

TOWN OF LOS GATOS  
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SUMMARY MINUTES OF A SPECIAL MEETING OF THE GENERAL PLAN  
COMMITTEE OF THE TOWN OF LOS GATOS ON **MARCH 24, 2010**, HELD AT  
THE NEIGHBORHOOD CENTER, ROOM 214, 208 EAST MAIN STREET, LOS  
GATOS, CALIFORNIA.

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The meeting was called to order at 5:30 pm by Joe Pirzynski.

**ATTENDANCE**

Members present: John Bourgeois, Barbara Cardillo, Marcia Jensen, Tom O'Donnell, Joe Pirzynski, Chuck Sloan, Barbara Spector

Members absent: Jane Ogle

Staff present: Wendie Rooney, Director of Community Development; Suzanne Davis, Associate Planner

**VERBAL COMMUNICATIONS:**

None

**ITEM 1 AFFORDABLE HOUSING OVERLAY ZONE**

*Wendie Rooney* introduced this item explaining that a review letter was received from State Housing and Community Development (HCD). The Affordable Housing Overlay Zone (AHOZ) approach is a relatively new concept or tool. Generally smaller jurisdictions that are primarily built out choose this option. Once land is identified that can accommodate a density of 20 units/acre, the assumption is it will be built out as affordable housing. Because the Town has chosen to apply an AHOZ rather than rezoning, incentives are required to be identified. The reason for this requirement is that individual sites could be developed at a lower density and not held to 20 units/acre. The State Department of Housing and Community Development (HCD) has indicated that the approach is acceptable, but is requesting that incentives be specified. Staff has looked at development standards and other criteria that could be relaxed or modified to provide incentives and developed a list of options including the following:

- Incentives and Town Financial Assistance
- Development Regulations/Standards:
  - Parking
  - Height
  - Recreation/Open Space Dedication
  - Setbacks

- Coverage
- Miscellaneous
- Design Criteria
- Affordability Requirements
- Streamline Review Process

*Marcia Jensen* clarified that once the Housing Element is certified, HCD cannot later withdraw that approval.

*Wendie Rooney* summarized the drawbacks to not have a certified Housing Element, those being the inability to apply for state grants and funding for housing programs and a greater threat of lawsuits.

*Joe Pirzynski* commented that the Housing Element update is not always coincident with the General Plan update.

*Wendie Rooney* noted that staff would like to submit a response to HCD in mid-April.

*Tom O'Donnell* commented that the state seems to be indicating that the Town does not have much discretion.

*Barbara Spector* questioned whether the existing Housing Element is still recognized by HCD pending completion and certification of the new Element.

*Wendie Rooney* noted that she is not sure if the state considers the existing Housing Element is valid given the due date for new Housing Elements was June 30, 2009.

*Joe Pirzynski* commented that this appears to be the first round of negotiations with HCD. There is an unwritten message that the State believes that local jurisdictions do not want affordable housing.

*Tom O'Donnell* noted that the Town should go back with a reasonable response.

*Wendie Rooney* summarized the requirements, noting that the HCD interpretation is that the Town needs to provide defined methods of achieving the required number of affordable units.

*Marcia Jensen* commented that if the AHOZ is adopted with a set of guidelines, the Town can maintain some control over the actual developments.

*Barbara Spector* commented that while the Town is supportive of affordable housing, it should not forsake important development standards such as maintaining a view of the mountains when considering incentives to encourage development of these sites.

*Wendie Rooney* noted that staff will negotiate with HCD. Performance standards and design criteria can be established for individual AHOZs. Options can be laid out without committing to all of the details at this point. The Committee may come up with other alternatives in addition to the suggestions provided by staff.

*John Bourgeois* commented that the Committee seems to be on the same page. He likes the ideas proposed by staff, although they seem complicated. Perhaps the initial response should be simpler and less detailed.

*Barbara Spector* commented that the Town has been balancing the budget although it is becoming increasingly difficult to do so. Choices have to be made on the programs and services that will be provided. To provide affordable housing, money has to be taken from other services or programs.

*Joe Pizynski* commented that there should be further discussion on appropriate incentives for developers.

*Marcia Jensen* commented on viability of projects and how that influences when a developer will move forward to build affordable housing.

*Wendie Rooney* noted that dedicating Affordable Housing Set-Aside funds to the nine AHOZ sites is an incentive in itself.

The Committee agreed with the first two incentives of allocating the 20 percent RDA Affordable Housing and BMP Funds to the AHOZ sites (as a primary strategy).

The Committee further discussed its concern about losing the discretion to reallocate funds to a better project.

*Wendie Rooney* suggested adding a caveat that the Town may consider reallocating funds to other sites for a project that meets or exceeds the affordability of the nine AHOZ sites.

The Committee agreed with *Tom O'Donnell's* suggested language stating that alternative sites should meet minimum affordability requirements identified in the AHOZ sites.

*Tom O'Donnell* raised the concern of not being able to use designated AHOZ sites for the next Housing Element update if they are not developed during this housing cycle. It is always possible that an alternate site could be developed in place of an identified site.

Staff will verify with HCD whether an AHOZ site can be used again if it is not developed during the next housing cycle.

Referencing the second set of options under the Incentives and Town Financial Assistance section of the staff report, the Committee indicated that eliminating Planning

and Building fees is not acceptable, while deferral of fees is acceptable, but should be used as a backup strategy.

*Wendie Rooney* suggested that staff will work with the Committee after adoption of the General Plan on the details of the fee deferral.

#### Parking

Moving to the second set of options under Development Standards, *Marcia Jensen* commented that tandem parking can work if assigned to the same residential unit.

*Barbara Spector* commented that allowing parking reductions might be appropriate.

*Joe Pirzynski* commented that the current language allows several options.

*Marcia Jensen* commented that she can obtain statistics on projects that include optional parking that can be purchased (beyond a single space per unit).

The Committee supported flexibility in meeting parking requirements through the use of tandem spaces, off-site parking leases, and shared parking for mixed use development. Parking requirements should be reviewed and potentially adjusted on a case-by-case basis depending on the location and characteristics of the development and its intended occupants.

#### Height

The Committee did not want to allow height exceptions.

#### Open Space

The Town's goal is to provide quality residential projects and compatible neighborhoods. The Committee decided that Town open space requirements are relatively low and should not be reduced.

#### Setbacks

*Barbara Spector* commented that the quality of life should not be compromised.

*John Bourgeois* noted that there are many special circumstances where a setback reduction might be appropriate.

*Joe Pirzynski* commented that reductions can be considered on a case-by-case basis.

*Wendie Rooney* commented that qualifiers could be added, such as considering reductions for unique circumstances such as unusual lot shape and that staff will work with the Committee on the final language once the General Plan is adopted and the Committee begins work on the AHOZ specifics.

*Tom O'Donnell* commented that when units are combined (common wall), reduced setbacks can work.

*Barbara Cardillo* commented that reducing side setbacks too much magnifies the apparent size of the buildings.

The Committee recommended consideration of setback reductions on a case-by-case basis, depending on location and characteristics of the development and its intended residents.

Staff will add some qualifiers, and suggested using setback reductions as a tier 3 incentive.

*Wendie Rooney* commented that the Committee will finish discussion of the incentives outlined in the staff report at the April 7, 2010, GPC meeting. Those considerations include:

- Development Regulations/Standards:
  - Coverage
  - Miscellaneous
- Design Criteria
- Affordability Requirements
- Streamline Review Process

## **ITEM 2 APPROVAL OF MINUTES**

*Joe Pirzynski* made a motion to approve the minutes of September 9, 23 and 30, 2009. The motion was seconded by *Tom O'Donnell* and passed unanimously.

## **ITEM 3 ADJOURNMENT**

The meeting was adjourned at 6:45 pm. The next meeting of the General Plan Committee is scheduled for April 7, 2010. The meeting will start at 5:00 pm.

Prepared by:



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Associate Planner