



**TOWN OF LOS GATOS
SPECIAL JOINT MEETING OF THE TOWN COUNCIL AND
PLANNING COMMISSION - STUDY SESSION AGENDA
FEBRUARY 23, 2021
110 EAST MAIN STREET
LOS GATOS, CA**

*Marico Sayoc, Mayor
Rob Rennie, Vice Mayor
Mary Badame, Council Member
Matthew Hudes, Council Member
Maria Ristow, 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 follow the participation instructions on page 2 of this agenda. If you wish to speak to an item NOT on the agenda, you may do so during the “Verbal Communications” period, by following the participation instructions on page 2 of this agenda. The time allocated to speakers may change to better facilitate the Town Council meeting.

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

Deadlines for Public Comment and Presentations are as follows:

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

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

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]

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STUDY SESSION AGENDA
FEBRUARY 23, 2021
7:00 PM

IMPORTANT NOTICE REGARDING THE FEBRUARY 23, 2021 SPECIAL JOINT MEETING

This meeting is being conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order N-29- 20 dated March 17, 2020, regarding the COVID- 19 pandemic. The live stream of the meeting may be viewed on television and/or online at www.losgatosca.gov/AgendasAndVideos. **In accordance with Executive Order N-29- 20, the public may only view the meeting on television and/or online and not in the Council Chamber.**

PARTICIPATION

If you are not interested in providing oral comments in real-time during the meeting, you can view the live stream of the meeting on television (Comcast Channel 15) and/or online at www.LosGatosCA.gov/TownYouTube.

If you are interested in providing oral comments real-time during the meeting, you must join the Zoom webinar:

- Join from a PC, Mac, iPad, iPhone or Android device: click this link <https://us02web.zoom.us/j/87348927786?pwd=UkhxN3dTZnViTFYzMytrcGpjTXBTZz09>. Password: 882602. You can also type in 86874561534 in the “Join a Meeting” page on the Zoom website at <https://zoom.us/join>.
- Join by telephone: Dial: 877 336 1839. Conference code: 969184

During the meeting:

- When the Mayor announces the item for which you wish to speak, click the “raise hand” feature in Zoom. If you are participating by phone on the Zoom app, press *9 on your telephone keypad to raise your hand. If you are participating by calling in, press #2 on your telephone keypad to raise your hand.
- When called to speak, please limit your comments to three (3) minutes, or such other time as the Chair may decide, consistent with the time limit for speakers at a Council meeting.

If you are unable to participate in real-time, you may email to PublicComment@losgatosca.gov the subject line “Public Comment Item #__” (insert the item number relevant to your comment) or “Verbal Communications – Non Agenda Item.” Comments received by 11:00 a.m. the day of the meeting will be reviewed and distributed before the meeting. All comments received will become part of the record.

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REMOTE LOCATION PARTICIPANTS

The following Council Members are listed to permit them to appear electronically or telephonically at the Town Council meeting: MAYOR MARICO SAYOC, VICE MAYOR ROB RENNIE, COUNCIL MEMBER MARY BADAME, COUNCIL MEMBER MATTHEW HUDES, COUNCIL MEMBER MARIA RISTOW, CHAIR KATHRYN JANOFF, VICE CHAIR KENDRA BURCH, COMMISSIONER JEFFREY BARNETT, COMMISSIONER MELANIE HANSSEN, COMMISSIONER JEFFREY SUZUKI, COMMISSIONER REZA TAVANA, and COMMISSIONER EMILY THOMAS. All votes during the teleconferencing session will be conducted by roll call vote.

MEETING CALL TO ORDER

ROLL CALL

VERBAL COMMUNICATIONS *(Members of the public are welcome to address the Town Council on any matter that is listed on the agenda in consistent with the Participation Instructions on page 2 of this agenda.)*

OTHER BUSINESS *(Up to three minutes may be allotted to each speaker on any of the following items consistent with the Participation Instructions on page 2 of this agenda.)*

1. Discuss Economic and Community Vitality and Urban Design with a Panel of Industry Professionals Servicing the Town of Los Gatos.

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 review on the official Town of Los Gatos website.

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



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 02/23/2021

ITEM NO: 1

DATE: February 17, 2021
TO: Mayor, Town Council, and Planning Commission
FROM: Laurel Prevetti, Town Manager
SUBJECT: Discuss Economic and Community Vitality and Urban Design with a Panel of Industry Professionals Servicing the Town of Los Gatos.

RECOMMENDATION:

Discuss economic and community vitality and urban design with a panel of industry professionals servicing the Town of Los Gatos.

BACKGROUND:

The Town of Los Gatos periodically holds study sessions with local commercial real estate professionals to best understand current industry trends for commercial real estate in Los Gatos. These meetings provide the opportunity for a public dialogue to better understand current market trends in various retail and business use sectors.

Through past study sessions, discussions with staff, and focus group discussions with commercial brokers and property owners, the Town Council and Policy Committee began reviewing existing ordinances and policies. Subsequently, the Town Council adopted streamlined processes to modernize the provisions in Los Gatos to retain and attract businesses. Attachment 1 provides a timeline of the adopted streamlining.

Over the past several years, retail has been evolving rapidly for a variety of reasons, and most notably as a result of the dynamic online marketplace. As more retail items become readily accessible online, brick and mortar stores are left with a greater need to innovate and provide services with their retail to attract shoppers into their stores. Prior to the COVID-19 pandemic, the desire for personal service businesses, in-person fitness and other group classes, and sit-down food and beverage uses were on the rise. There was a demand for creative business models that encouraged in-person shopping and consumer experiences. Additionally,

PREPARED BY: Monica Renn
Economic Vitality Manager

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

BACKGROUND (continued):

office spaces with access to employee amenities such as fitness, food, and retail were in demand as companies looked to create attractive spaces where employees would stay for extended hours to work and complete their daily schedules.

The demand for place making also grew rapidly during these times. Private and public operations were looking for ways to carve out areas within existing spaces to create a sense of place for people to gather and share experiences. The Town embraced these trends as opportunities to bring customers into Los Gatos by adopting a temporary parklet program, piloting a one-way street and modified parking options, and streamlining processes for businesses that encouraged groups and personal service experiences, as illustrated in Attachment 1. In addition, the Town encouraged the installation of semi-permanent parklets on North Santa Cruz Avenue and Main Street, of which there are now five (Root Stock, Andale's, Pizza My Heart, Centonove, and Los Gatos Roasting/Zona Rosa).

In March of 2020, the economic landscape took a drastic turn when the COVID-19 pandemic was declared and the first shelter in place orders were enacted. Businesses were forced to pivot their practices for what was initially believed to be a short period of time.

As the extended timeline of the pandemic became clear, businesses needed to start looking at more long-term plans for innovation and modification to sustain their operations. The Town supported these efforts by adopting a twelve-month Economic Recovery Resolution on June 3, 2020, which was recently extended by the Town Council until at least December 31, 2021 (Attachment 2). With the adoption of the Resolution and to encourage business retention and attraction, the Town facilitated the ability for businesses to implement outdoor dining, shopping, and group class areas to support business operations that were unable to take place indoors. In addition, the Resolution provides further temporary streamlining options that support business needs to relocate, bifurcate, expand and adapt to the dynamic economic environment.

Through the last year, Los Gatos businesses have risen to the occasion and demonstrated resiliency and innovation to keep their operations open. The Town applauds the community for these tireless efforts. In addition, the Town continues to receive interest from new businesses looking to open or expand into Los Gatos. Many report that Los Gatos is attractive because of the Town's support and implementation of outdoor service areas including downtown parklets, and the ability to implement outdoor areas in private parking lots and shopping centers by reducing parking requirements.

The Town Council's extension of the semi-permanent parklet program, and the adoption of the grant program for building semi-permanent parklets further strengthens this message and

BACKGROUND (continued):

shows support to businesses who desire outdoor service areas. These efforts also support Los Gatos consumers as many have demonstrated the desire to remain outdoors for the foreseeable future as the community weathers the pandemic, and to simply enjoy the ability to patronize their favorite businesses while embracing the beauty of Los Gatos.

DISCUSSION:

Given the unprecedented events over the last year and their effect on businesses and consumers, this study session was scheduled to provide the opportunity for a public discussion with the Town Council and Planning Commission on the current economic environment and how Los Gatos may best position itself to support business and economic recovery and expansion.

Key objectives for the discussion are to learn about the current trends in commercial real estate including the uses that are on the rise and decline, listen to the experiences of the Town's business stakeholders, and discuss how the Town may continue to attract and retain businesses as we move through economic recovery.

The study session creates a starting point and common language for future discussions on streamlining processes and policies and supporting business development in Los Gatos, and how urban design and streetscape planning may be utilized to support outdoor shopping and service areas through economic recovery and beyond.

A panel of commercial real estate professionals was invited to join the conversation based on their work throughout Los Gatos, representing downtown and neighborhood serving shopping centers, in varying professional roles. Panel members (biographies in Attachment 4) include:

- Cindy Johnson, Director of Construction for Western States, property owners of Downing Shopping Center and Los Gatos Village Square;
- Jeff Kreshek, Senior Vice President, West Coast Leasing for Federal Realty, property owners of Old Town Center, and current land lease holder and managing operators at King's Court Shopping Center;
- Jim Foley, Principal at Pennant Properties, business and commercial property owner in downtown Los Gatos, Chamber of Commerce Board Member; and
- Keyston Smith, President and Chief Executive Officer of Cilker Orchards, owners of Cornerstone Shopping Center.

The Town Council and Planning Commission were surveyed on specific questions they would like addressed by the panel members and the survey results are contained in Attachment 3.

DISCUSSION (continued):

Attachment 5 contains information from Council Member Hudes, which he wanted to share after completing the survey.

Additionally, staff has connected with businesses and commercial property owners to invite them to share their input and experiences either with public comments at the meeting or in writing prior to the session which would be distributed as an Addenda or Desk Item prior to the meeting.

The study session includes an Urban Design discussion to be led by Sally Zarnowitz, AIA, LEED AP and Planning Manager at the Town of Los Gatos. She will provide an overview of the urban design context for Los Gatos, providing insight on how parklets may contribute to the vitality of the shopping areas in the short-term, and exploring through questions and answers how the Town could harness the trends identified by the panelists.

CONCLUSION:

The study session provides ample opportunities for the Council and Commission to ask questions of the panel and staff. Staff looks forward to the discussion and the continued partnership with the business community to enhance the vitality of Los Gatos.

COORDINATION:

This report has been prepared in collaboration with the Town Manager's Office and Community Development Department.

FISCAL IMPACT:

There is no fiscal impact associated with this study session.

ENVIRONMENTAL ASSESSMENT:

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

Attachments:

1. Economic Vitality and Land Use Streamlining Document
2. Adopted Economic Recovery Resolution
3. Town Council and Planning Commission survey results
4. Commercial Real Estate Professional biographies
5. Communication from Council Member Hudes

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 2021-002

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS
APPROVING TEMPORARY OUTDOOR PUBLIC SPACE EXPANSION AND TEMPORARY
MODIFICATIONS TO SPECIFIC PROVISIONS RELATED TO BUSINESS PERMITS,
PROCESSES, PROVISIONS, AND ACTIVITIES DURING THE COVID-19 PANDEMIC TO
OFFER ECONOMIC RELIEF, RECOVERY, AND OPPORTUNITIES FOR COMMUNITY AND
ECONOMIC VITALITY**

WHEREAS, pursuant to the Town’s police power, as granted broadly under Article XI, Section 7 of the California Constitution, the Town Council has the authority to enact and enforce ordinances and regulations for the public peace, morals, and welfare of the Town and its residents; and

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

WHEREAS, California Government Code Section 8634 states that “During a local emergency the governing body of a political subdivision, or officials designated thereby, may promulgate orders and regulations necessary to provide for the protection of life and property...”; and

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

WHEREAS, international, national, state, and local health and governmental authorities are responding to an outbreak of respiratory disease caused by a novel coronavirus named "SARS-CoV-2," and the disease it causes has been named "coronavirus disease 2019," abbreviated COVID-19, ("COVID-19"); and

WHEREAS, on January 30, 2020, the World Health Organization declared the Covid-19 outbreak a Public Health Emergency of International Concern; and

WHEREAS, on January 30, 2020, the United States Secretary of Health and Human Services declared a Public Health Emergency; and

WHEREAS, on January 31, 2020, the first case of COVID-19 was confirmed in Santa Clara County (“County”); and

ATTACHMENT 2

WHEREAS, on February 10, 2020, the Santa Clara County Board of Supervisors and Department of Public Health declared a local emergency and local public health emergency to aid the regional healthcare and governmental community in responding to COVID-19; and

WHEREAS, on March 4, 2020, the Governor of the State of California declared a state of emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19; and

WHEREAS, on March 11, 2020, the World Health Organization declared COVID-19 an International Pandemic; and **WHEREAS**, on March 12, 2020, the Town Manager of Los Gatos acting in the capacity of Town of Director of Emergency Services, issued a Proclamation of Local Emergency; and

WHEREAS, on March 13, 2020, the President of the United States of America declared a national emergency and announced that the federal government would make emergency funding available to assist state and local governments in preventing the spread of and addressing the effects of COVID-19; and

WHEREAS, on March 16, 2020, the Santa Clara County Department of Public Health directed all individuals in the County to Shelter in Place and mandated requirements, including but not limited to, social distancing, staying home if sick, canceling or postponing group events, working from home, and other precautions to protect public health and prevent transmission of this communicable virus; and

WHEREAS, on March 17, 2020, the Town Council of the Town of Los Gatos ratified the Proclamation of Local Emergency; and

WHEREAS, the pandemic and necessary federal, state and local public health orders requiring social distancing to prevent spread of COVID- 19 have had and will continue to have devastating economic impacts on the local community, including residents, businesses, employees and Town operations; and

WHEREAS, the longer the emergency order is in place, the more difficult it will be for small retail and restaurant operators to return and reopen their businesses; and

WHEREAS, although the Town continues to be in an emergency response phase, an emergency management principle has been established that recovery planning must begin as early as possible to strengthen community resilience while shortening the economic recovery timeline; and

WHEREAS, some of the actions that the Town has taken during this state of emergency to support local business are: eviction protections; suspension of rent for Town owned Facilities; a website with COVID 19 and business resources; and assistance for restaurants and food retailers by allowing sales of alcohol via delivery and takeout, providing flexibility for restaurants to sell groceries, and allowing curbside pickup; and

WHEREAS, due to the severe economic impacts of COVID- 19 and its economic impacts on the community and the Town organization, the Council deems it necessary to take additional action to suspend enforcement of certain provisions of the Town of Los Gatos Town Code and provide temporary process streamlining measures to facilitate the retention and attraction of Los Gatos businesses during the COVID-19 pandemic, reduce economic impacts, foster recovery, encourage economic vitality, and reduce commercial vacancies; and specified below to support social distancing requirements, effective public communication related to rapidly transitioning business re-opening status, and economic viability of businesses in adhering to permitted opening and social distancing requirements; and

WHEREAS, the below measures are intended to provide economic relief to businesses that are experiencing economic uncertainty while complying with State and County Orders. Accordingly, the Town will facilitate a temporary “ pilot” program, which will include the development and implementation of a plan to use the right- of-way, sidewalks and streets to help maintain social distancing during the first few phases (stages) of reopening consistent with the State’s Resilience Roadmap and continued economic support of businesses for uses such as walking space, outdoor dining, and pick- up/delivery areas. The program would provide for residents to receive the health and wellness benefits of being outdoors and support businesses with enough space to safely physically distance; and

WHEREAS, the program is established for the purpose of supporting and facilitating the recovery of business and economic activity in the Town by expanding the spaces available for the safe conduct of such activities for Town businesses and their customers and patrons to create more physical distance for pedestrians and business patrons to maintain physical distancing; and nothing herein is intended to nor shall be deemed to create open gathering places or public fora unrelated to the intended business support and recovery purpose; and

WHEREAS, Over the years, the Town’s conservative budgeting practices have resulted in healthy reserves and frequent annual budgetary surplus with a balanced Operating Budget for Fiscal Year 2020-2021 with no reductions to service, despite significant revenue and other economic impacts from sheltering-in-place. Those reserves and surpluses are now paying the Town huge dividends during the COVID 19 crisis; and

WHEREAS, on May 26, 2020, the Town Council reallocated \$1,900,000 in prior surpluses reserved for downtown streetscape revitalization toward COVID-19 economic stimulus recovery efforts. This is one of the single largest economic recovery packages ever proposed in the Town’s history; and

WHEREAS, time is of the essence to quickly implement a program to allow for safe physical distancing consistent with the State’s Resilience Roadmap and County Guidelines in order to address both public health and economic impacts of COVID- 19, as residents have been primarily indoors since the initiation of the State and County Orders, this will be a dynamic temporary program, receiving input from the Town Council, and shall be subject to administrative modification by the Town, as authorized herein, as necessary in response to emerging issues or concerns of public, health, safety or convenience; and

NOW, THEREFORE, BE IT PROCLAIMED AND RESOLVED by the Town Council of the Town of Los Gatos that:

SECTION 1. All recitals set forth above, and all recitals included in support of Federal, State and County actions referenced herein, are adopted as though fully set forth herein as findings in support of this Resolution and, after considering all such findings and current local circumstances the Council hereby declares the continuing existence of a local emergency related to the continued threat of COVID- 19 as it relates to public health and economic impacts; and

SECTION 2. In order to support the re-opening of restaurants and other businesses in accordance with the State Executive Order N-60-20, the Town Council hereby directs and authorizes the Town Manager to implement the following strategies that may be used independently or in combination. as outlined below:

1. As identified by the Town generally along N. Santa Cruz Avenue (south of Highway 9/Los Gatos-Saratoga Road) and Main Street, private businesses in the C-2 Zone are permitted to utilize public street parking spaces in proximity to their business for expanded dining and alcohol service, retail, or business use space to facilitate safely distanced pedestrian circulation, expanded outdoor dining and alcohol service, and customer queuing, pickup and waiting areas associated with permitted business activities and pursuant to the terms agreed upon in an Economic Recovery Agreement between the business and the Town;
2. Suspend parking requirements in private commercial lots to allow some parking spaces to be utilized for restaurant seating or business activities given sufficient parking remains available for customer use, and to allow for such to facilitate safely distanced pedestrian circulation, expanded outdoor dining and alcohol service, customer queuing, and pickup and waiting areas associated with permitted business activities and pursuant to the terms of agreed upon in an Economic Recovery agreement between the business and the Town;
3. Allow pop-up patios, parklets, and other areas to encourage and support additional ideas for outdoor space such as use of parts of the sidewalk for signage, merchandise

and queueing, where adequate sidewalk width exists consistent with disabled access requirements and public safety; and

4. Current Los Gatos businesses may relocate, expand, or open an additional business location without obtaining a new Conditional Use Permit provided the business enters into an Economic Recovery agreement with the Town, documenting that any change of ownership is subject to a new Conditional Use Permit or Conditional Use Permit modification consistent with the existing Town Code;
5. The requirement for personal service businesses to obtain a Conditional Use Permit in the C-2 zone is suspended provided the business enters into an Economic Recovery agreement with the Town, documenting that any change of ownership is subject to a new Conditional Use Permit consistent with the existing Town Code;
6. The requirement for up to a total of five (5) markets, bars and/or other miscellaneous commercial businesses to obtain a Conditional Use Permit in the C-2 zone is suspended provided the business enters into an Economic Recovery agreement with the Town, documenting that any change of ownership is subject to a new Conditional Use Permit consistent with the existing Town Code;
7. The cot for a new Conditional Use Permit is reduced by 50% with the Town paying the balance of the fees;
8. Alcohol consumption is permitted with meals in Town parks, temporary pop-up parks, temporary patio dining, and parklets; and
9. The expiration date for all building permits and planning entitlements shall be extended by two years.

SECTION 4. Environmental Review. As a result of the COVID- 19 public health emergency, the Town of Los Gatos proposes a temporary program to use the right- of-way, sidewalks and streets to help maintain social distancing during the first few phases (stages) of reopening consistent with the State’ s Resilience Roadmap and provide for residents to receive the health and wellness benefits of being outdoors and support businesses with enough space to safely physically distance. The proposed project is exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) as followed:

- A. The project is statutorily exempt under State CEQA Guidelines Section 15269 (Emergency Projects), because the temporary program includes specific actions that

would allow for safe physical distancing consistent with the State's Resilience Roadmap and County and State Guidelines in order to mitigate the COVID- 19 public health emergency.

- B. The project is categorically exempt under State CEQA Guidelines Section 15301 (Existing Facilities) because the actions identified in the program are limited to the permitting, leasing, and minor alteration of existing public facilities, including existing streets, sidewalks, bicycle and pedestrian trails, which would not result in the creation of additional automobile lanes. The program would result in a negligible expansion of existing commercial uses and a negligible expansion of the public's use of Town right-of-way, as the uses included in the temporary program would not vary from the current uses of commercial businesses, residential areas, or public access within the Town's right-of-way.

SECTION 5. Notwithstanding any other Town policy or procedure, the Town Engineer shall be authorized to review and approve on behalf of the Town any and all design and construction necessary as part of the temporary program herein and the Town Manager shall be authorized to enter into agreements on behalf of the Town to implement the strategies herein without further action of the Town Council.

SECTION 6. Any provision of the Los Gatos Town Code or any appendix thereto inconsistent with the provisions of this Resolution, to the extent of such inconsistencies and no further, is hereby repealed or modified to that extent necessary to affect the provisions of this Resolution.

SECTION 7. All current and prior emergency and public health orders as currently enacted and in effect, or as subsequently amended or modified, issued by the Governor, the State or County Public Health Official or the Town or County Emergency Services Director are expressly adopted

SECTION 8. This resolution remains in place until December 31, 2021.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 16th day of February 2021 by the following vote:

COUNCIL MEMBERS:

AYES: Mary Badame, Matthew Hudes, Rob Rennie, Maria Ristow, Mayor Marico Sayoc

NAYS: None

ABSENT: None

ABSTAIN: None

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

ATTEST:

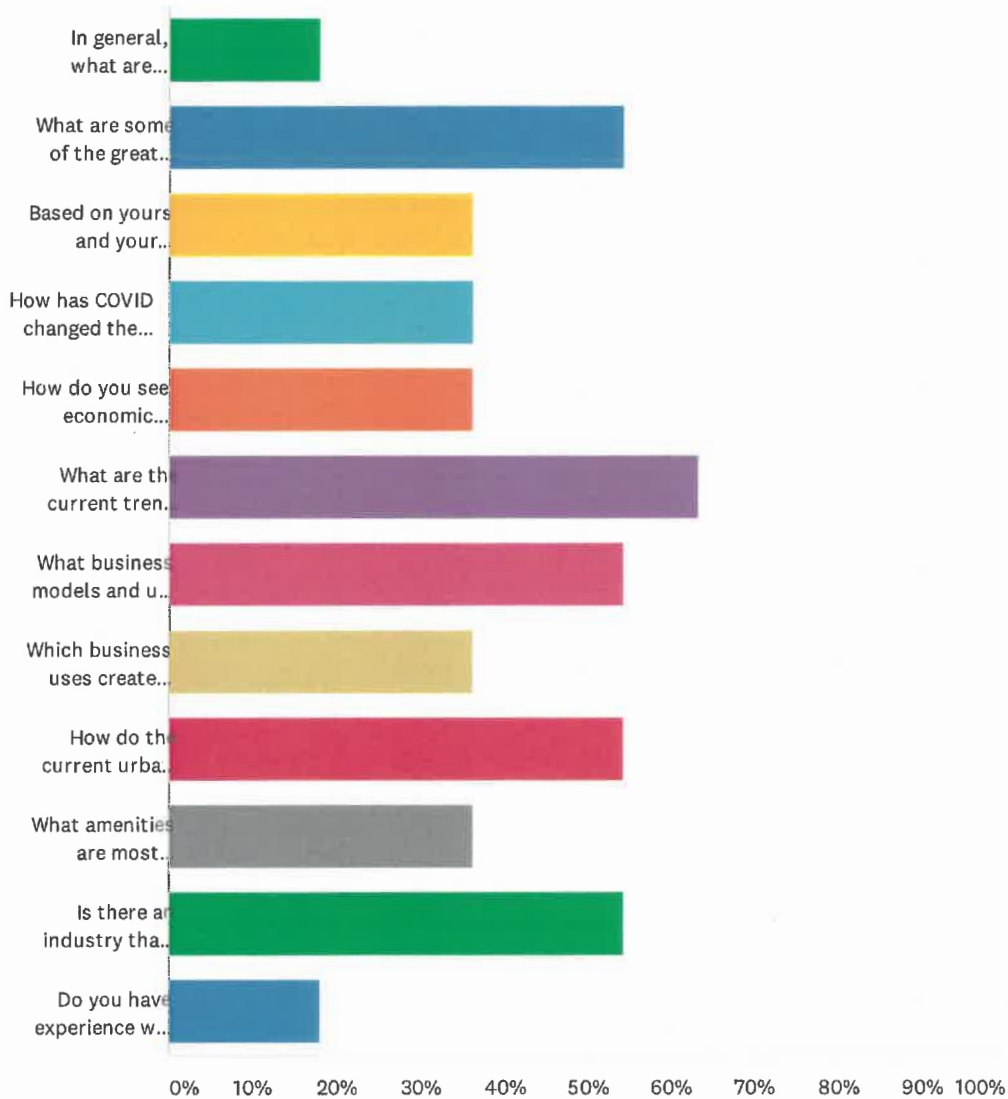
TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: _____

Q1 Discussion Part I: Commercial Stakeholders

Below is a list of suggested questions and discussion topics for the Commercial Real Estate panelists. Please pick your top 4 to 6 topics that you would like addressed.

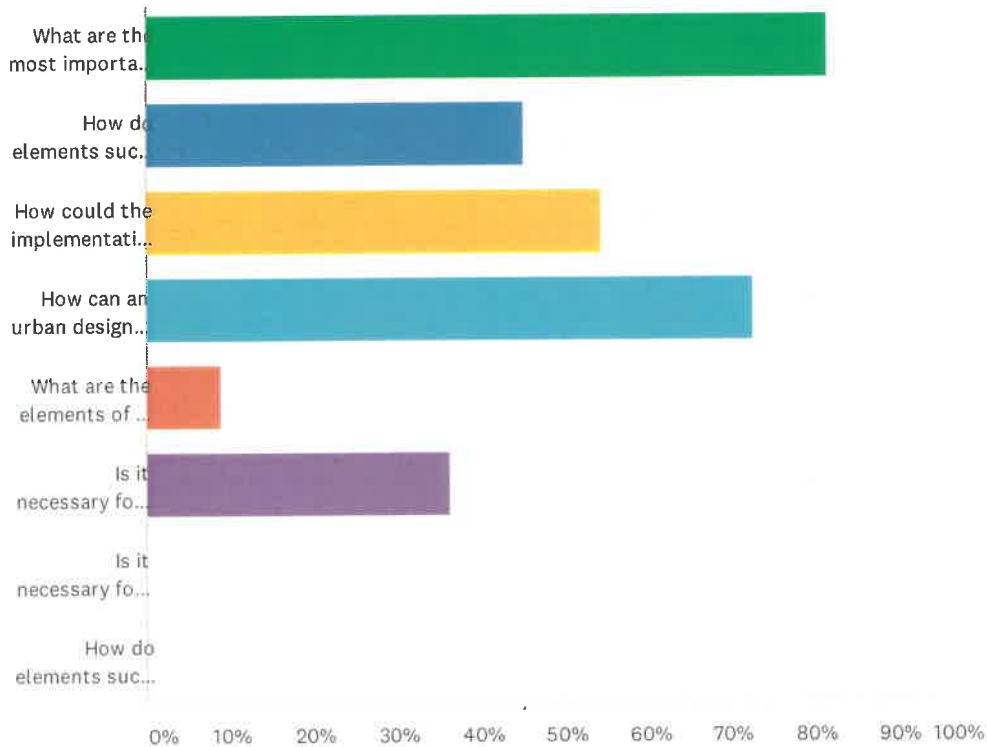
Answered: 11 Skipped: 0



ANSWER CHOICES	RESPONSES	
In general, what are businesses looking for when they lease a space? How does this differ between a downtown shopping area and a shopping center?	18.18%	2
What are some of the greatest assets or selling points for businesses looking to locate in Los Gatos? On the flip side, are there tangible items Los Gatos could implement to become more attractive to businesses?	54.55%	6
Based on yours and your clients' experiences in Los Gatos, how can the Town continue to support business retention and increase business attraction?	36.36%	4
How has COVID changed the conversation for leases, business models, and the future of the commercial market?	36.36%	4
How do you see economic recovery unfolding in the bay area as a whole? How could Los Gatos play a role in support our businesses in this scenario?	36.36%	4
What are the current trends in business models and use types? What are the the most prominent models and uses currently looking for new or expanded spaces?	63.64%	7
What business models and uses have experienced the biggest decline during COVID, how do you see this trending during recovery?	54.55%	6
Which business uses create synergy when paired or located near one another? How does this conversation change (or not) when you are working with a downtown vs a shopping center?	36.36%	4
How do the current urban designs of a shopping district and future planned designs play into the conversation with potential businesses? If a new streetscape or reconfiguration were in the works for an area, how would this effect a business' decision to locate?	54.55%	6
What amenities are most important to businesses as the consider new or expanded locations? i.e. parking, bike and pedestrian access, outdoor dining areas, gathering spaces, fire pits, proximity to housing or office space, etc.	36.36%	4
Is there an industry that Los Gatos could attract if changes were made to the Town Code or Land Use processes?	54.55%	6
Do you have experience with innovation centers located in Downtowns or other commercial settings?	18.18%	2
Total Respondents: 11		

Q2 Discussion Part II: Urban Design in Downtown Los Gatos What specific elements of Urban Design would you like to have included in the discussion? Please select your top 3 or 4 discussion points.

Answered: 11 Skipped: 0



ANSWER CHOICES

RESPONSES

ANSWER CHOICES	PERCENTAGE	COUNT
What are the most important elements of a successful downtown environment?	81.82%	9
How do elements such as lighting, signage, awnings, seating, storefronts, and parklets contribute to a downtown environment?	45.45%	5
How could the implementation of an urban design strategy in Los Gatos support the business diversity and flexibility required for a successful economic environment while retaining and enhancing the historic character?	54.55%	6
How can an urban design strategy be phased or responsive to programmatic needs? Can the Town look for short-term "semi-permanent" options such as parklets now while continuing to plan for long-term streetscape projects?	72.73%	8
What are the elements of a parklet that allow it to fit successfully into the environment and customer experience of a downtown, versus creating a distraction or obstacle?	9.09%	1
Is it necessary for elements of an urban design such as parklets to look identical? If not, and similar or different appearances are desired, what are the key considerations?	36.36%	4
Is it necessary for elements of an urban design, such as parklets to look identical? If not, and similar or different appearances are desired, what are the key elements that should be considered?	0.00%	0
How do elements such as lighting, signage, awnings, and facades contribute to an urban design? Can these items be fluid and evolve over time without changing the historical character of a downtown?	0.00%	0

Total Respondents: 11

Q3 Are there other specific questions within the topics of economic and community vitality, business retention and attraction, or urban design that you would like to have addressed during the study session? There will be time for open Q&A, however if you have thoughts on topics you'd like included in the presentation or those that may require some forethought, please add them here. Thank you!

Answered: 6 Skipped: 5

#	RESPONSES	DATE
1	I'd like to hear the panelists' thoughts on what makes mixed use successful, and how it might look in Los Gatos.	2/15/2021 7:05 PM
2	What is the best way to prepare for the evolution of the retail environment so Los Gatos can be an attractive location for the evolved retailers?	2/15/2021 2:39 PM
3	What regulatory changes would help in the retention of existing businesses and the attraction of new business?	2/15/2021 2:22 PM
4	1. How is the retail market changing and how can we ensure we have the proper zoning or General Plan language to allow for these changes within our existing landscape? 2. While a great deal of focus is on the Downtown District, how can we create more diversity along LGB, creating better neighborhood serving centers?	2/15/2021 10:42 AM
5	Given that there is sufficient parking in the lots, assuming we can redistribute the use and get employees parked once, what is the best use for Santa Cruz avenue to retain business vitality? Two-way traffic and no street parking? Loading and drop off zones only? Peds and bikes only? Without a grid, I'm concerned closing Santa Cruz to car traffic would be a disaster, but I'd love to see all the parking removed.	2/12/2021 9:52 AM
6	How can we integrate our increased housing requirements to benefit our work force and business community? How can we make our community less of a car community and develop our public transportation?	2/11/2021 4:57 PM

BIOGRAPHIES FOR THE GUEST PANEL OF COMMERCIAL REAL ESTATE PROFESSIONALS

CINDY JOHNSON

Cindy Johnson serves as the Director of Construction in the Pacific Northwest for Western States Construction Management Group, including the Company's assets in the Bay Area. She is responsible for all construction related activity in the region, including pre-development and acquisition due diligence, environmental standards, construction administration, entitlement and government approvals, design and engineering, and overall construction management. Cindy has over 25 years of industry experience and holds professional designations with LEED Green Associate and CDP through ICSC. Prior to joining Western States Construction Management Group, she was Director of Construction for Donahue Schriber managing construction activity for the Bay Area and more recently for the Pacific Northwest. Before joining Donahue Schriber, she was a Construction Manager for CVS Health, responsible for all CVS new store builds and remodels in five states including California, Utah, Nevada, Washington and Hawaii. Cindy holds a Bachelor of Arts degree from the University of Michigan.

JEFFERY KRESHEK

As Senior Vice President – West Coast Leasing, Jeff oversees the day to day leasing activities of the West coast Portfolio. Primary responsibilities include sourcing new retailer relationships, negotiating all leases and lease related documents, and overseeing and directing third party real estate professionals. Prior to joining Federal Realty, Jeff was the Principal in charge of Leasing for The CIM Group. As a member of the senior staff, Jeff was responsible for formulating the leasing strategy on CIM's commercial portfolio of approximately twelve million square feet. Prior to joining The CIM Group, Jeff was the Vice President of Development and Operations for Regent Properties, Inc. As a member of the Regent Properties team, Jeff was responsible for managing the entitlement process for all of Regent's new developments as well as managing all of the operating assets of Regent Properties, Inc. Prior to joining Regent, Jeff formed and operated Vision Property Management, Inc., a full-service real estate development, leasing and management company. Jeff has been involved in leasing, entitlements, property and asset management for the past twenty-three years, with an emphasis on redeveloping and repositioning underperforming and functionally obsolete assets. Jeff received his undergraduate degree in Real Estate Finance, his Master of Business Administration and his Masters of Real Estate Development from the University of Southern California. In addition, Jeff holds the Certified Leasing Specialist (CLS), Certified Property Manager (CPM), Senior Certified Shopping Center Manager (SCSM), Certified Commercial Investment Manager (CCIM) designations, and retains his position as Adjunct Faculty at the University of Southern California, teaching Retail Development in the Masters of Real Estate Development program.

JIM FOLEY

Jim is the Principal of Pennant Properties, a boutique local real estate consulting firm focused on brokerage and development in the West Valley. Jim has over 20 years of experience in the industry and has been involved with or directly managed the sale, leasing, or development of over one million square feet across multiple product types including retail, office, multi-family residential, auto, self-storage, and infrastructure. Jim is a 4th generation Los Gatan and is also a partner in several local restaurants and has been directly involved in the management and leasing of several key properties in Town. He has also volunteered on several Town Committees and Commissions including the General Plan Update Advisory Committee, the North 40 Specific Plan Advisory Committee, and the Planned Development Zoning Commission. Jim currently sits on the Board of Directors of the Los Gatos Chamber of commerce and resides in Town with his family.

KEYSTON SMITH

Keyston Smith is a third-generation family member and President and Chief Executive Officer of Cilker Orchards Management Company. He came to Cilker Orchards in 2013 as Vice President of Commercial Property Operations after an extensive career in construction project management in the Pacific Northwest. In 2018 he accepted the role of President and CEO and has since led an extensive operational and property specific rebuilding effort. Keyston specializes in leading and building teams that work. His passion for real estate extends the full investment cycle from proforma through purchase and development through sale. This includes specific large- and small-scale real estate transactions, commercial property lease negotiation, funding, and purchase & sale contracts. As a comprehensive construction professional, his strengths center around large multifamily projects ranging from \$15 -\$85MM in an owner's representative, estimating, and project management capacity. Keyston has an eye for detail and the critical path. He is a native and current resident of Los Gatos and holds an Masters of Business Administration from Northwest University, and a Bachelors of Art in Marketing & MIS from Seattle Pacific University.

What Could a Los Gatos Innovation Hub Look Like?

What is an Innovation Hub?

A concentration of inventive talent working in collaborative spaces where novel technologies (tech, biotech, medtech) are created and developed. A hub typically includes:

1. Facilities for entrepreneurs with the necessities for a startup
2. Offices for venture capital, other investors and professional services firms
3. Places for customers of innovation (often representatives of large companies) to work, stay, and be a part of the “innovation ecosystem”
4. Proximity to sources of breakthrough technologies are discovered (often universities)

Key elements and land use implications

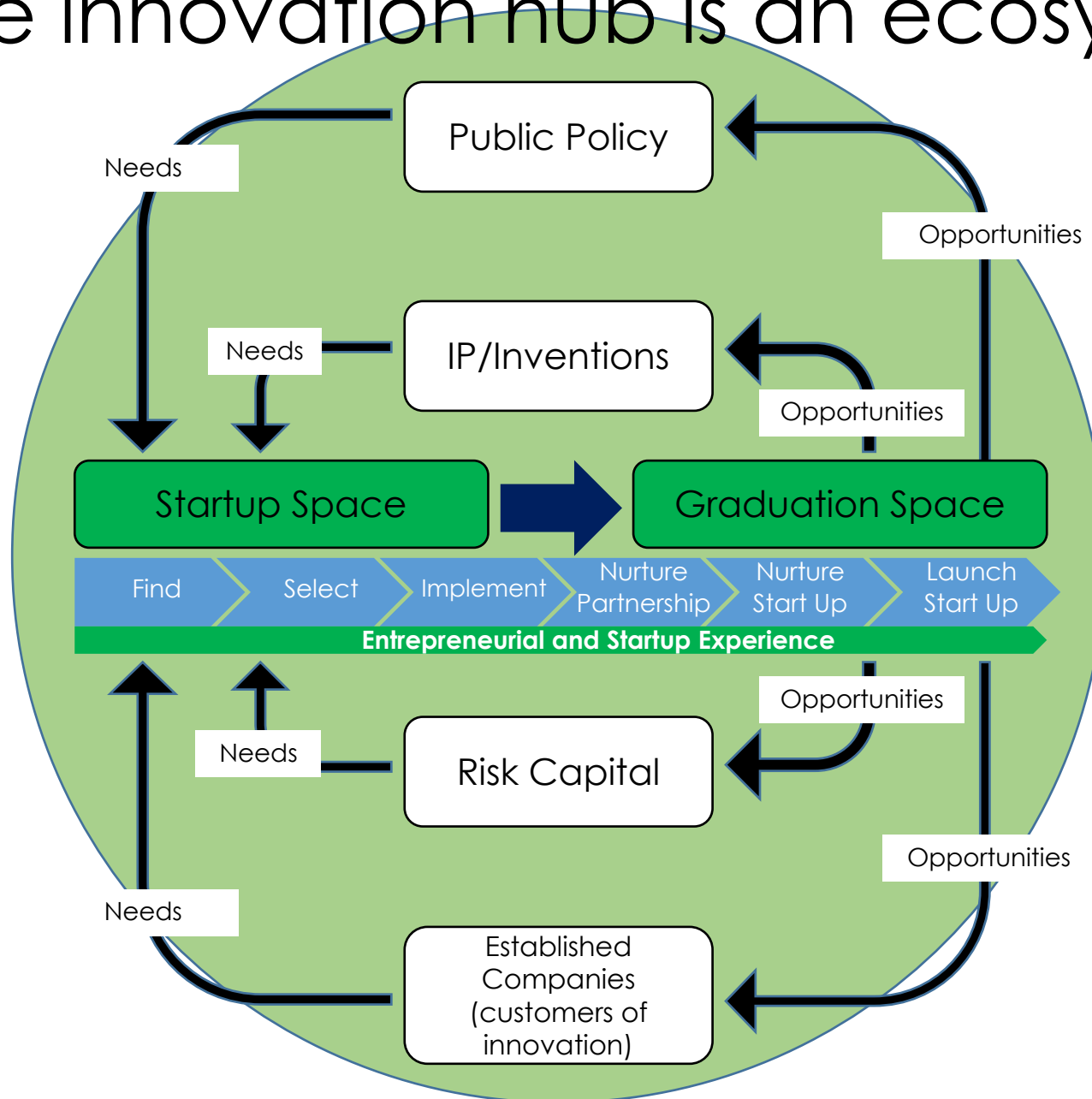
Land use and zoning

- Lab, office, private and collaborative workspaces and shared facilities, equipment, services and conference areas
- Can include "graduation" spaces from incubator to accelerator to stand-alone startup facilities.
- Venture Capital Offices
- High quality cafes and eateries
- Nearby Conference facilities: small, medium, and large
- High quality lodging

Environmental attributes

- Bikeable, walkable, or shuttle connections to dining, retail, and residences
- Transit access
- Opportunities for exercise, strolling, and "ruminating"
- Sense of place
- OPTIONAL: Adjacent to housing (can be denser than median) that is market/affordable

An example of a fully-developed and highly productive innovation hub is an ecosystem



The core of an Innovation Hub includes highly-effective incubation and acceleration

Pre-Incubation

- Pre-Incubation is a program where entrepreneurs/students receive an intensive program filled with coaching on issues like finances, business planning, intellectual property, technology and sustainability
- Pre-incubation program generally last 100 days and will provide the necessary support to end up writing a solid business-plan.

Management of Portfolio Companies

- Use of an “active incubation model,” taking on a managerial role and overseeing day-to-day operations, developing the sales and marketing strategy, putting necessary systems in place, and eventually spinning it off to investors

Measuring Success

- Metrics such as jobs-created, revenues-generated, graduates, etc.

Business Accelerators

- An intense, boot-camp like experience to get new businesses up and running on a matter of months (e.g. Ycombinator, TechStars)
- “In the next five years, a few hundred accelerators will open” – David Cohen, TechStars co-founder

Co-working

- Co-working spaces are designed as a shared work/collaboration environment where a desk or lab space is available on a membership or casual basis
- Co-working facilities are increasingly expanding services and blurring the line with incubators

An Innovation Center has the greatest opportunity to take advantage of the “Pre-Incubation” and “Co-working” trends due to its competitive advantage of being in close proximity to the source of discovery and invention (IP) and the ability to partner with other organizations