

TOWN OF LOS GATOS
110 East Main Street, Los Gatos, CA 95032 (408) 354-6872

SUMMARY MINUTES OF A JOINT STUDY SESSION OF THE **TOWN COUNCIL AND PLANNING COMMISSION** OF THE TOWN OF LOS GATOS FOR MAY 25, 2011, HELD IN THE POLICE OPERATIONS BUILDING, 15900 LOS GATOS BOULEVARD, LOS GATOS, CALIFORNIA.

The meeting was called to order at 6:05 P.M. by Mayor Joe Pirzynski.

ROLL CALL

Town Council present: Mayor Joe Pirzynski, Vice-Mayor Steve Rice, Diane McNutt, Steve Leonardis, Barbara Spector

Commission present: Marico Sayoc, John Bourgeois, Charles Erekson, Marcia Jensen, Jane Ogle, Joanne Talesfore

Commissioners absent: Tom O'Donnell

Staff Present: Greg Larson, Town manager; Pamela Jacobs, Assistant Town Manager; Wendie Rooney, Director of Community Development; Suzanne Davis, Senior Planner; Joel Paulson, Senior Planner; Jessica Von Borck, Economic Vitality Manager; Fletcher Parsons, Associate Civil Engineer

Consultants present: Debbie Rudd and Jami Williams, RRM Design Group; Ray Kennedy and David Shiver, BAE

Project Team: Paula Krugmeier, BAR Architects; David Janes, SGPA; Bill Callaway, SWA; Don Capobres, Grosvenor

Others present: Larry Arzie, Patricia Ernstrom, Rhodie Firth, Eleanor Gallmeister, Mr. Gardner, Kirstie Leary, Jeff Milde, Milt Mintz, Gerry Mirassou, Len Pacheco, Lee Quintana, Wendy Riggs, Ginger Rowe, Susan Testa, Melinda Wellington

VERBAL COMMUNICATIONS

Rhodie Firth commented that she attended both community meetings. She summarized the prioritization exercise from workshop #1 and stated that the visual preference survey was well done, however, was is very disillusioned with the process.

Jeff Milde commented that this is the first meeting he has attended. He is very concerned about mixed residential and how it will impact the schools.

Larry Arzie commented that is concerned about the highway circulation pattern (the developer has shown no circulation plans), and why conceptual drawings like Santa Row are being shown when that will not be approved. This will be a fabulous center and people will be drawn to it which will lead to the demise of the Downtown.

Ginger Rowe commented that she lives in Los Gatos and has a business downtown. She would be tempted to move her business to the North 40. She is concerned about the impact to the Downtown and that the project will lead to its demise.

Len Pacheco commented that he feels the plan is a work in progress. He is concerned about the apparent lack of consideration of the historical significance of the site.

Susan Testa commented that she has owned a business in the Downtown for the past 17 years. She thinks this is a terrible idea for the Downtown.

Patricia Ernstrom commented that she was born and raised in Los Gatos. The North 40 is an open space that is underdeveloped. From a density perspective it will change to fabric and community feel. This is the last open space in Town.

Iraj commented that he is working on a project called Fusion and is creating something for the community. He feels that 50% of the site should be used for parks, gardens and open space uses.

Rob commented that the development looks very inward focused. It is not integrated into the community and what is around the site. Means of ingress other than vehicular should be part of the project.

Melinda Wellington commented that she is concerned about bringing businesses in that will compete with the Downtown, and the impact high density housing will have on schools.

Gerry Mirassou commented that he was born in town as were his father and grandfather. The most important impact of the development is circulation and traffic.

Lee Quintana commented that there appears to be a disconnect between the General Plan and the types of development being approved.

Mr. Gardner commented that the Town does not need more kids. More open space is needed. He does not want to see big box stores, there should be places for families.

Eleanor Gallmeister commented that she is concerned about the impact to schools from new housing, as well as the traffic impact. There is no space for more students in Los Gatos schools. *Kirstie Leary* commented that she has a huge concern about schools. There are other housing projects in the process that need to be considered. She is also concerned about traffic.

Wendy Riggs commented that the traffic impact from Santana Row is significant. She is concerned that existing traffic conditions will be exacerbated and about the impact to schools.

ITEM 1 NORTH 40 SPECIFIC PLAN

Joe Pirzynski commented that this is the last large piece of undeveloped property and it is a gem. The Town Council and Planning Commission are listening. The proof will be in the product.

Debbie Rudd, RRM Design Group, explained that RRM has been hired by the Town to write the specific plan. She summarized public meetings to-date and the General Plan guiding principles.. She noted that property is privately owned and could be developed according to existing zoning. The Town will guide future development through the specific plan. She summarized the results of the kick-off and community workshops.

Bay Area Economics (BAE) provided an overview of the market study that is in progress:

David Shiver explained that BAE looked at retail sales trends and compiled information on retail, office, hotels and meeting facilities. A leakage analysis was done to determine unmet demand, the strengths and weaknesses of local retail and whether shoppers are being attracted to the Town. Netflix generated 44% of the Town's sales tax revenue in 2010. When Netflix is excluded, retail sales have declined. The key question is whether the Town is experiencing more sales based on its size (per capita). The Town is a strong attractor for automotive sales, grocery stores and restaurants. Leakage is occurring in general merchandise and building materials and hardware. There is 1.4 million square feet of office space in Los Gatos which is 12% of the west valley market. The vacancy rate of 11% is lower than the average for the region. Asking rents are above average in good times. There is a need for meeting facilities with space for 200 or more people. The site provides an opportunity for a boutique hotel.

Questions on the market study:

Marico Sayoc asked for clarification on planned or proposed projects and how much floor area was included for the Albright site. *David Shiver* said 550,000+ square feet is being proposed and the existing floor area that would be demolished is deducted.

Marico Sayoc asked if the 10 minute radius is used to determine what the Town can pull in or what is drawing people out of town. *David Shiver* said that to some extent it is both.

Marcia Jensen asked if the concept of how retail on the North 40 will impact the Downtown can be identified. Response: The issue will be addressed. Phase 2 of the market study will be to look at the performance of Downtown and Los Gatos Boulevard.

Steve Rice asked how much specialty retail will be included in the report and what the timing is. Response: The report should be completed in July. The specificity depends on the data that is available. A qualitative overview will be provided, but the report will probably not identify specific uses or retailers.

Diane McNutt commented that appliances and electronics are not currently available in Town, other than Apple. She asked is quantitative conclusions can be made about Apple and if there are specific categories besides appliances and electronics.

John Bourgeois asked why there is a difference in the hotel analysis versus retail. Response: Different methodologies are used for different uses. For hotels, drive time is a demand generator. It is the same for the office market.

Barbara Spector felt it is common sense that residents cannot buy appliances in Town and that there is not a department store. She asked if there is analysis based on common sense and/or known facts.

Charles Erekson asked how internet sales leakage is determined. Response: Point of sales data is used to determine leakage. Sales trend data incorporates internet purchases, and the data reflects the impacts of that trend.

Charles Erekson asked about causes of the down trend. Response: There are two levels of leakage based on point of sale in market area or Town. Internet sales cannot be forecast, but current trends can be identified.

Joanne Talesfore asked how taxable sales are attributed to residents versus visitors to Town. Response: Demand is driven by residents. Supply is driven by reported sales within Town and the trade area. The two are then compared. Sources for demand numbers will be included in the report.

Marico Sayoc asked about retail changes and if there will be recommendations on the types of retail that will likely be most successful. Response: Retail trends are difficult to forecast. National trends can be referenced.

Marico Sayoc asked if there are requirements such as retail that relate to a boutique hotel. Response: Yes, restaurants are desirable, and other factors can be identified.

Joe Pirzynski commented on the need for assurance that the Downtown will not be adversely affected. It is important to protect the Downtown. Response: As best as possible, BAE will identify uses that can be located in the North 40 without negatively impacting Downtown.

Conceptual Site Plan

Debbie Rudd summarized key goals of the plan.

Don Capobres, Grosvenor, commented that this is an open dialog. The North 40 is an important project for the Town. Schools and traffic are major concerns. Staff and consultants need to work with BAE to find uses to complement Downtown. The Los Gatos Boulevard frontage and how the street view and interface will work are important, as is the agricultural heritage. The concept of a market hall rather than a grocery store has been well received. Elements of the plan include food, health, fun and sustainability. It is Grosvenor's goal to develop a timeless project.

Paula Krugmeier summarized existing conditions and key plan components including having a pedestrian oriented, walkable community.

Bill Callaway discussed providing a variety of spaces including a central square, entertainment plaza and commons (greens and pocket parks).

Paula Krugmeier commented that streets are important to activate public spaces. Lanes and paseos can be used to provide connections and break up buildings.

David Janes discussed the variety of uses that are being considered including a mix of housing types, restaurant and retail. A fitness center, office space, entertainment and boutique hotel may also be included in the plan.

Don Capobres noted some different types of entertainment uses that are being considered including a cinema, comedy club and bowling.

David Janes discussed small, medium and large different retail sizes and how they will or will not fit the concept site plan.

Paula Krugmeier talked about providing buffers from the freeways, using building massing and orientation to protect public spaces from noise, and scaling down at the edges through use of lower buildings along Los Gatos Boulevard and taller buildings toward the center of the site.

The agrarian history is to be reflected in the architecture and landscape elements. The Yuki family history should be recognized. Supporting the arts and sustainable building practice are also important plan elements.

Debbie Rudd summarized comments received at the second community workshop that was held on May 18, and the May 19 Advisory Committee meeting. The visual preference survey results were presented.

Next Steps:

- Concept design refinement
- Online visual preference survey
- June 29 Advisory Committee meeting
- Draft specific plan and EIR

Questions and Comments

Barbara Spector commented that once uses are approved the specific tenants are determined by the developer.

Marico Sayoc commented that the site encompasses two school districts and asked why the residential is planned on the south end. *Don Capobres* clarified that the residential has been evenly distributed between the two school districts.

Marico Sayoc commented that sensitive receptors have been placed near the freeway.

Diane McNutt commented that the North 40 is an opportunity to fill in the gaps in the community. One thing that is needed is senior housing. She suggested focusing on this within the south side of the property as it will serve a need while not impacting the Los Gatos school districts. A movie theater is a concern. Focus on providing a new park versus green space. A new neighborhood is being created. A performing arts venue is desirable, but the Town already has large music events.

Joanne Talesfore commented that a performing arts venue is needed rather than a movie theater. A real community benefit would be parks that can be used for Town events. Incorporate buildings into the orchard (example: Saratoga Library).

Steve Rice commented that the amount of intensification will drive traffic and affect preservation of the agrarian use. There is not enough green space if targeting families. We want a great project as this will be the first new development in Town in many years.

Charles Erekson suggested that community input from the General Plan update process be reviewed.

John Bourgeois asked how much architectural detail will be included in the specific plan. The land use pattern and circulation are important components. *Debbie Rudd* noted that perspective sketches will be developed next and architecture needs to be considered.

Marcia Jensen commented that she is having trouble with the process. She feels they are looking at a Planned Development.

Marico Sayoc commented that land use is a concern. She is not convinced that the residential is located in the most appropriate areas. Land use should be based on available social services. In the development of architecture, uses should not be forgotten.

Joanne Talesfore commented that staff should work with the school district to reach a conclusion on student ratio generation figures. Shopping categories do not all need to be provided on this site.

Joe Pirzynski commented that we may not be able to accomplish everything on the wish list.

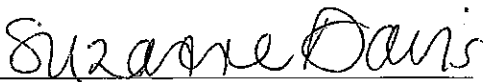
ITEM 2 CONDITIONAL USE PERMITS

See official Council minutes for this item.

ADJOURNMENT

The meeting was adjourned at 9:30 pm.

Prepared by:


Suzanne Davis, AICP
Senior Planner