

Measure	Value
Width of Building	2 units, 6 max.
Depth of Building	10 max.
Front Porch (per unit)	10 max.
Back Porch (per unit)	10 max.
Side Porch (per unit)	10 max.
Height	10 max.
Front Yard (per unit)	10 max.
Back Yard (per unit)	10 max.
Side Yard (per unit)	10 max.
Front Street	10 max.
Back Street	10 max.
Side Street	10 max.
Front Yard	40' min.
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Front Street	40' min.
Back Street	40' min.
Side Street	40' min.
Front Yard	40' min.

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“I want to thank you for your great work on Missing Middle Housing! It has been useful in my current research on policy reforms to support more affordable infill development in Victoria, B.C., and informing my report ‘Affordable Accessible Housing in a Dynamic City.’”

— Todd Litman, Victoria Transport Policy Institute

For more information about Form-Based Codes, see:

- *Form-Based Codes: A Guide to Planners, Urban Designers, Municipalities, and Developers*,
by Daniel Parolek, Karen Parolek, and Paul C. Crawford
- [Form-Based Codes Institute](#)
Form-Based Codes with Building Types to Reference:
- [Cincinnati, OH](#) (And read this [blog post](#) about the project)
- [Mesa, AZ](#) (Article 6: Form-Based Code)
- [Livermore, CA](#)

Or find out about our [Form-Based Coding services](#)

Illustration of the variety of places regulated by Flagstaff's Form-Based Code



HOUSING TYPE EXAMPLES

Los Gatos General Plan 2040 GPAC

EXHIBIT 5

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Accessory Dwelling Units



Accessory dwelling units (ADUs) are an additional dwelling unit to a primary residence. They are known by many names: granny flats, in-law units, backyard cottages, secondary units, and more. ADUs are an innovative, affordable, effective option for adding much-needed housing. ADUs can be detached and newly constructed units, converted garages or basements, or built above a garage or workshop.



New Laws to Streamline ADU Construction

Over the past few years, the California legislature has made efforts to streamline ADU construction. This includes:

- Making ADU approval a ministerial action,
- Mandating that local governments approve ADU building permit requests if the ADU meets certain standards,
- Allowing ADUs to be built in all zoning districts that allow single-family uses,
- Eliminating ADU parking requirements, and
- Eliminating utility-related fee requirements.

Tiny Homes

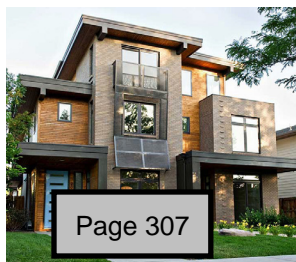
The tiny-house movement is an architectural and social movement that promotes living simply, financial prudence, and safe, shared community experiences. Tiny homes are generally defined as residential structures **under 400 sq. ft.** They can be built on permanent foundations or trailers.



Duplexes



A duplex has **two** dwelling units **attached** to one another with separate entrances for each. This includes two-story houses with a complete apartment on each floor and side-by-side apartments on a single lot that share a common wall.



Triplexes and Fourplexes

A triplex has **three** dwelling units **attached** to one another with separate entrances for each, while a fourplex has **four** dwelling units. This includes multi-story houses with a complete apartment on each floor and also side-by-side apartments on a single lot that share a common wall.



Townhouses



Townhouses are **single-family** dwelling units that usually have two or three floors that share a wall with another house. Unlike duplexes, triplexes, or fourplexes, each townhouse is **individually owned**.



Courtyard Apartment/Bungalow Court

A courtyard apartment consists of multiple side-by-side and/or stacked dwelling units that are centered around a shared outdoor open space or garden. Each unit may have its own individual entry, or several of the units may share a common entry.

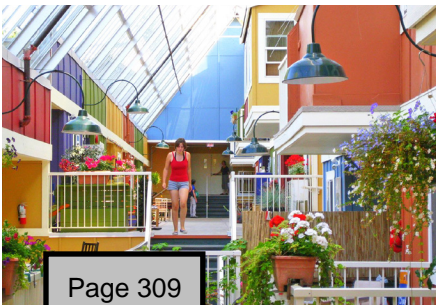
A bungalow court consists of a series of small, detached structures, providing multiple units arranged to define a shared court that is typically perpendicular to the street. The shared court takes the place of a private rear yard and is an important community-enhancing element.



Co-Housing



Co-housing is an intentional community of private homes clustered around shared space. Each attached or detached single-family home has traditional amenities, including a private kitchen. Shared spaces typically feature a common house, which may include a large kitchen and dining area, laundry, and recreational spaces.



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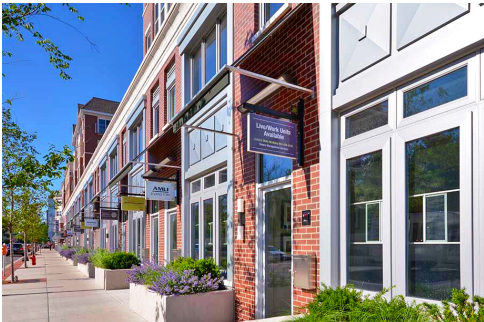
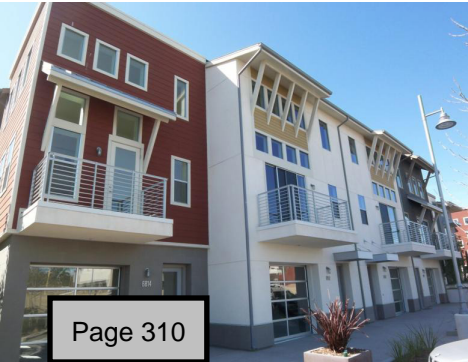
Micro Units



While there is no standard definition, a working definition of micro units is a small studio apartment, typically **less than 350 square feet**, with a fully functioning and accessibility compliant **kitchen and bathroom**. Under this definition, a 160-square-foot single-room-occupancy (SRO) unit that relies upon communal kitchen or bathroom facilities does not qualify as a micro unit.

Live/Work

Live/work units consist of a separate living space attached to a work space within the same unit that is occupied by the same tenant.



Single-Family Detached



A single-family detached home is a stand-alone structure that is maintained and used as a single dwelling unit.

Density Range: 1-5 dwelling units/acre

Height/Stories: 35 feet, 2 stories

Small Lot Single-Family Detached



Small Lot Single-family detached homes with a smaller building footprint and lot size can accommodate more dwelling units per acre.



Density Range: 5-12 dwelling units/acre

Height/Stories: 35 feet, 2-3 stories

Compact Single-Family or Multifamily-Very Low



Compact Single-family detached homes with a smaller building footprint and lot size can be accommodate more dwelling units per acre. Similarly, multifamily-very low buildings can provide more dwelling units per acre.

Density Range: 12-20 dwelling units/acre
Height/Stories: 35-45 feet, 2-3 stories

Government Code Section 65583.2(c)(3)(B) allows the Town to use “**default density**” standards as a streamlined option to meet the **lower-income RHNA**. The default density for Los Gatos is **20 du/ac**.

Multifamily-Low



Multifamily buildings are designed to house several different families in separate housing units. They are commonly known as apartments or condominiums.

Density Range: 20-40 dwelling units/acre
Height/Stories: 35-50 feet, 2-4 stories

Multifamily-Medium

Multifamily buildings are designed to house several different families in separate housing units. They are commonly known as apartments or condominiums, depending on the ownership structure.

Density Range: 40-60 dwelling units/acre
Height/Stories: 40-60 feet, 3-5 stories



Multifamily-High



Multifamily buildings are designed to house several different families in separate housing units. They are commonly known as apartments or condominiums, depending on the ownership structure.

Density Range: 60+ dwelling units/acre
Height/Stories: 50-80 feet, 5-8 stories

Low-Intensity Mixed Use



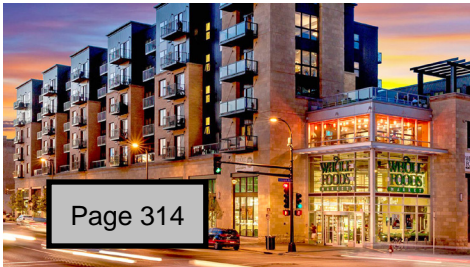
Mixed-use development blends two or more of the following land use types: residential, commercial, cultural, institutional, and/or industrial. Typically, these developments have commercial uses on the ground floor with residential units above.

- Density Range:** up to 60 dwelling units/acre
- Height/Stories:** 40-60 feet, 3-5 stories
- FAR Range:** 0.3 to 1.0

High-Intensity Mixed Use

Mixed-use development blends two or more of the following land use types: residential, commercial, cultural, institutional, and/or industrial. Typically, these developments have commercial uses on the ground floor with residential units above.

- Density Range:** 60+ dwelling units/acre
- Height/Stories:** 50-80 feet, 5-8 stories
- FAR Range:** 0.3 to 1.0



At their meeting on August 20, 2019, the Los Gatos Town Council approved a Vision Statement and set of Guiding Principles for the Los Gatos 2040 General Plan.

Vision

The Town of Los Gatos is a welcoming, family-oriented, and safe community nestled in the beautiful foothills of the Santa Cruz Mountains. The Town is a sustainable community that takes pride in its small-town character and provides a range of housing opportunities, historic neighborhoods, local culture and arts, excellent schools, and a lively and accessible downtown. Los Gatos offers a choice of mobility options, superior public facilities and services, and an open and responsive local government that is fiscally sound. Los Gatos has a dynamic and thriving economy that includes a mix of businesses throughout Town that serves all residents, workers, and visitors.

Guiding Principles

Transportation

Provide a well-connected transportation system that enables safe access for all transportation modes, including pedestrians, bicyclists, motorists, and transit riders of all ages and abilities.

Sustainability

Manage, conserve, and preserve Los Gatos' natural environment for present and future generations. Identify and provide opportunities to enhance the Town's sustainability policies and practices.

Protect Natural Resources

Protect the natural resources and scenic assets that define Los Gatos, including open space preserves, recreational trails, surrounding hillsides, and natural waterways.

Fiscal Stability / Responsibility

Provide high quality municipal services to the Los Gatos community while sustaining the Town's long term fiscal health.

Government Transparency

Conduct governmental processes in an open manner and encourage public involvement in Town governance.

Community Vitality

Invigorate downtown Los Gatos as a special place for community gathering, commerce, and other activities for residents and visitors. Foster the economic vitality of all Los Gatos business locations. Preserve and enhance the Town's historic resources and character while guiding the community into the future.

Diverse Neighborhoods

Foster appropriate investments to maintain and enhance diverse neighborhoods, housing opportunities, and infrastructure to meet the needs of all current and future residents.

Inclusivity

Recognize the importance of and promote ethnic, cultural, and socio-economic diversity and equity to enhance the quality of life in Los Gatos.

Promote Public Safety

Maintain and enhance Los Gatos as a safe community through preparation and planning, education, and community design that is responsive to the full range of potential natural and man-made hazards and safety issues.

Master Land Use Alternatives Comparison Table

	Alternative A	Alternative B	Alternative C	Alternative D
Population				
Total Net New Population	2,834	4,598	5,587	7,682
Total Population	3,974	5,738	6,727	8,822
Total Projected 2040 Population	34,969	36,733	37,722	39,817
Housing				
Net New Dwellings	681	1,416	1,828	2,701
Potential Net New Accessory Dwelling Units	500	500	500	500
Total Net New Dwelling Units	1,181	1,916	2,328	3,201
Pending/Approved Dwelling Units	475	475	475	475
Total Future Dwelling Units	1,656	2,391	2,803	3,676
Dwelling Units Per Land Use Designation				
Low Density Residential (LDR) - in OA	95	141	180	283
Low Density Residential (LDR) - outside OA	43	160	164	264
Low Density Residential (LDR) - Total Dwelling Units	138	301	344	547
Medium Density Residential (MDR) - in OA	129	166	166	258
Medium Density Residential (MDR) - outside OA	120	315	315	561
Medium Density Residential (MDR) - Total Dwelling Units	249	481	481	819
High Density Residential (HDR) - in OA	104	104	236	322
High Density Residential (HDR) - outside OA	54	81	98	98
High Density Residential (HDR) - Total Dwelling Units	158	185	334	420
Neighborhood Commercial (NC) - in OA	30	76	192	194
Neighborhood Commercial (NC) - outside OA	2	7	7	25
Neighborhood Commercial (NC) - Total Dwelling Units	32	83	199	219
Mixed Use Commercial (MUC) - in OA	91	345	21	630
Mixed Use Commercial (MUC) - outside OA	13	21	449	66
Mixed Use Commercial (MUC) - Total Dwelling Units	104	366	470	696
Employment				
Employment	1,280	1,280	1,280	1,280
Transportation				
Traffic Congestion Increase Levels	Minimal Increase with 2 studied intersections seeing moderate increase in congestion	Minimal Increase with 3 studied intersections seeing moderate increase in congestion	Moderate increase with 4 studied intersections seeing moderate increase in	Moderate increase with 4 studied intersections seeing moderate increase in
Total Daily VMT (lower VMT better)	1,245,000	1,259,000	1,267,000	1,284,000
VMT per Service Population (lower VMT better)	22.65	22.20	21.95	21.48
Fiscal*				
Annual Revenue	\$ 4,320,000.00	\$ 5,796,000.00	\$ 6,564,000.00	\$ 8,378,000.00
Annual Costs	\$ 3,710,000.00	\$ 5,280,000.00	\$ 6,264,000.00	\$ 8,413,000.00
Net Fiscal Impact	\$ 610,000.00	\$ 516,000.00	\$ 300,000.00	\$ (35,000.00)
Residential Net Impact	\$ 190,000.00	\$ 96,000.00	\$ (121,000.00)	\$ (455,000.00)
Non-residential Net Impact	\$ 420,000.00	\$ 420,000.00	\$ 420,000.00	\$ 420,000.00
Urban Form				
Range of allowable building heights	up to 35 feet	up to 40 feet	up to 50 feet	up to 60 feet
Maximum number of stories	2 stories	3-4 stories	4 stories	5 stories

*There will be increases in property tax revenues associated with redevelopment of commercial space, which is not shown here

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Opportunity Area Dwelling Units by Alternative Comparison Table*

		Alternative A						Alternative B				
		HDR	MDR	MU	NC	LDR		HDR	MDR	MU	NC	LDR
Outside OA	0	54	120	13	2	43		81	315	21	7	160
Pollard Road OA	1	0	8	0	4	2		0	10	0	9	5
North Santa Cruz Avenue OA	2	39	14	0	4	0		39	17	0	19	0
Winchester Boulevard OA	3	42	16	0	7	3		42	19	0	20	5
Lark Avenue OA	4	0	46	0	0	69		0	61	0	0	98
Los Gatos Boulevard OA	5	23	42	91	0	21		23	55	345	0	33
Union Avenue OA	6	0	1	0	11	0		0	2	0	17	0
Harwood Road OA	7	0	2	0	4	0		0	2	0	11	0
		158	249	104	32	138		185	481	366	83	301
		Total	681					Total	1,416			
		Alternative C						Alternative D				
		HDR	MDR	MU	NC	LDR		HDR	MDR	MU	NC	LDR
Outside OA	0	98	315	21	7	164		98	561	66	25	264
Pollard Road OA	1	0	10	0	21	13		0	17	0	21	25
North Santa Cruz Avenue OA	2	100	17	0	63	1		141	26	0	63	3
Winchester Boulevard OA	3	88	19	0	50	10		117	30	0	50	17
Lark Avenue OA	4	0	61	0	0	101		0	92	0	0	123
Los Gatos Boulevard OA	5	48	55	449	0	53		64	87	630	0	111
Union Avenue OA	6	0	2	0	32	1		0	3	0	34	3
Harwood Road OA	7	0	2	0	26	1		0	3	0	26	1
		334	481	470	199	344		420	819	696	219	547
		Total	1,828					Total	2,701			

**The following net new dwelling units include only those new units produced under each land use alternative. The totals exclude assumed accessory dwelling units (500 units) and pending/approved Town projects (475 units).*

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Assumptions, Development Standards, and Net New Dwelling Unit Comparisons*

Land Use Designation	Alternative A: Base Case - Low Growth								
	Redevelopment		Density Range (DU/AC)		Typical Density (DU/AC)		FAR	Dwelling Units	
	Outside OA	Inside OA	Outside OA	Inside OA	Outside OA	Inside OA		Outside OA	Inside OA
LDR	5%	5%	0 to 5	5 to 12	4	10	0.25	43	95
MDR	5%	10%	5 to 12	12 to 20	10	16	0.5	120	129
HDR	10%	10%	12 to 20	20 to 30	18	26	0.75	54	104
NC	5%	5%	0 to 20	10 to 20	18	18	0.5	2	30
MU	5%	5%	0 to 20	10 to 20	18	18	0.5	13	91
Land Use Designation	Alternative B: Medium Growth								
	Redevelopment		Density Range (DU/AC)		Typical Density (DU/AC)		FAR	Dwelling Units	
	Outside OA	Inside OA	Outside OA	Inside OA	Outside OA	Inside OA		Outside OA	Inside OA
LDR	5%	5%	5 to 12	8 to 16	10	14	0.25	160	141
MDR	10%	10%	12 to 20	14 to 24	16	20	0.75	315	166
HDR	10%	10%	20 to 30	20 to 30	26	26	1	81	104
NC	10%	10%	0 to 20	10 to 20	18	18	0.75	7	76
MU	10%	15%	0 to 20	20 to 30	18	26	0.75	21	345
Land Use Designation	Alternative C: Medium-High Growth								
	Redevelopment		Density Range (DU/AC)		Typical Density (DU/AC)		FAR	Dwelling Units	
	Outside OA	Inside OA	Outside OA	Inside OA	Outside OA	Inside OA		Outside OA	Inside OA
LDR	5%	10%	5 to 12	8 to 16	10	14	0.5	164	180
MDR	10%	10%	12 to 20	14 to 24	16	20	0.75	315	166
HDR	15%	15%	20 to 30	30 to 40	26	36	1.25	98	236
NC	10%	15%	0 to 20 *	20 to 30 *	18	26	0.75	7	192
MU	10%	20%	0 to 20 *	30 to 40 *	18	26	1	21	449
Land Use Designation	Alternative D: High Growth								
	Redevelopment		Density Range (DU/AC)		Typical Density (DU/AC)		FAR	Dwelling Units	
	Outside OA	Inside OA	Outside OA	Inside OA	Outside OA	Inside OA		Outside OA	Inside OA
LDR	10%	15%	5 to 12	12 to 20	10	16	0.75	264	283
MDR	15%	15%	14 to 24	14 to 24	20	20	1	561	258
HDR	15%	20%	20 to 30	30 to 40	26	36	1.5	98	322
NC	15%	15%	20 to 30 *	20 to 30 *	26	26	1	25	194
MU	15%	20%	30 to 40 *	30 to 40 *	36	36	1.5	66	630

***The following net new dwelling units include only those new units produced under each land use alternative. The totals exclude assumed accessory dwelling units (500 units) and pending/approved Town projects (475 units).**

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Community Workshop #2: Land Use Alternatives

Thursday January 16, 2020
6:30 pm – 8:30 pm
Fisher Middle School Library
Los Gatos, CA

On Thursday, January 16, 2020, the Town hosted the second community workshop on the General Plan update to inform the community about the General Plan update process and solicit feedback related to the Land Use Alternatives Report. The Community Workshop included an introductory presentation by the consultant team on where we are in the General Plan update process, an overview of the Land Use Alternatives Report, and a discussion of the next steps.

Attendees were provided a similar presentation to that provided to the General Plan Advisory Committee (GPAC) on December 12, 2019. The presentation highlighted the importance of the land use alternatives process in the General Plan update and the steps the GPAC, Town staff, and Consultant team took to develop the set of alternatives and associated analysis presented in the Alternatives Report. At the conclusion of the presentation, attendees were able to ask questions on the process and results of the Land Use Alternatives Report. Attendees were then able to walk through a series of stations with informative boards and an interactive survey highlighting the process and results of the Land Use Alternatives Report.

This workshop format was set up as an open house which allowed for more one-on-one interaction and dialogue between attendees, Town staff, and the consultant team. Following the workshop, the PowerPoint presentation, informational posters, and the survey were uploaded to the General Plan website (logatos2040.com) to allow community members who were not able to attend in person the ability to participate and provide feedback. The online engagement exercises were active from January 17 – January 29, 2020.

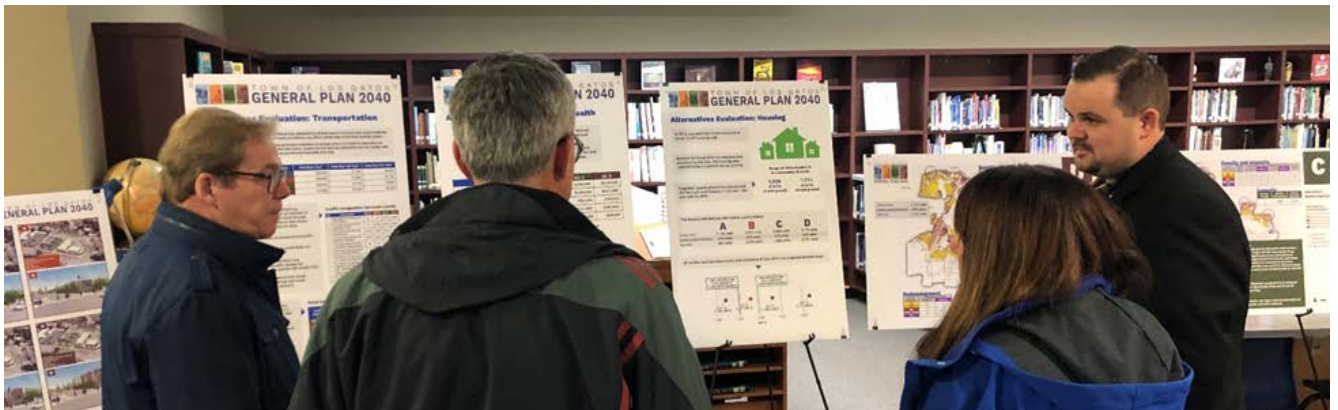
The following is an overview of the public comments and feedback from both the workshop and online engagement, as of January 29, 2020.

Community Workshop #2 Survey

The survey provided at the community workshop and on the General Plan website consisted of a series of 10 questions. These questions focused on the identification and selection of Opportunity Areas as well as input on the range of, allowable density, building height, and housing product types.

Community Workshop #2 Summary

January 30, 2020

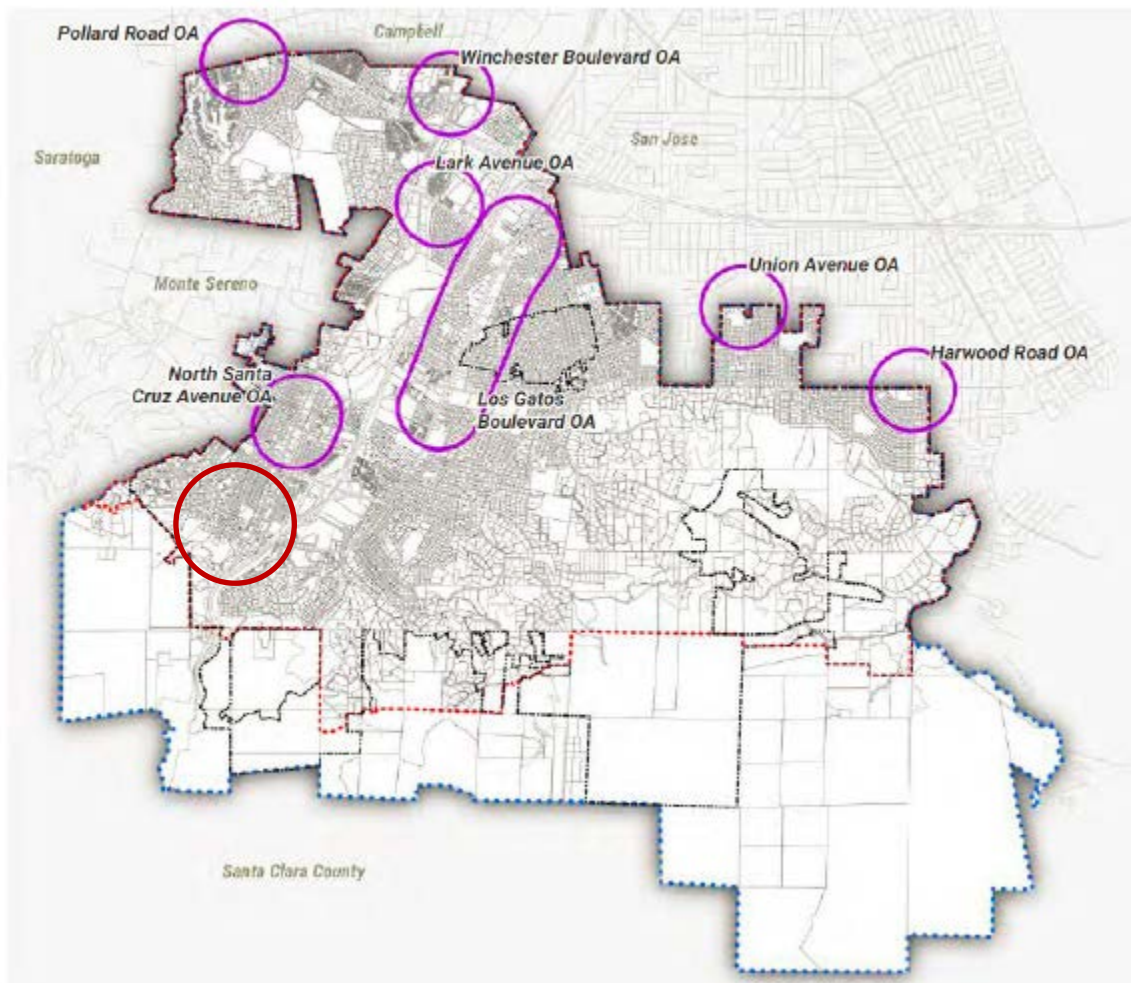


Community Workshop #2 Survey Results

The following includes all feedback collected at both the workshop and online related to the Land Use Alternatives Survey.

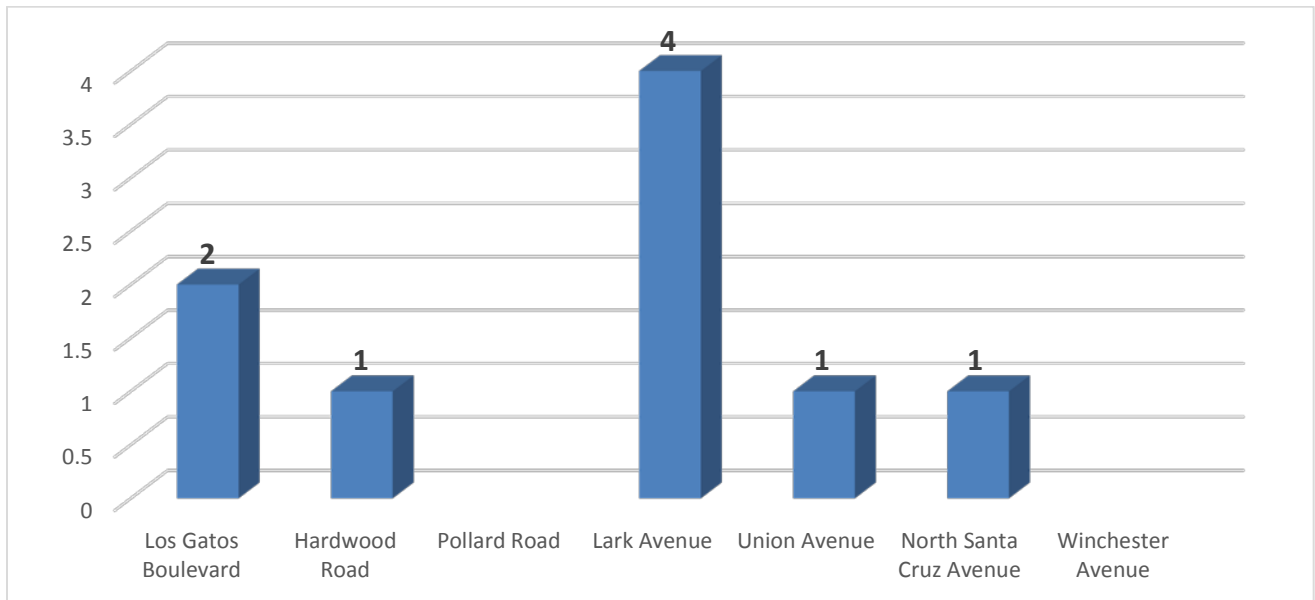
- 1. Are there any additional Opportunity Areas that you believe should be considered?**
Outline the new Opportunity Areas you propose on the map below.

The only additional area identified by attendees was inclusion of the Downtown area, highlighted in red below.



- 2.** Of the seven Opportunity Areas identified above, mark the opportunity areas you **DO NOT** agree should be included in the alternatives considered (you can check more than one box).

- | | | |
|--|---------------------------------------|--|
| <input type="checkbox"/> Los Gatos Boulevard | <input type="checkbox"/> Lark Avenue | <input type="checkbox"/> North Santa Cruz Avenue |
| <input type="checkbox"/> Harwood Road | <input type="checkbox"/> Union Avenue | <input type="checkbox"/> Winchester Boulevard |
| <input type="checkbox"/> Pollard Road | | |



The graph above shows the number of persons that thought that Opportunity Area should be removed from the alternatives considered.

3. What types of multi-unit housing are appropriate in Los Gatos?
You can select more than one choice below.

Townhomes



SELECTED: **7** times

Apartments



SELECTED: **5** times

Condominiums



SELECTED: **4** times

Duplex/Triplex/Fourplex



SELECTED: **4** times

Multiple Detached
Single-Family Units



SELECTED: **7** times

- 4.** Are you aware that under new State law, up to two Accessory Dwelling Units (a detached unit and an unit inside an existing residence) can be put on any residential lot in the Town?

☐ Yes, I was aware of that option

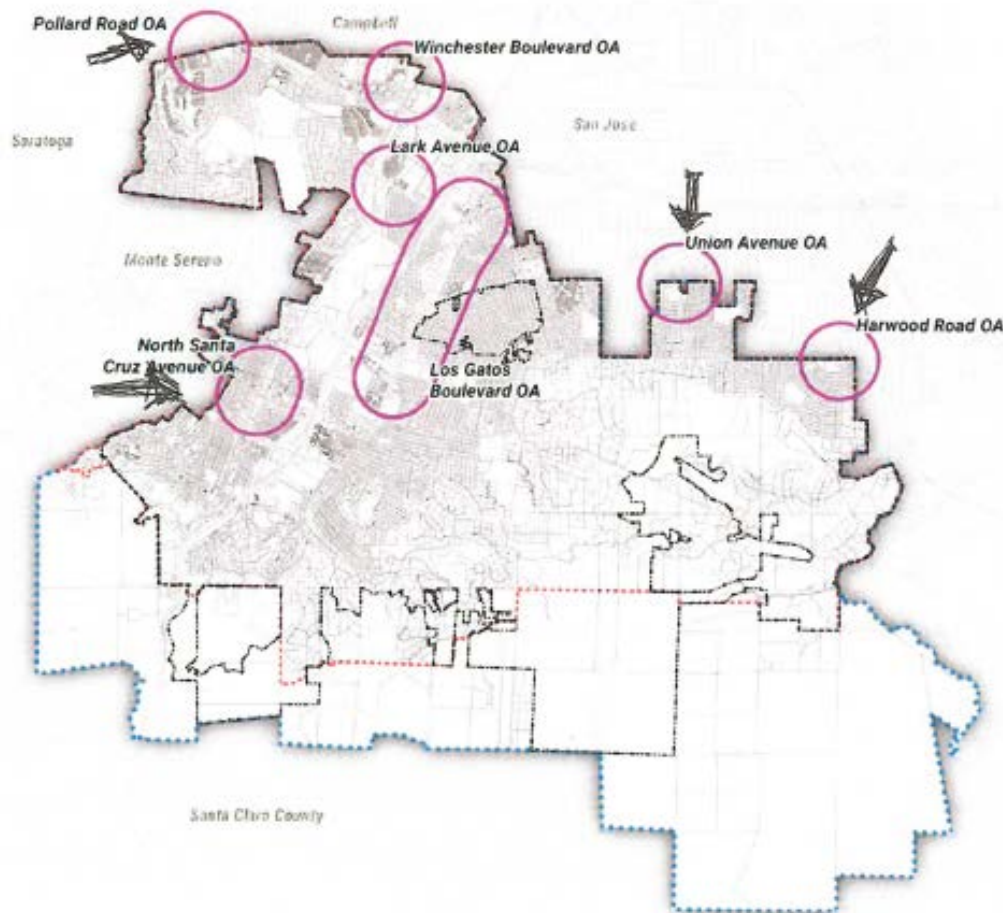
☐ No, I was not aware that was possible

SELECTED: 5 times

SELECTED: 3 times

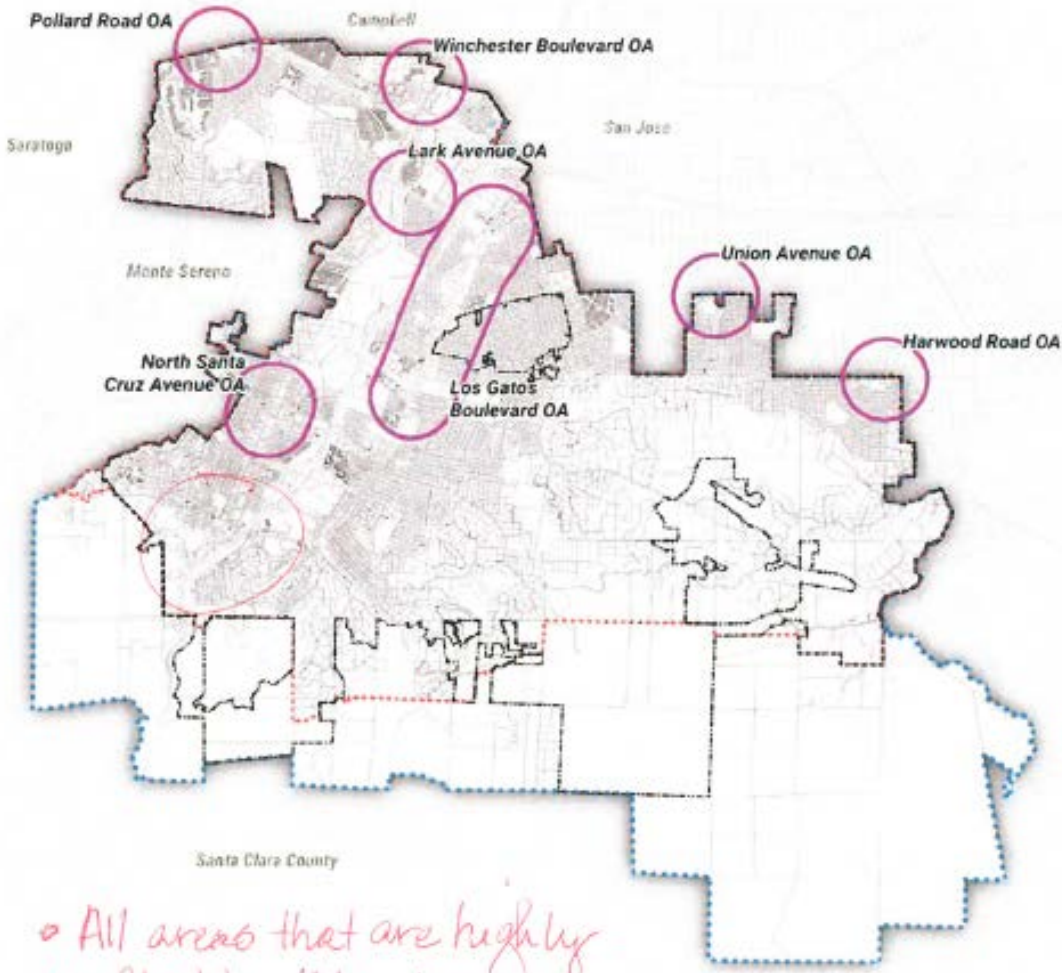
- 5.** State law is requiring all California communities to plan for more housing by right. This includes a range of housing, including multi-unit housing (condominiums, apartments, etc.). Where are the best locations for multi-unit housing in Los Gatos (outside of the Opportunity Areas)?

The following are the maps that attendees completed at the workshop. At the time of the completion of the Staff Report for the GPAC Meeting, no maps were completed as part of the online engagement.

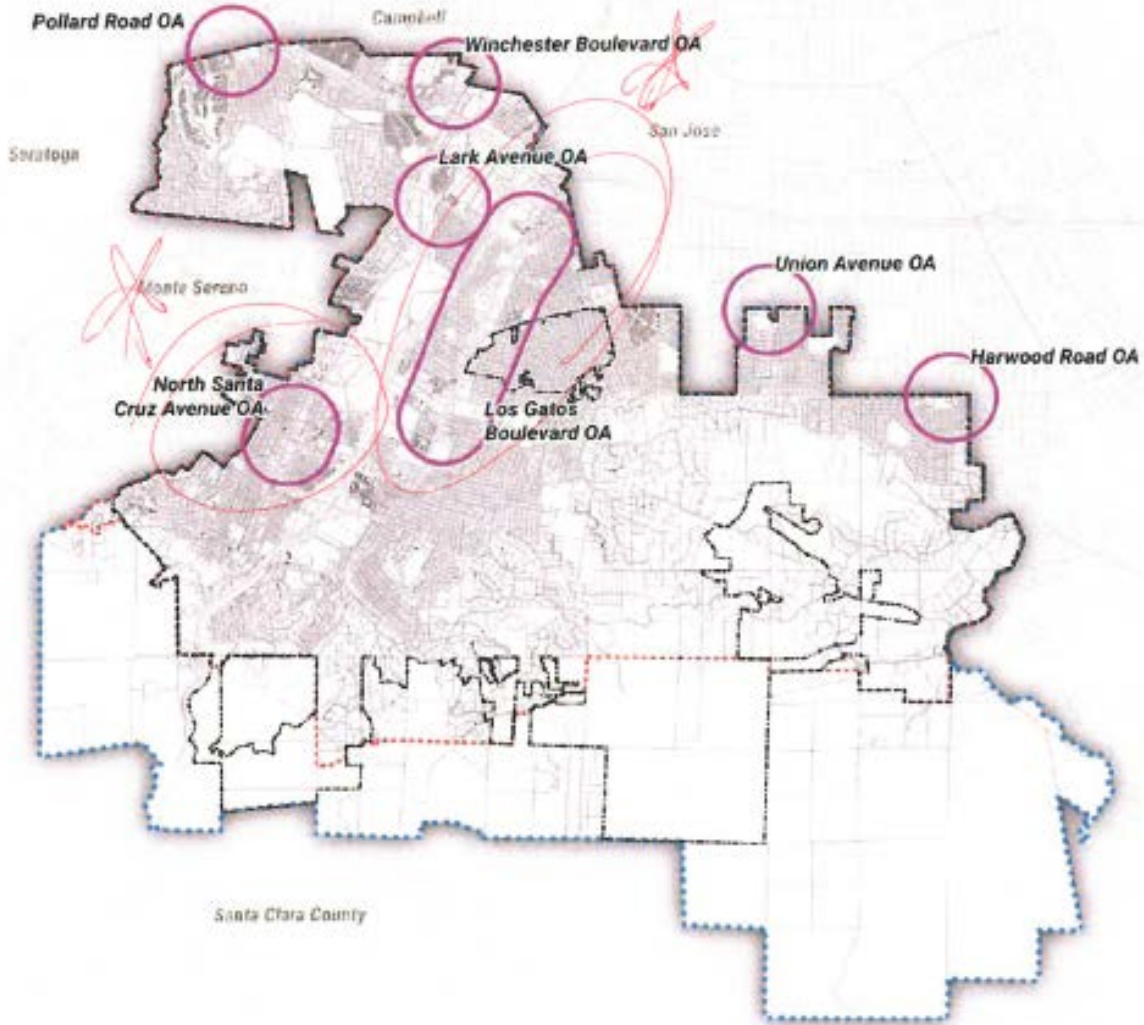


Community Workshop #2 Summary

January 30, 2020



• All areas that are highly walkable, like downtown + near shopping centers, + along bus lines



Community Workshop #2 Summary

January 30, 2020

- 6.** Do you support the inclusion of duplex/triplex/fourplex units in existing neighborhoods if designed for compatibility with existing homes?

Duplex	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not sure/no opinion
Tripix	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not sure/no opinion
Fourplex	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not sure/no opinion

The following numbers in the table show how many times the option was selected.

	Yes	No	Not sure/no opinion
Duplex	5	3	0
Tripix	4	4	0
Fourplex	2	6	0

- 7.** On the scale below, what is the highest density you feel could work in Los Gatos (mark one box)?

<input type="checkbox"/> 18 dwelling units per acre	<input type="checkbox"/> 24 dwelling units per acre	<input type="checkbox"/> 30 dwelling units per acre	<input type="checkbox"/> 36 dwelling units per acre	<input type="checkbox"/> 40 dwelling units per acre
SELECTED: 2 times	SELECTED: 2 times	SELECTED: 1 time	SELECTED: 1 time	SELECTED: 1 time

- 8.** On the scale below, what is the maximum building height you feel could work in Los Gatos (mark one box)?

<input type="checkbox"/> 2 stories maximum (35 feet)	<input type="checkbox"/> 3-4 stories maximum (35-40 feet)	<input type="checkbox"/> 4 stories maximum (40-50 feet)	<input type="checkbox"/> 5 stories maximum (50-60 feet)
SELECTED: 1 time	SELECTED: 4 times	SELECTED: 2 times	SELECTED: 1 time

9. Do you prefer any of the presented land use alternatives as is (mark all that apply)?
- ☐ Alternative A ☐ Alternative B ☐ Alternative C ☐ Alternative D
- ☐ None of the above

The following numbers in the table show how many times the option was selected.

Alternative A	3
Alternative B	2
Alternative C	1
Alternative D	2
None of the Above	0

10. Any other thoughts, suggestions, or recommendations relating to the land use alternatives?

- ☐ Please identify the Elks Lodge properly as High Density Residential (HDR). Currently the map shows it as Low Density Residential (LDR). What a coincidence it is located directly across from the "The Bay Club".
- ☐ Make the former lot high density residential at the corner of Los Gatos-Almaden at Los Gatos Blvd.
- ☐ There are current issues with traffic congestion, and I anticipate more upon the completion of the project at LG Boulevard and Lark. Parking is constrained at all stores. We do not have the infrastructure to accommodate large increases to the population. Los Gatos is a town, not a city with multi-storied buildings.

Summary of GPAC Preferred Alternative

On Thursday, January 30, 2020, the GPAC met to discuss the results of the community feedback received on the Land Use Alternatives Report. This meeting was a follow-up to the December 12, 2019, GPAC Meeting when the members discussed the findings of the Land Use Alternative Report. The Consultant team described the input received from those attending Community Workshop #2 on January 16, 2020 (7 members of public attended), as well as additional feedback collected through online engagement (input from 5 persons).

Following the discussion on community feedback, the Consultant team provided the GPAC with an expanded look at the land use alternative projections contained in the Alternatives Report (based on discussions with the GPAC from its December 2019 meeting). This new information addressed:

- The inclusion of projected accessory dwelling units (ADUs) into the projected dwelling units under each of the land use alternatives. This increase, which was assumed to be the same for each alternative, increased the unit production projected under each alternative; and
- Additional breakouts of each alternative by Opportunity Area for comparative purposes are provide in Table 2 (Land Use Alternatives Comparison). This was provided to allow the GPAC to develop hybrid alternatives by adding or removing components from a base alternative.

GPAC Direction

The GPAC deliberated on developing a recommendation of a preferred land use alternative to transmit to the Planning Commission and Town Council for their respective consideration. A majority of GPAC members agreed that both Alternative A and D did not adequately meet the direction from the GPAC. The consensus amongst members was to focus on both Alternatives B and C which resulted in close to or above 2,000 net new housing units. Nearing and/or exceeding the 2,000 net new dwelling units would provide the Town enough flexibility to plan for projected housing requirements from future Regional Housing Needs Allocation (RHNA) cycles.

The GPAC narrowed down the selection to Alternative C as the preferred land use alternative framework because it provided opportunities for a wider range of housing types to meet the needs of a diversifying community, while exceeding the 2,000 net new dwelling unit target. Alternative C included a variety of development assumptions pertaining to redevelopment percentage, allowable density range, typical density, and FAR (Table 1: GPAC Preferred Alternative Development Assumptions). These assumptions fluctuated depending on whether a parcel is located within one of the seven designated Opportunity Areas or not. Alternative C also allowed for the ability of development within specific areas in Town to have a potential maximum height of up to 50 feet or 4 stories. Increasing the allowable height would

potentially encourage the development of smaller multi-family units, which are needed to meet the housing target in the Alternative .

In addition to selecting Alternative C as the Preferred Land Use Alternative Framework, the GPAC directed Town staff and the Consultant team to retain the existing seven Opportunity Areas and include an eighth Opportunity Area for Downtown Los Gatos (Figure 1: Opportunity Areas and General Plan Land Use Designations). This new Opportunity Area would be restricted to only those parcels designated with the Central Business District Land Use Designation or C-2 Zoning Designation. The rationale behind including Downtown as a new Opportunity Area stems from community feedback as well as GPAC consensus that there is the potential to increase the number of dwelling units in Downtown to create an even more vibrant, walkable environment.

As the GPAC works on the Land Use Element and other content of the General Plan update, the GPAC may refine the specific application of height and density increases within and outside the identified Opportunity Areas.

GPAC Preferred Land Use Alternative

The following is the GPAC Preferred Land Use Alternative Framework depicted through a series of tables and maps. The GPAC Preferred Alternative reflects Alternative C as the base with the addition of the Downtown as an Opportunity Area. The assumptions used to calculate potential new dwelling units Downtown were based on the same assumptions used to calculate the potential new dwelling units for Neighborhood Commercial, shown in Table 1 (GPAC Preferred Alternative Development Assumptions).

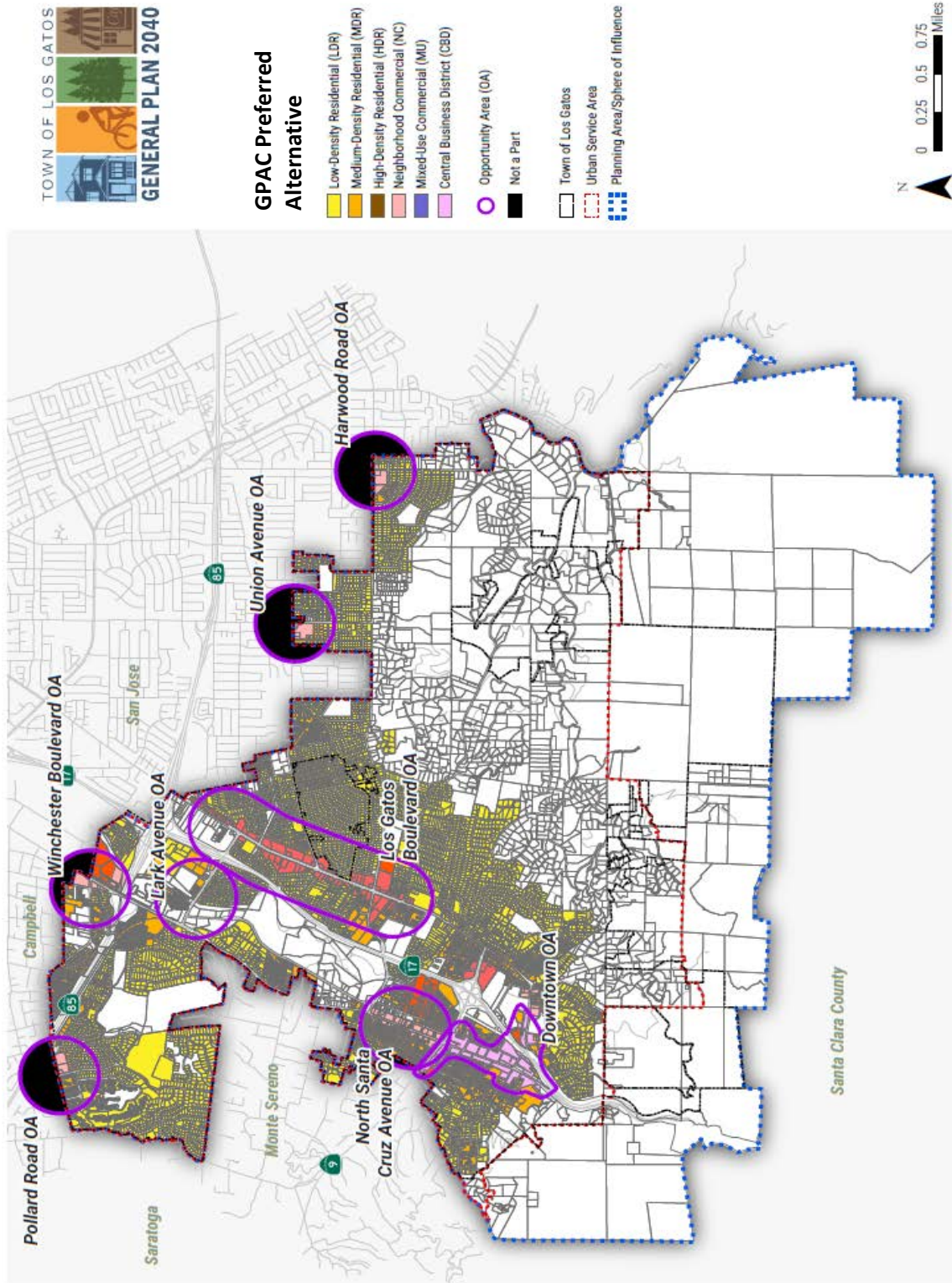
Table 1: GPAC Preferred Alternative Development Assumptions

Land Use Designation	GPAC Preferred Alternative									
	Existing Density Range (DU/AC)	Redevelopment		Density Range (DU/AC)		Typical Density (DU/AC)		FAR	Dwelling Units	
		Outside OA	Inside OA	Outside OA	Inside OA	Outside OA	Inside OA		Outside OA	Inside OA
LDR	0 to 5	5%	10%	5 to 12	8 to 16	10	14	0.5	164	180
MDR	5 to 12	10%	10%	12 to 20	14 to 24	16	20	0.75	315	166
HDR	12 to 20	15%	15%	20 to 30	30 to 40	26	36	1.25	98	236
NC	0 to 20	10%	15%	0 to 20	20 to 30	18	26	0.75	7	192
MU	0 to 20	10%	20%	0 to 20	30 to 40	18	26	1	21	449
CBD	0 to 20	N/A	15%	N/A	20 to 30	N/A	26	0.75	0	136

Table 2: Land Use Alternatives Comparison

	Alternative A	Alternative B	Alternative C	Alternative D	GPAC Preferred Alternative
Population					
Total Net New Population	2,834	4,598	5,587	7,682	5,914
Total Population	3,974	5,738	6,727	8,822	7,054
Total Projected 2040 Population	34,969	36,733	37,722	39,817	38,049
Housing					
Net New Dwellings	681	1,416	1,828	2,701	1,964
Potential Net New Accessory Dwelling Units	500	500	500	500	500
Total Net New Dwelling Units	1,181	1,916	2,328	3,201	2,464
Pending/Approved Dwelling Units	475	475	475	475	475
Total Future Dwelling Units	1,656	2,391	2,803	3,676	2,939
Dwelling Units Per Land Use Designation					
Low Density Residential (LDR) - in OA	95	141	180	283	180
Low Density Residential (LDR) - outside OA	43	160	164	164	164
Low Density Residential (LDR) - Total Dwelling Units	138	301	344	547	344
Medium Density Residential (MDR) - in OA	129	166	166	166	166
Medium Density Residential (MDR) - outside OA	120	315	315	561	315
Medium Density Residential (MDR) - Total Dwelling Units	249	481	481	819	481
High Density Residential (HDR) - in OA	104	104	236	322	236
High Density Residential (HDR) - outside OA	54	81	98	98	98
High Density Residential (HDR) - Total Dwelling Units	158	185	334	420	334
Neighborhood Commercial (NC) - in OA	30	76	192	194	192
Neighborhood Commercial (NC) - outside OA	2	7	7	25	7
Neighborhood Commercial (NC) - Total Dwelling Units	32	83	199	219	199
Mixed Use Commercial (MUC) - in OA	91	345	21	630	21
Mixed Use Commercial (MUC) - outside OA	13	21	449	66	449
Mixed Use Commercial (MUC) - Total Dwelling Units	104	366	470	696	470
Central Business District (CBD) - Total Dwelling Units	-	-	-	-	136
Employment					
Employment	1,280	1,280	1,280	1,280	1,280

Figure 1: Opportunity Areas and General Land Use Designations



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A P P E A R A N C E S:

Los Gatos Planning Commissioners:	Melanie Hanssen, Chair Kathryn Janoff, Vice Chair Mary Badame Jeffrey Barnett Kendra Burch Matthew Hudes Reza Tavana
Town Manager:	Laurel Prevetti
Community Development Director:	Joel Paulson
Town Attorney:	Robert Schultz
Transcribed by:	Vicki L. Blandin (619) 541-3405

ATTACHMENT 2

1
2
3 P R O C E E D I N G S:
4

5 CHAIR HANSSEN: We have three public hearing
6 items on the agenda, all items related to the Town of Los
7 Gatos, and the first one is Item 2, which is to recommend a
8 preferred land use alternative framework for the General
9 Plan Update to Town Council.

10 This is a defined item in the process of updating
11 the General Plan through 2040. We are to consider the
12 recommendation of the GPAC from January 30th and determine
13 what recommendation we will make to the Town Council
14 regarding the preferred land use alternative framework and
15 the Town Council will consider this matter in March.

16 Ms. Armer, I understand you will be giving the
17 Staff Report this evening, and I would also like to say for
18 the audience that because this is a Town special project
19 over a two-year period we won't be using the five-minute
20 applicant time for speaking; the consultants will be
21 speaking a little longer.

22
23 JENNIFER ARMER: Good evening, Chair, Vice Chair,
24 Commissioners. The item in front of you is the preferred
25 land use alternative recommendation to you from the General

1 Plan Update Advisory Committee, and provided to you for
2 your review, consideration, and recommendation to Town
3 Council.

4 Tonight we have the Town's consultant, Rick Rust
5 of Mintier Harnish with a presentation for you before you
6 start your discussion of this item. Mintier Harnish is the
7 consultant that has worked with the Town and supports us
8 through this process. Their presentation will include a
9 discussion and summary of the General Plan Update process,
10 the land use alternatives process, and the GPAC preferred
11 alternative.
12

13 This concludes Staff's portion of the
14 presentation, but I will now hand it off to Rick Rust for
15 the consultant's presentation.

16 RICK RUST: Thank you. Good evening, Madam Chair
17 and Planning Commissioners and to the public. Tonight we'd
18 like to give you a brief overview of the land use
19 alternatives process and where we're at, and a little bit
20 about the General Plan too for the audience that is
21 watching this evening.
22

23 As we go through this we want to talk a little
24 bit about what is the General Plan for our audience
25 members. This is required by state law. Every jurisdiction,

1 city, or county in the state must have a General Plan to
2 represent its blueprint for the future, and it really
3 represents the community's vision for where they want to be
4 in the year 2040.

5 The Town Council at the beginning of this process
6 laid out five key issues they would like to have addressed:
7 land use, transportation and mobility, environmental
8 sustainability, evaluation and modification of objective
9 standards—that's relative to housing—and fiscal stability
10 and responsibility.

11 In addition to that we're also looking at the
12 entire General Plan and we'll be working with the GPAC over
13 the next few months to look at the individual elements that
14 make up that plan and talk about the policy components.
15 Tonight we're just talking about the actual land use
16 alternative.

17 As far as the state element, you now have to have
18 nine of them included in your document. You don't have to
19 have them specifically called out with these names, many
20 jurisdictions combine them, and we also talk about having
21 some optional elements that reflect the needs of the
22 locality.

1 As we do this one of the big changes that we'll
2 be going through is addressing new state laws. One of the
3 biggest guides to this is the new State Guidelines for
4 General Plans which was published in 2017. You can download
5 a copy by going to the project website for this project,
6 which is losgatos2040.com and you can obtain a copy of the
7 General Plan Guidelines, which gives you a great look at
8 what the state expects out of the different elements of
9 General Plans.

10
11 Part of this is looking at what laws have changed
12 over time, and there's a wide range of items that we're
13 going to have addressed: environmental justice, enhancing
14 the Complete Street components that are already in the
15 Town's planning, looking at vehicle miles travelled as far
16 as how we might change for transportation impacts going
17 forward, wildfire and how to better protect. This project
18 is partly supported by a grant from CAL FIRE and CAL FIRE
19 has been an active participant in providing us some
20 guidance on how to enhance the Town's policies regarding
21 protection from wildfire.

22 So, these are all things that we're going to have
23 to look at going forward in the overall planning process.
24 Now, that planning process, these aren't equivalent little
25

1 blocks so we're at least past the halfway point, but we're
2 starting to get into the important and exciting components
3 that make the plan move forward.

4 As I said, we're looking at the land use
5 alternatives. This is an opportunity, as we have throughout
6 the process, to update the Planning Commission and to
7 provide your guidance to the Town Council at key steps in
8 the process. The land use alternatives will guide a lot of
9 the combinations of what we have to do. Some of the things
10 that we do in policy though will affect the outcomes of the
11 land use alternatives, so this will be something you're not
12 one and done tonight. You're giving us your guidance for
13 where you'd like the land use alternatives to go.

15 This will get further refined as we do the policy
16 document and we'll come back for your approval again when
17 we have a public draft document for hearings and review at
18 that point. So, not a final decision, but we'd certainly
19 like to make sure we're in the right place. The next steps
20 are developing the policy, and as I mentioned, we'll be
21 doing that with the GPAC over the next couple of months.

22 Developing the document we have had a number of
23 public input events. There's a complete list starting at
24 the bottom of page 13 of your Staff Report. Spring into
25

1 Green was a great event we had last April 14th, which
2 brought a lot of people that don't normally get involved in
3 workshops and normal Planning Commission events, or Town
4 Council's for that matter, to be involved in the General
5 Plan and understand what we're doing and give their input.

6 We're expecting to be part of your Spring into
7 Green again this year, which is on April 19th this year, and
8 engage people in the discussion about the future and
9 alternatives and where we're going for these next steps.

10 Now let's look at our land use alternatives,
11 which is what we're here to for tonight. As everything, we
12 started off earlier looking at a Vision and Guiding
13 Principles. The Vision Statement provides what you
14 envision. What would the Town be like 20 years from now if
15 you were to report back and how would you describe the
16 community? What is it you're trying to achieve?

17 The Planning Commission reviewed this Vision
18 Statement as well as the Guiding Principles on July 10th and
19 moved them forward to Town Council who accepted them as
20 being in the right direction with their modifications on
21 August 20th. Again, all this is subject to change until the
22 final gavel comes down at the final document later in the
23 year, but they did give our blessing from the Planning
24
25

1 Commission and Town Council on direction. Won't read that
2 all for you tonight. It is available on the website if
3 anybody would like to look at the details.

4 There are nine Guiding Principles. The Guiding
5 Principles, as you look at this we start to get more
6 refined in what we look at. The vision is the broad
7 picture, the principles are some key directions that we'd
8 like to take, and then each of the elements has a set of
9 goals, policies, and implementations that get more and more
10 refined about how we achieve the vision that's stated on
11 that last slide.

12 But our principles cover things such as
13 transportation, sustainability, protecting natural
14 resources, fiscal sustainability and responsibility,
15 government transparency, community vitality, diverse
16 neighborhoods, inclusivity, and the promotion of public
17 safety. So, this provides a guide for where we're going
18 with our policies and these will be important as we look at
19 the policy documents in the next few months.

20 The land use alternatives we looked at, we
21 created four. The names aren't that important because
22 whether one is medium-high or low it's all relative to what
23
24
25

1 they actually say about your future rather than what it
2 might be named.

3 But we looked at developing some alternatives
4 with the GPAC. We talked originally about looking at the
5 2,000 unit as being a key factor for our future. Why is
6 that number there? Well, the state gives us a regional
7 housing needs allocation which states how much housing we
8 need to develop over given time periods. The Town does not
9 have the numbers that will be coming up in another year for
10 where the Town needs to go in its next cycle, but we're
11 looking at having about three cycles and the last cycle was
12 about 600 housing units, so for a 20-year period the 2,000
13 number kind of was in the right place.

15 And the alternatives report also talks about some
16 other projections from the Department of Finance as well as
17 our own economist looking at different growth rates, and
18 that 2,000 number is approximately correct in that context
19 as well.

20 When we looked at the land use alternatives we
21 were really looking at modifications to residential density
22 and infill potential that might occur in the Town. As
23 you're well aware, there's not a whole lot of vacant land
24 lying around to be developed. The North Forty was one of
25

1 your last big pieces and that's already been plotted out
2 for its use, so we're looking at more of a redevelopment
3 construct.

4 To do this we identified a number of opportunity
5 areas. These opportunity areas are areas that provide us
6 either through their location, their existing
7 infrastructure or access, roadway capacity, and
8 compatibility with adjacent uses, typically your
9 intersections or corridors. These are areas that might be
10 able to sustain a little higher development potential than
11 other parts of the community, and these are the seven areas
12 that were identified as part of that.
13

14 I want to note that in all of this we're looking
15 more at the residential, although we have looked at a lot
16 of mixed-use development as part of the community's future.
17 We have a zero loss assumed as far as commercial space
18 within our current commercial corridors. That is, if we're
19 going to build it we're going to replace the commercial
20 that's there with at least as much as is there today or
21 perhaps more as we add residential on top of those types of
22 units in a mixed-use construct.
23

24 The scope of what we looked at is the five land
25 use designations on the side. We looked at areas that are

1 designated low-density residential, medium-density
2 residential, and high-density residential. We also looked
3 at neighborhood commercial and mixed-use commercial, both
4 of which can provide residential components within those
5 designations. We looked at both inside the opportunity
6 areas, and again they had a higher amount of density
7 potential in the opportunity area, but we also looked at
8 some potential for redevelopment that might occur
9 throughout the rest of the Town only for these five
10 designations.
11

12 You will notice there are a number of
13 designations that aren't in this discussion, for instance,
14 hillside residential is kind of off the table, if you will.
15 We weren't looking at this as an opportunity to provide
16 future housing opportunities because of the wildfire risk
17 on the community's edge. I will note on our slide the
18 central business district downtown; we'll asterisk that
19 because the GPAC at this last meeting did request that we
20 add an opportunity area for the downtown as part of their
21 recommendation.
22

23 As I mentioned, we look at several factors. We
24 look at redevelopment percentage, that is how much do we
25 assume will change over the next 20 years? What percentage

1 of an area in this land area would change? And then we look
2 at density ranges, and we did look at how these might be
3 increased and that's how we achieved the 2,000 units, by
4 increasing some of the densities and looking at what the
5 redevelopment potential would be.

6 On a lot of the tables you'll also see something
7 called typical density. When we talked to the state about
8 housing production they don't allow us to look at maximum
9 density, we have to look at what would be typical within
10 that designation, and so you'll see on the tables a range
11 of typical densities in these columns here, and those are,
12 if you look at the simple math you look at the number of
13 acres times the percent redevelopment times the typical
14 densities, these get you towards the units that we're going
15 to be developing going forward. So, we've got lots of
16 tables in your Staff Report as well as available in the
17 alternatives reports that's online.

18 One of the things with density, to hit a certain
19 density you have to start going up in height, and so these
20 are the different height limits that would be associated
21 with some of the alternatives. For Alternative C in the
22 opportunity areas that's a four-story maximum in those
23 areas. Then in the alternatives report you had a series of
24
25

1 these maps. Now, the alternatives report does not include
2 the net Accessory Dwelling Units. The GPAC did ask us to
3 include that as a look for what might be in these future
4 options. Again, we're trying to look at what would be the
5 new land uses.

6 As you look at these tables in here, this is the
7 number, the net new dwelling units that came from doing
8 that math that I talked about. This is the net new
9 Accessory Dwelling Units. This is basically 20 Accessory
10 Dwelling Units per year, which is pretty in line with what
11 the Town has been seeing, plus an additional five Accessory
12 Dwelling Units that would be considered Junior unit, and
13 that is a unit that's inside of an existing home. This
14 gives us our total new, and this is the number that we're
15 really looking at as we compare different alternatives.
16 Four hundred and seventy five is a number that's consistent
17 throughout all the alternatives, and that's the number that
18 the Town currently has as pending or approved. For
19 instance, some of the part one of the North Forty are in
20 that number there, in fact 75-percent of those units come
21 from the North Forty first phase. So, these maps give you
22 that kind of look.
23
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1 I do want to point out because we have this map
2 up here, when we talk about areas outside the opportunity
3 areas that would be the areas that are colored on this map.
4 Again, those are the designations we're looking at for
5 potential infills or redevelopments for the future but at a
6 much lower density and expectation for redevelopment
7 percentage. So again, we have 1,181 here. We have 1,916
8 here, so we're very close on B. We have 2,328 for
9 Alternative C. And 3,201.

10
11 We got some questions as to why did you perhaps
12 include even A, and we wanted to make sure that we provided
13 a look at what kind of staying the same and not doing a
14 whole lot would turn up, and it didn't turn up a whole lot
15 as you saw in meeting that 2,000 unit number, so again,
16 that's why we wanted to give the GPAC a good range to look
17 at in their considerations, and the GPAC did take time and
18 do a lot of consideration of this.

19 We had four meetings with the GPAC that addressed
20 different aspects of the alternatives development process,
21 whether it was looking at the opportunity areas and
22 identification of those, whether it was looking at the
23 different alternatives and the different assumptions that
24 would be used.
25

1 The last meeting the GPAC held concerning this
2 was on January 30th, at that time to discuss community
3 feedback. We did have a community workshop in mid-January
4 where we had some individuals come and have a look at the
5 different alternatives and provide some feedback that the
6 GPAC used in their final consideration on this. The
7 majority of the GPAC members agreed that Alternatives A and
8 D did not meet the direction, that is, Alternative A was
9 too low, it didn't hit that 2,000, and Alternative D was,
10 in a term, being too intense for what the Town needed.
11

12 So, the GPAC narrowed down on Alternative C as a
13 basis for looking forward. Alternative C does exceed the
14 2,000 net dwelling units that were required or part of
15 their original goal for the development of the
16 alternatives. It allows a maximum height of 50' or four
17 stories.

18 I will caveat this will be something we'll look
19 at this. These could be some of the pieces that could
20 change as we look at policies. For instance, we didn't have
21 a chance with the GPAC to talk about downtown, which has a
22 45' height right now and that may be considered to be
23 staying the same as we go to those areas. So, those are the
24
25

1 kinds of things where policy starts to come in and make
2 some tweaks as we move forward.

3 The big thing in the GPAC alternatives, as in all
4 the alternatives, is providing for a wider range of housing
5 types. A lot of the infill was seen as doing things like a
6 duplex where you might replace an older single-family home
7 with a duplex that reflects the same look and feel of the
8 neighborhood. You've got something in your document that
9 talks about the "missing middle" as far as housing. It
10 explains in good detail about how you can put infill where
11 you're using a duplex or a triplex to keep within the
12 character of the neighborhoods while at the same time
13 providing better affordability and better access to housing
14 for your entire population.
15

16 Now, in recommending the Alternative C as a
17 framework for the downtown, that was the one change they
18 made to Alternative C was to add the downtown area. The
19 downtown was defined as the area that's currently in your
20 General Plan as the central business district, also which
21 is the C-2 zoning designation, and the idea there was that
22 there was more opportunity for housing so the density in
23 the downtown area would be allowed to go up a little bit in
24 keeping with Alternative C. So, you might go up to about a
25

1 26 as a typical as opposed to a 20 dwelling units per acre
2 being typical in the downtown today. And again, the idea
3 with the higher densities and intensities was that would
4 encourage economic investment into these areas and thus
5 provide the incentive to do these redevelopment type
6 projects.

7
8 So, here are your final numbers then for the
9 GPAC. The 1,964, the 500, those all came from the original
10 Alternative C. The 136 is the potential that would come out
11 of doing the same kind of calculations in the downtown if
12 we have that as an opportunity area.

13 In your Staff Report and other materials one
14 thing the GPAC did ask in their considerations is they
15 wanted to see all the different breakdowns in case there
16 was an idea to do a hybrid type alternative, and so we
17 broke things down by looking at the different alternatives,
18 what were the different land use designations, etc., within
19 those item? And these tables kind of give you a breakdown
20 of some of that. I just wanted to point out here is the 26
21 we used for the central business district moving forward
22 with that item.

23
24 So, that was a quick overview of what took the
25 GPAC to go through eight hours and much studying on their

1 part to get through, but they've done a great job in
2 getting us to this stage of the effort and providing some
3 guidance for the Planning Commission's consideration. What
4 we're looking for is for you to make a recommendation to
5 the Town Council for their consideration and the Staff
6 Report lays out your considerations, which could be to
7 accept what the GPAC and forward that on, it could be to
8 modify that or to continue this all for some further
9 discussion as you feel appropriate.
10

11 And with that, any questions I'd be glad to help.

12 CHAIR HANSSEN: I will take questions from the
13 Commission in a second. Could you please explain to the
14 Commission what is going to happen after this meeting?

15 RICK RUST: As I was mentioning, this is just to
16 give us a nod we're going in the right direction. We will
17 take your recommendation up to the Town Council and convey
18 to them all this background: the alternatives report, the
19 GPAC actions, the public input, the Planning Commission's
20 recommendations, and take that to Town Council and get
21 their direction on what would be a preferred land use
22 alternative.
23

24 From that point we'll be working with the GPAC
25 over the next few months on looking at each of the elements

1 that are being proposed and look at the changes that are
2 being proposed and the actual elements, that is the goals,
3 the policies, and the implementations that make this
4 happen.

5 That document, once it comes back from the GPAC
6 then will be brought to the Planning Commission and you'll
7 have a chance to look at that document, and also to Town
8 Council to try to get a sense of we have a public draft and
9 then we can go off and do the environmental analysis on
10 that document, and then you'll have another set of hearings
11 to do the final approvals.
12

13 CHAIR HANSSEN: The reason I asked the question
14 is because a number of the GPAC members had questions about
15 what we had agreed to when we recommended Alternative C,
16 and as I was understanding it, and I'm asking you the
17 question, that we recommended a framework but we hadn't
18 voted on recommending specific policy changes at this time
19 because that will come later in the process.

20 RICK RUST: Right. We're just doing this idea
21 about the densities, the opportunity areas and locations,
22 and again, that all may have an effect by looking at the
23 policies that may make some tweaks. As I mentioned, you may
24 say the downtown will have a 45' height to stay consistent
25

1 with the CBD, other opportunity areas may be the 50'
2 height, and those are discussions of policy that the GPAC
3 has not weighed in on yet.

4 CHAIR HANSSEN: Okay, thank you. Now I'd like to
5 ask if any of the Commissioners have questions for the
6 consultants or Staff? Commissioner Hudes.

7 COMMISSIONER HUDES: I had a lot of questions but
8 one is related to overall questions about the process and
9 everything. I was a participant in the last round and so
10 some of this is familiar and some of this is different, and
11 so I wanted to make sure I understood.

12 First of all, the timeframe for this. Our last
13 General Plan was adopted with ten years left on the clock.
14 This one appears to have like 19 years or something like
15 that, is that correct?

16 RICK RUST: Well, the timeframe will start from
17 when the Town Council adopts it, and right now we're
18 looking towards the early part of 2021 for that adoption,
19 and then you'll have... Yeah, I guess we call it a 2040 plan,
20 so yeah, you'll have a little less than 20 years, but
21 that's the idea.

22 COMMISSIONER HUDES: Are there any implications
23 of dealing with a longer time horizon in a General Plan?
24
25

1 RICK RUST: The state actually encourages that
2 you do a long-term horizon, and typical in California is 20
3 to 25 years.

4 COMMISSIONER HUDES: Okay. I had a couple other
5 overall questions.

6 CHAIR HANSSEN: Go ahead.

7 COMMISSIONER HUDES: One of the other things I'm
8 not that familiar with is the detail that we're getting on
9 housing at this point. Some of that last time was in the
10 Housing Element that followed the General Plan here and
11 we're now down to tables and numbers and things like that.
12 I'm also just a little bit off kilter on how do you look at
13 and evaluate alternatives if you haven't developed goals?
14 And so it seems like we're trying to select between
15 alternatives, yet the goals are not there yet. For
16 instance, in the 2020 plan there was a goal, LU-4, to
17 provide for "well planned, careful growth that reflects the
18 Town's existing character and infrastructure," and while we
19 have some high-level goals we don't have anything that
20 specific in land use at this time, so the selection to me
21 is a little more challenging without goals.
22

23 RICK RUST: From that standpoint in some of the
24 land use pieces it could be a chicken and egg conversation
25

1 of which comes first, but for a lot of what goes into a
2 document anymore as far as environmental implications, as
3 far as traffic implications, you can't run \$70,000 traffic
4 models on multiple choice options and come back with the
5 right answers. We have to kind of get in a ballpark of
6 where we're going to look at before we turn loose all that
7 analysis that needs to go to support that.

8 Now, we did look at the different alternatives in
9 a broad sense from traffic impacts, and that was included
10 in the alternatives report. We had a small piece on fiscal,
11 which will be enhanced as we go forward in the next steps.
12 We did look at environmental protections, but because of
13 the designations used that was not a major issue. So, we
14 have incorporated some of those concepts in, and based upon
15 your old General Plan as far as looking at what it was
16 guiding as well as the new Vision and the new Guiding
17 Principles, so we didn't start from a plain sheet of paper,
18 but there are important things that we need to get in the
19 right ballpark.

21 Now, as I said, the GPAC, the Planning
22 Commission, and the Town Council will still have time to
23 modify and make corrections even before we start the
24 environmental document once we've gone to the next step of
25

1 preparing the policy refinements. In doing this, this
2 activity of doing the land use alternative and getting some
3 buy-in on direction has been typical in every plan I've
4 been involved in. Not to mean you couldn't do it the other
5 way, but that's not a typical.

6 COMMISSIONER HUDES: Thank you.

7 CHAIR HANSSEN: Commissioner Burch.

8 COMMISSIONER BURCH: So, this may not necessarily
9 be a question. I kind of wanted to address the question
10 from Commissioner Hudes from the GPAC side.
11

12 While we may not have technically written a land
13 use policy that was guiding this, it came from a careful
14 discussion of state housing requirements, where they stand
15 today and where we feel they are going to be moving into
16 the future and taking into account that number, then taking
17 a look at the Town as an overall and where we felt these
18 areas of designation where we could increase some density
19 without actually impacting the general character of our
20 town, or whereby increasing the density it created actually
21 a better impact on that area, such as perhaps loss in the
22 downtown. So while it wasn't like a written like what we
23 already had, I felt that the GPAC did a very good job of
24 saying these are characteristics that we like, this is
25

1 where we know the state needs us to be, so let's carefully
2 go through the Town and see where we may be able to add
3 another floor over a retail or something along those lines
4 to create those opportunity zones, so while it maybe wasn't
5 a written policy or goal yet, it actually was taken from
6 some very defined parameters. Does that help?

7 COMMISSIONER HUDES: Yes, thanks.

8 CHAIR HANSSEN: Thank you, Commissioner Burch. I
9 would add onto that for the benefit of the audience the
10 composition of the GPAC includes all of the members of the
11 General Plan Committee, which is comprised of two members
12 of Town Council as well as three Planning Commissioners,
13 Vice Chair Janoff, myself, and Commissioner Burch at the
14 present, and then we have a number of at-large members to
15 the General Plan Committee as well as there are
16 additionally three residents that were appointed by Town
17 Council to sit on the General Plan Advisory Committee
18 specifically.

19 So, there was a lot of discussion, as
20 Commissioner Burch mentioned, kind of going into this and
21 based on input from Staff and the knowledge of all of the
22 people on GPAC we felt like 2,000 was a good target number
23 because the numbers that we're hearing from some of the
24
25

1 jurisdictions that are on a different cycle than us are
2 going to have much, much bigger numbers than they've ever
3 had in the past, and they haven't gotten to Santa Clara
4 County yet where the housing crisis is about as bad as it
5 can be.

6 So, that being the case we're also relying very
7 closely on the process that's been set by our consultants
8 who work with many, many jurisdictions to do this. There
9 were a few questions from GPAC members about do you put the
10 cart before the horse, but you have to follow a process,
11 and so this is the process that we're following the
12 direction of our consultants to kind of move forward, and I
13 think as was mentioned it's an iterative process in that
14 any recommendation we make now, once we have more data and
15 what the implications are of that, we might go back and
16 make revisions.

17 So, having said that, are there other questions
18 for the consultants or Staff from the Commissioners before
19 I take public comment? Okay, so that being the case now we
20 will invite comments from members of the public. If you
21 have not already turned in a speaker card to Staff, please
22 do so at this time, and when you're called to speak
23 remember to state your name and address for the record and
24
25

1 adjust the microphone so that you speak directly into it,
2 and you'll have three minutes. Do we have any members of
3 the public that would like to make comments on this agenda
4 item? You could fill out your card later, so you could go
5 to the microphone, state your name and address for the
6 record, and then please fill out a speaker card when you're
7 completed.

8 KIMBERLY BRYAN: Okay. I'm Kim Bryan and I live
9 at 268 Marchmont Drive in Los Gatos.

10 I appreciate all the time and effort that many
11 people have put into this process and I admit freely that I
12 just saw the first of the information when this agenda came
13 out, and the reason I came to speak is because I was quite
14 alarmed at the delta that I see between the current town
15 and the buildings that were put forth as potentials with
16 Plan C in particular, which is the one that was going to be
17 recommended.

18 There was a lot of information in the Planning
19 Commission agenda tonight about the missing middle and the
20 housing choices that can make that possible like duplexes
21 and fourplexes and tiny houses, and all of those things
22 felt to me like a much better fit for Los Gatos to find
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1 some areas in our town where we could maybe allow more
2 buildings on a lot or think of ways to incorporate that.

3 Even in the documentation provided one of the
4 things that they said is that conventional zoning doesn't
5 work and that a lot of the numbers we're using don't help
6 you to be able to add those buildings in, so I just wanted
7 to put that forth.

8 The other thing that I had in my head was that
9 when we got to the North Forty we had approved heights that
10 we thought were the maximum we wanted, but then based on
11 all the laws from California they were able to get bonuses
12 and make them taller and bigger and get more units, and it
13 seems to me like we are doing our best to go for a worst
14 case scenario of how many houses we need would be 2,000 and
15 to overcompensate for that, and then when it actually gets
16 to the developers they might come in and they might add
17 another floor and another number of units.

18 In particular the empty car lot, the drawing that
19 you had that was the options, the five- and six-story
20 buildings that are allowed in Option C seemed to me to be
21 much larger than anything anywhere near there, and
22 certainly if you anticipated a Los Gatos Boulevard where
23 there were many of those in a row, so I just wanted to
24
25

1 encourage you to maybe take a slightly more conservative
2 approach and take... Or not conservative but take the Option
3 B which was not quite to the 2,000 but was close and assume
4 that at least let's see what happens with people being able
5 to have secondary units on their property and maybe it will
6 be more than the 500 that you were anticipating and that
7 gets us to 1,800 and it keeps some of that height that to
8 me was the biggest problem.

9
10 I mean, when I looked at those drawings provided
11 of what high-density housing looks like, this is allowed in
12 Option C, so for me that was something that I was surprised
13 by and I did not expect to see, and I think that you will
14 get some of the same late-to-the-game anger that was there
15 for the North Forty when people start realizing that things
16 like that could be put on Los Gatos Boulevard. Thank you.

17 CHAIR HANSSEN: Thank you for your comments. Does
18 anyone have questions for the speaker? Commissioner Badame.

19 COMMISSIONER BADAME: All right, so you
20 referenced this missing middle housing study.

21 KIMBERLYLY BRYAN: Yes.

22 COMMISSIONER BADAME: When I read through it, it
23 talks about a number of housing styles that could fit into
24 what's called the missing middle study and one of those is
25

1 high-density housing, but you're opposed to that. Did you
2 say the duplexes or the ADUs, or you're not fond of the
3 high-density housing with the height, is that how I
4 understand?

5 KIMBERLYLY BRYAN: It's mostly the fact that right
6 now nothing in town is higher than 35' and the minimum for
7 these multi-densities is five-stories, which is clearly at
8 least 50'.

9 COMMISSIONER BADAME: If you did see that we had
10 to increase the stories, what would be the maximum that you
11 could see anywhere in town?

12 KIMBERLYLY BRYAN: Well, someone just mentioned
13 like putting a third floor on top of two floors of retail.
14 I mean, that seems to me like a much better fit than five
15 stories, so I would say three.

16 COMMISSIONER BADAME: And your thought process on
17 four stories?

18 KIMBERLYLY BRYAN: I mean, if we have to go to
19 four stories, we can, it's just I felt like when I was
20 taking part as much as I could in the North Forty process
21 that there are these bonuses that the developers were
22 getting based on following these rules that so even though
23 we had said the max was going to be 35' I think there are
24
25

1 places they go higher than that, so I just imagine that if
2 we are accepting that all along...

3 Like one of the opportunity areas is quite long,
4 so I think it's along Los Gatos Boulevard, so if they can
5 come in and tear down a one-story retail and put in five-
6 story high-density housing I can just imagine there would
7 be a lot of people that would think that would be
8 worthwhile and that would definitely change the Town, and
9 the traffic at that intersection is the one that we're most
10 worried about with the North Forty, so to me it was not a
11 good tradeoff.
12

13 COMMISSIONER BADAME: Thank you for your
14 comments.

15 CHAIR HANSSEN: Commissioner Burch.

16 COMMISSIONER BURCH: Yeah, thank you for your
17 comments. You're right, I feel like sometimes we get pretty
18 far in the process before people start reading up and
19 asking questions.

20 KIMBERLYLY BRYAN: And I apologize for that.

21 COMMISSIONER BURCH: No, I'm thanking you. I want
22 to point out a couple of things and then I'm going to ask a
23 couple of questions.
24
25

1 I do want to confirm for you that in Option C
2 that was the recommended it is limited to four-stories, and
3 during our discussions that we had in the General Plan
4 meeting was a confirmation I guess to those of us that sit
5 up here and the see the applications, that these
6 applications would still be coming to us to make sure that
7 while that may be like you're allowed four stories that
8 doesn't mean cart blanche along a whole long corridor. We
9 all have the same questions and comments that you had in
10 hoping we could anticipate state needs but also be very
11 sensitive to the Town.
12

13 So then my question for you is because it's a
14 little, I think, newer on the plate is I heard what you
15 said about the boulevard but I'm curious about what you
16 feel about the downtown option of taking some of our one-
17 or two-story retail and adding lofts on that? I don't know
18 if you saw that much.

19 KIMBERLYLY BRYAN: I mean, to me that's great
20 because I do support walking and biking and then there are
21 people that can live and eat and drink and get a more
22 vibrant downtown, so for me that is a much better fit for
23 what I would see for Los Gatos.
24

25 COMMISSIONER BURCH: Perfect. Thank you.

1 CHAIR HANSSEN: Again, thank you for your
2 comments. There are cards in the back. Thank you very much.
3 If you could hand your speaker...

4 LEE FAGOT: Lee Fagot, 845 Lilac Way in Los
5 Gatos.

6 I just want to say that I agree absolutely with
7 the previous speaker. She articulated very well, I think,
8 the sentiment of a lot of folks in town and I endorse what
9 she said.

10
11 The question of the height limit, downtown on the
12 plaza the height limit, I believe, is 45' only in that area
13 on the plaza. The rest of it is 40', and then in the
14 neighborhood it drops down. So, going to 45' downtown,
15 retail at the bottom, using the post office as an example
16 because that tenant may be leaving, the post office may be
17 moving out, if that is redeveloped, again with retail on
18 the bottom level and then housing above, it makes sense
19 going to that 45' height.

20 Los Gatos Boulevard, I think we saw the argument
21 on both sides on the Shannon Road interchange with Los
22 Gatos Boulevard and the developer there in trying to find
23 the right height and the right setbacks from the sidewalks
24 and so forth. I think using that discussion to help with
25

1 some guidance will be very instructive for the developers
2 coming in and helpful to keep the same look and feel, the
3 famous look and feel of Los Gatos so that it is not
4 obstructing the hillsides and the views and it is a more
5 inviting pathway going up and down Los Gatos Boulevard.

6 Again, I really endorse the previous speaker
7 because she articulated very well those points.

8 CHAIR HANSSEN: Thank you for your comments. Do
9 any Commissioners have questions? Thank you very much.
10 Would anyone else like to speak on this topic? If you could
11 give your speaker card to Staff.

12 JAN MURRAY: Hi, I'm Jan Murray. I live on Lasuen
13 Court and public speaking is not my thing, so I'll give
14 this a try.

15 I live near the development at 15975 Union
16 Avenue, Blossom Hill and Union. The Planning Commission
17 recommended against this development and the Town of Los
18 Gatos Council overrode the Planning Commission's
19 recommendation. Those homes do not meet the mass, bulk, and
20 height character of the Town. In addition, they are
21 elevated, so I agree with the previous speaker's commentary
22 that good intentions get modified when the developers come
23 in and talk and offer street redevelopment, stoplight
24
25

1 redevelopment, and things like this to incent the Town
2 Council to deviate.

3 I would highly recommend that when we talk about
4 height and stories we talk about not having 11' first
5 floors with the environmental impact of material use, long-
6 term power for heating and cooling these buildings so that
7 four people live in a 4,000 square foot home with 12'
8 ceilings on the first floor and 10' ceilings in the little
9 kids' bedrooms. They've changed the bulk of these spaces,
10 they're perpetuating the lifetime of the residents of that
11 home to waste electricity and heat. It's just
12 environmentally unfriendly.
13

14 Then, in addition the impermeable surface
15 deviations that they've gotten to impact the environment,
16 the ability to have carbon neutrals may be awfully strong
17 but they're the opposite and they don't have green space
18 around these homes, and for three homes they've put in 14
19 or 15 parking places. So, if you look at adding 2,300
20 dwelling units to this town it sounds like it's four cars
21 per dwelling unit and you are truly changing the traffic
22 just here.
23

24 Then when you expand that to the context of the
25 85 corridor you're negatively compounding life for the

1 local residents if you do not include parks, libraries,
2 restaurants, and all the retail into your lifestyle
3 planning that you have. You can't just increase density of
4 homes on Union Avenue and not increase lifestyle businesses
5 and environment, because then you've got everyone commuting
6 to the downtown and creating this incredible congestion in
7 the beautiful downtown. You've got to create neighborhood
8 pockets.

9
10 I'll just finish with I hope they're using
11 baselines for planned communities that have been done in
12 other parts of the country when creating this kind of a
13 lifestyle, and that's the character of Los Gatos.

14 CHAIR HANSSEN: Thank you for your comments. Do
15 any Commissioners have questions? Commissioner Burch.

16 COMMISSIONER BURCH: Sorry, I hope I'm not
17 commentating too much based on the GPAC meetings, but I
18 feel like it's important to share when people are bringing
19 up points that we discussed, is that okay?

20 CHAIR HANSSEN: I think that is very well said and
21 I think that there's really nowhere to characterize the
22 many, many, many hours of discussion on exactly these
23 points that the GPAC has had.
24
25

1 COMMISSIONER BURCH: Okay, a couple comments. I
2 hope that you will please pay attention then to the GPAC
3 meetings, because part of the requirements and the points
4 that we will be moving into have a lot to do with the
5 environment and sustainability. It's actually something the
6 GPAC has identified as something we care a lot about. We
7 have another GPAC member here in the audience that has felt
8 very passionately about creating the services that serve
9 the neighborhood to get people out of their cars and
10 walking to their local coffee and everything, so those are
11 points that whatever use we choose are aspects that we have
12 discussed pretty thoroughly and want to make sure that,
13 like you said, this isn't just a plan for housing, this is
14 a more robust plan on community. I liked your comments a
15 lot and they're very accurate on how the domino effect can
16 happen with decisions, so I hope you'll pay attention and
17 come back because I think as we get into those particular
18 aspects I think you'll have a lot to add to that. Thank
19 you.
20

21 CHAIR HANSSEN: Any other questions for the
22 speaker? Seeing none, is there anyone else... Oh,
23 Commissioner Barnett had a question. Commissioner Barnett
24 had a question for you; I apologize.
25

1 COMMISSIONER BARNETT: Good evening. In your last
2 comment in your presentation you mentioned common interest
3 developments or similar multi-family housing that is
4 included in the missing middle presentation. Did you have a
5 concept about the size of those types of residential
6 improvements.

7 JAN MURRAY: My mom retired to Texas with my
8 brother instead of Los Gatos after we looked at senior
9 living facilities in Los Gatos, just to be clear. So
10 there's an area in Texas called The Woodlands, which was a
11 planned community and they've made it so that people with
12 small children and 80-year-old little old ladies could walk
13 to the grocery and the park and the library along beautiful
14 corridors, but in addition they have these home areas with
15 beautiful kind of Monte Sereno homes, but sort of like
16 Baltimore where it's a bunch of townhouses. When I lived in
17 Maryland there were so many more—it's kind of like what you
18 think of a brownstone in New York—a series of townhouses so
19 that like the property at 15975 Union could have had five
20 townhouses and still had smaller bulk than what they've
21 done, and some green space around it. So it's that use of
22 other neighborhoods that have appealing planning I think as
23 a benchmark outside of Los Gatos to kind of compare what it
24
25

1 could be. Anyway, I think the use of townhouses is much
2 cleverer sometimes than even duplexes and triplexes.

3 COMMISSIONER BARNETT: Okay, thank you.

4 CHAIR HANSSEN: Any other questions? Okay, so the
5 next speaker. If there is anyone else that plans to speak
6 on this item, if you could bring your cards up to Staff now
7 that would be helpful.

8 EMERALD HATHAWAY: Good evening, my name is
9 Emerald Hathaway and I own 208 Carlester Drive in Los
10 Gatos. I've been here for over 50 years and I have watched
11 many, many changes in this beautiful town. One of the
12 reasons why so many people want to come here is because of
13 the ambiance, the beauty, the safety, and the beautiful
14 schools that we have that are top rated in the nation, and
15 the friendliness. In all the years that I've lived here, it
16 doesn't matter who you are or what you do, or your walk in
17 life, your business, whatever you're doing, people love you
18 here.

19
20 It's a beautiful town and I really feel badly
21 when I read that we're going to try to change the town into
22 four-story buildings all along Los Gatos Boulevard. It
23 doesn't make any sense. It should be easy to add 2,000
24 homes or dwellings without putting in four-story buildings.
25

1 Our town is not designed for it and never was, and people
2 want to come and live here.

3 I have watched the prices on our homes go up, and
4 up, and up. The reason why is because of the desirability
5 of wanting to live in this kind of a town, which is rare.
6 If you look at the national average, Los Gatos is one of
7 the safest places to live in the nation, and it's because
8 we have worked hard to have a good police force, to have
9 correct kinds of housing that works well for everyone. We
10 want to have a multi-use, multi-ethnic diversity in our
11 community of course, that's what our nation is built on,
12 but we don't want to destroy our town while we're trying to
13 be so diverse. We don't need to have that many stories.

15 Now, in the downtown area, when everyone was
16 talking I was thinking about how we have beautiful
17 buildings downtown that are at least three stories, but on
18 the boulevard, no. We don't want to turn into Campbell or
19 downtown San Jose, so I just ask you to please consider the
20 height and the amount of traffic that it would cause and
21 the change in the beauty of the Town; it just wouldn't look
22 the same. So, do you have any questions?

23 CHAIR HANSSEN: Thank you very much for your
24 comments. Do any Commissioners have questions for the
25

1 speaker? Again, thank you very much for your comments; it's
2 very helpful. Is there anyone else that would like to speak
3 on this item? Okay, yes.

4 MARK GRIMES: Hi, I'm Mark Grimes; I live at
5 15561 Corinne Drive, which is over near to Lark.

6 My question is I read some of this before I came
7 here and there was an assumption made on how many
8 additional cars would be added based on they thought more
9 folks would start using public transportation, and I'd like
10 to know the factors they used to come up with this
11 assumption that most people would start using public
12 transportation.
13

14 CHAIR HANSSEN: When we have comments from the
15 public we're not able to answer your questions in a
16 discussion format, so you can pose your questions and then
17 perhaps Staff could follow up with you later and when we're
18 having our discussion we might be able to answer your
19 question indirectly.

20 MARK GRIMES: Okay, right. Thanks.

21 CHAIR HANSSEN: Did you have anything else you
22 wanted to say? Okay.

23 MARK GRIMES: (Inaudible).
24
25

1 CHAIR HANSSEN: Thank you, it's a good question.
2 Thank you. Is there anyone else that would like to speak on
3 this topic? Seeing none, I'm going to close the public
4 portion of the hearing and we will ask if Commissioners
5 have questions of Staff, wish to comment on the item, or
6 introduce a motion for consideration by the Commission?

7
8 Before we do that I did want to suggest to my
9 fellow commissioners that... And this is a process that was
10 similar that GPAC took, and this was probably the biggest
11 point of discussion when we made the recommendation and
12 people were concerned. Am I agreeing to have 12 dwelling
13 units per acre in low-density residential? Am I agreeing to
14 force four-story buildings anywhere there's an opportunity
15 area? And so we gave the direction to the GPAC and I'm
16 giving you all the same direction, and I think as our
17 consultants mentioned, the policy part of this is going to
18 happen later. It's a general framework and so any vote to
19 support Alternative C doesn't imply that we're going to
20 allow four-story buildings anywhere in town.

21 But the other side of this is also that to get to
22 a certain number they have to put in more density somewhere
23 or more height somewhere, so if we take one thing away it
24 will have to come from somewhere else.
25

1 So, that being the case, we'll go into the
2 questions. I'm hoping that what we can do as a commission
3 is make a vote on the preferred land use alternative
4 framework, be it C or something else if that's the will of
5 the Commission, and then we can also vote to provide
6 additional recommendations to the Council on things that we
7 need to be wary of. For instance, we have to be really
8 careful about four stories and where we're going to put it
9 and how we would allow it and so on and so forth. So, that
10 being the case I want to put it to the Commission to ask
11 any questions, make any comments, or if you feel that
12 you're ready to make a motion, which you're probably not.
13 Commissioner Badame.
14

15 COMMISSIONER BADAME: I was hoping we'd get more
16 public testimony with the amount of people in the audience.
17 That being said, I see a member in the audience that was
18 part of the GPAC, so my question is two of those members,
19 one being here in the audience and one not unless I don't
20 recognize that person, they opposed Alternative C, so if I
21 could get some feedback possibly as to why they opposed
22 Alternative C and which alternative did they prefer?
23

24 CHAIR HANSSEN: You want to take that one, Staff?
25

1 JOEL PAULSON: Well, I will start off with I can
2 barely read my own mind, so I think obviously there are
3 concerns and this type of process is always difficult,
4 because as Commissioner Hudes mentioned before it's kind of
5 what comes first, and maybe you were comfortable with some
6 portions of the alternative but not all of them and since
7 that's how the motion was framed you're not comfortable
8 supporting it. I don't know if Jennifer or the consultant
9 remember anything specific from Mr. Rosenberg or Ms.
10 Quintana as far as what their concerns were. There were an
11 awful lot of questions and I'll let Ms. Armer provide any
12 additional information.
13

14 JENNIFER ARMER: In thinking back to the meeting
15 where the preferred alternative recommendation was made by
16 the GPAC, the concerns that kind of came to the forefront
17 there were some concerns about additional density within
18 the low-density residential areas. There were also concerns
19 about exactly how this would then be implemented as has
20 been discussed this evening and kind of what this framework
21 meant in term of how much flexibility there might be in the
22 future.
23

24 COMMISSIONER BADAME: The reason why I ask is we
25 have limited information, so unless we were actually on

1 this committee, the rest of us, we don't have any minutes
2 to read from, so unless we were part of the committee or
3 present during the hearing. I just wanted to know what some
4 of the thought process was, especially from the public.

5 CHAIR HANSSEN: I can comment. We had two
6 dissenting votes on the recommendation, and one of them was
7 Ms. Quintana who is here in the audience, and the other one
8 was Mr. Rosenberg. I personally spoke to Mr. Rosenberg
9 after the meeting and he stated his concern during the
10 meeting. It was actually the opposite of what some of the
11 public comments were. It was more about, as Ms. Armer said,
12 having any of the growth happen in low-density residential,
13 and I think it's simply because it's hard to visualize, so
14 he had this idea that in any typical single-family
15 neighborhood there might be 12 houses, or 16 or 20 houses,
16 in an acre and the reality of this thing is that if you say
17 12 dwelling units per acre and you have an 8,000 square
18 foot lot you may only be able to have one house on that
19 lot. So that's one thing.
20

21 And so he was actually preferring to have the
22 density go into, say, a mixed-use, and this is a discussion
23 that many of the GPAC members had is that mixed-use was a
24 great way to go because we would have neighborhood-serving
25

1 commercial and then we would have some housing above, but
2 there's still the concern about transition into the
3 neighborhoods that are nearby, so I'm going to go back to
4 what was said earlier that while we're agreeing to a
5 generalized framework we are not agreeing to any specific
6 changes in the General Plan use designations at this time,
7 and in addition there is another process that will take
8 place even after the General Plan is done.

9
10 One element that is not done with the current
11 General Plan Update is the Housing Element, and in the
12 Housing Element is where we get more into the zoning
13 implications of what we're doing, so when we're doing the
14 General Plan Update it's going to be followed by the
15 Housing Element, which when we start the Housing Element we
16 will actually have our regional housing needs allocation
17 from the state to help plan for specifically for that. So,
18 I hear that people are alarmed about this, but again, it's
19 sort of like the process is we aren't going to have all the
20 pieces of information that we need to go forward so we have
21 to kind of put a stake in the ground and there are no
22 decisions being made on exactly how Alternative C would be
23 implemented at this point. Commissioner Badame.

1 COMMISSIONER BADAME: Okay, thank you for that.
2 Going forward, would it be possible for us to get minutes
3 of the GPAC meetings?

4 JOEL PAULSON: We can give you GPAC minutes.
5 They're just action minutes, they are not verbatim minutes,
6 so I'm not sure they would be much more helpful. I know we
7 have at least one commissioner, if not more, that raised
8 those concerns that hasn't been modified, but they're not
9 typical minutes like verbatim minutes that would give you
10 the whole story.
11

12 COMMISSIONER BADAME: Thank you.

13 CHAIR HANSSEN: Commissioner Hudes.

14 COMMISSIONER HUDES: To follow up on a comment
15 from the public, or question from the public, the heights
16 that are indicated in Alternative C, will bonuses increase
17 the height over the maximums that are listed in the
18 alternatives now?

19 JOEL PAULSON: If someone proposes a bonus, then
20 yes, they could request that, as they can currently. I
21 think the speaker is completely accurate and I know the
22 Commission is well aware of we have at least two projects
23 that have used those types of exceptions in the past. The
24 state continues to take away local control and provide more
25

1 opportunities for developers. I don't see that slowing down
2 any time soon, so that will continue to be an option. I
3 think the challenge is once we get to our Housing Element
4 preparation we're not going to be able to put a comment in
5 there that says we're only going to plan for this many
6 units because we're going to plan that everyone is going to
7 do an exception or this many people are going to do an
8 exception. What we'll really ultimately do is when we get
9 down into the nuts and bolts of... There's really the areas,
10 the density, and the height.

11
12 COMMISSIONER HUDES: What are the numbers?
13 Currently what's the maximum and what's the maximum of the
14 bonus? And under Alternative C what would the maximum be
15 with a bonus?

16 JOEL PAULSON: I don't know that there is
17 technically a maximum, but ultimately that's going to be a
18 developer's decision and generally they don't go very much
19 higher. I think the North Forty it was in the 15-20' range.
20 Obviously, you hear a lot of conversations about
21 developments near transit being able to go up to four to
22 five stories automatically and if you do X, Y, and Z you
23 can go another story. We're not going to be able to
24 accommodate or plan for that.
25

1 What we're willing to do is ultimately once we
2 get through this discussion the GPAC goes through the Land
3 Use Element and the draft plan comes through with some
4 proposed densities and heights. That's going to be the time
5 we can have those conversations.

6 I know the general concern was specifically with
7 the low-density residential, so your R-1:Ds, your R-1:8s,
8 those properties. The numbers in and of themselves are
9 scary. It's not that this Alternative C is going to say you
10 can have 50' in R-1:8; it's not. Ultimately, you can have a
11 density. I think the low-density residential proposed now
12 in C is up to 16 units per acre. So, if you have an 8,000
13 square foot lot with a 16 unit max per acre you can only
14 have two units.

15 Now again, there are a lot of other caveats to
16 that because we're not talking about ADUs and those have
17 their own implications, but ultimately, regardless of the
18 density we can still control the urban form, as Chair
19 Hanssen was speaking about, through the zoning regulations.
20 I mean, there is technically a scenario where we change the
21 density for these designations but we don't change any of
22 our zoning regulations. Now, some may think that's too
23 restrictive, but ultimately that will maintain the urban
24
25

1 form of at least those single-family neighborhoods, but you
2 potentially will have more units in those areas.

3 COMMISSIONER HUDES: So, if I may, that raises a
4 question for the Town Attorney. Is it possible to
5 essentially describe and select an alternative that is
6 inconsistent with the zoning of the Town, or does the
7 zoning have to change to meet what's in the General Plan
8 and what's in the Housing Element?

9
10 JOEL PAULSON: Ultimately, when the General Plan
11 gets adopted, then there will be necessary modifications to
12 the Zoning Code that will have to take place. Those will be
13 implementation measures that will be done following the
14 General Plan.

15 COMMISSIONER HUDES: That's what I recall.

16 JOEL PAULSON: Yup.

17 COMMISSIONER HUDES: When we did the North Forty
18 Specific Plan a number of changes were made because we
19 couldn't be in a situation where the zoning didn't permit
20 what was permitted in the plan.

21 JOEL PAULSON: Correct.

22 COMMISSIONER HUDES: So I was a little confused
23 by your comment that the urban form might not allow what's
24 actually described in the General Plan.
25

1 JOEL PAULSON: Maybe you misunderstood me. It
2 would still allow it, but you don't have to change
3 setbacks, height, coverage, those types of things. You can
4 still accommodate an increased density in those same
5 parameters. You basically have what would otherwise look
6 like a single-family house but it has two, or three, or
7 four units which is that missing middle housing document
8 that you have. So there are ways to try to maintain some of
9 that, but again, some folks may say well if we're going to
10 allow increased density maybe we should allow, as we do
11 currently, I think the ADUs a 10-percent increase in FAR
12 because we're getting increased units. But ultimately,
13 whatever gets adopted in the General Plan, if there is
14 anything inconsistent in the zoning regulations they will
15 have to be modified.

17 COMMISSIONER HUDES: Okay, thank you.

18 CHAIR HANSSEN: Vice Chair Janoff.

19 VICE CHAIR JANOFF: Thank you. I wanted to step
20 back a little bit because the comments from the public and
21 the question from Commissioners not on the GPAC all speak
22 to a concern about how what we're talking about
23 recommending to Council fundamentally changes the Town.
24 What we are essentially doing is enabling the consultant by
25

1 giving them a framework of density and height specifically
2 targeting areas of town where it may be reasonable to have
3 higher density, higher height, in order for us to carefully
4 analyze how the Town can get from the number of units it
5 has today to responding to the increase in units over time
6 we anticipate the state will bring down to the Town.

7 So, we're not saying we're going to build... Well,
8 the Town can't build. The Town enables builders and
9 developers to build, so the Town isn't building, the Town
10 is saying if we have these requirements from the state and
11 we have to accommodate a number of units, how can the Town
12 absorb that increase without fundamentally changing the
13 look and character that we all cherish?

14 So, we understood that if we didn't give the
15 consultants a little bit larger number than we might feel
16 comfortable with, knowing that you may plan for 2,000 units
17 but you may only wind up seeing 800 built, usually, at
18 least from discussions with Staff, we're seeing an
19 underperformance against our target, so the fact that we
20 are shooting for a goal of 2,000, we could expect something
21 less typically in terms of an actual build.

22 This gives the Town the ultimate ability to
23 carefully analyze where those increases might occur. It
24
25

1 doesn't say they will occur and they don't say specifically
2 how high or how not high, it just gives the consultants the
3 framework to talk to us about can we get close to those
4 targets we think are going to be mandated, and if so, how?
5 That's all this framework does. It doesn't say it's going
6 to happen, it just gives us the details, the data, to be
7 able to make an informed decision for the Town.

8
9 If we adopt a framework that's less aggressive on
10 the number of units we're going to fall short of whatever
11 the state is mandating, and then we may see other problems
12 in terms of developers coming in and asking for exemptions
13 because the state is allowing it and we haven't provided
14 that, so we're trying to do just what I said, trying to
15 accommodate what we think the growth requirements are going
16 to be but also do it in a reflective, thoughtful, careful
17 way that is respectful of the Town and what we want to see
18 happen in it.

19 We recommended Alternative C generally
20 understanding that that was sort of the outer limits of the
21 framework. What we don't know is whether the consultants
22 will come back and say that framework gives you the
23 opportunity to create 6,000 units, in which case we might
24 say let's lower the height and change some of the areas of
25

1 opportunity. We just don't know what's possible yet and
2 we're looking forward to the consultant's input so that we
3 can make informed decisions going forward, so that's kind
4 of the overarching reason why we recommended Alternative C.

5 CHAIR HANSSEN: Commissioner Hudes.

6 COMMISSIONER HUDES: Thank you, that's very
7 helpful, and I really appreciate the work and the
8 involvement of my fellow commissioners and of everyone who
9 is on the GPAC, because it's not possible to dive in and
10 understand that in the snapshot that we're in now, so I
11 have a lot of respect for the recommendations and the
12 direction that's coming from fellow commissioners.
13

14 I had a question for the consultant though, who
15 is probably more up to speed on the housing numbers that
16 are going to be coming down from the state, and really the
17 question is does Alternative B meet the state mandated
18 housing requirements over the next 20 years? I want to hear
19 the consultant.

20 RICK RUST: Well, we're looking at doing the
21 2,000 as the basis for that, and that was based off past
22 performance. That doesn't even account for what the state
23 might do to you. What has happened in the state has been
24 all over the board and some areas have actually doubled or
25

1 tripled the RHNA numbers, some areas have only had a small
2 percentage increase. We were looking at just keeping yours
3 fairly similar to what has happened in the past with future
4 adjustments might as needed by Housing and Community
5 Development on the state side, so it was felt that this
6 2,000 number would get you through to this 20-year period.
7 If your RHNA does expand significantly you have time to
8 make readjustments as we go forward in the planning cycle,
9 because while your General Plan is supposed to have a 20-
10 year vision it's also supposed to be adjusted, and many of
11 our plans actually relook at themselves every five years to
12 see if there are any notable changes.
13

14 COMMISSIONER HUDES: My question was about
15 Alternative B.

16 RICK RUST: It falls just right around that 2,000
17 number as far as the totals that would be allowed; it's
18 1,916 as far as this number, so it's in the ballpark. I
19 think what had been explained is the GPAC wanted to make
20 sure we had a little wiggle room, for instance, some of the
21 public mentioned what if we go down a floor? Or what if we
22 don't let the downtown go as big? So, as we make those
23 changes, if we have no wiggle room to start with we've
24
25

1 already underperformed and we don't have the ability to
2 make those changes.

3 COMMISSIONER HUDES: Thank you.

4 CHAIR HANSSEN: I just want to make one more
5 comment and then Commissioner Badame. I think there's
6 something really important that wasn't said at this point
7 either that the GPAC discussed at great length. When we
8 started talking about the land use needs of our town
9 certainly the state requirements are part of it. We have to
10 address that, but probably more important than that is if
11 we have to grow we want to grow in a way that benefits our
12 residents and our future residents, and every member of the
13 GPAC felt that it was really important that we address the
14 housing needs of moving-down seniors as well as our young
15 Millennials that are unable to buy into town right now
16 because of the cost of single-family housing.

17
18 While we don't have the policies in place to make
19 this happen I think for all of us, our thinking was if
20 we're going to add 2,000 units we're not going to be adding
21 2,000 3,500 square foot housing, we're going to be adding
22 smaller townhouses, maybe taking a single-family home and
23 it becomes a duplex or a threeplex, but if we're going to
24 have mixed-use what we really would like to see is that
25

1 those units are going to be 500-1,000 square feet on top of
2 retail and it's something that a 25-year-old could afford
3 to live in, or there will places that would be appropriate
4 for move-down seniors that want to move out of those 3,500
5 square foot homes.

6 So, again, it kind of gets down to the policies
7 that make this happen. Where we are right now is really
8 just talking about an overall number and then we have to go
9 through that process and figure out how we can do it to
10 preserve what makes our town great as well as take care of
11 the people that are in our town right now.

12 I don't know if people in the audience are aware,
13 but we heard this when we did the Housing Element the last
14 time and we've continued to hear it through the process,
15 but something like 35- or 40-percent of our residents are
16 going to be over the age of 65 in this decade, so again, I
17 think it's really important to think in terms of growth
18 that we're not looking at adding the same kind of growth
19 that we had in the past, we're looking at much, much
20 smaller units and then we need to figure out how can we
21 make that happen.

22 Commissioner Badame, you had a question or
23 comment?
24
25

1 COMMISSIONER BADAME: My question was quick and
2 actually it's a continuation of questions for the
3 consultant pertaining to Commissioner Hudes' question, so
4 that was back to Alternative B versus C. So, B still meets
5 the criteria for the number of housing units, but the
6 primary difference, the major difference, between B and C
7 would be the difference between allowable height and number
8 of stories, is that correct?

9
10 RICK RUST: Alternative B only produces 1,916
11 units. The 475, if you look at 2,391 number, those are
12 existing approved and pending projects, so they do not go
13 towards the state's requirements for housing, because it's
14 expected they'll be built or permitted prior to your next
15 housing cycle.

16 COMMISSIONER BADAME: But what about the ADU
17 units that add to that? Five hundred?

18 RICK RUST: Yeah, that was in the 1,916.

19 COMMISSIONER BADAME: Okay. Thank you.

20 CHAIR HANSSEN: Commissioner Hudes.

21 COMMISSIONER HUDES: Question about the ADU
22 units. Does that assume the change that we'll be looking at
23 tonight on adding Junior ADU units to the inventory? And
24
25

1 you've got that as a constant across all the alternatives,
2 correct?

3 RICK RUST: Yes, it does, the short answer. We
4 looked at 20 units per year as a regular detached ADU and
5 we looked at five units per year as a Junior ADU over the
6 20-year period. That's what gives you the 500.

7 COMMISSIONER HUDES: Okay, thank you.

8 CHAIR HANSSEN: Are there other questions or
9 comments? Commissioner Burch.

10 COMMISSIONER BURCH: Would it be appropriate then
11 to direct towards the consultant the question concerning
12 the vehicle trips? It is one of the items that gets looked
13 at with the different alternatives. Or would that be
14 something that would maybe be more appropriate once an
15 alternative is selected? I'm asking the Chair that.

16 CHAIR HANSSEN: I think you can ask your
17 question.

18 COMMISSIONER BURCH: Okay. So, you've heard the
19 audience; I don't need to repeat their question. In our
20 GPAC packet, page 29, you go through the vehicle trip
21 estimates per alternative, and I know there were some
22 assumptions made with public transit, so I was wondering
23
24
25

1 if... We can't really have dialogue with the audience but
2 maybe you could assist in answering that question.

3 RICK RUST: In the phrasing of it at times it was
4 said most would go transit. That's certainly not the case.
5 The traffic estimates were done using the ITE estimations
6 for household sizes; that's the standard used across the
7 United States for generation as far as what would happen in
8 different kinds of land uses. Now, in the conversation
9 there's certainly discussion about the fact that if you
10 have a more walkable area, like your downtown; your
11 downtown has mixed-use components. It's not as much
12 residential as you might see in other places in the future
13 but it's a mixed-use area. You have a lot of people on
14 foot. You obviously have tourist traffic that parks there,
15 but the idea is that the people could live in that area,
16 walk around the shops and neighborhood shopping, and they
17 would have lesser need for automobiles.

18
19 Long-term how much parking is required is going
20 to be something that will change in the community. There's
21 not a requirement for four. I think that was mentioned at
22 one point and that wouldn't be the case in the future. Most
23 communities are actually looking to go down towards one
24 parking per unit, especially on smaller units because the
25

1 occupancies are typically single individuals in a lot of
2 cases, or they don't have a car so it balances out to that
3 one, and so a lot of places are finding that to be a sweet
4 spot moving forward. So parking numbers actually would go
5 down in the future.

6 We expect some transit to be enhanced over this
7 20-year period. It's not going to happen next year after we
8 approve this, but it will happen over the long term and as
9 we have some enhancements to density you'll be able to
10 better support transit, but we did consider the automobile
11 still as being a dominant player in the environment.

12 COMMISSIONER BURCH: Thank you.

13 CHAIR HANSSEN: Commissioner Hudes.

14 COMMISSIONER HUDES: I have some questions about
15 the chart on page 70, I think. It's the first large table.
16 So I had some questions. I'm trying to understand how the
17 numbers were developed. It talks about population first and
18 then it says, "total new population," and "total
19 population," and then "total projected 2040 population."
20 What does total population mean? That's a tenth of the size
21 of the Town.

22 RICK RUST: Total net new goes along with those
23 net units we've talked about before. The total population
24
25

1 is taking that net new and adding to it the population that
2 would come with the 475 pending and approved projects to
3 give you a total.

4 COMMISSIONER HUDES: Okay. The other question I
5 had is on the descriptions on the traffic congestion
6 increase levels. We're just beginning to use VMT and those
7 kinds of numbers. There's a description here that says,
8 minimal, minimal, moderate, and moderate. How confident are
9 you that that's what residents are going to experience with
10 this alternative, that it will be what they would
11 characterize as a moderate traffic increase or congestion
12 increase?
13

14 RICK RUST: The traffic engineers ran this based
15 on a preliminary model. Now, there's a difference in the
16 traffic engineering for what will be done now versus what
17 will be done for the Environmental Impact Report. These
18 were meant to be comparative analyses. As we go forward
19 with this we will do full traffic analyses to finding out
20 the actual impacts.
21

22 The VMT numbers, the big one to look at there is
23 the VMT per capita, because you'll see at the higher
24 alternatives the VMT per capita decreases and that's one of
25 the key indicators that your better performing

1 transportation system, you're traveling less per person
2 overall, and some of that again is that enhanced
3 walkability long term. But it is not a full scale traffic
4 model at this point, again going back to that is a
5 significant undertaking and not something you do for each
6 alternative.

7 COMMISSIONER HUDES: But my concern is about
8 standing behind the terminology "moderate" or "minimal"
9 that's in the report. I understand the differences and I
10 believe I understand the numbers, but I don't believe that
11 we have the experience to know whether that's the way we'll
12 perceive it and I am concerned about approving the General
13 Plan that causes unacceptable traffic and then somebody
14 pointing to this report that says it was only going to be
15 moderate.

17 RICK RUST: Well, when you actually make an
18 approval of a plan you'll have a detailed traffic analysis
19 that you can point to and know exactly numerically what
20 that means. This was done by Fehr & Peers, which is the
21 leader in transportation analysis in the State of
22 California and they've done traffic analyses all over the
23 state, and so they're characterizing this based on their
24 experience in looking to the future.

1 Now, traffic, I've worked in more than 200
2 communities. I could probably say 199 of them said traffic
3 was the biggest thing. Just finished a plan in South Dakota
4 and their idea of bad traffic was because they had to sit
5 behind a pickup at the light, so people's perception of
6 that. You obviously have a lot of traffic in town. You have
7 issues with your school system putting out on the streets
8 and what happens to the street during that half-hour pick
9 time. You've got issues with cut-through traffic on
10 weekends and other problems of overloading the highways, so
11 it's not that you don't have problems and not that it won't
12 make it more people will add more cars.

14 We likely do not have the ability to enhance your
15 transportation system significantly in town. We're not
16 adding lanes, in other words. So, we will get more people
17 into biking circumstances, more people into walking, more
18 on transit, but you're still going to have increases in the
19 overall traffic on your roadway systems and peoples'
20 perceptions of any increase in traffic will likely be not
21 happy, but they're all part of the tradeoff that you need
22 to make if you're going to meet the housing requirement.

23 COMMISSIONER HUDES: I'm just reacting to
24 approving a report that says things are going to be minimal
25

1 or moderate when we have no experience with VMT in reality
2 in town, and even less experience with these alternatives
3 and how that translates through to peoples' actual
4 experience, so I'm more reacting to that.

5 CHAIR HANSSEN: Vice Chair Janoff.

6 VICE CHAIR JANOFF: Thank you. In response to
7 Commissioner Hudes' concerns about traffic, there isn't a
8 person in this room, there isn't a person in town, there
9 isn't a person on GPAC who didn't start the conversation
10 with, "But what about traffic?" I guess that's not starting
11 the conversation, but we didn't view thinking of traffic as
12 our highest priority, although maybe it is the higher
13 priority for a lot of us today. The GPAC felt that in
14 itself couldn't be the reason to not call an increased
15 number of residential units. Don't like the traffic
16 situation we have. There need to be some changes. We hope
17 that there are changes in the works. We know that an
18 increase in the number of units will likely exacerbate the
19 problem, but we didn't feel it was our purview to say
20 sorry, we can't go to higher units because it's going to
21 make traffic worse.

22
23 So, I hope that reflects what the GPAC members
24 were thinking and discussing, but I just want to emphasize
25

1 that traffic is a concern and we all realize that and these
2 particular areas of opportunity are going to have a
3 negative impact potentially, but that's an outcome of the
4 increase in units, and again, what we are asking the
5 Planning Commission for today is a recommendation that the
6 alternative that the GPAC is recommending, recommended to
7 Town Council so that there can be approval for the full
8 analysis upon which we'll have much more information to
9 determine what the traffic impact might be and how many
10 units, where density, where height.

12 I think it's important to get all of these
13 concerns out and I would hope that tonight with whatever
14 the Planning Commission puts forward to Town Council,
15 whether it forwards the recommendation of GPAC, that if you
16 have concerns about the recommendation of Alternative C we
17 also provide a list of those bullets so that the Council
18 can see--well, they'll hear those concerns of course if they
19 listen to these transcripts--but they can see perhaps
20 Alternative C is the one of have a more complete analysis
21 of, but we're concerned about these things and that can
22 still be part of the recommendation going forward.

24 CHAIR HANSSEN: I would also add that we're not
25 approving anything, we're only making a recommendation to

1 Council, and if the Council goes forward with this
2 recommendation as Vice Chair Janoff stated, that will
3 initiate a process of more thorough analysis of the
4 preferred land use alternative, and there will be a full
5 Environmental Impact Report done for our General Plan
6 Update and that has to include transportation and all kinds
7 of issues.

8 We had some of this same discussion when we had
9 the GPAC meeting a few weeks ago about what are we
10 approving? We're not approving the General Plan yet, we're
11 approving a framework to move forward for doing more
12 analysis on the Land Use Element so that we can come up
13 with the right policies that would go with it. Commissioner
14 Hudes.

15
16 COMMISSIONER HUDES: I had a few questions. I
17 crunched some numbers and sometimes I get more comfortable
18 when I see numbers, so I wanted to just maybe make a
19 statement and then ask a question about it.

20 First I looked at the different alternatives in
21 terms of population increase, and then I compared it to the
22 historical population that was in the previous information
23 that was provided in the previous General Plan, and it
24 looked to me like from sort of modern times, 2008 to 2020,
25

1 overall there's been an annual population growth of 1.4-
2 percent in town, given the numbers in your chart and in
3 here, and that what is being suggested to accommodate for
4 in Alternative C is 0.9-percent increase. And I did see
5 that these percentages varied as I went back to 1963 and I
6 looked at each year, so I'm not uncomfortable with planning
7 for a population increase of 0.9-percent in Alternative C
8 given that we've experienced a 1.4-percent increase in sort
9 of recent history, so I don't find that C is out line.
10 Could you tell me if I'm right on my general understanding
11 of the population increases?
12

13 RICK RUST: Yeah, that's about right. Our numbers
14 originally started also with looking at what the California
15 Department of Finance projects using historic trends going
16 into the future as well as what our economics professional
17 looked at, and they were also in the sub-1-percent range.

18 COMMISSIONER HUDES: Now, to the question that I
19 had, I also looked at the number of new units per person
20 added under the four different alternatives, and I included
21 the ones that had been approved, all of them basically. I
22 think the population lives in all those places.

23 Then I also turned it around and looked at the
24 average number of people per unit added and I was
25

1 interested that between Alternative A we started at 1.7 per
2 unit and when we got to Alternative D we were at 2.09 per
3 person. Why would that be? Maybe you could explain why
4 there are more people per unit as we move up in the
5 options?

6 RICK RUST: I'm not sure of the math offhand, but
7 our factor we used was 2.4 persons per dwelling unit, which
8 is what the Town currently uses for projections.

9 COMMISSIONER HUDES: Okay, well, you may have
10 been using a different number. You may have been excluding
11 in the process and the ADUs maybe? What I found interesting
12 was that it changed from alternative to alternative. In
13 your analysis you kept it constant?

14 RICK RUST: Yes.

15 COMMISSIONER HUDES: Okay. So, those are the
16 questions that I had on the numbers. Like I said, one of
17 them gave me some sort of comfort that we're in the general
18 ballpark with Alternative C.

19 CHAIR HANSSEN: Commissioner Burch.

20 COMMISSIONER BURCH: I'm curious if it might be
21 appropriate for me to go ahead and venture a motion?
22
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1 COMMISSIONER BADAME: I was about to suggest that
2 to the Commission, that we should attempt a motion to see
3 where we stand.

4 COMMISSIONER HUDES: If I could just ask one
5 question of Staff real quick on process.

6 CHAIR HANSSEN: Sure.

7 COMMISSIONER HUDES: This has been billed as the
8 land use alternatives but we haven't talked about anything
9 other than housing. Will we be talking about other land
10 uses at the Planning Commission?

11
12 JOEL PAULSON: Ultimately, when the GPAC
13 discusses land uses we probably will have some
14 conversation. I'm sure you noticed throughout the
15 commercial was kept constant; there wasn't an increase
16 shown. This really was to explore housing from a land use
17 perspective, and we will have to have some factors that go
18 into the Environmental Impact Report as far as what we
19 think future growth in office, commercial, various
20 commercial sectors will be over the next 20 years so that
21 that can also be plugged into the Environmental Impact
22 Report.

23 COMMISSIONER HUDES: Okay, because as I pointed
24 out before, I think we're ignoring some of the
25

1 opportunities to be more oriented toward the innovation
2 economy in town and I think that this discussion about the
3 middle points out something that's missing. I think in the
4 commercial and in hotels as well as office space that
5 there's something missing there that's pretty fundamental
6 and pretty important for the Town. I've written up
7 something on this topic I can provide to Staff and to the
8 GPAC, but I just feel like if we are going to do a motion
9 and we're not going to address that I want to have some
10 comfort that there will be some opportunity to address
11 something that I think is important and missing.

12
13 JOEL PAULSON: Absolutely. I think ultimately
14 that's been brought up in GPAC multiple times, so once we
15 get to goals and policies from the Environmental Impact
16 Report it's really a square footage, and so then that
17 equates to employee population and greenhouse gas and
18 traffic, so it would be some kind of cap from an individual
19 commercial standpoint, but those types of items we
20 definitely welcome; definitely send those to us. We will
21 get those to the GPAC and the consultant and make sure that
22 those are addressed prior to the Land Use Element coming
23 back before Planning Commission.

24 COMMISSIONER HUDES: Thank you.
25

1 CHAIR HANSSEN: And I'd like to add a comment to
2 that. Way back in the process when we talked about the
3 focus of the GPAC discussions it was decided that we needed
4 to focus most on the housing, but that doesn't mean as we
5 process through the Land Use Element that we can't add
6 goals and policies for commercial as well. I don't think
7 anyone on the GPAC wants to add 2,300 housing units and
8 then not have more commercial to support the neighbors, and
9 of course we want the people to have the jobs close to
10 them, so I'm sure that all that will be factored in later.
11 It's just it wasn't the focus of the land use alternatives
12 report, so I just want to make it clear that by making this
13 motion and recommendation to Council we're not saying we're
14 excluding commercial. So, Commissioner Burch, if you are
15 ready to make a motion.

17 COMMISSIONER BURCH: Yes, I am comfortable making
18 a motion that based on the recommendation of the GPAC we
19 will recommend approval... Or, I'm sorry, moving forward with
20 the study for land use Alternative C and the framework as
21 included in Exhibit 11.

22 I think I kind of butchered their recommendation,
23 but I'm comfortable making that although I've heard all the
24 discussion about the numbers, because truly this is really
25

1 just authorizing our consultant to start something. We have
2 to give him a line in the sand somewhere on how to start
3 with this. There will be many more discussions about what
4 this looks like. We've got Los Gatos Boulevard everywhere.
5 Will it be in pocket areas? And then as our Chair
6 mentioned, we will be having discussions about now what
7 does this impact as far as our retail or local services?
8 It's all one big package. We just need to move forward with
9 this to get to that point, so I'm very comfortable doing
10 that.
11

12 CHAIR HANSSEN: Do we have a second? Vice Chair
13 Janoff.

14 VICE CHAIR JANOFF: I'll second the motion.

15 CHAIR HANSSEN: Would any Commissioners like to
16 add comments for questions before we take a vote?
17 Commissioner Barnett.

18 COMMISSIONER BARNETT: We've discussed the fact
19 that there's going to be further time for analysis and
20 review and modification. I wonder if it would be
21 overreaching to say it would be appropriate to footnote in
22 the motion that we anticipate there will be that kind of
23 further input?
24
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1 COMMISSIONER BURCH: Yeah, I would be very
2 comfortable with that.

3 VICE CHAIR JANOFF: As would I.

4 CHAIR HANSSEN: I think I would also add that I
5 think even subsequent to taking a vote on moving forward
6 with the framework it's perfectly appropriate since we're
7 making a recommendation to Council to take suggestions from
8 Commissioners as to things that should be considered when
9 the Council considers this as well. But your motion is
10 amended to include Commissioner Barnett's comments? Okay.
11 And does the seconder agree?
12

13 VICE CHAIR JANOFF: Yes.

14 CHAIR HANSSEN: Okay, now is there anyone else
15 that wants to make comments before we take a vote.

16 COMMISSIONER HUDES: I've been wrestling with
17 this for some time, and better understanding the process
18 and better understanding the involvement of the public and
19 the members of the GPAC allows me to get more comfortable
20 with something I was not initially comfortable with, and
21 relative to having more input I believe that this really
22 should be done after we have developed goals. To me this is
23 the cart before the horse. It's very difficult to select
24 alternatives when you don't know what you're trying to
25

1 achieve, and so I would just sort of reserve the right to
2 come back, and when this does come back and when there are
3 goals, to really look to see does this alternative meet the
4 goals with the risk that maybe we do another round at that
5 point.

6 I will be supporting the motion and let me just
7 give you some of the reasons for my discomfort that maybe
8 we could think about as we start to develop this.

9 One is that this is a longer timeframe than we've
10 done before. Longer timeframe to me means we're dealing
11 with more uncertainty. There's also more uncertainty in the
12 environment that we're in today. We've just seen SB50 all
13 over the place and we have a lot of uncertainty in other
14 aspects of retail as well. So, given the longer timeframe
15 and the more uncertainty I would tend to more conservative
16 numbers rather than put down numbers that might allow more
17 development than would be normal.

18 I also didn't hear yet that Alternative C really
19 is necessary to meet state requirements and could we manage
20 with a fewer number, and I'd be looking for that as the
21 process goes on.

22 As well, I felt that the middle is still missing,
23 and the missing middle is missing from Alternative C. It
24
25

1 pushes us more toward the more dense and taller buildings
2 when perhaps it could be achieved more if we worked harder
3 at a smaller alternative focusing on that particular item.
4 Frankly, to me, I read the very interesting article on the
5 missing middle but then I didn't see the missing middle
6 that much in the actual proposals that were developed.

7 But like I said, I will be supporting the motion
8 because I think we need to move this forward and it is an
9 iterative process and this will give us the opportunity to
10 do that.

11 CHAIR HANSSEN: Commissioner Badame.

12 COMMISSIONER BADAME: I'll also be supporting the
13 motion, but I just wanted to add the comment that I work in
14 the downtown area, so adding that as an eighth opportunity
15 area I think was great and I fully support that. I
16 experience it downtown. I think the more mixed-use that we
17 can have adds to the vibrancy and the walkability, so I'll
18 be supporting the motion as well.

19 COMMISSIONER BADAME: Commissioner Tavana.

20 COMMISSIONER TAVANA: I would add that I'll be
21 supporting the motion as well, however, I did notice that
22 the GPAC preferred alternative is the only one that
23 includes the downtown district for the opportunity area, so
24
25

1 I would wonder if we could add that to the other
2 alternatives to see what the total number would be if we
3 can include that in future studies as well.

4 CHAIR HANSSEN: Okay. Any other comments?
5 Commissioner Hudes.

6 COMMISSIONER HUDES: One minor thing is I would
7 recommend taking out words that characterize traffic as
8 minimal or moderate before forwarding this recommendation.
9 I just don't think it's a great idea to do that.

10 CHAIR HANSSEN: Question for Staff. Will you be
11 taking the comments of the Commissioners and adding that to
12 the recommendation, or do we need to do that post the vote?

13 JENNIFER ARMER: The Town Council will have
14 verbatim minutes from this meeting as well as we will
15 provide a summary of what Staff has heard in the Staff
16 Report to Town Council.

17 CHAIR HANSSEN: Okay. That being the case, I will
18 call the question. All in favor? Opposed? No abstentions.
19 It passes unanimously. All right, thank you.
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**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/17/2020

ITEM NO: 7

ADDEMDUM

DATE: March 11, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Introduce an Ordinance, by Title Only, Effecting Amendments to Chapter 29 (Zoning Regulations) of the Town Code Regarding Family Daycare Home Regulations. Town Code Amendment Application A-20-002. Applicant: Town of Los Gatos.

REMARKS:

Town staff request that the item be continued to the April 7, 2020 meeting to allow for public discussion of this item.

PREPARED BY: Diego Mora
Assistant Planner

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Community Development Director, and Finance Director



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/17/2020

ITEM NO: 10

DATE: February 27, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Fee and Fine Schedules for Fiscal Year 2020/21
a. Adopt a resolution approving the Comprehensive Fee Schedule for FY 2020/21 to continue certain department fees, rates, and charges, and amending certain fees, rates, and charges for FY 2020/21.
b. Adopt a resolution approving the Comprehensive Fine Schedule for FY 2020/21 to continue certain department fines.

RECOMMENDATION:

Fee and Fine Schedules for Fiscal Year 2020/21

- a. Adopt a resolution approving the Comprehensive Fee Schedule for FY 2020/21 to continue certain department fees, rates, and charges, and amending certain fees, rates, and charges for FY 2020/21.
- b. Adopt a resolution approving the Comprehensive Fine Schedule for FY 2020/21 to continue certain department fines.

BACKGROUND:

The Town's financial policies require that certain fees, rates, and charges for services be maintained to allow for cost recovery based on the actual cost to provide Town services. "Fee" activities are services and functions provided by the Town to individuals who receive some direct material benefit above and beyond services offered to residents at general taxpayer expense. "Fines" are the amounts of the penalties for code violations imposed pursuant to Section 1.30.025 of the Los Gatos Town Code.

PREPARED BY: Stephen Conway
Finance Director

Reviewed by: Town Manager, Assistant Town Manager, and Town Attorney

BACKGROUND (continued):

Staff periodically reviews the cost of providing such services and recommends appropriate increases in fees when supported by actual cost data. The Town's last comprehensive cost allocation and user fee study concluded last fiscal year and the recommendations were incorporated in the FY 19/20 Fee Schedule.

DISCUSSION:

The Comprehensive Fee Schedule allows for an annual adjustment of fees by the average increase in the Consumer Price Index (CPI) for the previous calendar year. The average increase in the CPI for 2019 was 3.2%. Attached for Council reference is an updated FY 2020/21 Comprehensive Fee Schedule (Exhibit A to Attachment 1) reflecting all Town fees (including proposed changes) and an itemized list of recommended FY 2020/21 fee adjustments, reclassifications, and deletions, including those to be adjusted by the average CPI (Attachment 3). The proposed FY 2020/21 Comprehensive Fee Schedule accounts for modifications to fees as explained below:

Administrative Services

1. Credit Card Processing Fee – Proposing 2.2% fee on all transactions to reflect actual costs to the Town.

Development Services

1. Community Benefit – The Town no longer has a Community Benefit Policy so it should be removed from the Fee Schedule.
2. Street Improvement in-lieu fees – Proposing to increase these two fees to reflect current costs as determined by bids for recent CIP projects.

Library Services

1. Overdue Fees – Revenues from overdue fines have dropped to the point where the administration of collecting those fines now outweighs the revenue it generates. This is due primarily to utilization of auto-renewals for items on library patron accounts which now allows up to nine weeks of item use before fines start accruing. Administratively, it now makes more sense for us to invoice an item as lost by the patron if it is not returned after this time period, rather than hold the item record open to accrue fines.

Parks and Public Works Services

1. Tree Removal Permit Application – Proposing to add a note to this fee indicating that the fee will be waived when the tree removal is done to implement or maintain Defensible Space.

DISCUSSION (continued):

Police Services

1. Massage Permit Fees – State law has created a statewide permitting system administered by the California Massage Therapy Council for issuing massage worker permits. Therefore, the Police Department no longer incurs the costs that the fees in items 10 and 11 were imposed to cover.

The Comprehensive Fine Schedule sets forth the administrative penalty amounts for code violations. Attached for Council reference is an updated FY 2020/21 Comprehensive Fine Schedule (Exhibit A to Attachment 2) reflecting all Town fines.

CONCLUSION:

It is recommended that Town Council approve the proposed adjustments to the Comprehensive Fee Schedule and the Comprehensive Fine Schedule effective July 1, 2020.

FISCAL IMPACT:

The Town's financial policies require that fees be maintained to provide for the recovery of costs associated with Town services. The proposed fee adjustments reflect an increase in the CPI, and, therefore, better represent the cost to deliver services. If approved by the Town Council, staff will incorporate the fee changes into the Town's FY 2020/21 Operating and Capital Budget using conservative activity projections.

COORDINATION:

The preparation of the Fee and Fine Schedules was coordinated with all Town Departments and Offices.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Resolution approving Comprehensive Fee Schedule FY 2020/21, including Exhibit A Proposed FY 2020/21 Comprehensive Fee Schedule (Redline)
2. Resolution approving Comprehensive Fine Schedule FY 2020/21, including Exhibit A Proposed FY 2020/21 Comprehensive Fine Schedule
3. Proposed FY 2020/21 Fee Adjustment, Reclassification, and Deletions

RESOLUTION 2020-
RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
CONTINUING DEPARTMENT FEES, RATES, AND CHARGES, AND AMENDING CERTAIN
FEES, RATE, AND CHARGES FOR FY 2020/21

WHEREAS, The Town of Los Gatos follows best municipal financial practices that require the Town to establish and maintain all user charges and fees based on the cost of providing services; and

WHEREAS, the last update of the Town of Los Gatos Comprehensive Fee Schedule was adopted on March 19, 2019; and

WHEREAS, those fees currently in effect will remain in effect without interruption, certain of these shall be increased, and certain new services shall have fees.

NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF LOS GATOS DOES HEREBY RESOLVE:

1. That Resolution 2019-010, "Resolution of the Town Council of the Town of Los Gatos Continuing Department Fees, Rates, and Charges, and Amending Certain Fees, Rates, and Charges for FY 2019/20" is hereby rescinded; and
2. The Town of Los Gatos Comprehensive Fee Schedule, attached hereto as Exhibit A, shall become effective July 1, 2020.

PASSED AND ADOPTED at a regular meeting of the Town Council held on the 17th day of March 2020 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____



TOWN OF LOS GATOS

CALIFORNIA



Comprehensive Fee Schedule (Redlined)

Cover Photos: Constantino, Evie Julian

TOWN OF LOS GATOS FEE SCHEDULE

The following Fee Schedule is effective July 1, 2020 through June 30, 2021, unless updated by the Town Council. The Fee Schedule will be adjusted annually by the average Consumer Price Index (Bureau of Labor Statistics, U.S. Department of Labor for the San Francisco/Oakland/San Jose Metropolitan Statistical Area) for the calendar year and/or by the percentage increase in actual operating costs for the current year – whichever is greater. This Fee Schedule also provides for minimum annual adjustments for those fees that are directly related to personnel costs. Other adjustments may be made to maintain consistency with the surrounding municipalities within the Town of Los Gatos region but in no case are fees charged in excess of service delivery costs.

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ADMINISTRATIVE SERVICES

Town Facilities Use

Town approved non-profit fundraising activities are allowed in/on Town facilities with an appropriate permit, or license issued by the Town, or provided in an agreement or Conditional Use Permit with the Town. Private events are not allowed in the Council Chambers with the exception of approved events hosted by the tenants of 106 and 108 East Main Street as stated in tenant lease agreements. The available Town facilities are listed below:

- Civic Center Lawn, Deck and Stairs
- Civic Center West Patio
- Council Chambers
- Council Chambers Lobby (as a stand-alone facility)
- Civic Facilities Conference and Meeting Rooms

1	Fee for Town Hall Facilities Use	Non Profit: \$0.00 per hour
2	Building Attendant	\$20.00 per hour

Copy and Printing Charges

3	Copy of Town Code	Actual Cost
4	8 1/2 x 11 and 8 1/2 x 14	\$.25 per page
5	11 x 17	\$.35 per page
6	Oversized or Large Productions	Actual Cost
7	Annual Subscription for Town Code Supplements	Actual Cost
8	Copying of Zoning Ordinance	Actual Cost
9	Annual Subscription for Zoning Ordinance Supplements	Actual Cost
10	Certification of Town Records	\$2.00
11	Annual Financial Report	Actual Cost
12	Annual Budget	Actual Cost
13	Capital Improvement Plan	Actual Cost

Special Events

14	Special Event Application Fee, For-Profit	New Event \$910.00
		Repeat Event \$680.00
15	Special Event Application Fee, Not-For Profit	New Event \$227.00
		Repeat Event \$170.00
16	Special Event Road Closure Review Fee	\$225.00
17	Block Party Permit	\$55.00

ADMINISTRATIVE SERVICES

Business License

18	Business License Processing Fee - New	Out of Town \$20.00
		In Town \$40.00
19	Business License Processing Fee - Renewal	Out of Town and In Town \$30.00

Other Services

20	Compact Disk or Tape of Council and Planning Commission Meetings (plus actual mailing costs, if applicable)	\$20.00 per DVD for meetings under 2 hours
		\$30.00 per DVD for meetings over 3 hours
21	Copy - Digital	\$10 per device
22	Initial Returned Check Fee	\$25.00
23	Subsequent Return Check Fees [CA Civil Code Section 1719(a) (1)]	\$35.00
24	Election Filing Fee	\$25.00
25	Credit Card Processing Fee for all transactions above \$30.00	2.4% 2.2%
26	Request for Service Not Covered by any Other Fee	Fully allocated hourly rates for all personnel

ATTORNEY SERVICES

1	Conditions, Covenants & Restrictions (CC&R) Review and Approval	Fully allocated hourly rates for all personnel
2	Simple Covenant/Deed Restriction	Fully allocated hourly rates for all personnel
3	Subdivision Improvement Agreements	Fully allocated hourly rates for all personnel
4	Encroachment Agreements	Fully allocated hourly rates for all personnel
5	Miscellaneous (Legal Agreements, Real Property, etc.)	Fully allocated hourly rates for all personnel

DEVELOPMENT SERVICES

General Development Fees

1	Reproduction (sent out) plus actual mailing costs, as applicable. Maps, plans, etc. (larger than 11" x 17")	Actual Cost - sent to San Jose Blueprint
2	Data Duplication service and fee for partial or full copies of each digital standard Town data file on one-time request basis. 8 1/2" x 11" copy, standard	\$.25 per page
3	Document Storage Fee - Laserfiche	Actual Cost
4	Duplicate Plans Set	\$154.00/hr. (1/2 hr. minimum)
5	Research Records Charge for Staff Research beyond 30 minutes	Fully allocated hourly rate for all personnel
6	Address Processing Fee - per address	\$160.00 -\$165.00
7	Computer Surcharge on all Building/Plumbing/Mechanical/Electrical/Grading/Encroachment/Planning Permits/Applications and any other Permits/ Applications except Park Permit/Applications	4% of development application fee
8	Engineering Development Review Service Fee - Building Permit and Building Plan Check*	5% of permit or plan check
9	Request for Service Not Covered by Any Other Fee	Actual Cost
10	Pre-application Conference Fee	Courtesy meeting
11	Applications for Work Unlawfully Completed	Double current application fee
12	BMP Document Processing Fee	\$575.00 \$593.00
13	Community Benefit	No standard schedule, as offered and applied per project

****These fees are applied to permits or plan checks that require engineering services.***

Reports, Agendas, and Minutes

14	Development Review Committee Agendas	\$37.00
15	Planning Commission Agendas	\$25.00
16	Planning Commission Minutes	Actual Cost
17	Plan Copies - microfiche or other reprints sent to an outside firm	\$31.00 plus costs
18	Plan Copies - blueprint reproduction in house	\$3.00 per page
19	Copy of Subdivision Ordinance	\$26.00
20	General Plan (including maps)	\$26.00
21	Hillside Specific Plan	\$5.80
22	Hillside Development Standards and Design Guidelines	\$19.45

DEVELOPMENT SERVICES

Reports, Agendas, and Minutes (continued)

23	Commercial Design Guidelines	\$20.50
24	Subdivision Ordinance	\$26.00
25	General Plan/Zoning Maps (24" x 36") - Black & White	\$9.00
26	General Plan/Zoning Maps (24" x 36") - Color	\$42.00
27	Blossom Hill Open Space Study	\$14.00
28	Commercial Specific Plan Report	\$12.00
29	Residential Design Guidelines	\$21.50
30	Housing Element Technical Appendix	\$24.75
31	2015-2023 Housing Element	\$39.00
32	Los Gatos Boulevard Plan	\$9.50
33	North Forty Specific Plan (adopted June 2015)	\$45.25

Landscape

Final occupancy clearance (new construction or remodel)

34	Park Staff Time Spent for Major Development Applications	\$543.00*
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Basis:

Development Review Committee Meetings – 1.5 hrs. (estimate)

Site Visits – 4.0 hrs. (estimate)

Review Plan – 4.0 hrs. (estimate)

****Note: Time spent over and above the initial application fee will be billed at the current employee billing rate plus equipment hourly rate.***

Annexation Fees

35	1 Lot	\$3,010.00 \$3106.00*
36	2 Lots	\$1,505.00 \$1,553.00*
37	3 Lots	\$1,005.00 \$1037.00*
38	4 Lots	\$755.00 \$779.00*
39	5 Lot or more	\$600.00 \$619.00*

****Annexation Advertising Deposit (varies as to size of map) - \$1,000.00 to \$2,200.00***

Any remaining deposit will be refunded to the applicant and amounts exceeding the deposit amount will be paid by applicant.

DEVELOPMENT SERVICES

Seismic Hazards Mapping Program Fee (SMIP)

For residential construction of three stories and less (Category 1), the permit fee is \$13.00 per \$100,000. For all other construction (Category 2), the permit fee is \$28.00 per \$100,000. This fee is required by the State of California to identify and map zones of particular seismic hazards. Five percent of the fee is retained by the Town to be used solely for earthquake preparedness.

Capital Improvement Tax (Construction)

Based on \$0.18 for each square foot of building addition or alteration, which increases floor area of an existing building.

Underground Utility Tax (Utilities)

Based on \$0.18 for each square foot of building addition or alteration, which increases floor area of existing building.

Park Fund Tax (Parks)

Based on \$0.04 for each square foot of building addition or alteration, which increases floor area of an existing building.

Building Division

Building Permit Fees

40	Fee for issuing/reinstating a Building Permit	\$55.00 \$57.00
41	Additional Building Permit Fee	\$30.00 \$31.00
42	Demolition Permit	Residential: \$265.00 \$273.00
		Commercial: \$465.00 \$480.00

Building Permit Fees for New Construction and Addition

The fee for each building permit shall be based upon the 1997 Uniform Building Code as amended by the 2010 California Building Code.

A building valuation regional modifier of 2.32 shall be used in conjunction with the Building Valuation Data provided in the publication, Building Valuation Data, published by the International Code Council – February 2012. Hillside Homes shall use a modifier of 3.246 and Commercial Office Tenant Improvements shall use a modifier of 1.16. The Building Valuation Data will be increased ~~by the February~~ yearly by the Engineering News Record (ENR) Annual Building Cost Index (BCI) for every year thereafter.

DEVELOPMENT SERVICES

Building Permit Fees for New Construction and Addition

	Total Valuation	Fee
43	\$1.00 to \$500.00	\$32.99 \$33.58
44	\$501.00 to \$2,000.00	\$32.99 \$33.58 for the first \$500.00 plus \$4.28 \$4.36 for each additional \$100.00 or fraction thereof, to and including \$2,000.00
45	\$2,001.00 to \$25,000.00	\$97.23 \$98.98 for the first \$2,000.00 plus \$19.66 \$20.01 for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00
46	\$25,001.00 to \$50,000.00	\$549.32 \$559.21 for the first \$25,000.00 plus \$14.18 \$14.44 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00
47	\$50,001.00 to \$100,000.00	\$903.83 \$920.10 for the first \$50,000.00 plus \$9.83 \$10.01 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00
48	\$100,001.00 to \$500,000.00	\$1,395.23 \$1,420.34 for the first \$100,000.00 plus \$7.86 \$8.00 for each additional \$1,000.00 or fraction thereof, to and including \$500,000.00
49	\$500,001.00 to \$1,000,000.00	\$4,540.19 \$4,621.91 for the first \$500,000.00 plus \$6.67 \$6.79 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.00
50	\$1,000,001.00 and over	\$7,874.69 \$8,016.43 for the first \$1,000,000.00 plus \$4.42 \$4.50 for each additional \$1,000.00 or fraction thereof

DEVELOPMENT SERVICES

Building Permit Fees for Remodels, Alterations, and Repairs

The Building Official shall establish the valuation of said improvements, and fees will be assessed as per Valuation Schedule above.

Special Services & Inspections

51	Inspection outside normal business hours (4 hr. minimum)	\$192.00/hr. \$198.00/hr.
52	Re-inspection fees	\$160.00/hr. \$165.00/hr.
53	Inspections for which no fee is specifically indicated (2 hr. minimum)	\$160.00/hr. \$165.00/hr.
54	Additional plan review required by changes, additions or revisions to plans (1 hr. minimum)	\$152.50/hr. \$157.00/hr.
55	For use of outside consultants for plan checking and/or inspections	Actual Cost
56	Services for which no fee is specifically indicated (1/2 hr. minimum)	\$160.00/hr. \$165.00/hr.
57	Permit/Plan check time extension (per permit) (applies to permits that have not expired)	\$78.00 \$80.00
58	Express plan review or initial review (1 hr. minimum)	\$160.00/hr. \$165.00/hr.
59	Application for the Appeals Building Board Review	\$273.00 \$282.00
60	Temporary Certificate of Occupancy	\$1,095.00 \$1,130.00

Plan Review Fee

A plan review fee shall be charged at the time of filing application. This fee is separate from and shall be in addition to the building permit fee. This fee is calculated at sixty-five percent (65%) of the building permit fee as per the valuation schedule starting on page 6.

Other Miscellaneous Factors to Determine Construction Valuation

61	Convert Garage to habitable space	\$117.00/sq. ft. \$121.00/sq.ft.
62	Convert unfinished basement or attic to habitable	\$127.00/sq. ft. \$131.00/sq.ft.
63	Pools/Spas (gunite)	\$76.00/sq. ft. \$78.00/sq.ft.
64	Siding - aluminum/vinyl/wood	\$32.00/sq. ft. \$33.00/sq.ft.
65	Antennas & Towers	Const.Value As Applied under valuation schedule on page 6
66	Commercial Awning or Canopy	Aluminum \$32.00/sq. ft. \$33.00/sq.ft.
		Canvas \$24.00/sq. ft. \$25.00/sq.ft.

DEVELOPMENT SERVICES

Other Miscellaneous Factors to Determine Construction Valuation (continued)

67	Fence or Freestanding Wall (over 6" high)	Wood or metal \$49.00/lf. \$51.00/sq.ft.
		Masonry \$85.00/lf. \$88.00/sq.ft.
68	Decks/Balcony	\$47.00/sq. ft. \$49.00/sq.ft.
69	Wood Deck	\$20.00/sq. ft. \$21.00/sq.ft.
70	Re-roofs	\$3.00/sq. ft. \$3.10/sq.ft.
71	Retaining Walls	\$107.00/lf. \$110.00/sq.ft.

Special Systems Fees

72	Emergency generation, wind power, special HVAC systems, etc.	Plan Review (1 hr. minimum) \$152.50/hr. \$157.00/hr.
		Field Inspection (2 hr. minimum) \$160.00/hr. \$165.00/hr.
73	Photovoltaic - Roof & Ground Mounted - Residential	Plan Review (1/4 hr. minimum) \$152.50/hr. \$157.00/hr.
		Field Inspection (1 hr. minimum) \$160.00/hr. \$165.00/hr.
74	Photovoltaic - Roof & Ground Mounted - Commercial	Plan Review (1 hr. minimum) \$152.50/hr. \$157.00/hr.
		Field Inspection (2 hr. minimum) \$160.00/hr. \$165.00/hr.

Electrical Permit Fees

75	Fee for issuing/reinstating an Electrical Permit	\$55.00 \$57.00
76	Additional Electrical Permit Fee	\$25.00 \$26.00
77	New Residential Construction (new buildings only, including garages)	\$.11 sq. ft
78	Commercial Construction	\$.08 sq. ft

Plan Review & Re-inspection Fees

79	Plan review fee	25% of Electrical Permit Fee
80	Additional plan review	\$152.50/hr. \$157.00/hr.
81	Re-inspection fee	\$160.00/hr. \$165.00/hr.

DEVELOPMENT SERVICES

System Fee Schedule

82	Private swimming pools	\$63.00 \$65.00
83	Public swimming pools	\$114.00 \$118.00
84	Temporary power poles	\$78.00 \$80.00
85	Temporary distribution system & temporary lighting	\$38.00 \$39.00
86	Installation of illuminated signs (each)	\$101.00 \$104.00

For alterations to existing pools, use Unit Fee Schedule fees listed on page 10.

Unit Fee Schedule

87	Receptacle, switch and lights	\$2.00 \$2.06
88	Residential appliances/new circuits (cook top, oven, range, disposals, clothes dryers, or other motor operated appliances not exceeding one horsepower)	\$6.00 \$6.19
89	Nonresidential appliances/new circuits (medical & dental devices, food, beverage, drinking fountains, laundry machines, or other similar equipment) NOTE: for other types of air conditioners and other motor-driven appliances having larger electrical ratings, see Generators/Motors	\$8.00 \$8.26
90	Photovoltaic system (residential)	\$90.00
91	Solar systems (including controls)	\$90.00
92	Power apparatus (generators, transformers, A/C, heat pumps, baking equipment)	Up to 10 KV, each \$16.00 \$17.00
		Over 10 KV not over 50 KV, each \$32.00 \$33.00
		Over 50 KV and not over 100 KV, each \$63.00 \$65.00
		Over 100 KV, each \$84.00 \$87.00
93	Motors	Up to 10 hp \$16.00 \$17.00
		Up to 25 hp \$32.00 \$33.00
		Up to 55 hp \$63.00 \$65.00
		Over 55 hp \$92.00 \$95.00
94	Transformers	Up to 5 KVA \$16.00 \$17.00
		Up to 10 KVA \$32.00 \$33.00
		Up to 50 KVA \$53.00 \$55.00
		Over 50 KVA \$77.00 \$79.00
95	Busways/conduits (per 100 ft)	\$8.00 \$8.26

DEVELOPMENT SERVICES

Unit Fee Schedule (continued)

96	Service equipment	200 amps or less \$78.00 \$80.00
		201 to 999 amps \$108.00 \$111.00
		Sub-panels \$38.00 \$39.00
97	Installation of spas or saunas	\$38.00 \$39.00

Other Electrical Fees

98	Duplicate job card	\$25.00 \$26.00
99	Permit extension (applies to permits that have not expired)	\$78.00 \$80.00

Mechanical Permit Fees

100	Fee for issuing/reinstating a Mechanical Permit	\$55.00 \$57.00
101	Additional Mechanical Permit Fee	\$25.00 \$26.00
102	New Residential Construction (new buildings only, including garages)	\$.11 sq. ft
103	Commercial Construction	\$.08 sq. ft

Plan Review & Re-inspection Fees

104	Plan review fee	25% of Mechanical Permit Fee
105	Additional plan review	\$152.50/hr. \$157.00/hr.
106	Re-inspection fee	\$160.00/hr. \$165.00/hr.

Unit Fee Schedule

107	Installation, of each heating system, A/C, boiler, compressor or air handler	\$38.00 \$39.00
108	Each duct repair or alteration	\$11.00 \$11.35
109	Each fireplace appliance	\$32.00 \$33.00
110	Each ventilating fan	\$11.00 \$11.35
111	Installation of separate flue or vents not included with the installation of an appliance	\$11.00 \$11.35
112	Installation of each hood with mechanical exhaust	Residential \$32.00 \$33.00
		Commercial \$114.00 \$118.00
113	Each new or repair of gas piping system	\$70.00 \$72.00
114	Each additional gas outlet	\$23.00 \$24.00
115	Installation of evaporative cooler	\$32.00 \$33.00

DEVELOPMENT SERVICES

Other Mechanical Fees

116	Duplicate job card	\$25.00 \$26.00
117	Permit extension (applies to permits that have not expired)	\$78.00 \$80.00

Plumbing Permit Fees

118	Fee for issuing/reinstating a Plumbing Permit	\$55.00 \$57.00
119	Additional Plumbing Permit Fee	\$25.00 \$26.00
120	New Residential Construction (new buildings only, including garages)	\$.11 sq. ft
121	Commercial Construction	\$.08 sq. ft

Plan Review & Re-inspection Fees

122	Plan review fee	25% of Plumbing Permit Fee
123	Additional plan review	\$152.50/hr. \$157.00/hr.
124	Re-inspection fee	\$160.00/hr. \$165.00/hr.

System Fee Schedule

125	Private swimming pools (including heater, water piping, gas piping)	\$92.00 \$95.00
126	Public swimming pools (including heater, water piping, gas piping)	\$138.00 \$142.00
127	Lawn sprinkler system on one meter	\$38.00 \$39.00
128	Each new or repair of gas piping system	\$70.00 \$72.00
129	Each drainage, sewer system	\$38.00 \$39.00
130	Radiant floor heating system	\$114.00 \$118.00

Unit Fee Schedule

131	Each plumbing fixture or trap or set of fixtures on one trap	\$11.00 \$11.35
132	Each sewer cleanout, backflow device	\$11.00 \$11.35
133	Each septic system abatement	\$114.00 \$118.00
134	Rainwater systems - per drain (inside building)	\$11.00 \$11.35
135	Each water heater, water softener	\$32.00 \$33.00
136	Each grease interceptor (750 gallon capacity)	\$78.00 \$80.00
137	Each grease trap (1-4 fixtures)	\$44.00 \$45.00
138	Residential water re-piping	\$114.00 \$118.00

DEVELOPMENT SERVICES

Unit Fee Schedule (continued)

139	Each ejector/sump pump	\$38.00 \$39.00
140	Each vacuum breaker/hose bib	\$11.00 \$11.35
141	Each water piping system repair or replacement	\$24.00 \$25.00
142	Each additional gas outlet	\$24.00 \$25.00

Other Plumbing Fees

143	Duplicate job card	\$25.00 \$26.00
144	Permit extension (applies to permits that have not expired)	\$78.00 \$80.00

Other Building Fees

145	Duplicate Inspection Card	\$30.00 \$31.00
146	NPDES Inspection Fee (Charged on all building permits with the potential to generate non-point source storm water runoff during construction)	\$70.00 \$72.00

State of California Title 24 Part 2 Energy and Accessibility Code and Regulation Plan Review and Inspection Fees

A surcharge shall be added to the building permit fee for the cost to plan review and inspect for compliance with State of California Title 24 Regulations. This fee is calculated at fifteen percent (15%) of the building permit fee. This fee is applied whenever a plan review is assessed.

State of California Mandated Building Standards Fee – SB 1473

A surcharge shall be added to all building permits at the rate of four dollars (\$4) per one hundred thousand dollars (\$100,000) in valuation, with appropriate fractions thereof, but not less than one dollar (\$1). These funds will be available to the California Building Standards Commission, the Department of Housing and Community Development, and the Office of the State Fire Marshall for expenditure in carrying out the provisions of the State Building Standards Law and provisions of State Housing Law that relate to building standards. Up to ten percent (10%) shall be retained for related administrative costs and for code enforcement education.

DEVELOPMENT SERVICES

Planning Division

The fees listed below constitute all fees imposed by the Planning Division. Certain types of applications must be reviewed / processed by other departments/agencies, which may impose separate fees. Applicants are advised that the fees for those services are not included in the Planning Department's fees. Where the term "actual cost" is used here, it shall mean: materials, supplies (including any costs of noticing or publication), outside consultants, employee cost will be billed at the top step, plus benefits, plus overhead. The following fee schedule is established for applications filed pursuant to the Town Code. The fees are collected by the Community Development Department at the time the application is filed unless otherwise noted.

- Fees for Additional Processing - In the event additional processing services by the Town are required due to changes, modifications, additions, errors, omissions, or discrepancies caused by the applicant or his/her agents or representatives, the applicant shall pay an additional fee as determined by the Director of Community Development to cover the actual cost.
- Fees for Lack of Progress - If additional information is required by the Town for an application and the requested information is not submitted within 180 days, the applicant will be required to pay a fee of 10 percent of the current application fee at the time the requested information is submitted. Any re-submittal after one year will be processed as a new application, subject to new fees.
- Fees for Major Projects - If it is anticipated that the application processing costs of selected major projects will significantly exceed the following fees, the Director of Community Development may collect a deposit and charge actual time spent to process the applications based upon current hourly rates.
- Surcharges - All of the following applications are subject to the surcharge fees as set forth in General Development Services and in the Zoning Research section of Planning Division.

DEVELOPMENT SERVICES

Zoning Approvals - Architecture and Site Applications – Development Review Committee (DRC) Approval

147	New single family detached (HR and RC zones) <i>Engineering Development Review Service Fee</i>	\$8,978.00 \$9,265.00
		\$4,151.00 \$4,284.00
148	New non-custom single family detached (HR and RC zones) per unit/model, as part of a Planned Development** <i>Engineering Development Review Service Fee</i>	\$6,235.00 \$6,435.00
		\$4,148.00 \$4,281.00
149	New single family or two family units <i>Engineering Development Review Service Fee</i>	\$6,187.00 \$6,385.00
		\$4,149.00 \$4,282.00
150	New single family or two family (any other zone) per unit/model new nonresidential or multiple family per building as part of a Planned Development** <i>Engineering Development Review Service Fee</i>	\$4,421.00 \$4,562.00
		\$4,153.00 \$4,286.00
151	Minor projects (a development proposal that does not significantly change the size, mass, appearance or neighborhood impact of a structure, property or parking lot) <i>Engineering Development Review Service Fee</i>	\$2,243.00 \$2,315.00
		\$3,186.00 \$3,288.00

Zoning Approvals – Architecture and Site Applications – Planning Commission Approval

152	Supplemental fee DRC applications as determined with fee #146 or minor residential development applications or applications that are part of a Planned Development that require Planning Commission approval <i>Engineering Development Review Service Fee</i>	\$3,168.00 \$3,269.00
		\$1,157.00 \$1,194.00
153	New two family unit <i>Engineering Development Review Service Fee</i>	\$9,437.00 \$9,739.00
		\$4,151.00 \$4,284.00
154	New nonresidential (includes conceptual Planned Development elevations) <i>Engineering Development Review Service Fee</i>	\$10,832.00 \$11,179.00
		\$4,151.00 \$4,284.00
155	New multiple family (includes conceptual Planned Development elevations) <i>Engineering Development Review Service Fee</i>	\$9,847.00 \$10,162.00
		\$4,149.00 \$4,282.00

DEVELOPMENT SERVICES

Zoning Approvals – Architecture and Site Applications – Planning Commission Approval (continued)

156	All other (i.e. exceed FAR, major grading, etc.) <i>Engineering Development Review Service Fee</i>	\$5,491.00 \$5,667.00
		\$4,151.00 \$4,284.00

****Aside from the fees noted above, no additional Architecture and Site application fees will be assessed for projects that involve a historic structure or site.***

*****Any changes proposed to model homes, nonresidential, or multiple family buildings, a supplemental fee shall be based on a time and materials basis to review the changes.***

Conditional Use Permits

157	Conditional Use Permit <i>Engineering Development Review Service Fee</i>	\$6,351.00 \$6,554.00
		\$1,351.00 \$1,394.00
158	Conditional Use Permit (when consolidated with another application for new development) <i>Engineering Development Review Service Fee</i>	\$1,056.00 \$1,090.00
		\$774.00 \$799.00
159	Conditional Use Permit for Minor Restaurant (DRC Approval) <i>Engineering Development Review Service Fee</i>	\$3,865.00 \$3,989.00
		\$1,160.00 \$1,197.00
160	Conditional Use Permit for Major Restaurant (PC Approval) Tier 1 <i>Engineering Development Review Service Fee</i>	\$6,351.00 \$6,554.00
		\$1,736.00 \$1,792.00
161	Conditional Use Permit for Major Restaurant (PC Approval) Tier 2 includes alcohol and/or entertainment (must pay #159 below with this application) <i>Engineering Development Review Service Fee</i>	\$7,506.00 \$7,746.00
		\$1,735.00 \$1,791.00
162	Applications that require Town Council Approval (these fees supplement the above established fees) <i>Engineering Development Review Service Fee</i>	\$3,012.00 \$3,108.00
		\$1,158.00 \$1,195.00
		Transcription of Planning Commission minutes - Actual cost and minimum \$500.00 deposit

Rezoning (other than Planned Development)

163	Without General Plan or Specific Plan Amendment	Actual Cost (\$5,000.00 minimum)
164	With General Plan or Specific Plan Amendment	Actual Cost (\$7,000.00 minimum)
165	Transcription fee of Planning Commission minutes	Actual Cost and minimum \$500.00 deposit

DEVELOPMENT SERVICES

Planned Development

166	Without General Plan or Specific Plan Amendment	Actual Cost
167	Without General Plan or Specific Plan Amendment (HR or RC Underlying Zone)	Actual Cost
168	With General Plan or Specific Plan Amendment	Actual Cost
169	With General Plan or Specific Plan Amendment (HR or RC Underlying Zone)	Actual Cost
170	Town Council Modification to a Planned Development	Actual Cost (\$5,000.00 minimum)
171	DRC Modification to a Planned Development	Actual Cost (\$3,000.00 minimum)
172	Publication costs for the planned development ordinance shall be paid by the applicant	
173	Transcription fee of Planning Commission minutes	Actual Cost and minimum \$500.00 deposit

Planning Division Certificates of Use and Occupancy

174	Change of use	\$230.00 \$237.00
175	Change of occupancy (excluding change of proprietor of a continuing business enterprise)	\$155.00 \$160.00
176	Use/occupancy clearance if Conditional Use Permit is required or occupancy of a new accessory dwelling unit	No fee

Sign Application

177	New permanent sign	\$310.00 \$320.00
178	Temporary nonresidential sign	\$99.00 \$102.00
179	Change of face only	\$155.00 \$160.00
180	Sign program	\$2,075.00 \$2,141.00

Administrative Land Use Permit

181	Minor telecommunications facility (i.e. microcell, 8,021 lb. or equivalent)	\$1,535.00 \$1,584.00
182	Major telecommunications facility which do not require a Conditional Use Permit	\$3,681.00 \$3,799.00

DEVELOPMENT SERVICES

Other Zoning Approvals Fees

183	Variance <i>Engineering Development Review Service Fee</i>	\$4,671.00 \$4,820.00
		\$1,351.00 \$1,394.00
184	Minor Residential Development (see #151)	\$2,243.00 \$2,315.00
185	Agricultural Preserve Withdrawal	\$3,810.00 \$3,932.00
186	Hazardous Materials Storage Facility Application	Fully allocated rate of all personnel, plus noticing fees
187	Home Occupation Permit	\$155.00 \$160.00
188	Accessory Dwelling Unit	\$1,340.00 \$1,383.00
189	Mobile Home Park Conversion Permit	Fully allocated rate of all personnel with initial deposit of \$5,000.00
190	General Plan/Town Code Amendments	Fully allocated rate of all personnel with initial deposit of \$5,000.00 plus additional fees

Subdivisions

191	Lot Line Adjustment (DRC Approval) <i>Engineering Development Review Service Fee</i>	\$2,128.00 \$2,196.00
		\$3,571.00 \$3,685.00
192	4 Lots or Less (DRC Approval) <i>Engineering Development Review Service Fee</i>	\$8,575.00 \$8,849.00
		\$3,960.00 \$4,087.00
193	4 Lots or Less (as part of a Planned Development) (DRC Approval) <i>Engineering Development Review Service Fee</i>	\$3,541.00 \$3,654.00
		\$4,153.00 \$4,286.00
194	5 Lots or More <i>Engineering Development Review Service Fee</i>	\$9,660.00 \$9,969.00
		\$5,115.00 \$5,279.00
195	5 Lots or More (as part of a Planned Development) (DRC Approval) <i>Engineering Development Review Service Fee</i>	\$4,152.00 \$4,285.00
		\$5,118.00 \$5,282.00
196	Vesting Tentative Map (VTM)	Actual Cost plus \$500.00 deposit and additional fees
197	Lot Merger and Reversion to Acreage (DRC Approval) <i>Engineering Development Review Service Fee</i>	\$1,055.00 \$1,089.00
		\$3,570.00 \$3,684.00
198	Condominium	\$7,445.00 \$7,683.00
199	Condominium (as part of a Planned Development)	\$3,541.00 \$3,654.00
200	Certificate of Compliance (DRC Approval) <i>Engineering Development Review Service Fee</i>	\$3,076.00 \$3,174.00
		\$2,219.00 \$2,290.00
201	VTM applications that require Town Council approval, Subdivision and/or DRC applications that require Planning Commission approval. This fee supplements the above-established fees.	\$2,824.00 \$2,914.00

DEVELOPMENT SERVICES

Miscellaneous Application Fees

202	Time Extensions to Approved Application	50% of current fee (excluding fees based on actual cost)
203	Modification to Approved Application	75% of current fee (excluding fees based on actual cost)
204	Conceptual Development Advisory Committee Review	\$2,966.00
		Special Noticing - Actual Cost (minimum \$500.00 deposit)
205	Push Cart Permit	\$492.00 \$508.00
206	Auto Dealer Events	Smaller Promotional Events \$82.00 \$85.00
		Large Promotional Events \$401.00 \$414.00
207	News rack Permit Fee	\$390.00 \$402.00
208	Firearms Dealer Permit (Town Ordinance 2217 dated 6/17/2013)	Fully allocated hourly rate of all personnel plus any necessary outside costs and initial \$2,000.00 deposit

Environmental Assessment Fees

209	Categorical Exemption	No fee
210	Initial Study Deposit***	Fully allocated hourly rate of all personnel with initial \$5,000.00 deposit
211	Draft Initial Study Review Fee (or actual cost if part of a Planned Development, General Plan and/or Town Code Amendment)	\$2,786.00 \$2,875.00
	<i>Engineering Development Review Service Fee</i>	\$1,931.00 \$1,993.00
212	Environmental Impact Report	Consultant's fee
213	Draft EIR Review Fee	Fully allocated hourly rate of all personnel plus any necessary outside costs
214	Impact Monitoring Program (AB3180)	Fully allocated hourly rate of all personnel plus any necessary outside costs

*****The \$5,000 fee is a deposit only. The specific cost of the Initial Study and any required special studies shall be borne by the applicant. The deposit shall be increased before the Town will authorize work exceeding the amount on deposit. Any deposit balance will be refunded.**

DEVELOPMENT SERVICES

Surcharges

215	General Plan update surcharge	.5% of building valuation for new construction and additions/10% of zone change and subdivision fee
216	Advanced Planning projects	10% of application fee

Appeals

217	Fee to appeal Planning Commission decision to Town Council	Per Residential \$438.00 \$452.00
		Per Commercial, multi-family or tentative map \$1,763.00 \$1,819.00
218	Fee to remand applications from Town Council to Planning Commission	Fully allocated hourly rate for all personnel plus additional fees
219	Fee to appeal Director of Community Development or Development Review Committee decision to Planning Commission	Per Residential \$221.00 \$228.00
		Per Commercial \$882.00 \$910.00
220	Tree appeals	\$90.00 \$93.00
221	Appeal transcription fee of Planning Commission minutes (only applies to appeals from Planning Commission to Town Council)	Actual Cost - minimum \$500.00 deposit

Zoning Research

222	Basic Zoning Letter	\$155.00 \$160.00
223	Legal non-conforming verification	\$650.00 \$671.00
224	Reconstruction of legal non-conforming structures (Burndown Letter)	\$276.00 \$285.00

DEVELOPMENT SERVICES

Other Planning Division Fees

225	Fence Height Exceptions	\$276.00 \$285.00
226	Peer/Technical Review - any remaining deposit will be refunded to the applicant and amounts exceeding the deposit amount will be paid by applicant	Fully allocated hourly rate of all personnel plus any necessary outside costs and initial \$2,000.00 deposit
227	Fees For Additional Tech Review and/or DRC Review - DRC beyond three meetings, Planning Commission hearing beyond two meetings, Town Council hearing beyond one meeting	Fully allocated hourly rate of all personnel involved plus additional fees
228	Consultation	Actual cost on an hourly basis
229	Research Services Minimum Charge	Fully allocated hourly rate for all personnel with initial \$200.00 deposit
230	Building Permit Plan Check Fee	20% of building fee
231	Below Market Price Housing Program In-Lieu Fee	6% of the building permit valuation for the entire project
232	Outdoor Seating Permit	Fully allocated hourly rate for all personnel with initial \$1,000.00 deposit
233	Valet Parking Permit	Fully allocated hourly rate for all personnel with initial \$1,000.00 deposit
234	Parklet Program	Fully allocated hourly rate for all personnel with initial \$1,000.00 deposit

Payment of Application Fees

All application fees are to be paid at the time the applications are submitted to the Community Development Department. If the applicant withdraws an application, which requires a hearing by the Planning Commission, prior to processing the application for the hearing, 40% of the paid application fee shall be refunded to the applicant at the discretion of the Director of Community Development. All other fees are non-refundable.

DEVELOPMENT SERVICES

Engineering Division

The following fees constitute a comprehensive listing of the various fees charged by the Engineering Program. Certain types of application/permits must be reviewed and/or processed by other Town departments or public agencies, which may charge separate fees. Applicants are advised that the fees for those services are not included in the Engineering Program's fees. Where the term "actual cost (s)" is used here it shall mean: materials, supplies (including any costs of noticing or publication), outside consultants and employee cost, (including salary, benefits and overhead).

Engineering Plan Check Fee (Public Improvements & Grading Permits) *

235	Application Fee	\$490.00 \$505.00
236	Under \$20,000.00	15.5% of valuation
237	\$20,000.00 to \$80,000.00	\$3,100.00 \$3,199.00 plus 9% of valuation
238	Greater than \$80,000	\$8,500.00 \$8,772.00 plus 8.5% valuation
239	Each additional plan check beyond three reviews	Fully allocated hourly rate for all personnel

Inspection Fee (Public Improvements & Grading Permits)

240	Under \$20,000.00	7.5% of valuation
241	\$20,000.00 to \$80,000.00	\$1,500.00 \$1,548.00 plus 6.5% of valuation
242	Greater than \$80,000.00	\$5,400.00 \$5,573.00 plus 4.0% of valuation

DEVELOPMENT SERVICES

Work In or Use of Public Right-of-Way *

243	Encroachment Permit - Residential	Work up to \$4,000.00 - \$305.00 \$315.00
		Each additional \$2,000.00 - \$160.00 \$165.00
244	Encroachment Permit - Collector/Arterial Streets**	Work up to \$4,000.00 - \$1,580.00 \$1,631.00
		Each additional \$2,000.00 - \$345.00 \$356.00
245	Outside contractor underground utility locating surcharge (actual cost for outside contractor inspection fee may change)	\$95.00
246	Temporary Encroachment Permit	\$150.00 \$155.00
247	Dumpster Permit	\$150.00 \$155.00
248	Storage Permit	\$150.00 \$155.00 ***

*** Work done at night or on weekends shall be charged the actual costs of staff**

**** Single-family residences located along collector and arterial streets to be charged the residential fees above**

***** \$500.00 refundable Storage Unit Removal Deposit, to cover cost of removal, if abandoned**

NPDES

249	Inspection Fee - Grading Permits	Single Family Residential \$730.00 \$753.00
		Commercial or Multi Family Residential \$1,135.00 \$1,171.00
250	Inspection Fee - Encroachment Permits and Some Storage Permits	Single Family Residential \$200.00 \$206.00
		Commercial or Multi Family Residential \$325.00 \$335.00
		Plus \$485.00 \$501.00 per LID facility
251	Inspection of Storm Water Treatment Measures	\$500.00 \$516.00 per facility
252	Annual Stormwater/Limited Impact Development (LID) Permit	Per Visit and 1st facility inspection \$485.00 \$501.00
		Every additional facility inspection \$160.00 \$165.00
253	C-3 Permit Hydrologic Calculation	Fully allocated hourly rate for all personnel plus any outside cost and initial deposit of \$3,750.00

DEVELOPMENT SERVICES

Engineering Subdivision Map Checking

254	1-4 lots	\$2,855.00 \$2,946.00*
255	5 or more lots	\$3,995.00 \$4,123.00*

****Plus, initial \$3,000 surveyor deposit. Additional deposit(s) of actual surveyor costs may be required for larger projects than 5 or more lots, additional map check review(s), or overall complexity of the map.***

Traffic Impact Analysis or Parking Study

256	Development Review (staff traffic impact analysis or Parking Study)	Actual Cost
		Consultant Report - Consultant Fee
257	Staff Review Fee	\$664.00 \$685.00 plus 10% of the traffic consultant report cost
258	Site Distance Analysis	\$178.00 \$184.00 per review not to exceed two hours. Actual cost for staff time when analysis exceeds two hours.
259	Traffic Impact Mitigation Fee	\$958.00 \$989.00 per new average daily trip generated

Storm Drainage Fees

260	Development Projects	<p>Single family lots Section 24.60.035(b) (3): For subdivision whose lots exceed one acre, the fee shall not exceed that of one acre per lot \$4,228.00 \$4,363.00/ac.</p> <p>Multiple family dwelling units - initial unit \$4,228.00 \$4,363.00/ac.</p> <p>Multiple family dwelling units - each unit after initial (not to exceed \$4,622.00/ac.) \$159.00 \$164.00</p> <p>Commercial, industrial, hospitals, churches, schools, and others \$5,286.00 \$5,455.00/ac.</p>
261	Building/Grading Permits (Building, Structures, & impervious areas)	New impervious surface area, per sq. ft. \$1.00/sq. ft.

DEVELOPMENT SERVICES

Street Improvement In-Lieu Fee

262	Sidewalks	\$16.00/sq. ft. \$20.00/sq.ft.
263	Curb and Gutter	\$68.00/lf. \$100.00/lf.

Other In-Lieu Fee

264	Trail Improvements	\$16.00/per sq. ft. or determined by Director
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Hauling Permits

265	House Moving Fee	\$3,490.00 \$3,602.00*
266	Hauling (Overweight Vehicle) Permit	Daily \$16.00**
		Annual \$90.00

**Plus initial deposit of \$5,000 for facilities damage*

***The current State mandated fee is \$16.00 for Hauling Permit. If the State fee changes, the Hauling Permit fee will change to reflect the same.*

Construction Activities Mitigation Fee (Ordinance 2189)

267	New Buildings and Additions	Residential (per square foot added) \$1.17/sq.ft. \$1.19/sq.ft.*
		Non-residential (per square foot added) \$1.17/sq.ft. \$1.19/sq.ft.*

**These two fees are adjusted based on the Building Cost Index*

Other Engineering Fees

268	Engineering Reversion to Acreage	\$2,395.00 \$2,472.00 plus initial deposit of \$2,500 for surveyor
269	Engineering Lot Merger	\$3,480.00 \$3,591.00 plus surveyor deposit
270	Engineering Lot Line Adjustments	\$3,480.00 \$3,591.00 plus surveyor deposit
271	Certificate of Compliance	\$3,480.00 \$3,591.00 plus surveyor deposit
272	Abandon Excess Public Right-of-Way & Public Easement	\$4,345.00 \$4,484.00 plus surveyor and valuation consultant and planning services

DEVELOPMENT SERVICES

Other Engineering Fees (continued)

273	Geotechnical Peer Review Fees	Fully allocated hourly rate of all personnel plus any outside costs and initial \$2,500 deposit. Larger projects require an initial deposit of \$4,500 to allow for a site visit by the geotechnical peer review consultant.
274	Separate Instrument Dedication Fee (for dedication via grant deeds and not maps)	\$720.00 \$743.00 plus initial deposit of \$2,500 for surveyor
275	Slurry Seal Fee	\$2.50 per sq.ft.
276	Flood Review Fee	Consultant Cost plus 25% Admin Fee
277	Miscellaneous Review Fee*	Actual Cost

****This fee will be implemented for services including, but not limited to, wet weather inspections, annual inspections, review of operations and maintenance reports, coordination with property owner(s) and/or homeowner associations, etc.***

LIBRARY SERVICES

Lost or Damaged Items

1	Replacement of Adult book/AV item	Cost of item plus \$10.00 processing fee
2	Replacement of Teen/Children's book/AV item	Cost of item plus \$5.00 processing fee
3	Replacement of Adult paperback	Cost of item plus \$5.00 processing fee
4	Replacement of magazine	Cost of item plus \$5.00 processing fee

In lieu of above, account holder may replace lost/damage item with new identical copy plus \$2.00 processing fee.

Internet printing and copies

5	Printing per page - Black and White Copies	\$0.15
6	Printing per page - Color Copies	\$0.25

History Project Digital Image

7	Fair Use Fees (for personal use only)	Free – Downloaded via History Website
8	Commercial Use Fees	\$25.00 per high resolution image

Overdue Fees

9	Adult Library materials-	\$.30/day \$10.00 max/per item
10	Children's/Teen materials	\$5.00 per item after six weeks overdue
11	Periodicals-	\$.30/day \$5.00 max/per item

Senior citizens may request an exemption from overdue fees.

PARKS AND PUBLIC WORKS SERVICES

Parks Division

Oak Meadow Park

Picnic Areas (1 through 9)

1	Facility Fee	Resident \$95.00 per site
		Non-Resident \$150.00 per site
2	Facility fee w/Jump House Permit	Resident \$190.00 per site
		Non-Resident \$300.00 per site

Bandstand/Gazebo

3	Non-Profit Event	Resident \$65.00 per hour
		Non-Resident \$120.00 per hour
4	Public Event	Resident \$95.00 per hour
		Non-Resident \$150.00 per hour
5	Deposit (refundable)	\$500.00

Minimum two-hour reservation required.

Special Use Permit – Single Use

6	Permit Fee	Resident \$95.00 per day
		Non-Resident \$150.00 per day
7	Deposit (refundable)	\$100.00

Special Use Permit – Multi-Use

8	Non Profit	Resident \$95.00 per day
		Non-Resident \$150.00 per day
9	Additional Day	Resident \$25.00 per additional day
		Non-Resident \$40.00 per additional day
10	Deposit (refundable)	\$100.00

Multi-Use Permit for recreational/educational purposes only.

PARKS AND PUBLIC WORKS SERVICES

Other Oak Meadow Park Fees

11	Bocce Ball Court Fee	Resident \$95.00 per day
		Non-Resident \$150.00 per day
12	Parking Fee	Resident No Charge
		Non-Resident \$6.00 per vehicle
13	Vehicle Escort Fee	Resident \$75.00
		Non-Resident \$100.00

Creekside Sports Park

Special Use Permit – Single Use

14	Permit Fee	Resident \$95.00 per day
		Non-Resident \$150.00 per day
15	Deposit (refundable)	\$500.00

Special Use Permit – Multi-Use

16	Non Profit	Resident \$95.00 per day
		Non-Resident \$150.00 per day
17	Additional Day	Resident \$55.00 per additional day
		Non-Resident \$75.00 per additional day
18	Deposit (refundable)	\$500.00

Multi-Use Permit for recreational/educational purposes only.

Belgatos, Blossom Hill, La Rinconada, and Live Oak Manor (Groups of 25+ and/or Jump House)

Single Use Permit

19	Permit Fee	Resident \$95.00 per day
		Non-Resident \$150.00 per day
20	Deposit (refundable)	\$100.00

PARKS AND PUBLIC WORKS SERVICES

Multi-Use Permit

21	Permit Fee	Resident \$95.00 per day
		Non-Resident \$150.00 per day
22	Additional Day	Resident \$25.00 per additional day
		Non-Resident \$40.00 per additional day
23	Deposit (refundable)	\$100.00

Multi-Use Permit for recreational/educational purposes only.

Town Plaza Use Permit

A permit fee is \$55.00 per hour for events that close the Town Plaza entirely to the public. This fee will be charged for the number of hours the Town Plaza cannot be used safely by the public due to the event. Additional fees or deposits may be charged for lawn repair, street closures, and/or additional maintenance, as determined by the Parks and Public Works Director and/or Maintenance Superintendent.

Civic Center Lawn Use Permit

A permit fee is \$55.00 per hour for events that restrict the use of the Civic Center Lawn. Additional fees or deposits may be charged for lawn repair, street closures, and/or additional maintenance, as determined by the Parks and Public Works Director and/or Maintenance Superintendent.

Turf Maintenance Fee

Additional fee added to any Park Use or Special Event Permit, when a permit's scheduled activity or event will negatively impact the park turf, (locations including but not limited to Oak Meadow, Town Plaza, and Civic Center lawn areas). The fee amount is to be based upon best estimate of turf repair cost, as determined by the Director of Parks and Public Works and/or Maintenance Superintendent.

PARKS AND PUBLIC WORKS SERVICES

Tree Related Fees

24	Tree Removal Permit Application*	One Tree \$250.00
		Additional Tree \$125.00/each
		If application is denied 50% refund
25	Illegal Tree Removal Administrative Fee	\$330.00
26	Replacement Trees - Town Forestry Fund Per Tree Ordinance Section 29.10.0985	Tree cost for each 24", 36", and/or 48" box size will be the Market Price plus the installation cost, determined by the Director

**Fee will be waived if tree removal is done to implement or maintain Defensible Space.*

Equipment Hourly Rates as Follows

27	Pick-up Truck	\$32.00
28	1 Ton Flatbed Truck	\$42.00
29	Utility Truck	\$57.00
30	Dump Truck (10 Wheel)	\$85.00
31	Dump Truck (Bobtail)	\$63.00
32	Paint Truck	\$85.00
33	Line Remover	\$26.00
34	Tractor Loader	\$63.00
35	Backhoe	\$85.00
36	Rubber-tired Loader	\$85.00
37	Roller	\$63.00
38	Van	\$37.00
39	Concrete Saw	\$32.00
40	Air Compressor	\$32.00
41	Arrowboard	\$32.00
42	Generator	\$26.00
43	Chainsaw	\$20.00
44	Blower	\$10.00
45	Paving Box	\$63.00
46	Rodder	\$63.00
47	High Pressure Sewer Cleaner	\$117.00
48	Brush Chipper	\$42.00
49	Chipper Truck	\$63.00
50	Aerial Unit	\$92.00
51	Street Sweeper	\$92.00
52	Forklift	\$42.00
53	Trailer	\$42.00
54	Message Board	\$10.81
55	Barricades	\$0.23

PARKS AND PUBLIC WORKS SERVICES

Equipment Hourly Rates as Follows (continued)

56	Cones	\$0.15
57	Portable Generators	\$28.04

Streets Division

Hazard and/or Debris Removal

58	Staff time spent to conduct hazard and or debris removal caused by citizen negligence	Fully allocated hourly rate of all personnel plus any outside costs
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Special Events Fees

59	Staff and equipment for special event requests	Fully allocated hourly rate of all personnel
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Electric Vehicle Charging Fee

60	System Connection Fee	\$1.00
61	Hourly Charge - 1- 4 hours	\$1.00/hour
62	Hourly Charge - after 4 hours	\$5.00/hour

POLICE SERVICES

Printing and Copying Charges

1	8 1/2" x 11 and 8 1/2" x 14	\$.25 per page
2	Copy - Digital	\$10.00 per device

Photographs

3	For the first 3	\$42.00
4	Each Additional	\$13.00

Concealed Weapons

5	Permit Fee, DOJ Fee, and Admin Fee	\$100.00
6	Renewal Permit	\$25.00
7	Amended Permit	\$10.00

Tow Trucks

8	Tow Permit	\$95.00
9	Driver Permit	\$370.00

Massage Permit Fees

10	Initial Application for each Therapist	\$213.00
11	Annual Renewal for each Therapist	\$107.00
12	Massage Establishment Permit (initial and subsequent renewals) (Ord 14.110.075)	\$415.00

Fee covers staff time to process application, review pertinent documents, arrange for fingerprints and photographs to be taken and obtain all necessary approvals.

Special Events

13	ABC Application	No charge
14	No Parking Signs	\$0.46/each
15	Officer Staffing	Fully allocated hourly rate of all personnel
16	Bingo Permit	\$170.00

Other Special Police Services – Pursuant to Agreement between Police Chief and Requestor.

POLICE SERVICES

Motion Picture/Television/Commerical Still Photo

17	For-Profit Groups (each)	\$1,609.00
18	Non-For-profit Groups (each)	\$579.00

Emergency Response Caused By

19	DUI Emergency Accident Response (Government Code Section 53155)	Actual costs incurred up to \$12,000.00
20	Second Response due to Disturbances	At current billing rate

Alarm Fees

21	Commercial Alarm Registration Fee	\$95.00
22	Second False Alarm*	\$170.00
23	Third False Alarm*	\$170.00
24	Fourth False Alarm*	\$170.00
25	Fifth False Alarm*	No response, no charge, at the Chief's discretion

**Within a six-month period within a calendar year*

Citation issued for failure to display appropriate Permit or placard. Dismissal fee in lieu of full Bail Amount

26	Handicap CVC22507.8/22500(1)	\$37.00
27	Parking Permits	\$10.00

Parking Permit Fees

Residential Parking Permit

28	Annual residential parking permit/per vehicle (Limit 4 per residence)	\$42.00
29	Visitor guest passes	Two (2) complimentary with the purchase of the primary permit
30	Special Event Permit -First permit (one day)	\$10.00
31	Special Event Permit -Each Additional (one day)	\$2.00
32	Replacement permit for vehicle change (within calendar year)	\$10.00
33	Lost permit replacement	\$37.00
34	Damaged permit replacement (with return of permit)	\$18.00

POLICE SERVICES

Parking Permit Fees (continued)

Business Parking Permit

35	Standard Employee annual	\$248.00
36	Lost permit replacement	\$37.00
37	Damaged permit replacement (with return of permit)	\$18.00

Construction Parking Permit

38	One day parking permit per construction vehicle	\$32.00
39	Each additional day per vehicle	\$5.00

Other Police Fees

40	Fingerprinting - per each Livescan application (Plus additional DOJ or FBI fees which are based on the level of service for the application) Fingerprint fees are subject to increase based on DOJ or FBI fees	\$80.00
41	Subpoena Duces Tecum	Per California Evidence Code Section 1563
42	Solicitor/Peddler's Permit	\$55.00 plus fingerprinting
43	Bicycle Licenses (each)	\$3.00
44	Taxicabs Permit	\$185.00 per business
45	Clearance Letter	\$25.00
46	Horse Drawn Vehicle Permit	\$270.00
47	Firearms Storage Fee	\$245.00 Admin Fee plus \$1.00 per firearm per day for storage
48	Vehicle Release	\$235.00
49	Vehicle Repossession Release Fee (Government Code Section 41612)	\$15.00
50	Non-Los Gatos Cite Sign Off	\$27.00
51	Feral Cat Feeder/Trap Permit	\$42.00



RESOLUTION 2020-

**RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
CONTINUING DEPARTMENT FINES, AND AMENDING CERTAIN FINES FOR FY 2020/21**

WHEREAS, per resolution 2004-97 penalties for violation of the Los Gatos Town Code shall be set forth in a schedule; and

WHEREAS, the last update of the Town of Los Gatos Comprehensive Fine Schedule was adopted on March 19, 2019; and

WHEREAS, those fines currently in effect will remain in effect without interruption, and certain of these shall be increased to reflect best municipal practices.

**NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF LOS GATOS DOES HEREBY
RESOLVE:**

1. That Resolution 2019-011, "Resolution of the Town Council of the Town of Los Gatos Continuing Department Fines, Amending Certain Fines for FY 2019/20" is hereby rescinded; and
2. The Town of Los Gatos Comprehensive Fine Schedule, attached hereto as Exhibit A, shall become effective July 1, 2020.

ATTACHMENT 2

PASSED AND ADOPTED at a regular meeting of the Town Council held on the 17th day of March 2020 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____



TOWN OF LOS GATOS

CALIFORNIA



Comprehensive Fine Schedule

Fiscal Year 2020/21

Cover Photos: Constantino, Evie Julian

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FINES/PENALTIES – TOWN CODE VIOLATION

Per resolution 2004-97 penalties for violation of the Los Gatos Town Code shall be set forth as the below schedule, except:

The penalties for all violations of the Town Code not specifically set forth in the below schedule and do not involve violations of local building and safety codes shall be:

1. one hundred dollars (\$100) for first violation;
2. two hundred and fifty dollars (\$250) for second violation;
3. five hundred dollars (\$500) for each additional violation within one year.

The penalties for all violations of the Town Code not specifically set forth in the below schedule and that involve violations of local building and safety codes and are not otherwise designated as misdemeanors shall be:

1. one hundred dollars (\$100) for first violation;
2. five hundred dollars (\$500) for second violation within one year;
3. one thousand dollars (\$1,000) for each additional violation within one year.

The penalties for all knowing and willful violations of the Town Code shall be:

1. five hundred dollars (\$500) for first violation;
2. one thousand dollars (\$1,000) for each additional violation within thirty-six month thereafter.

For all California Vehicle Code violations, please contact the Superior Court of California County of Santa Clara.

FINES/PENALTIES – TOWN CODE VIOLATION

1.30.025(c)	Late Payment of Fines/Penalties	100% of fine
4.10.030(a)	Animal bites, failure to report	\$150.00
4.10.030(c)	Quarantine violation	\$500.00
4.10.075	Animals and Vehicles	
	First offense	\$100.00
	Second offense within 2 years	\$200.00
	Third subsequent offense within 2 years	\$500.00
4.40.005	Restraint of Dogs	\$100.00
4.40.015	Vaccination of dogs and cats	\$250.00
4.40.020	Registration of dangerous dogs	\$250.00
4.80.050	Penalty, abatement	\$100.00
6.20.155	Building permit requirements	\$50.00
6.40.010	Order to vacate or abate	\$100.00
6.80.010	Order to vacate	\$100.00
9.30.015	Storage of certain substances (populated area)	\$100.00
11.40.060	Illegal dumping (outside park)	\$200.00
11.40.060	Single use carry-out bags	
	First violation	\$100.00
	Second violation within 1 year	\$200.00
	For each additional violation within 1 year	\$500.00
13.20.010	Improper storage of hazardous material	\$100.00
13.20.885	Hazardous material	\$100.00
14.40.105	Peddlers / Solicitors	\$100.00
14.100.020(a)	Special event	\$100.00
14.140.085	Short-term rentals	
	First offense	Warning
	Second offense	\$250.00
	Third offense within 12-month period incurs fine and immediate revocation of the short-term rental license	\$500.00
15.10.025	Roller skating in street	\$100.00
15.10.030	Skateboarding or roller skating	\$100.00
15.10.035	Driving on private property	\$100.00
15.30.035	Entering intersections, etc., without sufficient space on other side	\$135.00
15.30.115	Cruising	
	First offense	\$100.00
	Second offense	\$200.00
	Third or subsequent offense within 2 years	\$250.00
15.40.015	Overtime Parking	\$42.00
15.40.060	Sleeping in vehicle after being warned	\$50.00
15.40.065	Vehicle Storage on Street	\$67.00
15.40.070	Commercial Vehicles in Residential Zones	\$67.00
15.40.075	For Sale/Non Emergency Repair	\$42.00
15.40.080	Preferential Parking	\$52.00
15.40.080(b)	Permit Required Area	\$52.00
15.40.080(c)	Fraudulent use of Permit	\$107.00

FINES/PENALTIES – TOWN CODE VIOLATION

SECTION	OFFENSE	AMOUNT
15.40.085	Posted no Parking Special Events	\$42.00
15.40.090	Parking on Parkway	\$42.00
15.40.095	Marked Parking Space	\$42.00
15.40.100	Parking on Grade	\$42.00
15.40.105	Designated Parking VC22507.8	\$292.00
15.40.110	Marked Curb	\$42.00
15.40.275	Parking in Alleys Restricted to Loading or Unloading	\$42.00
15.50.015	Use of crosswalk by pedestrian	\$25.00
15.50.020	Pedestrian other than right angle	\$25.00
15.50.025	Standing in roadway	\$25.00
16.20.010	Curfew noise disturbance	\$500.00
16.20.015	Exterior noise levels for residential zones	\$500.00
16.20.020	Exterior noise levels for multi-family residence	\$500.00
16.20.025	Noise levels for commercial / industrial zones	\$500.00
16.20.030	Public property noise limits	\$500.00
16.20.035	Construction	\$500.00
16.20.040	Amplified sound	\$500.00
16.20.045	Street sales	\$500.00
16.20.050	Animals and birds	
	First offense	\$50.00
	Second offense within 2 years	\$200.00
	Third or subsequent offense within 2 years	\$500.00
16.20.055	Motor vehicles	\$500.00
16.20.060	Powered equipment	\$500.00
16.30.010	Noise limits	\$500.00
18.10.015(a)	Drinking in public	\$100.00
18.10.015(b)	Open container in public	\$100.00
18.10.020	Meetings (disturbing)	\$100.00
18.10.025(2)	Enter / remain in public while intoxicated	\$100.00
18.30.010(a)	Minor possession alcohol at social gathering	\$100.00
18.30.010(b)	Party host allow minor possession of alcohol	\$500.00
18.30.055	Adults, responsibility for juvenile	\$500.00
18.50.010	Crowds, dispersement	\$100.00
18.70.010	Discharge of firearm, etc. in Town	\$200.00
18.70.035	Sling shot	\$200.00
19.10.020(1)-(5)	Certain acts prohibited within park property	\$100.00
19.10.025(1)-(5)	Behavior of persons within park property	\$100.00
19.10.025(6)	Possess or ignite explosive, fireworks, rockets, etc	\$200.00
19.10.025(7)	Make or kindle a fire except in approved locations	\$100.00
19.10.025(8)-(17)	Behavior of persons within park property	\$100.00
19.10.027(1)	Animals in Parks – Dogs off leash	\$100.00
19.10.027(2)-(6)	Animals in parks – Other provisions	\$100.00
19.10.030(1)-(2)	Sanitation requirements	\$100.00
19.10.035(1)-(9)	Use of vehicles in parks (not subject to CVC or other Town Codes)	\$100.00

FINES/PENALTIES – TOWN CODE VIOLATION

SECTION	OFFENSE	AMOUNT
19.10.037(1)-(6)	Use of bicycles in parks (not subject to CVC or other Town Codes)	\$100.00
19.10.037(1)-(6)	Use of skateboards, skates, scooters	\$100.00
19.10.040	Swimming or wadings in parks	\$100.00
19.10.050(1)-(3)	Advertising, sale of merchandise in parks	\$100.00
19.10.055(1)-(2)	Closing hours for parks, overnight activities prohibited	\$100.00
19.10.060	Closing sections of park	\$100.00
22.30.040	Storm water protections	\$100.00
28.20.030	Non-permit fine Taxicabs	\$100.00

FINES/PENALTIES – LOS GATOS CALIFORNIA FIRE CODE

SECTION	OFFENSE	AMOUNT
106.2.1	Failure to obtain inspection-new installation	\$200.00
109.3.2	Failure to comply with notice / order	\$1,000.00
109.3.4	Destruction of signs - Unauthorized Tampering	\$200.00
301.1	Fire hazard prohibited (citations)	\$100.00
110	Unsafe buildings	\$200.00
401.8	Interference with Fire Department	\$200.00
105.1. 1	Unlawful to operate institutions without occupancy permit	\$200.00
503.2	Plans for access roads	\$100.00
507.5	Plans for fire hydrant systems	\$100.00
501.4	Access road and fire hydrant installation timing	\$100.00
507	Hydrant identification-reflective markers	\$100.00
505	Premises identification	\$100.00
901.6	Fire protection in recreational vehicle and mobile home parks	\$100.00
503.4	Closure of fire roads; obstruction-access road	\$200.00
504.2	Posting of signs on exterior doors blocked by storage	\$100.00
506.1	Key box	\$100.00
901.7	Notification of Fire Department for fire alarm servicing	\$100.00
901.8	Tampering with fire equipment	\$200.00
901.8	Tampering with fire hydrant or fire equipment	\$200.00
901.8.1	Tampering with barriers, etc.	\$200.00
507.5.4	Obstructing fire protection equipment	\$100.00
507.5.5	Clear space around hydrants	\$100.00
509.2	Fire extinguishing equipment obstruction	\$100.00
509.2	Fire alarm equipment obstruction	\$100.00
509.1	Identification of fire protection equipment	\$100.00
906	Sale of defective fire extinguishers	\$200.00
907	Fire alarm systems	\$200.00
307.1	Open burning	\$100.00
307.4.1	Bonfires	\$100.00
304.1.1	Accumulation of waste material	\$150.00
315.1	Storage and handling of readily combustible materials	\$100.00
315.3.4	Combustible storage in attics	\$100.00
807.1	Decorative material	\$100.00
801	Atrium furnishings	\$150.00
603.9	Protection of gas meters	\$100.00
603	Heating appliances	\$100.00
308	Use of open flame restricted	\$100.00
305.2	Discarding burning objects	\$100.00
305.2	Hot ashes and other dangerous materials	\$100.00
311.1	Vacant building (maintenance)	\$100.00
1003.6	Exit obstruction	\$200.00

FINES/PENALTIES – LOS GATOS CALIFORNIA FIRE CODE

SECTION	OFFENSE	AMOUNT
1010.1	Exit doors	\$200.00
1013	Exit illumination	\$200.00
1008.1	Lighting requirements-exit	\$200.00
3309	Reporting of fires	\$100.00
202	False alarms	\$100.00
1018.1	Aisles	\$150.00
1024.1	Use of exit ways	\$200.00
1013.1	Marking and lighting of exits	\$150.00
107.6	Overcrowding	\$200.00
308.1	Open flame	\$100.00
2311.2	Storage and use of flammable and combustible liquids in repair garages	\$100.00
2311.2.3.1	Liquids drained from vehicles	\$150.00
2311.3	Source of ignition	\$100.00
2311.2.2	Oily waste materials	\$100.00
2803.1	Open yard storage	\$100.00
2803.2	Dust control	\$100.00
3103.8	Location of tents and air-supported structures	\$100.00
3103.9	Anchorage required	\$100.00
3104.2	Flame-retardant treatment	\$200.00
3104.12/13	Fire extinguishers and other fire protection equipment	\$100.00
3104.14	Occupant load	\$100.00
3103.12	Exits / Means of Egress	\$100.00
3103.12.8	Maintenance of exit ways	\$100.00
3103.12.7	Exit illumination	\$100.00
3104.6	Smoking	\$100.00
3104.7	Open Flame	\$100.00
3104.15	Heating and cooking equipment	\$100.00
3104.17.2	Storage of flammable or combustible liquid	\$150.00
3104.19	Generators	\$100.00
2108.1	Fire protection	\$100.00
2107.3	Solvent storage	\$100.00
2105.1.5.4	Public access Customer area	\$100.00
2105.1.1	Warning label and signs	\$50.00
2403.2.6	Smoking prohibited	\$100.00
2403.2.7	Welding warning signs	\$100.00
2403.2.1	Electrical wiring and equipment	\$100.00
2404.2	Location of spray-finishing operations	\$200.00
2404.3.2	Spray booths	\$100.00
2404.6.1.2	Dry filters – Drying Apparatus	\$100.00
2404.6	Sources of ignition	\$150.00

FINES/PENALTIES – LOS GATOS CALIFORNIA FIRE CODE

SECTION	OFFENSE	AMOUNT
2404.7	Ventilation of spray booths and spraying areas	\$100.00
2404.9	Limited spraying areas	\$50.00
2403.3	Storage and handling of flammable or combustible liquids	\$75.00
2404.4	Fire protection equipment	\$50.00
2404.5	Operation and maintenance	\$50.00
2404.6.1.2	Drying apparatus	\$50.00
2405.2	Location of dip tank operations	\$150.00
2405.7	Ventilation of vapor areas	\$100.00
2405.6	Sources of ignition	\$150.00
2405.4.1	Fire extinguishing equipment	\$100.00
2405.3.4	Dip tank covers	\$100.00
2405.9	Hardening and tempering tanks	\$100.00
2405.11	Coating operations	\$100.00
2407	Electrostatic apparatus	\$150.00
2408	Organic peroxides and dual-component coatings	\$100.00
2408.5	Source of ignition	\$100.00
5906.5.7	Fire extinguishing materials	\$100.00
5906.1	Handling of magnesium fines (fine magnesium scrap)	\$100.00
202	Hot work area	\$100.00
202	Location of cylinders	\$100.00
2905	Process building	\$100.00
2909	Storage of raw material and finished products	\$100.00
2906	Process mills, mixers and kettles	\$100.00
2904.1	Electrical equipment	\$100.00
2904.3	Protection against static electricity and lighting	\$100.00
2903.4	Fire protection	\$100.00
2901.3	Maintenance	\$100.00
2703.1	Emergency control station and alarms	\$100.00
2703.2.3	Piping and tubing	\$100.00
2703.4	Emergency plan	\$100.00
2703.13	Gas detection	\$100.00
2703.10	Fire protection	\$100.00
2703.15.1	Electrical equipment	\$100.00
2703.15.2	Ventilation requirements	\$100.00
2704	General storage requirements	\$100.00
2704.3.1	Inside HPM storage	\$100.00
2704.3.3	Separation of HPM	\$100.00
2705.3	Handling HPM in existing buildings	\$100.00
2705.3	Requirements for HPM gases	\$100.00
2705.3.2	Transportation of HPM in service corridors	\$100.00
2705.3.4	Design of carts and trucks	\$100.00

FINES/PENALTIES – LOS GATOS CALIFORNIA FIRE CODE

SECTION	OFFENSE	AMOUNT
2303.1	Location of dispensing operations	\$100.00
2303.1	Installation of dispensing devices	\$100.00
2304.1	Supervision of dispensing operations	\$100.00
2305.4	Sources of ignition	\$100.00
2305.6	Signs	\$100.00
2305.5	Fire protection	\$100.00
2305.7	Clearance of combustibles	\$100.00
2305.2	Maintenance	\$100.00
2306.2	Storage of fuel	\$100.00
2306.7	Dispensing	\$100.00
2301.5	Electrical equipment	\$100.00
2301.6	Heating equipment	\$100.00
2305.5	Fire protections	\$100.00
2306.7.9	Vapor recovery	\$100.00
2307.3	Attendants	\$100.00
2307.4	LPG dispensing location	\$100.00
2307.5	LPG dispensing equipment	\$100.00
2308.3	Location for CNG dispensing operations	\$100.00
2308.4	Private fueling of vehicles	\$100.00
2308.6	Manual shut off valve	\$100.00
2308.8	Discharge of CNG from vehicle fuel containers	\$100.00
3003.1	Ventilation	\$100.00
606.12.5	Ammonia discharge	\$100.00
606.7	Emergency signs and labels	\$100.00
5303.1	Compressed gas containers, cylinders and tanks	\$100.00
5303.4	Marking	\$100.00
5303.5	Security	\$100.00
5303.6	Valve protection	\$100.00
5303.7	Separation from hazardous conditions	\$100.00
5303.8	Wiring and equipment	\$100.00
5303.9	Service repair	\$100.00
5303.10	Unauthorized use	\$100.00
5303.11	Exposure to fire	\$100.00
5303.12	Leaks, damage or corrosion	\$100.00
5303.13	Surface or unprotected storage areas	\$100.00
5303.15	Lightning	\$100.00
5304	Storage	\$100.00
5305	Use and handling	\$100.00
5306	Medical gas systems	\$100.00
5503.1	Construction of containers	\$100.00
5503.1	Containers	\$100.00

FINES/PENALTIES – LOS GATOS CALIFORNIA FIRE CODE

SECTION	OFFENSE	AMOUNT
5503.2	Pressure relief devices	\$100.00
5503.4	Marking	\$100.00
5503.60	Electrical equipment	\$100.00
5505.1.2	Piping materials and construction	\$100.00
5505.4	Piping materials and construction	\$100.00
5505.5	Handling	\$100.00
2203.2	Housekeeping	\$100.00
2203.1	Smoking and open flames	\$100.00
5701.4	Permit and plans for flammable and combustible liquid storage electrical	\$100.00
5703.2	Fire protection	\$100.00
5703.4	Spill control and secondary containment	\$100.00
5703.5	Labeling and signs	\$100.00
5704.2.1	Change of tank contents	\$100.00
5704.2.3	Labeling and signs	\$100.00
5704.2.4	Sources of ignition	\$100.00
5704.2.5	Explosion control	\$100.00
5704.2.6	Separation from incompatible materials	\$100.00
5704.2.7	Design of tanks, containers and equipment	\$100.00
5704.2.8	Below grade vaults	\$100.00
5704.2.7.6	Inspection, repair, alteration or reconstruction of tanks and piping	\$100.00
5704.2.8.2	Seismic design	\$100.00
5704.2.7.3	Tank vents for normal venting	\$100.00
5704.2.9.6.1	Prohibited locations of above ground tanks	\$200.00
5704.2.9.6.2	Separation of tanks	\$100.00
5704.2.7.4	Emergency of relief venting for tanks	\$100.00
5704.2.7.5	Tank openings other than vents	\$100.00
5704.2.10	Drainage control and diking	\$100.00
5704.3	Container and portable tank storage outside of buildings	\$100.00
5704.2.9.5	Stationary above ground tank storage inside buildings	\$100.00
5704.3.3	Container and portable tank storage inside buildings	\$100.00
5704.2.11	Underground tank storage	\$100.00
5705.2	Liquid transfer	\$100.00
5705.3.6	Cleaning with Class I or II liquids	\$150.00
5706.2	Storage and dispensing at construction sites	\$100.00
5706.2.8	Tank vehicles and vehicle operation	\$100.00
5001.5	Permits required for hazardous materials	\$200.00
5001.5.1	Hazardous material management	\$100.00
5003.2.1	Design of containers, cylinders and tanks	\$100.00
5003.2.2	Piping, tubing, valves and fittings	\$100.00

FINES/PENALTIES – LOS GATOS CALIFORNIA FIRE CODE

5003.2.3	Suitability of equipment	\$100.00
5003.2.4	Installation of tanks	\$100.00
5003.2.5	Empty containers and tanks	\$100.00
5003.2.6	Maintenance	\$100.00
5003.3	Release of hazardous material	\$1,000.00
5003.4	Material safety data sheets	\$100.00
5003.5	Identification signs	\$100.00
5003.6	Signs	\$100.00
5003.7	Sources of ignition	\$100.00
5003.8	Construction requirement	\$100.00
5003.9	General safety precautions	\$100.00
5003.10	Handling and transportation	\$100.00
5001.6	Facility closure	\$100.00
5001.4	Retail and wholesale storage and display	\$100.00
5001.1	Exempt amounts	\$100.00
5004	Storage, general	\$100.00
6004	Toxic and highly toxic compressed gases	\$100.00
6303	Oxidizers	\$100.00
6203	Organic peroxides	\$100.00
6403	Pyrophoric materials	\$100.00
6703	Water relative solids and liquids	\$100.00
6003	Highly toxic and toxic solids and liquids	\$100.00
6603	Radioactive materials	\$100.00
5403	Corrosives	\$100.00
5005.1.1	Separation from hazardous material storage	\$100.00
5004.2	Spill control	\$100.00
5005.1.5	Emergency power	\$100.00
5005.1.6	Supervision	\$100.00
5005.1.7	Lighting	\$100.00
5005.1.8	Fire extinguishing systems	\$100.00
5005.1.9	Ventilation	\$100.00
5304.1	Container position for gases	\$100.00
NFPA 55	Bulk oxygen systems	\$100.00
NFPA 55	Liquid transfer	\$100.00
6405.3	Silane	\$100.00
5005.2	Indoor dispensing and use	\$100.00
5005.3	Outdoor dispensing and use	\$100.00
5005.4	Handling	\$100.00
3205.2	Ignition sources	\$100.00
3205.4	Aisle maintenance	\$100.00
3206.3	Separation of high-piled storage areas	\$100.00

FINES/PENALTIES – LOS GATOS CALIFORNIA FIRE CODE

3206.4	Fire sprinklers	\$100.00
3206.5	Fire detection	\$100.00
3206.6	Building access	\$100.00
3206.7	Smoke and heat removal	\$100.00
3206.8	Hose stations and hose connections	\$100.00
3206.9	Aisles	\$100.00
3206.10	Portable fire extinguishers	\$100.00
3207.2	Fire protection for solid-piled and shelf storage	\$100.00
3207.3	Pile dimensions and height limitations	\$100.00
3208.2	Fire protection for rack storage	\$100.00
3208.3	Flue spaces	\$100.00
3208.5	Extra-high rack storage systems	\$100.00
6103	Installation of equipment	\$100.00
6104	Location of containers	\$100.00
6105	Prohibited use of Lp-gas	\$100.00
6106	Dispensing	\$100.00
6107	Safety devices	\$100.00
6107.2	Smoking and other sources of ignition	\$100.00
6107.3	Clearance to combustibles	\$100.00
6107.4	Protecting containers from vehicles	\$100.00
6108	Fire protection	\$100.00
6109	Storage of portable containers awaiting use or resale	\$100.00
6110	Containers not in service	\$100.00
6111	Parking and garaging tank vehicles	\$100.00
4811.6	Smoking	\$100.00
6504	Film storage	\$100.00
605.9	Use of temporary wiring	\$100.00
605.1	Abatement of electrical hazards	\$100.00
605.8	Electrical motors	\$100.00
605.5	Extension cords	\$100.00
605.4	Multi plug adaptors	\$100.00
605.4.1	Power taps	\$100.00
605.3	Access to switchboards and panel boards	\$100.00
3301	Fire safety during construction	\$100.00
3304	Precautions against fire	\$100.00
5104	Storage of aerosol products	\$100.00
5106	Retail display of aerosol products	\$100.00



FY 2020/21 Fee Consumer Price Index (CPI) and Building Cost Index (BCI) Adjustments		
Fee Name	FY 2019/20 Adopted	FY 2020/21 Proposed
General Development Fees		
Address Processing Fee - per address	\$160.00	\$165.00
BMP Document Processing Fee	\$575.00	\$593.00
Annexation Fees		
1 Lot	\$3,010.00	\$3,106.00
2 Lots	\$1,505.00	\$1,553.00
3 Lots	\$1,005.00	\$1,037.00
4 Lots	\$755.00	\$779.00
5 Lot or more	\$600.00	\$619.00
Building Permit Fees		
Fee for issuing/reinstating a Building Permit	\$55.00	\$57.00
Additional Building Permit Fee	\$30.00	\$31.00
Demolition Permit	Residential: \$265.00	\$273.00
	Commercial: \$465.00	\$480.00
New Construction and Addition		
Construction Valuation		
\$1.00 to \$500.00	\$32.99	\$33.58
\$501.00 to \$2,000.00	\$32.99 for the first \$500.00 plus \$4.28 for each additional \$100.00 or fraction thereof, to and including \$2,000.00	\$33.58 for the first \$500.00 plus \$4.36 for each additional \$100.00 or fraction thereof, to and including \$2,000.00
\$2,001.00 to \$25,000.00	\$97.23 for the first \$2,000.00 plus \$19.66 for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00	\$98.98 for the first \$2,000.00 plus \$20.01 for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00
\$25,001.00 to \$50,000.00	\$549.32 for the first \$25,000.00 plus \$14.18 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00	\$559.21 for the first \$25,000.00 plus \$14.44 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00
\$50,001.00 to \$100,000.00	\$903.83 for the first \$50,000.00 plus \$9.83 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00	\$920.10 for the first \$50,000.00 plus \$10.01 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00
\$100,001.00 to \$500,000.00	\$1,395.23 for the first \$100,000.00 plus \$7.86 for each additional \$1,000.00 or fraction thereof, to and including \$500,000.00	\$1,420.34 for the first \$100,000.00 plus \$8.00 for each additional \$1,000.00 or fraction thereof, to and including \$500,000.00
\$500,001.00 to \$1,000,000.00	\$4,540.19 for the first \$500,000.00 plus \$6.67 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.00	\$4,621.91 for the first \$500,000.00 plus \$6.79 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.00
\$1,000,001.00 and over	\$7,874.69 for the first \$1,000,000.00 plus \$4.42 for each additional \$1,000.00 or fraction thereof	\$8,016.43 for the first \$1,000,000.00 plus \$4.50 for each additional \$1,000.00 or fraction thereof
Special Services & Inspections		
Inspection outside normal business hours (4 hr. minimum)	\$192.00/hr.	\$198.00/hr.
Re-inspection fees	\$160.00/hr.	\$165.00/hr.
Inspections for which no fee is specifically indicated (2 hr. minimum)	\$160.00/hr.	\$165.00/hr.
Additional plan review required by changes, additions or revisions to plans (1 hr. minimum)	\$152.50/hr.	\$157.00/hr.

FY 2020/21 Fee Consumer Price Index (CPI) and Building Cost Index (BCI) Adjustments		
Fee Name	FY 2019/20 Adopted	FY 2020/21 Proposed
Services for which no fee is specifically indicated (1/2 hr. minimum)	\$160.00/hr.	\$165.00/hr.
Permit/Plan check time extension (per permit) (applies to permits that have not expired)	\$78.00	\$80.00
Express plan review or initial review (1 hr. minimum)	\$160.00/hr.	\$165.00/hr.
Application for the Appeals Building Board Review	\$273.00	\$282.00
Temporary Certificate of Occupancy	\$1,095.00	\$1,130.00
Other Miscellaneous Factors to Determine Construction Valuation		
Convert Garage to habitable space	\$117.00/sq. ft.	\$121.00/sq.ft.
Convert unfinished basement or attic to habitable	\$127.00/sq. ft.	\$131.00/sq.ft.
Pools/Spas (gunite)	\$76.00/sq. ft.	\$78.00/sq.ft.
Siding - aluminum/vinyl/wood	\$32.00/sq. ft.	\$33.00/sq.ft.
Commercial Awning or Canopy	Aluminum \$32.00/sq. ft.	\$33.00/sq.ft.
	Canvas \$24.00/sq. ft.	\$25.00/sq.ft.
Fence or Freestanding Wall (over 6" high)	Wood or metal \$49.00/lf.	\$51.00/sq.ft.
	Masonry \$85.00/lf.	\$88.00/sq.ft.
Decks/Balcony	\$47.00/sq. ft.	\$49.00/sq.ft.
Wood Deck	\$20.00/sq. ft.	\$21.00/sq.ft.
Re-roofs	\$3.00/sq. ft.	\$3.10/sq.ft.
Retaining Walls	\$107.00/lf.	\$110.00/sq.ft.
Special Systems Fees		
Emergency generation, wind power, special HVAC systems, etc.	Plan Review (1 hr. minimum) \$152.50/hr.	Plan Review (1 hr. minimum) \$157.00/hr.
	Field Inspection (2 hr. minimum) \$160.00/hr.	Field Inspection (2 hr. minimum) \$165.00/hr.
Photovoltaic - Roof & Ground Mounted - Residential	Plan Review (1/4 hr. minimum) \$152.50/hr.	Plan Review (1/4 hr. minimum) \$157.00/hr.
	Field Inspection (1 hr. minimum) \$160.00/hr.	Field Inspection (1 hr. minimum) \$165.00/hr.
Photovoltaic - Roof & Ground Mounted - Commercial	Plan Review (1 hr. minimum) \$152.50/hr.	Plan Review (1 hr. minimum) \$157.00/hr.
	Field Inspection (2 hr. minimum) \$160.00/hr.	Field Inspection (2 hr. minimum) \$165.00/hr.
Electrical Permit Fees		
Fee for issuing/reinstating an Electrical Permit	\$55.00	\$57.00
Additional Electrical Permit Fee	\$25.00	\$26.00
Plan Review & Re-inspection Fees		
Plan review fee	25% of Electrical Permit Fee	
Additional plan review	\$152.50/hr.	\$157.00/hr.
Re-inspection fee	\$160.00/hr.	\$165.00/hr.
System Fee Schedule		
Private swimming pools	\$63.00	\$65.00
Public swimming pools	\$114.00	\$118.00
Temporary power poles	\$78.00	\$80.00
Temporary distribution system & temporary lighting	\$38.00	\$39.00
Installation of illuminated signs (each)	\$101.00	\$104.00
Unit Fee Schedule		
Receptacle, switch and lights	\$2.00	\$2.06
Residential appliances/new circuits (cook top, oven, range, disposals, clothes dryers, or other motor operated appliances not exceeding one horsepower)	\$6.00	\$6.19

FY 2020/21 Fee Consumer Price Index (CPI) and Building Cost Index (BCI) Adjustments		
Fee Name	FY 2019/20 Adopted	FY 2020/21 Proposed
Nonresidential appliances/new circuits (medical & dental devices, food, beverage, drinking fountains, laundry machines, or other similar equipment) NOTE: for other types of air conditioners and other motor-driven appliances having larger electrical ratings, see <u>Generators/Motors</u>	\$8.00	\$8.26
Power apparatus (generators, transformers, A/C, heat pumps, baking equipment)	Up to 10 KV, each \$16.00	Up to 10 KV, each \$17.00
	Over 10 KV not over 50 KV, each \$32.00	Over 10 KV not over 50 KV, each \$33.00
	Over 50 KV and not over 100 KV, each \$63.00	Over 50 KV and not over 100 KV, each \$65.00
	Over 100 KV, each \$84.00	Over 100 KV, each \$87.00
Motors	Up to 10 hp \$16.00	Up to 10 hp \$17.00
	Up to 25 hp \$32.00	Up to 25 hp \$33.00
	Up to 55 hp \$63.00	Up to 55 hp \$65.00
	Over 55 hp \$92.00	Over 55 hp \$95.00
Transformers	Up to 5 KVA \$16.00	Up to 5 KVA \$17.00
	Up to 10 KVA \$32.00	Up to 10 KVA \$33.00
	Up to 50 KVA \$53.00	Up to 50 KVA \$55.00
	Over 50 KVA \$77.00	Over 50 KVA \$79.00
Busways/conduits (per 100 ft)	\$8.00	\$8.26
Service equipment	200 amps or less \$78.00	200 amps or less \$80.00
	201 to 999 amps \$108.00	201 to 999 amps \$111.00
	Sub-panels \$38.00	Sub-panels \$39.00
Installation of spas or saunas	\$38.00	\$39.00
Other Electrical Fees		
Duplicate job card	\$25.00	\$26.00
Permit extension (applies to permits that have not expired)	\$78.00	\$80.00
Mechanical Permit Fees		
Fee for issuing/reinstating a Mechanical Permit	\$55.00	\$57.00
Additional Mechanical Permit Fee	\$25.00	\$26.00
Plan Review & Re-inspection Fees		
Plan review fee	25% of Mechanical Permit Fee	
Additional plan review	\$152.50/hr.	\$157.00/hr.
Re-inspection fee	\$160.00/hr.	\$165.00/hr.
Unit Fee Schedule		
Installation, of each heating system, A/C, boiler, compressor or air handler	\$38.00	\$39.00
Each duct repair or alteration	\$11.00	\$11.35
Each fireplace appliance	\$32.00	\$33.00
Each ventilating fan	\$11.00	\$11.35
Installation of separate flue or vents not included with the installation of an appliance	\$11.00	\$11.35
Installation of each hood with mechanical exhaust	Residential \$32.00	Residential \$33.00
	Commercial \$114.00	Commercial \$118.00
Each new or repair of gas piping system	\$70.00	\$72.00
Each additional gas outlet	\$23.00	\$24.00
Installation of evaporative cooler	\$32.00	\$33.00

FY 2020/21 Fee Consumer Price Index (CPI) and Building Cost Index (BCI) Adjustments		
Fee Name	FY 2019/20 Adopted	FY 2020/21 Proposed
Other Mechanical Fees		
Duplicate job card	\$25.00	\$26.00
Permit extension (applies to permits that have not expired)	\$78.00	\$80.00
Plumbing Permit Fees		
Fee for issuing/reinstating a Plumbing Permit	\$55.00	\$57.00
Additional Plumbing Permit Fee	\$25.00	\$26.00
Plan Review & Re-inspection Fees		
Additional plan review	\$152.50/hr.	\$157.00/hr.
Re-inspection fee	\$160.00/hr.	\$165.00/hr.
System Fee Schedule		
Private swimming pools (including heater, water piping, gas piping)	\$92.00	\$95.00
Public swimming pools (including heater, water piping, gas piping)	\$138.00	\$142.00
Lawn sprinkler system on one meter	\$38.00	\$39.00
Each new or repair of gas piping system	\$70.00	\$72.00
Each drainage, sewer system	\$38.00	\$39.00
Radiant floor heating system	\$114.00	\$118.00
Unit Fee Schedule		
Each plumbing fixture or trap or set of fixtures on one trap	\$11.00	\$11.35
Each sewer cleanout, backflow device	\$11.00	\$11.35
Each septic system abatement	\$114.00	\$118.00
Rainwater systems - per drain (inside building)	\$11.00	\$11.35
Each water heater, water softener	\$32.00	\$33.00
Each grease interceptor (750 gallon capacity)	\$78.00	\$80.00
Each grease trap (1-4 fixtures)	\$44.00	\$45.00
Residential water re-piping	\$114.00	\$118.00
Each ejector/sump pump	\$38.00	\$39.00
Each vacuum breaker/hose bib	\$11.00	\$11.35
Each water piping system repair or replacement	\$24.00	\$25.00
Each additional gas outlet	\$24.00	\$25.00
Other Plumbing Fees		
Duplicate job card	\$25.00	\$26.00
Permit extension (applies to permits that have not expired)	\$78.00	\$80.00
Other Fees		
Duplicate Inspection Card	\$30.00	\$31.00
NPDES Inspection Fee (Charged on all building permits with the potential to generate non-point source storm water runoff during construction)	\$70.00	\$72.00
Architecture and Site Applications - Development Review Committee (DRC) Approval*		
New single family detached (HR and RC zones)	\$8,978.00	\$9,265.00
<i>Engineering Development Review Service Fee</i>	\$4,151.00	\$4,284.00
New non-custom single family detached (HR and RC zones) per unit/model, as part of a Planned Development**	\$6,235.00	\$6,435.00
<i>Engineering Development Review Service Fee</i>	\$4,148.00	\$4,281.00
New single family or two family units	\$6,187.00	\$6,385.00
<i>Engineering Development Review Service Fee</i>	\$4,149.00	\$4,282.00

FY 2020/21 Fee Consumer Price Index (CPI) and Building Cost Index (BCI) Adjustments		
Fee Name	FY 2019/20 Adopted	FY 2020/21 Proposed
New single family or two family (any other zone) per unit/model new nonresidential or multiple family per building as part of a Planned Development**	\$4,421.00	\$4,562.00
<i>Engineering Development Review Service Fee</i>	\$4,153.00	\$4,286.00
Minor projects (a development proposal that does not significantly change the size, mass, appearance or neighborhood impact of a structure, property or parking lot)	\$2,243.00	\$2,315.00
<i>Engineering Development Review Service Fee</i>	\$3,186.00	\$3,288.00
Architecture and Site Applications - Planning Commission Approval		
Supplemental fee DRC applications as determined with fee #146 or minor residential development applications or applications that are part of a Planned Development that require Planning Commission approval	\$3,168.00	\$3,269.00
<i>Engineering Development Review Service Fee</i>	\$1,157.00	\$1,194.00
New two family unit	\$9,437.00	\$9,739.00
<i>Engineering Development Review Service Fee</i>	\$4,151.00	\$4,284.00
New nonresidential (includes conceptual Planned Development elevations)	\$10,832.00	\$11,179.00
<i>Engineering Development Review Service Fee</i>	\$4,151.00	\$4,284.00
New multiple family (includes conceptual Planned Development elevations)	\$9,847.00	\$10,162.00
<i>Engineering Development Review Service Fee</i>	\$4,149.00	\$4,282.00
All other (i.e. exceed FAR, major grading, etc.)	\$5,491.00	\$5,667.00
<i>Engineering Development Review Service Fee</i>	\$4,151.00	\$4,284.00
Conditional Use Permits		
Conditional Use Permit	\$6,351.00	\$6,554.00
<i>Engineering Development Review Service Fee</i>	\$1,351.00	\$1,394.00
Conditional Use Permit (when consolidated with another application for new development)	\$1,056.00	\$1,090.00
<i>Engineering Development Review Service Fee</i>	\$774.00	\$799.00
Conditional Use Permit for Minor Restaurant (DRC Approval)	\$3,865.00	\$3,989.00
<i>Engineering Development Review Service Fee</i>	\$1,160.00	\$1,197.00
Conditional Use Permit for Major Restaurant (PC Approval) Tier 1	\$6,351.00	\$6,554.00
<i>Engineering Development Review Service Fee</i>	\$1,736.00	\$1,792.00
Conditional Use Permit for Major Restaurant (PC Approval) Tier 2 includes alcohol and/or entertainment (must pay #159 below with this application)	\$7,506.00	\$7,746.00
<i>Engineering Development Review Service Fee</i>	\$1,735.00	\$1,791.00
Applications that require Town Council Approval (these fees supplement the above established fees)	\$3,012.00	\$3,108.00
<i>Engineering Development Review Service Fee</i>	\$1,158.00	\$1,195.00
Planning Division Certificates of Use and Occupancy		
Change of use	\$230.00	\$237.00
Change of occupancy (excluding change of proprietor of a continuing business enterprise)	\$155.00	\$160.00

FY 2020/21 Fee Consumer Price Index (CPI) and Building Cost Index (BCI) Adjustments		
Fee Name	FY 2019/20 Adopted	FY 2020/21 Proposed
Sign Application		
New permanent sign	\$310.00	\$320.00
Temporary nonresidential sign	\$99.00	\$102.00
Change of face only	\$155.00	\$160.00
Sign program	\$2,075.00	\$2,141.00
Administrative Land Use Permit		
Minor telecommunications facility (i.e. microcell, 8,021 lb. or equivalent)	\$1,535.00	\$1,584.00
Major telecommunications facility which do not require a Conditional Use Permit	\$3,681.00	\$3,799.00
Other Zoning Approvals Fees		
Variance	\$4,671.00	\$4,820.00
<i>Engineering Development Review Service Fee</i>	\$1,351.00	\$1,394.00
Minor Residential Development (see #151)	\$2,243.00	\$2,315.00
Agricultural Preserve Withdrawal	\$3,810.00	\$3,932.00
Home Occupation Permit	\$155.00	\$160.00
Accessory Dwelling Unit	\$1,340.00	\$1,383.00
Subdivisions		
Lot Line Adjustment (DRC Approval)	\$2,128.00	\$2,196.00
<i>Engineering Development Review Service Fee</i>	\$3,571.00	\$3,685.00
4 Lots or Less (DRC Approval)	\$8,575.00	\$8,849.00
<i>Engineering Development Review Service Fee</i>	\$3,960.00	\$4,087.00
4 Lots or Less (as part of a Planned Development) (DRC Approval)	\$3,541.00	\$3,654.00
<i>Engineering Development Review Service Fee</i>	\$4,153.00	\$4,286.00
5 Lots or More	\$9,660.00	\$9,969.00
<i>Engineering Development Review Service Fee</i>	\$5,115.00	\$5,279.00
5 Lots or More (as part of a Planned Development) (DRC Approval)	\$4,152.00	\$4,285.00
<i>Engineering Development Review Service Fee</i>	\$5,118.00	\$5,282.00
Lot Merger and Reversion to Acreage (DRC Approval)	\$1,055.00	\$1,089.00
<i>Engineering Development Review Service Fee</i>	\$3,570.00	\$3,684.00
Condominium	\$7,445.00	\$7,683.00
Condominium (as part of a Planned Development)	\$3,541.00	\$3,654.00
Certificate of Compliance (DRC Approval)	\$3,076.00	\$3,174.00
<i>Engineering Development Review Service Fee</i>	\$2,219.00	\$2,290.00
VTM applications that require Town Council approval, Subdivision and/or DRC applications that require Planning Commission approval. This fee supplements the above-established fees.	\$2,824.00	\$2,914.00
Miscellaneous Application Fees		
Push Cart Permit	\$492.00	\$508.00
Auto Dealer Events	Smaller Promotional Events \$82.00	Smaller Promotional Events \$85.00
	Large Promotional Events \$401.00	Large Promotional Events \$414.00
News rack Permit Fee	\$390.00	\$402.00
Environmental Assessment Fees		
Draft Initial Study Review Fee (or actual cost if part of a Planned Development, General Plan and/or Town Code Amendment)	\$2,786.00	\$2,875.00
<i>Engineering Development Review Service Fee</i>	\$1,931.00	\$1,993.00

FY 2020/21 Fee Consumer Price Index (CPI) and Building Cost Index (BCI) Adjustments		
Fee Name	FY 2019/20 Adopted	FY 2020/21 Proposed
Appeals		
Fee to appeal Planning Commission decision to Town Council	Per Residential \$438.00	Per Residential \$452.00
	Per Commercial, multi-family or tentative map \$1,763.00	Per Commercial, multi-family or tentative map \$1,819.00
Fee to remand applications from Town Council to Planning Commission	Fully allocated hourly rate for all personnel plus additional fees	Fully allocated hourly rate for all personnel plus additional fees
Fee to appeal Director of Community Development or Development Review Committee decision to Planning Commission	Per Residential \$221.00	Per Residential \$228.00
	Per Commercial \$882.00	Per Commercial \$910.00
Tree appeals	\$90.00	\$93.00
Zoning Research		
Basic Zoning Letter	\$155.00	\$160.00
Legal non-conforming verification	\$650.00	\$671.00
Reconstruction of legal non-conforming structures (Burndown Letter)	\$276.00	\$285.00
Other Planning Division Fees		
Fence Height Exceptions	\$276.00	\$285.00
Engineering Plan Check Fee		
Application Fee	\$490.00	\$505.00
\$20,000.00 to \$80,000.00	\$3,100.00 plus 9% of valuation	\$3,199.00 plus 9% of valuation
Greater than \$80,000	\$8,500.00 plus 8.5% valuation	\$8,772.00 plus 8.5% valuation
Inspection Fee		
\$20,000.00 to \$80,000.00	\$1,500.00 plus 6.5% of valuation	\$1,548.00 plus 6.5% of valuation
Greater than \$80,000.00	\$5,400.00 plus 4.0% of valuation	\$5,573.00 plus 4.0% of valuation
Work In or Use of Public Right of Way		
Encroachment Permit - Residential	Work up to \$4,000.00 - \$305.00	Work up to \$4,000.00 - \$315.00
	Each additional \$2,000.00 - \$160.00	Each additional \$2,000.00 - \$165.00
Encroachment Permit - Collector/Arterial Streets**	Work up to \$4,000.00 - \$1,580.00	Work up to \$4,000.00 - \$1,631.00
	Each additional \$2,000.00 - \$345.00	Each additional \$2,000.00 - \$356.00
Temporary Encroachment Permit	\$150.00	\$155.00
Dumpster Permit	\$150.00	\$155.00
Storage Permit	\$150.00***	\$155.00***
NPDES		
Inspection Fee - Grading Permits	Single Family Residential \$730.00	Single Family Residential \$753.00
	Commercial or Multi Family Residential \$1,135.00	Commercial or Multi Family Residential \$1,171.00
Inspection Fee - Encroachment Permits and Some Storage Permits	Single Family Residential \$200.00	Single Family Residential \$206.00
	Commercial or Multi Family Residential \$325.00	Commercial or Multi Family Residential \$335.00
	Plus \$485.00 per LID facility	Plus \$501.00 per LID facility
Inspection of Storm Water Treatment Measures	\$500.00 per facility	\$516.00 per facility
Annual Stormwater/Limited Impact Development (LID) Permit	Per Visit and 1st facility inspection \$485.00	Per Visit and 1st facility inspection \$501.00
	Every additional facility inspection \$160.00	Every additional facility inspection \$165.00
Engineering Subdivision Map Checking		
1-4 lots	\$2,855.00*	\$2,946.00*
5 or more lots	\$3,995.00*	\$4,123.00*

FY 2020/21 Fee Consumer Price Index (CPI) and Building Cost Index (BCI) Adjustments		
Fee Name	FY 2019/20 Adopted	FY 2020/21 Proposed
Traffic Impact Analysis or Parking Study		
Staff Review Fee	\$664.00 plus 10% of the traffic consultant report cost	\$685.00 plus 10% of the traffic consultant report cost
Site Distance Analysis	\$178.00 per review not to exceed two hours. Actual cost for staff time when analysis exceeds two hours.	\$184.00 per review not to exceed two hours. Actual cost for staff time when analysis exceeds two hours.
Traffic Impact Mitigation Fee	\$958.00 per new average daily trip generated	\$989.00 per new average daily trip generated
Storm Drainage Fees		
Development Projects	Single family lots Section 24.60.035(b) (3): For subdivision whose lots exceed one acre, the fee shall not exceed that of one acre per lot \$4,228.00/ac.	Single family lots Section 24.60.035(b) (3): For subdivision whose lots exceed one acre, the fee shall not exceed that of one acre per lot \$4,363.00/ac.
	Multiple family dwelling units - initial unit \$4,228.00/ac.	Multiple family dwelling units - initial unit \$4,363.00/ac.
	Multiple family dwelling units - each unit after initial (not to exceed \$4,622.00/ac.) \$159.00	Multiple family dwelling units - each unit after initial (not to exceed \$4,622.00/ac.) \$164.00
	Commercial, industrial, hospitals, churches, schools, and others \$5,286.00/ac.	Commercial, industrial, hospitals, churches, schools, and others \$5,455.00/ac.
Street Improvement in-lieu fee		
Sidewalks	\$16.00/sq. ft.	\$20.00/sq.ft.
Curb and Gutter	\$68.00/lf.	\$100.00/lf.
Hauling Permits		
House Moving Fee	\$3,490.00*	\$3,602.00**
Construction Activities Mitigation Fee		
New Buildings and Additions	Residential (per square foot added) \$1.17/sq.ft.*	Residential (per square foot added) \$1.19/sq.ft.*
	Non-residential (per square foot added) \$1.17/sq.ft.*	Non-residential (per square foot added) \$1.19/sq.ft.*
Other Engineering Fees		
Engineering Reversion to Acreage	\$2,395.00 plus initial deposit of \$2,500 for surveyor	\$2,472.00 plus initial deposit of \$2,500 for surveyor
Engineering Lot Merger	\$3,480.00 plus surveyor deposit	\$3,591.00 plus surveyor deposit
Engineering Lot Line Adjustments	\$3,480.00 plus surveyor deposit	\$3,591.00 plus surveyor deposit
Certificate of Compliance	\$3,480.00 plus surveyor deposit	\$3,591.00 plus surveyor deposit
Abandon Excess Public Right-of-Way & Public Easement	\$4,345.00 plus surveyor and valuation consultant and planning services	\$4,484.00 plus surveyor and valuation consultant and planning services
Separate Instrument Dedication Fee (for dedication via grant deeds and not maps)	\$720.00 plus initial deposit of \$2,500 for surveyor	\$743.00 plus initial deposit of \$2,500 for surveyor

FY 2020/21 Fee Adjustments, Reclassifications, Deletions and Additions		
Fee Name	FY 2019/20 Adopted	FY 2020/21 Proposed
Other Services		
Credit Card Processing Fee for all transactions above \$30.00	2.40%	2.20%
General Development Fees		
Community Benefit	No standard schedule, as offered and applied per project	Delete Fee
Overdue Fees		
Adult Library materials	\$.30/day \$10.00 max/per item	Delete Fee
Children’s/Teen materials	\$5.00 per item after six weeks overdue	Delete Fee
Periodicals	\$.30/day \$5.00 max/per item	Delete Fee
Tree Related Fees		
Tree Removal Permit Application	One Tree \$250.00	Add a note that fee will be waived when tree removal is done to implement or maintain Defensible Space
	Additional Tree \$125.00/each	
	If application is denied 50% refund	
Massage Permit Fees		
Initial Application for each Therapist	\$213.00	Delete Fee
Annual Renewal for each Therapist	\$107.00	Delete Fee



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/17/2020

ITEM NO: 10

ADDENDUM

DATE: February 27, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Fee and Fine Schedules for Fiscal Year 2020/21
a. Adopt a resolution approving the Comprehensive Fee Schedule for FY 2020/21 to continue certain department fees, rates, and charges, and amending certain fees, rates, and charges for FY 2020/21.
b. Adopt a resolution approving the Comprehensive Fine Schedule for FY 2020/21 to continue certain department fines.

REMARKS:

Town staff request that the item be continued to the April 7, 2020 meeting to allow for public discussion of this item.

PREPARED BY: Stephen Conway
Finance Director

Reviewed by: Town Manager, Assistant Town Manager, and Town Attorney
