



**TOWN OF LOS GATOS
COUNCIL MEETING AGENDA
SEPTEMBER 17, 2019
110 EAST MAIN STREET
LOS GATOS, CA**

Steve Leonardis, Mayor
Marcia Jensen, Vice Mayor
Rob Rennie, Council Member
Marico Sayoc, Council Member
Barbara Spector, 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 Clerk Administrator. 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]

**TOWN OF LOS GATOS
COUNCIL MEETING AGENDA
SEPTEMBER 17, 2019
7:00 PM**

MEETING CALLED TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

- i. Community Pledge Leader - Diane Goldberg, Kiwanis Club of Los Gatos

PRESENTATIONS

- ii. Small Business, Big Applause - Los Gatos Cafe

CLOSED SESSION REPORT

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 September 3, 2019.
- 2. Adopt a Resolution Approving Amended Tract Map 10441 (North 40 Phase 1) and Accepting the Dedications.
- 3. Authorize the Town Manager to Execute an Agreement for Services with JLP Building Maintenance to Provide Custodial Services Effective October 1, 2019 Through June 30, 2024, Including a Five Percent Contingency for Special or Unforeseen Cleanings for a Total Amount Not to Exceed \$165,640 in Fiscal Year 2019/20, and \$220,853 Annually Thereafter and a Total Agreement Amount Not to Exceed \$1,049,052.
- 4. Authorize the Town Manager to Execute a Certificate of Acceptance and Notice of Completion for the Work of Mercoza Engineering and Authorize Recording by the Town Clerk for PPW Job No. 18-813-9921 Annual Curb, Gutter, and Sidewalk Maintenance Project.
- 5. Authorize the Town Manager to Execute a First Amendment to the Agreement for Services with Pro-Sweep Effective October 1, 2019 Through June 30, 2024 for an Additional Not to Exceed Amount of \$292.50 per Month Plus Annual Consumer Price Index Adjustments for Additional Street Sweeping Services.
- 6. Adopt Performance Metrics for the School Bus Pilot Program and Authorize the Town Manager to Issue a Request for Qualifications for Outsourcing Operations Oversight and Customer Service Functions.
- 7. Adopt an Ordinance of the Town of Los Gatos Amending Chapter 2, Article II, Section 2.20.035, Election of Mayor and Vice-Mayor.

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.)*

PUBLIC HEARINGS *(Applicants/Appellants and their representatives may be allotted up to a total of ten minutes maximum for opening statements. Members of the public may be allotted up to three minutes to comment on any public hearing item. Applicants/Appellants and their representatives may be allotted up to a total of five minutes maximum for closing statements. Items requested/recommended for continuance are subject to Council's consent at the meeting.)*

8. Town Code Amendment Application A-19-006. Project Location: **Town Wide**. Applicant: Town of Los Gatos. Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding Parking Assessment District regulations.
9. Town Code Amendment Application A-19-004. Project Location: **Town Wide**. Applicant: Town of Los Gatos. Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding parking lot improvement regulations.
10. Town Code Amendment Application A-19-005. Project Location: **Town Wide**. Applicant: Town of Los Gatos. Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding valet parking regulations.

OTHER BUSINESS *(Up to three minutes may be allotted to each speaker on any of the following items.)*

11. Consider Pension Plan IRS Section 115 Trust Options, Terminate the PARS Agreement, and Direct Staff to Return to Council with an Agreement to Initiate a California Employers' Pension Prefunding Trust (CEPPT).
12. Discussion and Direction on Mills Act Ordinance and Implementation Program Preparation.

COUNCIL / MANAGER MATTERS

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: 09/17/2019

ITEM NO: 1

**DRAFT
Minutes of the Town Council Meeting
September 3, 2019**

The Town Council of the Town of Los Gatos conducted a Regular Meeting on Tuesday, September 3, 2019, at 7:00 p.m.

MEETING CALLED TO ORDER AT 7:01 P.M.

ROLL CALL

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

Absent: None

PLEDGE OF ALLEGIANCE

Kamron Emami led the Pledge of Allegiance. The audience was invited to participate.

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

1. Approve the Town Council meeting minutes of August 20, 2019.
2. Approve the Town Investment Policy to Include Socially Responsible Investment Guidelines as recommended by the Council Finance Committee. **POLICY 4-02**
3. Approve the Town's Response to the Santa Clara County Civil Grand Jury Report on "Inquiry into the Governance of the Valley Transportation Authority" Dated June 18, 2019.
4. Authorize the Town Manager to Execute a First Amendment to the Agreement for Consultant Services with CSG Consultants, Inc. to Provide for an Additional \$100,000, for a Total Agreement Not to Exceed \$600,000.
5. Adopt the Council Policy Committee's Recommendation to Amend Council Policy 2-11 to Allow Applicants to Apply for More than One Board, Commission, or Committee Per Recruitment Cycle. **POLICY 2-11**

MOTION: Motion by Vice Mayor Jensen to approve the Consent Items. **Seconded by Council Member Rennie.**

VOTE: Motion passed unanimously.

VERBAL COMMUNICATIONS

None.

PUBLIC HEARINGS

6. Introduction of an Ordinance of the Town of Los Gatos Amending Chapter 2, Article II, Section 2.20.035, Election of Mayor and Vice-Mayor.

Robert Schultz, Town Attorney, presented the staff report.

Opened and closed Public Comment.

Council discussed the matter.

MOTION: Motion by Vice Mayor Jensen to introduce an Ordinance, by title only, amending Chapter 2, Article II, Section 2.20.035, Election of Mayor and Vice-Mayor. **Seconded by Council Member Rennie.**

VOTE: Motion passed unanimously.

The Town Clerk read the title of the ordinance.

OTHER BUSINESS

7. Adopt an Ordinance between the Board of Administration California Public Employees' Retirement System and the Town Council to add Government Code Section 20516, Employees Sharing Additional Cost, for Classic Local Police Members in the Los Gatos Police Officers' Association. **ORDINANCE 2287**

Lisa Velasco, Human Resources Director, presented the staff report.

Opened and closed Public Comment.

Council discussed the matter.

MOTION: Motion by Vice Mayor Jensen to adopt an ordinance between the Board of Administration California Public Employees' Retirement System and the Town Council to add Government Code Section 20516, Employees Sharing Additional Cost, for Classic Local Police Members in the Los Gatos Police Officers' Association. **Seconded by Council Member Rennie.**

VOTE: Motion passed unanimously.

Other Business Item #8 – continued

8. Receive the Private Sector Arts Contribution Program Report and Direct the Preparation of an Ordinance Designating One Percent of Building Valuation Costs of New Development for Funding Public Arts.

Ryan Baker, Library Director, presented the staff report.

Opened Public Comment.

Michael Miller, Arts and Culture Commission member

- Commented in support of moving forward with an ordinance.

Closed Public Comment.

Council discussed the matter.

MOTION: Motion by Mayor Leonardis to direct the preparation of an ordinance with a fee amount of two percent of building valuation. **Failed for lack of a second.**

MOTION: Motion by Council Member Spector to direct the preparation of an ordinance and ask the preparers to determine the fee with respect to the percentage of building valuation. **Seconded by Mayor Leonardis.**

VOTE: Motion passed 4/1. Vice Mayor Jensen voting no.

9. Provide Direction Regarding the Town's Priorities for its Annual Community Grants Program.

Ryan Baker, Library Director, presented the staff report.

Opened Public Comment.

Catherine Somers, Los Gatos Chamber of Commerce Executive Director

- Commented on the proposal.

Closed Public Comment.

Council discussed the matter and provided direction on each of the six discussion questions contained in the staff report.

COUNCIL/TOWN MANAGER REPORTS

Council Matters

- Council Member Sayoc stated she attended the Silicon Valley Clean Energy Authority (SVCEA) meeting.
- Council Member Spector stated she attended the Council Policy Committee meeting.
- Mayor Leonardis stated he attended the West Valley Mayors and Managers meeting.
- Vice Mayor Jensen stated she attended the Council Policy Committee.
- Council Member Rennie stated he attended the SVCEA Finance Committee, the Emergency Operating Area Council Committee, the VTA Capital Programs Committee, and the County Supervisors meetings.

Manager Matters

- Town Manager Prevetti announced that Leadership Los Gatos applications are being accepted through September 6, 2019.

Mayor Leonardis stated previous Town Attorney Mary Jo Levinger passed away and adjourned the meeting in her honor.

ADJOURNMENT

The meeting adjourned at 8:35 p.m.

Attest:

Shelley Neis, Town Clerk



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 09/17/2019

ITEM NO: 2

DATE: September 12, 2019
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Adopt a Resolution Approving Amended Tract Map 10441 (North 40 Phase 1) and Accepting the Dedications

RECOMMENDATION:

Adopt a resolution (Attachment 1) approving amended Tract Map 10441 (North 40 Phase 1) and accepting the dedications

BACKGROUND:

Following a Santa Clara County Superior Court decision on June 9, 2017, the Town Council reconsidered the Phase 1 Architecture and Site and Subdivision application for the North Forty project during the Council's July 24, 2017 Council meeting. At this meeting, the Council continued the matter to the August 1, 2017 Council meeting with direction to staff to provide additional information. On August 1, 2017, the Town Council approved the Phase 1 application for the project.

On September 18, 2018, the Town Council approved the Final Map for Tract Number 10441 (North 40 Phase 1), accepting the right of way dedications along the project's Lark Avenue frontage as well as various easements within the development area.

DISCUSSION:

The developer, SummerHill N40 LLC, is required to dedicate property for public service easements, public access easements, and emergency vehicle access easements within the North Forty development. These property dedications and easements were shown on the final

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

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

SUBJECT: Adopt a Resolution Approving Amended Tract Map 10441 (North 40 Phase 1)
and Accepting the Dedications

DATE: September 12, 2019

DISCUSSION (continued):

tract map approved by the Council on September 18, 2018. During the Engineering Division's review of the developer's construction drawings, it was determined that a small portion of the internal public paths extended beyond the easement boundaries. These public paths must be placed within a dedicated public access easement.

The developer, SummerHill N40 LLC, has filed an Amended Final Map for Tract Number 10441 to rectify this situation and dedicate to the Town the necessary additional public access easements. The attached amended final map ensures that all internal multi-use paths fall within easements dedicated to the Town to allow for the public's use and enjoyment of these bicyclist- and pedestrian-friendly features.

CONCLUSION:

Staff recommends that Council adopt a resolution approving the amended final map and accepting the dedications for Amended Tract Map 10441 (North 40 Phase 1).

COORDINATION:

This project has been coordinated with the Town Attorney and the Community Development Department.

FISCAL IMPACT:

There is no fiscal impact for the Town as the dedication of additional public access easements involves private property. Infrastructure within the project, including roadways, landscaping, etc., will be maintained privately.

ENVIRONMENTAL ASSESSMENT:

As part of the Specific Plan preparation process, the Town also prepared and circulated an Environmental Impact Report (EIR) that analyzed the potential environmental consequences of the Specific Plan, in accordance with the California Environmental Quality Act (CEQA). The EIR can be found at the following link: www.losgatosca.gov/DocumentCenter/Index/413. The Town Council certified the Final EIR on June 17, 2015.

Attachments:

1. Resolution Approving Amended Tract Map 10441 (North 40 Phase 1) and Accepting the Dedications.
2. Amended Final Map for Tract No. 10441 (North 40 Phase 1).

RESOLUTION 2019-

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS
APPROVING AMENDED TRACT MAP 10441 AND ACCEPTING THE DEDICATIONS**

WHEREAS, on August 1, 2017, the Town Council of the Town of Los Gatos approved the Vesting Tentative Map Application M-13-014, with conditions; and

WHEREAS, on September 18, 2018, the Town Council of the Town of Los Gatos approved the Final Map of Tract No. 10441 (North 40 Phase 1); and

WHEREAS, the developer, SummerHill N40 LLC, is required to dedicate property for public service easements, public access easements, and emergency vehicle access easements within the North Forty Development and these were shown on the final tract map approved by the Town Council on September 18, 2018; and

WHEREAS, the final placement of the internal public multi-use path extended beyond these easement boundaries; and

WHEREAS, the developer has amended the final map to dedicate to the Town the necessary additional public access easements;

NOW, THEREFORE, BE IT RESOLVED that the certain Amended Tract Map 10441 in the Town of Los Gatos, dated July 2019, and prepared by MacKay & Soms Civil Engineers, Inc., for approval by the Town Engineer of the Town of Los Gatos, is hereby approved; all offers of land for public use therein made on said map are hereby accepted, in substantial conformance to the Conditions of approval as set forth above and subject to final Town Attorney approval.

PASSED AND ADOPTED at a regular meeting of the Town Council held on the 17th day of September 2019, by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CA

ATTEST:

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

FEE OWNER:

AS OWNERS: SUMMERHILL N40 LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

DESCRIPTION OF AMENDMENT:

TRACT 10441 A SUBDIVISION OF THE LAND DESCRIBED IN THOSE CERTAIN GRANT DEEDS, RECORDED AS DOCUMENT NO. 23085764, 23297275, 23297434, 23942364, AND 23942365 SANTA CLARA COUNTY RECORDS, TOWN OF LOS GATOS, SANTA CLARA COUNTY, CALIFORNIA IS HEREBY AMENDED BY "AMENDED TRACT 10441 THE LAND DESCRIBED IN THOSE CERTAIN GRANT DEEDS, RECORDED AS DOCUMENT NO. 23085764, 23297275, 23297434, 23942364, AND 23942365. IN ACCORDANCE WITH SECTIONS 66469 THROUGH 66472.1 OF THE SUBDIVISION MAP ACT.

ADD PUBLIC ACCESS EASEMENT "PAE", AND PUBLIC SERVICE EASEMENT "PSE" AS FOLLOWS:

- THE PORTION OF LOTS 9, 12, 15, 19, 21, AND 25 DESIGNATED AS PAE AND PSE AS SHOWN HEREON.

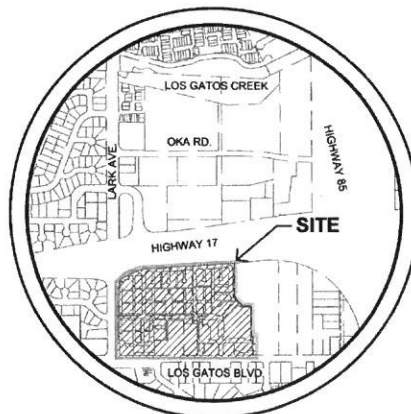
AMENDED MAP TRACT 10441

FOR CONDOMINIUM PURPOSES
BEING A SUBDIVISION OF THE LAND DESCRIBED IN THOSE
CERTAIN GRANT DEEDS, RECORDED AS DOCUMENT NO.
23085764, 23297275, 23297434, 23942364, AND 23942365
SANTA CLARA COUNTY RECORDS
TOWN OF LOS GATOS, SANTA CLARA COUNTY, CALIFORNIA

Mackay & Somp

PLANNERS SURVEYORS
31425 FRANKLIN DR. PLACENTIA, CA 94666 (916) 322-1000

JULY 2019




VICINITY MAP
NOT TO SCALE

TOWN SURVEYOR'S STATEMENT:

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP AND I AM SATISFIED THAT SAID MAP IS TECHNICALLY CORRECT, IN ACCORDANCE WITH SECTION 66442 OF THE GOVERNMENT CODE (SUBDIVISION MAP ACT).

DEAN ANDREW JURADO
L.S. NO. 9032
ACTING TOWN SURVEYOR

DATE: _____



COUNTY RECORDER'S STATEMENT

FILED THIS _____ DAY OF _____, 2019, AT _____ A.M./P.M., IN BOOK _____
OF MAPS, AT PAGES _____ THRU _____ SANTA CLARA COUNTY RECORDS, AT THE
REQUEST OF FIRST AMERICAN TITLE COMPANY.

FILE NO. _____ REGINA ALCOMENDRAS, COUNTY RECORDER
SANTA CLARA COUNTY, CALIFORNIA

FEE: \$ _____ BY: _____

STATEMENT OF THE COUNCIL OF THE TOWN OF LOS GATOS

IT IS ORDERED THAT THE MAP OF TRACT NO. 10441 IS HEREBY APPROVED.

THAT ALL STREETS, ROADS, EASEMENTS AND OTHER PARCELS OF LAND SHOWN UPON SAID MAP AND
THEREIN OFFERED FOR DEDICATION ARE HEREBY ACCEPTED FOR THE PURPOSES FOR WHICH THEY ARE
OFFERED.

I HEREBY STATE THAT THE FOREGOING ORDER WAS ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF
LOS GATOS, CALIFORNIA, AT A MEETING HELD ON THE _____ DAY OF _____, 2019; BY
RESOLUTION NO. _____.

CLERK ADMINISTRATOR
TOWN OF LOS GATOS

DATE: _____

SURVEYOR'S STATEMENT:

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF SUMMERHILL 1940 LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, ON OCTOBER 2017. I HEREBY STATE THAT ALL MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED OR THAT THEY WILL BE SET IN THOSE POSITIONS WITHIN TWELVE MONTHS OF THE RECORDING OF THIS MAP, AND THE COMPLETION OF IMPROVEMENTS, AND THAT THE MONUMENTS ARE, OR WILL BE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED, AND THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE APPROVED OR CONDITIONALLY APPROVED TENTATIVE MAP.


IAN BRUCE MACDONALD,
L.S. NO. 8817

DATE: 7/10/19



TOWN ENGINEER'S STATEMENT:

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP, THE SUBDIVISION AS SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP AND ANY APPROVED ALTERATIONS THEREOF, AND ALL PROVISIONS OF THE SUBDIVISIONS MAP ACT AND LOCAL ORDINANCES APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP HAVE BEEN COMPLIED WITH.

LISA PETERSEN, TOWN ENGINEER
R.C.E. NO. 46782

DATE: _____

SIGNATURE OMISSIONS:

PURSUANT SECTION 66436 OF THE CALIFORNIA SUBDIVISION MAP ACT, THE SIGNATURES OF THE FOLLOWING PARTIES HAVE BEEN OMITTED:

PACIFIC GAS & ELECTRIC EASEMENTS

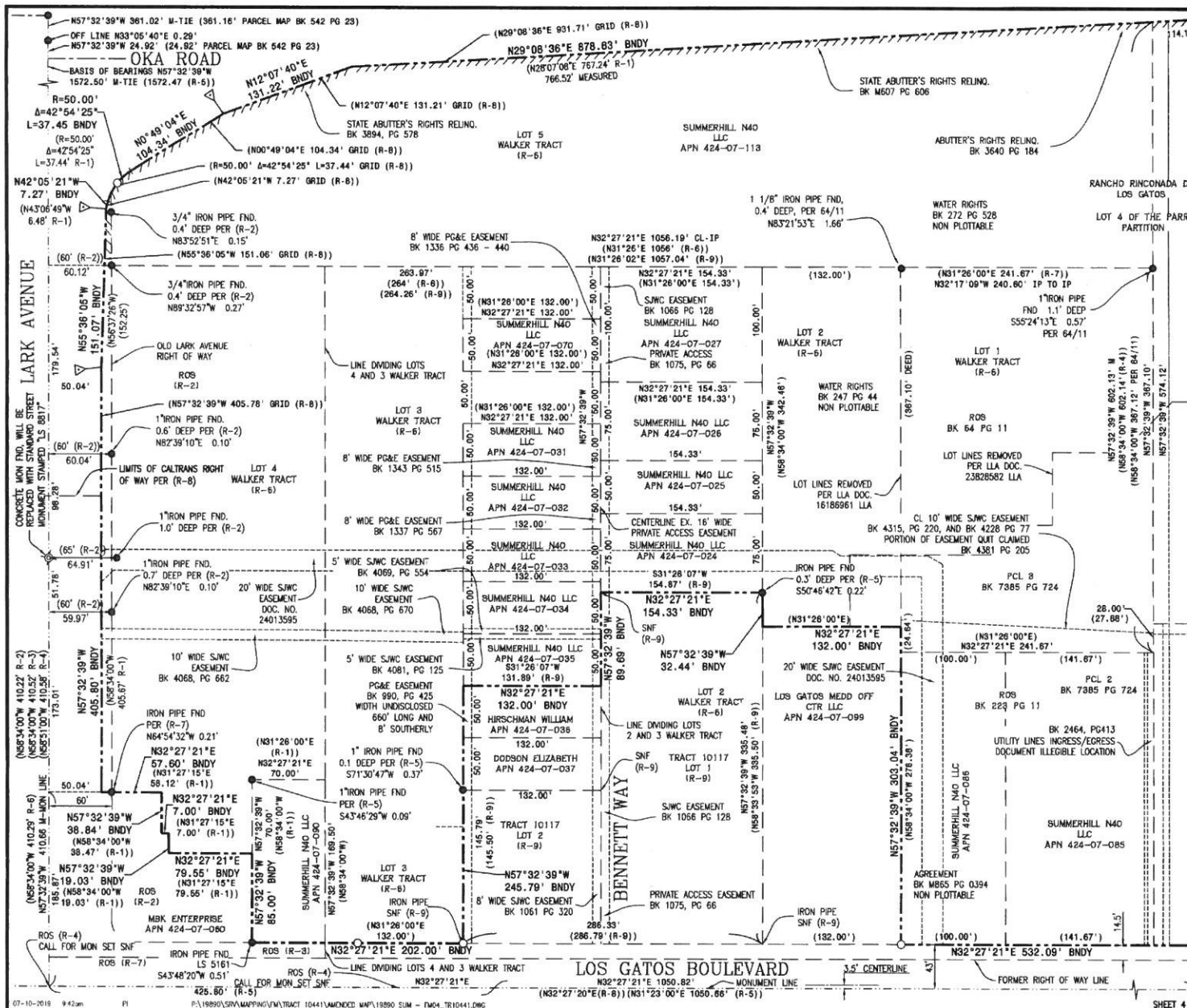
1. BOOK 890 PAGE 425, SANTA CLARA COUNTY RECORDS
2. BOOK 1337 PAGE 587, SANTA CLARA COUNTY RECORDS
3. BOOK 1343 PAGE 515, SANTA CLARA COUNTY RECORDS
4. BOOK 1336 PAGES 436 - 440, SANTA CLARA COUNTY RECORDS

SAN JOSE WATER COMPANY

1. BOOK 1061 PAGE 320, SANTA CLARA COUNTY RECORDS
2. BOOK 1068 PAGE 128, SANTA CLARA COUNTY RECORDS
3. BOOK 4068 PAGE 662, SANTA CLARA COUNTY RECORDS
4. BOOK 4068 PAGE 670, SANTA CLARA COUNTY RECORDS
5. PAGE 4068 PAGE 554, SANTA CLARA COUNTY RECORDS
6. BOOK 4228 PAGE 77, SANTA CLARA COUNTY RECORDS
7. BOOK 4315 PAGE 220, SANTA CLARA COUNTY RECORDS

AMENDED MAP TRACT 10441
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TOWN OF LOS GATOS, SANTA CLARA COUNTY, CALIFORNIA

Mackay & Somp
SURVEYORS
11420 FRANKLIN DR. PLEASANTON, CA 94568 (925) 225-0990
JULY 2019



LEGEND

- BOUNDARY LINE
- RIGHT OF WAY LINE
- LOT LINE/PARCEL LINE
- EXISTING PROPERTY/RIGHT OF WAY LINE
- EASEMENT LINE
- EXISTING EASEMENT LINE
- MONUMENT LINE
- NON-ACCESS EASEMENT
- FOUND CITY STANDARD MONUMENT
- SET 2" BRASS DISK IN MONUMENT WELL
- STAMPED "LS 8817"
- FOUND IRON PIPE UNLESS OTHERWISE NOTED
- SET NAIL AND TAG STAMPED "LS 8817"
- ANGLE POINT
- BOUNDARY
- CENTERLINE
- EXISTING
- MONUMENT
- PROPERTY LINE
- EMERGENCY VEHICLE ACCESS EASEMENT
- PAC
- PSE
- SNF
- TOTAL
- RECORD OF SURVEY
- SAN JOSE WATER COMPANY
- SANTA CLARA COUNTY RECORDS
- BOOK
- PAGE
- OFFICIAL RECORDS
- RADIAL BEARING
- PULLBACK DISTANCE
- REFERENCE
- INDICATES SHEET NUMBER

- REFERENCES:**
- (R-1) CERTIFICATE OF LOT LINE ADJUSTMENT DOCUMENT 17017008 RECORDED MAY 6, 2003, SCOR
 - (R-2) ROS LARK AVENUE RECORDED JUNE 19, 1963 IN BOOK 162 OF MAPS AT PAGE 51, SCOR
 - (R-3) ROS RECORDED MAY 23, 1968 IN BOOK 580 OF MAPS AT PAGE 44, SCOR
 - (R-4) ROS RECORDED NOVEMBER 1, 1968 IN BOOK 216 OF MAPS AT PAGES 10 TO 19, SCOR
 - (R-5) ROS RECORDED FEBRUARY 25, 1970 IN BOOK 264 OF MAPS AT PAGES 49 TO 54, SCOR
 - (R-6) RECORDED MAP OF THE SUBDIVISION OF PART OF THE WALKER TRACT RECORDED JUNE 12, 1895 IN BOOK F OF MAPS AT PAGE 40, SCOR
 - (R-7) ROS RECORDED AUGUST 15, 1958 IN BOOK 98 OF MAPS AT PAGE 33, SCOR
 - (R-8) CALIFORNIA DEPARTMENT OF TRANSPORTATION DISTRICT 4 MONUMENT MAP DATED FEBRUARY 26, 1997, OR. NO. S-366.22, S-366.23, S-366.24, AND S-366.27
 - (R-9) TRACT NO. 10117 RECORDED IN BOOK 854 OF MAPS AT PAGES 1 TO 3, SCOR

BASIS OF BEARINGS:
THE BASIS OF BEARINGS FOR THIS MAP IS BEARING OF NORTH 57°32'39" EAST BETWEEN FOUND MONUMENTS ON LARK AVENUE, AS SHOWN CALIFORNIA DEPARTMENT OF TRANSPORTATION MONUMENT MAP S-366.27

NOTES:

- ALL DISTANCES SHOWN ARE GROUND LEVEL DISTANCES.
- EXISTING SAN JOSE WATER COMPANY (SNWC) EASEMENTS WITHIN THE LIMITS OF TRACT 10441 TO BE OUTLINED BY SEPARATE INSTRUMENT SUBSEQUENT TO THE FILING OF TRACT 10441.

AMENDED MAP TRACT 10441
FOR CONDOMINIUM PURPOSES
BEING A SUBDIVISION OF THE LAND DESCRIBED IN THOSE CERTAIN GRANT DEEDS, RECORDED AS DOCUMENT NO. 23065794, 23297275, 23297434, 23942304, AND 23942305 SANTA CLARA COUNTY RECORDS
TOWN OF LOS GATOS, SANTA CLARA COUNTY, CALIFORNIA

MACKAY & SOMPS
ENGINEERS
20000 FARMER BLVD. PLEASANTON, CA 94566 (925) 275-1880

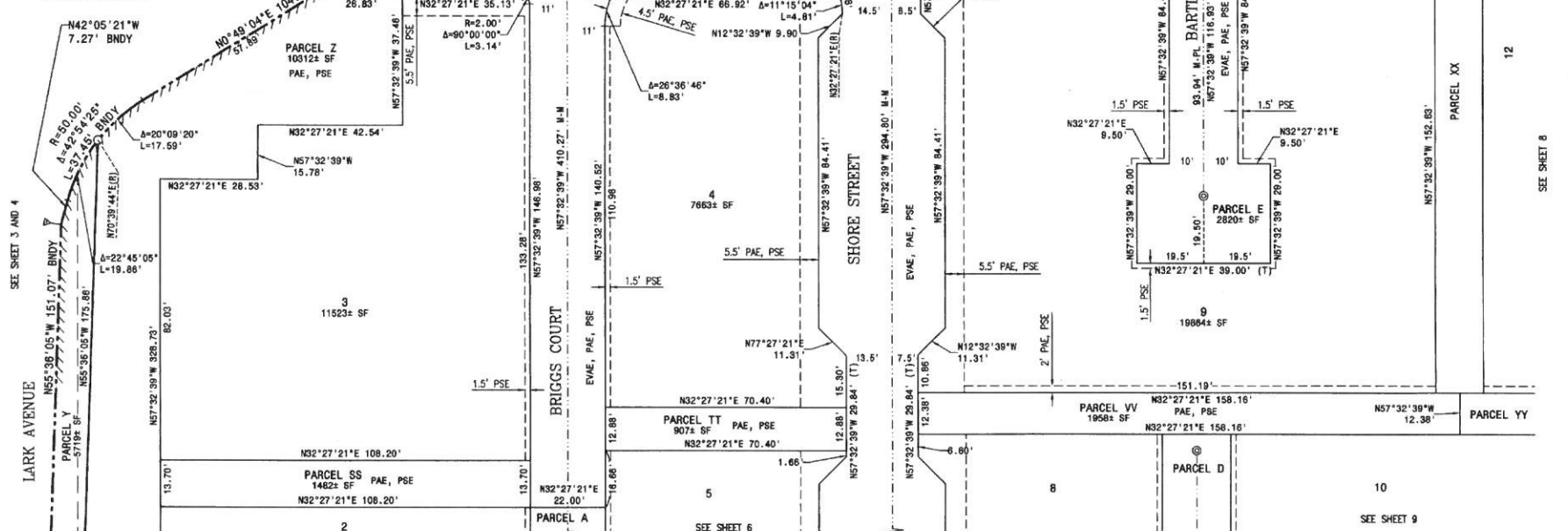
JULY 2019

19890.0DE



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- (R-3) ROS RECORDED MAY 23, 1989 IN BOOK 599 OF MAPS AT PAGE 44, SCCR
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- (R-5) ROS RECORDED FEBRUARY 25, 1970 IN BOOK 264 OF MAPS AT PAGES 49 TO 54, SCCR
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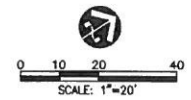


- LEGEND**
- BOUNDARY LINE
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 - EXISTING PROPERTY/RIGHT OF WAY LINE
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 - FOUND IRON PIPE UNLESS OTHERWISE NOTED
 - SET NAIL AND TAG STAMPED "LS 8817"
 - ANGLE POINT
 - BOUNDARY
 - CENTERLINE
 - EXISTING

- M MONUMENT
- PL PROPERTY LINE
- EVAE EMERGENCY VEHICLE ACCESS EASEMENT
- PAC PUBLIC ACCESS EASEMENT
- PSE PUBLIC UTILITY EASEMENT
- SNF SEARCHED NOTHING FOUND
- (T) TOTAL
- ROS RECORD OF SURVEY
- SWC SAN JOSE WATER COMPANY
- SCCR SANTA CLARA COUNTY RECORDS
- BK BOOK
- PG PAGE
- O.R. OFFICIAL RECORDS
- (R) RADIAL BEARING
- () PULLBACK DISTANCE
- (R-1) REFERENCE
- (4) INDICATES SHEET NUMBER

BASIS OF BEARINGS:
THE BASIS OF BEARINGS FOR THIS MAP IS BEARING OF NORTH 57°32'39" EAST BETWEEN FOUND MONUMENTS ON LARK AVENUE, AS SHOWN CALIFORNIA DEPARTMENT OF TRANSPORTATION MONUMENT MAP S-366.27

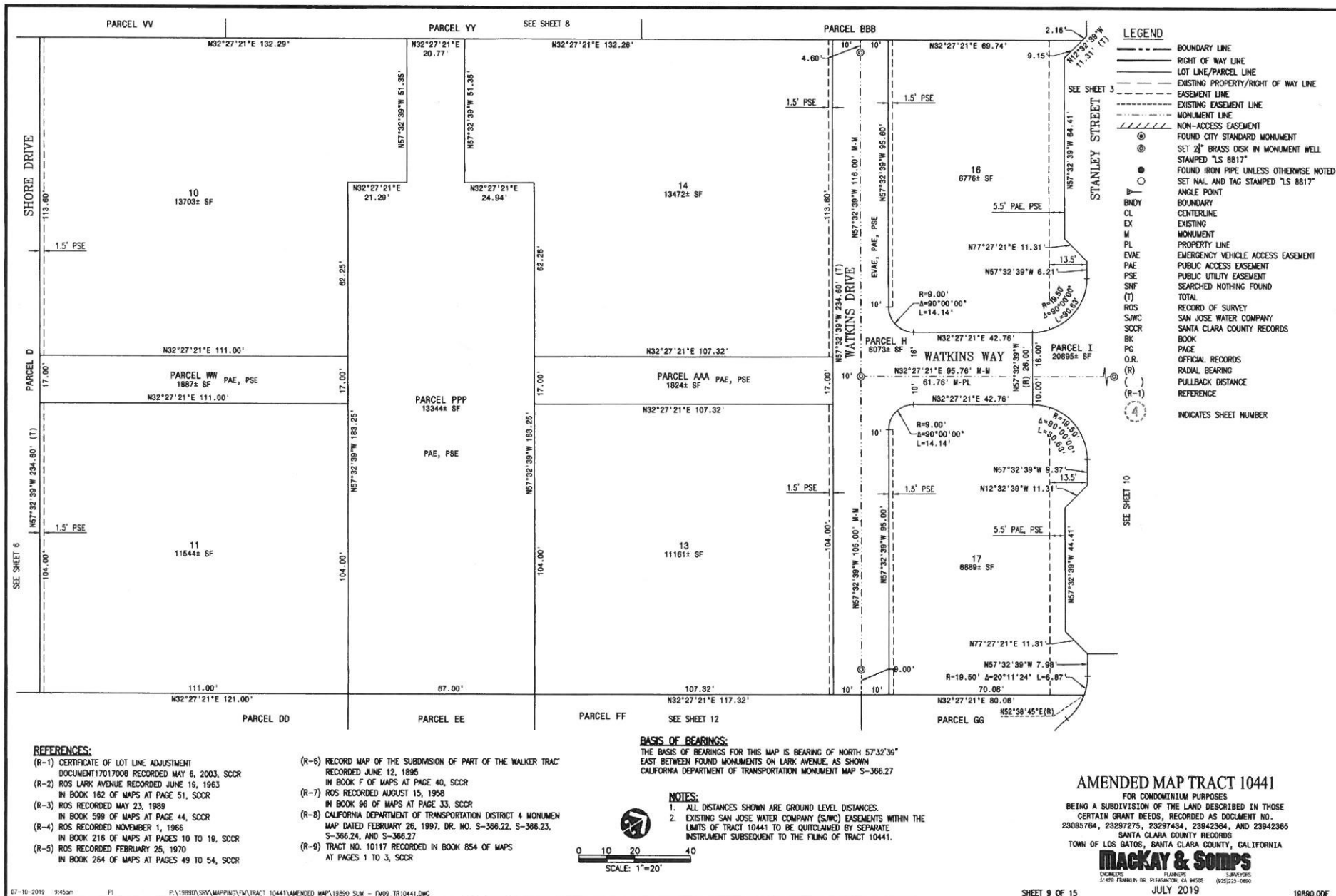
- NOTES:**
- ALL DISTANCES SHOWN ARE GROUND LEVEL DISTANCES.
 - EXISTING SAN JOSE WATER COMPANY (SWC) EASEMENTS WITHIN THE LIMITS OF TRACT 10441 TO BE OUTCLAIMED BY SEPARATE INSTRUMENT SUBSEQUENT TO THE FILING OF TRACT 10441.

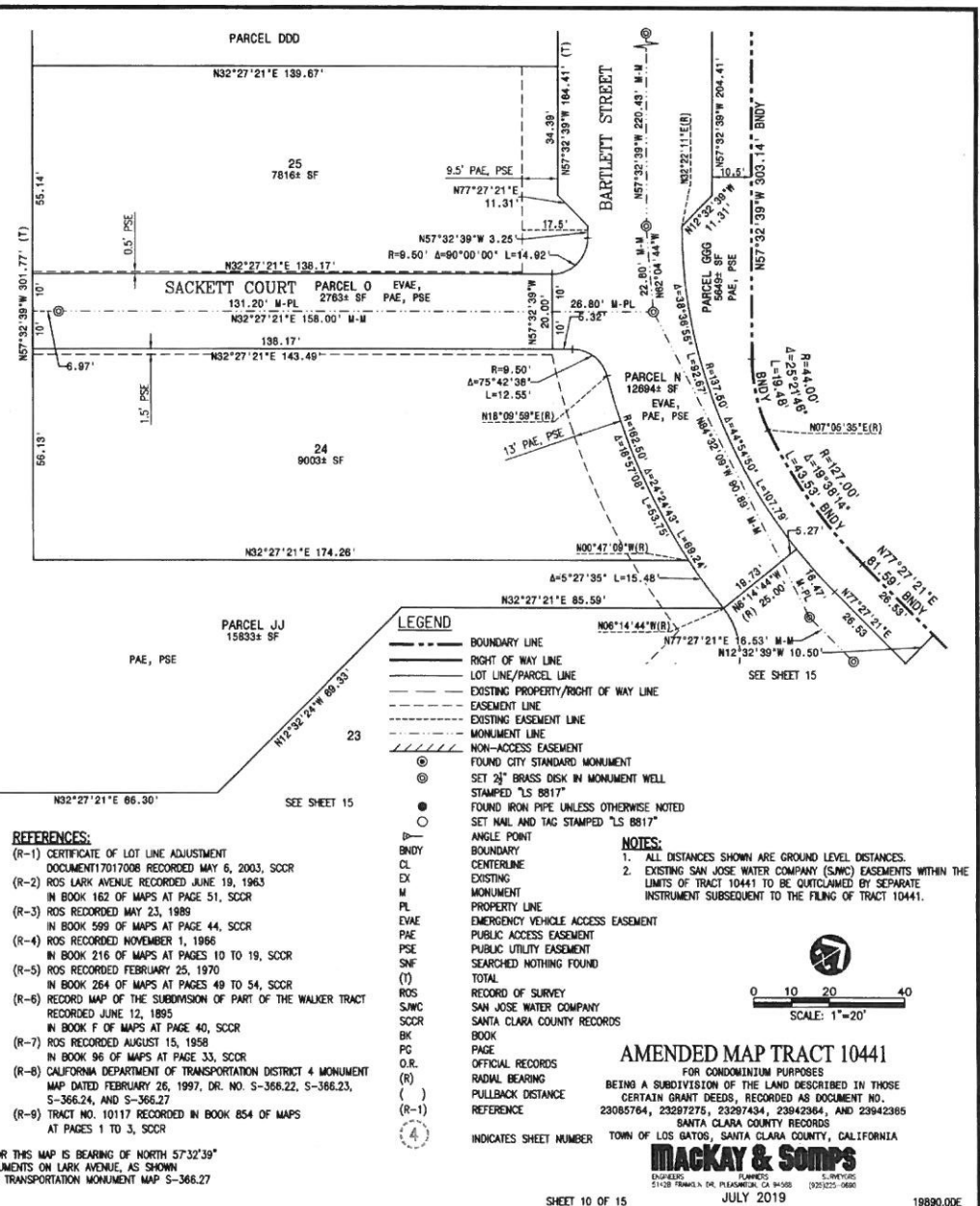
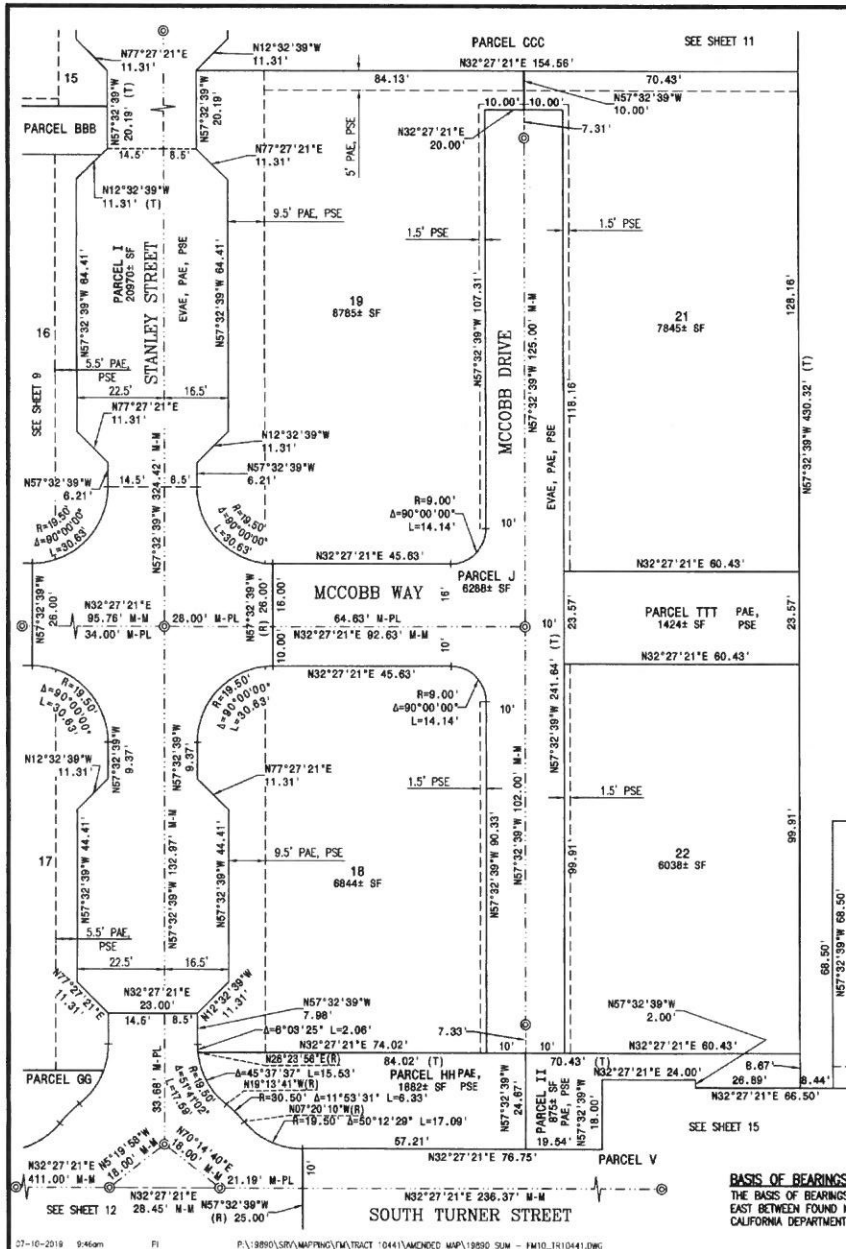


AMENDED MAP TRACT 10441
FOR CONDOMINIUM PURPOSES
BEING A SUBDIVISION OF THE LAND DESCRIBED IN THOSE CERTAIN GRANT DEEDS, RECORDED AS DOCUMENT NO. 23085764, 23287276, 23287434, 23462384, AND 23642365 SANTA CLARA COUNTY RECORDS
TOWN OF LOS GATOS, SANTA CLARA COUNTY, CALIFORNIA

Mackay & Samps
ENGINEERS
15000 N. 1ST AVE., SUITE 100, SAN JOSE, CA 95131
(408) 261-1100

JULY 2019



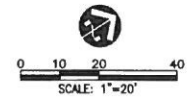


- REFERENCES:**
- (R-1) CERTIFICATE OF LOT LINE ADJUSTMENT DOCUMENT 17017008 RECORDED MAY 6, 2003, SCOR
 - (R-2) ROS LARK AVENUE RECORDED JUNE 19, 1963 IN BOOK 162 OF MAPS AT PAGE 51, SCOR
 - (R-3) ROS RECORDED MAY 23, 1989 IN BOOK 599 OF MAPS AT PAGE 44, SCOR
 - (R-4) ROS RECORDED NOVEMBER 1, 1986 IN BOOK 216 OF MAPS AT PAGES 10 TO 19, SCOR
 - (R-5) ROS RECORDED FEBRUARY 25, 1970 IN BOOK 264 OF MAPS AT PAGES 49 TO 54, SCOR
 - (R-6) RECORD MAP OF THE SUBDIVISION OF PART OF THE WALKER TRACT RECORDED JUNE 12, 1895 IN BOOK F OF MAPS AT PAGE 40, SCOR
 - (R-7) ROS RECORDED AUGUST 15, 1958 IN BOOK 96 OF MAPS AT PAGE 33, SCOR
 - (R-8) CALIFORNIA DEPARTMENT OF TRANSPORTATION DISTRICT 4 MONUMENT MAP DATED FEBRUARY 26, 1997, DR. NO. S-366.22, S-366.23, S-366.24, AND S-366.27
 - (R-9) TRACT NO. 10117 RECORDED IN BOOK 854 OF MAPS AT PAGES 1 TO 3, SCOR

BASIS OF BEARINGS:
 THE BASIS OF BEARINGS FOR THIS MAP IS BEARING OF NORTH 57°32'39" EAST BETWEEN MONUMENTS ON LARK AVENUE, AS SHOWN CALIFORNIA DEPARTMENT OF TRANSPORTATION MONUMENT MAP S-366.27

- LEGEND**
- BOUNDARY LINE
 - RIGHT OF WAY LINE
 - LOT LINE/PARCEL LINE
 - EXISTING PROPERTY/RIGHT OF WAY LINE
 - EASEMENT LINE
 - EXISTING EASEMENT LINE
 - MONUMENT LINE
 - NON-ACCESS EASEMENT
 - FOUND CITY STANDARD MONUMENT
 - SET 2½" BRASS DISK IN MONUMENT WELL STAMPED "LS 8817"
 - FOUND IRON PIPE UNLESS OTHERWISE NOTED SET NAIL AND TAG STAMPED "LS 8817"
 - ANGLE POINT
 - BOUNDARY
 - CL
 - EX
 - M
 - PL
 - EVAE
 - PAE
 - PSE
 - SNF
 - (T)
 - ROS
 - SJWC
 - SCOR
 - BOOK
 - PAGE
 - O.R.
 - (R)
 - (R-1)
 - (R-1)

- NOTES:**
- ALL DISTANCES SHOWN ARE GROUND LEVEL DISTANCES.
 - EXISTING SAN JOSE WATER COMPANY (SJWC) EASEMENTS WITHIN THE LIMITS OF TRACT 10441 TO BE OUTCLAIMED BY SEPARATE INSTRUMENT SUBSEQUENT TO THE FILING OF TRACT 10441.



AMENDED MAP TRACT 10441

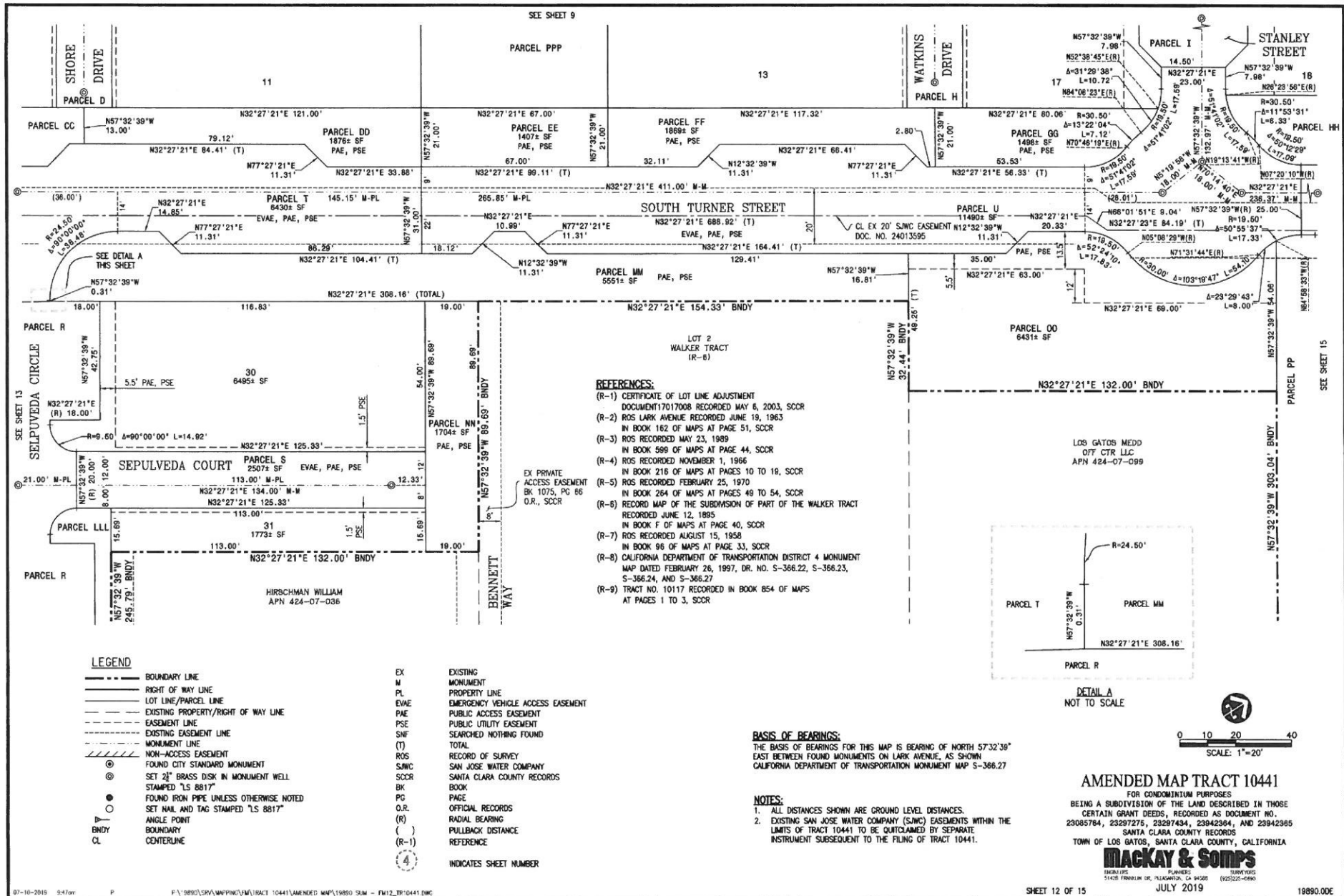
FOR CONDOMINIUM PURPOSES
 BEING A SUBDIVISION OF THE LAND DESCRIBED IN THOSE CERTAIN GRANT DEEDS, RECORDED AS DOCUMENT NO. 23085784, 23287275, 23287434, 23942384, AND 23942385 SANTA CLARA COUNTY RECORDS

MACKAY & SOMPS
 ENGINEERS PLANNERS
 21208 TANGUENIA DR. PLEASANTON, CA 94566
 (925) 255-2600

SHEET 10 OF 15

JULY 2019

19890.00E







**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 09/17/2019

ITEM NO: 3

DATE: September 12, 2019
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize the Town Manager to Execute an Agreement for Services with JLP Building Maintenance to Provide Custodial Services Effective October 1, 2019 Through June 30, 2024, Including a Five Percent Contingency for Special or Unforeseen Cleanings for a Total Amount Not to Exceed \$165,640 in Fiscal Year 2019/20, and \$220,853 Annually Thereafter and a Total Agreement Amount Not to Exceed \$1,049,052

RECOMMENDATION:

Authorize the Town Manager to execute an Agreement for Services with JLP Building Maintenance (Attachment 1) to provide custodial services effective October 1, 2019 through June 30, 2024, including a five percent contingency for special or unforeseen cleanings for a total amount not to exceed \$165,640 in Fiscal Year 2019/20, and \$220,853 annually thereafter and a total agreement amount not to exceed \$1,049,052.

BACKGROUND:

The Town of Los Gatos utilizes contract custodial services for Town-owned facilities. Staff has determined that contractual custodial services are the most cost-effective service delivery method for this component of building maintenance due to the lower cost of labor and the flexibility allowed in providing the work after hours. The existing contract with Sunnyvale Building Maintenance expires on September 30, 2019. The approved budget for FY 2019/20 includes funding for custodial services at the Police Operations Building, Civic Center, Library, Parks and Public Works Service Center, and five park restrooms.

PREPARED BY: Jim Harbin
Facilities and Environmental Programs Manager

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

SUBJECT: Authorize the Town Manager to Execute an Agreement for Services with JLP Building Maintenance to Provide Custodial Services

DATE: September 12, 2019

DISCUSSION:

Staff prepared a Request for Proposal (RFP) for contract custodial services at four main municipal facilities and five park restroom facilities, including providing all restroom products and closing the park restroom facilities each evening. The RFP included identification of line item costs per hour for additional services as needed, such as special cleaning requests, emergency flooding, and other unanticipated clean-ups.

The RFP was posted on the Town's website and sent to five different firms, four of which attended the mandatory walk-through meeting. Three attending firms submitted cost proposals to the Town (Attachment 2). Based on a review of the proposals, including reference checks, staff determined that JLP Building Maintenance submitted the most comprehensive proposal and is the best qualified and most cost competitive firm to provide the requested services.

JLP Building Maintenance, LLC is a local company with headquarters in Fremont providing a wide range of building maintenance services including general custodial services, day porters, carpet extractions, upholstery cleanings, window cleaning, and emergency clean up.

CONCLUSION:

Authorize the Town Manager to execute an Agreement for Services with JLP Building Maintenance to provide custodial services effective October 1, 2019 through June 30, 2024, including a five percent contingency for special or unforeseen cleanings for a total amount not to exceed \$165,640 in Fiscal Year 2019/20, and \$220,853 annually thereafter and a total agreement amount not to exceed \$1,049,052.

FISCAL IMPACT:

Funds for the services for FY 2019/20 have been appropriated in the Adopted FY 2019/20 Parks and Public Works Facilities Operating Budget. Budgeting for future years services will be addressed through the annual budget process. As needed for future budgets, budget increases or service adjustments may be needed in other areas to meet this contract obligation.

ENVIRONMENTAL ASSESSMENT:

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

Attachments:

1. Draft Agreement for Services
2. Custodial RFP Summary 2019

AGREEMENT FOR SERVICES

THIS AGREEMENT is dated for identification this 3rd day of September 2019, and is made by and between TOWN OF LOS GATOS, a California municipal corporation, ("Town") and JLP BUILDING MAINTENANCE ("Service Provider"), whose address is 48834 Kato Road, Suite 109A, Fremont, CA 94538. This agreement is made with reference to the following facts.

I. RECITALS

- 1.1 Town sought quotations for the services described in this Agreement, and Service Provider was found to be the lowest responsible supplier for this purchase.
- 1.2 Service Provider represents and affirms that it is willing to perform the desired work pursuant to this Agreement.
- 1.3 Town desires to engage Service Provider to provide professional janitorial services at Town facilities.
- 1.4 Service Provider warrants it possesses the distinct professional skills, qualifications, experience, and resources necessary to timely perform the services described in this Agreement. Service Provider acknowledges Town has relied upon these warranties to retain Service Provider.

II. AGREEMENT

- 2.1 Scope of Services. Service Provider shall provide services as described in that certain Proposal dated August 20, 2019 sent to the Town, which is hereby incorporated by reference and attached as Exhibit A.
- 2.2 Term and Time of Performance. The effective date of this Agreement shall commence on October 1, 2019, expiring at midnight on June 30, 2024, subject to appropriation of funds, notwithstanding any other provision in this agreement.
- 2.3 Compliance with Laws. The Service Provider shall comply with all applicable laws, codes, ordinances, and regulations of governing federal, state and local laws. Service Provider represents and warrants to Town that it has all licenses, permits, qualifications and approvals of whatsoever nature which are legally required for Service Provider to practice its profession. Service Provider 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. Service Provider 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 Service Provider by the Town and all reports and supportive data prepared by the Service Provider under this Agreement are the Town's property and shall be delivered to the Town upon the completion of services or at the Town's written request. All reports, information, data, and exhibits prepared or assembled by Service Provider in connection with the performance of its services pursuant to this Agreement are confidential until released by the Town to the public, and the Service Provider shall not make any of these documents or information available to any individual or organization not employed by the Service Provider or the Town without the written consent of the Town before such release. The Town acknowledges that the reports to be prepared by the Service Provider 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 Service Provider in connection with other projects shall be solely at Town's risk, unless Service Provider expressly consents to such use in writing. Town further agrees that it will not appropriate any methodology or technique of Service Provider which is and has been confirmed in writing by Service Provider to be a trade secret of Service Provider.

2.6 Compensation. Compensation for the supplies and materials delivered and for Service Provider's professional services is as follows:

October 1, 2019 through June 30, 2020 (FY 2019/20)

- Routine services **shall not exceed \$157,752**, inclusive of all costs.
- Unanticipated special cleanings **shall not exceed \$7,888**. Payment shall be based upon Town approval prior to each task being completed.

For a total amount **not to exceed \$165,640**.

July 1, 2020 through June 30, 2024

- Routine services **shall not exceed \$210,336**, inclusive of all costs.
- Unanticipated special cleanings **shall not exceed \$10,517**. Payment shall be based upon Town approval prior to each task being completed.

For a total annual amount **not to exceed \$220,853**.

Total contract amount is not to exceed \$1,049,052.

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.

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. Service Provider shall maintain the records supporting this billing for not less than three years following completion of the work under this Agreement. Service Provider shall make these records available to authorized personnel of the Town at the Service Provider 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 Service Provider. 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 Service Provider, 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 Service Provider 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. Service Provider agrees to testify in any litigation brought regarding the subject of the work to be performed under this Agreement. Service Provider 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 Service Provider or is based on allegations of Service Provider's negligent performance or wrongdoing.
- 2.11 Conflict of Interest. Service Provider understands that its professional responsibilities are solely to the Town. The Service Provider has and shall not obtain any holding or interest within the Town of Los Gatos. Service Provider 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, Service Provider 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. Service Provider 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 Service Provider discovers it has employed a person with a direct or indirect interest that would conflict with its performance of this Agreement Service Provider 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. Service Provider warrants that it is an equal opportunity employer and shall comply with applicable regulations governing equal employment opportunity. Neither Service Provider 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. Service Provider 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. Service Provider 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. Service Provider shall provide to the Town all certificates of insurance, with original endorsements effecting coverage. Service Provider agrees that all certificates and endorsements are to be received and approved by the Town before work commences.

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 Service Provider; products and completed operations of Service Provider, premises owned or used by the Service Provider.
- ii. The Service Provider'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 Service Provider'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 Service Provider'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, Service Provider 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, Service Provider shall ensure that all subcontractors employed by Service Provider provide the required Workers' Compensation insurance for their respective employees.
- 3.4 Indemnification. The Service Provider 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 Service Provider, or any of the Service Provider's officers, employees, or agents or any subcontractor.

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 Service Provider 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 Service Provider shall deliver to the Town all plans, files, documents, reports, performed to date by the Service Provider.

In the event of such termination, Town shall pay Service Provider 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 Service Provider.

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

JLP Building Maintenance
48834 Kato Road, Suite 109A
Fremont, CA 94538

or personally delivered to Service Provider to such address or such other address as Service Provider 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 Service Provider. 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 Service Provider have executed this Agreement.

Town of Los Gatos by:

Service Provider, by:

Laurel Prevetti, Town Manager

Recommended by:

Matt Morley, Director of Parks and Public
Works

Title

Approved as to Form:

Robert Schultz, Town Attorney

Attest:

Shelley Neis, CMC, Town Clerk

Custodial RFP Cost Summary 2019

Attachment 2: Custodial Quote Summary 2019			Sunnyvale Building Maintenance			JLP Building Maintenance			JJ & CC Maintenance Services		
Basic Services			Times			Times			Times		
Bid Item	Location	Description	Unit Price	Per Year	Annual Cost	Unit Price	Per Year	Annual Cost	Unit Price	Per Year	Annual Cost
1	Civic Center	Janitorial (except windows)	\$2,550	12	\$30,600	\$2,480	12	\$29,760	\$3,433	12	\$41,200
2	Service Center	Janitorial (except windows)	\$1,913	12	\$22,956	\$1,980	12	\$23,760	\$2,208	12	\$26,500
3	Police Ops	Janitorial (except windows)	\$1,913	12	\$22,956	\$1,980	12	\$23,760	\$2,458	12	\$29,500
4	Library	Janitorial (except windows)	\$5,100	12	\$61,200	\$4,480	12	\$53,760	\$5,792	12	\$69,500
5	Park Restrooms	Janitorial (except windows)	\$5,100	12	\$61,200	\$3,708	12	\$44,496	\$4,683	12	\$56,200
6	Civic Center	Windows	\$750	4	\$3,000	\$1,800	4	\$7,200	\$625	4	\$2,500
7	Service Center	Windows	\$600	4	\$2,400	\$1,200	4	\$4,800	\$625	4	\$2,500
8	Police Ops	Windows	\$600	4	\$2,400	\$1,200	4	\$4,800	\$625	4	\$2,500
9	Library	Windows	\$2,800	4	\$11,200	\$4,500	4	\$18,000	\$3,125	4	\$12,500
					\$217,912			\$210,336			\$242,900
Additional Services T & M			Per Hour			Per Hour			Per Hour		
10	Service during daytime hours...				\$59		\$33	\$24.80			N/A
11	Service during evening/weekend hours...				\$98			\$26.80			N/A
12	Service daytime less than 24 hr notice				\$98			\$26.80			N/A
13	Service during evening/weekend hours less 24hr notice...				\$98			\$29.80			N/A



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 09/17/2019

ITEM NO: 4

DATE: September 12, 2019
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize the Town Manager to Execute a Certificate of Acceptance and Notice of Completion for the Work of Mercoza Engineering and Authorize Recording by the Town Clerk for PPW Job No. 18-813-9921 Annual Curb, Gutter, and Sidewalk Maintenance Project

RECOMMENDATION:

Authorize the Town Manager to execute a Certificate of Acceptance and Notice of Completion (Attachment 1) for the work of Mercoza Engineering and authorize recording by the Town Clerk for PPW Job No. 18-813-9921 Annual Curb, Gutter, and Sidewalk Maintenance Project.

BACKGROUND:

The Town's adopted FY 2018/19-2022/23 Capital Improvement Program (CIP) Budget designated funding for these projects.

At the February 5, 2019 Town Council meeting, Council approved the plans and specifications for the Annual Curb, Gutter, and Sidewalk Maintenance and authorized the Town Manager to advertise the projects for bid and to award the project in an amount not to exceed the available construction budget of \$296,000, including contingencies, and any change orders, to the lowest responsible bidders.

The Town entered an agreement with Mercoza Engineering for the work for the low bid of \$166,600.

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

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

SUBJECT: Authorize the Town Manager to Execute a Certificate of Acceptance and Notice of Completion for the Work of Mercoza Engineering and Authorize Recording by the Town Clerk

DATE: September 12, 2019

DISCUSSION:

Mercoza Engineering has satisfactorily completed all of the work for the project and staff recommends accepting the project.

Five percent of the faithful performance bonds will remain in effect for a period of two years as a guarantee for any needed repair or replacement caused by defective materials and workmanship for each project. The execution and recordation of the Certificate of Acceptance is now required to finalize the Town's acceptance of the project.

CONCLUSION:

Authorize the Town Manager to execute a Certificate of Acceptance and Notice of Completion for the work of Mercoza Engineering and authorize recording by the Town Clerk for PPW Job No. 18-813-9921 Annual Curb, Gutter, and Sidewalk Maintenance Project.

FISCAL IMPACT:

The final construction costs totaled \$175,500 for the work. Some of the approved project contingency was used to fix additional locations of raised and broken curb and gutter on National Avenue prior to the overlay project. Project delivery costs, including advertising, printing, materials testing, staff, and design, have totaled \$216,024.

Curb, Gutter & Sidewalk Maintenance Project 813-9921		
	Budget	Costs
Project Budget	\$ 336,113	
Total Project Budget	\$ 336,113	
Mercoza Engineering		\$ 175,500
Advertising		\$ 952
Blueprint/Copy/Postage		\$ 506
Total Project Costs		\$ 176,958
Project Savings Not Including Staff Costs		\$ 159,155
Staff Costs		\$ 39,066
Project Savings Including Estimated Staff Costs		\$ 120,089

PAGE 3 OF 3

SUBJECT: Authorize the Town Manager to Execute a Certificate of Acceptance and Notice of Completion for the Work of Mercoza Engineering and Authorize Recording by the Town Clerk

DATE: September 12, 2019

FISCAL IMPACT (continued):

The Parks and Public Works Department continues to track staff costs associated with delivering CIP projects on a project-level basis. In years with larger CIP projects such as the Library Facility or the Almond Grove Street Rehabilitation, these staff costs have been partially funded by the corresponding CIP project to allow for the additional staffing necessary to deliver the projects. For smaller projects, or years with smaller overall CIP budgets, staff costs have solely been charged to the Engineering Program Operating Budget, due to the minimal use of temporary employees.

As this program is funded annually, any final savings will remain with the program for use on projects in future phases.

ENVIRONMENTAL ASSESSMENT:

This is a project as defined under CEQA but is Categorically Exempt (Section 15301c). A Notice of Exemption was previously filed.

Attachment:

1. Certificate of Acceptance and Notice of Completion

Recording Requested by:
TOWN OF LOS GATOS

WHEN RECORDED MAIL TO:

CLERK ADMINISTRATOR
TOWN OF LOS GATOS
110 E MAIN ST
LOS GATOS, CA 95030

(SPACE ABOVE BAR FOR RECORDER'S USE)

(RECORD WITHOUT FEE UNDER GOVERNMENT CODE SECTIONS 27383 AND 6103)

TYPE OF RECORDING
CERTIFICATE OF ACCEPTANCE AND NOTICE OF COMPLETION
PPW JOB NO. 18-813-9921 Annual Curb, Gutter, and Sidewalk Maintenance

TO WHOM IT MAY CONCERN:

I do hereby certify that **Mercoza Engineering** completed the work called for in the agreement with the Town of Los Gatos dated April 4, 2018. The work is outlined in the Town's bid process prepared by the Town of Los Gatos and generally consisted of furnishing all labor, materials, tools, equipment, and services required for completion of the PPW Job No. 18-813-9921 located in the TOWN OF LOS GATOS, County of Santa Clara, State of California and was completed, approved and accepted **August 15, 2019**.

Bond No.: 72021533
Date: April 12, 2018

TOWN OF LOS GATOS

By: _____
Laurel Prevetti, Town Manager

Acknowledgement Required

AFFIDAVIT
To Accompany Certificate of Acceptance and Notice of Completion
PPW JOB NO. 18-813-9921 Annual Curb, Gutter, and Sidewalk Maintenance.

I, **LAUREL PREVETTI**, the Town Manager of the Town of Los Gatos, have read the foregoing CERTIFICATE OF ACCEPTANCE AND NOTICE OF COMPLETION and know the contents thereof. The same is true of my own knowledge, except as to the matters which are therein alleged on information or belief, and as to those matters I believe it to be true.

I declare under penalty of perjury that the foregoing is true and correct, and that this declaration was executed on _____, 2019 at Los Gatos, California.

LAUREL PREVETTI, TOWN MANAGER
Town of Los Gatos

RECOMMENDED BY:

Matt Morley
Director of Parks and Public Works

Date: _____

APPROVED AS TO FORM:

Robert Schultz, Town Attorney

Date: _____

Notary Jurat Required



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 09/17/2019

ITEM NO: 5

DATE: September 12, 2019
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize the Town Manager to Execute a First Amendment to the Agreement for Services with Pro-Sweep Effective October 1, 2019 Through June 30, 2024 for an Additional Not to Exceed Amount of \$292.50 per Month Plus Annual Consumer Price Index Adjustments for Additional Street Sweeping Services

RECOMMENDATION:

Authorize the Town Manager to execute a First Amendment to the Agreement for Services (Attachment 1) with Pro-Sweep effective October 1, 2019 through June 30, 2024 for an additional not to exceed amount of \$292.50 per month plus annual Consumer Price Index adjustments for additional street sweeping services.

BACKGROUND:

On June 6, 2019, the Town Council authorized the Town Manager to execute a five-year Agreement for Services with Pro-Sweep for maintenance services (Attachment 2), including downtown sidewalk power washing and parking lot sweeping. The original agreement was for \$71,352 annually, plus consumer price index adjustments annually thereafter, from July 1, 2020 through June 30, 2024.

DISCUSSION:

In October 2017, the Town Council approved the prioritization of Bicycle and Pedestrian projects within the Town's approved Bicycle and Pedestrian Master Plan to be funded within the allocated Capital Improvement Program (CIP) budget. The Blossom Hill Road bicycle and pedestrian improvements were identified as the highest priority CIP projects and called for constructing a Class IV bike lane.

PREPARED BY: Steve Regan
Superintendent

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

SUBJECT: Authorize the Town Manager to Execute a First Amendment to the Agreement for Services with Pro-Sweep

DATE: September 12, 2019

DISCUSSION (continued):

Class IV bikeways are on-street bicycle facilities that include a vertical physical barrier between the bikeway and moving traffic. In the Town's implementation, this included on-street parking and bollards for the project between Blossom Hill Road between Roberts Road East and Oak Rim Way. The new configuration creates a space between the physical barriers and the curb where the Town's street sweeper cannot fit. The Town's current maintenance contractor, Pro-Sweep, has the necessary equipment to perform these sweeping tasks on a monthly basis.

Staff has determined that amending the current agreement with Pro-Sweep to include additional street sweeping services for the Blossom Hill Class IV bike lanes is the most cost-effective service delivery method. An increase to the agreement is as follows for the term of the contract:

- \$2,340 for the remaining eight months of FY 2019/20 (October 1, 2019 through June 30, 2020).
- \$14,040 plus annual Consumer Price Index adjustments for the remaining four years of the contract (July 1, 2020 through June 30, 2024).

CONCLUSION:

Authorize the Town Manager to execute a First Amendment to the Agreement for Services with Pro-Sweep effective October 1, 2019 through June 30, 2024 for additional street sweeping services in an amount not to exceed \$292.50 per month plus annual Consumer Price Index adjustments thereafter.

FISCAL IMPACT:

The Adopted FY 2019/20 Operating Budget includes funds to provide this service for the first year in the Parks and Public Works Streets program. Budgeting for future years services will be addressed through the annual budget process. As needed in future budgets, service delivery in other areas may need to be adjusted to fulfill this multi-year contract obligation.

ENVIRONMENTAL ASSESSMENT:

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

Attachments:

1. First Amendment to Agreement for Services
2. Agreement for Services

FIRST AMENDMENT TO AGREEMENT FOR SERVICES

This FIRST AMENDMENT TO AGREEMENT is dated for identification this 17th day of September 2019 and amends that certain agreement for Agreement for Services dated June 18, 2019, made by and between the Town of Los Gatos, ("Town,") and Pro-Sweep ("Service Provider").

RECITALS

- A. Town and Service Provider entered into an Agreement for Services on June 18, 2019, ("Agreement"), a copy of which is attached hereto and incorporated by reference as Attachment 1 to this Amendment.
- B. Town desires to amend the Agreement for Services to provide an additional Scope of Services and increase the Compensation.

AMENDMENT

- 1. 2.1 Scope of Services: Is amended to include additional services as described in that certain Proposal sent to the Town on August 23, 2019, which is hereby incorporated by reference and attached as Exhibit B.

The effective date of this Amendment shall begin on October 1, 2019 and will continue through June 30, 2024, subject to appropriation of funds, notwithstanding any other provision in this agreement.

- 2. 2.6 Compensation: Is amended to read:

Compensation for services **shall not exceed \$73,692** for the first year, inclusive of all costs. Payment shall be based upon Town approval of each task. Compensation for years two through five of this agreement are at a base cost of **\$74,862** and shall be adjusted upward annually for the remaining term of this agreement by the change, if any, in the San Francisco – Oakland – San Jose Metropolitan Area Consumer Price Index for All Urban Consumers, all items (CPI). The adjustment shall be based upon the CPI published on December 31 of the preceding year. If the CPI indicates a downward adjustment, compensation would remain at the base amount of \$74,862.

ATTACHMENT 1

Period	Description	Unit Price	Total Item Price (Annually)
Monthly	Pressure Wash Downtown Sidewalks	\$4,200	\$50,400
Monthly	Pressure Wash Civic Center Library Area	\$360	\$4,320
Quarterly	Pressure Wash Downtown Parking Garage	\$1,920	\$7,680
Monthly	Additional Cost for Parking Lot Sweeping Service for 11 Municipal Lots and 8 Parks Parking Lots	\$746	\$8,952
Monthly	Sweeping Service for Curb Line West to the Bridge Deck on Blossom Hill Road	\$292.50	\$2,340 FY19/20 (Oct-Jun) \$3,510 FY20/21 through FY23/24

3. All other terms and conditions of the Agreement remain in full force and effect.

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

Town of Los Gatos

Service Provider by:

By: _____
Laurel Prevetti, Town Manager

Department Approval:

Name/Title

Matt Morley
Director of Parks and Public Works

Approved as to Form:

Attest:

Robert Schultz, Town Attorney

Shelley Neis, CMC, Town Clerk

Date: 8/23/2019

To: Steve Regan

Downtown Los Gatos
Los Gatos, CA 95030

Job Location:

2 N Santa Cruz Ave, Los Gatos , CA 95030

Service Proposal

Pro-Sweep, Inc., agrees to furnish all supervision, labor, materials, and equipment needed to complete the required services at the following location below.

Pro-Sweep reserves the right to charge a cancellation fee should the service be canceled less than 48 hours from the scheduled service date.

Description	Qty	Rate	Extension
1 S30 Sweeping for the curb line west to the bridge deck on Blossom Hill. Total Cost	1	\$292.50	\$292.50

The S30 sweeper's three-stage SweepMax® Plus cyclonic filtration and dust control system enables:

- Indoor and outdoor outstanding performance.
- Sweep everything from cement dust to heavy debris.
- Allow operators to control brush and vacuum speeds to remove heavier debris with II-speed sweeping technology.
- One of the lowest noise levels in class for an engine-powered sweeper.
- Pre-filter stage of dust control removing an additional 90 percent of dust particles from the air stream before reaching the filter.

- *To accept this proposal, please sign and return to your service coordinator.*
- *Please email your insurance requirements to paulina@pro-sweep.com.*
- *Should this service require a purchase order please submit along with signed proposal.*
- *Contract with a 30 day cancellation clause in effect, upon approval of this proposal.*
- *Terms: Net 30*

Total **\$292.50**

AGREEMENT FOR SERVICES

THIS AGREEMENT is dated for identification this 18th of June 2019, and is made by and between TOWN OF LOS GATOS, a California municipal corporation, ("Town") and Pro-Sweep ("Service Provider"), whose address is P.O. Box 5182, San Jose, CA 95150. This Agreement is made with reference to the following facts.

I. RECITALS

- 1.1 Town sought proposals for the services described in this Agreement, and Service Provider was found to be the lowest responsible supplier for this purchase.
- 1.2 Service Provider represents and affirms that it is willing to perform the desired work pursuant to this Agreement.
- 1.3 Town desires to engage Service Provider to provide Pressure Washing and Parking Lot Sweeping services.
- 1.4 Service Provider warrants it possesses the distinct professional skills, qualifications, experience, and resources necessary to timely perform the services described in this Agreement. Service Provider acknowledges Town has relied upon these warranties to retain Service Provider.

II. AGREEMENT

- 2.1 Scope of Services. Service Provider shall provide services as described in that certain Proposal sent to the Town on May 14, 2019, which is hereby incorporated by reference and attached as Exhibit A.
- 2.2 Term and Time of Performance. The effective date of this Agreement shall begin **July 1, 2019** and will continue through **June 30, 2024**, subject to appropriation of funds, notwithstanding any other provision in this agreement.
- 2.3 Compliance with Laws. The Service Provider shall comply with all applicable laws, codes, ordinances, and regulations of governing federal, state and local laws. Service Provider represents and warrants to Town that it has all licenses, permits, qualifications and approvals of whatsoever nature which are legally required for Service Provider to practice its profession. Service Provider 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. Service Provider 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 Service Provider by the Town and all reports and supportive data prepared by the Service Provider under this Agreement are the Town's property and shall be delivered to the Town upon the completion of services or at the Town's written request. All reports, information, data, and exhibits prepared or assembled by Service Provider in connection with the performance of its services pursuant to this Agreement are confidential until released by the Town to the public, and the Service Provider shall not make any of these documents or information available to any individual or organization not employed by the Service Provider or the Town without the written consent of the Town before such release. The Town acknowledges that the reports to be prepared by the Service Provider 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 Service Provider in connection with other projects shall be solely at Town's risk, unless Service Provider expressly consents to such use in writing. Town further agrees that it will not appropriate any methodology or technique of Service Provider which is and has been confirmed in writing by Service Provider to be a trade secret of Service Provider.
- 2.6 Compensation. Compensation for services **shall not exceed \$71,352** for the first year, inclusive of all costs. Payment shall be based upon Town approval of each task. Compensation for years two through five of this agreement shall be adjusted upward annually for the remaining term of this agreement by the change, if any, in the San Francisco – Oakland – San Jose Metropolitan Area Consumer Price Index for All Urban Consumers, all items (CPI). The adjustment shall be based upon the CPI published on December 31 of the preceding year. If the CPI indicates a downward adjustment, compensation would remain at the base amount of \$71,352.
- 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.

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 Failure to Perform. It is mutually agreed by SERVICE PROVIDER and TOWN that in the event that performance of the work by SERVICE PROVIDER under this Agreement is not completed as scheduled, TOWN will suffer damages and will incur other costs and expenses of a nature and amount which is difficult or impractical to determine. The Parties agree that by way of ascertaining and fixing the amount of damages, costs and expenses, and not by way of

penalty, SERVICE PROVIDER shall pay to TOWN the sum of five hundred dollars (\$500.00) per location per scheduled service in liquidated damages for every missed service. In the event that the liquidated damages are not paid, SERVICE PROVIDER agrees that TOWN may deduct the amount of unpaid damages from any money due or that may become due to SERVICE PROVIDER under this Agreement.

- 2.9 Schedule. Service Provider shall provide a schedule to the Town prior to beginning work. The schedule shall identify dates of service for each location. Schedule changes shall be approved by the Town with 24-hour notice. Each missed location shall be considered a failure to perform, unless the contractor provides advance notice of schedule change.
- 2.10 Availability of Records. Service Provider shall maintain the records supporting this billing for not less than three years following completion of the work under this Agreement. Service Provider shall make these records available to authorized personnel of the Town at the Service Provider offices during business hours upon written request of the Town.
- 2.11 Assignability and Subcontracting. The services to be performed under this Agreement are unique and personal to the Service Provider. No portion of these services shall be assigned or subcontracted without the written consent of the Town.
- 2.12 Independent Contractor. It is understood that the Service Provider, 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 Service Provider 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. Service Provider agrees to testify in any litigation brought regarding the subject of the work to be performed under this Agreement. Service Provider 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 Service Provider or is based on allegations of Service Provider's negligent performance or wrongdoing.
- 2.13 Conflict of Interest. Service Provider understands that its professional responsibilities are solely to the Town. The Service Provider has and shall not obtain any holding or interest within the Town of Los Gatos. Service Provider 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, Service Provider 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. Service Provider 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 Service Provider discovers

it has employed a person with a direct or indirect interest that would conflict with its performance of this Agreement Service Provider shall promptly notify Town of this employment relationship, and shall, at the Town's sole discretion, sever any such employment relationship.

- 2.14 Equal Employment Opportunity. Service Provider warrants that it is an equal opportunity employer and shall comply with applicable regulations governing equal employment opportunity. Neither Service Provider 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. Service Provider 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. Service Provider 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. Service Provider shall provide to the Town all certificates of insurance, with original endorsements effecting coverage. Service Provider agrees that all certificates and endorsements are to be received and approved by the Town before work commences.

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 Service Provider; products and completed operations of Service Provider, premises owned or used by the Service Provider.
- ii. The Service Provider'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 Service Provider'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 Service Provider'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, Service Provider 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, Service Provider shall ensure that all subcontractors employed by Service Provider provide the required Workers' Compensation insurance for their respective employees.
- 3.4 Indemnification. The Service Provider 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 Service Provider, or any of the Service Provider's officers, employees, or agents or any subcontractor.

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 Service Provider 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 Service Provider shall deliver to the Town all plans, files, documents, reports, performed to date by the Service Provider. In the event of such termination, Town shall pay Service Provider 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 Service Provider.
- 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

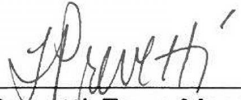
Pro-Sweep
P.O. Box 5182
San Jose, CA 95150

or personally delivered to Service Provider to such address or such other address as Service Provider 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 Service Provider. 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 Service Provider have executed this Agreement

Town of Los Gatos by:



Laurel Prevetti, Town Manager

Service Provider by:



Digitally signed by Rich Saso
DN: cn=Rich Saso, o. ou, email=rich@pro-sweep.com, c=US
Date: 2019.07.10 08:28:37 -07'00'
President, Rich Saso

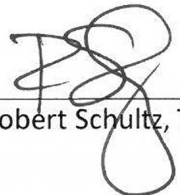
Title

Recommended by:



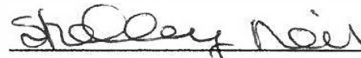
Matt Morley
Director of Parks and Public Works

Approved as to Form:



Robert Schultz, Town Attorney

Attest:



Shelley Neis, CMC, Town Clerk

BID PRICE SHEET

For all services described below, unless excluded by the Town in description of services below, the Town shall consider unit prices below to include all labor, equipment, fees of any kind, overhead, insurance, fuel, materials, surcharges, disposal fees, and any other costs associated with and necessary for the Bidder to perform such service. No qualifications, exemptions, or alterations of services described below will be allowed. Failure to comply will result in disqualification of bid.

A. GENERAL SERVICES

COST PROPOSAL

BID ITEM	PERIOD	DESCRIPTION, WITH UNIT PRICE IN WORDS. (PRICE IS INCLUSIVE OF ALL APPLICABLE TAXES AND FEES)	UNIT PRICE	TOTAL ITEM PRICE	TOTAL HOURS FOR SERVICES
01	Monthly	Pressure Wash Downtown Sidewalks per attached Site Location map.	\$4,200	\$50,400	70 hours /service
02	Monthly	Pressure Wash Civic Center Library Area per attached Site Location map.	\$360	\$4,320	6 hours / service
03	Quarterly	Pressure Wash Downtown Parking Garage. All water and Materials Shall be Captured through-out the Process.	\$1,920	\$7,680	32 hours / service
04	Monthly	Additional Cost for Parking Lot Sweeping Service for eleven (11) Municipal Lots and eight (8) Parks Parking Lots	\$746	\$8,952	14.5 hours / service

To: Steve Regan

Date: 5/7/2019

41 Miles Ave
Los Gatos, CA 95030Job Location:
131 E Main St, Los Gatos, CA 95030**Service Proposal**

Pro-Sweep, Inc., agrees to furnish all supervision, labor, materials, and equipment needed to complete the required services at the following location below.
Pro-Sweep reserves the right to charge a cancellation fee should the service be canceled less than 48 hours from the scheduled service date.

Service To Include:

1. To remove all dirt, algae, gum and stains (to the best of our ability) from surface.
2. Steam clean designated areas per your request.
3. Protect all entrances to prevent water seepage.
4. Scrub and hydro-flush concrete areas.
5. Water recaptured and processed.
6. Squeegee any over-spray on windows.
7. Service to be performed: As specified below.

Equipment and Labor To Be Used:

1. 1 Delco 4500 PSI - Water temperature will be 160 degrees
2. 2 Water Vacuum
3. 2 Men
4. Pressed wood sheets (to protect all landscaped areas)

Description	Qty	Rate	Extension
1 Monthly steam Cleaning of Downtown sidewalks per site location map provided. Cost per Month	12	\$4,200.00	\$50,400.00
2 Monthly steam cleaning of Civic Center library area per site location map provided. Cost per Month	12	\$360.00	\$4,320.00
3 Quarterly steam cleaning of Downtown parking garage. All water and materials to be recaptured throughout the process. Cost per Service	4	\$1,920.00	\$7,680.00

NOTES:

- Please advise tenant of possible water seepage at entrances.
 - Inaccessible areas may prohibit ability to clean
 - Water run-off (often containing contaminants) will be recaptured and processed by standards established by municipality governing property's geographic location.
 - Fire alarms must be set to TEST mode and exhaust fans activated by management, during duration of service in enclosed garages
 - Working conditions deemed unsafe, due to fire alarm or carbon monoxide sensor activation, will result in an immediate evacuation of premises, until "all clear" is
-
- To accept this proposal, please sign and return to your service coordinator.
 - Please email your insurance requirements to shelby@pro-sweep.com.
 - Should this service require a purchase order please submit along with signed proposal.
 - Contract with a 30 day cancellation clause in effect, upon approval of this proposal.
 - Terms: Net 30

Total \$62,400.00

Authorized Signature

Date

Date: 5/14/2019

To: Steve Regan
41 Miles Ave
Los Gatos, CA 95030

Job Location:
North Parking Lot, Los Gatos, CA 95032, Lot 1, Los Gatos, CA 95032, Lot 2, Los Gatos, CA 95032, Lot 3, Los Gatos, CA 95032, Lot 4, Los Gatos, CA 95032, Lot 5, Los Gatos, CA 95032, Lot 6, Los Gatos, CA 95032, Lot 7, Los Gatos, CA 95032, Lot 8, Los Gatos, CA 95032, Lot 9, Los Gatos, CA 95032, Lot 10, Los Gatos, CA 95032,

Service Proposal

Pro-Sweep, Inc., agrees to furnish all supervision, labor, materials, and equipment needed to complete the required services at the following location below.
Pro-Sweep reserves the right to charge a cancellation fee should the service be canceled less than 48 hours from the scheduled service date.

Service Proposal | Sweeping Services

Pro-Sweep, Inc., agrees to furnish all supervision, labor, materials, and equipment needed to complete the required services at the following location below:

Scope Of Work:

1. Sweeping Of All Paved Areas Utilizing Back Pack Blowers And/or Power Nite-hawk Sweeping Unit, As Appropriate For Property.
2. Sweeping Includes Along Perimeter Of Buildings, Curbs, Fences, And Tire Stops In Accessible Serviced Areas.
3. Follow Up Inspection After Initial Service With Subsequent Unscheduled Inspections To Verify Quality Of Service.
4. Check All Storm Drains For Excessive Debris And Clean Surface If Necessary.
5. Notify Client Of Any Unusual Circumstances (i.e., Excessive Water, Broken Sprinkler Head, Lighting Issues Or Large Abandoned Objects) In Serviced Areas.
6. To Include Liability Insurance And Worker's Compensation. Waivers Of Subrogation And Primary Wording Are Available Upon Request.
7. Sweeping Frequency: As Specified Below.

Description	Qty	Rate	Extension
1 Power sweep all accessible paved areas utilizing a Nite-Hawk Sweeper. For maximum efficiencies and effectiveness, Pro-Sweep sweeping services are performed in the late p.m./early a.m. post-business hours, unless contracted otherwise	12	\$240.00	\$2,880.00
2 Power sweep all accessible paved areas utilizing a Nite-Hawk Sweeper. For maximum efficiencies and effectiveness, Pro-Sweep sweeping services are performed in the late p.m./early a.m. post-business hours, unless contracted otherwise	12	\$160.00	\$1,920.00

- To accept this proposal, please sign and return to your service coordinator.
- Please email your insurance requirements to shelby@pro-sweep.com.
- Should this service require a purchase order please submit along with signed proposal.
- Contract with a 30 day cancellation clause in effect, upon approval of this proposal.
- Terms: Net 30

Total \$8,952.00**Authorized Signature****Date**

To: Steve Regan

Date: 5/14/2019

41 Miles Ave
Los Gatos, CA 95030

Job Location:

North Parking Lot, Los Gatos, CA 95032, Lot 1, Los Gatos, CA 95032, Lot 2, Los Gatos, CA 95032, Lot 3, Los Gatos, CA 95032, Lot 4, Los Gatos, CA 95032, Lot 5, Los Gatos, CA 95032, Lot 6, Los Gatos, CA 95032, Lot 7, Los Gatos, CA 95032, Lot 8, Los Gatos, CA 95032, Lot 9, Los Gatos, CA 95032, Lot 10, Los Gatos, CA 95032,

3	Power sweep all accessible paved areas utilizing a Nite-Hawk Sweeper. For maximum efficiencies and effectiveness, Pro-Sweep sweeping services are performed in the late p.m./early a.m. post-business hours, unless contracted otherwise	12	\$296.00	\$3,552.00
4	Hauling and recycling of all leaf and natural debris	12	\$50.00	\$600.00

CONTRACTS: While we hesitate to increase our pricing, costs that are driven by market conditions are inevitable. For your budgeting purposes, please note that if increases occur they will take place at the beginning of the calendar year after contract expiration.

THINKING GREEN: Our Nite-Hawk powerful sweepers BURN LESS FUEL to do the same work as other auxiliary engine sweepers. They also have been measured at 66 DECIBELS COMPARED TO 90+ DECIBELS of the auxiliary engine sweepers.

NOTE: All leaf debris is recycled at green recycling centers.

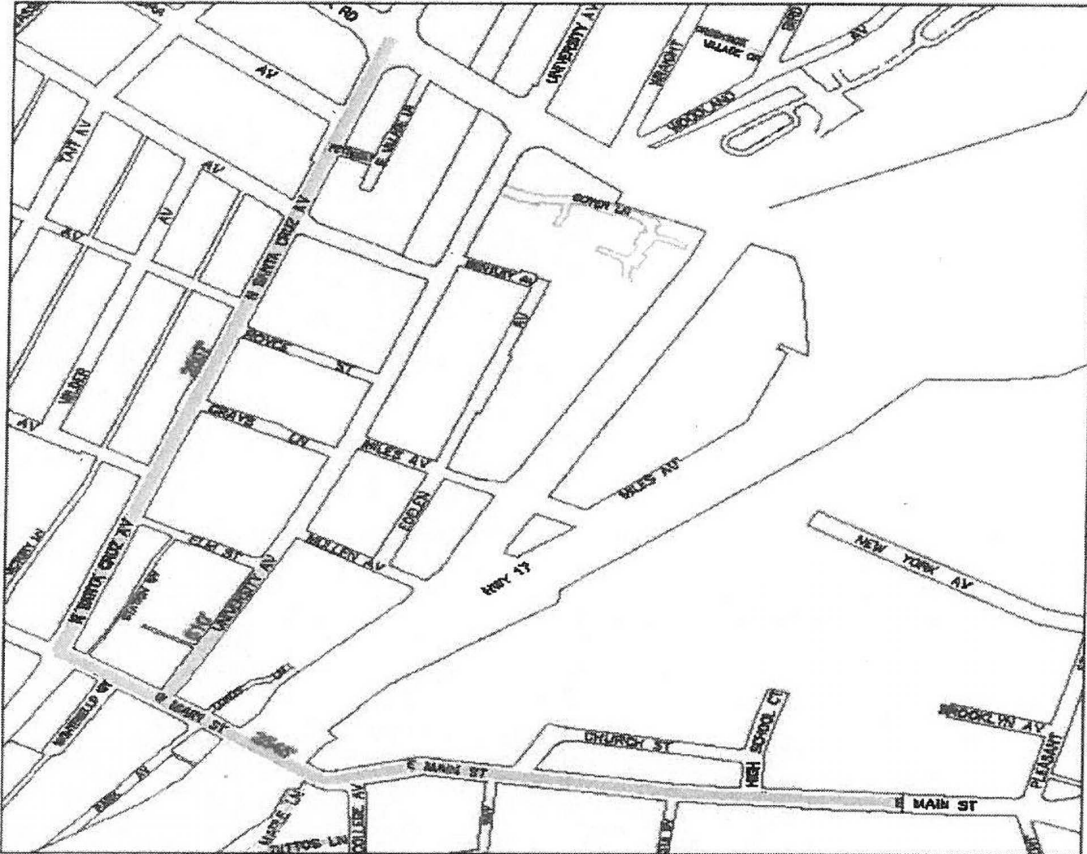
- To accept this proposal, please sign and return to your service coordinator.
- Please email your insurance requirements to shelby@pro-sweep.com.
- Should this service require a purchase order please submit along with signed proposal.
- Contract with a 30 day cancellation clause in effect, upon approval of this proposal.
- Terms: Net 30

Total \$8,952.00

Authorized Signature

Date

DOWNTOWN SIDEWALKS LOCATION MAP



LOS GATOS CIVIC CENTER LIBRARY





**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 09/17/2019

ITEM NO: 6

DATE: September 12, 2019
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Adopt Performance Metrics for the School Bus Pilot Program and Authorize the Town Manager to Issue a Request for Qualifications for Outsourcing Operations Oversight and Customer Service Functions

RECOMMENDATION:

Adopt performance metrics for the School Bus Pilot Program and authorize the Town Manager to issue a Request for Qualifications for outsourcing operations oversight and customer service functions

BACKGROUND:

The Town has identified a school busing program as one piece of a multi-faceted approach towards relieving congestion around schools. Upon completion of a Congestion Relief School Bus Feasibility Study, the Town Council, at its June 5, 2018 meeting, authorized staff to proceed with a school bus pilot program. At its September 18, 2018 meeting, the Town Council authorized funding to provide a pilot service consisting of two routes for 18 months of service.

The two-route pilot service started on January 7, 2019. At the March 19, 2019 meeting, the Town Council received the School Bus Program Business Plan and provided direction to staff for the ongoing program. The first half year of service (second half of the 2018-19 school year) ended with a total of 118 paid passengers, slightly exceeding original expressed level of interest.

The pilot service continued into its second year with service delivery aligned with the start of school on August 15, 2019. The current year service includes the original two routes (A and B) and a new afternoon- only Route C from the High School, all within the approved budget. The second year of the pilot also allows for the purchase of one-way passes either to school or

PREPARED BY: YING SMITH
Transportation and Mobility Manager

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

SUBJECT: Adopt Performance Metrics for the School Bus Pilot Program and Authorize the Town Manager to issue a Request for Qualifications for Outsourcing Operations Oversight and Customer Service Functions

DATE: September 12, 2019

BACKGROUND (continued):

home from school. One-way passes are tracked as part of a full day equivalent pass in reporting. As of the end of August, there were 116 full day equivalent passengers on Routes A and B and 21 passengers on Route C.

DISCUSSION:

In response to some of the issues analyzed in the Business Plan, staff is bringing several proposed performance metrics for the Council's consideration. In addition, staff is proposing an approach for more effective management of the service by soliciting qualified consultants to fulfill the operations oversight and customer service functions.

Performance Metrics

Based on the Council and other stakeholder input, staff is proposing three primary performance metrics.

Subscriptions: This metric measures a level of interest in the program and demonstrates potential ridership measured by full day equivalent passes sold.

Ridership: This metric balances the subscriptions metric by measuring the number of passengers actually on the bus on a regular basis. The measure provides specific data towards the goal of the program to reduce traffic around schools and is measured as a percentage of actual riders to passes sold.

Funding: This metric captures the amount of funding the program has that is not directly Town funds. This includes grant funds and fares and is measured by the percentage of non-Town funds compared to total program cost.

The evaluation will also include target milestones to monitor the program's growth over a period of three years. Table 1 shows details of the performance metrics and the target milestones over three years, should the Council at a future date decide to extend the service for an additional year (FY 2020/21).

SUBJECT: Adopt Performance Metrics for the School Bus Pilot Program and Authorize the Town Manager to issue a Request for Qualifications for Outsourcing Operations Oversight and Customer Service Functions

DATE: September 12, 2019

DISCUSSION (continued):

Table 1 - Performance Metrics and Target Milestones

	Year ½ (FY18/19)	Year 2 (FY19/20)	Year 3 (FY20/21)
	Baseline	Target	Target
Subscriptions	59	62	65
Ridership	47%	65%	75%
Funding	10%	35%	60%

These performance metrics provide a simple and yet comprehensive structure to evaluate the program as they help evaluate effectiveness of different aspects of the program. The number of subscriptions metric is most achievable, as indicated by the current school year's sign ups. The Town's experience thus far indicates that to achieve the target subscriptions, there needs to be corresponding high levels of service quality and customer care.

Although the passenger sign ups aligned with the original expressed level of interest, the actual day to day ridership has been lower than anticipated and as a result, the program's effectiveness in traffic reduction is much less than its potential. Funding has also been challenging as subscribers appear to have fare price sensitivity which limits cost recovery efforts.

Several alternative funding options may help bolster the program. Staff is pursuing a Transportation Fund for Clean Air (TFCA) grant and funds from the upcoming Measure B program. Table 2 shows the financial details based on actual and projected revenues and potential grant funding. Both the TFCA grant and Measure B are competitive programs, with changing project eligibility requirements and scoring criteria. These sources should not be considered dedicated ongoing funding sources so the Town may still face revenue challenges for this program beyond the near-term time frame.

SUBJECT: Adopt Performance Metrics for the School Bus Pilot Program and Authorize the Town Manager to issue a Request for Qualifications for Outsourcing Operations Oversight and Customer Service Functions

DATE: September 12, 2019

DISCUSSION (continued):

Table 2 – Funding Projections

	Year ½ (FY18/19)		Year 2 (FY19/20)		Year 3 (FY20/21)	
Cost	\$167,528		\$285,563		\$294,130	
Fare	\$ 180	10%	\$ 350	15.0%	\$ 385	16.0%
TFCA	--	0%	\$ 87,000	30.5%	\$ 87,000	29.6%
Measure B	--	0%	--	0.0%	\$100,000	34.0%
Total other contribution		10.0%		45.5%		79.6%
<i>Town contribution</i>		90.0%		54.5%		20.4%

Notes to Table 2:

The projections are based on actual and projected revenues.

Fare: A 10% increase in Year 3 is assumed. The fare is subject to future Council approval.

TFCA: Award is pending VTA Board approval on October 3, 2019.

Measure B: Program guidelines are under development.

Among the three metrics, the ridership target has garnered high focus as this demonstrates the success of the program and may impact future grant funding. As directed by the Council, staff conducted a subscriber survey and included questions to understand the low ridership. When asked the primary reason that students didn't ride the bus on a particular day, more than 80% of the respondents cited reasons that were beyond the Town's control, including schedule conflicts (such as doctor's appointments) and before or after school activities. Only 16% of the respondents attributed the low ridership to service quality, such as bus schedule and travel time.

Although the survey revealed good information, the results don't necessarily lead to any obvious solutions to improve ridership. Anecdotal evidence also shows that some families who purchased the passes do not intend to use the bus service as a regular way to transport their children to school, which leads to an inherent low ridership outcome. Staff believes ridership will continue to be an area of challenge.

Operations Oversight and Customer Service

Another topic raised in the business plan are program management and organizational structure. The business plan presented four options of how a program could be managed,

SUBJECT: Adopt Performance Metrics for the School Bus Pilot Program and Authorize the Town Manager to issue a Request for Qualifications for Outsourcing Operations Oversight and Customer Service Functions

DATE: September 12, 2019

DISCUSSION (continued):

exploring the pros and cons of each option. Two options, Town-managed and outsourced program management, are the most realistic for consideration at this time.

The staffing resources required to operate the program remain high as currently structured, creating competition with other workplan priorities and job duties. The most evident trade-off in the current Town-managed model is diversion of staff resources away from pursuing grants for other Town Council priorities. While the Parks and Public Works Department has hired a part time Intern to augment staff resources, it is unrealistic for an Intern to assume the day to day responsibilities of this program. In addition, the program may benefit from the expertise of outside consultants in areas of system safety, operations, and customer care management.

As an alternative to the current Town-managed structure, staff is exploring an approach that would outsource the operations oversight and customer service functions, while retaining higher-level in-house responsibilities for contract management, policy oversight, and budget management. This solution aims to meet the high day to day operational needs of the program.

Staff is proposing a Request for Qualifications (RFQ) as a means for identifying interested service providers, if they exist. Staff would return to Council at a future date with any potential service agreement and cost considerations. The initial contract would have a termination date of June 30, 2020, aligned with the pilot duration.

COORDINATION:

This report was coordinated with the Transportation and Parking Commission.

FISCAL IMPACT:

There is no fiscal impact as a result of this report. Through the RFQ process, the Town will obtain cost information that would inform potential future budget adjustments for the Town Council's future consideration.

ENVIRONMENTAL ASSESSMENT:

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



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 09/17/2019

ITEM NO: 7

DATE: September 10, 2019
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Adopt an Ordinance of the Town of Los Gatos Amending Chapter 2, Article II, Section 2.20.035, Election of Mayor and Vice-Mayor

RECOMMENDATION:

Adopt the ordinance that was introduced at the Town Council meeting of September 3, 2019, amending Chapter 2, Article II, Section 2.20.035, Election of Mayor and Vice-Mayor.

BACKGROUND:

Each year, at the second meeting in November, the Town Council elects a Mayor and Vice Mayor pursuant to Town Code Section Sec. 2.20.035.

DISCUSSION:

Government Code Section 36801 states that during election years, the Town Council shall choose one of its members as Mayor and Vice Mayor following the declaration of election results and the installation of elected officials.

On August 20, 2019, the Council considered amendments to Town Code Section Sec. 2.20.035 in order to comply with Government Code Section 36801, and directed Staff to return with the following amendment to the Town Code:

Sec. 2.20.035. - Election of Mayor and Vice-Mayor.

The Town Council shall elect a Mayor and Vice Mayor annually ~~on the second at a special meeting in November~~ December of each year after receipt of election results from the Registrar of Voters. The special meeting shall occur prior to the second regular meeting in December to enable the newly elected Mayor the opportunity to recommend appointments of Council Members to various Boards and Committees at the second regular meeting in December.

PREPARED BY: Robert Schultz
Town Attorney

Reviewed by: Town Manager, Assistant Town Manager

PAGE 2 OF 2

SUBJECT: Adopt an Ordinance Amending Chapter 2, Article II, Section 2.20.035, Election of Mayor and Vice-Mayor

DATE: September 10, 2019

DISCUSSION (continued):

On September 3, 2019, the Council conducted the introduction and first reading, by title only, of the amended ordinance.

CONCLUSION:

Staff recommends that Council adopt an ordinance amending Chapter 2, Article II, Section 2.20.035, Election of Mayor and Vice-Mayor.

COORDINATION:

This report was coordinated with the Town Manager's Office.

FISCAL IMPACT:

There are no fiscal impacts associated with the approval of these amendments.

ENVIRONMENTAL ASSESSMENT:

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

Attachment:

1. Draft Ordinance Amending Chapter 2, Article II, Section 2.20.035, Election of Mayor and Vice Mayor

DRAFT ORDINANCE

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS AMENDING CHAPTER 2, ARTICLE II, SECTION 2.20.035, ELECTION OF MAYOR AND VICE-MAYOR

WHEREAS, the Town Council for the Town of Los Gatos has historically elected a Mayor and Vice Mayor pursuant to Town Code Section Sec. 2.20.035; and

WHEREAS, Government Code Section 36801 states that during election years, the Town Council shall choose one of its members as Mayor and Vice Mayor following the declaration of election results and the installation of elected officials; and

WHEREAS, to comply with Government Code Section 36801, certain amendments are necessary to the Town Code.

NOW, THEREFORE, THE PEOPLE OF THE TOWN OF LOS GATOS AND THE TOWN COUNCIL DO HEREBY ORDAIN AS FOLLOWS:

SECTION I

Town Code Section 2.20.025 is amended to read as follows:

Sec. 2.20.035. - Election of Mayor and Vice-Mayor.

The Town Council shall elect a Mayor and Vice Mayor annually at a special meeting in December of each year after receipt of election results from the Registrar of Voters. The special meeting shall occur prior to the second regular meeting in December to enable the newly elected Mayor the opportunity to recommend appointments of Council Members to various Boards and Committees at the second regular meeting in December.

SECTION II

The Town Council finds and determines that the adoption of this ordinance is not a project pursuant to CEQA Guidelines Section 15378(b)(2) and Section 15378(b)(5). In the alternative, if the Town Council finds that if the adoption of the Ordinance is a project, it is exempt from the requirements of the California Environmental Quality Act (CEQA) per CEQA Guidelines under the General Rule (Section 15061(b)(3)), which sets forth that the CEQA applies only to projects which have the potential for causing a significant effect on the environment. It can be seen with certainty that the proposed Town Code text amendments will have no significant negative effect on the environment.

SECTION III

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.

ATTACHMENT 1

SECTION IV

If any provision of this ordinance or the application thereof to any person or circumstances is held to be 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. The 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 V

This Ordinance was introduced at a regular meeting of the Town Council of the Town of Los Gatos on the ____ day of _____ 20 , 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 _____ 20 . This ordinance takes effect on January 1, 2020. 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: 09/17/2019

ITEM NO: 8

DATE: September 6, 2019
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Town Code Amendment Application A-19-006. Project Location: **Town Wide.**
Applicant: Town of Los Gatos.
Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding Parking Assessment District regulations.

RECOMMENDATION:

Introduce an Ordinance (Attachment 4), by title only, effecting an amendment to Chapter 29 (Zoning Regulations) of the Town Code regarding Parking Assessment District regulations.

BACKGROUND:

On February 26, 2019, the Policy Committee reviewed an outline of possible streamlining opportunities that relate to the land use process and costs for businesses and residents. Potential amendments to the regulations for the Parking Assessment District was one of the streamlining options. Following a brief discussion, the Policy Committee provided direction to bring back the Parking Assessment District regulations for further discussion.

On May 28, 2019, the Policy Committee reviewed potential modifications to the Parking Assessment District regulations and approved forwarding the changes to the Planning Commission and Town Council for recommendation and consideration, respectively.

DISCUSSION:

A. Planning Commission

On August 14, 2019, the Planning Commission reviewed the proposed Town Code amendments from the Policy Committee (Attachment 1, Exhibit 6) that would:

PREPARED BY: Jocelyn Shoopman
Associate Planner

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

SUBJECT: Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding Parking Assessment District regulations.

DATE: September 6, 2019

DISCUSSION (continued):

- Remove the requirement for a Variance application for the removal of on-site parking spaces when the use is changed to a residential use that does not require the amount of on-site parking spaces.

The Planning Commission had no recommended modifications to the Policy Committee's draft ordinance language. Attachment 2 contains the verbatim minutes for the Planning Commission meeting.

B. 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.

In addition, interested architects and the following organizations have been contacted regarding the amendments:

- American Institute of Architects (AIA) Silicon Valley;
- Santa Clara County Association of Realtors (SCCAR); and
- Silicon Valley Association of Realtors (SILVAR).

CONCLUSION:

Staff recommends that the Town Council:

1. Make the finding 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)] (Attachment 3);
2. Make the required finding that the amendment to Chapter 29 of the Town Code regarding Parking Assessment District regulations is consistent with the General Plan (Attachment 3); and

SUBJECT: Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding Parking Assessment District regulations.

DATE: September 6, 2019

CONCLUSION (continued):

3. Introduce the Ordinance of the Town of Los Gatos effecting the amendment of the Town Code regarding Parking Assessment District regulations A-19-006 (Attachment 4), 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.

COORDINATION:

The preparation of the Ordinance was coordinated with the Town Attorney.

ENVIRONMENTAL ASSESSMENT:

The project is Categorically 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 proposed amendment to the Town Code will have a significant effect on the environment.

PUBLIC COMMENTS:

No written public comments have been received.

Attachments:

1. August 14, 2019 Planning Commission Staff Report with Exhibits 1 - 6 (16 pages)
2. August 14, 2019 Planning Commission Verbatim Minutes (four pages)
3. Required Findings (one page)
4. Draft Ordinance (four pages)

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**TOWN OF LOS GATOS
PLANNING COMMISSION
REPORT**

MEETING DATE: 08/14/2019

ITEM NO: 4

DATE: August 5, 2019
TO: Planning Commission
FROM: Joel Paulson, Community Development Director
SUBJECT: Town Code Amendment Application A-19-006. Project Location: **Town Wide.**
Applicant: Town of Los Gatos.
Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding Parking Assessment District regulations.

RECOMMENDATION:

Forward a recommendation to the Town Council for approval of the amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding the Parking Assessment District regulations.

CEQA:

The project is Categorically 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:

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

BACKGROUND:

On February 26, 2019, the Policy Committee reviewed an outline of possible streamlining opportunities that relate to the land use process and costs for businesses and residences. Potential amendments to the regulations for the Parking Assessment District was one of the

PREPARED BY: Jocelyn Shoopman
Associate Planner

Reviewed by: Planning Manager and Community Development Director

BACKGROUND (continued):

topics identified by staff as an opportunity to streamline the land use process and costs. Following a brief discussion, the Policy Committee provided direction to bring back the Parking Assessment District regulations for further discussion.

On May 28, 2019, the Policy Committee reviewed potential modifications to the Parking Assessment District regulations and recommended approval of the changes.

DISCUSSION:

Section 29.10.150 (f) of the Town Code contains the Parking Assessment District regulations. Additionally, Section 29.10.150 (f) (5) of the Town Code states that parking spaces that are credited in the Parking Assessment District calculation may not be eliminated.

Section 29.10.150 (f) (5) requires approval of a Variance application when commercial uses on properties in the Parking Assessment District are converted to a residential use with less intensive parking requirements. Recent applications have included Zone Change applications that were approved to change the zone for a downtown property from Office: Landmark Historic Preservation (O:LHP) to Single-Family Residential, Downtown: Landmark Historic Preservation (R-1D:LHP) to be consistent with the General Plan Land Use designation. The removal of existing on-site parking spaces (i.e. conversion to landscaping or construction of a garage) would require approval of a Variance application.

The Variance application fee is currently \$5,239.98 and requires Planning Commission approval, which typically takes between two and four months. The cost and processing time for a Variance application could be eliminated if Section 29.10.150 (f) (5) were amended.

A. Existing Town Code

Existing Town Code Section 29.10.150 (f) discusses Parking Assessment District regulations:

.....

(f) *Properties in parking districts.* Required spaces in parking districts shall be as follows:

- (1) For any building or open-air use in a public parking district, the number of required off-street parking spaces is:
 - a. None, when the gross floor area of the building and open area occupied by a use, combined, do not exceed the area of the building and open area occupied when the district is formed; or
 - b. When the area limitation in subsection (f)(1)a. is exceeded or the use is intensified, the required number is derived only on the basis of the excess area.

DISCUSSION (continued):

- (2) The creation of a parking assessment district relieves those properties located within the district which were nonconforming as to parking from having to supply on-site parking spaces in accordance with subsection (b).
- (3) The assessment formula was based on a number of factors that included existing floor area, existing use, in some cases potential floor area and included credits for existing on-site parking spaces and for participation in past assessment districts.
- (4) The Planning Director shall develop a table using the floor area, parking and previous assessment district information used to calculate the parking assessment and translating that information into a parking credit based on the parking requirements set forth in subsection (b).

When an application is filed to intensify the use within an existing building or to expand an existing building, this information will be used to calculate the amount of on-site parking, if any, that will be necessary to comply with the parking requirements set forth in subsection (b).

- (5) Any parking spaces that are credited in the parking assessment district calculation may not be eliminated.

.....

B. Proposed Modifications

Based on the discussion above, as recommended by the Policy Committee, staff has prepared a Draft Ordinance implementing the amendments (Exhibit 6), for the Planning Commission's consideration. The potential amendments, shown in ~~strike through~~ and underline font in Exhibit 6, would make the following change:

- Remove the requirement for a Variance application for the removal of on-site parking spaces when the use is changed to a residential use that does not require the amount of on-site parking spaces.

C. 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;

DISCUSSION (continued):

- The Town's Instagram account; and
- The Town's NextDoor page.

In addition, the following organizations have been contacted regarding the amendments:

- American Institute of Architects (AIA) Silicon Valley;
- Santa Clara County Association of Realtors (SCCAR); and
- Silicon Valley Association of Realtors (SILVAR).

PUBLIC COMMENTS:

At this time, the Town has not received any public comment.

CONCLUSION:

A. Recommendation

Based on the direction of the Town Council Policy Committee, 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 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)] (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 6).

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.

PAGE 5 OF 5

SUBJECT: Parking Assessment District Regulations

DATE: August 5, 2019

EXHIBITS:

1. Required Findings (one page)
2. Town Council Policy Committee Minutes, February 26, 2019 (three pages)
3. Town Council Policy Committee Report, February 26, 2019 (two pages)
4. Town Council Policy Committee Minutes, May 28, 2019 (two pages)
5. Town Council Policy Committee Report without attachments, May 28, 2019 (two pages)
6. Draft Ordinance (one page)

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PLANNING COMMISSION – August 14, 2019
REQUIRED FINDINGS FOR:

Town Code Amendment Application A-19-006

Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding Parking Assessment District regulations.

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 Parking Assessment District regulations are consistent with the General Plan.

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**TOWN OF LOS GATOS
TOWN COUNCIL
POLICY COMMITTEE**

MEETING DATE: 04/09/2019

ITEM NO: 1

**MINUTES OF THE SPECIAL TOWN COUNCIL POLICY COMMITTEE MEETING
FEBRUARY 26, 2019**

The Town Council Policy Committee of the Town of Los Gatos conducted a special meeting on Thursday, February 26, at 5:00 p.m.

MEETING CALLED TO ORDER

ROLL CALL

Members Present: Marcia Jensen, Barbara Spector.

Staff Present: Rob Schultz, Town Attorney; Joel Paulson, Community Development Director; Matt Morley, Parks and Public Works Director; Shelley Neis, Town Clerk.

VERBAL COMMUNICATIONS

None.

OTHER BUSINESS

1. Approval of the January 24, 2019 Council Policy Committee Minutes.

Approved.

2. Provide direction on Commission Appointment Policy 2-11 in relation to Commissioner interviews, and the Town Agenda Format and Rules Policy 2-01 regarding remote meeting participation.

Shelley Neis, Town Clerk, presented the staff report.

Maria Ristow

- Commented on remote participation and requested the Council consider requiring that applicants must attend a Commission meeting before applying.

After discussion the Committee directed staff to forward the two Policies to Council with the following recommendation:

- Allow a submission letter and remote participation for interview purposes only for incumbents.
- Suggested language from the Town Attorney regarding special meeting times.
- Suggested number of allowed remote meeting participation that is less than half as there was not consensus on the number.

Chair Jensen moved Items #4 and #5 before Item #3.

3. Provide direction on potential land use streamlining modifications.

Joel Paulson, Community Development Director, presented the staff report.

Bess Weirsema, Studio 3

- Requested the design professional community have a seat at the table to discuss potential modifications to land use processes and permitting and commented on the demolition regulations.

Jennifer Crutchmer

- Commented on the demolition regulations.

Tony Jeans

- Requested the design professional community have a seat at the table to discuss potential modifications to the demolition regulations and streamlining land use processes.

Jay Plett

- Commented on the demolition requirements and requested the demolition policy be streamlined.

Dave Zicovich

- Commented on the demolition policy and requested the demolition policy be streamlined.

Catherine Somers

- Commented on streamlining processes to allow business to open within three months and consider a deciding body policy.

After discussion the Committee directed staff to look at how the accessory dwelling unit (ADU) ordinance interacts with other regulations, how the hillside and historical regulations interact with other regulations, and to bring the demolition regulations and policy to the next meeting.

4. Provide direction on potential modifications or updates to the Traffic Impact Mitigation Ordinance, Policy, and Fees.

Matt Morley, Parks and Public Works Director, presented the staff report.

Maria Ristow

- Suggested an alternative to exceptions, a traffic demand mitigation (TDM) or some way to waive the fees if the traffic is mitigated.

Item #4 – continued

After discussion, the Committee identified that Town Code Section 15.70.030(c)(5) enables the Town Council to consider unusual circumstances and approve a deviation from the Traffic Policy. The Committee directed staff to bring the requested fee modification to the Town Council for its consideration consistent with this provision.

5. Receive information on the development of Arborist Report Standards.

Joel Paulson, Community Development Director, presented the staff report.

Dave Weismann

- Commented on the prolonged timeline for the development of arborist standards.

Refer the item to the Town Manager to discuss with the Mayor to determine if the item will be placed on a future Council agenda for discussion.

6. Determine meeting schedule for 2019 (verbal discussion only).

The Committee chose the second Tuesday of each month at 5:00 p.m. The next meeting will be March 12, 2019.

ADJOURNMENT

The meeting adjourned at 6:08 p.m.

Attest:

/s/ Shelley Neis, Town Clerk

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**TOWN OF LOS GATOS
POLICY COMMITTEE REPORT**

MEETING DATE: 2/26/2019

ITEM NO: 9

DATE: FEBRUARY 21, 2019

TO: POLICY COMMITTEE

FROM: LAUREL PREVETTI, TOWN MANAGER

SUBJECT: DISCUSS AND PROVIDE DIRECTION ON POTENTIAL LAND USE
STREAMLINING MODIFICATIONS.

RECOMMENDATION:

Discuss and provide direction on potential land use streamlining modifications.

BACKGROUND:

Over the last couple years, the Town has considered and approved a number of modifications and/or pilot programs that have streamlined the process and costs for businesses. Additional opportunities for streamlining opportunities for businesses will be considered by the Town Council on March 5, 2019.

DISCUSSION:

Staff has identified some additional opportunities to streamline land use processes for the Policy Committee's consideration. Staff has prepared an outline that contains possible streamlining opportunities that relate to the land use process and costs for businesses and residences (Attachment 1). Attachment 1 contains general comments and questions regarding potential streamlining opportunities as outlined below by category:

- Demolition Regulations (see Attachments 2 and 3);
- Hillside Development Standards and Guidelines Project Review and Approval Process (see Attachment 4);
- Deciding Body Modifications (see Attachments 5 through 10); and

PREPARED BY: JOEL PAULSON
Community Development Director

Reviewed by: Town Manager

DISCUSSION (continued):

- Architecture and Site Applications (see Attachment 10).

This meeting will allow for an initial conversation between staff and the Policy Committee. Staff will be prepared to walk through these topics and answer questions.

Staff is interested in the Policy Committee's discussion and direction on these general topics to help prioritize next steps. Given staff resource constraints, staff will bring individual topics back to the Policy Committee for a more thorough discussion.

COORDINATION:

The preparation of this report was coordinated with the Town Manager's Office.

Attachments:

1. Possible Streamlining Opportunities
2. Demolition Affidavit
3. Demolition Diagram
4. Chapter IX of the Hillside Development Standards and Guidelines
5. Excerpt from the Town Code relating to Deciding Bodies
6. Excerpt from the Town Code relating to loss of Parking in the Parking Assessment District
7. Excerpt from the Town Code relating to Parking Lot Modifications
8. Excerpt from the Town Code relating to Valet Parking
9. Policy relating to Minor Exterior Modifications to Commercial Buildings
10. Excerpt from the Town Code relating to Minor Exterior Alterations to Commercial Building and the requirement for an Architecture and Site application for a change in architectural style



**TOWN OF LOS GATOS
TOWN COUNCIL
POLICY COMMITTEE**

MEETING DATE: 06/25/2019

**MINUTES OF THE SPECIAL TOWN COUNCIL POLICY COMMITTEE MEETING
MAY 28, 2019**

The Town Council Policy Committee of the Town of Los Gatos conducted a special meeting on Tuesday, May 28, 2019, at 5:00 p.m.

MEETING CALLED TO ORDER AT 5:01 P.M.

ROLL CALL

Members Present: Marcia Jensen, Barbara Spector.

Staff Present: Laurel Prevetti, Town Manager; Joel Paulson, Community Development Director; Holly Zappala, Management Analyst.

VERBAL COMMUNICATIONS

None.

OTHER BUSINESS

1. Approval of the May 9, 2019 Council Policy Committee Minutes.

Approved.

Joel Paulson, Community Development Director, presented the staff reports for Items 2 through 5.

2. Provide direction on potential amendments to the Hillside Development Standards and Guidelines approval processes.

After discussion, the Committee asked staff to email the Committee a revised draft for review and, upon review and approval of the draft, forward a recommendation to the Planning Commission to approve the amendments to the Hillside Development Standards and Guidelines.

3. Provide direction on potential amendments to the parking lot improvement approval process.

After discussion, the Committee decided to forward a recommendation to the Planning Commission to approve the amendments to the parking lot improvement approval process.

4. Provide direction on potential amendments to the valet parking regulations.

After discussion, the Committee agreed to forward a recommendation to the Planning Commission to approve the amendments to the valet parking regulations and to expand the valet parking regulations beyond the parking assessment district to apply Town-wide.

5. Provide direction on potential amendments to parking assessment district regulations.

After discussion, the Committee forwarded a recommendation to the Planning Commission to approve the amendments to parking district regulations with minor changes to the wording to make it clear that they apply to on-site parking spaces.

The Committee also agreed to amend the regular meeting schedule of the Town Council Policy Committee to meet on the fourth Tuesday of each month at 5:00 p.m. in Town Council Chambers.

ADJOURNMENT

The meeting adjourned at 5:26 p.m.

This is to certify that the foregoing is a true
and correct copy of the minutes of the
May 28, 2019 meeting as approved by the
Town Council Policy Committee.

/s/ Holly Zappala, Management Analyst



**TOWN OF LOS GATOS
POLICY COMMITTEE REPORT**

MEETING DATE: 5/28/2019

ITEM NO: 5

DATE: MAY 22, 2019

TO: POLICY COMMITTEE

FROM: LAUREL PREVETTI, TOWN MANAGER

SUBJECT: PROVIDE DIRECTION ON POTENTIAL AMENDMENTS TO PARKING
ASSESSMENT DISTRICT REGULATIONS.

RECOMMENDATION:

Provide direction on potential amendments to parking assessment district regulations.

BACKGROUND:

On February 26, 2019, the Policy Committee reviewed an outline of possible streamlining opportunities that relate to the land use process and costs for businesses and residences. Following a brief discussion, the Policy Committee provided direction to bring back parking assessment district regulations for further discussion.

Potential amendments to parking assessment district regulations was one of the topics identified by staff as an opportunity to streamline the land use process and costs. The general question regarding potential amendments to parking assessment district regulations presented in the February 26, 2019 Policy Committee report was:

- Should a reduction in on-site parking spaces for a property in the Parking Assessment District require a Variance application and Planning Commission approval if the resulting use is changed to a residential use?

PREPARED BY: JOEL PAULSON
Community Development Director

Reviewed by: Town Manager

DISCUSSION:

Section 29.10.150 (f) of the Town Code contains regulations regarding properties in the parking assessment district (Attachment 1). Section 29.10.150 (f) (5) states:

Any parking spaces that are credited in the parking assessment district calculation may not be eliminated.

This regulation requires approval of a Variance application when commercial uses on properties in the parking assessment district are converted to a residential use. A couple recent zone change applications have been approved to change the zoning designation from O:LHP to R-1D:LHP for properties that were occupied by commercial uses which will be converted to residential uses. The removal of existing on-site parking spaces (i.e. conversion to landscaping or construction of an attached or detached garage) will require approval of a Variance application.

The Variance application fee is currently \$5,239.98 and requires Planning Commission approval which typically takes between two and four months. The cost and processing time for a Variance application could be eliminated if Section 29.10.150 (f) (5) was amended.

Staff has prepared potential Town Code amendments (Attachment 2) for the Policy Committee's consideration. These amendments would allow for the removal of existing on-site parking spaces when the use is changed to a residential use that does not require all of the existing on-site spaces to remain. The potential amendments, shown in underline font, would make the following changes:

Any parking spaces that are credited in the parking assessment district calculation may not be eliminated, unless the use is changed to a residential use that does not require the amount of on-site parking spaces.

This meeting will allow for a conversation between staff and the Policy Committee. Staff will be prepared to walk through this matter and answer questions.

Staff is interested in the Policy Committee's discussion and direction on the potential parking assessment district regulation modifications.

COORDINATION:

The preparation of this report was coordinated with the Town Manager's Office.

PAGE 3 OF 3

SUBJECT: PARKING ASSESSMENT DISTRICT REGULATIONS

DATE: MAY 22, 2019

Attachments:

1. Excerpt from the Town Code regarding properties in the Parking Assessment District
2. Potential Town Code Amendments

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Excerpts from Los Gatos Town Code

Chapter 29

Sec. 29.10.150. - Number of off-street spaces required.

.....

(f) *Properties in parking districts.* Required spaces in parking districts shall be as follows:

- (1) For any building or open-air use in a public parking district, the number of required off-street parking spaces is:
 - a. None, when the gross floor area of the building and open area occupied by a use, combined, do not exceed the area of the building and open area occupied when the district is formed; or
 - b. When the area limitation in subsection (f)(1)a. is exceeded or the use is intensified, the required number is derived only on the basis of the excess area.
- (2) The creation of a parking assessment district relieves those properties located within the district which were nonconforming as to parking from having to supply on-site parking spaces in accordance with subsection (b).
- (3) The assessment formula was based on a number of factors that included existing floor area, existing use, in some cases potential floor area and included credits for existing on-site parking spaces and for participation in past assessment districts.
- (4) The Planning Director shall develop a table using the floor area, parking and previous assessment district information used to calculate the parking assessment and translating that information into a parking credit based on the parking requirements set forth in subsection (b).

When an application is filed to intensify the use within an existing building or to expand an existing building, this information will be used to calculate the amount of on-site parking, if any, that will be necessary to comply with the parking requirements set forth in subsection (b).

- (5) Any on-site parking spaces that are credited in the parking assessment district calculation may not be eliminated, unless the use is changed to a residential use that does not require the existing on-site parking spaces.

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A P P E A R A N C E S:

Los Gatos Planning Commissioners:	Matthew Hudes, Chair Mary Badame Kendra Burch Kathryn Janoff Tom O'Donnell Reza Tavana
Town Manager:	Laurel Prevetti
Community Development Director:	Joel Paulson
Town Attorney:	Robert Schultz
Transcribed by:	Vicki L. Blandin (619) 541-3405

1
2 P R O C E E D I N G S:
3

4 CHAIR HUDES: We move on to Item 4, Town Code
5 Amendment A-19-006, and this is again Town Wide, Applicant
6 Town of Los Gatos, and this is amendments to Chapter 29
7 regarding Parking Assessment District regulations. Ms.
8 Shoopman.

9 JOCELYN SHOOPMAN: This item in front of you is
10 consideration for an amendment to Chapter 29 of the Zoning
11 Code regarding Parking Assessment District regulations as
12 recommended by the Town Council Policy Committee and
13 forwarded to you for your recommendation to the Council.
14

15 The recommendation from the Policy Committee
16 proposes to remove the requirement for a variance
17 application for the removal of onsite parking spaces that
18 are credited in the Parking Assessment District when the
19 use is changed to a residential use that does not require
20 the same amount of onsite parking spaces.

21 This completes Staff's presentation; we're happy
22 to answer any questions.

23 CHAIR HUDES: Questions? Okay, none. Discussion?
24 Oh, open and close public hearing. We have no comments, so
25

1 we'll close public hearing. Comments? Commissioner
2 O'Donnell.

3 COMMISSIONER O'DONNELL: If we're all ready, I
4 think we could make a motion to approve it, and so I would
5 make that motion that we make a recommendation that the
6 Council approve the proposed change and that the necessary
7 findings as set forth in attached would be part of the
8 motion; I will not state them because they are attached. So
9 that would be the motion.
10

11 CHAIR HUDES: Okay. Second? Commissioner Badame.

12 COMMISSIONER BADAME: Second.

13 CHAIR HUDES: Second. Further discussion? Okay,
14 I'll call the question. All in favor? Passes 6-0
15 unanimously, and there are no appeal rights as this is a
16 recommendation.
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TOWN COUNCIL – September 17, 2019
REQUIRED FINDINGS FOR:

Town Code Amendment Application A-19-006

Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding Parking Assessment District regulations.

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 Parking Assessment District regulations are consistent with the General Plan.

ORDINANCE

ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS AMENDING CHAPTER 29 (ZONING REGULATIONS) OF THE TOWN CODE REGARDING PARKING ASSESSMENT DISTRICT REGULATIONS

WHEREAS, the Town Council would like to streamline the land use process to reduce the time and cost impacts for businesses and residences;

WHEREAS, Section 29.10.150 of the Town Code states that parking spaces that are credited in the Parking Assessment District calculation may not be eliminated;

WHEREAS, removal of on-site parking spaces in the Parking Assessment District requires a Variance application when commercial uses are converted to a residential use;

WHEREAS, the proposed amendments will reduce cost and processing time for conversion of a commercial use to a residential use with less intensive parking requirements;

WHEREAS, this matter was regularly noticed in conformance with State and Town law and came before the Planning Commission for public hearing on August 14, 2019;

WHEREAS, on August 14, 2019, the Planning Commission reviewed the proposed amendment regarding Parking Assessment District regulations and forwarded a recommendation to the Town Council for approval of the proposed amendments;

WHEREAS, this matter was regularly noticed in conformance with State and Town law and came before the Town Council for public hearing on September 17, 2019; and

WHEREAS, on September 17, 2019, the Town Council reviewed and commented on the proposed amendments regarding Parking Assessment District regulations and the Town Council voted to introduce an Ordinance.

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

SECTION I

Section 29.10.150 of Town Code Chapter 29 are hereby amended to read as follows:

Sec. 29.10.150. – Number of off-street spaces required.

...

(f) *Properties in parking districts.* Required spaces in parking districts shall be as follows:

- (1) For any building or open-air use in a public parking district, the number of required off-street parking spaces is:
 - a. None, when the gross floor area of the building and open area occupied by a use, combined, do not exceed the area of the building and open area occupied when the district is formed; or
 - b. When the area limitation in subsection (f)(1)a. is exceeded or the use is intensified, the required number is derived only on the basis of the excess area.
- (2) The creation of a parking assessment district relieves those properties located within the district which were nonconforming as to parking from having to supply on-site parking spaces in accordance with subsection (b).
- (3) The assessment formula was based on a number of factors that included existing floor area, existing use, in some cases potential floor area and included credits for existing on-site parking spaces and for participation in past assessment districts.
- (4) The Planning Director shall develop a table using the floor area, parking and previous assessment district information used to calculate the parking assessment and translating that information into a parking credit based on the parking requirements set forth in subsection (b).

When an application is filed to intensify the use within an existing building or to expand an existing building, this information will be used to calculate the amount of on-site parking, if any, that will be necessary to comply with the parking requirements set forth in subsection (b).

- (5) Any on-site parking spaces that are credited in the parking assessment district calculation may not be eliminated, unless the use is changed to a residential use that does not

require the existing on-site parking spaces.

...

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 amendment is 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 September 17, 2019, and adopted by the following vote as an ordinance of the Town of Los Gatos at a meeting of the Town Council of the Town of Los Gatos on October 1, 2019 and becomes effective 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:

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

DATE: _____

N:\DEV\ORDS\2019\Parking Assessment District [Intro] 09-17-19.docx



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 09/17/2019

ITEM NO: 9

DATE: September 6, 2019
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Town Code Amendment Application A-19-004. Project Location: **Town Wide.**
Applicant: Town of Los Gatos.
Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding parking lot improvement regulations.

RECOMMENDATION:

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

BACKGROUND:

On February 26, 2019, the Policy Committee reviewed an outline of possible streamlining opportunities that relate to the land use process and costs for businesses and residents. Potential amendments to the regulations for parking lot improvements was one of the streamlining options. Following a brief discussion, the Policy Committee provided direction to bring back the parking lot improvement regulations for further discussion.

On May 28, 2019, the Policy Committee reviewed potential modifications to the parking lot improvement regulations and approved forwarding the changes to the Planning Commission and Town Council for recommendation and consideration, respectively.

DISCUSSION:

A. Planning Commission

On August 14, 2019, the Planning Commission reviewed the proposed Town Code amendments from the Policy Committee (Attachment 1, Exhibit 6) that would:

PREPARED BY: Jocelyn Shoopman
Associate Planner

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

SUBJECT: Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding parking lot improvement regulations

DATE: September 6, 2019

DISCUSSION (continued):

- Modify the deciding body for Building Permits for parking lot improvements from the Development Review Committee to the Community Development Director.

The Planning Commission had no recommended modifications to the Policy Committee's draft ordinance language. Attachment 2 contains the verbatim minutes for the Planning Commission meeting.

B. 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.

In addition, interested architects and the following organizations have been contacted regarding the amendments:

- American Institute of Architects (AIA) Silicon Valley;
- Santa Clara County Association of Realtors (SCCAR); and
- Silicon Valley Association of Realtors (SILVAR).

CONCLUSION:

Staff recommends that the Town Council:

1. Make the finding 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)] (Attachment 3);
2. Make the required finding that the amendments to Chapter 29 of the Town Code regarding parking lot improvement regulations are consistent with the General Plan (Attachment 3); and

SUBJECT: Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding parking lot improvement regulations

DATE: September 6, 2019

CONCLUSION (continued):

3. Introduce the Ordinance of the Town of Los Gatos effecting the amendments of the Town Code regarding parking lot improvement regulations A-19-004 (Attachment 4), 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.

COORDINATION:

The preparation of the Ordinance was coordinated with the Town Attorney.

ENVIRONMENTAL ASSESSMENT:

The project is Categorically 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 proposed amendments to the Town Code will have a significant effect on the environment.

PUBLIC COMMENTS:

No written public comments have been received.

Attachments:

1. August 14, 2019 Planning Commission Staff Report with Exhibits 1 - 6 (16 pages)
2. August 14, 2019 Planning Commission Verbatim Minutes (four pages)
3. Required Findings (one page)
4. Draft Ordinance (four pages)

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**TOWN OF LOS GATOS
PLANNING COMMISSION
REPORT**

MEETING DATE: 08/14/2019

ITEM NO: 3

DATE: August 5, 2019
TO: Planning Commission
FROM: Joel Paulson, Community Development Director
SUBJECT: Town Code Amendment Application A-19-004. Project Location: **Town Wide.**
Applicant: Town of Los Gatos.
Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding parking lot improvement regulations.

RECOMMENDATION:

Forward a recommendation to the Town Council for approval of the amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding parking lot improvement regulations.

CEQA:

The project is Categorically 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:

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

BACKGROUND:

On February 26, 2019, the Policy Committee reviewed an outline of possible streamlining opportunities that relate to the land use process and costs for businesses and residences. Following a brief discussion, the Policy Committee provided direction to bring back the parking lot improvement regulations for further discussion. Potential amendments to the

PREPARED BY: Jocelyn Shoopman
Associate Planner

Reviewed by: Planning Manager and Community Development Director

BACKGROUND (continued):

regulations for parking lot improvements was one of the topics identified by staff as an opportunity to streamline the land use process and costs.

On May 28, 2019, the Policy Committee reviewed potential changes to the parking lot improvement regulations, and recommended approval of the changes.

DISCUSSION:

Section 29.10.145 (h), (l), (m), and (n) of the Town Code contains regulations regarding Building Permits for parking lot improvements. Additionally, Section 29.20.745 (4) of the Town Code designates the Development Review Committee (DRC) as the deciding body for these Building Permits.

The existing Town Code requires Building Permits for parking lot improvements to be reviewed by the DRC. DRC review of the Building Permits does not require an additional fee, and typically does not add significant processing time to the Building Permit process. While there are no additional costs nor significant processing time related to the DRC review, the Policy Committee did not believe that the additional layer of review was necessary, given that the same departments that are represented on the DRC already review the Building Permits. This additional layer of review could be eliminated if Section 29.10.145 (l), (m), and (n) and Section 29.20.745 (4) were amended.

A. Existing Town Code

Existing Town Code Section 29.10.145 (l), (m), and (n) of the Town Code discusses parking lot improvement regulations:

.....

(l) *Determination.* Applications for permits for parking lot improvements shall be determined by the Planning Director. When compliance with State disabled-accessibility statutes and regulations will result in a reduction in the number of spaces remaining in the parking lot below the number required by this chapter, the application shall be determined by the Development Review Committee through the building permit process.

(m) *Standards for disabled accessibility.* Parking lot improvements shall be rendered disabled-accessible. Each application for a permit for parking lot improvements shall be reviewed and determined in accordance with the requirements for disabled-accessibility as set forth in title 24 of the California Administrative Code. The Development Review Committee may approve a permit for parking lot improvements which reduces the number of parking spaces required pursuant to section 29.10.150. This approval must

DISCUSSION (continued):

be based upon a finding that public necessity for disabled-accessible parking spaces outweighs the need for the number of parking spaces required by section 29.10.150.

- (n) *Effect of Development Review Committee approval.* No penalties shall apply to and no assessments shall be based on an increased parking space deficiency or a created parking space deficiency pursuant to section 29.10.150 resulting from the Development Review Committee approval of a parking lot permit under subsection (l) of this section. This subsection (n) shall not apply to an increased parking space deficiency or a created parking space deficiency due to an addition to a building or a structure or to an intensification of use.

.....

Existing Town Code Section 29.20.745 discusses the assignment of duties for the DRC:

The Development Review Committee shall:

.....

- (4) Review and make recommendations on parking lot permits under section 29.10.155(l) including reconfiguration or trade-off of zoning requirements under other sections of this chapter, and under section 29.10.145(g) on use of valet parking for parking lots within a town parking assessment district. The development review committee has the authority to make final determinations for approval and revocation of parking lot permits for valet parking.

.....

B. Proposed Modifications

Based on the discussion above, as recommended by the Policy Committee, staff has prepared a Draft Ordinance implementing the amendments, (Exhibit 6) for the Planning Commission's consideration. The potential amendments, shown in ~~strike through~~ and underline font in Exhibit 6, would make the following change:

- Modify the deciding body for Building Permits for parking lot improvements from the DRC to the Director of Community Development.

C. Public Outreach

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

- A poster at the Planning counter at Town Hall;

DISCUSSION (continued):

- 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.

In addition, the following organizations have been contacted regarding the amendments:

- American Institute of Architects (AIA) Silicon Valley;
- Santa Clara County Association of Realtors (SCCAR); and
- Silicon Valley Association of Realtors (SILVAR).

PUBLIC COMMENTS:

At this time, the Town has not received any public comment.

CONCLUSION:

A. Recommendation

Based on the direction of the Town Council Policy Committee, 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 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)] (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 6).

B. Alternatives

Alternatively, the Commission can:

1. Forward a recommendation to the Town Council for approval of the Draft Ordinance with modifications; or

CONCLUSION (continued):

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 (one page)
2. Town Council Policy Committee Minutes, February 26, 2019 (three pages)
3. Town Council Policy Committee Report, February 26, 2019 (two pages)
4. Town Council Policy Committee Minutes, May 28, 2019 (two pages)
5. Town Council Policy Committee Report without attachments, May 28, 2019 (two pages)
6. Draft Ordinance (one page)

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PLANNING COMMISSION – August 14, 2019
REQUIRED FINDINGS FOR:

Town Code Amendment Application A-19-004

Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding parking lot improvement regulations.

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 parking lot improvement regulations are consistent with the General Plan.

EXHIBIT 1

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**TOWN OF LOS GATOS
TOWN COUNCIL
POLICY COMMITTEE**

MEETING DATE: 04/09/2019

ITEM NO: 1

**MINUTES OF THE SPECIAL TOWN COUNCIL POLICY COMMITTEE MEETING
FEBRUARY 26, 2019**

The Town Council Policy Committee of the Town of Los Gatos conducted a special meeting on Thursday, February 26, at 5:00 p.m.

MEETING CALLED TO ORDER

ROLL CALL

Members Present: Marcia Jensen, Barbara Spector.

Staff Present: Rob Schultz, Town Attorney; Joel Paulson, Community Development Director; Matt Morley, Parks and Public Works Director; Shelley Neis, Town Clerk.

VERBAL COMMUNICATIONS

None.

OTHER BUSINESS

1. Approval of the January 24, 2019 Council Policy Committee Minutes.

Approved.

2. Provide direction on Commission Appointment Policy 2-11 in relation to Commissioner interviews, and the Town Agenda Format and Rules Policy 2-01 regarding remote meeting participation.

Shelley Neis, Town Clerk, presented the staff report.

Maria Ristow

- Commented on remote participation and requested the Council consider requiring that applicants must attend a Commission meeting before applying.

After discussion the Committee directed staff to forward the two Policies to Council with the following recommendation:

- Allow a submission letter and remote participation for interview purposes only for incumbents.
- Suggested language from the Town Attorney regarding special meeting times.
- Suggested number of allowed remote meeting participation that is less than half as there was not consensus on the number.

Chair Jensen moved Items #4 and #5 before Item #3.

3. Provide direction on potential land use streamlining modifications.

Joel Paulson, Community Development Director, presented the staff report.

Bess Weirsema, Studio 3

- Requested the design professional community have a seat at the table to discuss potential modifications to land use processes and permitting and commented on the demolition regulations.

Jennifer Crutchmer

- Commented on the demolition regulations.

Tony Jeans

- Requested the design professional community have a seat at the table to discuss potential modifications to the demolition regulations and streamlining land use processes.

Jay Plett

- Commented on the demolition requirements and requested the demolition policy be streamlined.

Dave Zicovich

- Commented on the demolition policy and requested the demolition policy be streamlined.

Catherine Somers

- Commented on streamlining processes to allow business to open within three months and consider a deciding body policy.

After discussion the Committee directed staff to look at how the accessory dwelling unit (ADU) ordinance interacts with other regulations, how the hillside and historical regulations interact with other regulations, and to bring the demolition regulations and policy to the next meeting.

4. Provide direction on potential modifications or updates to the Traffic Impact Mitigation Ordinance, Policy, and Fees.

Matt Morley, Parks and Public Works Director, presented the staff report.

Maria Ristow

- Suggested an alternative to exceptions, a traffic demand mitigation (TDM) or some way to waive the fees if the traffic is mitigated.

Item #4 – continued

After discussion, the Committee identified that Town Code Section 15.70.030(c)(5) enables the Town Council to consider unusual circumstances and approve a deviation from the Traffic Policy. The Committee directed staff to bring the requested fee modification to the Town Council for its consideration consistent with this provision.

5. Receive information on the development of Arborist Report Standards.

Joel Paulson, Community Development Director, presented the staff report.

Dave Weismann

- Commented on the prolonged timeline for the development of arborist standards.

Refer the item to the Town Manager to discuss with the Mayor to determine if the item will be placed on a future Council agenda for discussion.

6. Determine meeting schedule for 2019 (verbal discussion only).

The Committee chose the second Tuesday of each month at 5:00 p.m. The next meeting will be March 12, 2019.

ADJOURNMENT

The meeting adjourned at 6:08 p.m.

Attest:

/s/ Shelley Neis, Town Clerk

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**TOWN OF LOS GATOS
POLICY COMMITTEE REPORT**

MEETING DATE: 2/26/2019

ITEM NO: 9

DATE: FEBRUARY 21, 2019

TO: POLICY COMMITTEE

FROM: LAUREL PREVETTI, TOWN MANAGER

SUBJECT: DISCUSS AND PROVIDE DIRECTION ON POTENTIAL LAND USE
STREAMLINING MODIFICATIONS.

RECOMMENDATION:

Discuss and provide direction on potential land use streamlining modifications.

BACKGROUND:

Over the last couple years, the Town has considered and approved a number of modifications and/or pilot programs that have streamlined the process and costs for businesses. Additional opportunities for streamlining opportunities for businesses will be considered by the Town Council on March 5, 2019.

DISCUSSION:

Staff has identified some additional opportunities to streamline land use processes for the Policy Committee's consideration. Staff has prepared an outline that contains possible streamlining opportunities that relate to the land use process and costs for businesses and residences (Attachment 1). Attachment 1 contains general comments and questions regarding potential streamlining opportunities as outlined below by category:

- Demolition Regulations (see Attachments 2 and 3);
- Hillside Development Standards and Guidelines Project Review and Approval Process (see Attachment 4);
- Deciding Body Modifications (see Attachments 5 through 10); and

PREPARED BY: JOEL PAULSON
Community Development Director

Reviewed by: Town Manager

DISCUSSION (continued):

- Architecture and Site Applications (see Attachment 10).

This meeting will allow for an initial conversation between staff and the Policy Committee. Staff will be prepared to walk through these topics and answer questions.

Staff is interested in the Policy Committee's discussion and direction on these general topics to help prioritize next steps. Given staff resource constraints, staff will bring individual topics back to the Policy Committee for a more thorough discussion.

COORDINATION:

The preparation of this report was coordinated with the Town Manager's Office.

Attachments:

1. Possible Streamlining Opportunities
2. Demolition Affidavit
3. Demolition Diagram
4. Chapter IX of the Hillside Development Standards and Guidelines
5. Excerpt from the Town Code relating to Deciding Bodies
6. Excerpt from the Town Code relating to loss of Parking in the Parking Assessment District
7. Excerpt from the Town Code relating to Parking Lot Modifications
8. Excerpt from the Town Code relating to Valet Parking
9. Policy relating to Minor Exterior Modifications to Commercial Buildings
10. Excerpt from the Town Code relating to Minor Exterior Alterations to Commercial Building and the requirement for an Architecture and Site application for a change in architectural style



**TOWN OF LOS GATOS
TOWN COUNCIL
POLICY COMMITTEE**

MEETING DATE: 06/25/2019

**MINUTES OF THE SPECIAL TOWN COUNCIL POLICY COMMITTEE MEETING
MAY 28, 2019**

The Town Council Policy Committee of the Town of Los Gatos conducted a special meeting on Tuesday, May 28, 2019, at 5:00 p.m.

MEETING CALLED TO ORDER AT 5:01 P.M.

ROLL CALL

Members Present: Marcia Jensen, Barbara Spector.

Staff Present: Laurel Prevetti, Town Manager; Joel Paulson, Community Development Director; Holly Zappala, Management Analyst.

VERBAL COMMUNICATIONS

None.

OTHER BUSINESS

1. Approval of the May 9, 2019 Council Policy Committee Minutes.

Approved.

Joel Paulson, Community Development Director, presented the staff reports for Items 2 through 5.

2. Provide direction on potential amendments to the Hillside Development Standards and Guidelines approval processes.

After discussion, the Committee asked staff to email the Committee a revised draft for review and, upon review and approval of the draft, forward a recommendation to the Planning Commission to approve the amendments to the Hillside Development Standards and Guidelines.

3. Provide direction on potential amendments to the parking lot improvement approval process.

After discussion, the Committee decided to forward a recommendation to the Planning Commission to approve the amendments to the parking lot improvement approval process.

4. Provide direction on potential amendments to the valet parking regulations.

After discussion, the Committee agreed to forward a recommendation to the Planning Commission to approve the amendments to the valet parking regulations and to expand the valet parking regulations beyond the parking assessment district to apply Town-wide.

5. Provide direction on potential amendments to parking assessment district regulations.

After discussion, the Committee forwarded a recommendation to the Planning Commission to approve the amendments to parking district regulations with minor changes to the wording to make it clear that they apply to on-site parking spaces.

The Committee also agreed to amend the regular meeting schedule of the Town Council Policy Committee to meet on the fourth Tuesday of each month at 5:00 p.m. in Town Council Chambers.

ADJOURNMENT

The meeting adjourned at 5:26 p.m.

This is to certify that the foregoing is a true and correct copy of the minutes of the May 28, 2019 meeting as approved by the Town Council Policy Committee.

/s/ Holly Zappala, Management Analyst



**TOWN OF LOS GATOS
POLICY COMMITTEE REPORT**

MEETING DATE: 5/28/2019

ITEM NO: 3

DATE: MAY 22, 2019

TO: POLICY COMMITTEE

FROM: LAUREL PREVETTI, TOWN MANAGER

SUBJECT: PROVIDE DIRECTION ON POTENTIAL AMENDMENTS TO THE PARKING LOT
IMPROVEMENT APPROVAL PROCESS.

RECOMMENDATION:

Provide direction on potential amendments to the parking lot improvement approval process.

BACKGROUND:

On February 26, 2019, the Policy Committee reviewed an outline of possible streamlining opportunities that relate to the land use process and costs for businesses and residences. Following a brief discussion, the Policy Committee provided direction to bring back parking lot improvement regulations for further discussion.

Potential amendments to parking lot improvement regulations was one of the topics identified by staff as an opportunity to streamline the land use process and costs. The general question regarding potential amendments to parking lot improvement regulations presented in the February 26, 2019 Policy Committee report was:

- Should parking lot improvements that are handled at the building permit level still be required to go to the Development Review Committee (DRC)?

PREPARED BY: JOEL PAULSON
Community Development Director

Reviewed by: Town Manager

DISCUSSION:

Section 29.10.145 (h), (l), (m), and (n) of the Town Code contain regulations regarding parking lot improvements (Attachment 1).

Additionally, Section 29.20.745 (4) of the Town Code designates the DRC as the deciding body for parking lot improvements.

These regulations require parking lot improvement building permits to be reviewed by the DRC. DRC review of the building permit does not require an additional fee and typically does not add more than a couple weeks to the building permit process. While the cost and processing time for a parking lot improvement application are not significant, staff does not believe the additional layer of process is necessary. This determination is based on the fact that the same departments that make up the DRC already review the building permit. This additional layer of process could be eliminated if Section 29.10.145 (l), (m), and (n) and Section 29.20.745 (4) were amended.

Staff has prepared potential Town Code amendments (Attachment 2) for the Policy Committee's consideration. These amendments would allow the Community Development Director to approve parking lot improvement building permits. The potential amendments, are shown in strike-through and underline font in Attachment 2.

This meeting will allow for a conversation between staff and the Policy Committee. Staff will be prepared to walk through this matter and answer questions.

Staff is interested in the Policy Committee's discussion and direction on the potential parking lot improvement regulation modifications.

COORDINATION:

The preparation of this report was coordinated with the Town Manager's Office.

Attachments:

1. Excerpt from the Town Code regarding Parking Lot Improvements
2. Potential Town Code amendments

Excerpts from Los Gatos Town Code
Chapter 29
Sec. 29.10.145. - Development standards.

.....

(l) *Determination.* Applications for permits for parking lot improvements shall be determined by the ~~Planning~~ Community Development Director. When compliance with State disabled-accessibility statutes and regulations will result in a reduction in the number of spaces remaining in the parking lot below the number required by this chapter, the application shall be determined by the ~~Development Review Committee~~ Community Development Director through the building permit process.

(m) *Standards for disabled accessibility.* Parking lot improvements shall be rendered disabled-accessible. Each application for a permit for parking lot improvements shall be reviewed and determined in accordance with the requirements for disabled-accessibility as set forth in title 24 of the California Administrative Code. The ~~Development Review Committee~~ Community Development Director may approve a permit for parking lot improvements which reduces the number of parking spaces required pursuant to section 29.10.150. This approval must be based upon a finding that public necessity for disabled-accessible parking spaces outweighs the need for the number of parking spaces required by section 29.10.150.

(n) *Effect of ~~Development Review Committee~~ Community Development Director approval.* No penalties shall apply to and no assessments shall be based on an increased parking space deficiency or a created parking space deficiency pursuant to section 29.10.150 resulting from the ~~Development Review Committee~~ Community Development Director approval of a parking lot permit under subsection (l) of this section. This subsection (n) shall not apply to an increased parking space deficiency or a created parking space deficiency due to an addition to a building or a structure or to an intensification of use.

.....

Sec. 29.20.745. - Development Review Committee.

The Development Review Committee shall:

.....

~~(4) Review and make recommendations on parking lot permits under section 29.10.155(l) including reconfiguration or trade-off of zoning requirements under other sections of this chapter, and under section 29.10.145(g) on use of valet parking for parking lots within a town parking assessment district. The development review committee has the authority to make final determinations for approval and revocation of parking lot permits for valet parking.~~

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A P P E A R A N C E S:

Los Gatos Planning Commissioners:	Matthew Hudes, Chair Mary Badame Kendra Burch Kathryn Janoff Tom O'Donnell Reza Tavana
Town Manager:	Laurel Prevetti
Community Development Director:	Joel Paulson
Town Attorney:	Robert Schultz
Transcribed by:	Vicki L. Blandin (619) 541-3405

1
2 P R O C E E D I N G S:
3

4 CHAIR HUDES: We move to Item 3, which is Town
5 Code Amendment Application A-19-004, again Town Wide, and
6 this is amendments to Chapter 29 regarding parking lot
7 improvement regulations. Ms. Shoopman.

8 JOCELYN SHOOPMAN: Good evening. The item in
9 front of you is consideration of an amendment to Chapter 29
10 of the Zoning Code regarding parking lot improvement
11 regulations as recommended by the Town Council Policy
12 Committee and forwarded to you for your recommendation to
13 the Council.

14 The recommendation from the Policy Committee
15 proposed to modify the deciding body for Building Permits
16 for parking lot improvements such as restriping or
17 reconfigurations from the Development Review Committee to
18 the Director of Community Development.

19
20 This concludes Staff's presentation and we are
21 happy to answer any questions.

22 CHAIR HUDES: Question I had was, and I think
23 this may have been stated elsewhere, but the folks who are
24 on the DRC today represent different departments. Will they
25

1 still have a review before it goes to the Community
2 Development Director?

3 JOCELYN SHOOPMAN: The DRC is composed of a Staff
4 member from Planning, Fire, Engineer, and Building. Those
5 same individuals reviewing at the DRC level would also be
6 reviewing at the Building Permit as well.

7 JOEL PAULSON: Then just for additional
8 clarification for the Commission before your discussion,
9 currently what happens is you submit a Building Permit for
10 parking lot improvements, and that Building Permit is
11 actually what goes to the DRC, so it's kind of an extra
12 layer. You basically get comments that we would otherwise
13 do during the Building Permit review process; just the way
14 the code is written it requires that to go to DRC to give
15 them those comments. So, that is the proposal.

17 CHAIR HUDES: Okay. Great, thank you. Questions?
18 Okay, then we'll close that portion. Discussion?
19 Commissioner O'Donnell.

20 COMMISSIONER O'DONNELL: I don't have a problem
21 with that, so if we're going to do this... Are you going to
22 do it item by item or are we going to...

23 CHAIR HUDES: Yeah, I think we have to repeat
24 this for each item, but we can do it quickly.
25

1 COMMISSIONER O'DONNELL: Okay. I would say I
2 don't have a problem with the recommendation that is being
3 made here.

4 CHAIR HUDES: Okay. Any other comments? Okay. I
5 would just add a comment that this one does sound like
6 streamlining, so... Okay, Commissioner Badame.

7 COMMISSIONER BADAME: And I believe there are no
8 associated costs, so I'd be ready to make a motion.

9
10 I move to forward a recommendation of approval
11 for Town Code Amendment Application A-19-004, Amendments to
12 Chapter 29, Zoning Regulations, of the Town Code regarding
13 parking lot improvement regulations. I can make the
14 required findings for CEQA and the required findings for
15 the General Plan.

16 CHAIR HUDES: Okay, and a second? Commissioner
17 Burch.

18 COMMISSIONER BURCH: I second that.

19 CHAIR HUDES: Okay. I just wanted to note before
20 we vote that there were no public comments on this item.
21 So, all in favor? Opposed? Six-zero.

TOWN COUNCIL – September 17, 2019
REQUIRED FINDINGS FOR:

Town Code Amendment Application A-19-004

Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding parking lot improvement regulations.

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 parking lot improvement regulations are consistent with the General Plan.

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ORDINANCE

ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS AMENDING CHAPTER 29 (ZONING REGULATIONS) OF THE TOWN CODE REGARDING PARKING LOT IMPROVEMENT REGULATIONS

WHEREAS, the Town Council would like to streamline the land use process to reduce the time and cost impacts for businesses and residences;

WHEREAS, Section 29.10.145 of the Town Code contains regulations regarding Building Permits for parking lot improvements;

WHEREAS, Section 29.20.745 of the Town Code designates the Development Review Committee (DRC) as the deciding body for these Building permits;

WHEREAS, the proposed amendments will modify the deciding body for these Building Permits from the DRC to the Community Development Director given the same departments that are represented on the DRC already review the Building Permits;

WHEREAS, this matter was regularly noticed in conformance with State and Town law and came before the Planning Commission for public hearing on August 14, 2019;

WHEREAS, on August 14, 2019, the Planning Commission reviewed the proposed amendments regarding parking lot improvement regulations and forwarded a recommendation to the Town Council for approval of the proposed amendments;

WHEREAS, this matter was regularly noticed in conformance with State and Town law and came before the Town Council for public hearing on September 17, 2019; and

WHEREAS, on September 17, 2019, the Town Council reviewed and commented on the proposed amendments regarding parking lot improvement regulations and the Town Council voted to introduce an Ordinance.

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

SECTION I

Section 29.10.145 and Section 29.20.745 of Town Code Chapter 29 are hereby amended to read as follows:

Sec. 29.10.145. – Development standards.

...

(l) *Determination.* Applications for permits for parking lot improvements shall be determined by the ~~Planning~~ Community Development Director. When compliance with State disabled-accessibility statutes and regulations will result in a reduction in the number of spaces remaining in the parking lot below the number required by this chapter, the application shall be determined by the ~~Development Review Committee~~ Community Development Director through the building permit process.

(m) *Standards for disabled accessibility.* Parking lot improvements shall be rendered disabled-accessible. Each application for a permit for parking lot improvements shall be reviewed and determined in accordance with the requirements for disabled-accessibility as set forth in title 24 of the California Administrative Code. The ~~Development Review Committee~~ Community Development Director may approve a permit for parking lot improvements which reduces the number of parking spaces required pursuant to section 29.10.150. This approval must be based upon a finding that public necessity for disabled-accessible parking spaces outweighs the need for the number of parking spaces required by section 29.10.150.

(n) *Effect of ~~Development Review Committee~~ Community Development Director approval.* No penalties shall apply to and no assessments shall be based on an increased parking space deficiency or a created parking space deficiency pursuant to section 29.10.150 resulting from the ~~Development Review Committee~~ Community Development Director approval of a parking lot permit under subsection (l) of this section. This subsection (n) shall not apply to an increased parking space deficiency or a created parking space deficiency due to an addition to a building or a structure or to an intensification of use.

...

Sec. 29.20.745. – Development Review Committee.

The Development Review Committee shall:

~~(4) Review and make recommendations on parking lot permits under section 29.10.155(l) including reconfiguration or trade-off of zoning requirements under other sections of this chapter, and under section 29.10.145(g) on use of valet parking for parking lots within a town parking assessment district. The development review committee has the authority to make final determinations for approval and revocation of parking lot permits for valet parking.~~

...

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 amendments 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 September 17, 2019, and adopted by the following vote as an ordinance of the Town of Los Gatos at a meeting of the Town Council of the Town of Los Gatos on October 1, 2019 and becomes effective 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: _____

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

DATE: _____

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**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 09/17/2019

ITEM NO: 10

DATE: September 6, 2019
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Town Code Amendment Application A-19-005. Project Location: **Town Wide.**
Applicant: Town of Los Gatos.
Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding valet parking regulations.

RECOMMENDATION:

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

BACKGROUND:

On November 3, 2015, the Town Council approved Town Code amendments regarding valet parking to allow properties in the parking assessment district to charge patrons for valet parking.

On February 26, 2019, the Policy Committee reviewed an outline of possible streamlining opportunities that relate to the land use process and costs for businesses and residents. Potential amendments to the valet parking regulations was one of the streamlining options. Following a brief discussion, the Policy Committee provided direction to bring back the valet parking regulations for further discussion.

On May 28, 2019, the Policy Committee reviewed potential modifications to the valet parking regulations and recommended forwarding the proposed changes to the Planning Commission and Town Council for recommendation and consideration, respectively. Town Council is the final decision-making body for Ordinances.

PREPARED BY: Jocelyn Shoopman
Associate Planner

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

SUBJECT: Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding valet parking regulations.

DATE: September 6, 2019

DISCUSSION:

A. Planning Commission

On August 14, 2019, the Planning Commission reviewed the proposed Town Code amendments from the Policy Committee (Attachment 1, Exhibit 6) that would:

- Remove the requirement that private parking lots outside of the parking assessment district area may not charge for valet parking; and
- Modify the deciding body for Valet Parking Permits from the Development Review Committee to the Community Development Director.

The Planning Commission had no recommended modifications to the Policy Committee's draft ordinance language. Attachment 2 contains the verbatim minutes for the Planning Commission meeting.

B. 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.

In addition, interested architects and the following organizations have been contacted regarding the amendments:

- American Institute of Architects (AIA) Silicon Valley;
- Santa Clara County Association of Realtors (SCCAR); and
- Silicon Valley Association of Realtors (SILVAR).

CONCLUSION:

Staff recommends that the Town Council:

1. Make the finding 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)] (Attachment 3);

SUBJECT: Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding valet parking regulations.

DATE: September 6, 2019

CONCLUSION (continued):

2. Make the required finding that the amendments to Chapter 29 of the Town Code regarding valet parking 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 valet parking regulations A-19-005 (Attachment 4), 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.

COORDINATION:

The evaluation of the application was coordinated with the Town Attorney.

ENVIRONMENTAL ASSESSMENT:

The project is Categorically 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 proposed amendments to the Town Code will have a significant effect on the environment.

PUBLIC COMMENTS:

No written public comments have been received.

Attachments:

1. August 14, 2019 Planning Commission Staff Report with Exhibits 1 - 6 (20 pages)
2. August 14, 2019 Planning Commission Verbatim Minutes (four pages)
3. Required Findings (one page)
4. Draft Ordinance (five pages)

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**TOWN OF LOS GATOS
PLANNING COMMISSION
REPORT**

MEETING DATE: 08/14/2019

ITEM NO: 5

DATE: August 5, 2019
TO: Planning Commission
FROM: Joel Paulson, Community Development Director
SUBJECT: Town Code Amendment Application A-19-005. Project Location: **Town Wide.**
Applicant: Town of Los Gatos.
Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding valet parking regulations.

RECOMMENDATION:

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

CEQA:

The project is Categorically 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:

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

BACKGROUND:

On February 6, 2018, the Town Council approved Town Code amendments regarding valet parking to allow properties in the parking assessment district to charge patrons for valet parking.

PREPARED BY: Jocelyn Shoopman
Associate Planner

Reviewed by: Planning Manager and Community Development Director

BACKGROUND (continued):

On February 26, 2019, the Policy Committee reviewed an outline of possible streamlining opportunities that relate to the land use process and costs for businesses and residences. Potential amendments to the valet parking regulations was one of the topics identified by staff as an opportunity to streamline the land use process and costs. Following a brief discussion, the Policy Committee provided direction to bring back the valet parking regulations for further discussion.

On May 28, 2019, the Policy Committee reviewed potential modifications to the valet parking regulations and recommended approval of the changes.

DISCUSSION:

Section 29.10.145 (g) of the Town Code contains regulations regarding valet parking (Attachment 1).

Additionally, Section 29.20.745 (4) of the Town Code designates the Development Review Committee (DRC) as the deciding body for Valet Parking Permit applications. These regulations require Valet Parking Permit applications to be approved by the DRC and do not allow for private parking lots outside of the parking assessment district area to charge for valet parking. The Valet Parking Permit application fee is a \$1,000.00 deposit used to cover the actual cost of processing the application and DRC approval which typically takes between two and four months. The cost and processing time for a Valet Parking Permit application could be eliminated if Section 29.10.145 (g) and Section 29.20.745 (4) were amended.

A. Existing Town Code

Existing Town Code Section 29.10.145 (g) discusses valet parking regulations:

.....

(g) *Commercial operation of parking spaces.*

- (1) All privately owned off-street parking spaces required to be provided by this division, or required by the administrative approval authorized by this chapter, shall be operated without charge to the users thereof. No privately owned parking lot which contains such spaces shall be operated commercially or under a validation system whereby parkers patronizing business for which the spaces are provided are admitted to the lot free of charge or at reduced charges and other parkers are charged a fee, and the admission of vehicles to such lots shall not be restricted by gates or other physical means during periods when the use or uses for which the spaces are required are in operation. The provisions of this section shall not be deemed to prohibit the posting of signs at entrances to such parking lots identifying

DISCUSSION (continued):

the businesses or uses for whose benefits the lots are operated, prohibiting other parking under threat, and enforcing such prohibitions.

(2) Notwithstanding subsection (1) above, a parking lot located within a town parking assessment district may be operated with a charge for its use under the following circumstances if the town has instituted and continues to maintain a charge for use of town owned or operated parking lots in the district:

- a. A charge is made for use of the private parking lot that does not exceed the highest hourly rate charged by the town for use of its lots. Such a charge may include a validation system whereby parkers are admitted to the lot free of charge or at reduced charges if certain businesses are patronized and may also include restriction by gates or other physical means; or
- b. Use of valet parking, so long as the parking lot is usable at all times during which the parking spaces are in operation as required by this chapter, and the use of the valet parking has been approved by the Development Review Committee pursuant to a parking lot permit; or
- c. A combination of a charge and valet system.

(3) Notwithstanding subsection (1) above, a private parking lot, or sections of a private parking lot located within a Town parking assessment district may be operated as a valet parking lot under the following circumstances:

- a. The valet parking may be provided with or without charge to the public; and
- b. The valet parking lot service adheres to and maintains all fire codes and emergency access standards; and
- c. The valet parking lot service shall not impair the safe and efficient use of existing adjacent non-valet parking; and
- d. The private valet parking lot is approved by the Development Review Committee pursuant to a parking lot permit. The Development Review Committee shall have the discretion to deny the parking lot permit application if any criteria set forth above and/or any other rules and regulations adopted by the Town Council cannot be met and shall have the ability to revoke the parking lot permit for valet parking with a minimum of ten (10) days notice.

.....

Existing Town Code Section 29.20.745 discusses the assignment of duties for the DRC:

The Development Review Committee shall:

.....

(4) Review and make recommendations on parking lot permits under section 29.10.155(l) including reconfiguration or trade-off of zoning requirements under other sections of

DISCUSSION (continued):

this chapter, and under section 29.10.145(g) on use of valet parking for parking lots within a town parking assessment district. The development review committee has the authority to make final determinations for approval and revocation of parking lot permits for valet parking.

.....

B. Proposed Modifications

Based on the discussion above, as recommended by the Policy Committee, staff has prepared a Draft Ordinance implementing the amendments (Exhibit 6), for the Planning Commission's consideration. The potential amendments, shown in ~~strike through~~ and underline font in Exhibit 6, would make the following changes:

- Remove the requirement that private parking lots outside of the parking assessment district area may not charge for valet parking; and
- Modify the deciding body for Valet Parking Permits from the DRC to the Director of Community Development.

C. 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 NextDoor page.

In addition, the following organizations have been contacted regarding the amendments:

- American Institute of Architects (AIA) Silicon Valley;
- Santa Clara County Association of Realtors (SCCAR); and
- Silicon Valley Association of Realtors (SILVAR).

PUBLIC COMMENTS:

At this time, the Town has not received any public comment.

CONCLUSION:

A. Recommendation

Based on the direction of the Town Council Policy Committee, 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 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)] (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 6).

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 (one page)
2. Town Council Policy Committee Minutes, February 26, 2019 (three pages)
3. Town Council Policy Committee Report, February 26, 2019 (two pages)
4. Town Council Policy Committee Minutes, May 28, 2019 (two pages)
5. Town Council Policy Committee Report without attachments, May 28, 2019 (two pages)
6. Draft Ordinance (one page)

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PLANNING COMMISSION – August 14, 2019
REQUIRED FINDINGS FOR:

Town Code Amendment Application A-19-005

Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding valet parking regulations.

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 valet parking regulations are consistent with the General Plan.

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**TOWN OF LOS GATOS
TOWN COUNCIL
POLICY COMMITTEE**

MEETING DATE: 04/09/2019

ITEM NO: 1

**MINUTES OF THE SPECIAL TOWN COUNCIL POLICY COMMITTEE MEETING
FEBRUARY 26, 2019**

The Town Council Policy Committee of the Town of Los Gatos conducted a special meeting on Thursday, February 26, at 5:00 p.m.

MEETING CALLED TO ORDER

ROLL CALL

Members Present: Marcia Jensen, Barbara Spector.

Staff Present: Rob Schultz, Town Attorney; Joel Paulson, Community Development Director; Matt Morley, Parks and Public Works Director; Shelley Neis, Town Clerk.

VERBAL COMMUNICATIONS

None.

OTHER BUSINESS

1. Approval of the January 24, 2019 Council Policy Committee Minutes.

Approved.

2. Provide direction on Commission Appointment Policy 2-11 in relation to Commissioner interviews, and the Town Agenda Format and Rules Policy 2-01 regarding remote meeting participation.

Shelley Neis, Town Clerk, presented the staff report.

Maria Ristow

- Commented on remote participation and requested the Council consider requiring that applicants must attend a Commission meeting before applying.

After discussion the Committee directed staff to forward the two Policies to Council with the following recommendation:

- Allow a submission letter and remote participation for interview purposes only for incumbents.
- Suggested language from the Town Attorney regarding special meeting times.
- Suggested number of allowed remote meeting participation that is less than half as there was not consensus on the number.

Chair Jensen moved Items #4 and #5 before Item #3.

3. Provide direction on potential land use streamlining modifications.

Joel Paulson, Community Development Director, presented the staff report.

Bess Weirsema, Studio 3

- Requested the design professional community have a seat at the table to discuss potential modifications to land use processes and permitting and commented on the demolition regulations.

Jennifer Crutchmer

- Commented on the demolition regulations.

Tony Jeans

- Requested the design professional community have a seat at the table to discuss potential modifications to the demolition regulations and streamlining land use processes.

Jay Plett

- Commented on the demolition requirements and requested the demolition policy be streamlined.

Dave Zicovich

- Commented on the demolition policy and requested the demolition policy be streamlined.

Catherine Somers

- Commented on streamlining processes to allow business to open within three months and consider a deciding body policy.

After discussion the Committee directed staff to look at how the accessory dwelling unit (ADU) ordinance interacts with other regulations, how the hillside and historical regulations interact with other regulations, and to bring the demolition regulations and policy to the next meeting.

4. Provide direction on potential modifications or updates to the Traffic Impact Mitigation Ordinance, Policy, and Fees.

Matt Morley, Parks and Public Works Director, presented the staff report.

Maria Ristow

- Suggested an alternative to exceptions, a traffic demand mitigation (TDM) or some way to waive the fees if the traffic is mitigated.

Item #4 – continued

After discussion, the Committee identified that Town Code Section 15.70.030(c)(5) enables the Town Council to consider unusual circumstances and approve a deviation from the Traffic Policy. The Committee directed staff to bring the requested fee modification to the Town Council for its consideration consistent with this provision.

5. Receive information on the development of Arborist Report Standards.

Joel Paulson, Community Development Director, presented the staff report.

Dave Weismann

- Commented on the prolonged timeline for the development of arborist standards.

Refer the item to the Town Manager to discuss with the Mayor to determine if the item will be placed on a future Council agenda for discussion.

6. Determine meeting schedule for 2019 (verbal discussion only).

The Committee chose the second Tuesday of each month at 5:00 p.m. The next meeting will be March 12, 2019.

ADJOURNMENT

The meeting adjourned at 6:08 p.m.

Attest:

/s/ Shelley Neis, Town Clerk

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**TOWN OF LOS GATOS
POLICY COMMITTEE REPORT**

MEETING DATE: 2/26/2019

ITEM NO: 9

DATE: FEBRUARY 21, 2019

TO: POLICY COMMITTEE

FROM: LAUREL PREVETTI, TOWN MANAGER

SUBJECT: DISCUSS AND PROVIDE DIRECTION ON POTENTIAL LAND USE
STREAMLINING MODIFICATIONS.

RECOMMENDATION:

Discuss and provide direction on potential land use streamlining modifications.

BACKGROUND:

Over the last couple years, the Town has considered and approved a number of modifications and/or pilot programs that have streamlined the process and costs for businesses. Additional opportunities for streamlining opportunities for businesses will be considered by the Town Council on March 5, 2019.

DISCUSSION:

Staff has identified some additional opportunities to streamline land use processes for the Policy Committee's consideration. Staff has prepared an outline that contains possible streamlining opportunities that relate to the land use process and costs for businesses and residences (Attachment 1). Attachment 1 contains general comments and questions regarding potential streamlining opportunities as outlined below by category:

- Demolition Regulations (see Attachments 2 and 3);
- Hillside Development Standards and Guidelines Project Review and Approval Process (see Attachment 4);
- Deciding Body Modifications (see Attachments 5 through 10); and

PREPARED BY: JOEL PAULSON
Community Development Director

Reviewed by: Town Manager

DISCUSSION (continued):

- Architecture and Site Applications (see Attachment 10).

This meeting will allow for an initial conversation between staff and the Policy Committee. Staff will be prepared to walk through these topics and answer questions.

Staff is interested in the Policy Committee's discussion and direction on these general topics to help prioritize next steps. Given staff resource constraints, staff will bring individual topics back to the Policy Committee for a more thorough discussion.

COORDINATION:

The preparation of this report was coordinated with the Town Manager's Office.

Attachments:

1. Possible Streamlining Opportunities
2. Demolition Affidavit
3. Demolition Diagram
4. Chapter IX of the Hillside Development Standards and Guidelines
5. Excerpt from the Town Code relating to Deciding Bodies
6. Excerpt from the Town Code relating to loss of Parking in the Parking Assessment District
7. Excerpt from the Town Code relating to Parking Lot Modifications
8. Excerpt from the Town Code relating to Valet Parking
9. Policy relating to Minor Exterior Modifications to Commercial Buildings
10. Excerpt from the Town Code relating to Minor Exterior Alterations to Commercial Building and the requirement for an Architecture and Site application for a change in architectural style



**TOWN OF LOS GATOS
TOWN COUNCIL
POLICY COMMITTEE**

MEETING DATE: 06/25/2019

**MINUTES OF THE SPECIAL TOWN COUNCIL POLICY COMMITTEE MEETING
MAY 28, 2019**

The Town Council Policy Committee of the Town of Los Gatos conducted a special meeting on Tuesday, May 28, 2019, at 5:00 p.m.

MEETING CALLED TO ORDER AT 5:01 P.M.

ROLL CALL

Members Present: Marcia Jensen, Barbara Spector.

Staff Present: Laurel Prevetti, Town Manager; Joel Paulson, Community Development Director; Holly Zappala, Management Analyst.

VERBAL COMMUNICATIONS

None.

OTHER BUSINESS

1. Approval of the May 9, 2019 Council Policy Committee Minutes.

Approved.

Joel Paulson, Community Development Director, presented the staff reports for Items 2 through 5.

2. Provide direction on potential amendments to the Hillside Development Standards and Guidelines approval processes.

After discussion, the Committee asked staff to email the Committee a revised draft for review and, upon review and approval of the draft, forward a recommendation to the Planning Commission to approve the amendments to the Hillside Development Standards and Guidelines.

3. Provide direction on potential amendments to the parking lot improvement approval process.

After discussion, the Committee decided to forward a recommendation to the Planning Commission to approve the amendments to the parking lot improvement approval process.

4. Provide direction on potential amendments to the valet parking regulations.

After discussion, the Committee agreed to forward a recommendation to the Planning Commission to approve the amendments to the valet parking regulations and to expand the valet parking regulations beyond the parking assessment district to apply Town-wide.

5. Provide direction on potential amendments to parking assessment district regulations.

After discussion, the Committee forwarded a recommendation to the Planning Commission to approve the amendments to parking district regulations with minor changes to the wording to make it clear that they apply to on-site parking spaces.

The Committee also agreed to amend the regular meeting schedule of the Town Council Policy Committee to meet on the fourth Tuesday of each month at 5:00 p.m. in Town Council Chambers.

ADJOURNMENT

The meeting adjourned at 5:26 p.m.

This is to certify that the foregoing is a true and correct copy of the minutes of the May 28, 2019 meeting as approved by the Town Council Policy Committee.

/s/ Holly Zappala, Management Analyst



**TOWN OF LOS GATOS
POLICY COMMITTEE REPORT**

MEETING DATE: 5/28/2019

ITEM NO: 4

DATE: MAY 22, 2019

TO: POLICY COMMITTEE

FROM: LAUREL PREVETTI, TOWN MANAGER

SUBJECT: PROVIDE DIRECTION ON POTENTIAL AMENDMENTS TO THE VALET
PARKING REGULATIONS.

RECOMMENDATION:

Provide direction on potential amendments to the valet parking regulations.

BACKGROUND:

On February 6, 2018, the Town Council approved Town Code amendments regarding valet parking to allow properties in the parking assessment district to charge patrons for valet parking.

On February 26, 2019, the Policy Committee reviewed an outline of possible streamlining opportunities that relate to the land use process and costs for businesses and residences. Following a brief discussion, the Policy Committee provided direction to bring back valet parking regulations for further discussion.

Potential amendments to valet parking regulations was one of the topics identified by staff as an opportunity to streamline the land use process and costs. The general questions regarding potential amendments to parking assessment district regulations presented in the February 26, 2019 Policy Committee report were:

- Should valet parking be reviewed and approved by the Director of Community Development rather than having to go to Development Review Committee (DRC)?

PREPARED BY: JOEL PAULSON
Community Development Director

Reviewed by: Town Manager

BACKGROUND (continued):

- Should charging for valet parking be expanded beyond the parking assessment district area?

DISCUSSION:

Section 29.10.145 (g) of the Town Code contains regulations regarding valet parking (Attachment 1).

Additionally, Section 29.20.745 (4) of the Town Code designates the DRC as the deciding body for Valet Parking applications.

These regulations require Valet Parking applications to be approved by the DRC and don't allow charging for valet parking outside of the parking assessment district area. The Valet Parking application fee is a \$1,000.00 deposit used to cover the actual cost of processing the application and DRC approval which typically takes between two and four months. The cost and processing time for a Valet Parking application could be eliminated if Section 29.10.145 (g) and Section 29.20.745 (4) were amended.

Staff has prepared potential Town Code amendments (Attachment 2) for the Policy Committee's consideration. These amendments would allow the Community Development Director to approve Valet parking applications and allow charging for valet parking outside of the parking assessment district area. The potential amendments, are shown in strike-through and underline font in Attachment 2.

This meeting will allow for a conversation between staff and the Policy Committee. Staff will be prepared to walk through this matter and answer questions.

Staff is interested in the Policy Committee's discussion and direction on the potential valet parking regulation modifications.

COORDINATION:

The preparation of this report was coordinated with the Town Manager's Office.

Attachments:

1. Excerpt from the Town Code regarding Valet Parking
2. Potential Town Code Amendments

Excerpts from Los Gatos Town Code
Chapter 29
Sec. 29.10.145. - Requirements Generally

.....

(g) *Commercial operation of parking spaces.*

- (1) All privately owned off-street parking spaces required to be provided by this division, or required by the administrative approval authorized by this chapter, shall be operated without charge to the users thereof. No privately owned parking lot which contains such spaces shall be operated commercially or under a validation system whereby parkers patronizing business for which the spaces are provided are admitted to the lot free of charge or at reduced charges and other parkers are charged a fee, and the admission of vehicles to such lots shall not be restricted by gates or other physical means during periods when the use or uses for which the spaces are required are in operation. The provisions of this section shall not be deemed to prohibit the posting of signs at entrances to such parking lots identifying the businesses or uses for whose benefits the lots are operated, prohibiting other parking under threat, and enforcing such prohibitions.
- (2) Notwithstanding subsection (1) above, a parking lot located within ~~a the Town parking assessment district~~ may be operated with a charge for its use under the following circumstances if the Town has instituted and continues to maintain a charge for use of Town owned or operated parking lots ~~in the district~~:
 - a. A charge is made for use of the private parking lot that does not exceed the highest hourly rate charged by the town for use of its lots. Such a charge may include a validation system whereby parkers are admitted to the lot free of charge or at reduced charges if certain businesses are patronized and may also include restriction by gates or other physical means; or
 - b. Use of valet parking, so long as the parking lot is usable at all times during which the parking spaces are in operation as required by this chapter, and the use of the valet parking has been approved by the ~~Development Review Committee~~ Community Development Director pursuant to a Parking Lot Permit; or
 - c. A combination of a charge and valet system.
- (3) Notwithstanding subsection (1) above, a private parking lot, or sections of a private parking lot located within ~~a the Town parking assessment district~~ may be operated as a valet parking lot under the following circumstances:
 - a. The valet parking may be provided with or without charge to the public; and
 - b. The valet parking lot service adheres to and maintains all fire codes and emergency access standards; and

- c. The valet parking lot service shall not impair the safe and efficient use of existing adjacent non-valet parking; and
- d. The private valet parking lot is approved by the ~~Development Review Committee~~ Community Development Director pursuant to a ~~parking lot~~ Valet Parking Permit. The ~~Development Review Committee~~ Community Development Director shall have the discretion to deny the ~~parking lot~~ Valet Parking permit application if any criteria set forth above and/or any other rules and regulations adopted by the Town Council cannot be met and shall have the ability to revoke the ~~parking lot~~ Valet Parking Permit for valet parking with a minimum of ten (10) days notice.

.....

Sec. 29.20.745. - Development Review Committee.

The Development Review Committee shall:

.....

- (4) ~~Review and make recommendations on parking lot permits under section 29.10.155(l) including reconfiguration or trade-off of zoning requirements under other sections of this chapter, and under section 29.10.145(g) on use of valet parking for parking lots within a town parking assessment district. The development review committee has the authority to make final determinations for approval and revocation of parking lot permits for valet parking.~~

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A P P E A R A N C E S:

Los Gatos Planning Commissioners:	Matthew Hudes, Chair Mary Badame Kendra Burch Kathryn Janoff Tom O'Donnell Reza Tavana
Town Manager:	Laurel Prevetti
Community Development Director:	Joel Paulson
Town Attorney:	Robert Schultz
Transcribed by:	Vicki L. Blandin (619) 541-3405

1
2 P R O C E E D I N G S:

3
4 CHAIR HUDES: Item 5, Town Code Amendment
5 Application A-19-005, again Town Wide. Consider amendments
6 to Chapter 29 regarding valet parking regulations. Ms.
7 Shoopman.

8 JOCELYN SHOOPMAN: Lastly is a consideration of
9 an amendment to Chapter 29 of the Zoning Code regarding
10 valet parking regulations as recommended by the Council
11 Policy Committee and forwarded to you for your
12 recommendation to the Council.

13 Recommendation from the Policy Committee proposes
14 to remove the requirement that private parking lots outside
15 of the Parking Assessment District may not charge for valet
16 parking, and to modify the deciding body for valet parking
17 permits from the DRC to the Director of Community
18 Development.
19

20 This completes Staff's presentation.

21 CHAIR HUDES: Okay, thank you. Questions?
22 Commissioner Janoff.

23 COMMISSIONER JANOFF: Just to clarify, the first
24 bullet is a double negative, right? The proposal is to
25 allow those parking situations to charge for valet parking?

1 JOCELYN SHOOPMAN: That's correct.

2 CHAIR HUDES: Okay, other questions? We have no
3 cards from the public, so I will now close the public
4 portion of the hearing and we move to discussion or a
5 motion. Commissioner Badame.

6 COMMISSIONER BADAME: I move to forward a
7 recommendation of approval for Town Code Amendment
8 Application A-19-005, amendments to Chapter 29, the zoning
9 regulations of the Town Code regarding valet parking
10 regulations. I can make the required findings for CEQA and
11 the required findings for the General Plan.
12

13 CHAIR HUDES: Thank you. Second? Commissioner
14 Tavana.

15 COMMISSIONER TAVANA: Second.

16 CHAIR HUDES: Okay. I'll call the question. All
17 in favor? Opposed? Passes 6-0 unanimously and there are no
18 appeal rights on this either, I believe.
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TOWN COUNCIL – September 17, 2019
REQUIRED FINDINGS FOR:

Town Code Amendment Application A-19-005

Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding valet parking regulations.

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 valet parking regulations are consistent with the General Plan.

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ORDINANCE

ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS AMENDING CHAPTER 29 (ZONING REGULATIONS) OF THE TOWN CODE REGARDING VALET PARKING REGULATIONS

WHEREAS, the Town Council would like to streamline the land use process to reduce the time and cost impacts for businesses and residences;

WHEREAS, Section 29.10.145 of the Town Code contains regulations regarding valet parking regulations;

WHEREAS, Section 29.20.745 of the Town Code designates the Development Review Committee (DRC) as the deciding body for Valet Parking Permit applications and does not allow for private parking lots outside of the parking assessment district area to charge for valet parking;

WHEREAS, the proposed amendments will modify the deciding body for Valet Parking Permit applications from the DRC to the Community Development Director and will allow for private parking lots outside of the parking assessment district area to charge for valet parking;

WHEREAS, this matter was regularly noticed in conformance with State and Town law and came before the Planning Commission for public hearing on August 14, 2019;

WHEREAS, on August 14, 2019, the Planning Commission reviewed the proposed amendments regarding valet parking regulations and forwarded a recommendation to the Town Council for approval of the proposed amendments;

WHEREAS, this matter was regularly noticed in conformance with State and Town law and came before the Town Council for public hearing on September 17, 2019; and

WHEREAS, on September 17, 2019, the Town Council reviewed and commented on the proposed amendments regarding valet parking regulations and the Town Council voted to introduce an Ordinance.

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

SECTION I

Section 29.10.145 and Section 29.20.745 of Town Code Chapter 29 are hereby amended to read as follows:

Sec. 29.10.145. – Development standards.

...

(g) Commercial operation of parking spaces.

- (1) All privately owned off-street parking spaces required to be provided by this division, or required by the administrative approval authorized by this chapter, shall be operated without charge to the users thereof. No privately owned parking lot which contains such spaces shall be operated commercially or under a validation system whereby parkers patronizing business for which the spaces are provided are admitted to the lot free of charge or at reduced charges and other parkers are charged a fee, and the admission of vehicles to such lots shall not be restricted by gates or other physical means during periods when the use or uses for which the spaces are required are in operation. The provisions of this section shall not be deemed to prohibit the posting of signs at entrances to such parking lots identifying the businesses or uses for whose benefits the lots are operated, prohibiting other parking under threat, and enforcing such prohibitions.
- (2) Notwithstanding subsection (1) above, a parking lot located within ~~a the Town parking assessment district~~ may be operated with a charge for its use under the following circumstances if the Town has instituted and continues to maintain a charge for use of Town owned or operated parking lots ~~in the district~~:
 - a. A charge is made for use of the private parking lot that does not exceed the highest hourly rate charged by the town for use of its lots. Such a charge may include a validation system whereby parkers are admitted to the lot free of charge or at reduced charges if certain businesses are patronized and may also include restriction by gates or other physical means; or
 - b. Use of valet parking, so long as the parking lot is usable at all times during which the parking spaces are in operation as required by this chapter, and the use of the valet parking has been approved by the ~~Development Review Committee~~ Community Development Director pursuant to a ~~Parking Lot~~ Valet Parking Permit; or
 - c. A combination of a charge and valet system.

(3) Notwithstanding subsection (1) above, a private parking lot, or sections of a private parking lot located within ~~a~~ the ~~Town parking assessment district~~ may be operated as a valet parking lot under the following circumstances:

- a. The valet parking may be provided with or without charge to the public; and
- b. The valet parking lot service adheres to and maintains all fire codes and emergency access standards; and
- c. The valet parking lot service shall not impair the safe and efficient use of existing adjacent non-valet parking; and
- d. The private valet parking lot is approved by the ~~Development Review Committee~~ Community Development Director pursuant to a ~~parking lot~~ Valet Parking Permit. The ~~Development Review Committee~~ Community Development Director shall have the discretion to deny the ~~parking lot~~ Valet Parking permit application if any criteria set forth above and/or any other rules and regulations adopted by the Town Council cannot be met and shall have the ability to revoke the ~~parking lot~~ Valet Parking Permit for valet parking with a minimum of ten (10) days notice.

...

Sec. 29.20.745. – Development Review Committee.

The Development Review Committee shall:

~~(4) Review and make recommendations on parking lot permits under section 29.10.155(l) including reconfiguration or trade-off of zoning requirements under other sections of this chapter, and under section 29.10.145(g) on use of valet parking for parking lots within a town parking assessment district. The development review committee has the authority to make final determinations for approval and revocation of parking lot permits for valet parking.~~

...

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 amendments 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 September 17, 2019, and adopted by the following vote as an ordinance of the Town of Los Gatos at a meeting of the Town Council of the Town of Los Gatos on October 1, 2019 and becomes effective 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:

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

DATE: _____

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**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 09/17/2019

ITEM NO: 11

DATE: September 10, 2019
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Consider Pension Plan IRS Section 115 Trust Options, Terminate the PARS Agreement, and Direct Staff to Return to Council with an Agreement to Initiate a California Employers' Pension Prefunding Trust (CEPPT).

RECOMMENDATION:

Consider pension plan IRS section 115 trust options, terminate the PARS agreement, and direct staff to return to Council with an agreement to initiate a California Employers' Pension Prefunding Trust (CEPPT).

BACKGROUND:

On August 15, 2017, Town Council approved Public Agency Retirement Services (PARS) as the administrator of the Town's Section 115 Pension Trust. The 115 Trust was established to provide the Town with a legal vehicle to domicile additional discretionary payments toward the Town's unfunded pension liabilities. An initial \$300,000 was deposited into the PARS account in March 2018 with additional deposits programmed over the course of the year for a current total of \$5.0 million in assets as of June 30, 2019.

On September 3, 2019, the Town Pension and OPEB Trusts Oversight Committee directed staff to utilize the funds in the PARS account to make payments directly to CalPERS toward existing long-term amortization bases. With the pending liquidation of current assets in the PARS account, it is appropriate to revisit the efficacy of maintaining an ongoing IRS section 115 pension trust.

DISCUSSION:

Highmark Capital Management currently provides the 115 Pension Trust with five different asset allocation options. Each asset allocation has varying degrees of exposure to equity, fixed

PREPARED BY: Arn Andrews
Assistant Town Manager

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

DISCUSSION (continued):

income, and cash. The five asset allocations are intended to provide participants with five distinct risk/reward profiles. The total costs associated with the asset allocations range from 0.67% of assets under management to 0.74%.

The following table provides the fees associated with the Town's current asset allocation with PARS:

	Weighted embedded Expense Ratio*	Weighted investment management fee**	PARS trust administration fee	Total fees
PARS Capital Appreciation	0.15%	0.34%	0.25%	0.74%

*Represents the weighted embedded expense ratio for that fund (Source: Morningstar Direct)

**Represents the weighted investment management fee net of any waivers in place for assets invested in funds for which HighMark serves as sub-adviser/adviser; assuming a \$5 million account

Since contracting with PARS in 2017 and in July of this year, CalPERS introduced a pension IRS Section 115 Trust product. The new program, known as the California Employers' Pension Prefunding Trust (CEPPT), provides the state and public agencies an additional IRS 115 Trust investment option offered directly by CalPERS. Established by Senate Bill 1413, the CEPPT fund is administered by CalPERS and mirrors the functions of the CalPERS California Employers' Retiree Benefit Trust (CERBT) Fund that the Town is currently invested for its Other Post-Employment Benefits (OPEB).

The investment time horizon for employers in the CEPPT is estimated by CalPERS to be short-term to medium-term, as employers plan for increasing required pension contributions in future years. CalPERS also recognizes that employers currently have options for 1) investing in very low risk, short term options through their general fund investments and 2) contributing directly to CalPERS or PARS type vehicles at a higher risk, long-term investment horizon.

In response, CalPERS has established two diversified strategic asset allocations with low and moderate risk levels that are expected to have a net rate of investment return of 4.0% and 5.0%. CEPPT Strategy 1 accommodates a medium-term time horizon and a medium risk tolerance with a 5.0% expected return and 8.2% expected volatility. CEPPT Strategy 2 provides a shorter time horizon and lower risk tolerance with a 4.0% expected return and 5.2% expected volatility. Fees for both products are 0.25% of assets under management with no additional fees, including set up costs.

CONCLUSION AND NEXT STEPS:

Given the Council's prior and current inclination to budget additional discretionary payments toward unfunded pension obligations when budgetarily feasible, staff recommends maintaining an IRS 115 Trust vehicle. The new CalPERS CEPPT offerings provide the most cost-effective account structure. In addition, given the adopted strategy of paying off amortization bases once sufficient assets have been accumulated, the risk/return profiles of the CEPPT 1 and CEPPT 2 are most appropriate.

To effectuate this recommendation, the Town Council should terminate the PARS agreement and direct staff to return to Council with an agreement to utilize one of the CalPERS CEPPT products which would receive its first contribution consistent with the Town's General Fund Reserve Policy no later than the close of this fiscal year.

COORDINATION:

This staff report was coordinated with the Town Manager, Town Attorney, and Finance Director.

FISCAL IMPACT:

No additional fiscal impact is anticipated at this time beyond the Council's commitments to addressing the pension unfunded liability as expressed in its General Fund Reserve Policy.

ENVIRONMENTAL ASSESSMENT:

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



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 09/17/2019

ITEM NO: 12

DATE: September 10, 2019
TO: Mayor and Town Council
FROM: Robert Schultz, Town Attorney
SUBJECT: Discussion and Direction on Mills Act Ordinance and Implementation Program Preparation

RECOMMENDATION:

Staff recommends that Council discuss and provide direction on whether staff should draft a Mills Act Ordinance and implementation program.

BACKGROUND:

In 1972, the state of California enacted the Mills Act, an economic incentive program to encourage the preservation of historic buildings. State codes related to the Mills Act include California Government Code, Article 12, Sections 50280 – 50290 and California Revenue and Taxation Code, Article 1.9, Sections 439 – 439.4.

The Mills Act grants local governments the authority to establish, administer, and implement Mills Act Historic Preservation Tax Relief Programs (Mills Act programs). Cities and counties with Mills Act programs can enter into contracts with owners of qualified historic properties who actively participate in the preservation, restoration, and maintenance of their historic properties while potentially receiving property tax relief. Property owners must use any tax savings to extend the life of the structure(s) and protect the historic and aesthetic value of the property.

The Town Council decided in January 2019 to not include this topic as a priority and goal or as an Ordinance for the Town Attorney to work on. Due to public comment at subsequent Council meetings, the Mayor requested this item be placed on the agenda. Therefore, this report only provides a brief overview of the Mills Act. Due to the FPPC conflict of interest of

PREPARED BY: Robert Schultz
Town Attorney

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

BACKGROUND (continued):

four of the five Council members, only three Council members are hearing this item. Therefore, the three Council members must unanimously agree to move forward with the future consideration of a Mills Act Ordinance and associated implementation program.

DISCUSSION:

Most jurisdictions participate in the Mills Act to encourage maintenance and upkeep of older properties. The Town is fortunate in that its citizens take pride in improving and maintaining their properties. In addition, the Town's Historic Preservation Ordinance and Design Guidelines further protect historical structures and promote an excellence in design which is expected by the public. Therefore, the Town does not have the same challenges as other jurisdictions in encouraging the upkeep and improvement of historic properties.

However, if the Council desires to establish a Mills Act program, the Council would need to adopt an enabling Ordinance and implementation program. The process would require the Town to adopt its own criteria for establishing qualified historic properties. Since the Town defines historic properties as contributing structures located within designated historic districts, individually designated historic structures/sites, or primary structures built prior to 1941 unless determined not to have significance, the Town could adopt all or some of those definitions for establishing qualified historic properties under the Mills Act. Attachment 1 is the Town's property information on historical residential and commercial properties as a reference for how many properties could be affected by a Mills Act Ordinance.

The Town would also have to develop an application process and determine how many contracts will be allowed within its jurisdiction since a formal agreement is required between the Town and property owner for each Mills Act contract. This is typically done by Council resolution. As an example, the City of Saratoga limits the number of contracts awarded per year to three and Campbell allows an annual maximum of ten Mills Act contracts. As part of the Mills Act application, the applicant would be responsible for preparing an historic report for the property to document the significance criteria, describe the character defining features, and provide a detailed list of exterior and interior improvements planned for the property over the next ten years.

The Town would also have to develop approval, monitoring, and inspection processes for each individual contract to ensure the owner complies with their contract. The criteria and processes are very important to ensure that qualifying historic properties are preserved in accordance with the Secretary of the Interior's Standards for the Treatment of Historic Properties. Depending on the number of contracts, this can be a significant staff commitment potentially requiring additional staff and/or contractors to administer a Mills Act program. In

DISCUSSION (continued):

addition, penalties would need to be established and enforced in the event of a breach of contract.

It is also important to understand that a Mills Act contract provides only the potential for property tax reduction. It is not a guarantee. Each property varies according to its income-generating potential and current assessed value. The property valuation is determined by the "income method" set out in U.S. Revenue and Tax Code Section 439.21. A property's income, or projected income, less certain yearly expenses, is divided by a capitalization rate to determine the Mills Act assessed value of the qualified historic property.

Attachment 2 contains various scenarios of potential property valuations of Mills Act property tax savings on property assessed at \$450,000 to \$3,000,000. From the scenarios, Mills Act participants only begin to receive a tax savings each year for property assessed over \$450,000. Therefore, long time homeowners who have Proposition 13 benefits would not be expected to experience any savings.

In addition, some Mills Act programs have property valuation thresholds in place to ensure that revenue loss for a jurisdiction is minimized and properties with assessed values higher than \$1,500,000 must apply for an exemption to the threshold valuations and undergo more rigorous scrutiny of the property's need for the property tax subsidy.

ALTERNATIVES:

As an alternative to the Mills Act, the Town Council could consider other historic preservation options as future Strategic Priorities, such as a review of the existing Code and Guidelines, additional historic surveys and inventory work, or other items.

CONCLUSION AND NEXT STEPS:

The Mills Act is especially beneficial for recent buyers of historic sites, or owners who may have recently had a property transfer or tax reassessment. Due to the Town's current development standards, the Council's current Strategic Priorities, the workload involved in implementing and processing Mills Act contracts, and the current Community Development Department workload, including the General Plan update, there are insufficient staff resources to research, prepare the analysis, draft an Ordinance, determine appropriate fees, and develop an implementation program unless the Town Council adjusts work priorities. If the Town Council decides to move forward, the Council may modify work priorities at the Strategic Priority discussion in late 2019/early 2020.

PAGE 4 OF 4

SUBJECT: Discussion and Direction on Mills Act Ordinance and Implementation Program
Preparation

DATE: September 10, 2019

COORDINATION:

This staff report was coordinated with the Community Development Department and Town Manager's Office.

FISCAL IMPACT:

If the Council decides to prepare a Mills Act Ordinance, analysis would be required to determine the fiscal impact to the Town if implemented.

Attachments:

1. Table 1, Property Information
2. Tables 2 - 7, Mills Act Property Tax Calculator Examples
3. Public Comment received by 11:00 a.m. Thursday, September 12, 2019

Table 1
Property Information

	Quantity
Non-Designated Residential Properties	
Pre- 1941 Properties	*754
Post- 1941 Properties	9,234
Designated Residential Properties in Historic Districts or on Historic Sites	
	*399
Non-Designated Commercial Properties	
Pre- 1941 Properties	*35
Post- 1941 Properties	797
Designated Commercial Properties in Historic Districts or on Historic Sites	
	*57
Totals	
Designated Properties in Historic Districts, on Historic Sites, or Pre- 1941	*1,245
Post- 1941 Properties	10,031
All Properties	11,276

***Historic Properties**

Table 2
Mills Act Property Tax Calculator

Item	Factor	Amount
CURRENT TAXES		
Assessed Value		\$450,000
Total Property Tax (1)	1.2000%	\$5,400
Property Type (1=Residential, 2=Commercial)	1 Residential	
MILLS ACT TAXES		
<u>Annual Income</u>		
Monthly Rent	\$2.00 /sq.ft./ month	
Leaseable Area	2,500 square feet	
Annual Rent		\$60,000
(less) Annual Expenses (2)	25% of Annual Rent	<u>(\$15,000)</u>
Net Annual Income		\$45,000
<u>Capitalization Rate</u>		
Interest (3)	3.7500%	
Risk Component (4)	4.0000%	
Tax Rate (1)	<u>1.2000%</u>	
Total, Cap Rate (Land)	8.9500%	
Amortization (5)	<u>1.6667%</u>	
Total, Cap Rate (Improvements)	10.6167%	
<u>Assessed Value & Taxes</u>		
Weighted Average Capitalization Rate (6)	10.2833%	
Assessed Value (based on Mills Act)		\$437,601
Total Property Tax	1.2000%	\$5,251
CHANGE IN TAXES		
Decrease due to Mills Act		(\$149)
Change compared to Current Taxes		-3%

- (1) Total property tax rate maybe greater than 1 percent due to tax overrides.
Total rate may vary slightly year-to-year, and depends on specific location.
Actual taxes will also depend on share of overrides which are per-parcel rather than a % of value.
- (2) Assumes approximately 25 percent of income goes to property maintenance and other operating exp
- (3) 2016-2017 State Board of Equalization Mills Act interest rate.
- (4) Risk component is 2 percent for commercial properties and 4 percent for residential properties.
- (5) Amortizes improvements over 60 years.
- (6) Assumes that land comprises 20 percent of value and improvements comprise 80 percent of value. Value of land is not amortized.

Table 3
Mills Act Property Tax Calculator

Item	Factor	Amount
CURRENT TAXES		
Assessed Value		\$750,000
Total Property Tax (1)	1.2000%	\$9,000
Property Type (1=Residential, 2=Commercial)	1 Residential	
MILLS ACT TAXES		
<u>Annual Income</u>		
Monthly Rent	\$2.00 /sq.ft./ month	
Leaseable Area	2,500 square feet	
Annual Rent		\$60,000
(less) Annual Expenses (2)	25% of Annual Rent	<u>(\$15,000)</u>
Net Annual Income		\$45,000
<u>Capitalization Rate</u>		
Interest (3)	3.7500%	
Risk Component (4)	4.0000%	
Tax Rate (1)	<u>1.2000%</u>	
Total, Cap Rate (Land)	8.9500%	
Amortization (5)	<u>1.6667%</u>	
Total, Cap Rate (Improvements)	10.6167%	
<u>Assessed Value & Taxes</u>		
Weighted Average Capitalization Rate (6)	10.2833%	
Assessed Value (based on Mills Act)		\$437,601
Total Property Tax	1.2000%	\$5,251
CHANGE IN TAXES		
Decrease due to Mills Act		(\$3,749)
Change compared to Current Taxes		-42%

- (1) Total property tax rate maybe greater than 1 percent due to tax overrides.
Total rate may vary slightly year-to-year, and depends on specific location.
Actual taxes will also depend on share of overrides which are per-parcel rather than a % of value.
- (2) Assumes approximately 25 percent of income goes to property maintenance and other operating exp
- (3) 2016-2017 State Board of Equalization Mills Act interest rate.
- (4) Risk component is 2 percent for commercial properties and 4 percent for residential properties.
- (5) Amortizes improvements over 60 years.
- (6) Assumes that land comprises 20 percent of value and improvements comprise 80 percent of value. Value of land is not amortized.

Table 4
Mills Act Property Tax Calculator

Item	Factor	Amount
CURRENT TAXES		
Assessed Value		\$1,000,000
Total Property Tax (1)	1.2000%	\$12,000
Property Type (1=Residential, 2=Commercial)	1 Residential	
MILLS ACT TAXES		
<u>Annual Income</u>		
Monthly Rent	\$2.00 /sq.ft./ month	
Leaseable Area	2,500 square feet	
Annual Rent		\$60,000
(less) Annual Expenses (2)	25% of Annual Rent	<u>(\$15,000)</u>
Net Annual Income		\$45,000
<u>Capitalization Rate</u>		
Interest (3)	3.7500%	
Risk Component (4)	4.0000%	
Tax Rate (1)	<u>1.2000%</u>	
Total, Cap Rate (Land)	8.9500%	
Amortization (5)	<u>1.6667%</u>	
Total, Cap Rate (Improvements)	10.6167%	
<u>Assessed Value & Taxes</u>		
Weighted Average Capitalization Rate (6)	10.2833%	
Assessed Value (based on Mills Act)		\$437,601
Total Property Tax	1.2000%	\$5,251
CHANGE IN TAXES		
Decrease due to Mills Act		(\$6,749)
Change compared to Current Taxes		-56%

- (1) Total property tax rate maybe greater than 1 percent due to tax overrides.
Total rate may vary slightly year-to-year, and depends on specific location.
Actual taxes will also depend on share of overrides which are per-parcel rather than a % of value.
- (2) Assumes approximately 25 percent of income goes to property maintenance and other operating exp
- (3) 2016-2017 State Board of Equalization Mills Act interest rate.
- (4) Risk component is 2 percent for commercial properties and 4 percent for residential properties.
- (5) Amortizes improvements over 60 years.
- (6) Assumes that land comprises 20 percent of value and improvements comprise 80 percent of value. Value of land is not amortized.

Table 5
Mills Act Property Tax Calculator

Item	Factor	Amount
CURRENT TAXES		
Assessed Value		\$1,500,000
Total Property Tax (1)	1.2000%	\$18,000
Property Type (1=Residential, 2=Commercial)	1 Residential	
MILLS ACT TAXES		
<u>Annual Income</u>		
Monthly Rent	\$2.00 /sq.ft./ month	
Leaseable Area	2,500 square feet	
Annual Rent		\$60,000
(less) Annual Expenses (2)	25% of Annual Rent	<u>(\$15,000)</u>
Net Annual Income		\$45,000
<u>Capitalization Rate</u>		
Interest (3)	3.7500%	
Risk Component (4)	4.0000%	
Tax Rate (1)	<u>1.2000%</u>	
Total, Cap Rate (Land)	8.9500%	
Amortization (5)	<u>1.6667%</u>	
Total, Cap Rate (Improvements)	10.6167%	
<u>Assessed Value & Taxes</u>		
Weighted Average Capitalization Rate (6)	10.2833%	
Assessed Value (based on Mills Act)		\$437,601
Total Property Tax	1.2000%	\$5,251
CHANGE IN TAXES		
Decrease due to Mills Act		(\$12,749)
Change compared to Current Taxes		-71%

- (1) Total property tax rate maybe greater than 1 percent due to tax overrides.
Total rate may vary slightly year-to-year, and depends on specific location.
Actual taxes will also depend on share of overrides which are per-parcel rather than a % of value.
- (2) Assumes approximately 25 percent of income goes to property maintenance and other operating exp
- (3) 2016-2017 State Board of Equalization Mills Act interest rate.
- (4) Risk component is 2 percent for commercial properties and 4 percent for residential properties.
- (5) Amortizes improvements over 60 years.
- (6) Assumes that land comprises 20 percent of value and improvements comprise 80 percent of value. Value of land is not amortized.

Table 6
Mills Act Property Tax Calculator

Item	Factor	Amount
CURRENT TAXES		
Assessed Value		\$2,500,000
Total Property Tax (1)	1.2000%	\$30,000
Property Type (1=Residential, 2=Commercial)	1 Residential	
MILLS ACT TAXES		
<u>Annual Income</u>		
Monthly Rent	\$2.00 /sq.ft./ month	
Leaseable Area	2,500 square feet	
Annual Rent		\$60,000
(less) Annual Expenses (2)	25% of Annual Rent	<u>(\$15,000)</u>
Net Annual Income		\$45,000
<u>Capitalization Rate</u>		
Interest (3)	3.7500%	
Risk Component (4)	4.0000%	
Tax Rate (1)	<u>1.2000%</u>	
Total, Cap Rate (Land)	8.9500%	
Amortization (5)	<u>1.6667%</u>	
Total, Cap Rate (Improvements)	10.6167%	
<u>Assessed Value & Taxes</u>		
Weighted Average Capitalization Rate (6)	10.2833%	
Assessed Value (based on Mills Act)		\$437,601
Total Property Tax	1.2000%	\$5,251
CHANGE IN TAXES		
Decrease due to Mills Act		(\$24,749)
Change compared to Current Taxes		-82%

- (1) Total property tax rate maybe greater than 1 percent due to tax overrides.
Total rate may vary slightly year-to-year, and depends on specific location.
Actual taxes will also depend on share of overrides which are per-parcel rather than a % of value.
- (2) Assumes approximately 25 percent of income goes to property maintenance and other operating exp
- (3) 2016-2017 State Board of Equalization Mills Act interest rate.
- (4) Risk component is 2 percent for commercial properties and 4 percent for residential properties.
- (5) Amortizes improvements over 60 years.
- (6) Assumes that land comprises 20 percent of value and improvements comprise 80 percent of value. Value of land is not amortized.

Table 7
Mills Act Property Tax Calculator

Item	Factor	Amount
CURRENT TAXES		
Assessed Value		\$3,000,000
Total Property Tax (1)	1.2000%	\$36,000
Property Type (1=Residential, 2=Commercial)	1 Residential	
MILLS ACT TAXES		
<u>Annual Income</u>		
Monthly Rent	\$2.00 /sq.ft./ month	
Leaseable Area	2,500 square feet	
Annual Rent		\$60,000
(less) Annual Expenses (2)	25% of Annual Rent	<u>(\$15,000)</u>
Net Annual Income		\$45,000
<u>Capitalization Rate</u>		
Interest (3)	3.7500%	
Risk Component (4)	4.0000%	
Tax Rate (1)	<u>1.2000%</u>	
Total, Cap Rate (Land)	8.9500%	
Amortization (5)	<u>1.6667%</u>	
Total, Cap Rate (Improvements)	10.6167%	
<u>Assessed Value & Taxes</u>		
Weighted Average Capitalization Rate (6)	10.2833%	
Assessed Value (based on Mills Act)		\$437,601
Total Property Tax	1.2000%	\$5,251
CHANGE IN TAXES		
Decrease due to Mills Act		(\$30,749)
Change compared to Current Taxes		-85%

- (1) Total property tax rate maybe greater than 1 percent due to tax overrides.
Total rate may vary slightly year-to-year, and depends on specific location.
Actual taxes will also depend on share of overrides which are per-parcel rather than a % of value.
- (2) Assumes approximately 25 percent of income goes to property maintenance and other operating exp
- (3) 2016-2017 State Board of Equalization Mills Act interest rate.
- (4) Risk component is 2 percent for commercial properties and 4 percent for residential properties.
- (5) Amortizes improvements over 60 years.
- (6) Assumes that land comprises 20 percent of value and improvements comprise 80 percent of value. Value of land is not amortized.

From: Mark Secchia <mark@secchia.com>
Sent: Sunday, September 01, 2019 1:47 PM
To: Council <Council@losgatosca.gov>
Cc: Laurie Duthie xx <lduthie@logitech.com>
Subject: Support of The Mills Act

Dear Town Council,

We are writing to you in support of Los Gatos adopting the Mills Act.

We love living in a beautiful and historic neighborhood, and look forward to future generations enjoying it as well.

We certainly would have no problem pledging to rehabilitate and maintain the historical and architectural character of our property for at least the initial contracted ten-year period, as well.

Than you for your time and service,

Mark Secchia and Laurie Duthie
130 Edelen Avenue

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