



**TOWN OF LOS GATOS  
COUNCIL MEETING AGENDA  
FEBRUARY 04, 2020  
110 EAST MAIN STREET  
LOS GATOS, CA**

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

**PARTICIPATION IN THE PUBLIC PROCESS**

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

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

**Deadlines for Public Comment and Presentations are as follows:**

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

***Town Council Meetings Broadcast Live on KCAT, Channel 15 (on Comcast) on the 1st and 3rd Tuesdays at 7:00 p.m.  
Rebroadcast of Town Council Meetings on the 2<sup>nd</sup> and 4<sup>th</sup> Mondays at 7:00 p.m.  
Live & Archived Council Meetings can be viewed by going to:  
[www.losgatosca.gov/Councilvideos](http://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  
FEBRUARY 04, 2020  
7:00 PM**

**MEETING CALLED TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**PRESENTATIONS**

- i. League of Women Voters

**CLOSED SESSION REPORT**

**COUNCIL / MANAGER MATTERS**

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

1. Approve Council Special Meeting Minutes of January 14, 2020.
2. Approve Closed Session Meeting Minutes of January 21, 2020.
3. Approve Council Meeting Minutes of January 21, 2020.
4. Adopt Ordinances Amending Chapters 9 (Fire Prevention and Protection), 11 (Garbage, Refuse and Weeds), 29 (Tree Protection) of the Town Code.
5. Authorize Revenue and Expenditure Budget Adjustments in the Amount of \$19,219 to Recognize Receipt and Expenditure of Pacific Library Partnership Grant Funds.
6. Authorize the Town Manager to Execute a Certificate of Acceptance and Notice of Completion for the Work of Guerra Construction Group and Authorize Recording by the Town Clerk for PPW Job No. 17-813-0231 Bicycle and Pedestrian Improvements (Blossom Hill Road) Project.
7. Adopt a Resolution Calling for a Special Municipal Election on November 3, 2020 for the Election of an Unexpired Term of One Council Seat through December 2022.

**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.)*

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

8. Approve a Proposed Update of the Town's Community Grant Program.

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

9. Town Code Amendment Application A-19-010. Project Location: Town Wide. Applicant: Town of Los Gatos.

Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding land use and economic vitality streamlining related to formula retail businesses in the downtown C-2 zone, restaurants, minor exterior modifications to commercial buildings, and group classes.

**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.*



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**DRAFT  
Minutes of the Town Council Special Meeting – Strategic Priorities  
January 14, 2020**

The Town Council of the Town of Los Gatos conducted a Special Meeting on Tuesday, January 14, 2020, at 7:00 p.m.

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

**ROLL CALL**

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

Absent: None

**PLEDGE OF ALLEGIANCE**

Mayor Jensen led the Pledge of Allegiance. The audience was invited to participate.

**VERBAL COMMUNICATIONS**

None.

Town Manager Prevetti announced the launch of a budget survey and encouraged all residents to complete the survey.

**OTHER BUSINESS**

1. Reaffirm Ongoing Strategic Priorities, Identify New Strategic Priorities for 2020 – 2022, and Determine the Priority Order of Potential Modifications to the Town Code.

Laurel Prevetti, Town Manager, presented the staff report.

Opened Public Comment.

Rob Stump

- Requested wildfire protection become a priority and provided suggestions on how to accomplish it.

David Weissman

- Requested that the tree ordinance enforcement section be modified to allow for compensatory fines.

Susan Fish

- Requested that the tree ordinance enforcement section be modified to allow for compensatory fines.

Lee Fagot

- Requested that two additional residents be added to the Finance Committee and give the resident members voting rights; requested that the audio recordings of all Board, Commission, and Committee meetings be put on the Town website; and suggested the Town pay additional funds to CalPERS for unfunded liabilities.

Joann Justice

- Requested that parking, traffic speed, and safety on Blossom Hill Road at Blossom Hill School be addressed as a priority.

Lee Quintana

- Requested community involvement and transparency be improved by expanding the General Plan Committee duties, audio recordings of all Boards, Commissions, and Committees be placed on the website, and that fire safety and hillside development guidelines work together and not contradict each other.

Catherine Somers, Los Gatos Chamber of Commerce Executive Director

- Requested the priorities include streamlining ordinances, a trolley, transportation, parking, event signage, lights and lighting, increasing staffing in the Building Department to handle the tenant improvement permits, and funding for summer block parties.

Lisa Wade, Green Monday

- Requested the Town place funding and staff time towards promoting plant-based eating in the community and provided suggestions on how this could be accomplished.

Closed Public Comment.

Council confirmed the ongoing priorities, rearranged the list of ordinances to put the State mandated items first, added drones and mobility ordinances to the top of the list, and identified the following additional areas to continue emphasizing if funds allow:

- Additional Discretionary Payments (ADPs) toward pension obligations
- Wildfire mitigation measures
- Implementation of the parking study
- Renewed sustainability efforts, including climate resiliency

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SUBJECT: Draft Minutes of the Town Council Special Meeting of January 14, 2020

DATE: January 15, 2020

**ADJOURNMENT**

The meeting adjourned at 8:34 p.m.

Attest:

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Shelley Neis, Town Clerk



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 02/04/2020

ITEM NO: 2

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**DRAFT  
Minutes of the Town Council Special Meeting - Closed Session  
January 21, 2020**

The Town Council of the Town of Los Gatos conducted a Special Meeting on Tuesday, January 21, 2020, to hold a Closed Session at 5:45 p.m.

**MEETING CALLED TO ORDER AT 5:45 P.M.**

**ROLL CALL**

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

Absent: Vice Mayor Barbara Spector

**VERBAL COMMUNICATIONS**

Maureen Cappon-Javey, NUMU Executive Director

- Commented on existing programs, the value of NUMU membership, and other community benefits.

**CLOSED SESSION**

**1. CONFERENCE WITH REAL PROPERTY NEGOTIATOR**

(Government Code Section 54956.8)

Property: 106 E. Main Street (APN:510-44-054)

Negotiating Parties: Town of Los Gatos

Negotiator: Robert Schultz, Town Attorney and NUMU Executive Director, Lessee

Negotiations: Terms of lease

**ADJOURNMENT**

Closed Session adjourned at 6:30 p.m.

Attest:

Submitted by:

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Shelley Neis, Town Clerk

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Laurel Prevetti, Town Manager



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**DRAFT  
Minutes of the Town Council Meeting  
January 21, 2020**

The Town Council of the Town of Los Gatos conducted a Regular Meeting on Tuesday, January 21, 2020, at 7:00 p.m.

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

**ROLL CALL**

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

Absent: None

**PLEDGE OF ALLEGIANCE**

Robert Stanley led the Pledge of Allegiance. The audience was invited to participate.

**PRESENTATIONS**

Mayor Jensen presented a Community Champion certificate to Rob Stump for his work organizing his neighborhood for wildfire evacuation.

Mayor Jensen presented commendations to outgoing Board, Commission, and Committee Commissioners.

**CLOSED SESSION REPORT**

Robert Schultz, Town Attorney, stated Council met in Closed Session as duly noted on the agenda and there is no report.

**COUNCIL/TOWN MANAGER REPORTS**

**Council Matters**

- Council Member Rennie stated he attended a Highway 17 Roundtable at Senator Beall's office, the Valley Transportation Authority (VTA) Board meeting and route redesign opening, the Silicon Valley Clean Energy Authority (SVCEA) Board, Risk Oversight, and Finance Committee meetings, a lunch with SPUR; and performed a ribbon cutting for Embodied Recovery.
- Vice Mayor Spector stated she attended the West Valley Sanitation District Board of Directors meeting.
- Council Member Sayoc announced the League of Cities is hosting a housing forum on January 29, 2020.
- Mayor Jensen stated she attended the VTA Policy Advisory Committee meeting.

**Manager Matters**

- Announced the Highway 17 Shaded Fuel Break project has resumed, and traffic will be impacted Monday through Thursdays, 9 a.m. to 3 p.m.
- Announced the Library is offering over 500 programs January through May, including Facebook Live Storytime and Girls Who Code.
- Announced a short community survey is available on the Town's website for the public to provide input on the budget.

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

1. Approve Council Special Meeting Minutes of December 17, 2019.
2. Approve Council Meeting Minutes of December 17, 2019.
3. Adopt an Ordinance of the Town of Los Gatos Amending Chapter 16, Article I, Section 16.20.035, Construction. **ORDINANCE 2300**
4. Authorize the Town Manager to Enter into an Agreement with ZAG Technical Services (ZAG) in an Amount Not to Exceed \$500,000 for Network Security Improvements and Professional Services.
5. Authorize the Town Manager to Take the Following Actions
  - a. Enter into an Agreement with the County of Santa Clara for the Acceptance of Emergency Management Performance Grant (EMPG) Funds in the Amount of \$10,800, and
  - b. Authorize a General Fund Revenue and Expenditure Budget Adjustments in the Amount of \$10,800 to Receive and Spend the Grant.
6. Authorize the Town Manager to Execute an Agreement with Liebert Cassidy Whitmore to Perform Labor and Employment Relations Assistance in an Amount Not to Exceed \$165,000.
7. Authorize the Following Actions for Two Annual Street Repair and Resurfacing Projects (19-811-9901): Slurry Seal/Rubber Cape Seal and Asphalt Overlay
  - a. Approve the Plans and Specifications for Both Projects;
  - b. Authorize the Town Manager to Advertise Both Projects for Bid;
  - c. Authorize the Town Manager to Award and Execute Construction Agreements in an Amount not to Exceed \$4,708,000 for the Total Combined Cost of Both Projects, Including Contingencies and Change Orders;
  - d. Authorize Staff to Execute Future Change Orders in an Amount not to Exceed Ten Percent of the Contract Award Amount for Both Projects;
  - e. Authorize the Town Manager to Execute a Project Cost Sharing Agreement with the City of Monte Sereno for the Slurry Seal of the City's Section of Bicknell Road; and
  - f. Authorize Revenue and Expenditure Budget Adjustments in the Street Repair & Resurfacing Project (811-9901) in the amount of \$241,865 for Recognizing Prior Reimbursements and Anticipated Reimbursements and Spending the Received Funds.

Consent Items – continued

8. Authorize the Following Actions for PPW Project No. 816-0413, Stormwater Master Plan:
  - a. Approve an Agreement for Consultant Services with NCE Consultants for Development of a Town Stormwater Master Plan in a not to exceed amount of \$200,000, and
  - b. Approve an Expenditure Budget Adjustment – in the amount of \$30,000 from the Town’s available Storm Drain Funds.

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

**VOTE: Motion passed unanimously.**

**VERBAL COMMUNICATIONS**

Gayle Bloom, Live Oak Adult Day Services Program Director

- Provided information on the program and announced an open house on February 13, 2020 from 4:30 to 6:30 p.m. at 111 Church Street, Room 7, Los Gatos.

Lisa Lenoci, Live Oak Adult Day Services Program Director

- Commented on the program and thanked the Town for their support and for providing a grant.

Ann Peterson, Live Oak Adult Day Services Executive Director

- Commented on the program and encouraged all to attend the open house.

**PUBLIC HEARINGS**

9. Open and Close a Public Hearing to Consider Objections to the Proposed Abatement of Hazardous Vegetation (Weeds) for Properties Listed on the 2020 Weed Abatement Program Commencement Report and Order the Abatement.

Stefanie Hockemeyer, Executive Assistant, presented the staff report.

Opened Public Comment.

No one spoke.

Closed Public Comment.

Council discussed the matter.

Public Hearing Item #9 – continued

**MOTION:** Motion by Council Member Sayoc to consider objections to the proposed abatement of hazardous vegetation (weeds) for properties listed on the 2020 Weed Abatement Program Commencement Report (Attachment 1), order the abatement, note the voluntary compliance of 16931 Blossom Hill Road, and direct staff to contact the property owner of 16931 Blossom Hill Road to explain why they are remaining on the list and what they can do to prevent further assessments.  
**Seconded by Council Member Rennie.**

**VOTE:** Motion passed unanimously.

10. Introduce an Ordinance, by Title Only, Effecting an Amendment to:

- a. Chapter 9 (Fire Prevention and Protection) of the Town Code regarding Defensible Space regulations.
- b. Chapter 11 (Garbage, Refuse and Weeds) of the Town Code regarding Weed Abatement regulations.
- c. Chapter 29 (Tree Protection) of the Town Code regarding exemptions for Defensible Space.

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

Opened Public Comment.

Rob Stump

- Commented in support of the proposed code amendments.

Mike Shields

- Commented in support of the amendments to Chapter 9.

Dave Weissman

- Commented in support of defensible space; inquired about what to do about screening trees in architecture and site applications and screening trees that have already been approved with prior applications, and made suggestions for mitigating the conflict between policies, procedures, and the amendment to Chapter 29.

Closed Public Comment.

Council discussed the matter.

Public Hearing Item #10 – continued

**MOTION:** Motion by Council Member Sayoc to introduce an ordinance by title only, effecting an amendment to Chapter 9 (Fire Prevention and Protection) of the Town Code regarding Defensible Space regulations. **Seconded by Council Member Spector.**

**VOTE:** Motion passed unanimously.

The Town Clerk read the title of the ordinance.

**MOTION:** Motion by Council Member Sayoc introduce an ordinance by title only, effecting an amendment to Chapter 11 (Garbage, Refuse and Weeds) of the Town Code regarding Weed Abatement regulations. **Seconded by Council Member Spector.**

**VOTE:** Motion passed unanimously.

The Town Clerk read the title of the ordinance.

**MOTION:** Motion by Council Member Sayoc to introduce an ordinance by title only, effecting an amendment to Chapter 29 (Tree Protection) regarding exemptions for Defensible Space, and staff to work through implementation with regards to policies and procedures. **Seconded by Council Member Spector.**

**VOTE:** Motion passed unanimously.

The Town Clerk read the title of the ordinance.

### **OTHER BUSINESS**

11. Receive a Report on How Vehicle Miles Travelled and Level of Service Analysis Will Work Together in Shaping Future Development Projects.

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

Opened Public Comment.

No one spoke.

Closed Public Comment.

Council discussed the matter.

12. Discuss the Five-Year Forecast, Provide Direction on the Other Budget Assumptions, and Provide any Specific Direction for the Preparation of the Town's Fiscal Year 2020/21 Operating and Capital Budgets.

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

Opened Public Comment.

Rick Tinsley

- Read a statement on behalf of Terry Duryea requesting that Council direct staff to adopt the Government Finance Officers Association (GFOA) best practices for effective budgeting of salary and wages.

Rick Tinsley

- Made three suggestions for the five-year forecast report: incorporating the history, a functional breakdown of salaries, and realistic salary forecasts into the budget.

Heidi Owens

- Commented there is a schools and communities first ballot initiative that, if passed, may increase commercial property tax revenues and asked how that would affect the budget and the fire service contract cost.

Lee Fagot

- Commented in favor of the suggestions made by Mr. Duryea and Mr. Tinsley and suggested the Council Finance Committee be increased to five residents to allow them to assist in the budgeting process.

Closed Public Comment.

Council discussed the matter and provided the following direction:

- Incorporate clearer language regarding the narrative for salary variables
- Prioritize and focus on certain line items in the Parking Study (i.e. employee parking, residential parking for at risk areas for safety)
- Look into providing grants for wildfire mitigation from the \$4 million unallocated funds
- Look into battery capacity for Town facilities during power shut offs
- Use some of the unallocated funds for future CIP projects

13. Discontinue Efforts Towards a Roundabout Design on South Santa Cruz Avenue at Wood Road.

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

Opened Public Comment.

Maria Ristow

- Commented in support of the staff recommendation in the staff report.

Catherine Somers, Los Gatos Chamber of Commerce Executive Director

- Commented in support of the staff recommendation in the staff report and suggested the Town consider hiring an urban planner to design the downtown streets.

Closed Public Comment.

Council discussed the matter.

**MOTION: Motion by Mayor Jenson** to discontinue efforts towards a roundabout design on South Santa Cruz Avenue at Wood Road. **Seconded by Council Member Sayoc.**

**VOTE: Motion passed unanimously.**

#### **ADJOURNMENT**

The meeting adjourned at 9:48 p.m.

Attest:

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Shelley Neis, Town Clerk



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 02/04/2020

ITEM NO: 4

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DATE: January 24, 2020  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Adopt Ordinances Amending Chapters 9 (Fire Prevention and Protection), 11 (Garbage, Refuse and Weeds), 29 (Tree Protection) of the Town Code.

**RECOMMENDATION:**

Adopt Ordinances amending Chapters 9 (Fire Prevention and Protection), 11 (Garbage, Refuse and Weeds), 29 (Tree Protection) of the Town Code.

**DISCUSSION:**

On January 21, 2020, the Town Council considered and voted to introduce Ordinances amending Chapter 9 of the Town Code regarding defensible space, Chapter 11 of the Town Code regarding weed abatement regulations, and Chapter 29 of the Town Code regarding exemptions for defensible space. Adoption of the attached Ordinances (Attachments 1, 2 and 3) would finalize these decisions.

**Attachments:**

1. Draft Ordinance Chapter 9
2. Draft Ordinance Chapter 11
3. Draft Ordinance Chapter 29

**PREPARED BY:** Arn Andrews  
Assistant Town manager

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Reviewed by: Town Manager, Town Attorney, Director of Community Development and Director of Parks and Public Works

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**ORDINANCE**

**ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS  
AMENDING CHAPTER 9 (FIRE PREVENTION AND PROTECTION) OF THE TOWN CODE  
REGARDING WEED ABATEMENT REGULATIONS**

**WHEREAS**, the Town of Los Gatos; has traditionally adopted Chapter 49 of the California Fire Code (with amendments) which incorporates the legal requirements associated with State mandated defensible space;

**WHEREAS**, the State mandates 100 feet of defensible space around buildings and structures within Very High Fire Hazard Severity Zones;

**WHEREAS**, State law allows for jurisdictions to adopt additional defensible space standards based on severity of wildfire risk;

**WHEREAS**, the Los Gatos Wildland Urban Interface (WUI) planning area includes primarily Very High Fire Hazard Severity Zone (VHFHSZ) areas.

**WHEREAS**, the Town Council recognizes that in addition to the State mandated requirements the development and maintenance of defensible space is essential to reducing wildfire risk within the community;

**WHEREAS**, the proposed amendment changes will reduce the risk of wildfire and effectuate safer passage for first responders and residents in the event of a wildfire;

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

SECTION II

CHAPTER 49 REQUIREMENTS FOR WILDLAND-URBAN INTERFACE FIRE AREAS

Section 4902 Definitions of Town Code Chapter 9 are hereby added/amended to read as follows:

**DEFENSIBLE SPACE.** An area around the perimeter of a structure in which vegetation, debris, and other types of combustible fuels are treated, cleared, or reduced to slow the rate and intensity of potentially approaching wildfire or fire escaping from structure(s).

**REDUCED FUEL ZONE.** In this area of the defensible space, efforts are placed on ensuring fuels/vegetation are separated vertically and horizontally depending on the vegetation type.

**Wildland-Urban Interface Fire Area.** A geographical area identified by the state as a " Fire Hazard Severity Zone" in accordance with the Public Resources Code, Sections 4201 through 4204, and Government Code Sections 51175 through 51189, or other areas designated by the enforcing agency to be at a significant risk from wildfires. The Wildland-Urban Interface Fire Area is defined as all areas within the Town of Los Gatos as set forth and delineated on the map entitled "Wildland-Urban Interface Fire Area" which map and all notations, references, data, and other information shown thereon are hereby adopted and made a part of this chapter. The map properly attested, shall be on file in the Office of the Town Clerk of the Town of Los Gatos.

Section 4906.2 Application of Town Code Chapter 9 are hereby amended to read as follows:

2. Land designated as a Very-high Fire Hazard Severity Zone or as a Wildland Urban Interface Fire Area by the Town of Los Gatos.

Section 4907.2 Defensible Space Fuel Modification are hereby added to read as follows:

**4907.2 Defensible Space Fuel Modification.**

Persons owning, leasing, controlling, operating, or maintaining buildings or structures, and/or lands in, upon, or adjoining the locally adopted Wildland-Urban Interface Fire Area, shall at all times comply with the following:

1. Maintain defensible space of 100 feet from each side and from the front and rear of any building or structure, but not beyond the property line except as provided by law. The 100 feet of defensible space should be segregated into the following zones:
  - a. Maintain an effective defensible space by removing and clearing away flammable vegetation and other combustible materials from areas within 30 feet of such buildings or structures.

**Exception:** When approved by the Fire Chief or his/her designee, single specimens of trees, ornamental shrubbery or similar plants used as ground covers, provided that they do not form a means of rapidly transmitting fire from the native growth to any structure.
  - b. Maintain an additional reduced fuel zone of 70 feet from all buildings and structures with an emphasis on vertical and horizontal separation of fuels/vegetation. Distances beyond an additional 70 feet may be required

when the Fire Chief or his/her designee, determines that due to steepness of terrain or other conditions, 70 additional feet is insufficient.

**Exception:** When approved by the Fire Chief or his/her designee grass and other vegetation located more than 30 feet from buildings or structures and less than 18 inches in height above the ground need not be removed where necessary to stabilize the soil and prevent erosion.

- c. New construction must create a noncombustible area a minimum of 5 feet from structures.
2. Remove portions of trees, which extend within 10 feet of the outlet of any chimney or stovepipe.
3. Maintain any tree, shrub, or other plant adjacent to or overhanging any building or structure free of dead limbs, branches or other combustible material.
4. Maintain the roof of any structure and roof gutters free of leaves, needles, or other combustible materials.
5. Maintain defensible space as determined by the Fire Chief or his/her designee around water tank structures, water supply pumps, and pump houses.
6. Remove flammable vegetation a minimum of 10 feet around liquefied petroleum gas tanks/containers.
7. Firewood and combustible materials shall not be stored in unenclosed spaces beneath buildings or structures, or on decks or under eaves, canopies or other projections or overhangs. The storage of firewood and combustible material within the defensible space shall be located a minimum of 30 feet from structures and separated from the crown of trees by a minimum horizontal distance of 15 feet.

**Exception:** Firewood and combustible materials not for consumption on the premises shall be stored as approved by the Fire Chief or his/her designee.

8. Clear areas within 10 feet of fire apparatus access roads and driveways of non- fire-resistant vegetation growth.

**Exception:** Single specimens of trees, ornamental vegetative fuels or cultivated ground cover, such as green grass, ivy, succulents, or similar plants used as ground cover, provided they do not form a means of readily transmitting fire.

Section 4907.3 Defensible Space Along Property Lines are hereby added to read as follows:

**4907.3 Defensible space along property lines.** Pursuant to Government Code Section 51182 and Public Resources Code Section 4291(a)(2):

1. When an occupied building is less than 100 feet from a property line and combustible vegetation on an adjacent parcel presents a fire hazard for the occupied building as determined by the Fire Chief or his/her designee then the owner of the adjacent parcel where the hazard exists shall be responsible for fuel management, including removal to the satisfaction of the Fire Chief or his/her designee.

Section 4907.4 Corrective Actions are hereby added to read as follows:

**4907.4 Corrective actions.** When the Fire Chief or his/her designee determines defensible space to be inadequate the Town Council is authorized to instruct the Fire Chief or his/her designee to give notice to the owner of the property upon which conditions regulated by Sections 4907.2 and 4907.3 exist to correct such conditions. If the owner fails to correct such conditions, the Town Council is authorized to cause the same to be done and make the expense of such correction a lien upon the property where such conditions exist.

### SECTION III

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

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

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

### SECTION IV

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidly 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 V

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 VI

This Ordinance was introduced at a regular meeting of the Town Council of the Town of Los Gatos on January 21, 2020 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 February 4, 2020 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

**ORDINANCE**

**ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS  
AMENDING CHAPTER 11 (GARBAGE, REFUSE AND WEEDS) OF THE TOWN CODE  
REGARDING WEED ABATEMENT REGULATIONS**

**WHEREAS**, the Town of Los Gatos originally adopted a Weed Abatement Ordinance in 1968;

**WHEREAS**, the Town Council recognizes that dry and overgrown weeds contribute visual blight and create hazardous conditions which increase risk of fire;

**WHEREAS**, On April 16, 2019, the Town Council recognizing the risk of wildfire in the Wildland Urban Interface (WUI) adopted the Town's Annex 9 to the Santa Clara County Community Wildfire Protection Plan (CWPP);

**WHEREAS**, On November 5, 2019, the Town Council adopted amendments to Chapter 11 to expand the definition of weeds to include other dead vegetation, fallen limbs, and combustible trash on private property and add additional language to clarify and strengthen the Town's weed abatement program.;

**WHEREAS**, the proposed amendment change will reduce the risk of fire and effectuate safer passage for first responders and residents in the event of a wildfire;

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

**SECTION II**

Section 11.20.015 of Town Code Chapter 11 are hereby amended to read as follows:

**11.20.015.** - Removal by property owner required.

(a) No owner, agent, lessee or other person occupying or having charge or control of any building, lot or premises within the Town shall permit weeds to remain upon such premises, or public sidewalks, or streets, or alleys between such premises and the centerline of any public street or alley.

(b) Every property owner shall remove or destroy such weeds from such owner's property, abutting sidewalks, and the abutting half of any streets or alleys between the lot lines as extended.

(c) Property owners within the Wildland Urban Interface (WUI) whose property abuts Hillside Collector, Neighborhood Collector, and/or Local Street roadway classifications shall remove or destroy such weeds within ten (10) feet of the roadway to prevent or avoid

undue hardship in fighting fire.

### SECTION III

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

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

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

### SECTION IV

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 V

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 VI

This Ordinance was introduced at a regular meeting of the Town Council of the Town of Los Gatos on January 21, 2020 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 February 4, 2020 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: \_\_\_\_\_

**ORDINANCE**

**ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS  
AMENDING CHAPTER 29 (TREE PROTECTION) OF THE TOWN CODE  
REGARDING WEED ABATEMENT REGULATIONS**

**WHEREAS**, the Town of Los Gatos; recognizes that the community benefits from preserving the scenic beauty of the Town;

**WHEREAS**, the Town Council acknowledges that trees provide multiple benefits it also recognizes that a significant portion of the Town is located in a Very High Fire Hazard Severity Zone

**WHEREAS**, the State mandates 100 feet of defensible space around buildings and structures within Very High Fire Hazard Severity Zones;

**WHEREAS**, the Town Council recognizes that the development and maintenance of defensible space is essential to reducing wildfire risk within the community;

**WHEREAS**, the proposed amendment changes will reduce the risk of wildfire and effectuate safer passage for first responders and residents in the event of a wildfire;

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

SECTION II

DIVISION 2 – TREE PROTECTION

Section 29.10.0950. Intent of Town Code Chapter 29 are hereby amended to read as follows:

**Sec. 29.10.0950. - Intent.**

This division is adopted because the Town of Los Gatos is forested by many native and non-native trees, and contains individual trees of great beauty. The community of the Town benefit from preserving the scenic beauty of the Town, preventing erosion of topsoil, providing protection against flood hazards and risk of landslides, counteracting pollutants in the air, maintaining climatic balance, and decreasing wind velocities. It is the intent of this division to regulate the removal of trees within the Town in order to retain as many trees as possible consistent with the purpose of this section and the reasonable use of private property. While trees provide multiple benefits, it is also the intent of this division to acknowledge that a

portion of the Town is located in a Very High Fire Hazard Severity Zone as defined by the California Department of Forestry and Fire Protection (CAL FIRE) and the associated wildfire threat that exists for the community. It is the intent of this division to preserve as many protected trees as possible throughout the Town through staff review and the development review process. Special provisions regarding hillsides are included in section 29.10.0987 of this division in recognition of the unique biological and environmental differences between the hillside and non-hillside areas of the Town. This section does not supersede the provisions of Chapter 26 of this Code.

Section 29.10.0955 Definitions of Town Code Chapter 29 are hereby added to read as follows:

*Defensible Space* means an area around the perimeter of a structure in which vegetation, debris, and other types of combustible fuels are treated, cleared, or reduced to slow the rate and intensity of potentially approaching wildfire or fire escaping from structures.

Section 29.10.0970 Exceptions are hereby amended to read as follows:

The following trees are excepted from the provisions of this division and may be removed or severely pruned without Town approval or issuance of a tree removal permit:

- (1) A fruit or nut tree that is less than eighteen (18) inches in diameter (fifty-seven-inch circumference).
- (2) Any of the following trees that are less than twenty-four (24) inches in diameter (seventy-five (75) inches in circumference):
  - (1) Black Acacia (*Acacia melanoxylon*)
  - (2) Tulip Tree (*Liriodendron tulipifera*)
  - (3) Tree of Heaven (*Ailanthus altissima*)
  - (4) Blue Gum Eucalyptus (*E. globulus*)
  - (5) Red Gum Eucalyptus (*E. camaldulensis*)
  - (6) Other Eucalyptus (*E. spp.*)-Hillsides only
  - (7) Palm (except *Phoenix canariensis*)
  - (8) Privet (*Ligustrum lucidum*)
- (3) Any removal or maintenance of a tree to conform with the implementation and maintenance of Defensible Space per Chapter 9 – Fire Prevention and Protection with

the exception of any tree listed in subcategories (3) and (10) of Sec.29.10.0960 – Scope of Protected Trees.

Section 29.10.0992 Required Findings are hereby added to read as follows:

The Director, Director's designee, or deciding body shall approve a protected tree removal permit, severe pruning permit, or pruning permit for Heritage trees or large protected trees only after making at least one (1) of the following findings:

- (1) The tree is dead, severely diseased, decayed or disfigured to such an extent that the tree is unable to recover or return to a healthy and structurally sound condition.
- (2) The tree has a tree risk rating of Extreme or High on the ISA Tree Risk Rating Matrix as set forth in the ISA Tree Risk Assessment Best Management Practices, or successor publication.
- (3) The tree is crowding other protected trees to the extent that removal or severe pruning is necessary to ensure the long-term viability of adjacent and more significant trees.
- (4) The retention of the tree restricts the economic enjoyment of the property or creates an unusual hardship for the property owner by severely limiting the use of the property in a manner not typically experienced by owners of similarly situated properties, and the applicant has demonstrated to the satisfaction of the Director or deciding body that there are no reasonable alternatives to preserve the tree.
- (5) The tree has, or will imminently, interfere with utility services where such interference cannot be controlled or remedied through reasonable modification, relocation or repair of the utility service or the pruning of the root or branch structure of the tree; or where removal or pruning is required by a public utility to comply with California Public Utility Commission (CPUC) or Federal Energy Regulatory Commission (FERC) rules or regulations.
- (6) The tree has caused or may imminently cause significant damage to an existing structure that cannot be controlled or remedied through reasonable modification of the root or branch structure of the tree.
- (7) Except for properties within the hillsides, the retention of the protected tree would result in reduction of the otherwise-permissible building envelope by more than twenty-five (25) percent.
- (8) The removal of the tree is unavoidable due to restricted access to the property.
- (9) The removal of the tree is necessary to repair a geologic hazard.
- (10) The removal of the tree and replacement with a more appropriate tree species will enhance the Town's urban forest.
- (11) The removal of the tree is necessary to conform with the implementation and maintenance of Defensible Space per Chapter 9 – Fire Prevention and Protection per direction by the Fire Chief or his/her designee.

### SECTION III

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

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

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

### SECTION IV

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 V

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 VI

This Ordinance was introduced at a regular meeting of the Town Council of the Town of Los Gatos on January 21, 2020 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 February 4, 2020 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: \_\_\_\_\_



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 02/04/2020

ITEM NO: 4

DESK ITEM

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DATE: February 4, 2020  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Adopt Ordinances Amending Chapters 9 (Fire Prevention and Protection), 11 (Garbage, Refuse and Weeds), 29 (Tree Protection) of the Town Code.

**REMARKS:**

Attachment 4 includes public comment received between 11:01 a.m. Thursday January 30, 2020 and 11:00 a.m. Tuesday, February 4, 2020.

**Attachments previously received with Staff Report:**

1. Draft Ordinance Chapter 9
2. Draft Ordinance Chapter 11
3. Draft Ordinance Chapter 29

**Attachment received with this Desk Item:**

4. Public comments received between 11:01 a.m. Thursday January 30, 2020 and 11:00 a.m. Tuesday, February 4, 2020.

**PREPARED BY:** Arn Andrews  
Assistant Town manager

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Reviewed by: Town Manager, Town Attorney, Director of Community Development and Director of Parks and Public Works

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February 4, 2020

Los Gatos Town Council  
110 E. Main Street  
Los Gatos, CA 95030

Dear Los Gatos Town Council,

I am writing on behalf of the Midpeninsula Regional Open Space District (Midpen) to respectfully urge a critical change to a proposed ordinance amendment to the Town of Los Gatos Ordinance *Code Section 4907 Defensible Space* that poses significant negative implications to public open space lands and the use of public tax dollars for the protection of private land interests, against public policy and at odds with existing legal requirements.

Midpen acknowledges the need for all jurisdictions, including the Town of Los Gatos, to review and update ordinances and practices to reduce the risk of wildland fires and improve public safety. Midpen has been engaging the larger community, neighbors, Fire Safe Councils, the Town of Los Gatos, Santa Clara County Fire, and Cal Fire as we develop a robust Wildland Fire Resilience Program. This Program will identify and prioritize regional fuel reduction projects in high fire danger zones for enhanced public safety and ecosystem resilience to reduce the risk of catastrophic wildfires in the region.

Annually, Midpen commits extensive staff time and resources to perform fuel management work to create defensible space fire clearance around structures; clearing encroaching vegetation along trail pathways and fire/emergency access roads; and maintaining fuel breaks along roadsides and preserve boundaries. This work is essential to protect open space and provide for public safety. Vegetation clearance protects publicly owned structures, provides public access, maintains emergency response routes, and allows opportunities for fire agencies to suppress fires. Over the past several years we have increased the amount of fuel reduction work we have performed in response to the catastrophic fires that have occurred in California.

Separately, to encourage neighbors to responsibly protect their structures and achieve the defensible space clearance zones recommended by CalFire, Midpen administers a simple use permit system that allows neighbors to enter Midpen lands to perform fuel reduction work. We strongly urge neighbors who need access to complete the full 100 feet of clearance to contact Midpen to receive their permit. Our permit system is consistent with state law, placing the responsibility of fuel clearance to protect structures on the owner. While it is highly desirable to achieve the full extent of defensible space around each structure, Midpen raises strong objections in shifting this responsibility and cost to the neighboring property owner when the adjacent structure is located less than 100 feet from the adjoining property line. Such a policy would place the burden of protecting private interests on adjoining neighbors, and in Midpen's case, it would place the burden on the public to pay for protecting individual private property.

Two statutes referenced in the Town's proposed ordinance amendment specify that clearance beyond the property line may only be required when accompanied by findings that the clearing is necessary to reduce the risk of fire, and there is no other feasible mitigation measure possible to reduce the risk of ignition or spread of wildfire to the structure. Clearance on adjacent property shall only be conducted following written consent by the adjacent landowner. It is in keeping with this principle that Midpen operates its defensible space permit program. However, the proposed ordinance goes further by shifting the responsibility and cost for fuel management work to the adjoining property owner.

With our concerns in mind, Midpen offers two suggestions to revise the language of the proposed Town ordinance that ensures defensible space clearance zones are achieved without shifting the responsibility to adjoining property owners, which would result in public tax dollars bearing the burden to provide defensible space for privately owned structures.

Option 1: Add an exception for public agencies, so that individual homeowner responsibility is not shifted to taxpayers.

4907.3 Defensible space along property lines. Pursuant to Government Code Section 51182 and Public Resources Code Section 4291(a)(2): 1. When an occupied building is less than 100 feet from a property line and combustible vegetation on an adjacent parcel presents a fire hazard for the occupied building as determined by the Fire Chief or his/her designee then the owner of the adjacent parcel where the hazard exists shall be responsible for fuel management, including removal to the satisfaction of the Fire Chief or his/her designee. Notwithstanding the foregoing, adjacent parcels owned by government entities shall not be subject to this section.

Option 2: Allow the owner of an occupied building to enter onto adjacent property for the purposes of conducting fuel reduction with property owner permission.

4907.3 Defensible space along property lines. Pursuant to Government Code Section 51182 and Public Resources Code Section 4291(a)(2): 1. When an occupied building is less than 100 feet from a property line and combustible vegetation on an adjacent parcel presents a fire hazard for the occupied building as determined by the Fire Chief or his/her designee then the owner of the adjacent parcel where the hazard exists shall consent to entry by the owner of the occupied building for the purpose of creating defensible space prescribed by the Fire Chief or his/her designee. The adjacent property owner's consent may be conditioned on reasonable requirements, including but not limited to insurance coverage. The owner of the occupied building shall bear the financial responsibility for the cost of fuel management work associated with the protection of such building as well as the responsibility to conduct the fuel management work.

If the council does not wish to consider an amendment to the proposed ordinance at this time, we ask that the final adoption of this section of the ordinance be deferred for a month or two to give time for Town staff to discuss the issue with Midpen staff to see if appropriate language can be crafted to address our concerns while preserving the intent to allow Los Gatos homeowners to create defensible space around their homes. Thank you for your consideration.

Sincerely,



Brian Malone, Assistant General Manager



Ana Maria Ruiz, General Manager



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 02/04/2020

ITEM NO: 5

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DATE: February 4, 2020  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Authorize Revenue and Expenditure Budget Adjustments in the Amount of \$19,219 to Recognize Receipt and Expenditure of Pacific Library Partnership Grant Funds

**RECOMMENDATION:**

Authorize revenue and expenditure budget adjustments in the amount of \$19,219 to recognize receipt and expenditure of Pacific Library Partnership grant funds.

**BACKGROUND:**

The Library has been successful in obtaining two grants totaling \$19,219 from the Pacific Library Partnership. One grant in the amount of \$14,400 will be used to purchase desktop laser cutters which will be available for patron use and incorporated into STEM programming activities. The second grant in the amount of \$4,819 will be used to purchase additional e-book titles for the Library's CloudLibrary platform.

**FISCAL IMPACT:**

Expenditures in the amount of \$19,219 will be reimbursed by an equal amount of grant revenue received. Grant revenues will be recorded to account 7801-43343 and be expended from account 7801-61172.

**ENVIRONMENTAL ASSESSMENT:**

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

**PREPARED BY:** Ryan Baker  
Library Director

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

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**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 2/4/2020

ITEM NO: 6

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DATE: January 8, 2020  
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 Guerra Construction Group and Authorize Recording by the Town Clerk for PPW Job No. 17-813-0231 Bicycle and Pedestrian Improvements (Blossom Hill Road) Project.

**RECOMMENDATION:**

Authorize the Town Manager to execute a Certificate of Acceptance and Notice of Completion (Attachment 1) for the work of Guerra Construction Group and authorize recording by the Town Clerk for PPW Job No. 17-813-0231 Bicycle and Pedestrian Improvements (Blossom Hill Road) Project.

**BACKGROUND:**

The Town's adopted FY 2019/20-2023/24 Capital Improvement Program (CIP) Budget designated funding for these projects.

At the December 18, 2018 Town Council meeting, Council approved the plans and specifications for the Bicycle and Pedestrian Improvements (Blossom Hill Road) Project 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 \$550,032, including contingencies, and any change orders, to the lowest responsible bidders.

The Town entered an agreement with Guerra Construction Group for the work for the low bid of \$407,767.

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

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

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

DATE: January 8, 2020

DISCUSSION:

Guerra Construction Group 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 Guerra Construction Group and authorize recording by the Town Clerk for PPW Job No. 17-813-0231 Bicycle and Pedestrian Improvements (Blossom Hill Road) Project

FISCAL IMPACT:

The final construction costs totaled \$446,354.75 for the work. Project delivery costs, including staff, and design, have totaled \$540,426. The Bicycle & Pedestrian Improvements Project funds multiple projects, and the savings have been planned or spent on these projects.

<b>Bicycle &amp; Pedestrian Improvements Project 813-0231</b>		
	<b>Budget</b>	<b>Costs</b>
GFAR	\$ 538,550	
Grant Fund	\$ 281,500	
Traffic Mitigation	\$ 34,028	
<b>Total Project Budget</b>	<b>\$ 854,078</b>	
Guerra Construction Group		\$ 446,355
Staff Costs		\$ 80,021
Consultant Services		\$ 14,050
<b>Total Project Costs</b>		<b>\$ 540,426</b>
<b>Project Savings Not Including Staff Costs</b>		<b>\$ 393,673</b>
Estimated Staff Costs		\$ 80,021
<b>Project Savings Including Estimated Staff Costs</b>		<b>\$ 313,652</b>

PAGE 3 OF 3

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

DATE: January 8, 2020

FISCAL IMPACT (continued):

Staff costs are tracked for all projects. Tracking of staff costs allows for accountability in the costs of projects, recovery of costs from grant funded projects, and identification of future staffing needs. This project utilizes full-time budgeted staff which are accounted for in the Department's operating budget and therefore will not be charged to this project.

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

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(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. 17-813-0231 Bicycle and Pedestrian Improvements (Blossom Hill Road) Project.**

TO WHOM IT MAY CONCERN:

I do hereby certify that **Guerra Construction Group** completed the work called for in the agreement with the Town of Los Gatos dated February 19, 2019. 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. 17-813-0231 located in the TOWN OF LOS GATOS, County of Santa Clara, State of California and was completed, approved and accepted **February 4, 2020**.

Bond No.: GS23900004

Date: 3/1/19

TOWN OF LOS GATOS

By: \_\_\_\_\_  
Laurel Prevetti, Town Manager

*Acknowledgement Required*

**AFFIDAVIT**

**To Accompany Certificate of Acceptance and Notice of Completion  
PPW JOB NO. 17-813-0231 Bicycle and Pedestrian Improvements (Blossom Hill Road) Project.**

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 \_\_\_\_\_, 2020 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: 02/04/2020

ITEM NO: 7

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DATE: January 30, 2020  
TO: Mayor and Town Council  
FROM: Robert Schultz, Town Attorney  
SUBJECT: Adopt a Resolution Calling for a Special Municipal Election on November 3, 2020 for the Election of an Unexpired Term of One Council Seat through December 2022

**RECOMMENDATION:**

Adopt a Resolution (Attachment 1) calling for a special municipal election on November 3, 2020 for the election of an unexpired term of one Council seat through December 2022.

**BACKGROUND:**

Effective December 20, 2019, Steve Leonardis resigned his position as a Councilmember.

Government Code Section 36512 sets forth the requirements relating to filling vacancies for an elective office. Subdivision (b) of that section provides two options that the Town can utilize to fill a vacancy in an elective office within 60 days from the commencement of the vacancy: 1) fill the vacancy by appointment; or 2) call a special election to fill the vacancy.

On December 17, 2019 the Town Council decided to call a special election to fill the vacant Town Council seat.

**DISCUSSION:**

Since the Town Council has decided to call a special election to fill the vacant Town Council seat it must adopt a resolution (Attachment 1) calling the special election (Elections Code Section 12001) within 60 days of the vacancy. Government Code Section 36512(b)(1) states, "If the Council calls a special election, the special election shall be held on the next regularly established election date not less than 114 days from the call of the special election." A recent amendment

**PREPARED BY:** Robert Schultz  
Town Attorney

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Reviewed by: Town Manager and Assistant Town Manager

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PAGE 2 OF 2

SUBJECT: Calling an Election to Fill the Vacant Council Position

DATE: January 30, 2020

DISCUSSION (Cont.):

to State Government Code sets forth those dates that are deemed a “regularly established election date” and the next such date is Tuesday, November 3, 2020.

CONCLUSION:

Town Council has decided to call a special election to fill the vacant Town Council seat and now must adopt a resolution (Attachment 1) calling the special election within 60 days of the vacancy.

Attachment:

1. Resolution Calling Election to fill vacant council seat

**RESOLUTION**

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS, CALIFORNIA,  
CALLING FOR A SPECIAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY,  
NOVEMBER 3, 2020 FOR THE ELECTION OF AN UNEXPIRED TERM OF ONE TOWN  
COUNCIL SEAT THROUGH DECEMBER 2022 AS REQUIRED BY THE  
PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA  
RELATING TO GENERAL LAW CITIES**

**WHEREAS**, on December 20, 2019 the Town of Los Gatos Town Council Member seat became vacant; and

**WHEREAS**, Government Code Section 36512(b) addresses vacancies of elected officers of a general law city/town and provides that a vacancy must be filled by the Town Council either by 1) appointment by the Council within 60 days of the commencement of the vacancy, or 2) calling a special election within 60 days of the vacancy to fill the vacancy; and

**WHEREAS**, on December 17, 2019 the Town Council authorized calling a special election to fill the vacancy; and

**WHEREAS**, under the provisions of the State of California Elections Code, a special municipal election shall be held on the next regularly established election date not less than 114 days from the call of the special election and the next regularly established election date is Tuesday, November 3, 2020; and

**WHEREAS**, the County of Santa Clara has established procedures to conduct elections, and has the ability to conduct a special election on November 3, 2020 for the Town of Los Gatos; and

**WHEREAS**, Elections Code Section 10403 requires jurisdictions to file with the Board of Supervisors, and a copy with the County Registrar of Voters, a resolution requesting consolidation to hold an election.

**NOW, THEREFORE, BE IT RESOLVED**, by the Town Council of the Town of Los Gatos:

1. A special municipal election hereby is called to be held in and for the Town of Los Gatos on Tuesday, November 3, 2020, to elect one (1) Council Member for a partial term of two (2) years of the vacated office, holding office until December 2022.

2. Pursuant to Elections Code Section 10002, the Town Council hereby requests the Board of Supervisors of the County of Santa Clara to make available the services of the Registrar

of Voters for the purpose of performing the usual services necessary in the conduct of the consolidated general municipal election, including the provisions of election supplies and voters' pamphlets; and that upon approval of such requests, the Registrar of Voters of the County of Santa Clara shall be reimbursed for all costs incurred by said services.

3. Pursuant to Elections Code commencing with Section 10400, the Town Council hereby requests the Board of Supervisors of the County of Santa Clara to order the consolidation of the general municipal election to be conducted within the boundaries of the Town of Los Gatos on November 3, 2020, with respect to which the Board of Supervisors of the County of Santa Clara has the power to order a consolidation. The Town Council further consents to and orders the consolidation of the general municipal election hereby called with the statewide general election and acknowledges that the consolidated election will be held and conducted in the manner prescribed in Section 10418.

4. The Town Clerk is hereby authorized and directed to publish a notice of the general municipal election within the time and in the manner specified in the Elections Code Section 12112. The Town Clerk is further authorized and directed to do all other things required by law to hold the general municipal election above provided.

5. Pursuant to Section 13307 of the Elections Code, the Town Council hereby determines to levy against each candidate availing himself or herself of the service of including a candidate's statement not to exceed two hundred (200) words in length in the voter's pamphlet, the actual costs of printing, handling and translating the candidate statement, incurred by the Town of Los Gatos. The Town Clerk shall provide written notice to such effect with each set of nomination papers issued and shall require payment of the estimated cost at the time the candidate statement is filed.

6. Pursuant to Section 10228 of the Elections Code, and Town Code Section 2.30.011, each candidate shall pay a filing fee in the amount of twenty five dollars (\$25.00), which amount the Town Council hereby determines to be the amount which is proportionate to the costs of processing a candidate's nomination papers by the Town of Los Gatos. The Town Clerk shall provide written notice to such effect with each set of nomination papers issued.

7. The Town Clerk is hereby authorized and directed to certify to the adoption of this

resolution and to transmit a certified copy to the Board of Supervisors of the County of Santa Clara and to the Registrar of Voters of the County of Santa Clara.

**PASSED AND ADOPTED** at a regular meeting of the Town Council of the Town of Los Gatos this 4<sup>th</sup> day of February 2020 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

DATE: \_\_\_\_\_

ATTEST:

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

DATE: \_\_\_\_\_



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 02/04/2020

ITEM NO: 8

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DATE: January 21, 2020  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Approve a Proposed Update of the Town's Community Grant Program

**RECOMMENDATION:**

Approve a proposed update of the Town's Community Grant program.

**BACKGROUND:**

The Town of Los Gatos has been awarding community grants for over twenty-five years, creating a resolution in 1992, revised in 1993 (Resolution 1993-173), to support community groups working towards the benefit of Los Gatos residents with grant funding. Until FY 2011/12, community grants were administered by the Town of Los Gatos Community Services Department. This Department administered an approximate average of \$100,000 of General Fund money for grants as well as an approximate average of \$36,000 of federal Community Development Block Grants (CDBG) funds to local non-profit agencies each year.

In FY 2011/2012, the Community Services Department was dissolved. At that time, administration of the community grant program was moved to the Town Manager's Office and CDBG funds were diverted to the County of Santa Clara's Housing and Community Development Advisory Committee for distribution. Since that time, grant funding has been allocated from the General Fund in amounts ranging annually from \$103,000 to \$142,000.

Application review and award recommendations currently fall under the purview of the Arts and Culture Commission (ACC) and the Community and Senior Services Commission (CSSC) with final approval of awards resting with the Town Council. Outside of the grant process, in FY 2017/2018 and 2018/2019, the Town awarded an additional \$19,000 and \$10,000 respectively to a community organization for the creation of community events; an award of this type could be interpreted as a grant and folded under the community grant program in the future.

**PREPARED BY:** Ryan Baker  
Library Director

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

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BACKGROUND (Continued)

In 2015, Council asked staff to review the community grant application process. In 2018, the ACC and CSSC revised the application process to streamline the workload and remove processes more closely related to CDBG funds that were no longer necessary. During the Fiscal Year 2019/20 budget process, Town Council requested a review of the Town's grant program and opportunities to align it with the Town's current priorities. Staff returned to Council in September of 2019 to seek direction on variables that would shape the future of the program.

DISCUSSION:

Based on the Council input, staff is recommending an update to the Town's Community Grant program. Staff has incorporated the majority consensus recommendations from Councilmembers from the September 3, 2019 meeting. Additional recommendations for change in other areas have been incorporated after further staff analysis and review of best practices for grant making organizations and practices of our neighboring cities. Based on this input, all of the recommended updates to the program are as follows:

- Move the timeline for the grant application cycle to begin after approval of the Town's annual budget;
- Approve the total amount to be distributed for community grant awards as part of the annual budget process;
- Establish three types of grants to balance incentive for new initiatives along with long-term support of traditional human services programs;
- Align grant categories with Council priorities;
- Incorporate Community Vitality and Events as categories eligible for community grants;
- Default to a single fair and competitive process that Council, Commission, and staff can direct the public and community groups towards when funds are requested for projects, ideas, or events; and
- Improve communication to the public regarding the application and award process.

With respect to the first two items, based on Council input and analysis of our working process, staff recommends changing the process by which community grants are budgeted. Currently, the Town opens the grant application process in either January or February and recommends grant awards in May or June based on a presumed amount of funding to be approved for the next fiscal year. Instead, staff recommends that the annual budget set a total community grants budget. After the budget is approved, then the grant application process would occur with awards determined administratively with input from the appropriate Commission.

This approach provides numerous advantages. First, this allows Council to adjust the grant allocation budget in times of surplus or recession and effectively communicate those changes or constraints to the community prior to the grant process commencing. This would help in

DISCUSSION (Continued)

managing expectations from grant applicants. Secondly, Commissions reviewing grant applications have a firm budgeted dollar amount to refer to when assessing grant proposals which would help greatly in managing the recommendation process. Third, a set budget should mitigate community requests for grant reconsideration or additional funding requests at the budget adoption meetings, as the opportunity to apply for funding will take place after these hearings.

As the grant budget would already be approved by Council for the fiscal year, the ACC and CSSC recommendations for awarding grants would not need to be brought back before Council for final approval unless Council gives direction to do so.

The third and fourth elements of the grant process update include:

- Establish three types of grants to balance incentive for new initiatives along with long-term support of traditional human services programs and
- Align grant categories with Council priorities.

Based on the Council's input, which reinforces general consensus from both the ACC and CSSC, staff recommends the grant program primarily focus on and promote grant applications for one-time outcome-based projects, events, or services that either culminate in a finished project or launch a new service by the end of the grant period, and/or are sustainable in the future without the need for continued funding from the Town. Simultaneously, staff recommends continuing to support on-going human services projects traditionally funded by the Town with a longer-term commitment. To accomplish this, staff recommends three types of community grants:

*One-Time Grants for Non-Profits*

The first would be a set number of one-time grants to a maximum dollar amount determined by staff working with the ACC and CSSC based on the amount budgeted for that fiscal year (e.g., five available grants up to a maximum of \$8,000). These would be made available to non-profit community groups with the intention that the grants would assist in the creation of a new project, service, event, or initiative that would benefit the Los Gatos community.

*Innovation Grants for Community*

The second would be a small number of one-time small grants, not exceeding \$1,500 (e.g., three available grants of up to \$1,500) to assist any community member, student, or community group without non-profit status to launch a project or innovative idea that aligns with Council priorities and would benefit the Los Gatos community. This type of grant program

DISCUSSION (Continued)

is growing in popularity in California as an incentive to invest in civic-minded thinking from members of the community.

*Human Services Sustainability Grants*

The third would be a set number of grants with a dedicated longer-term commitment to support on-going human services programs that the Town has traditionally funded in the past. At the meeting on September 3, 2019, there was majority Council consensus for financial support for on-going human service organizations. The Council discussed the possibility of providing funding outside of the grant process. After fully analyzing the long-term commitment, staff finds that moving this funding out of the grant process would also remove the oversight and accountability provided by the CSSC in terms of review of project objectives and stewardship of funds. Additionally, this may lead to expectations by community groups that the Town would continue honoring grants regardless of economic downturns or future funding priority changes.

Given these considerations, staff recommends that human service groups that have received grant funding for the same ongoing project/service continually for the past five or more years be given the opportunity to apply for a single grant that would encompass two years of committed funding with an option for renewal at the end of the two-year period. The programs that would qualify for this option are: Counseling and Support Services for Youth (CASSY), Live Oak Adult Day Services, Live Oak Senior Nutrition Service, Next Door Solutions to Domestic Violence, and West Valley Community Services. Should an organization choose this option, they would be disqualified from applying for other grants offered by the Town during that period. The two-year commitment would allow for a greater degree of financial certainty for these community organizations and reduce workload for staff. It is noted, however, that during the budget process, funds would need to be allotted for a two-year period.

Where appropriate, Strategic Priorities set by Council as part of the annual priority setting meeting in January would be communicated to the ACC and CSSC and incorporated as a component of the application scoring rubric to ensure that community grant projects and services align with any changes to Council priorities in future years.

The fifth element of the proposed update recommends:

- Incorporate Community Vitality and Events as categories eligible for community grants.

Based on both Council and Commission input, staff recommends continuing with Human Services, Arts, and Education (defined as anything relating to education, not exclusive to arts

DISCUSSION (Continued)

education) as categories for grants, and also adding the categories of Community Vitality and Events which would be broadly defined and include events open to the community, environmental sustainability initiatives, and other areas that would not fit under past defined categories. Staff believes that organizations requesting funds for new downtown projects, events, or other activities that add to the vitality of the Town would be best served by participating in the community grant process as opposed to direct requests to Town staff, Commissions, or Council.

The final two recommendations for the updated community grants process are:

- Default to a single fair and competitive process that Council, Commission, and staff can direct the public and community groups towards when funds are requested for projects, ideas, or events and
- Improve communication to the public regarding the application and award process.

Based on general consensus from the Council input, staff wishes to establish the following guidelines and to ensure the community grant process is fair to all applicants.

First, staff would rework the application guidelines to communicate clearly with the public that grant funds are both budgeted at a set amount and finite; and further, that this process is the single opportunity per year to apply to receive funding. Second, grants selected to receive funding would be awarded the full amount requested in the application up to the maximum amount made available for each type of grant. Third, applications would be evaluated competitively only on the strength of the written application as submitted, and submitted applications would be rated on a standard scoring rubric shared by both the CSSC and ACC. Fourth, limit applications to one per organization (or individual in the case of the above-mentioned Innovation Grants) per grant cycle. Finally, grant recipients would give a presentation at the end of their grant cycle describing the overview and outcomes of their grant. Staff recommends that this presentation be done by recorded video with the intention that it will be posted for public viewing on the Town's website. Should Council prefer that this presentation be made in person before a regular meeting of Council, staff can make this a requirement for the grant recipient.

CONCLUSION:

Should these changes be approved, staff will begin the process of notifying community groups that have applied for Community Grants in the past of the changes going forward. Staff would work with the ACC and CSSC to identify additional media for advertising the Community Grants with the hope of reaching a more diverse pool of applicants.

PAGE 6 OF 6

SUBJECT: Approve a Proposed Update of the Town's Community Grant Program

DATE: January 21, 2020

FISCAL IMPACT:

Between \$120,000 to \$160,000 budgeted per fiscal year for community grants as part of the annual budget process.

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: 02/04/2020

ITEM NO: 9

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DATE: January 28, 2020  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Town Code Amendment Application A-19-010. Project Location: **Town Wide.**  
Applicant: Town of Los Gatos.  
Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding land use and economic vitality streamlining related to formula retail businesses in the downtown C-2 zone, restaurants, minor exterior modifications to commercial buildings, and group classes.

**RECOMMENDATION:**

Consider the proposed amendments and introduce the draft Ordinance by title only to amend Chapter 29 (Zoning Regulations) of the Town Code regarding land use and economic vitality streamlining related to formula retail businesses in the downtown C-2 zone, restaurants, minor exterior modifications to commercial buildings, and group classes (Attachment 3).

**EXECUTIVE SUMMARY:**

Five resolutions were adopted by the Town Council temporarily suspending certain sections of the Town Code in an effort to promote community vitality and encourage land use streamlining (Attachment 4, Exhibit 2). Set to sunset in December of 2019, the Town Council extended the temporary resolutions on November 5, 2019 until such time that Town Code amendments may be adopted memorializing the streamlining efforts (Attachment 4, Exhibits 3 and 4). On January 8, 2020, the Planning Commission forwarded a recommendation to the Town Council of approval with modifications of the amendments necessary to memorialize the temporary streamlining efforts with revisions (Attachment 6).

**PREPARED BY:** Sean Mullin, AICP  
Associate Planner

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Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Community Development Department Director, and Economic Vitality Manager

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BACKGROUND:

The Town Council has an adopted strategic priority that promotes community vitality and encourages land use streamlining efforts. Since the adoption of this priority, staff has been working with the Town Council and Council Policy Committee to identify and streamline many of the business-related processes to reduce the associated time and cost. As part of the adopted streamlining efforts, five temporary resolutions were adopted by the Town Council and were set to sunset in December of 2019. These streamlining efforts temporarily reduced processing time and cost for applications related to new formula retail businesses in the downtown C-2 zone, modifying existing or establishing new Conditional Use Permits (CUP) for restaurants, minor exterior modifications to commercial buildings, and CUPs for group classes in the downtown C-2 zone.

With these temporary Resolutions set to sunset in December of 2019, the Town Council voted on October 1, 2019 to memorialize them through Town Code amendments (Attachment 4, Exhibit 2). On November 5, 2019, the Town Council adopted Resolution 2019-051 extending the temporary streamlining efforts until such time that the Town Code amendments may be adopted (Attachment 4, Exhibits 3 and 4).

On January 8, 2020, the Planning Commission considered the Town Code amendments necessary to making the streamlining efforts permanent and forwarded a recommendation to the Town Council of approval with modifications, clarifying that the definition of *group classes* should not include schools as defined in the Town Code. Attachment 3 includes the draft Ordinance, incorporating the one change recommended by the Planning Commission. Attachment 6 includes the verbatim minutes for the January 8, 2020 Planning Commission meeting.

DISCUSSION:

A. Summary of the Draft Ordinance

Following is a high-level summary of how the streamlining efforts have been utilized and a summary of the necessary amendments to the Town Code. A thorough discussion of these topics is included in the report to the Planning Commission included as Attachment 4.

- **Formula Retail Businesses in the Downtown C-2 Zone** (resolution adopted June 5, 2018): The Town Council adopted a temporary 18-month resolution allowing up to five new formula retail businesses in the downtown C-2 zone that do not have a current CUP.

DISCUSSION (continued):

The draft Ordinance would allow formula retail businesses up to 6,000 square feet in the downtown C-2 zone by right. Unlike the temporary resolution, the draft Ordinance would not limit the number of formula retail businesses in the downtown C-2 zone or impose a limited timeframe.

- **Restaurants**

- **Restaurant CUP modifications at the Development Review Committee (DRC)** (adopted June 19, 2018): The Town Council adopted a temporary 18-month resolution allowing current restaurants to modify their existing CUP at the DRC. Many of these businesses chose to modify their CUP to allow them to participate in the pilot parklet program as the former language in their CUP prohibited outdoor dining.
- **New restaurant CUPs to be heard at the DRC and suspension of Ordinance 2021** (adopted March 5, 2019): The Town Council adopted a temporary resolution, valid through December 31, 2019, allowing a new CUP for a restaurant, Town-wide, to be heard by the DRC. To make this possible, Ordinance 2021 was also suspended for the same period.

The draft Ordinance would rescind Ordinance 2021 and allow modifications to an existing CUP or establishment of a new CUP for a restaurant to be heard by the DRC.

- **Minor Exterior Modifications to Commercial Buildings** (adopted March 5, 2019): The Town Council adopted a temporary resolution, valid through December 31, 2019, allowing minor exterior modifications to commercial buildings to be processed as building permits, rather than as Architecture and Site applications at the DRC.

The draft Resolution in Attachment 2 would rescind Resolution 2005-038. The draft Ordinance would allow exterior modifications to commercial buildings to be processed as building permits.

- **Group Classes** (adopted March 19, 2019): The Town Council adopted a temporary resolution, valid through December 31, 2019, allowing a CUP for group classes within the downtown C-2 zone to be heard by the DRC, and group classes in other commercial zones to be allowed by right with a Certificate of Use and Occupancy and a Business License.

DISCUSSION (continued):

The draft Ordinance would allow a CUP for group classes in the downtown C-2 zone to be heard by the DRC and allow group classes in other commercial zones to be allowed by right with a Certificate of Use and Occupancy and a Business license.

B. Public Outreach

In addition to the required legal noticing, staff requested public input through the following media and social media resources:

- A poster at the Planning counter at Town Hall;
- The Town's website home page, What's New;
- The Town's Facebook page;
- The Town's Twitter account;
- The Town's Instagram account; and
- The Town's Next Door page.

CONCLUSION:

Staff recommends that the Town Council:

1. Make the finding that there is no possibility that the amendments to Chapter 29 of the Town Code in the draft Ordinance 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 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 (Attachment 1);
3. Adopt the draft Resolution rescinding Resolution 2005-038 (Attachment 2); and
4. Introduce the draft Ordinance effecting the amendments to Chapter 29 of the Town Code regarding land use and economic vitality streamlining related to formula retail businesses in the downtown C-2 zone, restaurants, minor exterior modifications to commercial buildings, and group classes (Attachment 3), by title only, with any specific changes identified and agreed upon by the majority of the Town Council.

PAGE 5 OF 5

SUBJECT: Land Use and Economic Vitality Streamlining

DATE: January 28, 2020

ALTERNATIVES:

Alternatively, the Town Council may:

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

ENVIRONMENTAL ASSESSMENT:

There is no possibility that the project would have a significant impact on the environment; therefore, the project is not subject to the California Environmental Quality Act [Section 15061(b)(3)].

PUBLIC COMMENTS:

Attachment 7 includes public comments received between 11:01 a.m., January 8, 2020 and 11:00 a.m., January 30, 2020.

ATTACHMENTS:

1. Findings
2. Draft Resolution
3. Draft Ordinance
4. January 8, 2020 Planning Commission Staff Report (with Exhibits 1-10)
5. January 8, 2020 Planning Commission Desk Item (with Exhibit 11)
6. January 8, 2020 Planning Commission Verbatim Minutes
7. Public comments received between 11:01 a.m., January 8, 2020, and 11:00 a.m., January 30, 2020

**TOWN COUNCIL – February 4, 2020**  
**REQUIRED FINDINGS FOR:**

**Town Code Amendment Application A-19-010**

Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding land use and economic vitality streamlining related to formula retail businesses in the downtown C-2 zone, restaurants, minor exterior modifications to commercial buildings, and group classes.

**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 land use and economic vitality streamlining are consistent with the General Plan.

ATTACHMENT 1

Draft Resolution to be modified by Town Council deliberations and direction.

**RESOLUTION 2020-**  
**RESOLUTION OF THE TOWN COUNCIL**  
**OF THE TOWN OF LOS GATOS**  
**TO RESCIND RESOLUTION 2005-038: RESOLUTION OF THE TOWN**  
**COUNCIL OF THE TOWN OF LOS GATOS ADOPTING A POLICY ON**  
**MINOR ALTERATIONS TO COMMERCIAL BUILDINGS**

**WHEREAS**, the Town Council is responsible for establishing municipal policies that provide clear direction for process and procedures by which the Council and staff shall conduct business and activities; and

**WHEREAS**, examples of these policies include the Town Code, Town Council Policies, General Plan, Design Guidelines, and Area Plans; and

**WHEREAS**, the many benefits of having established policies includes greater consistency as well as more government transparency and accessibility by the public, the Council, and staff; and

**WHEREAS**, on April 18, 2005, the Town Council of Los Gatos adopted Resolution 2005-038 – adopting a policy on minor alterations to commercial buildings; and

**WHEREAS**, the Town of Los Gatos Town Council has an adopted strategic priority to streamline Land Use and Economic Vitality policies; and

**WHEREAS**, on March 5, 2019, the Town Council adopted Resolution 2019-009 approving a temporary nine-month suspension of Town Code Section 29.20.745 providing businesses and commercial property owners an opportunity to make minor exterior modifications to their store fronts and buildings at the building permit level to create more opportunities to attract and retain businesses in Los Gatos; and

**WHEREAS**, on October 1, 2019, the Town Council reviewed the result of the temporary suspension of Town Code Sections and voted to memorialize the streamlining effort through modification of the Town Code; and

**WHEREAS**, on January 8, 2020, the Planning Commission reviewed and commented on the proposed amendments regarding land use and economic vitality streamlining and forwarded a recommendation to the Town Council for approval of the proposed amendments with modifications; and

**WHEREAS**, this matter was regularly noticed in conformance with State and Town law and came before the Town Council for public hearing on February 4, 2020; and

**WHEREAS**, Resolution 2005-038 – adopting a policy on minor alterations to commercial buildings has been deemed obsolete, redundant, and/or incorporated into Town Code.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the Town Council of the Town of Los Gatos does hereby rescind Resolution 2005-038 (Resolution of the Town Council of the Town of Los Gatos Adopting a Policy on Minor Alterations to Commercial Buildings) attached hereto as Exhibit A.

**PASSED AND ADOPTED** at a regular meeting of the Town Council of the Town of Los Gatos, California on the 4<sup>th</sup> day of February, 2020 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

ATTEST:

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

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**RESOLUTION 2005 - 038**

**RESOLUTION OF THE TOWN COUNCIL  
OF THE TOWN OF LOS GATOS  
ADOPTING A POLICY ON  
MINOR ALTERATIONS TO COMMERCIAL BUILDINGS**

**WHEREAS**, the Town of Los Gatos is updating its commercial development standards and guidelines, and

**WHEREAS**, the Zoning Ordinance allows approval of minor projects by the Development Review Committee (DRC); and

**WHEREAS**, there is no definition of a minor project; and

**WHEREAS**, adoption of a policy defining minor projects will help provide clear direction to developers and business owners processing development applications (General Plan Goal L.G.7.2 and Implementing Strategy L.I.7.4) and will assist staff; and

**WHEREAS**, the General Plan Committee recommends that the policy on Minor Alterations to Commercial Buildings be adopted; and

**WHEREAS**, the Planning Commission has held a public hearing and forwarded a recommendation for adoption of the same document;

**THEREFORE BE IT RESOLVED:** the Town Council of the TOWN OF LOS GATOS does hereby adopt the policy on Minor Alterations to Commercial Buildings (attached as Exhibit A).

**FURTHER RESOLVED**, the policy shall apply to all development applications that have not been approved prior to adoption of the document.

EXHIBIT A of Attachment 2

**PASSED AND ADOPTED** at a regular meeting of the Town Council held on the 18<sup>th</sup> day of April, 2005, by the following vote:

**COUNCIL MEMBERS:**

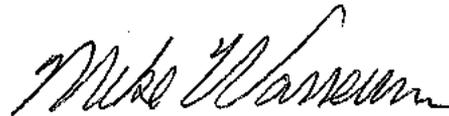
**AYES:** Steve Glickman, Diane McNutt, Joe Pirzynski, Mayor Mike Wasserman

**NAYS:** Barbara Spector

**ABSENT:**

**ABSTAIN:**

**SIGNED:**



**MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA**

**ATTEST:**



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

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**TOWN COUNCIL POLICY  
TOWN OF LOS GATOS**

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Subject: Minor Alterations to Commercial Buildings

Enabling Action:  
2005-

Page 1 of 2

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Approved:

Effective  
Date:

Mike Wasserman, Mayor

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**PURPOSE:**

Section 29.20.745(8) of the Zoning Ordinance states that the Development Review Committee (DRC) shall “determine and issue zoning approval for minor exterior alterations to commercial buildings”. The purpose of this policy is to define “minor exterior alterations” to commercial buildings that may be approved by the DRC as set forth in Section 29.20.745(8) of the Zoning Ordinance. To assist in the redevelopment of commercial buildings, the Town has created a streamlined review process for minor commercial improvement projects that comply with the Commercial Design Guidelines.

The following shall be used by staff when reviewing plans for minor exterior alterations to commercial buildings to determine if proposed projects can take advantage of the streamlined review process.

**EXAMPLES OF MINOR ARCHITECTURAL IMPROVEMENTS:**

The following are examples of minor architectural improvements that may be decided by the Development Review Committee (DRC) after considering public input at a duly noticed public hearing:

1. Replacing or changing out windows
2. Replacing or adding awnings
3. Changes to or addition of arcades
4. Replacement of or changes to exterior materials
5. Small scale additions (may not result in an increase of more than four peak hour trips)

**DEFINITION:**

For projects that include small scale additions, a minor commercial project is one which is in full compliance with the Town's Commercial Design Guidelines and Town Code and does not result in an intensification of use as described in Section 29.30.200 of the Zoning Ordinance or more than a minor increase in traffic as described in the Town's Traffic Impact Policy.

The Director of Community Development or the Development Review Committee may refer any minor commercial project to the Planning Commission if it is not in compliance with the Commercial Design Guidelines, there are impacts to surrounding properties that cannot be resolved by the DRC, or as otherwise deemed appropriate.

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**ORDINANCE 2020-\_\_**

**ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS  
AMENDING CHAPTER 29 (ZONING REGULATIONS) OF THE TOWN CODE  
REGARDING LAND USE AND ECONOMIC VITALITY STREAMLINING  
RELATED TO FORMULA RETAIL BUSINESSES IN THE DOWNTOWN C-2 ZONE,  
RESTAURANTS, MINOR EXTERIOR MODIFICATIONS TO COMMERCIAL BUILDINGS,  
AND GROUP CLASSES.**

**WHEREAS**, the Town of Los Gatos Town Council has an adopted strategic priority to streamline Land Use and Economic Vitality policies; and

**WHEREAS**, the Town has recently experienced a high turnover in commercial spaces, particularly in Downtown and additional commercial spaces are being added to the inventory through new developments in Los Gatos creating more opportunity for retail locations; and

**WHEREAS**, on June 5, 2018, the Town Council adopted Resolution 2018-032 approving a temporary 18-month suspension of Town Code Section 29.20.185 during which formula retail business less than 6,000 square feet could gain approval in the C-2 zone with a reduced process timeline and cost to allow an opportunity for the Town Council to gauge potential changes to the retail mix in downtown; and

**WHEREAS**, on June 19, 2018, the Town Council adopted Resolution 2018-039 approving a temporary 18-month suspension of Town Code Section 29.20.745 and portions of Town Code Section 29.20.755(2) regarding the assignment of duties to allow the Development Review Committee to approve certain modifications to existing Conditional Use Permits for restaurants to provide the ability to revise obsolete language, innovate existing businesses, and/or make other adjustments within the existing business location and square footage; and

**WHEREAS**, on March 5, 2019, the Town Council adopted Resolution 2019-008 approving a temporary 9-month suspension of Town Code Section 29.20.745 and portions of Town Code Section 29.20.755(2) regarding the assignment of duties to allow the Development Review

Committee to approve new Conditional Use Permits for restaurants to create more opportunities to attract businesses to Los Gatos; and

**WHEREAS**, on March 5, 2019, the Town Council adopted Resolution 2019-009 approving a temporary nine-month suspension of Town Code Section 29.20.745 providing businesses and commercial property owners an opportunity to make minor exterior modifications to their store fronts and buildings at the building permit level to create more opportunities to attract and retain businesses in Los Gatos; and

**WHEREAS**, on March 5, 2019, the Town Council adopted Resolution 2019-012 approving a temporary nine-month suspension of Town Code Section 29.20.750 (8), during which group classes could gain approval with a reduced process timeline and cost to create more opportunities to attract and retain businesses in Los Gatos; and

**WHEREAS**, by reassigning the duties, the impact of cost and process time on existing and prospective businesses is decreased and more closely aligned with neighboring jurisdictions which provides an incentive for businesses to consider locating in Los Gatos; and

**WHEREAS**, on October 1, 2019, the Town Council reviewed the result of the temporary suspension of Town Code Sections and voted to memorialize the streamlining effort through modification of the Town Code; and

**WHEREAS**, on November 5, 2019, the Town Council adopted Resolution 2019-051 extending the temporary streamlining efforts until such time that the Town Code amendments may be adopted; and

**WHEREAS**, on January 8, 2020, the Planning Commission reviewed and commented on the proposed amendments regarding land use and economic vitality streamlining and forwarded a recommendation to the Town Council for Approval of the proposed amendments with modifications; and

**WHEREAS**, this matter was regularly noticed in conformance with State and Town law and came before the Town Council for public hearing on February 4, 2020; and

**WHEREAS**, on February 4, 2020, the Town Council reviewed and commented on the proposed amendments regarding land use and economic vitality streamlining and the Town Council voted to introduce the Ordinance.

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

### SECTION I

Ordinance 2021 is hereby rescinded.

### SECTION II

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

#### ARTICLE I. DIVISION 1. MISCELLANEOUS

##### Sec. 29.10.020. – Definitions.

.....

Group classes means instruction provided at a rate greater than one (1) student per one (1) instructor and does not include schools as defined in this section.

Minor exterior alterations to commercial buildings means exterior alterations, including:

- (1) Replacing or changing out windows
- (2) Replacing or adding awnings
- (3) Changes to or addition of arcades
- (4) Replacement of or changes to exterior materials
- (5) Small scale additions where the project is in full compliance with the Town's Commercial Design Guidelines and Town Code and does not result in an intensification of use as described in Section 29.20.145 (4).

.....

*Restaurant* means a retail food service establishment in which food ~~or~~ and beverage is prepared, served, and sold to customers for on-site or take-out consumption.

~~*Restaurant, fast food* means a restaurant with a large carry-out clientele, long hours of service, some open for breakfast but all open for lunch and dinner, and high turnover rates for eat-in customers.~~

~~Restaurant, high turnover (sit-down) means a restaurant with turnover rates generally of less than one (1) hour, is usually moderately priced and frequently belong to a restaurant chain, generally service breakfast, lunch and dinner, and are sometimes open twenty four (24) hours a day.~~

~~Restaurant (minor) means any restaurant that satisfies the following criteria:~~

- ~~(1) Provides less than 25 seats;~~
- ~~(2) Serves no alcoholic beverages;~~
- ~~(3) Proposes no significant exterior changes that would alter the architectural character of the building; and~~
- ~~(4) Provides a net increase of less than five peak hour traffic trips.~~

~~Restaurant, quality means a restaurant of high quality and with turnover rates usually of at least one (1) hour or longer, generally do not serve breakfast, may not serve lunch, but always serve dinner.~~

.....

#### **ARTICLE I. DIVISION 4. PARKING**

##### **Sec. 29.10.150 (c). Number of off-street spaces required.**

.....

- ~~(29) Group classes. One (1) parking space for each employee and one (1) parking space per three (3) students.~~

.....

#### **ARTICLE I. DIVISION 5. NONCONFORMING BUILDINGS, LOTS, AND USES**

##### **Sec. 29.10.225. Grounds for determining that a nonconforming use is no longer lawful.**

.....

- ~~(2) That the nonconforming use is so exercised as to be detrimental to the public health or safety, or to be a nuisance; In determining whether a nonconforming restaurant or bar violates this subsection, the deciding body shall also apply the enforcement analysis contained in the Alcoholic Beverage Policy;~~

.....

**ARTICLE II. DIVISION 3. APPROVALS**

**Sec. 29.20.185. Table of Conditional Uses.**

.....

TABLE OF CONDITIONAL USES	RC	HR	R1	RD	R-M	RMH	R-1D	O	C-1	C-2	CH	LM	CM
(1) Commercial													
n. <del>Formula retail business</del>										*			
o. Formula retail business greater than 6,000 s.f.									X	X	X	X	
(4) Schools													
h. Art, craft, music, dancing school, <u>group classes</u>								X	X	X	X	X	

.....

**Sec. 29.20.190. Findings and decision.**

.....

- (b) The deciding body, on the basis of the evidence submitted at the hearing, may deny a conditional use permit for a formula retail business greater than 6,000 square feet or a personal service business if any of the following findings are made:

.....

**ARTICLE II. DIVISION 5. ADMINISTRATION AND ENFORCEMENT**

**Sec. 29.20.318. Modification of operating hours of establishments serving alcoholic beverages.**

.....

- (a) Notwithstanding section 29.20.310, if the Town Manager determines that there is cause to believe that any establishment serving alcoholic beverages may be in violation of the ~~Alcoholic Beverage Policy adopted by the Council~~ approved Conditional Use Permit for the establishment, the Town Manager will cause a notice of violation to be mailed to the current owners of the property and establishment as disclosed in the most recent County assessor's roll and the Town business license files. This notice will describe the alleged violations.;

.....

- (c) If after the hearing, the Manager or the Manager's designee determines that the establishment is in violation of the ~~Town's Alcoholic Beverage Policy~~ approved Conditional Use Permit for the establishment, the Manager or the Manager's designee may limit the hours of operation of the establishment, up to and including closure no later than 10:00 p.m. until the Manager or the Manager's designee determines that the violations have been abated. Upon determination that the violations have been abated, the Manager will notify the owners of the property and the establishment that the establishment is in compliance and will increase the operating time limits as the Manager or designee determines is appropriate in light of the violations that occurred and the abatement steps taken. The decision of the manager shall be effective immediately and the establishment shall immediately conform its hours of operation to the Manager's order.

.....

## ARTICLE II. DIVISION 7. ASSIGNMENT OF DUTIES

### Sec. 29.20.700. Planning Director.

.....

- (34) Determines applications for minor exterior alterations to commercial buildings.

.....

### Sec. 29.20.745. Development Review Committee.

.....

- (8) ~~Determine and issue zoning approval for minor exterior alterations to commercial buildings.~~ Reserved.

.....

- (16) Determine and issue zoning approval for ~~minor~~ restaurants ~~that are located outside Downtown (the C-2 zone).~~

.....

- (21) Determine and issue zoning approval for group classes in the C-2 zone.

.....

### Sec. 29.20.755. Town Council.

.....

- (2) Hears and determines Planning Commission recommendations for the adoption or amendment of the general plan or any specific plans and conditional use permits for establishments selling alcoholic beverages for on premises consumption (excluding restaurants) and for retail sales of firearms, ammunition and/or destructive devices.

.....

**ARTICLE VI. DIVISION 2. O OR OFFICE ZONE**

**Sec. 29.60.085. Permitted uses.**

.....

..... (3) Group classes

.....

**ARTICLE VI. DIVISION 3. C-1 OR NEIGHBORHOOD COMMERCIAL ZONE**

**Sec. 29.60.210 (a). Permitted uses.**

.....

..... (1) Retailing, including formula retail up to 6,000 square feet.

.....

..... (6) Group classes.

.....

**ARTICLE VI. DIVISION 4. C-2 OR CENTRAL BUSINESS DISTRICT COMMERCIAL ZONE**

**Sec. 29.60.320 (a). Permitted uses.**

.....

..... (1) Retailing, including formula retail up to 6,000 square feet.

.....

**ARTICLE VI. DIVISION 5. CH OR RESTRICTED HIGHWAY COMMERCIAL ZONE**

**Sec. 29.60.420 (a). Permitted uses.**

.....

..... (1) Retailing, including formula retail up to 6,000 square feet.

.....

..... (5) Group classes.

.....

**ARTICLE VII. DIVISION 2. LM OR COMMERCIAL-INDUSTRIAL ZONE**

**Sec. 29.70.100 (a). Permitted uses.**

.....

..... (1) Retailing, including formula retail up to 6,000 square feet.

.....

..... (7) Group classes.

.....

### **SECTION III**

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

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

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

### **SECTION 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**

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 VI**

This Ordinance shall take effect thirty (30) days after its adoption. 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).

**SECTION VII**

This Ordinance was introduced at a regular meeting of the Town Council of the Town of Los Gatos on \_\_\_\_\_, 2020, 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 \_\_\_\_\_, 2020.

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  
PLANNING COMMISSION  
REPORT**

MEETING DATE: 01/08/2020

ITEM NO: 3

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DATE: January 3, 2020  
TO: Planning Commission  
FROM: Joel Paulson, Community Development Director  
SUBJECT: Town Code Amendment Application A-19-010. Project Location: **Town Wide.**  
Applicant: Town of Los Gatos.  
Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding land use and economic vitality streamlining.

RECOMMENDATION:

Forward a recommendation to the Town Council for approval of the amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding land use and economic vitality streamlining.

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:

The Town Council has an adopted strategic priority that promotes community vitality and encourages land use streamlining efforts. Since the adoption of this priority, staff has been working with the Town Council and Council Policy Committee to identify and streamline many of the business-related processes to reduce the associated time and cost.

PREPARED BY: Sean Mullin, AICP  
Associate Planner

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Reviewed by: Planning Manager and Community Development Director

---

BACKGROUND (continued):

As part of the adopted streamlining efforts, five temporary resolutions were adopted by the Council and were set to sunset in December of 2019. On October 1, 2019, the Council voted to memorialize the streamlining efforts (Exhibit 2). On November 5, 2019, the Council adopted Resolution 2019-051 extending the temporary streamlining efforts until such time that the Town Code amendments may be adopted (Exhibits 3 and 4). To provide context for the discussion, below are high-level summaries of how the temporary streamlining efforts have been utilized.

- **Formula Retail Businesses in the Downtown C-2 Zone** (resolution adopted 6/5/18): The Town Council adopted a temporary resolution allowing up to five new formula retail businesses over an 18-month period in the downtown C-2 zone that do not have a current Conditional Use Permit (CUP) in place.
  
- **Restaurants**
  - **Restaurant CUP modifications at the Development Review Committee (DRC)** (adopted 6/19/18): The Town Council adopted a temporary 18-month resolution to allow current restaurants to modify their CUP at the DRC. Many of these businesses chose to modify their use permit to allow them to participate in the pilot parklet program as the former language in their CUP prohibited outdoor dining in many cases.
  
  - **New restaurant CUPs to be heard at the DRC and suspension of Ordinance 2021** (adopted 3/5/19): The Town Council adopted a temporary resolution valid through 12/31/19 allowing new restaurants, Town-wide, to be heard by the DRC. To make this possible, Ordinance 2021 was also suspended for the same period.
  
- **Minor Exterior Modifications to Commercial Buildings** (adopted 3/5/19): The Town Council adopted a temporary resolution valid through 12/31/19 allowing minor exterior modifications to commercial buildings to be processed as building permits, rather than as Architecture and Site applications at the DRC.
  
- **Group Classes** (adopted 3/19/19): The Town Council adopted a temporary resolution valid through 12/31/19 allowing a CUP for group classes within the downtown C-2 zone to be heard by the DRC, and those in other commercial zones to be allowed by right with a Certificate of Use and Occupancy and a Business license.

DISCUSSION:

Five resolutions were adopted by the Council temporarily suspending certain sections of the Town Code in an effort to promote community vitality and encourage land use streamlining

DISCUSSION (continued):

(Exhibit 2, Attachments 2 through 6). Below is a discussion of the amendments to the Town Code required to memorialize the temporary streamlining efforts.

A. Formula Retail Businesses in the Downtown C-2 Zone

The Town Code defines a formula retail business as a business which, along with seven or more other business locations, is required by contractual or other arrangement to maintain any of the following: standardized merchandise, services, decor, uniforms, architecture, colors, signs, or other similar features. In the downtown C-2 zone (Exhibit 5) under the current Town Code, formula retail businesses up to 6,000 square feet require approval of a CUP by the Planning Commission and are allowed by-right in other commercial zones.

Currently, formula retail businesses greater than 6,000 square feet are not allowed in the downtown C-2 zone and require approval of a CUP in other commercial zones. No changes are proposed to these regulations.

On June 5, 2018, the Council adopted Resolution 2018-032 temporarily allowing up to five new formula retail businesses over an 18-month period without approval of a CUP in the downtown C-2 zone. By eliminating the requirement for a CUP, this streamlining effort significantly reduced the time and cost of establishing a formula retail business in the downtown C-2 zone by requiring only a Certificate of Use and Occupancy with a cost of \$262.20 and a Business License with a cost ranging from \$75 to \$975, both of which can be issued over the counter. In contrast, a Planning Commission level review of a formula retail business CUP in the downtown C-2 zone would take approximately 12 to 24 weeks to complete, and the fees would be \$8,591.14. To date, three new formula retail businesses have been established in spaces in the downtown C-2 zone that were formerly occupied by a use other than a formula retail business. It is important to note that some formula retail businesses who had valid CUPs have left the downtown C-2 zone, thus the replacement businesses do not count towards the five new formula retail businesses.

To memorialize this streamlining effort, the Town Code would be amended to eliminate formula retail businesses up to 6,000 square feet from the Table of Conditional Uses in Section 29.20.185. This change would permit formula retail businesses to establish in the downtown C-2 zone by right with approval of a Certificate of Use and Occupancy and a Business License. The Permitted Uses sections for the C-1, C-2, CH, and LM zones would also be amended to clarify that formula retail businesses up to 6,000 square feet are permitted by-right. Additionally, Section 29.20.190 would be amended to clarify that the deciding body may only deny a CUP for a formula retail business greater than 6,000 square feet if specific findings can be made.

DISCUSSION (continued):

B. Restaurants in the Downtown C-2 Zone

The Table of Conditional Uses in Town Code Section 29.20.185 requires approval of a CUP for restaurants in the C-1, C-2, CH, LM, and CM zones. Sections 29.20.745 and 29.20.750 of the Town Code assign the review of CUPs for restaurants outside the downtown C-2 zone to the DRC, and restaurants within the downtown C-2 zone to the Planning Commission. Ordinance 2021, adopted in 1996, includes a section outlining a concern with an overconcentration of restaurants in the downtown C-2 zone and requiring careful consideration of restaurant uses that replace retail in the downtown C-2 zone by the Planning Commission (Exhibit 6). Additionally, this Ordinance introduced the definitions of *bar* and several different types of restaurants, including *drive-in*, *fast food*, *high turnover (sit down)*, *minor*, and *quality* to Section 29.10.020 of the Town Code.

Through the work of the Policy Committee, Planning Commission, and Town Council, the Town has taken strides to establish, modify, and rescind Town policies and Town Code language to generate opportunities for businesses to continue to grow in Town, including the adoption of: a Late Night Entertainment Policy; an Outdoor Seating Policy; Town Code language permitting businesses to offer valet parking; and an amendment to the Town Code to allow restaurants to calculate parking requirements and seating capacities separately. In addition, on April 3, 2018, the Town Council adopted Resolution 2018-011 rescinding the Town's Alcohol Beverage Policy given that the State of California's Alcohol Beverage Control (ABC) provides enforcement and oversight of the state law and permit requirements for businesses that sell and serve alcohol (Exhibit 7).

On June 19, 2018, the Council adopted Resolution 2018-039 temporarily allowing the DRC to approve certain modifications to CUPs for restaurants Town-wide, such as hours of operation and new or expanded alcohol service, for a period of 18 months (Exhibit 2, Attachment 3). This streamlining effort significantly reduced the time and cost of modifying a CUP for a restaurant. Average processing time for modifying an existing CUP for a restaurant at the DRC level is approximately six to eight weeks and requires an application fee of \$4,147.58. In contrast, a Planning Commission level modification would take approximately 12 to 16 weeks to complete, and the fees would be \$6,443.36. A Town Council level modification of a CUP for a restaurant with alcohol service would take approximately 16 to 24 weeks to complete, and fees would be \$11,035.04.

On March 5, 2019, the Council adopted Resolution 2019-008 temporarily allowing the DRC to approve new CUPs for all restaurants Town-wide to be approved by the DRC for a period of 18 months (Exhibit 2, Attachment 4). To make this possible, Ordinance 2021

DISCUSSION (continued):

was also suspended for the same period. This streamlining effort significantly reduced the time and cost for a new CUP for a restaurant. Average processing time for a new CUP for a restaurant at the DRC level is approximately six to eight weeks and requires an application fee of \$5,566.10. In contrast, processing at the Planning Commission level would take approximately 12 to 16 weeks to complete, and the fees would be \$8,591.14. Processing at the Town Council level would take approximately 16 to 24 weeks to complete, and fees would be \$13,182.82.

To date, 18 restaurants have completed a modification at the DRC level, one restaurant is currently in the process of requesting a modification, and three new restaurants have been approved by the DRC.

To memorialize this streamlining effort, the draft Ordinance would rescind Section I of Ordinance 2021. Section 29.10.020 of the Town Code would be amended to clarify the definition of *restaurant* and remove antiquated definitions of types of restaurants introduced by Ordinance 2021. Sections 29.20.745 and 29.20.755 would be amended to assign review of modification of existing and new CUPs for all restaurants Town-wide to the DRC. To reflect the Council's rescission of the Alcoholic Beverage Policy, references to that policy would be removed from Section 29.10.225 and 29.20.318.

C. Minor Exterior Modifications to Commercial Buildings

Town Code Section 29.20.745 requires that the DRC determine and issue zoning approval for minor exterior alterations to commercial buildings. Additionally, Resolution 2005-038 provides a definition of *minor exterior alterations to commercial buildings* to clarify the types of minor projects that can be reviewed at the DRC level (Exhibit 8).

On March 5, 2019, the Council adopted Resolution 2019-009 temporarily reassigning the duties for minor exterior modifications to commercial buildings from the DRC to the Community Development Director with a building permit for a nine-month period (Exhibit 2, Attachment 5). During this streamlining effort, staff used the provisions of the Town Code and Commercial Design Guidelines to determine that the proposed alterations were appropriate and to ensure the compatibility of the exterior modification with the existing building and surrounding area. If the building was deemed historic, consideration by the Historic Preservation Committee could be required; however, after this consideration the applicant could submit directly for building permits.

This streamlining effort significantly reduced the time and cost for minor exterior modifications to commercial buildings. Average processing time for minor exterior

DISCUSSION (continued):

modifications at the building permit level is eight to 10 weeks and building permit application fees vary based on the project valuation. In contrast, a DRC review of an Architecture and Site application for exterior modifications would take approximately 12 to 16 weeks and the application fees would be \$5,743.02. To date, seven applications for exterior modifications, which included window and door changes, parking lot reconfigurations, window awnings, pedestrian walkways, and changes to exterior materials have been processed.

To memorialize this streamlining effort, Resolution 2005-038 would be rescinded, eliminating the Council Policy on minor alterations to commercial buildings (Exhibit 9). Section 29.10.020 the Town Code would be amended to incorporate the definition of *minor exterior alterations to commercial buildings* from this policy. The assignment of duties in Sections 29.20.700 and 29.20.745 would be amended to reassign the duties for minor exterior modifications to commercial buildings from the DRC to the Community Development Director with a building permit.

D. Group Classes

Although the term *group classes* is not defined in the Town Code, it is considered a use consistent with *art, craft, music, dancing school*, which is a conditional use in the O, C-1, C-2, CH, and LM zones. Section 29.20.750 (8) assigns the review of CUPs for group classes to the Planning Commission. The Town Code does not provide a parking requirement for group classes and a rate of one space for each employee and one space per three students has been applied.

On March 9, 2019, the Council adopted Resolution 2019-012, temporarily allowing CUPs for group classes within the downtown C-2 zone to be heard by the DRC, and those outside of the downtown C-2 zone to be permitted by right with a Certificate of Use and Occupancy and a Business License (Exhibit 2, Attachment 6). This streamlining effort significantly reduced the time and cost for establishing group classes. Average processing time for a CUP for group classes in the downtown C-2 zone by the DRC is four to 12 weeks and requires an application fee of \$5,566.10. Outside of the downtown C-2 zone, group classes can be permitted by right with a Certificate of Use and Occupancy with a cost of \$262.20 and a Business License with a cost ranging from \$75 to \$975, both of which can be issued over the counter. In contrast, a Planning Commission review of a CUP for group classes would take approximately 12 to 24 weeks and the application fees would be \$8,591.14. To date, one new CUP for group classes in the downtown C-2 zone has been approved by the DRC and one is currently in process. Following the DRC approval of the application, it was appealed by a community member to the Planning Commission whom ultimately upheld the DRC approval. Additionally, one new group class use outside of the downtown C-2 zone has been permitted.

DISCUSSION (continued):

To memorialize this streamlining effort, Section 29.20.745 would be amended to assign review of group classes CUPs in the downtown C-2 zone to the DRC. Group classes would be added as a permitted use in the O, C-1, CH, and LM zones. Section 29.10.020 the Town Code would be amended to introduce a definition for *group classes* and Section 29.10.150 (c) would be amended to introduce a parking rate for group classes of one space for each employee and one space per three students.

E. Public Outreach

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

- A poster at the Planning counter at Town Hall;
- The Town's website home page, What's New;
- The Town's Facebook page;
- The Town's Twitter account;
- The Town's Instagram account; and
- The Town's Next Door page.

PUBLIC COMMENTS:

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

CONCLUSION:

A. Recommendation

Based on the direction of the Town Council, staff recommends that the Planning Commission review the information included in the staff report and forward a recommendation to the Town Council for approval to rescind Resolution 2005-038 and 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 the amendments to Chapter 29 of the Town Code in the draft Ordinance 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);

CONCLUSION (continued):

3. Forward a recommendation to the Town Council for approval of a Resolution rescinding Resolution 2005-038 (Exhibit 9); and
4. Forward a recommendation to the Town Council for approval of the amendments to Chapter 29 of the Town Code in the draft Ordinance (Exhibit 10).

B. Alternatives

Alternatively, the Commission can:

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

EXHIBITS:

1. Required Findings
2. October 1, 2019 Town Council Report with attachments
3. November 5, 2019 Town Council Report without attachments
4. Resolution 2019-051
5. C-2 Zone Map
6. Ordinance 2021
7. Resolution 2018-011
8. Resolution 2005-038
9. Draft Resolution
10. Draft Ordinance

**PLANNING COMMISSION – January 8, 2020**  
**REQUIRED FINDINGS FOR:**

**Town Code Amendment Application A-19-010**

Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding land use and economic vitality streamlining.

**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 land use and economic vitality streamlining are consistent with the General Plan.

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**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 10/01/2019

ITEM NO: 10

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**DATE:** September 25, 2019  
**TO:** Mayor and Town Council  
**FROM:** Laurel Prevetti, Town Manager  
**SUBJECT:** Provide Direction to Staff on the Next Steps for the Temporary Community Vitality and Land Use Streamlining Resolutions Due to Sunset in December 2019

**RECOMMENDATION:**

Provide direction to staff on the next steps for the temporary community vitality and land use streamlining resolutions due to sunset in December 2019.

**BACKGROUND:**

The Town Council has an adopted strategic priority that promotes community vitality and encourages land use streamlining efforts. Since the adoption of this priority, staff has been working with the Town Council and Council Policy Committee to identify and streamline many of the business-related processes to reduce the associated time and cost.

Attachment 1 provides a timeline and synopsis of the adopted streamlining efforts to date. Those highlighted in yellow are temporary resolutions adopted by the Council that are due to sunset in December of 2019.

**DISCUSSION:**

Since the adoption of the streamlined items outlined in Attachment 1, staff has done a large amount of outreach to interested stakeholders, including businesses, property owners, commercial brokers, and property managers. These connections have not only provided the opportunity to update the business community on the adopted resolutions, they have also afforded the opportunity to share the story of Los Gatos, the positive efforts of the Council, and

**PREPARED BY:** Monica Renn  
Economic Vitality Manager

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

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DISCUSSION (continued):

encourage business retention, expansion, and attraction. To date, staff has received positive feedback on the Council's support of businesses and the opportunities these regulatory changes provide. Due to the time and cost associated with obtaining a new or modifying an existing Conditional Use Permit (CUP), many businesses historically have not applied for the process and have appreciated the opportunity to do so under the streamlined process.

To provide context for the Council's discussion, below are high-level summaries of how the temporary streamlining efforts that have been adopted since June 5, 2018 have been utilized.

**Formula Retail in Downtown (resolution adopted 6/5/18):** The Town Council adopted a temporary resolution allowing up to five new formula retailers over an 18-month period in spaces downtown that do not have a current CUP in place for Formula Retail. To date, there have been three new formula retailers that have leased spaces downtown that were formerly occupied by a use other than a formula retailer. It is important to note that some formula retailers have left downtown whom had a valid CUP for formula retail, thus the replacement businesses do not count towards the five new formula uses.

**Restaurant CUP modifications at the Development Review Committee (DRC) (adopted 6/19/18):** The Town Council adopted a temporary 18-month resolution to allow current restaurants to modify their use permits at the DRC level. Nine restaurants have completed a modification, five are currently in the process, and another three are anticipated to apply before the end of the year. Many of these businesses chose to modify their use permit to allow them to participate in the pilot parklet program as the former language in their CUP prohibited outdoor dining in many cases.

**New restaurant CUPs to be heard at the DRC and suspension of Ordinance 2021 (adopted 3/5/19):** The Town Council adopted a temporary resolution valid through 12/31/19 allowing new restaurants, Town-wide, to be heard by the DRC. To make this possible, Ordinance 2021 was also suspended for the same period. Two restaurants have been approved at the DRC since its adoption.

**Allow Minor Exterior Modifications to Commercial Buildings to be Processed as Building Permits (adopted 3/5/19):** The Town Council adopted a temporary resolution valid through 12/31/19 allowing minor exterior modifications to commercial buildings to be processed as building permits, rather than having to go to the DRC. Since the adoption of the resolution, staff has processed seven applications for exterior modifications. The types of modifications include swapping doors for windows, windows for doors, parking lot reconfigurations, window awnings, pedestrian walkways, changes to exterior materials, and other similar items.

PAGE 3 OF 4

SUBJECT: Provide Direction on Community Vitality and Land Use Streamlining

DATE: September 25, 2019

DISCUSSION (continued):

**Group Classes to be heard by the DRC in the C-2 and permitted by-right outside of the C-2 zone (adopted 3/19/19):** The Town Council adopted a temporary resolution valid through 12/31/19 allowing CUPs for group classes within the C-2 to be heard by the DRC, and those outside of the C-2 to be allowed with over the counter permits (Business license and Certificate of Use and Occupancy). One new CUP for group classes has been approved by the DRC. Following the DRC approval of the application, it was appealed by a community member to the Planning Commission whom ultimately upheld the DRC's approval and approved the group class use. Additionally, one new group class use outside the C-2 has been approved.

While the streamlined processes are helpful for businesses, there are still many other factors in play when it comes to retaining and attracting businesses. Staff has found that since the time and costs have been reduced, businesses are generally much more satisfied with the CUP process. For many though, this is just the first step in a lengthy road to opening their business. Building permits may not be applied for or issued until the CUP is obtained, and often outside agencies have requirements and processes of their own that take weeks to months to complete. Thus, reverting to the longer and more expensive process for CUPs could have a negative impact on the Town's business attraction and retention efforts.

CONCLUSION:

Staff has observed several successes with the temporary streamlining processes and recognize that memorializing the streamlining processes on a more permanent basis would likely continue to create opportunities to strengthen the businesses in Town. Each application is still fully reviewed and vetted with the streamlining, and staff recommends conditions of approval for the deciding body as in any discretionary CUP process. The reduction in time and costs is a product of the streamlining and allowing decisions to occur at a lower level while retaining all appeal rights.

Should the resolutions pertaining to CUPs sunset and the application process revert, the fees for a new CUP would be \$8,976.14 for Planning Commission applications and \$15,383.52 for Town Council applications. If minor exterior modifications to commercial buildings were required to once again be approved by DRC, the application fee would be \$5,743.02.

Time and cost are typically the two biggest concerns the staff hears from businesses and property owners. The streamlined processes provide a reduction in both while maintaining staff and discretionary oversight.

As the Council discusses the resolutions outlined in this report (Attachments 2 - 6), staff is recommending the Council provide direction on next steps for each of the temporary resolutions as follows:

PAGE 4 OF 4

SUBJECT: Provide Direction on Community Vitality and Land Use Streamlining

DATE: September 25, 2019

CONCLUSION (continued):

- Recommend memorializing one or more of the streamlining efforts through Town Code amendments. Staff will draft language and present it to the Planning Commission for discussion and recommendations to the Town Council;
- Extend the sunset date of one or more of the temporary resolutions; or
- Allow the resolutions to sunset and the processes to revert to the current Code language.

COORDINATION:

This staff report was prepared in coordination with the Town Managers Office, Town Attorney's Office, and Community Development Department.

FISCAL IMPACT:

Fees paid for by applicants cover the cost of the applicant's process thus there is no fiscal impact.

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.

Attachments:

1. Economic Vitality and Land Use Streamlining Summary
2. Temporary resolution suspending the CUP requirement for formula retailers
3. Temporary Resolution allowing restaurants to modify their CUP at the DRC
4. Temporary Resolution suspending Ordinance 2021 and allowing new restaurants to obtain a CUP at the DRC
5. Temporary Resolution allowing for minor exterior modifications to commercial buildings to be made at building permit
6. Temporary Resolution allowing group classes without a CUP in commercial zones outside of downtown, and those within downtown to obtain a CUP at the DRC

## ECONOMIC VITALITY & LAND USE STREAMLINING



The Town of Los Gatos is proud to be the home of a variety of premium shopping and dining experiences. Our downtown is one of the most charming and beautiful places around, while Los Gatos Boulevard and surrounding shopping centers provide neighborhood convenience and other fantastic shopping, dining, and service businesses against the back drop of the picturesque foothills. The Town Council is committed to creating opportunities for existing and new businesses to thrive throughout Los Gatos, and as a result have adopted a strategic priority to continue to support our business community through streamlining processes, policies, and ordinances.

The list below highlights much of the work that has been completed to date, and we will continue to make strides in creating an environment that allows our business community to continue to be the very best. Please click on any of the items below to learn more about what was adopted:

- Flexible [outdoor seating](#) regulations on public and private property (9/1/15, Town Council Meeting, Item 11)
- Allowance for paid private [Downtown valet parking](#) (11/3/15, Town Council Meeting, Item 13)
- Allowance for [entertainment](#) by right before 10 P.M. and late-night entertainment with a permit (6/21/16, Town Council Meeting, Item 19)
- Significantly reducing the Traffic Impact Fees that are applied to existing commercial space in Downtown and Shopping Centers ([11/17/16](#) and [2/16/17](#), Policy Committee Meetings)
- Providing flexible [seating calculations for restaurants](#) guided by Maximum Fire Occupancy (3/20/18, Town Council Meeting, Item 9)
- Rescission of the [Town's Alcohol Beverage Policy](#) acknowledging that ample vetting and oversight is provided through the State of California's Alcohol Beverage Control (4/3/18, Town Council Meeting, Item 8)
- Resolution for a limited time suspending the Conditional Use Permit requirement for [Formula Retailers in Downtown](#) (6/5/18, Town Council Meeting, Item 18)
- Resolution for a limited time allowing [restaurants to modify their Conditional Use Permits at the Development Review Committee level](#) significantly reducing the time and cost related to a CUP modification (6/19/18, Town Council Meeting, item 19)
- Elimination of [parking time limits](#) in public parking lots Downtown on Saturdays (11/6/18, Town Council Meeting, Item 8)
- Approval for a [one-way street pilot on N. Santa Cruz Avenue](#) for the Summer and Fall of 2019, offering more on street parking and greater opportunities for parklets and bike and pedestrian traffic (1/15/19, Town Council Meeting, Item 5)
- Approval of a [pilot program to allow parklets](#), also known as sidewalk cafes, on Main Street and N. Santa Cruz Avenue (2/5/19, Town Council Meeting, Item 11)
- Resolution for a limited time [suspending Ordinance 2021, and allowing new restaurants to obtain a CUP at the DRC level until, and a resolution allowing for minor exterior modifications to commercial buildings to be processed at building permit](#) 12/31/19 (3/5/19, Town Council Meeting, item 7)
- Resolution for a limited time [allowing group classes without a CUP in commercial zones outside of downtown, and those within downtown to obtain a CUP at the DRC level.](#) (3/19/19, Town Council Meeting, Item 11)

**RESOLUTION 2018-032**

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS  
SUSPENDING TOWN CODE SECTION 29.20.185 REGARDING  
THE REGULATIONS FOR FORMULA RETAIL BUSINESSES IN THE C-2 ZONE FOR A  
PERIOD NOT TO EXCEED 18 MONTHS.**

**WHEREAS**, since the adoption of the formula retail regulations in 2002, the retail industry continues to evolve through online shopping and new shopping models creating a different environment for brick and mortar retail locations; and

**WHEREAS**, additional commercial spaces are being added to the inventory through new developments in Los Gatos creating more opportunity for retail locations; and

**WHEREAS**, piloting a change to the regulations in the C-2 zone to match those in other commercial zones creates a more level playing field during the pilot period; and

**WHEREAS**, a temporary suspension of the Town Code Section 29.20.185 may allow the opportunity for the Town Council to gauge potential changes to the retail mix in the C-2 zone with the ability to modify the resolution at any time before the 18-month period expires.

**NOW, THEREFORE, BE IT RESOLVED:** The Town Council of the Town of Los Gatos suspends the Town Code Section 29.20.185 regarding the regulations for formula retail businesses in the C-2 zone for a period not to exceed 18 months with the following provisions:

1. **Existing Retail Locations**  
New formula retail businesses must occupy an existing commercial space that is less than 6,000 square feet in the C-2 zone, and may not combine spaces or add additional square footage; and
2. **Certificate of Use and Occupancy and Business License**  
New formula retail businesses must follow the same requirements as an independent retail business by filing a Certificate of Use and Occupancy, and a Business License with the Town prior to operating; and
3. **Maximum Threshold for Review**  
Should five new formula retail businesses open before the 18-month period expires, Town staff will provide the Town Council with an update and review of this resolution; and
4. **Town Council Approval**  
This resolution does not apply to formula retail businesses that intend to sell products (such as alcohol) that require approval by the Town Council.

**PASSED AND ADOPTED** at a regular meeting of the Town Council of the Town of Los Gatos, California, on the 5<sup>th</sup> day of June, 2018 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:



MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

DATE: 6/6/18

ATTEST:



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

DATE: 6/6/18

**RESOLUTION 2018-039**

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS REGARDING TOWN CODE SECTION 29.20.745 AND SUSPENDING A PORTION OF 29.20.755(2) REGARDING THE ASSIGNMENT OF DUTIES TO ALLOW THE DEVELOPMENT REVIEW COMMITTEE TO APPROVE CERTAIN MODIFICATIONS TO EXISTING CONDITIONAL USE PERMITS FOR RESTAURANTS FOR A PERIOD OF 18 MONTHS.**

**WHEREAS**, many Conditional Use Permits for restaurants in the Town of Los Gatos have been in place for many years and contain language that is either contradictory to current Town Code and policies, or inconsistent with current business models; and

**WHEREAS**, additional commercial spaces are increasing the inventory through new developments in Los Gatos, creating more opportunity for commercial uses; and

**WHEREAS**, providing an 18-month time period in which businesses defined as a restaurant may apply for modifications to existing Conditional Use Permits to provide the ability to revise obsolete language, innovate their existing businesses, and/or make other adjustments within the existing business location and square footage; and

**WHEREAS**, the Town recently adopted a Town Code amendment to adjust seating and parking requirements for restaurants and revised policies allowing outdoor seating and entertainment for businesses, given policy parameters are met and proper Town permits obtained; and

**WHEREAS**, the Town recently rescinded the Alcohol Beverage Policy given that the State of California's Alcohol Beverage Control has strict requirements and a process in place for the review, control, and monitoring of all businesses that possess or apply to obtain a permit to sell alcoholic beverages on- and off-site; and

**WHEREAS**, the Town of Los Gatos Municipal Code Section 29.20.745 identifies the role of the Development Review Committee, including but not limited to: Section 29.20.745 (16) Determine and issue zoning approval for minor restaurants that are located outside of the Downtown (C-2 zone); and

**WHEREAS**, the Town of Los Gatos Municipal Code sets forth the public hearing and noticing requirements for the Development Review Committee and any appeals of its decisions; and

**WHEREAS**, the Town of Los Gatos Municipal Code Section 29.20.750 identifies the role of the Planning Commission, including but not limited to the following: Section 29.20.750 (8) Determine Conditional Use Permit applications that are not assigned to the Development Review Committee or the Town Council; and

**WHEREAS**, the Town of Los Gatos Municipal Code Section 29.20.755 identifies the role of the Town Council, including but not limited to the following: Section 29.20.755 (2) Hears and determines Planning Commission recommendations for the adoption or amendment of the general plan or any specific plans and conditional use permits for establishments selling alcoholic beverages for on premises consumption.

**NOW, THEREFORE, BE IT RESOLVED:** The Town Council of the Town of Los Gatos suspends a portion of 29.20.755(2) regarding the assignment of duties to allow the Development Review Committee to approve certain modifications to existing Conditional Use Permits for restaurants for a period of 18 months with the following provisions:

1. **Restaurants**

The Development Review Committee may issue approval of modifications to an existing Conditional Use Permit for a restaurant use as defined by Town Code Section 29.10.020 in any commercial zone; and

2. **Locations**

Restaurants with existing Conditional Use Permits may apply for modification of a Conditional Use Permit within the existing commercial space inclusive of both indoor and outdoor/patio areas at the same address (new restaurants or restaurants combining two or more commercial spaces would require full review by either the Planning Commission or Town Council); and

3. **Development Review Application**

To apply for the modification, businesses must complete the Development Review application and pay the associated fees adopted within the fee schedule.

**PASSED AND ADOPTED** at a regular meeting of the Town Council of the Town of Los Gatos, California, on the 19<sup>th</sup> day of June, 2018 by the following vote:

COUNCIL MEMBERS:

AYES: Marcia Jensen, Steve Leonardis, Marico Sayoc, Barbara Spector, Mayor Rob Rennie

NAYS: None.

ABSENT: None.

ABSTAIN: None.

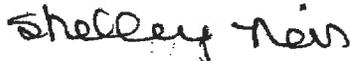
SIGNED:



MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

DATE: 6/20/18

ATTEST:



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

DATE: 6/20/18

**RESOLUTION 2019-008**

**RESOLUTION OF THE TOWN COUNCIL  
OF THE TOWN OF LOS GATOS  
REGARDING TOWN CODE SECTION 29.20.745 AND  
SUSPENDING A PORTION OF 29.20.755(2) REGARDING THE ASSIGNMENT OF DUTIES  
TO ALLOW THE DEVELOPMENT REVIEW COMMITTEE TO APPROVE NEW  
CONDITIONAL USE PERMITS FOR RESTAURANTS UNTIL DECEMBER 31, 2019.**

**WHEREAS**, the Town of Los Gatos Town Council has an adopted strategic priority to streamline Land Use and Economic Vitality policies; and

**WHEREAS**, the Town has recently experienced a high turnover in commercial spaces, particularly in Downtown and have additional commercial spaces that will increase the commercial space inventory through new developments in Los Gatos; and

**WHEREAS**, providing a 9-month period in which business uses defined as a *Restaurant* as identified in Town of Los Gatos Municipal Code Section 29.10.020 may apply for a new Conditional Use Permit to create more opportunities to attract businesses to Los Gatos; and

**WHEREAS**, by reassigning the duties to the Development Review Committee, the impact of cost and process time on prospective businesses is drastically decreased and more closely aligned with neighboring jurisdictions which could provide an incentive for businesses to consider locating Los Gatos; and

**WHEREAS**, the Town of Los Gatos Municipal Code Section 29.20.745 identifies the role of the Development Review Committee, including but not limited to: Section 29.20.745 (16) Determine and issue zoning approval for minor restaurants that are located outside of the Downtown (C-2 zone); and

**WHEREAS**, the Town recently rescinded the Alcohol Beverage Policy given that the State of California's Alcohol Beverage Control has strict requirements and a process in place for the review, control, and monitoring of all businesses that possess or apply to obtain a permit to sell alcoholic beverages on- and off-site; and

**WHEREAS**, the Town of Los Gatos Municipal Code sets forth the public hearing and noticing requirements for the Development Review Committee and any appeals of its decisions; and

**WHEREAS**, the Town of Los Gatos Municipal Code Section 29.20.750 identifies the role of the Planning Commission, including but not limited to the following: Section 29.20.750 (8) Determine Conditional Use Permit applications that are not assigned to the Development Review Committee or the Town Council; and

**WHEREAS**, the Town of Los Gatos Municipal Code Section 29.20.755 identifies the role of the Town Council, including but not limited to the following: Section 29.20.755 (2) Hears and determines Planning Commission recommendations for the adoption or amendment of the general plan or any specific plans and conditional use permits for establishments selling alcoholic beverages for on premises consumption.

**NOW, THEREFORE, BE IT RESOLVED:** The Town Council of the Town of Los Gatos suspends a portion of 29.20.755(2) regarding the assignment of duties to allow the Development Review Committee to approve new Conditional Use Permits for restaurants until December 31, 2019.

1. **Restaurants**

The Development Review Committee may issue new Conditional Use Permit for a restaurant use as defined by Town Code Section 29.10.020 in any commercial zone; and

2. **Locations**

New Conditional Use Permit applications for restaurants in conditionally permissible commercial zones as identified in 29.20.185, Section 1- Commercial, (j) and (k); and

3. **Development Review Application**

To apply for a new conditional use permit, businesses must complete the Development Review application and pay the associated fees adopted within the fee schedule.

**PASSED AND ADOPTED** at a regular meeting of the Town Council of the Town of Los Gatos, California, on the 5<sup>th</sup> day of March, 2019 by the following vote:

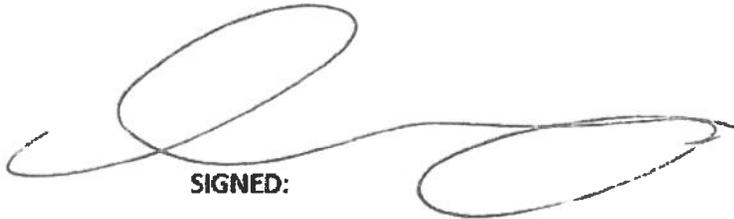
**COUNCIL MEMBERS:**

**AYES:** Marcia Jensen, Rob Rennie, Marico Sayoc, Barbara Spector, Mayor Steven Leonardis

**NAYS:** None.

**ABSENT:** None.

**ABSTAIN:** None.



**SIGNED:**

**MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA**

**DATE:** 3/10/19

**ATTEST:**

*Shirley Reis*

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

**DATE:** 3/11/19

**RESOLUTION 2019-009**

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS  
SUSPENDING TOWN CODE SECTION 29.20.755 (8), REGARDING THE ASSIGNMENT OF  
DUTIES TO ALLOW THE MINOR EXTERIOR MODIFICATIONS TO COMMERCIAL  
BUILDINGS BE MADE AT THE BUILDING PERMIT LEVEL UNTIL DECEMBER 31, 2019**

**WHEREAS**, the Town of Los Gatos Town Council has an adopted strategic priority to streamline Land Use and Economic Vitality policies; and

**WHEREAS**, the Town has recently experienced a high turnover in commercial spaces, particularly in Downtown and have additional commercial spaces that will increase the commercial space inventory through new developments in Los Gatos; and

**WHEREAS**, providing a 9-month period in which businesses and commercial property owners may make minor exterior modifications to their store fronts and buildings to create more opportunities to attract and retain businesses in Los Gatos; and

**WHEREAS**, by reassigning the duties to the Planning Director at the building permit level will provide businesses and commercial property owners with a process that is significantly less expensive and quicker for minor exterior modifications to commercial buildings, which could provide an incentive for businesses to consider locating Los Gatos; and

**WHEREAS**, the Town of Los Gatos already has other provisions in place that guide such modifications within the Town Code, Commercial Design Guidelines, and the process with the Historic Preservation Committee (when applicable); and

**WHEREAS**, the Town of Los Gatos already has other provisions in place that provide framework for such modifications within the Town Code, Commercial Design Guidelines, and the process with the Historic Preservation Committee (when applicable).

**NOW, THEREFORE, BE IT RESOLVED:**

The Town Council of the Town of Los Gatos suspends a portion of Town Code Section 29.20.755 (8), regarding the assignment of duties to allow minor exterior modifications to commercial buildings be made at the building permit level until December 31, 2019.

**PASSED AND ADOPTED** at a regular meeting of the Town Council of the Town of Los Gatos, California, on the 5<sup>th</sup> day of March, 2019 by the following vote:

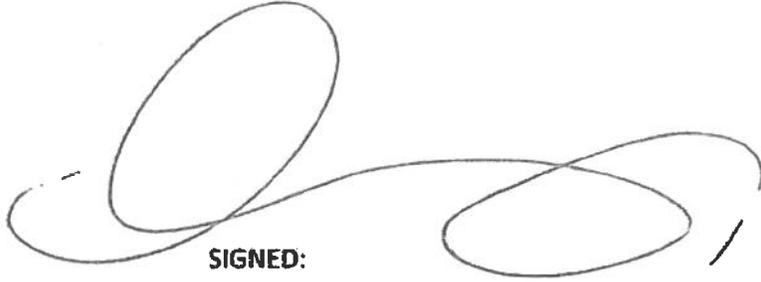
**COUNCIL MEMBERS:**

**AYES:** Marcia Jensen, Rob Rennie, Marico Sayoc, Barbara Spector, Mayor Steven Leonardis

**NAYS:** None.

**ABSENT:** None.

**ABSTAIN:** None.



A large, stylized handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke.

**SIGNED:**

**MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA**

**DATE:** 3/10/19

**ATTEST:**



A handwritten signature in black ink, appearing to read 'Shelley Reis'.

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

**DATE:** 3/11/19

**RESOLUTION 2019-012**

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS SUSPENDING TOWN CODE SECTION 29.20.750 (8), REGARDING THE ASSIGNMENT OF DUTIES TO ALLOW THE GROUP CLASSES IN THE C-2 ZONE TO BE HEARD BY THE DEVELOPMENT REVIEW COMMITTEE, AND SUSPENDING A PORTION OF 29.20.185, 4. (H) TO ALLOW GROUP CLASSES IN THE O, C-1, CH, AND LM ZONES TO OPERATE WITHOUT A CONDITIONAL USE PERMIT UNTIL DECEMBER 31, 2019.**

**WHEREAS**, the Town of Los Gatos Town Council has an adopted strategic priority to streamline Land Use and Economic Vitality policies; and

**WHEREAS**, the Town has recently experienced a high turnover in commercial spaces, and have additional commercial spaces that will increase the commercial space inventory through new developments in Los Gatos; and

**WHEREAS**, providing a 9-month period in which group classes may gain approval with a reduced process timeline and cost may create more opportunities to attract and retain businesses in Los Gatos; and

**WHEREAS**, group classes create an exposure, synergy, and in many cases a partnership with nearby retailers and restaurants strengthening the vitality of the shopping area.

**NOW, THEREFORE, BE IT RESOLVED:**

The Town Council of the Town of Los Gatos suspends a portion of Town Code Section 29.20.750 (8), regarding the assignment of duties to allow group classes in the C-2 zone to be heard by the Development Review Committee, and suspends a portion of 29.20.185 4.(h) to allow group classes in the O, C-1, CH and LM zones to operate without a Conditional Use Permit until December 31, 2019 pursuant to the following provisions:

1. Development Review Committee: New group class businesses locating in the C-2 Zone (Downtown) must complete a Development Review Application for a Conditional Use Permit, pay the associated application fees, and be approved by the Development Review Committee.
2. Certificate of Use and Occupancy and Business License  
New group class businesses locating in the O, C-1, CH, or LM zones must file applications with the Town for a Certificate of Use and Occupancy and a Business License, and pay the associated fees prior to operating. No Conditional Use Permit is required.

**PASSED AND ADOPTED** at a regular meeting of the Town Council of the Town of Los Gatos, California, on the 19<sup>th</sup> day of March, 2019 by the following vote:

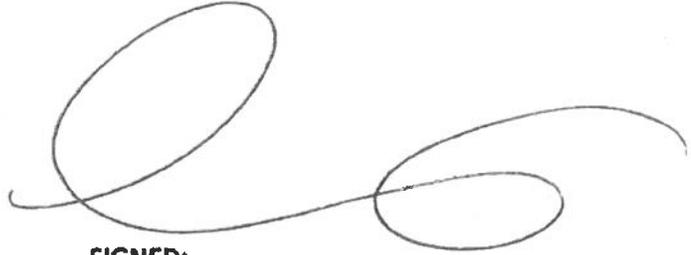
**COUNCIL MEMBERS:**

**AYES:** Marcia Jensen, Rob Rennie, Marico Sayoc, Barbara Spector, Mayor Steven Leonardis

**NAYS:** None

**ABSENT:** None.

**ABSTAIN:** None.



**SIGNED:**

**MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA**

**DATE:** 3/22/19

**ATTEST:**

*Sherry Rain*

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

**DATE:** 3/22/19

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**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 11/05/2019

ITEM NO: 5

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DATE: October 21, 2019  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Adopt a Resolution Extending the Temporary Streamlining Resolutions until Code Amendments may be Adopted.

RECOMMENDATION:

Adopt a resolution extending the temporary streamlining resolutions until Code Amendments may be adopted.

BACKGROUND:

As a part of their adopted Strategic Priority related to Community Vitality, the Town Council adopted six temporary resolutions streamlining several of the businesses related permit processes (Attachments 1-5). Each of these resolutions are scheduled to sunset in December 2019.

DISCUSSION:

At their October 1, 2019 meeting, the Town Council voted 3-2 to move forward with Town Code amendments that would memorialize the actions of the temporary resolutions and extend the temporary resolutions until the Town Code amendments are adopted (Council Member Rennie and Council Member Spector opposed). Attachment 6 provides a resolution that extends the actions of the temporary resolutions until such time.

CONCLUSION:

Adopt a resolution extending the temporary streamlining resolutions until Code Amendments may be adopted.

PREPARED BY: Monica Renn  
Economic Vitality Manager

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

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PAGE 2 OF 2

SUBJECT: Adopt a resolution extending the temporary streamlining resolutions until Code Amendments may be adopted.

DATE: October 21, 2019

COORDINATION:

This report has been written in coordination with the Town Managers Office, Town Attorney's Office, and Community Development Department.

FISCAL IMPACT:

There is no fiscal impact related to this item.

ENVIRONMENTAL ASSESSMENT:

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

Attachments:

1. Temporary resolution suspending the CUP requirement for formula retailers
2. Temporary Resolution allowing restaurants to modify their CUP at the DRC
3. Temporary Resolution suspending Ordinance 2021 and allowing new restaurants to obtain a CUP at the DRC
4. Temporary Resolution allowing for minor exterior modifications to commercial buildings to be made at building permit
5. Temporary Resolution allowing group classes without a CUP in commercial zones outside of downtown, and those within downtown to obtain a CUP at the DRC
6. Resolution extending the temporary streamlining resolutions until Code Amendments may be adopted.

## RESOLUTION 2019-051

### RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS EXTENDING TEMPORARY RESOLUTIONS: 2018-032; 2018-039; 2019-008; 2019-009; AND 2019-012 UNTIL THE ACTIONS OF THE RESOLUTIONS ARE CONSIDERED FOR TOWN CODE AMENDMENTS.

**WHEREAS**, the Town Council has adopted a strategic priority to enhance community vitality through streamlining land use processes; and

**WHEREAS**, the Town Council adopted five temporary resolutions providing land use streamlining opportunities to the Los Gatos business and commercial community including:

- Resolution 2018-032 suspending Town Code Section 29.20.185 regarding the regulations for Formula Retail Businesses in the C-2 zone;
- Resolution 2018-039 regarding Town Code Section 29.20.754 and suspending a portion of 29.20.755(2) regarding the assignment of duties to allow the Development Review Committee to approve certain modifications to existing conditional use permits;
- Resolution 2019-008 regarding Town Code Section 29.20.745 and suspending a portion of 29.20.755(2) regarding the assignment of duties to allow the Development Review Committee to approve new Conditional Use Permits for restaurants;
- Resolution 2019-009 suspending Town Code Section 29.20.755 (8) regarding the assignment of duties to allow the Minor Exterior Modifications to commercial buildings be made at the building permit level; and,
- Resolution 2019-012 suspending Town Code Section 29.20.750(8) regarding the assignment of duties to allow group classes in the C-2 to be heard by the Development Review Committee, and suspending a portion of Town Code Section 29.20.185, (4)(H) to allow group classes in the O, C-1, CH, and LM zones to operate without a Conditional Use Permit. ; and,

**WHEREAS**, at their October 1, 2019 meeting, the Town Council voted to memorialize the actions of these resolutions with Town Code amendments.

**NOW, THEREFORE, BE IT RESOLVED** the Town Council extends the sunset date of the resolutions until such a time when the Town Code amendments may become effective.

**PASSED AND ADOPTED** at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 5th day of November 2019 by the following vote:

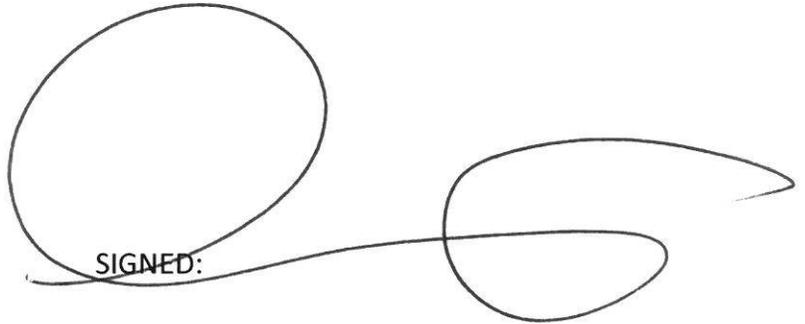
COUNCIL MEMBERS:

AYES: Rob Rennie, Marico Sayoc, Barbara Spector, Mayor Steven Leonardis

NAYS: Marcia Jensen

ABSENT: None

ABSTAIN: None

SIGNED: 

MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

DATE: 11/8/19

ATTEST:



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

DATE: 11/8/2019



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## ORDINANCE 2021

### ORDINANCE OF THE TOWN OF LOS GATOS AMENDING CHAPTER 29 TO PROVIDE A MORE COMPREHENSIVE REVIEW OF ADDITIONAL RESTAURANT USE IN THE DOWNTOWN AREA

THE TOWN COUNCIL OF THE TOWN OF LOS GATOS DOES ORDAIN AS  
FOLLOWS:

#### SECTION I

The C-2 (Central Business District Commercial) zone of the Town of Los Gatos contains a mix of retail, restaurant, and associated uses that sustains the economic vitality and historic atmosphere of the area, and is an essential part of the community. However, too many restaurants concentrated in this one area would displace retail uses that are vital to continued success and to having businesses that attract Town residents throughout the day. This ordinance is intended to discourage the displacement of retail uses by restaurant uses by requiring the Planning Commission to conduct a careful review of all applications for new restaurant uses in the C-2 zone through the public hearing process.

#### SECTION II

Section 29.10.020 is amended to read as follows:

\*\*\*\*\*

*Bar* means a drinking place where alcoholic beverages and snacks are served; possibly with entertainment such as music, television screens, video games or pool tables.

\*\*\*\*\*

*Restaurant, fast food* means a restaurant with a large carry-out clientele, long hours of service, some open for breakfast but all open for lunch and dinner, and high turnover rates for eat-in customers.

*Restaurant, high turnover (sit-down)* means a restaurant with turnover rates generally of less than one hour, is usually moderately priced and frequently belong to a restaurant chain, generally serve breakfast, lunch and dinner, and are sometimes open 24 hours a day.

\*\*\*\*\*

*Restaurant, quality* means a restaurant of high quality and with turnover rates usually of at

least one hour or longer, generally do not serve breakfast, may not serve lunch, but always serve dinner.

\*\*\*\*\*

SECTION III

Subsection (16) of Section 29.20.745 is amended to read as follows:

- (16) Determine and issue zoning approval for minor restaurants that are located outside Downtown [the C-2 zone].

SECTION IV

Subsection (8) of Section 29.20.750 is amended to read as follows:

- (8) Determines conditional use permit applications that are not assigned to the Development Review Committee.

SECTION V

This ordinance was introduced at a regular meeting of the Town Council of the Town of Los Gatos on August 5, 1996 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 September 16, 1996. This ordinance takes effect 30 days after it is adopted.

COUNCIL MEMBERS:

AYES: Joanne Benjamin, Steven Blanton, Linda Lubeck, Patrick O'Laughlin, Mayor Randy Attaway.

NAYS: None

ABSENT: None

ABSTAIN: None

SIGNED:



MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

ATTEST:



CLERK OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

**RESOLUTION 2018-011**

**RESOLUTION OF THE TOWN COUNCIL  
OF THE TOWN OF LOS GATOS  
TO RESCIND RESOLUTION 2001-106: RESOLUTION OF THE TOWN OF LOS  
GATOS AMENDING THE TOWN'S ALCOHOLIC BEVERAGE POLICY**

**WHEREAS**, the Town Council is responsible for establishing municipal policies that provide clear direction for processes and procedures by which the Council and staff shall conduct business and activities; and

**WHEREAS**, examples of these policies include the Town Code, Town Council Policies, General Plan, Design Guidelines, and Specific Plans; and

**WHEREAS**, the many benefits of having established policies includes greater consistency as well as more government transparency and accessibility by the public, the Council, and staff; and

**WHEREAS**, on March 15, 2018, the Town Council Policy Committee reviewed the Town's Alcoholic Beverage Policy (established by Resolution 2001-106) and recommended rescission; and

**WHEREAS**, this Council Policy has been deemed outdated, redundant and/or incorporated into other existing Council Policies, Town Ordinances, and State Laws.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the Town Council of the Town of Los Gatos does hereby rescind Resolution 2001-106: Resolution of the Town of Los Gatos amending the Town's Alcoholic Beverage Policy including Exhibit A, Policy Regulating the Consumption and Service of Alcoholic Beverages.

**PASSED AND ADOPTED** at a regular meeting of the Town Council of the Town of Los Gatos, California on the 3<sup>rd</sup> day of April, 2018 by the following vote:

COUNCIL MEMBERS:

AYES: Marcia Jensen, Steve Leonardis, Marico Sayoc, Barbara Spector, Mayor Rob Rennie

NAYS: None.

ABSENT: None.

ABSTAIN: None.

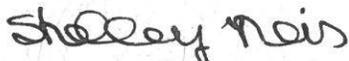
SIGNED:



MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

DATE: 4/4/18

ATTEST:



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

DATE: 4/4/18

**RESOLUTION 2005 - 038**

**RESOLUTION OF THE TOWN COUNCIL  
OF THE TOWN OF LOS GATOS  
ADOPTING A POLICY ON  
MINOR ALTERATIONS TO COMMERCIAL BUILDINGS**

**WHEREAS**, the Town of Los Gatos is updating its commercial development standards and guidelines, and

**WHEREAS**, the Zoning Ordinance allows approval of minor projects by the Development Review Committee (DRC); and

**WHEREAS**, there is no definition of a minor project; and

**WHEREAS**, adoption of a policy defining minor projects will help provide clear direction to developers and business owners processing development applications (General Plan Goal L.G.7.2 and Implementing Strategy L.I.7.4) and will assist staff; and

**WHEREAS**, the General Plan Committee recommends that the policy on Minor Alterations to Commercial Buildings be adopted; and

**WHEREAS**, the Planning Commission has held a public hearing and forwarded a recommendation for adoption of the same document;

**THEREFORE BE IT RESOLVED:** the Town Council of the TOWN OF LOS GATOS does hereby adopt the policy on Minor Alterations to Commercial Buildings (attached as Exhibit A).

**FURTHER RESOLVED**, the policy shall apply to all development applications that have not been approved prior to adoption of the document.

**PASSED AND ADOPTED** at a regular meeting of the Town Council held on the 18<sup>th</sup> day of April, 2005, by the following vote:

COUNCIL MEMBERS:

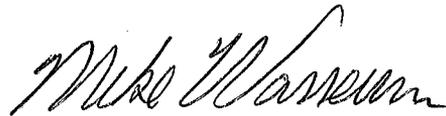
AYES: Steve Glickman, Diane McNutt, Joe Pirzynski, Mayor Mike Wasserman

NAYS: Barbara Spector

ABSENT:

ABSTAIN:

SIGNED:



MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

ATTEST:



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

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**TOWN COUNCIL POLICY  
TOWN OF LOS GATOS**

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Subject: Minor Alterations to Commercial Buildings

Enabling Action:  
2005-

Page 1 of 2

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Approved:

Effective  
Date:

Mike Wasserman, Mayor

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**PURPOSE:**

Section 29.20.745(8) of the Zoning Ordinance states that the Development Review Committee (DRC) shall “determine and issue zoning approval for minor exterior alterations to commercial buildings”. The purpose of this policy is to define “minor exterior alterations” to commercial buildings that may be approved by the DRC as set forth in Section 29.20.745(8) of the Zoning Ordinance. To assist in the redevelopment of commercial buildings, the Town has created a streamlined review process for minor commercial improvement projects that comply with the Commercial Design Guidelines.

The following shall be used by staff when reviewing plans for minor exterior alterations to commercial buildings to determine if proposed projects can take advantage of the streamlined review process.

**EXAMPLES OF MINOR ARCHITECTURAL IMPROVEMENTS:**

The following are examples of minor architectural improvements that may be decided by the Development Review Committee (DRC) after considering public input at a duly noticed public hearing:

1. Replacing or changing out windows
2. Replacing or adding awnings
3. Changes to or addition of arcades
4. Replacement of or changes to exterior materials
5. Small scale additions (may not result in an increase of more than four peak hour trips)

DEFINITION:

For projects that include small scale additions, a minor commercial project is one which is in full compliance with the Town's Commercial Design Guidelines and Town Code and does not result in an intensification of use as described in Section 29.30.200 of the Zoning Ordinance or more than a minor increase in traffic as described in the Town's Traffic Impact Policy.

The Director of Community Development or the Development Review Committee may refer any minor commercial project to the Planning Commission if it is not in compliance with the Commercial Design Guidelines, there are impacts to surrounding properties that cannot be resolved by the DRC, or as otherwise deemed appropriate.

Draft Resolution to be modified by Town Council deliberations and direction.

**RESOLUTION 2019-**  
**RESOLUTION OF THE TOWN COUNCIL**  
**OF THE TOWN OF LOS GATOS**  
**TO RESCIND RESOLUTION 2005-038: RESOLUTION OF THE TOWN**  
**COUNCIL OF THE TOWN OF LOS GATOS ADOPTING A POLICY ON**  
**MINOR ALTERATIONS TO COMMERCIAL BUILDINGS**

**WHEREAS**, the Town Council is responsible for establishing municipal policies that provide clear direction for process and procedures by which the Council and staff shall conduct business and activities; and

**WHEREAS**, examples of these policies include the Town Code, Town Council Policies, General Plan, Design Guidelines, and Area Plans; and

**WHEREAS**, the many benefits of having established policies includes greater consistency as well as more government transparency and accessibility by the public, the Council, and staff; and

**WHEREAS**, on April 18, 2005, the Town Council of Los Gatos an adopted Resolution 2005-038 – adopting a policy on minor alterations to commercial buildings; and

**WHEREAS**, the Town of Los Gatos Town Council has an adopted strategic priority to streamline Land Use and Economic Vitality policies; and

**WHEREAS**, on March 5, 2019, the Town Council adopted Resolution 2019-009 approving a temporary nine-month suspension of Town Code Section 29.20.745 providing businesses and commercial property owners an opportunity to make minor exterior modifications to their store fronts and buildings at the building permit level to create more opportunities to attract and retain businesses in Los Gatos; and

**WHEREAS**, on October 1, 2019, the Town Council reviewed the result of the temporary suspension of Town Code Sections and voted to memorialize the streamlining effort through modification of the Town Code; and

**WHEREAS**, Resolution 2005-038 – adopting a policy on minor alterations to commercial buildings has been deemed obsolete, redundant, and/or incorporated into Town Code.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the Town Council of the Town of Los Gatos does hereby rescind Resolution 2005-038 (Resolution of the Town Council of the Town of Los Gatos Adopting a Policy on Minor Alterations to Commercial Buildings) attached hereto as Exhibit A.

**PASSED AND ADOPTED** at a regular meeting of the Town Council of the Town of Los Gatos, California on the \_\_\_\_ day of \_\_\_\_\_, 2020 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

ATTEST:

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

**RESOLUTION 2005 - 038**

**RESOLUTION OF THE TOWN COUNCIL  
OF THE TOWN OF LOS GATOS  
ADOPTING A POLICY ON  
MINOR ALTERATIONS TO COMMERCIAL BUILDINGS**

**WHEREAS**, the Town of Los Gatos is updating its commercial development standards and guidelines, and

**WHEREAS**, the Zoning Ordinance allows approval of minor projects by the Development Review Committee (DRC); and

**WHEREAS**, there is no definition of a minor project; and

**WHEREAS**, adoption of a policy defining minor projects will help provide clear direction to developers and business owners processing development applications (General Plan Goal L.G.7.2 and Implementing Strategy L.I.7.4) and will assist staff; and

**WHEREAS**, the General Plan Committee recommends that the policy on Minor Alterations to Commercial Buildings be adopted; and

**WHEREAS**, the Planning Commission has held a public hearing and forwarded a recommendation for adoption of the same document;

**THEREFORE BE IT RESOLVED:** the Town Council of the TOWN OF LOS GATOS does hereby adopt the policy on Minor Alterations to Commercial Buildings (attached as Exhibit A).

**FURTHER RESOLVED**, the policy shall apply to all development applications that have not been approved prior to adoption of the document.

**PASSED AND ADOPTED** at a regular meeting of the Town Council held on the 18<sup>th</sup> day of April, 2005, by the following vote:

COUNCIL MEMBERS:

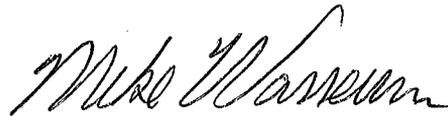
AYES: Steve Glickman, Diane McNutt, Joe Pirzynski, Mayor Mike Wasserman

NAYS: Barbara Spector

ABSENT:

ABSTAIN:

SIGNED:



MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

ATTEST:



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

---

**TOWN COUNCIL POLICY  
TOWN OF LOS GATOS**

---

Subject: Minor Alterations to Commercial Buildings

Enabling Action:  
2005-

Page 1 of 2

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Approved:

Effective  
Date:

Mike Wasserman, Mayor

---

**PURPOSE:**

Section 29.20.745(8) of the Zoning Ordinance states that the Development Review Committee (DRC) shall “determine and issue zoning approval for minor exterior alterations to commercial buildings”. The purpose of this policy is to define “minor exterior alterations” to commercial buildings that may be approved by the DRC as set forth in Section 29.20.745(8) of the Zoning Ordinance. To assist in the redevelopment of commercial buildings, the Town has created a streamlined review process for minor commercial improvement projects that comply with the Commercial Design Guidelines.

The following shall be used by staff when reviewing plans for minor exterior alterations to commercial buildings to determine if proposed projects can take advantage of the streamlined review process.

**EXAMPLES OF MINOR ARCHITECTURAL IMPROVEMENTS:**

The following are examples of minor architectural improvements that may be decided by the Development Review Committee (DRC) after considering public input at a duly noticed public hearing:

1. Replacing or changing out windows
2. Replacing or adding awnings
3. Changes to or addition of arcades
4. Replacement of or changes to exterior materials
5. Small scale additions (may not result in an increase of more than four peak hour trips)

DEFINITION:

For projects that include small scale additions, a minor commercial project is one which is in full compliance with the Town's Commercial Design Guidelines and Town Code and does not result in an intensification of use as described in Section 29.30.200 of the Zoning Ordinance or more than a minor increase in traffic as described in the Town's Traffic Impact Policy.

The Director of Community Development or the Development Review Committee may refer any minor commercial project to the Planning Commission if it is not in compliance with the Commercial Design Guidelines, there are impacts to surrounding properties that cannot be resolved by the DRC, or as otherwise deemed appropriate.

**ORDINANCE 2020-\_\_**

**ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS  
AMENDING CHAPTER 29 (ZONING REGULATIONS) OF THE TOWN CODE  
REGARDING LAND USE AND ECONOMIC VITALITY STREAMLINING**

**WHEREAS**, the Town of Los Gatos Town Council has an adopted strategic priority to streamline Land Use and Economic Vitality policies; and

**WHEREAS**, the Town has recently experienced a high turnover in commercial spaces, particularly in Downtown and additional commercial spaces are being added to the inventory through new developments in Los Gatos creating more opportunity for retail locations; and

**WHEREAS**, on June 5, 2018, the Town Council adopted Resolution 2018-032 approving a temporary 18-month suspension of Town Code Section 29.20.185 during which formula retail business less than 6,000 square feet could gain approval in the C-2 zone with a reduced process timeline and cost to allow an opportunity for the Town Council to gauge potential changes to the retail mix in downtown; and

**WHEREAS**, on June 19, 2018, the Town Council adopted Resolution 2018-039 approving a temporary 18-month suspension of Town Code Section 29.20.745 and portions of Town Code Section 29.20.755(2) regarding the assignment of duties to allow the Development Review Committee to approve certain modifications to existing Conditional Use Permits for restaurants to provide the ability to revise obsolete language, innovate existing businesses, and/or make other adjustments within the existing business location and square footage; and

**WHEREAS**, on March 5, 2019, the Town Council adopted Resolution 2019-008 approving a temporary 9-month suspension of Town Code Section 29.20.745 and portions of Town Code Section 29.20.755(2) regarding the assignment of duties to allow the Development Review Committee to approve new Conditional Use Permits for restaurants to create more opportunities to attract businesses to Los Gatos; and

**WHEREAS**, on March 5, 2019, the Town Council adopted Resolution 2019-009 approving a temporary nine-month suspension of Town Code Section 29.20.745 providing businesses and commercial property owners an opportunity to make minor exterior modifications to their store fronts and buildings at the building permit level to create more opportunities to attract and retain businesses in Los Gatos; and

**WHEREAS**, on March 5, 2019, the Town Council adopted Resolution 2019-012 approving a temporary nine-month suspension of Town Code Section 29.20.750 (8), during which group classes could gain approval with a reduced process timeline and cost to create more opportunities to attract and retain businesses in Los Gatos; and

**WHEREAS**, by reassigning the duties, the impact of cost and process time on existing and prospective businesses is drastically decreased and more closely aligned with neighboring jurisdictions which provides an incentive for businesses to consider locating in Los Gatos; and

**WHEREAS**, on October 1, 2019, the Town Council reviewed the result of the temporary suspension of Town Code Sections and voted to memorialize the streamlining effort through modification of the Town Code; and

**WHEREAS**, on November 5, 2019, the Town Council adopted Resolution 2019-051 extending the temporary streamlining efforts until such time that the Town Code amendments may be adopted.

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

#### **SECTION I**

Ordinance 2021 is hereby rescinded.

## SECTION II

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

### ARTICLE I. DIVISION 1. MISCELLANEOUS

#### Sec. 29.10.020. – Definitions.

.....

Group classes means instruction provided at a rate greater than one (1) student per one (1) instructor.

Minor exterior alterations to commercial buildings means exterior alterations, including:

- (1) Replacing or changing out windows
- (2) Replacing or adding awnings
- (3) Changes to or addition of arcades
- (4) Replacement of or changes to exterior materials
- (5) Small scale additions where the project is in full compliance with the Town's Commercial Design Guidelines and Town Code and does not result in an intensification of use as described in Section 29.20.145 (4).

.....

Restaurant means a retail food service establishment in which food ~~or~~ and beverage is prepared, served, and sold to customers for on-site or take-out consumption.

~~Restaurant, fast food means a restaurant with a large carry-out clientele, long hours of service, some open for breakfast but all open for lunch and dinner, and high turnover rates for eat-in customers.~~

~~Restaurant, high turnover (sit-down) means a restaurant with turnover rates generally of less than one (1) hour, is usually moderately priced and frequently belong to a restaurant chain, generally service breakfast, lunch and dinner, and are sometimes open twenty four (24) hours a day.~~

~~Restaurant (minor) means any restaurant that satisfies the following criteria:~~

- ~~(1) Provides less than 25 seats;~~
- ~~(2) Serves no alcoholic beverages;~~
- ~~(3) Proposes no significant exterior changes that would alter the architectural character of the building; and~~
- ~~(4) Provides a net increase of less than five peak hour traffic trips.~~

~~Restaurant, quality means a restaurant of high quality and with turnover rates usually of at least one (1) hour or longer, generally do not serve breakfast, may not serve lunch, but always serve dinner.~~

.....

**ARTICLE I. DIVISION 4. PARKING**

**Sec. 29.10.150 (c). Number of off-street spaces required.**

.....

(29) *Group classes.* One (1) parking space for each employee and one (1) parking space per three (3) students.

.....

**ARTICLE I. DIVISION 5. NONCONFORMING BUILDINGS, LOTS, AND USES**

**Sec. 29.10.225. Grounds for determining that a nonconforming use is no longer lawful.**

.....

(2) That the nonconforming use is so exercised as to be detrimental to the public health or safety, or to be a nuisance; ~~In determining whether a nonconforming restaurant or bar violates this subsection, the deciding body shall also apply the enforcement analysis contained in the Alcoholic Beverage Policy;~~

.....

**ARTICLE II. DIVISION 3. APPROVALS**

**Sec. 29.20.185. Table of Conditional Uses.**

.....

TABLE OF CONDITIONAL USES	RC	HR	R1	RD	R-M	RMH	R-1D	O	C-1	C-2	CH	LM	CM
(1) Commercial													
n. Formula retail business										X			
o. Formula retail business greater than 6,000 s.f.									X		X	X	
(4) Schools													
h. Art, craft, music, dancing school, <u>group classes</u>								X	X	X	X	X	

.....

**Sec. 29.20.190. Findings and decision.**

.....

- (b) The deciding body, on the basis of the evidence submitted at the hearing, may deny a conditional use permit for a formula retail business greater than 6,000 square feet or a personal service business if any of the following findings are made:

.....

**ARTICLE II. DIVISION 5. ADMINISTRATION AND ENFORCEMENT**

**Sec. 29.20.318. Modification of operating hours of establishments serving alcoholic beverages.**

.....

- (a) Notwithstanding section 29.20.310, if the Town Manager determines that there is cause to believe that any establishment serving alcoholic beverages may be in violation of the ~~Alcoholic Beverage Policy adopted by the Council~~ approved Conditional Use Permit for the establishment, the Town Manager will cause a notice of violation to be mailed to the current owners of the property and establishment as disclosed in the most recent County assessor's roll and the Town business license files. This notice will describe the alleged violations.;

.....

- (c) If after the hearing, the Manager or the Manager's designee determines that the establishment is in violation of the ~~Town's Alcoholic Beverage Policy~~ approved Conditional Use Permit for the establishment, the Manager or the Manager's designee may limit the hours of operation of the establishment, up to and including closure no later than 10:00 p.m. until the Manager or the Manager's designee determines that the violations have been abated. Upon determination that the violations have been abated, the Manager will notify the owners of the property and the establishment that the establishment is in compliance and will increase the operating time limits as the Manager or designee determines is appropriate in light of the violations that occurred and the abatement steps taken. The decision of the manager shall be effective immediately and the establishment shall immediately conform its hours of operation to the Manager's order.

.....

**ARTICLE II. DIVISION 7. ASSIGNMENT OF DUTIES**

**Sec. 29.20.700. Planning Director.**

.....

- (34) Determines applications for minor exterior alterations to commercial buildings.

.....

**Sec. 29.20.745. Development Review Committee.**

.....

- (8) ~~Determine and issue zoning approval for minor exterior alterations to commercial buildings.~~ Reserved.

.....

- (16) Determine and issue zoning approval for ~~minor~~ restaurants ~~that are located outside Downtown (the C-2 zone).~~

.....

- (21) Determine and issue zoning approval for group classes in the C-2 zone.

.....

**Sec. 29.20.755. Town Council.**

.....

- (2) Hears and determines Planning Commission recommendations for the adoption or amendment of the general plan or any specific plans and conditional use permits for establishments selling alcoholic beverages for on premises consumption (excluding restaurants) and for retail sales of firearms, ammunition and/or destructive devices.

.....

**ARTICLE VI. DIVISION 2. O OR OFFICE ZONE**

**Sec. 29.60.085. Permitted uses.**

.....

- (3) Group classes

.....

**ARTICLE VI. DIVISION 3. C-1 OR NEIGHBORHOOD COMMERCIAL ZONE**

**Sec. 29.60.210 (a). Permitted uses.**

.....

- (1) Retailing-, including formula retail up to 6,000 square feet.

.....

- (6) Group classes.

.....

**ARTICLE VI. DIVISION 4. C-2 OR CENTRAL BUSINESS DISTRICT COMMERCIAL ZONE**

**Sec. 29.60.320 (a). Permitted uses.**

.....

..... (1) Retailing, including formula retail up to 6,000 square feet.

.....

..... (6) Group classes.

.....

**ARTICLE VI. DIVISION 5. CH OR RESTRICTED HIGHWAY COMMERCIAL ZONE**

**Sec. 29.60.420 (a). Permitted uses.**

.....

..... (1) Retailing, including formula retail up to 6,000 square feet.

.....

..... (5) Group classes.

.....

**ARTICLE VII. DIVISION 2. LM OR COMMERCIAL-INDUSTRIAL ZONE**

**Sec. 29.70.100 (a). Permitted uses.**

.....

..... (1) Retailing, including formula retail up to 6,000 square feet.

.....

..... (7) Group classes.

.....

**SECTION III**

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

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

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

#### **SECTION 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**

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 VI**

This Ordinance shall take effect thirty (30) days after its adoption. 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).

**SECTION VII**

This Ordinance was introduced at a regular meeting of the Town Council of the Town of Los Gatos on \_\_\_\_\_, 2020, 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 \_\_\_\_\_, 2020.

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

DATE: \_\_\_\_\_

ATTEST:

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

DATE: \_\_\_\_\_

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**TOWN OF LOS GATOS  
PLANNING COMMISSION  
REPORT**

MEETING DATE: 01/08/2020

ITEM NO: 3

DESK ITEM

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DATE: January 8, 2020  
TO: Planning Commission  
FROM: Joel Paulson, Community Development Director  
SUBJECT: Town Code Amendment Application A-19-010. Project Location: **Town Wide**.  
Applicant: Town of Los Gatos.  
Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding land use and economic vitality streamlining.

REMARKS:

Exhibit 11 includes additional public comments received between 11:01 a.m., Friday, January 3, 2020 and 11:00 a.m., Wednesday, January 8, 2020.

EXHIBITS:

Previously received with January 8, 2020 Staff Report:

1. Required Findings
2. October 1, 2019 Town Council Report with attachments
3. November 5, 2019 Town Council Report without attachments
4. Resolution 2019-051
5. C-2 Zone Map
6. Ordinance 2021
7. Resolution 2018-011
8. Resolution 2005-038
9. Draft Resolution
10. Draft Ordinance

Received with this Desk Item:

11. Public comments received between 11:01 a.m., Friday, January 3, 2020 and 11:00 a.m., Wednesday, January 8, 2020

PREPARED BY: Sean Mullin, AICP  
Associate Planner

---

Reviewed by: Planning Manager and Community Development Director

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## Sean Mullin

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**From:** M Millen <mpmillen@gmail.com>  
**Sent:** Monday, January 06, 2020 10:14 AM  
**To:** Monica Renn  
**Cc:** <chamber@losgatoschamber.com> (chamber@losgatoschamber.com); Sean Mullin  
**Subject:** Re: Planning Commission Meeting this Wednesday RE: Business Streamlining

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Dear Town of Los Gatos,

These changes are a good start, but are not nearly enough.

Once these items are permanent, the town must continue to lower fees and identify and eliminate regulatory barriers to new businesses in downtown.

Thank you,

Mark Millen

Los Gatos, CA

Sent from my iPhone

On Jan 6, 2020, at 10:02 AM, Monica Renn <mrenn@losgatosca.gov> wrote:

Good morning Los Gatos Business Stakeholder,

Happy New Year! I hope this email finds you well.

As you may be aware, in 2019 the Town Council approved a series of temporary resolutions that provided business process streamlining opportunities that allowed many of the business processes to take place on a less expensive and shorter timeline. Late last year they voted to send them through the planning process to memorialize the changes in the Town Code.

In order for the Code changes to become permanent, both the Planning Commission and Town Council must hear the issues in public meetings, first by the Planning Commission, then the Town Council.

The Planning Commission will hold their public hearing this **Wednesday, January 8, 2020 at 7 p.m.** in the Town Council Chambers located at 110 E. Main Street. After the discussion, the Planning Commission will make a recommendation to the Town Council on if they believe these changes should be adopted.

Here is a link to the agenda and staff report for the Planning Commission meeting: <https://meetings.municode.com/d/f?u=https://mccmeetings.blob.core.usgovcloudapi.net/los-gatos-pubu/MEET-Packet-aa6715149b3c48328da39895fa12540d.pdf&n=AgendaPacket-Planning%20Commission-January%208,%202020%207.00%20PM.pdf>

If you would like to provide comments on these items, please feel free to email them to me before Wednesday, January 8 at 11 a.m. or attend the Planning Commission meeting Wednesday evening and provide them in person. Please let me know if you have any questions. Thank you!

Kindly,  
Monica Renn  
Economic Vitality Manager

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

Los Gatos Planning Commissioners:  
Matthew Hudes, Chair  
Melanie Hanssen, Vice Chair  
Mary Badame  
Jeffrey Barnett  
Kendra Burch  
Kathryn Janoff  
Reza Tavana

Town Manager: Laurel Prevetti

Community Development Director: Joel Paulson

Town Attorney: Robert Schultz

Transcribed by: Vicki L. Blandin  
(619) 541-3405

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

CHAIR HUDES: The next item is actually a number of changes to Town Code Amendments, Application A-19-010. Of course this is Town Wide and the Applicant is the Town of Los Gatos.

This is to consider amendments to Chapter 29, Zoning Regulations of the Town Code regarding land use and economic vitality streamlining. I was going to suggest a process for this, that we take the Staff Report from Mr. Mullin and we take any comments from the public, but then as we consider this there seem to be possibly four distinct items, and so I'm going to go through them in sequence and get a vote on each of those as we go through. I think it will be clearer that way rather than mixing things up. We'll do the whole thing and the Staff Report and then the public comments. So, Mr. Mullin.

SEAN MULLIN: Thank you. The Town Council has an adopted strategic priority that promotes community vitality and encourages land use streamlining efforts. Staff has been working with the Council and Council Policy Committee to identify and streamline many of the business-related processes to reduce the associated time and costs. Five

1 temporary resolutions were adopted by the Council and were  
2 set to sunset in December of 2019. On October 1<sup>st</sup> the  
3 Council voted to memorialize the streamlining efforts and  
4 adopted a resolution on November 5<sup>th</sup> extending the temporary  
5 streamlining efforts until such time that the Town Code  
6 amendments may be adopted.

7  
8 Before you tonight is consideration of the Town  
9 Code Amendments necessary to memorialize these streamlining  
10 efforts. The code amendments are related to allowing new  
11 formula retail businesses in the downtown C-2 zone without  
12 approval of the CUP, Conditional Use Permit; allowing the  
13 DRC to approve certain CUP modifications for existing  
14 restaurants in the downtown C-2 zone; to approve CUPs for  
15 new restaurants town wide; approving minor exterior  
16 modifications to commercial buildings at the Building  
17 Permit level; and allowing the DRC to approve CUPs for new  
18 group classes in the downtown C-2 zone. A thorough  
19 discussion of each topic is included in your Staff Report.

20 In conclusion, the Staff recommends that Planning  
21 Commission review the proposed amendments and forward a  
22 recommendation to the Town Council by taking the actions  
23 outlined on pages 7 and 8 of the Staff Report. I'd like to  
24 note that Monica Renn, the Town's Economic Vitality Manager  
25 who ushered the temporary streamlining efforts through the

1 process, is here tonight and is available to answer any  
2 questions.

3           This concludes Staff's presentation and we are  
4 available to answer any questions.

5           CHAIR HUDES: Okay. Questions? I had one kind of  
6 big question and that is that actually I was a little  
7 baffled at the original paragraph that explains what's  
8 going on here. So, to be clear, memorializing these  
9 streamlining efforts means making them permanent, is that  
10 correct?  
11

12           SEAN MULLIN: That's correct. Permanent by  
13 changing the Town Code.

14           CHAIR HUDES: And so why is there also the  
15 language that says, "Until such time that Town Code  
16 Amendments may be adopted."?

17           SEAN MULLIN: There were two separate actions by  
18 the Council.

19           Because these resolutions were sunseting, or  
20 expiring, in December of 2019 the first action was to vote  
21 to see if they wanted to memorialize these, how they wanted  
22 to act on each of these. They voted to memorialize them.

23           The second component on November 5<sup>th</sup> was to come  
24 back with a resolution which hadn't been prepared for the  
25 first meeting, and that resolution then extended those

1 temporary resolutions until such time that the Town Code  
2 could be updated.

3 CHAIR HUDES: Okay, thank you. I'm going to move  
4 to public input at this point and then we'll come back for  
5 more Staff questions, then we'll go kind of one-by-one. So,  
6 I don't have any cards. Oh, I do. Bob Caya, McCarthy Ranch.

7 BOB CAYA: Good evening, my name is Bob Caya and  
8 I represent McCarthy Ranch. As most know, we have a vested  
9 interest in Los Gatos from a personal, business, and  
10 property perspective. By way of the Planning Commission,  
11 Town Council, and Staff's leadership we have seen  
12 noticeable progress toward the revitalization of downtown  
13 Los Gatos and are here tonight to full-heartedly encourage  
14 the Planning Commission to recommend to Council that the  
15 Town permanently adopt all of the currently temporary  
16 resolutions before you this evening.

17  
18 To boot, I'd like to provide three specific  
19 personal examples of these resolutions working toward the  
20 Town's strategic initiative of being open for business.

21 One, the minor exterior modifications to  
22 commercial buildings resolution allowed us to renovate our  
23 existing Highway 9 properties, and upon completion of  
24 construction we will be able to re-tenant them with first  
25 class tenants who will collectively add to the strong

1 fabric that is our community as well as provide a warm and  
2 welcome entrance to the downtown. This was something that  
3 was proving to be economically non-feasible prior to the  
4 passage of this temporary resolution.

5           Two, the new restaurant CUPs to be heard at the  
6 DRC resolution has directly benefited one of our  
7 perspective tenants at that same property, a first-rate Bay  
8 Area local business who has wanted to come to Los Gatos for  
9 some time but been gun shy given what they perceived as  
10 overly restrictive regulations. Based on this and other  
11 resolutions we were able to convince them that Los Gatos is  
12 heading in a positive policy direction and they should make  
13 the move. They obliged and pending all necessary approvals  
14 will be calling Los Gatos home soon.

15           Three, the restaurant CUP modifications at the  
16 DRC resolution allowed Rootstock to modify its existing CUP  
17 so we may offer live music twice weekly, which has been  
18 widely well received. We would not have been able to do  
19 that economically as it would have otherwise cost us about  
20 \$15,000.  
21

22           As we feel these examples show, these resolutions  
23 are bringing real results and will continue to encourage  
24 positive developments for the betterment of our town should  
25 they be permanently enacted.

1                   We appreciate the Planning Commission's  
2 consideration of this item and encourage a resounding yes  
3 recommendation to the Town Council. Thank you for your  
4 time.

5                   CHAIR HUDES: Thank you. Any questions? I had  
6 one. You were referring to exterior modifications of  
7 commercial business on Highway 9. Which ones were those?

8                   BOB CAYA: We own the corner old Postal Mate, the  
9 old liquor store there, the large office building, and then  
10 the old insurance building there, which are now under  
11 construction.

12                   CHAIR HUDES: Okay, so they are now under  
13 construction but they haven't been completed yet?

14                   BOB CAYA: Yes.

15                   CHAIR HUDES: Thank you. Would anyone else like  
16 to comment on this? Okay, so I'll now close the public  
17 portion of the public hearing and we'll consider each of  
18 the four individually.

19                   Let's first talk about formula retail business in  
20 the downtown C-2 zone. This is specifically talking about  
21 formula retail in downtown C-2. Are there questions of  
22 Staff or comments on this? Vice Chair Hanssen.

23                   VICE CHAIR HANSSEN: I just want to make sure I  
24 understand it. The temporary measure passed by Council was  
25

1 to allow over an 18-month period up to five formula retail,  
2 but what we're being asked to consider now is to allow  
3 unlimited formula retail as long as it's not greater than  
4 6,000 square feet, is that correct?

5 SEAN MULLIN: The first part of your question was  
6 that Council was allowing up to five to come in before  
7 Staff had to bring the item back for review with the  
8 Council, not necessarily stop the resolution but give them  
9 an opportunity to review the impact. The second part of  
10 your question is the code change that's before you tonight  
11 would make that permanent. There would not be a cap on the  
12 number of formula retail in downtown under 6,000 square  
13 feet.  
14

15 VICE CHAIR HANSSEN: Right, so not that it would  
16 happen, but if 20 formula retailers wanted to come into the  
17 C-2 zone and they were under 6,000 square feet, no one  
18 would be looking at it?

19 SEAN MULLIN: In theory, yes, that is possible.

20 VICE CHAIR HANSSEN: Okay.

21 CHAIR HUDES: As a follow up to that, I am having  
22 a little hard time with the term memorializing because what  
23 was approved was five in 18 months, so we're not  
24 memorializing five every 18 months, correct? What we're  
25

1 making permanent is unlimited number every month in  
2 perpetuity, is that right?

3 SEAN MULLIN: Correct, until... If there becomes a  
4 concern Council could direct Staff to look into a future  
5 code change, but yes, the answer to your question is yes.

6 CHAIR HUDES: But that's what the law would be is  
7 that we could take any number of them?

8 ROBERT SCHULTZ: That is correct, and if at any  
9 time Council felt that there would too many they could  
10 always put a moratorium on them and make changes to it, but  
11 this change would not have any cap or any review of formula  
12 retail.  
13

14 CHAIR HUDES: If I could maybe just follow up to  
15 that since it seems to be a pretty dramatic change, what  
16 has been the outreach, what's been the reaction? We heard  
17 from someone who's a developer. Probably there are  
18 landlords that have opinions but there are also key  
19 independent retailers in this town, some of whom have been  
20 here a very long time and are struggling. What's been the  
21 outreach and what's been the reaction from them?

22 SEAN MULLIN: With this portion, and I'm going to  
23 defer to Monica in one moment, with this portion the  
24 application where planning has taken the lead the outreach  
25 has been through social media blasts and posting our normal

1 methods. Monica has done additional outreach that I'd like  
2 to let her summarize.

3 CHAIR HUDES: Okay, thank you.

4 MONICA RENN: Monica Renn, Economic Vitality  
5 Manager. Really at a high level what we've seen is a big  
6 change in how people shop. We've seen a big change in how  
7 tenants will tenant a space: the size, the merchandise, the  
8 location. We did extensive work with the brokerage  
9 community, with the property owners, with the businesses  
10 themselves, and all of them are actually very much in favor  
11 of this. What we see now is something like 12 vacancies on  
12 North Santa Cruz, so if there were really a line of formula  
13 retailers that were looking to infiltrate or to take over  
14 downtown, I don't think we would see that vacancy.

15  
16 There is a formula to almost every formula  
17 retail, for lack of a better word, as to where they want to  
18 locate, so just dropping into a center of a main street  
19 doesn't necessarily fit almost ever. We're seeing Williams-  
20 Sonoma close, we all know that. We have potentially one to  
21 two, maybe three, of our formula retailers that we have now  
22 that will be closing in the next four months. Those have  
23 not been made public but we do know that. We know that  
24 based on market trends, we know that based on our  
25 information coming forward.

1           So, having all that information and working with  
2 the Council and working with all the stakeholders what  
3 we've found is hey, let's be a little more dynamic, let's  
4 try to open up the ability to see what can happen. We do  
5 know Sephora is coming in, that's a new formula retail in a  
6 new location, and we know that's going to bring a lot of  
7 action, that's going to bring a lot of people who are... We  
8 call it retail synergy, so a lot of other people who want  
9 to be located around that are now going to look to Old  
10 Town.

11  
12           So, I would say the outreach has been extensive  
13 and the support of it has also been very favorable.

14           CHAIR HUDES: Could you maybe comment on the... I  
15 know the developers and the landlords, yes, but we do have  
16 some independent retailers that have been here a long time  
17 that are struggling. Have they participated? Have you heard  
18 from them that they're in support of formula retail coming  
19 into the downtown?

20           MONICA RENN: In conjunction with the Chamber  
21 I've sent emails out, probably three to four emails,  
22 regarding every single one of these issues before the Staff  
23 Report is written to go to Council to invite them to the  
24 Council meeting and to follow up with what the action was,  
25

1 understanding that independent business owners are very  
2 busy and they don't necessarily have the time.

3           The ones who have come to our meetings at the  
4 Chamber have all been in support of this. Independent  
5 retailers know that their business alone does not bring the  
6 masses, so they can appreciate that when there is a draw,  
7 be it a formula retail, be it a restaurant, be it some sort  
8 of service business, when there is a draw they are going to  
9 do better, so all of those that I have talked to, they have  
10 all been in support of this.

11           CHAIR HUDES: Okay, thank you. Other questions?  
12 Yes, Commissioner Badame.

13           COMMISSIONER BADAME: I don't have a question but  
14 just a couple of comments.

15           In regard to, for example, Sephora coming into  
16 the Old Town, I have to wonder about the impact that it's  
17 going to have on a similar existing business that's been  
18 there for at least five years, and that would be  
19 Bluemercury, so I'm kind of worried about some of these  
20 formula stores. In fact, to me the CUP process allows  
21 community participation as to the needs and types of  
22 businesses that would shape and serve the Town and I kind  
23 of worry about a saturation of formula businesses in that  
24 it would take away from the uniqueness of our town, and to  
25

1 that respect, even though some of this is to streamline  
2 costs and time, typically formula can absorb the cost of  
3 the CUP, so those are some comments I have in regard to  
4 formula.

5 CHAIR HUDES: Thank you. Commissioner Tavana.

6 COMMISSIONER TAVANA: I was going to echo some of  
7 those opinions as well but I guess I would say over an 18-  
8 month period only three new formula retailers have taken  
9 action so far. Can you comment on who those three are?

10 MONICA RENN: Correct. Actually, what we saw was  
11 an interesting dynamic of where kind of formula replaced  
12 where formula was because there is a place that they want  
13 to be. Really the new one is Sephora, and then the other  
14 one would be AT&T, because at one point the Walking Company  
15 was considered one of our new ones, but then they moved  
16 into where the Gymboree left and closed, so in turn they  
17 replaced like for like, and I would just say a couple of  
18 things.  
19

20 One is both businesses that were mentioned by the  
21 commissioner are both formula retail. There's another  
22 makeup store two doors down from the other. Oftentimes you  
23 will find that they purposely cluster together because  
24 something you can't get at one you get at the other. It's  
25 no shock that Athleta joined our community shortly after

1 lululemon did; in another community they actually share a  
2 common wall because they know that the market is the same,  
3 and so a lot of times that competition is healthy and it  
4 actually creates a stronger shopping base for all of the  
5 stores involved.

6           Maybe that's not the case all the time of course.  
7 If there's a business model that's not strong and a  
8 stronger competitor comes in we can see that one closes,  
9 but if it is a formula they have that kind of greater role  
10 above them making those decisions and making the choices  
11 based on their market area and based on their shopping  
12 area.

14           CHAIR HUDES: Okay. Yes, Commissioner Tavana.

15           COMMISSIONER TAVANA: I guess as a follow up, is  
16 there a procedure in place to determine what formula  
17 retailers are acceptable or not acceptable, or who's  
18 allowed in and who's not allowed in? What does that process  
19 look like?

20           MONICA RENN: Sure. There is not something in  
21 place for that and the CUP process that's in place for  
22 formula retail is actually not there for us to choose or to  
23 allow a specific business, it's really about the use. So,  
24 the discussion is is this allowed, is this use appropriate?  
25 It's not about a specific company, and so we can't make

1 those decisions based on the company, and that's why we  
2 find when we create the CUPs they have to be broad enough  
3 that another company can replace them because they do run  
4 with the land.

5 CHAIR HUDES: Thank you. Commissioner Janoff.

6 COMMISSIONER JANOFF: Are we in discussion?

7 CHAIR HUDES: Yeah.

8 COMMISSIONER JANOFF: Okay. It strikes me that  
9 vacancy is worse for the Town than bringing in a retail  
10 that may be a large formula retail. I'm excited about  
11 Sephora coming in, but it seems to be that it's an  
12 experiment worth trying because the Town is going to  
13 benefit from a more active and vibrant shopping experience.  
14 I think one of the terms used in the report had to do with  
15 restaurants are limited in some ways because if you're a  
16 town of only restaurants you'd have a busy town at lunch  
17 and dinner and then the rest of the time it's sort of quiet  
18 possibly, so you need to have that balance and purpose for  
19 people to be in town longer. I think the dwell time or the  
20 amount of time people are staying and shopping and enjoying  
21 and taking advantage of what the Town provides is important  
22 and I would support this change for that reason. I think an  
23 occupied town is a healthier town and some of those big  
24 draw companies are really going to help.  
25

1 CHAIR HUDES: Vice Chair Hanssen.

2 VICE CHAIR HANSSEN: I was going to say I really  
3 appreciated Ms. Renn's comments; it gave me a lot of  
4 confidence. We had previously a couple of years ago been  
5 asked to view a presentation on the future of retail and it  
6 was really dark and dismal in terms of what's going to  
7 happen, and for many, many, many years we've had our  
8 businesses complaining about how hard it is to change their  
9 business or do things in town, so that being the case I  
10 think there is one thing that is sort of a checkpoint and  
11 it's this 6,000 square feet thing, so for that reason  
12 you're not going to see Walmart wanting to be in town, or  
13 if they do there's going to be a checkpoint to evaluate it.  
14 Under 6,000 square feet, I think that's going to help. I'm  
15 kind of asking Ms. Renn, I think the kinds of retail, the  
16 size thing, will be a good indicator?  
17

18 MONICA RENN: You're correct, and there was kind  
19 of a caveat in that original resolution that you of course  
20 could recommend to the Council that continued and that was  
21 that if a company came in and asked to join several spaces  
22 that it would need a Conditional Use Permit and it would  
23 need review, so for example like you're saying, if a large  
24 company came in a said hey, we want to take over this  
25 entire building and make all of these suites a Walmart or

1 whatever it is, they're probably going to hit above that  
2 6,000 square foot, but there are some things if you're  
3 feeling some discomfort there that you could certainly  
4 bring to the Council's attention.

5 VICE CHAIR HANSSEN: I don't know if it's fair to  
6 say that that's the collective will of the Town to not have  
7 Walmart here, but it is a whole different kind of place  
8 than a lot of the places we've had in Los Gatos, so I am  
9 comfortable with the 6,000 square feet and what I heard you  
10 say is we could add in if some really very large retailer  
11 was trying to come into town without having any review of  
12 it, that we could ask to put in if they tried to put  
13 multiple spaces together, is that right?  
14

15 MONICA RENN: That's correct, and I think it's  
16 important to note that we often do that internally. If  
17 there is something that we really feel like this is out of  
18 the norm, we have a company asking to all of a sudden take  
19 over an entire block, Staff would not be comfortable  
20 approving that; I think that is something we would  
21 definitely bring to the bodies.  
22

23 VICE CHAIR HANSSEN: Okay, thank you.

24 CHAIR HUDES: Maybe I had one comment. I don't  
25 know very much about retail; I'm not even a very good  
shopper, but I have been around the town a while and I do

1 remember there was a lot of controversy about this subject  
2 when the CUP for formula retail was enacted and so I'm kind  
3 of shocked that we haven't had any reaction here to it,  
4 that we haven't even had a single item. I also am thinking  
5 that, myself, I didn't really even understand the language  
6 very well in what went out, so the memorializing, what does  
7 that mean? The fact that we're talking about not  
8 memorializing the five every 18 months but we're  
9 memorializing something different or we're enacting  
10 something different I felt was a little bit unclear, so I  
11 actually think that my opinion is it would be hasty to pass  
12 this on at this point without making sure that people have  
13 had the opportunity to weigh in on this as it was such a  
14 hot topic a while ago.

16           So, my feeling is that I'd like to leave this one  
17 open on a continuance with maybe better wording of what  
18 we're doing in the outreach and make sure that we have the  
19 opportunity to hear from people on this one. That's just my  
20 opinion on this. I think anything to do with the business  
21 and the vitality of the downtown is something that I'm very  
22 passionate about, but I also am kind of very surprised that  
23 we haven't had that reaction and I wonder if it may have  
24 had something to do with the language and the clarity of  
25 what we're doing to do.

1 Commissioner Burch.

2 COMMISSIONER BURCH: I in the last year, based on  
3 some job type related issues, have done a lot of work  
4 researching retail and where retail is going, how other  
5 jurisdictions are now adapting to that, and I'm probably  
6 going to be the first one to tell you here I am  
7 enthusiastically behind what we're doing.

8 Retail is changing drastically. It's no longer  
9 necessarily completely about going into a store even to  
10 buy. Oftentimes if you go, you look, you like it, you may  
11 go somewhere else and then buy that item online. So, what's  
12 happening is as we all know our land prices are not going  
13 down. Smaller companies are having a very hard time meeting  
14 lease costs or other such issues, and I realize that  
15 financially that's not our purview to worry about, but what  
16 it does lead to is you see vacancies, and the more  
17 vacancies you have the less people come into town and it  
18 becomes a cycle that is actually building on itself.

19  
20 By lessening this restriction—and just so  
21 everyone knows, Los Gatos is known for being notoriously  
22 difficult for retail—so by backing off a bit on this.. And  
23 6,000 square feet is not very big, so we're not inviting in  
24 a West Elm or a Home Depot. These are smaller businesses  
25 anyway, but they're businesses that have the financial

1 backing to be able to be slow for the first few months that  
2 they're here, but their names are recognizable enough that  
3 when people come to go shop at that place they will then  
4 continue walking. They'll see something else, a store that  
5 they've never heard of down the street, and again that  
6 becomes a cycle, that builds on itself. If this was just  
7 open-ended and anybody could come in at any size I would  
8 not be for this, but when you really look at what it takes  
9 to build a store and just basic code requirements, what has  
10 to be in that store to support it, we are not talking about  
11 large stores, but what we are talking about is not going up  
12 and down Santa Cruz and having 12 vacancies. That's  
13 terrible.  
14

15           So, I think that this is well overdue. I think  
16 that other developers are going to start seeing this and  
17 begin speaking to their clients who are looking in our  
18 neighboring jurisdictions, which we're seeing very alive  
19 and vibrant—like you said, not just at dinner or lunch but  
20 are vibrant—and they're going to start suggesting to their  
21 clients, you know what? Los Gatos has got some programs  
22 going. You should come talk to them, see what you think,  
23 and I think we're going to see a vast difference in this  
24 town.  
25

1 I understand what you're saying about some of the  
2 wording, but I don't know that that... I feel like we could  
3 hammer that out right here and still send that on with  
4 confidence.

5 CHAIR HUDES: I don't have the expertise to  
6 really know, but I do know that we have some folks who have  
7 been very loyal to the downtown and have operated  
8 businesses for 20 years and I would hate to see this go in  
9 and them be surprised by this, because these are some of  
10 the same people who were opposed to the formula retail  
11 coming in previously and maybe they're enlightened now and  
12 maybe they're going to perfectly fine with all of that, but  
13 I feel like we owe something to them in terms of  
14 communication, and I'm not saying for months, I'm talking  
15 about to do a clear description of what we're proposing  
16 here, because I think the language has been confusing so I  
17 don't think we have anyone here who understood it and I am  
18 suggesting that we reword and we elicit whatever comments  
19 that we can get from some of our folks who we know have  
20 devoted their lives to operating retail businesses  
21 downtown.

22  
23 COMMISSIONER BURCH: In this dialogue do you guys  
24 mind if I just ask one quick question of Ms. Renn? Did you  
25 meet with Catherine at the Chamber? I know that she has a

1 couple people who work for her that oftentimes when things  
2 are in front of us that deal with the downtown they go  
3 door-to-door and talk to people. Are you aware if this took  
4 place for this issue?

5           MONICA RENN: I have gone door-to-door and talked  
6 about all of these issues. I have gone to Chamber meetings.  
7 I have summarized this in very short bullet points, knowing  
8 that independent businesses don't have a ton of time to  
9 read these Staff Reports, so it hasn't just been hey, check  
10 out this attachment and let me know what you think, it's  
11 been tonight is this, this is what it means for us. I think  
12 this is why the Council did the 18-months or five, because  
13 if there was that reluctance we have gone almost two years  
14 and have not seen that flood, and that was really what the  
15 conversation was at the Council is that was the test  
16 period, that was the period, you know, do the neighbors  
17 know, do they not know? During that time I have been in  
18 various arenas sharing this information and have tailored  
19 that language to match my audience, so it hasn't just been  
20 passing out resolutions, because I do understand that those  
21 can be difficult and they don't make sense when you're  
22 trying to do 18 things at once; I've tried to really be  
23 tailoring that information.  
24  
25

COMMISSIONER BURCH: Thank you.

1 CHAIR HUDES: Thanks. Yes, Commissioner Janoff.

2 COMMISSIONER JANOFF: I think both points are  
3 really important, but I wonder whether we can accomplish  
4 the same objective of making the language that goes to the  
5 community from these bodies clearer by recommending that  
6 that happen when this goes to the Town Council, so before  
7 it's agendized on the next Town Council meeting recommend  
8 that there be communication from these bodies that is  
9 adopting the clear language as is suggested.  
10

11 I wouldn't like to see it held up but I would  
12 like to see as many persons who are interested in  
13 participating in the public process, we don't have many  
14 tonight, and if it is that important to the residents of  
15 the Town then give them the opportunity, and they have that  
16 opportunity before the Town Council. I believe it  
17 accomplishes the same objective without holding things up.

18 CHAIR HUDES: Okay, thank you. Yes, Vice Chair  
19 Hanssen.

20 VICE CHAIR HANSSEN: I was going to say I'm very  
21 much with Commissioner Burch on this and I don't think we  
22 should hold this up, especially since we had the 18-month  
23 trial period, but I also agree with Commissioner Janoff. I  
24 think just like we're doing with the General Plan Advisory  
25 Committee, we're looking at the possibility of growing

1 2,000 units and they're putting communications out there  
2 saying come and voice your opinions on how we do this. I  
3 think as long as there's some communication that goes out,  
4 because I think it got a little bit lost with the up to  
5 five and all this stuff, just be clear in the  
6 communications—and I'm not saying hold it up—that we are  
7 proposing to allow any formula retailer up to 6,000 square  
8 feet to operate in our town if they have the will, then I  
9 think it's fine. But I also feel like Ms. Renn has done a  
10 fabulous job of reaching out to everyone as well so that  
11 the only thing it would just need is a little clarity of  
12 language.  
13

14 CHAIR HUDES: Okay. Other comments?

15 COMMISSIONER BARNETT: I'll just briefly chime  
16 in, if I may. I've been in Los Gatos since 1974 and it was  
17 a charming village with uniqueness at that time, but I  
18 think given the economic pressure now with land values that  
19 it's difficult to fight the market and in some form or  
20 fashion that we're going to have to accept more formula  
21 retail in the Town.  
22

23 CHAIR HUDES: Okay. It's suggested that we take  
24 each of these and do a vote on them and then we can bundle  
25 that into a final recommendation, is that okay?

1           So, on this item we would need a motion. Yes,  
2 Commissioner Burch.

3           COMMISSIONER BURCH: Are we just going to make a  
4 motion to adopt the revision to the formula retail  
5 businesses in downtown C-2 zone?

6           ROBERT SCHULTZ: It's a recommendation to  
7 (inaudible).

8           COMMISSIONER BURCH: Recommendation, I'm sorry. A  
9 recommendation of approval to Council to adopt the formula  
10 retail business in the downtown C-2 zone changes. Do I need  
11 to add any more to that? Okay.

12           CHAIR HUDES: Okay. Do we have a second? Yes,  
13 Commissioner Janoff.

14           COMMISSIONER JANOFF: Second.

15           CHAIR HUDES: Okay, thank you. Any comments  
16 before we vote? I unfortunately will not be able to support  
17 the motion because I have to kind of vote on what's before  
18 me, and what's before me is something that I don't think  
19 informed the public enough about the issue for what I'm  
20 dealing with right now. I do support the idea of getting  
21 more input. I am not opposed to formula retail in the  
22 downtown even as it's been proposed, I just feel like  
23 what's before me hasn't had enough clear notice for people  
24  
25

1 who I believe reacted in a different way in a different  
2 time, so for that reason I won't be supporting the motion.

3           Anyone else want to make comments? Okay, I'll  
4 call the question. All in favor? Okay. Opposed. So, it  
5 passes 5-2 and I think you've got the commissioners voting,  
6 so thank you.

7           Yes, Commissioner Burch.

8           COMMISSIONER BURCH: Can we take like a five-  
9 minute break?  
10

11          CHAIR HUDES: Yes, we may. Thank you.

12          (INTERMISSION)

13          CHAIR HUDES: Let's get started again. The next  
14 item in the Town wide code amendment application is  
15 restaurants and CUP modifications at the DRC level, which  
16 was a temporary 18-month resolution to allow current  
17 restaurants to modify their CUP at the DRC. Many of them  
18 chose to modify their use permit to allow them to  
19 participate in the pilot parklet program and now new CUPS  
20 to be heard at the DRC and suspension of Ordinance 2021, so  
21 this would I guess suspend or eliminate 2021, is that  
22 correct?

23          SEAN MULLIN: This change would eliminate 2021.  
24  
25

1 CHAIR HUDES: Right, okay. Any comments or  
2 observations about how that's worked for restaurants?  
3 Commissioner Badame.

4 COMMISSIONER BADAME: Well, I work downtown and I  
5 can definitely say that the outdoor dining has been a big  
6 plus. Live music has also enhanced the ambiance, so I think  
7 the CUP modification at a DRC level for existing  
8 restaurants has been phenomenal, so I'm a big supporter of  
9 that.  
10

11 CHAIR HUDES: Great, other comments?

12 VICE CHAIR HANSSEN: I had a question.

13 CHAIR HUDES: Yeah.

14 VICE CHAIR HANSSEN: I just want to make sure I  
15 know what we would be recommending. Basically what we're  
16 saying is that there is no need for any more 18-month  
17 period, that basically all new restaurant CUPs as well as  
18 modifications to existing CUPs could go through the DRC?

19 SEAN MULLIN: Correct, they are eligible to go  
20 through the DRC.

21 VICE CHAIR HANSSEN: Okay.

22 CHAIR HUDES: Commissioner Burch.

23 COMMISSIONER BURCH: Is there anything that would  
24 make them need to come to the Planning Commission,  
25

1 something that you feel that DRC would not cover in this  
2 scope?

3           JOEL PAULSON: Joel Paulson, Community  
4 Development Director. Under the current regulations there  
5 is nothing that comes to mind, however, with any  
6 application we always have the ability to forward that to  
7 the Planning Commission should there be an issue or  
8 concern. As Ms. Renn mentioned before, if someone came in  
9 and wanted to merge a block of suites and turn it into a  
10 big disco/nightclub/restaurant, that's probably going to be  
11 problematic, so we would look at those things on a case-by-  
12 case basis, but there are no specific restrictions in the  
13 ordinance.  
14

15           COMMISSIONER BURCH: Okay, thank you.

16           CHAIR HUDES: Okay, other questions on  
17 restaurants? I would add my comment that it seems as though  
18 we've stimulated some innovation in the restaurants so  
19 there's a wider variety I would say, and not just of  
20 cuisines but also of styles of dining, and saved some  
21 locations that looked like they had been struggling for  
22 some time and now they seem to be pretty vibrant and I  
23 think we even have some ones that are sought out over a  
24 pretty wide regional basis, so I think that things seem to  
25

1 be working pretty well there and I think we're getting the  
2 kind of vibrancy and vitality that we need to have.

3           There will always be a question of do you go too  
4 far with restaurants, and that's probably the bigger  
5 concern, so if there were a situation where we are becoming  
6 a Saratoga, which is only restaurants, what would the  
7 mechanism be for moving that back and dealing with that  
8 situation?

9  
10           SEAN MULLIN: As previously discussed with the  
11 formula retail, the Council could put a moratorium on it,  
12 they could pass a resolution to change the process  
13 temporarily so that it could be studied, so if there was a  
14 concern coming up the Council could address it.

15           CHAIR HUDES: Great. Vice Chair Hanssen.

16           VICE CHAIR HANSSSEN: I think you already asked  
17 the question but so a business wants to come in and change  
18 the retail to restaurant, they don't have to get a CUP for  
19 that or they can do it through the DRC, because it's a  
20 change from one kind of CUP to another, so it could be done  
21 at the DRC?

22           SEAN MULLIN: It would still require a CUP but  
23 instead of the hearing body typically being the Planning  
24 Commission and Council it could go to the DRC. The scenario  
25 you're discussing, a concern was raised with that in

1 Resolution 2021, which all this gets alleviated by making  
2 these changes.

3 VICE CHAIR HANSSEN: Okay, that's fine, and as  
4 long as I'm speaking I wanted to say I generally don't see  
5 a problem with this at all. I mean, the only concern  
6 possibly would be the one where we end up having more  
7 restaurants than retail, but it seems like that can be  
8 checked by the DRC.

9 SEAN MULLIN: Ultimately that would be Council if  
10 there was an issue. At the Staff level and the DRC level  
11 CUPs would continue to be processed and if they met the  
12 requirements they would be moved forward. If the Council  
13 noted a concern of an oversaturation of that particular  
14 use, they could put a moratorium in and then study what  
15 changes are necessary.

16 VICE CHAIR HANSSEN: Good. Thank you.

17 JOEL PAULSON: I would just add for the Planning  
18 Commission that the Staff will continue to maintain a list  
19 of these various changes and the number of businesses that  
20 come in under the new provisions and should they start  
21 spiking we would take that question back to Council even if  
22 they had not called that out before. There is no hard and  
23 fast number but that's something that Staff would have to  
24 look at and will continue to monitor.

1 CHAIR HUDES: Okay. Other comments on this? Since  
2 I'm not carrying my weight here on motions I'll move to  
3 recommend to the Council the we memorialize the item on  
4 restaurants. Commissioner Badame.

5 COMMISSIONER BADAME: Second.

6 CHAIR HUDES: Discussion? Okay, I'll call the  
7 question. All in favor? It passes unanimously.

8 So, let's move on to exterior modifications, and  
9 these are minor exterior modifications to commercial  
10 buildings, to allow this to be processed as building  
11 permits rather than Architecture and Site applications at  
12 the DRC. Any questions of Staff on this? Yes, Commissioner  
13 Janoff.  
14

15 COMMISSIONER JANOFF: The question that comes to  
16 mind is, this is broadly commercial but how are historic  
17 commercial buildings handled with these proposed  
18 modifications?

19 SEAN MULLIN: Any exterior change to a historic  
20 commercial building would continue to require the Historic  
21 Preservation Committee's review. It could be done at the  
22 building permit level or preliminarily prior to the  
23 building permit submittal.  
24

25 COMMISSIONER JANOFF: But there's sort of a full  
stop, check with the...

1 SEAN MULLIN: That's correct.

2 COMMISSIONER JANOFF: Great, thank you.

3 CHAIR HUDES: Question for Staff. Has there been  
4 anything close on this where you were thinking maybe we  
5 should take this to Planning Commission, or did these go  
6 through pretty much as you expected?

7 JOEL PAULSON: We haven't had any that have risen  
8 to that level yet. Not to say that that won't happen  
9 because everyone always likes to push the envelope, but the  
10 current ones that we have, they meet the requirements. It's  
11 façade changes, material changes, window and door changes,  
12 things like that, so some of them will have different  
13 architectural look and feel but it has not risen to a level  
14 where we thought Planning Commission needed to weigh in on  
15 it.  
16

17 CHAIR HUDES: So, it sounds like the most  
18 extensive one of those might have been McCarthy Ranch on  
19 the corner of North Santa Cruz in the testimony that we  
20 had.

21 JOEL PAULSON: That's probably the one that has  
22 the most changes because it's also multiple buildings.

23 CHAIR HUDES: Right, okay. Any further discussion  
24 on this one? Okay, a motion on this? Commissioner Badame.  
25

1 COMMISSIONER BADAME: I move to forward  
2 recommendation on minor exterior modifications to  
3 commercial building to Town Council.

4 CHAIR HUDES: Okay. Commissioner Burch.

5 COMMISSIONER BURCH: I'll second that.

6 CHAIR HUDES: Further discussion? Okay, all in  
7 favor? Opposed? Passes unanimously.

8  
9 Then finally group classes. This is a resolution  
10 allowing a CUP for group classes within the downtown C-2  
11 zone to be heard by DRC and those in other commercial zones  
12 to be allowed by right with a certificate of use and  
13 occupancy in business license. So, this is a CUP at the DRC  
14 level in downtown and it's by right elsewhere, is that  
15 correct?

16 SEAN MULLIN: That's correct.

17 CHAIR HUDES: On this one I had a question and  
18 that is in the Staff Report it says that the term group  
19 classes is not defined in the Town Code, and so my question  
20 is do we need to tighten that up? The term group class is  
21 defined really only as "not one-on-one" instruction, and so  
22 something like a music school, a religious school, a riding  
23 academy, a tutoring business, that's doing it on a group  
24 basis, those would all be considered group classes, is that  
25 correct, or do some of those fall outside of group class?

1 SEAN MULLIN: All those examples are already  
2 considered group classes. What Staff recognized here with  
3 this change of introducing a group, the term group classes,  
4 is that it was absent from our code and we were using over  
5 time the art, craft, music, and dancing school which fits  
6 the model of single instructor with a group class, so  
7 adding group classes, which is the term that we use most  
8 often, will just clarify it. But your examples are already  
9 considered group classes.  
10

11 CHAIR HUDES: Okay, well, my comment on that  
12 would be that where I've seen some downtowns decaying,  
13 where the vibrancy and value had degraded, are some  
14 downtowns that have become more and more occupied by not  
15 the cycle type of group class but things like tutoring or  
16 religious schools or things like that, and that tends to go  
17 hand-in-hand with sort of the degradation of downtowns, and  
18 so I was wondering if things like an actual school should  
19 be differentiated from some of the group classes, the  
20 fitness and things, that were envisioned in this. I don't  
21 know if other people have thoughts about that or whether we  
22 need a better definition of group class or that we feel  
23 like things will work themselves out, I don't know. Yes,  
24 Commissioner Badame.  
25

1                   COMMISSIONER BADAME: Well, I have some concerns  
2 with that. I equate group classes in the downtown to dead  
3 weight not really adding to the vitality of the downtown,  
4 and what little group classes I've seen I don't see them  
5 patronizing the businesses. They go to their class and then  
6 they leave, so it seems to me that something like that  
7 needs more scrutiny or a better definition because I would  
8 also be concerned about the degradation of downtown.

9                   CHAIR HUDES: Vice Chair Hanssen.

10                   VICE CHAIR HANSSSEN: I wanted to ask a question.  
11 I was thinking of the example of SoulCycle. It was my  
12 recollection that there was a whole bunch of juice bars and  
13 places that kind of crept up. The synergy thing that you  
14 were talking about, is that correct?

15                   MONICA RENN: That's correct, and actually  
16 lululemon, we were trying to get them to come here for  
17 several years after their pop-up store and they hemmed and  
18 hawed, and then once SoulCycle opened they jumped on the  
19 next opportunity to come, so that's an example. I can say  
20 as a customer of that same workout studio, there are  
21 examples where an instructor will actually announce in  
22 class, "Let's go X place for coffee together after," and  
23 there will be a core group of people who will leave and go  
24 somewhere together, so I think it just depends on the type.  
25

1 I think another thing to note is that this too  
2 has been available for several months now and so it's less  
3 about us looking at the crystal ball. I think it's more  
4 about us kind of seeing what has happened and then  
5 understanding that we can do a moratorium of do some sort  
6 of stop if there becomes a level that's discomfort.

7  
8 The group classes that we've seen that have been  
9 coming forward to us are really ones that are experiential,  
10 and in fact we were asked to do a presentation. I was asked  
11 to represent Los Gatos and do a presentation recently at an  
12 economic development summit that was about our downtown and  
13 it was about how we create experience, because with our  
14 one-way pilot we actually got a lot of people looking at  
15 us, and the entire conference was actually on experience,  
16 how to create experience, how do you get somebody to your  
17 location, because then they will shop and they will stay,  
18 and it's by providing things that can't be done online like  
19 the classes, the socialization, exercise, those type of  
20 things.

21 VICE CHAIR HANSSEN: So, relative to Chair Hudes'  
22 thoughts, SoulCycle makes perfect sense to me. Orangetheory  
23 Fitness, another one. I mean, they have it in downtown  
24 Oakland and I'm sure it's helped the other businesses  
25 there, but if you think about like a Chinese school or

1 something that's only catering to a very small percent of  
2 the population, doesn't really have synergies with anything  
3 else, where do you draw the line on that? I mean, I guess  
4 it gets approved at the DRC level so you would presumably  
5 talk about those issues from downtown anyway.

6           MONICA RENN: I have two thoughts on that versus  
7 of course it's the use, it a use of group classes, but for  
8 me people equals synergy, so if people are coming  
9 regardless, especially if they're dropping their kids off  
10 and they have an hour to kill or two hours or kill, or  
11 maybe they're dropping off a spouse or going to dinner,  
12 maybe it is a language class and then they're waiting  
13 somewhere they're going to meet the person after. I just  
14 think anything you can do to get people here, to get people  
15 understanding that this is a town that offers something for  
16 everybody the more successful we'll be across the globe.

18           I mean, every store downtown is not for every  
19 person and we know that and I think that's why it is  
20 important to encourage a mix, but that happens naturally  
21 and so for me I think heck, if we can get people down here  
22 somebody is going to buy something else or discover  
23 something else or stay a little longer, so for me it's  
24 people equals synergy.  
25

VICE CHAIR HANSSSEN: Okay, thank you.

1 CHAIR HUDES: Commissioner Burch.

2 COMMISSIONER BURCH: I completely agree with you  
3 on that. I'm just curious, in your expertise are you  
4 completely comfortable with us not having a definition of  
5 group classes? If we all stop thinking about what the  
6 market needs right now—we all know right now it's yoga,  
7 Pilates, or cycling or something—and we go 15 years down  
8 the road when trends have turned another way, are we  
9 comfortable not having at least any parameters? And I am  
10 going to defer to your expertise; you've talked to other  
11 jurisdictions.  
12

13 MONICA RENN: You know, I think if we wanted to  
14 craft a definition of group classes it could be helpful.  
15 It's interesting because a lot of times when people do come  
16 to tenant a property they will look at our code, they will  
17 search out group classes, and we know internally that we  
18 use that school definition but it's not something that  
19 somebody can search from our Town Code, so I think if we  
20 were open to create a definition and it was a definition  
21 that was anything beyond kind of that one-to-one, and  
22 that's what we tell folks. When they come and they say oh  
23 no, I'm not having group classes, I'm just going to work  
24 with three people at once, we say it is our practice that  
25 one-on-one is personal service and once you go beyond that

1 it's group class, so we do have kind of an unwritten  
2 definition and I think putting that down—kind of for lack  
3 of a better word, my apologies—memorializing that  
4 definition, putting it somewhere could provide us with the  
5 ability to serve more clearly.

6 COMMISSIONER BURCH: Yeah, I would think so too.  
7 Without slowing down process I just would recommend that we  
8 do something just knowing we don't know where the service  
9 or class market is going to go in 15 years and this gives  
10 us some kind of parameter to fall back on.

11 CHAIR HUDES: Vice Chair Hanssen.

12 VICE CHAIR HANSSEN: I was under the  
13 understanding that we also have a process for schools, and  
14 so I wondered if it would be clearer if we just said..  
15 Because there is actually a definition proposed in the  
16 ordinance for group classes being not one-on-one  
17 instruction, but you could also say it's not a school as  
18 defined in our code because we have a specific definition  
19 of what a school is, you know, like a public school.

20 SEAN MULLIN: To address that question, there  
21 already is for traditional schools, the term I'll use, so  
22 public school, high school, private school, those kinds of  
23 things, that's a separate use from group classes and is  
24 administered differently. The group class is how we've used  
25

1 that term internally but applied it to the art, craft,  
2 music, dancing schools, really looking at these specialty  
3 type classes, so dancing, music, or in this case the  
4 exercise.

5 VICE CHAIR HANSSSEN: Not a broad based, multi-  
6 disciplinary education?

7 SEAN MULLIN: Correct.

8 VICE CHAIR HANSSSEN: Okay.

9  
10 JOEL PAULSON: And I would just offer that if the  
11 Commission thinks that's clearer, then language to the  
12 effect of, "and does not include schools as defined in the  
13 Town Code," which Vice Chair Hanssen mentioned, that could  
14 be part of the recommendation to the Council.

15 CHAIR HUDES: Okay. Comments about that? I agree,  
16 I think that would be helpful. I absolutely appreciate the  
17 dynamics that are coming with businesses like SoulCycle and  
18 the other fitness related ones, however, I also am very  
19 aware of some downtowns that have become homes to tutoring  
20 classes and karate studios and other things where the value  
21 of the downtown has significantly degraded for the very  
22 reason that Commissioner Badame pointed out in that those  
23 people are there for a very specific purpose and they're  
24 not availing themselves, and those are often associated  
25 with decreasing rents and a decline of a downtown.

1           When you go into a downtown and you see one  
2 that's been in decline you see some personal service  
3 businesses and you see those kinds of things and that's  
4 about it, and so I would be supportive of this with the  
5 addition of saying not a school, but I also would suggest  
6 that we monitor this one really closely and if we are  
7 starting to see some degradation, we start to see too many  
8 uses that are really not synergistic and not additive that  
9 we then come back on this one and watch this one closely,  
10 because it is associated with declining downtowns, it can  
11 be, so maybe we will need a different definition at that  
12 point, so I would be supportive of this language as it is  
13 with that addition. Yes, Commissioner Burch.

14           COMMISSIONER BURCH: Do you want me to...

15           CHAIR HUDES: Sure.

16           COMMISSIONER BURCH: Okay. I'm going to venture a  
17 motion that we recommend approval of the modification for I  
18 guess the addition of group classes as written, but we  
19 would like to see a definition of group classes as  
20 discussed in this meeting added to that wording.

21           CHAIR HUDES: And I wonder if the maker of the  
22 motion would be open to including the term "not a school,"  
23 because school is covered elsewhere?  
24

25           COMMISSIONER BURCH: Yes, absolutely.

1 CHAIR HUDES: I would second that motion then.

2 COMMISSIONER BURCH: Thank you.

3 CHAIR HUDES: Further discussion? Okay, all in  
4 favor? Okay, opposed? Passes unanimously, and this is a  
5 recommendation so I assume there's not appeal rights on  
6 this, is that correct?

7 SALLY ZARNOWITZ: That is correct.

8 CHAIR HUDES: Okay, very good. We got through it.  
9 Thank you for indulging in the step-by-step approach here,  
10 but I think we were dealing with kind of a basket of things  
11 that had some differences.  
12

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Re: Town Council Meeting RE: Business Streamlining, Tuesday 2/4



Alexander Hult <alexander\_hult@hotmail.com>  
To: Monica Renn  
Cc: <chamber@losgatoschamber.com> (chamber@losgatoschamber.com); Sean Mullin



Wed 1/29/2020 9:01 AM

I think it's fantastic to hear that we are looking for smarter ways to be more effective in permitting process for all business related aspects in town.

Good work!

Alex Hult  
Flights Restaurants - Founder/President/CEO  
Los Gatos Chamber of Commerce - Past President



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 02/04/2020  
ITEM NO: 9  
ADDENDUM

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DATE: February 3, 2020  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Town Code Amendment Application A-19-010. Project Location: **Town Wide.**  
Applicant: Town of Los Gatos.  
Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding land use and economic vitality streamlining related to formula retail businesses in the downtown C-2 zone, restaurants, minor exterior modifications to commercial buildings, and group classes.

REMARKS:

Attachment 8 contains public comments received between 11:01 a.m., Thursday, January 30, 2020, and 11:00 a.m., Monday, February 3, 2020.

Attachments previously received with the June 18, 2019 Staff Report:

1. Findings
2. Draft Resolution
3. Draft Ordinance
4. January 8, 2020 Planning Commission Staff Report (with Exhibits 1-10)
5. January 8, 2020 Planning Commission Desk Item (with Exhibit 11)
6. January 8, 2020 Planning Commission Verbatim Minutes
7. Public comments received between 11:01 a.m., January 8, 2020, and 11:00 a.m., January 30, 2020

Attachment received with this Addendum:

8. Public comments received between 11:01 a.m., January 30, 2020, and 11:00 a.m., February 3, 2020

PREPARED BY: Sean Mullin, AICP  
Associate Planner

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

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**From:** Andrea Romano <[andrea@centonovelosgatos.com](mailto:andrea@centonovelosgatos.com)>  
**Sent:** Thursday, January 30, 2020 5:25 PM  
**To:** Council <[Council@losgatosca.gov](mailto:Council@losgatosca.gov)>  
**Subject:** Town Council February 4th

Honorable Mayor and Town Council,

This is Andrea Romano from Cin Cin and Centonove. I've spoken in front of Town Council several times and most recently submitted my support for the streamlined CUP processes which allowed me to permit outdoor seating at Centonove.

I wanted to throw my support for all of the changes staff has proposed in connection with their streamlining efforts, and would like to see them become permanent, most importantly (but not limited to) the policy on Formula Retail and Ordinance 2021.

These proposed changes are integral to the plan to create a more vibrant and energized downtown, however we have only just begun to see the effects of these currently temporary changes. The downtown is evolving slowly and these proposed changes will ensure smart and thoughtful growth.

I recommend that the Council approve:

1. Formula retailers can occupy any available space without a new or modified Conditional Use Permit.
2. Any space is eligible for a Conditional Use Permit for a new restaurant, and applications and modifications can be reviewed and processed by the Development Review Committee.
3. Exterior modifications to commercial buildings can be approved as part of the building permit process.
4. Group classes are permitted without a Conditional Use Permit when outside of the C-2 district and with a Conditional Use Permit in the C-2 district.

Thank you for supporting these changes and making them permanent. We appreciate all that you do to ensure that Los Gatos remains as special and unique as it has always been.

Cheers,

ATTACHMENT 8

**From:** "Goddard, Nick" <Nick.Goddard@colliers.com>  
**Date:** January 31, 2020 at 9:01:30 AM PST  
**To:** Monica Renn <mrenn@losgatosca.gov>  
**Subject:** Planning Policy Changes Downtown

Ms Ren, I am unable to make the town council meeting to speak personally, but this office is fully supportive of these changes and believe that it will restore some economic dynamism to our downtown. I believe that these have already started producing promising results

<https://meetings.municode.com/d/f?u=https://mccmeetings.blob.core.usgovcloudapi.net/losgatos-pubu/MEET-Packet-aa6715149b3c48328da39895fa12540d.pdf&n=AgendaPacket-Planning%20Commission-January%208,%202020%207.00%20PM.pdf>

Regards  
Nick

**Nick Goddard**, SIOR CCIM MRICS  
Senior Vice President  
CA License No. 01164466  
**Direct +1 408 282 3858**  
Main +1 408 282 3800 | Fax +1 408 283 2549  
nick.goddard@colliers.com | Add as Contact

**Colliers International**  
225 W Santa Clara St. 10th Floor, Suite 1000 | San Jose, CA 95113 | United States  
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**BLACY'S VAULT of LG**  
Fine Jewelers, Inc.

51 UNIVERSITY AVENUE SUITE B LOS GATOS CALIFORNIA 95030  
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JAN 31 2020

TOWN OF LOS GATOS  
PLANNING DIVISION

1/31/2020

Honorable Mayor and Town Council,

I Jeanette Blacy , representing the interests of Blacy's Vault of LG, hereby support all of the changes staff has proposed in connection with their streamlining efforts, and would like to see them become permanent, most importantly (but not limited to) the policy on Formula Retail and Ordinance 2021.

These proposed changes are integral to the plan to create a more vibrant and energized downtown, however we have only just begun to see the effects of these currently temporary changes. The downtown is evolving slowly and these proposed changes will ensure smart and thoughtful growth.

I recommend that the Council approve:

1. Formula retailers can occupy any available space without a new or modified Conditional Use Permit.
2. Any space is eligible for a Conditional Use Permit for a new restaurant, and applications and modifications can be reviewed and processed by the Development Review Committee.
3. Exterior modifications to commercial buildings can be approved as part of the building permit process.
4. Group classes are permitted without a Conditional Use Permit when outside of the C-2 district and with a Conditional Use Permit in the C-2 district.

Thank you for supporting these changes and making them permanent. We appreciate all that you do to ensure that Los Gatos remains as special and unique as it has always been.

Sincerely,  
Jeanette L. Blacy

## Sean Mullin

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**From:** Brent Leblanc <losgatosframing@yahoo.com>  
**Sent:** Saturday, February 01, 2020 3:51 AM  
**To:** Sean Mullin  
**Subject:** Retail

Hello Sean,

We have lost way too much retail space to food services over the past 2-3 years and it has to stop. If it doesn't stop Los Gatos will become nothing but restaurants, drink shops and beauty salons. We have lost a total of 11 commercial retail spots, 10 to food related business and 1 became a high-tech company.

- 1) Rootstock
- 2) Press Juice
- 3) Manressa Bread
- 4) LG Juice
- 5) Tea on The Avenue
- 6) Lexington House
- 7) Urban Remery
- 8) Hummus Restaurant at 1 N. Santa Cruz Ave.
- 9) Glazier
- 10) Lexington House is expanding into more retail space
- 11) 120 W. Main Street has become a high-tech company which is located right next to Lu Lu Pom. I'd really like to know who approved this!!!

Note: This doesn't count the 3 retail businesses we lost to SoulCycle.

If there becomes too many restaurants/drink shops then it becomes difficult for the existing restaurants and drink shops to meet their needed revenue to survive. The population of Los Gatos isn't large enough to support more restaurants.

The current number of vacant retail spaces in downtown Los Gatos is 7 which isn't too bad when you look at it from a percentage basis.

Thank you,

Brent Le Blanc  
Los Gatos Framing Co.  
236 N. Santa Cruz Ave. Suite #106-A  
Los Gatos, CA 95030  
PH: 408-395-2022  
losgatosframing.com



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 02/04/2020  
ITEM NO: 9  
DESK ITEM

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DATE: February 4, 2020  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Town Code Amendment Application A-19-010. Project Location: **Town Wide.**  
Applicant: Town of Los Gatos.  
Consider amendments to Chapter 29 (Zoning Regulations) of the Town Code regarding land use and economic vitality streamlining related to formula retail businesses in the downtown C-2 zone, restaurants, minor exterior modifications to commercial buildings, and group classes.

REMARKS:

Attachment 9 contains public comments received between 11:01 a.m., Monday, February 3, 2020, and 11:00 a.m., Tuesday, February 4, 2020.

Attachments previously received with the February 4, 2020 Staff Report:

1. Findings
2. Draft Resolution
3. Draft Ordinance
4. January 8, 2020 Planning Commission Staff Report (with Exhibits 1-10)
5. January 8, 2020 Planning Commission Desk Item (with Exhibit 11)
6. January 8, 2020 Planning Commission Verbatim Minutes
7. Public comments received between 11:01 a.m., January 8, 2020, and 11:00 a.m., January 30, 2020

Attachment received with the February 4, 2020 Addendum:

8. Public comments received between 11:01 a.m., January 30, 2020, and 11:00 a.m., February 3, 2020

Attachment received with this Desk Item:

9. Public comments received between 11:01 a.m., February 3, 2020, and 11:00 a.m., February 4, 2020

PREPARED BY: Sean Mullin, AICP  
Associate Planner

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

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**From:** ginger rowe <[ginger@timeoutclothing.com](mailto:ginger@timeoutclothing.com)>  
**Sent:** Tuesday, February 4, 2020 10:57 AM  
**To:** Marico Sayoc <[MSayoc@losgatosca.gov](mailto:MSayoc@losgatosca.gov)>; Marcia Jensen <[MJensen@losgatosca.gov](mailto:MJensen@losgatosca.gov)>; BSpector <[BSpector@losgatosca.gov](mailto:BSpector@losgatosca.gov)>; Rob Rennie <[RRennie@losgatosca.gov](mailto:RRennie@losgatosca.gov)>; Monica Renn <[mrenn@losgatosca.gov](mailto:mrenn@losgatosca.gov)>  
**Cc:** Catherine Somers <[catherine@losgatoschamber.com](mailto:catherine@losgatoschamber.com)>; Randi Chen <[randi@losgatoschamber.com](mailto:randi@losgatoschamber.com)>  
**Subject:** Formula Retail Ordinance Revisit

I have had many years to watch, but more importantly be very impacted by what is happening in downtown Los Gatos. I do not feel that now is the time to make the ordinance permanent to change the formula retail. This town is in flux with change and watching not just small stores, but large formula stores continuing to pull out. I understand that the maximum "number" has not been reached. We all know that the face of retail is changing again, and we need to calm down and let things shake out before permanently changing codes. I appreciate that you have "loosed up" requirements, and I think an extension on that could be ok for a period of time, but I think the worse thing to do is over react, and make permanent changes.

Formula retail is also vital in our downtown, but I feel very concerned when you make it so easy that they will continually push out small independent retailers, which is what this town was built upon. If you follow all the retail journals and trends, the businesses that are going to survive will be the ones that offer "experience shopping" along with excellent customer service and selection, those retailers are independents. No one wants to chase any more formulas out of town, but I do know when it is so easy for them to "acquire" or "take over" a small location they will push up the already high rent prices. I understand that landlords want long term leases with large corporations, that will pay high rent continually, but that is not even what is happening with them. There are too many stakeholders invested in large corporations, and they too are looking for shorter term leases, but no matter what, the lure of them to the landowners will naturally push out independent retail opportunities.

This could also be an opportunity for landowners to divide the large spaces, that have and are currently occupied by formulas, and lease out smaller spaces to those formulas. We have to be very careful about pushing out independent retailers at this time. It is a tough decision, one not to be take lightly, and I don't think making such a big step permanent is the right way to go now. We want to find the right mix, I'm not sure what that is yet, but I think we need more time for that decision.

There are many other small communities that continue to thrive. The communities have many things to offer, interesting mix, beautiful surrounding towns, outdoor dining, events, experiences that we too can offer! Now is the time for our town to focus on creating those experiences. I am happy to see the opportunities for restaurants to have more outdoor seating soon! The town now needs to market this on a very large scale, and join together with the chamber to fund more of the events that bring people down into our beautiful town. Make them more frequent and regular. Create habit forming routines that get people downtown. Make it easy for them to make it their pattern of travel. The town needs to work hand in hand in support of the chamber both with permits, but also economically. We do not as I see it need to make this ordinance permanent now, especially in changing times of turmoil.

We are soon to face the North 40 coming down the pipe, and I think we need to calm down, don't over react, help and support what we have currently. Continue to enhance our mix, not just retail, but also restaurants, and promote what we have. Be mindful of the future impact of this very important decision tonight, and pause for a bit.

Please feel free to contact me anytime, and thank you for your time and service.

**Ginger Rowe**

Time Out Clothing

108 N. Santa Cruz Avenue

Los Gatos, CA. 95030

(408) 354-8653

[www.timeoutclothing.com](http://www.timeoutclothing.com)

**From:** Susan Testa <[romantiqueslingerie@yahoo.com](mailto:romantiqueslingerie@yahoo.com)>

**Sent:** Tuesday, February 4, 2020 9:59 AM

**To:** Marico Sayoc <[MSayoc@losgatosca.gov](mailto:MSayoc@losgatosca.gov)>; Marcia Jensen <[MJensen@losgatosca.gov](mailto:MJensen@losgatosca.gov)>; BSpector <[BSpector@losgatosca.gov](mailto:BSpector@losgatosca.gov)>; Rob Rennie <[RRennie@losgatosca.gov](mailto:RRennie@losgatosca.gov)>

**Cc:** Monica Renn <[mrenn@losgatosca.gov](mailto:mrenn@losgatosca.gov)>; Catherine Somers <[catherine@losgatoschamber.com](mailto:catherine@losgatoschamber.com)>; Randi Chen <[randi@losgatoschamber.com](mailto:randi@losgatoschamber.com)>; Ginger@TimeOut <[ginger@timeoutclothing.com](mailto:ginger@timeoutclothing.com)>; Jennifer McRay <[jmcray@sbcglobal.net](mailto:jmcray@sbcglobal.net)>

**Subject:** My opinion regarding making the Downtown ordinance regarding formula retailers permanent

Dear Council Members,

I've been thinking quite a bit about the ordinance regarding formula retailers. First, I do not think that the temporary ordinance allowing formula retailers with more than 7 locations to obtain over the counter permits should be made permanent at this time.

If AT&T and the Shade Shop are indicative of the formula retail stores that are going to open and occupy space for years to come, I think we need to decide what kind of Downtown we want for the future.

I thought about downtown Carmel when thinking about this ordinance. They have many more spaces to fill, but are able to do so without bringing in formula retailers. Doves of people visit downtown Carmel, not just for their beautiful beach, but for their **unique** and **charming** town.

In Los Gatos, by comparison, just on North Santa Cruz Avenue we have an AT&T, The Walking Store, Apple, Restoration Hardware, Benefit, Blue Mercury, Title Nine, Lululemon, Athleta, and J. McLaughlin. Because most of the spaces in Los Gatos are under 6,000 sq. Feet, formula retailers will be able to occupy most of Los Gatos with an over the counter permit under the proposed permanent ordinance. This will artificially drive rents beyond their already high levels, placing downtown Los Gatos out of reach for most local businesses. The unique and charming character of our Downtown will be permanently diminished.

I urge the council not to approve making the ordinance permanent. I think the council, the Chamber of Commerce, the local businesses, the landlords, and the residents need to decide what kind of Downtown we want for the future before allowing any more formula retailers to move into the Downtown district. I am very aware that we are concerned about how the North 40 will impact our downtown. Rushing in formula stores to fill the limited spaces is not the answer in my opinion.

Please do not hesitate to contact me if you have any questions.

Best regards,  
Susan Testa

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