



**TOWN OF LOS GATOS
HOUSING ELEMENT ADVISORY
BOARD REPORT**

**MINUTES OF THE HOUSING ELEMENT ADVISORY BOARD
MARCH 16, 2023**

The Housing Element Advisory Board of the Town of Los Gatos conducted a Regular Meeting on March 16, 2023, at 7:00 p.m. in the Town Council Chambers.

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

ROLL CALL

Present: Chair Melanie Hanssen, Vice Chair Kathryn Janoff, Council Member Matthew Hudes, Council Member Rob Moore, Board Member Randi Chen, Board Member Joseph Mannina, Board Member Steven Piasecki, and Board Member Ryan Rosenberg.

Absent: Planning Commissioner Emily Thomas, and Board Member Adam Mayer.

Staff present: Jennifer Armer; Joel Paulson; Jocelyn Shoopman; and Erin Walters.

VERBAL COMMUNICATIONS

Jak Van Nada – Has questions and concerns regarding the process. Has concerns regarding Attachment 3 of the staff report, the redline markup of the initial Housing Element, submitted to HCD in October 2022.

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

1. **Approval of Minutes** – February 16, 2023

MOTION: **Motion by Board Member Rosenberg** to approve adoption of the Consent Calendar. **Seconded by Board Member Piasecki.**

VOTE: **Motion passed unanimously 8-0.**

DISCUSSION ITEMS

2. Review the Updated Version of the Town’s Housing Element Addressing the California Department of Housing and Community Development’s (HCD) Findings/Comment Letter Received by the Town on January 12, 2023

Presentation by Erin Walters, Associate Planner.

Housing Element Advisory Board (HEAB) member's comments and questions:

- How much interaction has staff had with HCD with regards to the comments and was there any feedback on the sub-comments?
- Can staff provide a response to the Los Gatos Community Alliance letter?
 - The May 31, 2023, deadline requires that rezoning be completed within three years; however, the draft Housing Element has an implementation program that requires the Town rezoning to be completed within a one-year time frame, by January 31, 2024.
 - It was communicated to the HCD reviewer that the January 30, 2023, version of the Housing Element did not include a response to all comments in the HCD comment letter. HCD was aware that the Town would be resubmitting in late March 2023 to fully address all of HCD's comments.
- If we receive comments from HCD on May 26th how will the Planning Commission and Town Council meet to make a final decision by the May 31st deadline? Does staff believe that could occur?
- What are the implications for not having an adopted compliant Housing Element by May 31st?
 - If adopted prior to May 31, rezoning must be completed in three years and if adopted after May 31 rezoning must be completed in one year, by January 31, 2024.
- How far does the Town have to go with more detail and analysis in responding to HCD?
- Does staff believe there would be a problem with rezoning the properties in the site inventory by January 31, 2024?
- Good to see new property owner interest forms to assist in meeting the Town's housing numbers.
- Recommend keeping all sites in the site inventory and keep the 25 percent buffer.
- Need 25 percent buffer as the Town may lose a couple sites.
- Strongly oppose exceeding the State mandate and requirement for what is reasonable to get the Town's Housing Element certified.
- Residents are not in favor of developing more housing than what is required.
- What is the process if a parcel drops off the site inventory and we want to add a new one?
- The buffer provides additional housing units to accommodate RHNA numbers if a site develops under the assumed number of units.
- Keep 15 percent buffer and drop two sites.
- If we drop the two sites, do they move to the Tier 2 list?
- Attachment 4 of the staff report shows if we drop the two sites there will be an 18 percent buffer.
- The Town may not be able to utilize sites in the site inventory in future cycles.
- Does it help our cause with HCD to have a higher buffer for the certification process?
- How hard would it be to drop sites later?
- Sites E-3 and F-2 are good sites for housing, especially the Caltrans property.

- By including a larger buffer, the Town is signaling to HCD that the Town wants to get housing built.
- A 25 percent buffer is not out of line with neighboring jurisdictions.
- Understand that in eight years it may be hard to justify reuse of the sites.
- Not all sites will develop in the next eight years.
- If Sites E-3 and F-2 are superior sites would staff recommend removing any other sites off the inventory to get closer to the 15 percent buffer?
- Caltrans site might be a stretch site.
- Can properties that are not located on the site inventory be developed with new housing units?
- In favor of retaining two parcels.
- If the Caltrans site was removed, but the Knowles site was retained the buffer would be 22 percent.
- Would properties not located on the sites inventory list be able to utilize the advantages of the Housing Element Overlay Zone (HEOZ)?
- What are the advantages of being a HEOZ?
- Interested in providing more flexibility as historically the Town has fallen short on low, very low, and extremely low units.
- The two sites do not provide a large number of units, approximately 200 units.
- The two sites will not inconvenience anyone.
- Are there suggestions of other sites that can be removed from the list where neighbors might be impacted by other sites?
- If the two sites are superior, then maybe others could be removed so that the Town can meet the State mandate with the required buffer.
- Based on the comments from the HEAB supporting leaving in the two sites, I like that the parcels are located in an area of Town where they are not overly impacting neighbors, and they would be able to utilize the advantages that the Town is building in to incentivize and encourage housing.

MOTION: **Motion by Council Member Moore** (to include Sites E-3 and F-2 in the sites inventory with a buffer of 25 percent.) **Seconded by Board Member Piasecki.**

VOTE: **Motion passed 6-2 with Council Member Hudes and Board Member Mannina voting no.**

HEAB member's comment and questions:

- Review of comments from Attachment 2, response to HCD's comments.
- Staff did a good job responding to HCD comments.
- HCD is requiring a lot of details.
- Last cycle the Town had the benefit of North Forty Phase I and Eden Housing to assist in meeting a large portion of the required housing units and 49 affordable housing units and we still did not get the extremely low units.

- Will HCD accept how the Town is meeting the extremely low-income units?
 - The Town met the total RHNA housing unit requirements for the fifth cycle, but not in all low-income categories.
 - The Town's 5th cycle RHNA was 619 and the Town produced 683 housing units in the planning period.
- Request to modify statements in Appendix E to be specific to what was accomplished in the last housing cycle.
- The results of the last programs are driving the implementation programs.
- Appreciated inclusion of the new maps to make the document clearer.
- Add the regional transportation connection, bus line connects to the light rail and heavy rail regionally.
- Throughout the 40 comments there is a line that HCD is asking for local knowledge, trends, patterns, and effectiveness of our past strategies, etc.
- Staff initiated a rental survey which was very informative and will assist in shaping policies.
- Suggest adding additional discussion regarding the referendum and how the Town is moving forward and how that referendum does or does not impact what the Housing Element is trying to do.
- With regard to discussing the referendum, the HEAB and Council should review any language that goes beyond what is included in this document describing the referendum. There could be legal implications, and 1st Amendment implications of characterizing the referendum.
- Largely on the same page with the comments and would not recommend using staff's time to bring this language back.
- If this is a sensitive issue, would recommend reviewing language with legal.
- Do not want to delay the process.
- The response to HCD does not include complete response to the non-vacant sites comment.
- Because we are using the minimum density, do we have to provide additional justification for the sites?
- Can we get confirmation in writing that HCD agrees with the Town's response for the realistic capacity/minimum density comment?
- For every zoning area where residential is allowed do we have to allow transitional and supportive housing by right?
- What is the timeline for the implementation programs as a whole?
- Include that affordable housing partnerships are a Council strategic priority.
- Add a response for comment number 30, programs M, AK, and AS.
- For each program create a quantified objective that is countable and the metric addressing what we want to accomplish.
- The goal is receiving more applications for new housing units.
- If all units get built in the next planning cycle, how do we know that the utilities have capacity to accommodate the new development?

- The Town has a seat on West Valley Sanitation District and they have been preparing for the new units.
- The issue has not been resolved with regard to water. The Water Board Commission was not aware of the impact of the RHNA on the local communities. During the next 10 years the Anderson Dam will not be functional due to repair and it is the largest source of water. The Board did not let the State know of the constraints regarding water. In addition, with the drought the area is subject to a short fall. The Board left the issue up to the local municipalities.
- Page A-2 states the Town takes a “unique” approach. How are we taking a “unique” approach and would it help the Town’s cause to retain the word. Recommend removing the word “unique.”
- Section A-5, Page A-14, Contributing factors, how did the Town add 2,000 residents without adding enough housing units?
- Page A-65, Figure A-42, how did the Town arrive at the unhoused population count?
- It is a priority to address the unhoused in Los Gatos. Important to understand real counts, but understand that the numbers are challenging to get.
- Page C-5, the program proposes studying the Town’s Story Pole Policy and exploring options for projects with mixed-use or affordable housing to reduce the associated costs with installing story poles. Concerned about how it is drafted.
- Do we know the average cost for story poles for the average affordable housing project?
- Better to find a way to lower costs of development through reduced permitting costs rather than the right for neighbors to lose an opportunity to understand what is being built.
- Story poles are noted as a constraint to development; however, they provide a service to the public.
- Important to balance the needs of the community with supporting housing.
- Council discussed story poles on Winchester, and this was going to go to Policy Committee to be considered to revise and adjust the policy to make it safer for tall story poles and make it less onerous on the developer, but not removing the requirement.
- Comfortable with the proposed Story Pole program language.
- Story poles can be very expensive for development.
- Question about process, will the revised Housing Element return to Town Council before submitting to HCD?
- Why is the revised Housing Element with proposed site inventory changes and substantial modifications not returning to Council before resubmitting to HCD?
- Concerned that the Housing Element update process is flawed. It is flawed because the Council, the elected officials of the Town, have not had time to review the proposed changes.
- The HEAB was appointed by Town Council for guiding the Housing Element update process and the document will not be approved until HCD certifies, and Planning Commission and Town Council approve the final document.
- This has been a good process and a productive board, and this is a good document that is ready to submit to HCD.

- Most municipalities do not have an independent Housing Element Board.

MOTION: **Motion** by **Board Member Chen** (to forward the Draft document with the changes discussed tonight to HCD.) **Seconded** by **Council Member Moore**.

VOTE: **Motion passed 7-1 with Council Member Hudes voting no.**

VERBAL COMMUNICATIONS

ADJOURNMENT

The meeting adjourned at 9:13 p.m.

This is to certify that the foregoing is a true and correct copy of the minutes of the March 16, 2023, meeting.

/s/Joel Paulson, Director of Community Development