HCD REVISED DRAFT

TOWN OF LOS GATOS
6TH CYCLE 2023-2031 HOUSING ELEMENT

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10. Housing Element

This 2023-2031 Housing Element is the Town of Los Gatos' response to meet the housing needs of our community while meeting the State's housing goals as set forth in Article 10.6 of the California Government Code. The California State Legislature has identified the attainment of a decent home and a suitable living environment for every Californian as the State's major housing goal. The Los Gatos Housing Element represents a sincere and open-minded effort to meet local and regional housing needs within the constraints of a largely built-out community, limited land availability, and extraordinarily high costs of land and housing. The Housing Element serves as Chapter 10 of the Town's 2040 General Plan.

A copy of the Town's 2015-2023 Housing Element can be found at this link:
https://www.losgatosca.gov/1735/General-Plan---Housing-Element

10.1 Introduction

Pursuant to State law, the Housing Element must be updated periodically according to statutory deadlines. This 6th Cycle Housing Element covers the planning period 2023 through 2031 and replaces the Town's 5th Cycle Housing Element that covered the period 2015 through 2023.

Per State Housing Element law, the document must be periodically updated to:

- Outline the community's housing production objectives consistent with State and regional growth projections;
- Describe goals, policies, and implementation programs to achieve local housing objectives;
- Examine the local need for housing with a focus on special needs populations;
- Identify adequate sites for the production of housing serving various income levels;
- Analyze potential constraints to new housing production;
- Evaluate the Housing Element for consistency with other General Plan elements; and
- Evaluate Affirmatively Furthering Fair Housing.

A Housing Element is considered to be out of compliance with the State's Housing Element law if one of the following applies:

- It has not been revised and updated by the statutory deadline; or
- Its contents do not substantially comply with the statutory requirements.

Repercussions for a jurisdiction which does not comply with the Housing Element Law include:

- Limited access to State Funding.

- Vulnerability to litigation from housing rights' organizations, developers, and the Department of Housing and Community Development (HCD), resulting in the following potential consequences:
  a. The court may order the jurisdiction to bring its Housing Element into compliance within 120 days;
  b. Suspension of a jurisdiction's authority to issue building permits or grant zoning changes, variances, or subdivision map approvals;
  c. The court may step in and approve housing projects; and
  d. If a jurisdiction faces a court action stemming from its lack of compliance and either loses or settles the case, it often must pay substantial attorney fees to the plaintiff's attorneys in addition to the fees paid to its own attorneys.

10.1.1 California's Housing Crisis

The 6th Cycle Housing Element Update comes at a critical time because California is experiencing a housing crisis. As is the case for all jurisdictions in California, Los Gatos must play its part in meeting the demand for housing. In the last Housing Element cycle (2015 to 2023), Los Gatos' Regional Housing Needs Allocation (RHNA) called for 619 new housing units; however, as of December 31, 2021, only 81 percent of these housing units have been permitted (502 units). Of those constructed, the large majority were affordable only to households making more than the Town's area median income (AMI). In 2022, this amounted to $168,500 for a family of four.

Without immediate action, the housing crisis will only get worse. In the 20-year period (2020 to 2040), Santa Clara County is projected to add 169,450 jobs, which represents a 15 percent increase. Los Gatos is projected to add nearly 1,030 jobs in the same period, a five percent increase. These changes will increase demand for housing across all income levels. The Town and region must identify ways to significantly increase housing production, or risk worsening the burden for existing lower income households. Many lower income households do not have the means to move to a new location of employment and are faced with unsustainable increases in housing cost. The lack of affordable housing has constrained the Silicon Valley economy as well-educated workers have become increasingly mobile in searching for better jobs and a higher quality of life.

If Los Gatos and the region become more competitive in attracting high-skilled workers and increasingly unaffordable to lower income workers and seniors, then social and economic segregation will worsen, only exacerbating historic patterns of housing discrimination, racial bias, and segregation. This potentiality has become so acute in recent years that the California Legislature addressed the issue with new legislation in 2018. Assembly Bill (AB) 686 requires all State and local agencies to explicitly address, combat, and relieve disparities resulting from past patterns of housing segregation to foster more inclusive communities. This is commonly referred to as Affirmatively Furthering Fair Housing (AFFH). The legislation applies to all Housing Elements revised after January 1, 2021.

10.1.2 Regional Housing Needs Allocation

The Plan Bay Area 2050 Final Blueprint forecasts that the nine Bay Area counties will add 1.4 million new households between 2015 and 2050. For the eight-year time frame covered by this Housing Element Update, HCD has identified the region's housing need as 441,176 units. The total number of housing units assigned by HCD is separated into four income categories that cover housing types for all income levels, from very low-income households to market rate housing.[1] This calculation, known as the Regional Housing Needs Determination (RHND), is based on population projections produced by the California Department of Finance as well as adjustments that incorporate the region's existing housing need.

[1] HCD divides the RHNA into the following four income categories: Very Low income: 0-50 percent of AMI, Low income: 50-80 percent of AMI, Moderate income: 80-120 percent of AMI, and Above Moderate income: 120 percent or more of AMI.

Almost all jurisdictions in the Bay Area received a larger RHNA this cycle compared to the last cycle, primarily due to changes in State law that led to a considerably higher RHND compared to previous cycles.

On January 12, 2022, HCD approved the Association of Bay Area Government's (ABAG) adopted RHNA Methodology. For Los Gatos, the RHNA to be planned for this cycle is 1,993 units, an increase from the last cycle. Table 10-1 shows the RHNA, including breakdown by affordability levels, for Los Gatos for the period 2023 through 2031.

Table 10-1 Regional Housing Needs Allocation

Income Group	Percentage of AMI	Share
Extremely Low Income	0-30	268
Very Low Income	31-50	269
Low Income	51-80	310
Moderate Income	81-120	320
Above Moderate Income	Over 120	826
Total		1,993

10.1.3 Affirmatively Furthering Fair Housing

In 2018, AB 686 established an independent State mandate to address AFFH. AB 686 extends requirements for Federal grantees and contractors to "affirmatively further fair housing," including requirements in the Federal Fair Housing Act, to public agencies in California. Affirmatively furthering fair housing is defined specifically as taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity by replacing segregated living patterns with truly integrated and balanced living patterns; transforming racially and ethnically concentrated areas of poverty into areas of opportunity; and fostering and maintaining compliance with civil rights and fair housing laws.

AB 686 requires public agencies to:

- Administer their programs and activities relating to housing and community development in a manner to affirmatively further fair housing;
- Not take any action that is materially inconsistent with the obligation to affirmatively further fair housing;
- Ensure that the program and actions to achieve the goals and objectives of the Housing Element affirmatively further fair housing; and
- Include an assessment of fair housing in the Housing Element.

The requirement to AFFH is derived from The Fair Housing Act of 1968, which prohibited discrimination concerning the sale, rental, and financing of housing based on race, color, religion, national origin, or sex and was later amended to include familial status and disability. The 2015 U.S. Department of Housing and Urban Development (HUD) Rule to Affirmatively Further Fair Housing and California AB 686 (2018) both mandate that each jurisdiction takes meaningful action to address significant disparities in housing needs and access to opportunity. AB 686 requires that jurisdictions incorporate AFFH into their Housing Elements, which includes inclusive community participation, an assessment of fair housing, a site inventory reflective of AFFH, and the development of goals, policies, and programs to meaningfully address local fair housing issues.

An AFFH analysis was prepared by Root Policy Research and is included as an appendix to this Housing Element (see Appendix A).

Defining Segregation

Segregation is the separation of different demographic groups into concentrated geographic locations or communities, meaning that groups are unevenly distributed across geographic space. Appendix A examines two spatial forms of segregation: neighborhood level segregation within a local jurisdiction; and Town level segregation between jurisdictions in the Bay Area.

Neighborhood level segregation (within a jurisdiction, or intra-Town): Segregation of race and income groups can occur from neighborhood to neighborhood within a Town. For example, if a local jurisdiction has a population that is 20 percent Latinx, but some neighborhoods are 80 percent Latinx while others have nearly no Latinx residents, that jurisdiction would have segregated neighborhoods.

Town level segregation (between jurisdictions in a region, or inter-jurisdiction): Race and income divides also occur between jurisdictions in a region. A region could be very diverse with equal numbers of White, Asian, Black, and Latinx residents, but the region could also be highly segregated with each jurisdiction consisting solely of one racial group.

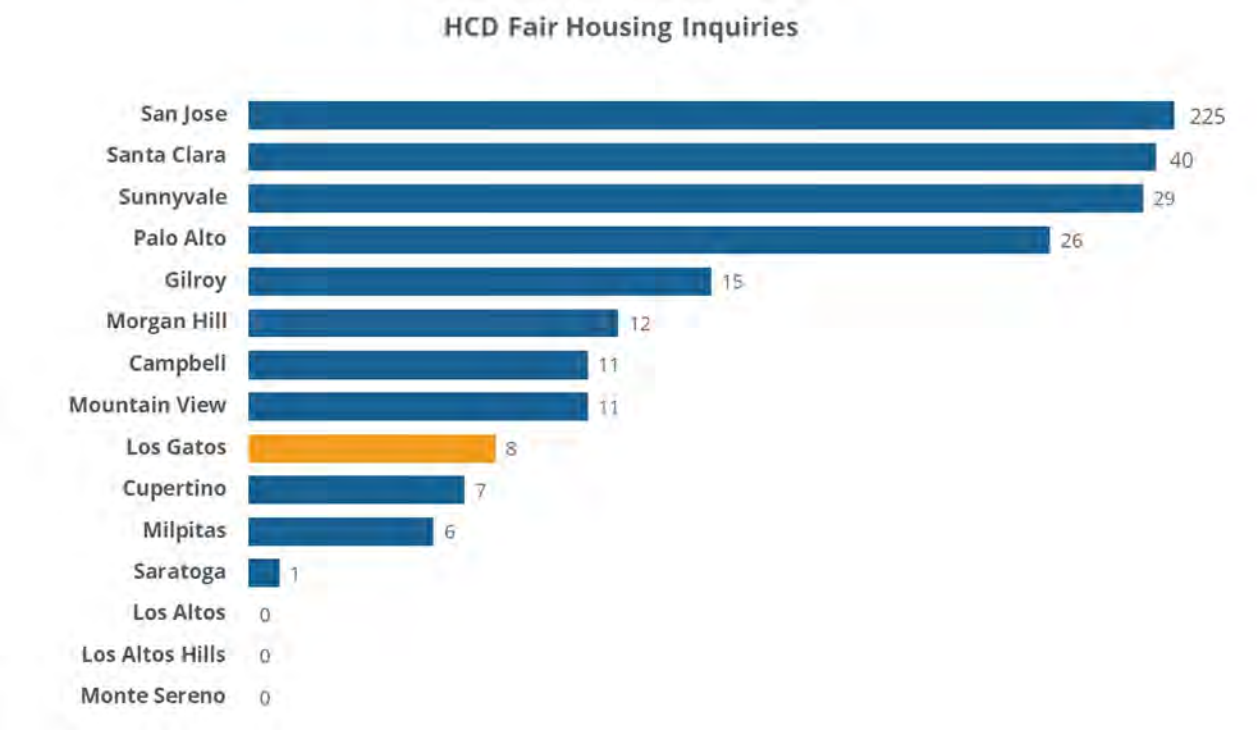
There are many factors that have contributed to the generation and maintenance of segregation. Historically, racial segregation stemmed from explicit discrimination against people of color, such as restrictive covenants, redlining, and discrimination in mortgage lending. This history includes many overtly discriminatory policies made by Federal, State, and local governments. Segregation patterns are also affected by policies that appear race-neutral, such as land use decisions and the regulation of housing development.

Segregation has resulted in vastly unequal access to public goods such as quality schools, neighborhood services and amenities, parks and playgrounds, clean air and water, and public safety. Segregation has lasting generational affects that target low-income and minority communities. Unequal access to public goods disproportionately affects undeserved communities, leading to lower levels of educational attainment, higher morbidity rates, and higher mortality rates.

Segregation Patterns in the Bay Area

Across the San Francisco Bay Area, White residents and above moderate-income residents are significantly more segregated from other racial and income groups (see Appendix B). The highest levels of racial segregation occur between the Black and White populations. The analysis completed for Appendix A indicates that the amount of racial segregation both within Bay Area cities and across jurisdictions in the region has decreased since the year 2000. This finding is consistent with recent research from the Othering and Belonging Institute at UC Berkeley, which concluded that, “[a]lthough seven of the nine Bay Area counties were more segregated in 2020 than they were in either 1980 or 1990, racial residential segregation in the region appears to have peaked around the year 2000 and has generally declined since.” However, compared to cities in other parts of California, Bay Area jurisdictions have more neighborhood level segregation between residents from different racial groups. Additionally, there is also more racial segregation between Bay Area cities compared to other regions in the State. The Federal Fair Housing Act prohibits discrimination in housing on the basis of race or color, national origin, religion, sex, familial status, and disability. Figure 10-1 on the following page shows the number of HCD Fair Housing Inquiries for the period 2013 through 2021.

Figure 10-1 HCD Fair Housing Inquiries (2013- 2021)



Source: California Department of Housing.

Segregation and Land Use

It is difficult to address segregation patterns without an analysis of both historical and existing land use policies that impact segregation patterns. Land use regulations influence what kind of housing is built in a county, city, town, or neighborhood. These land use regulations in turn impact demographics, and they can be used to affect the number of houses in a community, the number of people who live in the community, the wealth of the people who live in the community, and where within the community they reside. Land use regulations have led to disparities among neighborhoods based on class and race.

Segregation in the Town of Los Gatos

- As of 2020, White residents are the most geographically concentrated compared to other racial groups in Los Gatos, as measured by the isolation index. White residents live in neighborhoods where they are less likely to come into contact with other racial groups.
- Among all racial groups, the White population's isolation index value has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.
- According to the dissimilarity index, within Los Gatos, racial segregation is most significant between Black and White populations. [2] However, this dissimilarity index [3] value is not a reliable data point due to small population size.

[2] The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Figure B-4 in Appendix B) the assessment could focus on the isolation index or Thiel's H-Index to gain a more accurate understanding of neighborhood-level racial segregation in their jurisdiction.

[3] The "index of dissimilarity" is the most commonly used and accepted method of measuring segregation, and compares how evenly one population sub-group is spread out geographically compared to another population sub-group.

- According to the Theil H-Index,[4] neighborhood racial segregation in Los Gatos increased between 2010 and 2020. Neighborhood income segregation stayed about the same between 2010 and 2015.
- Above moderate-income residents are the most segregated compared to other income groups in Los Gatos. Above moderate-income residents live in neighborhoods where they are less likely to encounter residents of other income groups.
- Among all income groups, the above moderate-income population's segregation measure has changed the most over time, becoming less segregated from other income groups between 2010 and 2015.
- According to the dissimilarity index, segregation between lower income residents and residents who are not lower income has increased between 2010 and 2015. In 2015, the income segregation in Los Gatos between lower income residents and other residents was higher than the average value for Bay Area jurisdictions.

Figures 10-2 and 10-3 identify HCD Fair Housing Inquiries by bias for the period 2013 through 2021 and a list of Fair Housing Assistance organizations within Santa Clara County. Figure 10-2 shows that a total of eight fair housing inquiries for Los Gatos were submitted with two submittals citing ~~race~~ familial status as a bias and six cases citing no specific bias.

Figure 10-2 HCD Fair Housing Inquiries by Bias, January 2013-March 2021

Jurisdiction	Disability	Race	Familial Status	National Origin	Religion	Sex	Color	None Cited	Decision Not To Persue	Failure to Respond	Total
San Jose	39	9	9	8	0	3	0	146	9	111	225
Santa Clara	2	2	4	4	0	0	0	26	1	12	40
Sunnyvale	7	1	3	0	0	0	0	17	1	16	29
Palo Alto	3	1	3	0	0	1	0	18	1	9	26
Gilroy	3	1	0	0	0	0	0	11	1	4	15
Morgan Hill	3	2	1	0	0	0	0	6	0	6	12
Campbell	3	1	0	0	0	0	0	7	0	5	11
Mountain View	1	0	1	0	0	0	0	9	0	6	11
Los Gatos	0	0	2	0	0	0	0	6	1	5	8
Cupertino	2	1	0	0	0	0	0	4	1	2	7
Milpitas	0	0	0	0	0	0	0	6	0	2	6
Saratoga	0	0	0	0	0	0	0	1	0	0	1
Los Altos	0	0	0	0	0	0	0	0	0	0	0
Los Altos Hills	0	0	0	0	0	0	0	0	0	0	0
Monte Sereno	0	0	0	0	0	0	0	0	0	0	0

Source: California Department of Housing and Community Development AFFH Data Viewer

[4] The Theil H-Index is a statistic primarily used to measure economic inequality and other economic phenomena.

Figure 10-3 Fair Housing Assistance Organizations, Santa Clara County

Name	Service Area	Address	Phone	Website
Project Sentinel	Northern California	1490 El Camino Real, Santa Clara, CA 95050	(800) 339-6043	https://www.housing.org/
Los Gatos Rental Dispute Resolution Program C/O Project Sentinel	Los Gatos	1490 El Camino Real, Santa Clara, CA 95050	(800) 339-6043	https://www.housing.org/
Housing and Economic Rights Advocates	State of California	1814 Franklin St. Ste. 1040 Oakland, CA 94612	(510) 271-8443	https://www.heraca.org
Bay Area Legal Aid - Legal Advice Line	Parts of Santa Clara County	2 West Santa Clara Street, 8th Floor, San Jose, CA 95113	(408) 850-7066	https://www.baylegal.org
Senior Adults Legal Assistance (SALA)	Santa Clara County	160 E Virginia Street, Ste. 260, San Jose, CA 95112	(408) 295-5991	www.sala.org
Asian Law Alliance	Silicon Valley	184 East Jackson Street, San Jose, CA 95112	(408) 287-9710	www.asianlawalliance.org
California Department of Fair Employment and Housing	State of California	2218 Kausen Dr. Ste. 100 Elk Grove, CA 95758	(916) 478-7251	https://www.dfeh.ca.gov
Law Foundation of Silicon Valley	Greater Silicon Valley, Santa Clara County	152 N. 3rd St. #3 San Jose, CA 95112	(408) 293-4790	https://lawfoundation.org

Source: Los-Gatos-Housing-Resources-Guide (losgatosca.gov)

Regional Segregation

- Los Gatos has a higher percentage of White residents than other jurisdictions in the Bay Area as a whole, a lower percentage of Latinx residents, a lower percentage of Black residents, and a lower percentage of Asian and Pacific Islander residents.

- Regarding income groups, Los Gatos has a lower percentage of very low-income residents than other jurisdictions in the Bay Area as a whole, a lower percentage of low-income residents, a lower percentage of moderate-income residents, and a higher percentage of above moderate-income residents.

10.1.4 Overview of Planning and Legislative Efforts

This section provides an overview of planning and legislative efforts that provide the context for development of the 6th Cycle Housing Element.

2040 General Plan

On June 30, 2022, the Town Council adopted the 2040 General Plan and accompanying Environmental Impact Report (EIR). As of September 27, 2022, The Land Use and Community Design Elements of the 2040 General Plan are suspended pending the results of a referendum. In the interim, the Town's 2020 General Plan Land Use and Community Design Elements will govern during the suspension period.

The update process that resulted in the adoption of the 2040 General Plan was conducted with an understanding of the changes that would be required for the next Housing Element update cycle, and with a goal of minimizing the number of additional General Plan amendments that would be required to ensure consistency between the updated Housing Element and other Elements of the General Plan. Given this recent work that resulted in the 2040 General Plan, the only Housing Element Implementation Program required to ensure consistency is Implementation Measure BG to allow the housing density suspended by the referendum mentioned above. The use of Implementation Measure BG allows the Housing Element to assume that the properties on the Sites Inventory are able to develop at the greater density levels and heights envisioned under the 2040 General Plan, regardless of the results of the referendum. In this way the Housing Element can depend on this new development capacity rather than being constrained by the referendum.

Effectiveness of Previous Housing Element

The Town of Los Gatos 5th Cycle Housing Element (2015 to 2023) identified a RHNA of 619 housing units between January 31, 2015, and January 1, 2023. As of December 31, 2022, 683 new units were added to the Town's housing stock, achieving approximately 110 percent of the Town's RHNA~~of December 31, 2021, 502 new units were added to the Town's housing stock in this cycle, achieving approximately 81 percent of the Town's RHNA~~. Units affordable to moderate- and lower-income households that were created during the planning period include senior rental units (North Forty Phase I), an attached condominium (Union Avenue), ~~single-family homes~~detached townhomes (Knowles Avenue) produced through the Town's Below Market Program (BMP), and accessory dwelling units (ADU). See Appendix E for a complete review and analysis of Los Gatos's 5th Cycle Housing Element (2015-2023).

New State Laws Affecting Housing

While the Town has taken steps throughout the 5th Cycle to increase housing production locally, the State passed numerous laws to address California's housing crisis during the same period. As the State passes new legislation in the remainder of the 5th Cycle and during the 6th Cycle, the Town will continue to amend the Municipal Code; to monitor and evaluate policies and programs designed to meet State requirements; and to proactively implement new policies and programs to help increase housing production in the Town.

In 2019, several bills were signed into law that include requirements for local density bonus programs, the Housing Element, surplus lands, ADU streamlining, and removing local barriers to housing production. The Town has and will continue to implement changes required by State law, through amendments to the Los Gatos Municipal Code. The following is a summary of recent legislation and proposed Town activities that will further the Town's efforts to increase housing production during the 6th Cycle. Please see the previous section for a discussion of AB 686 (Affirmatively Furthering Fair Housing).

Streamlining for Subdividing Single-Family Lots

Senate Bill (SB) 9, the California Housing Opportunity and More Efficiency (HOME) Act, streamlines the process for a homeowner to create a duplex or subdivide an existing lot. Any new housing created as a result of this bill must meet a specific list of qualifications that protects historic districts, preserves environmental quality and the look of communities, and prevents tenants from being displaced. This legislation will enable homeowners to

~~create intergenerational wealth, and~~ provide access to more rental and ownership options for working families who would otherwise be priced out of neighborhoods.

Incentive for Accessory Dwelling Units

AB 68, AB 587, AB 671, AB 881, and SB 13 further incentivize the development of ADUs, through streamlined permits, reduced setback requirements, increased allowable square footage, reduced parking requirements, and reduced fees. The Town has amended its regulations and procedures pursuant to State law. In addition, the Town increased the allowable floor area ratio by an additional ~~ten~~ 10 percent for development of ADUs.

Density Bonus Update

AB 1763 requires jurisdictions to provide a density bonus to development projects that restrict 100 percent of their units as affordable to lower and moderate-income households.

Objective Standards for Multi-Family and Mixed-Use Development Applications

The Town of Los Gatos is developing objective standards for the review of multi-family housing and mixed-use development applications. This effort is in response to State legislation requiring jurisdictions to adopt objective standards and to implement them in a streamlined review of qualifying housing projects. Objective standards are defined under State law as "standards that involve no personal or subjective judgement by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal" (California Government Code, Section 65913.4). Objective standards are a powerful tool that allow communities to respond to State housing laws that are reducing local control of development. They provide an opportunity to ensure that the appearance of new development is compatible with the Town's vision, while reinforcing objectivity in the decision-making process.

Low-Barrier Navigation Centers

A "Low Barrier Navigation Center" is a low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. AB 101 requires jurisdictions to allow "low-barrier navigation centers" by-right in areas zoned for mixed-uses and in non-residential zones permitting multi-family uses if the center meets specified requirements. Implementation Program ~~BD~~ BC has been included pursuant to the requirements of AB 101.

Surplus Public Land

AB 1255 and AB 1486 seek to identify and prioritize State and local surplus lands available for housing development that are affordable to lower income households. The Town has not identified surplus lands through the sites inventory analysis and will report on these lands if identified through the Housing Element Annual Progress Reports.

Accelerated Housing Production

AB 2162 and SB 2 address various methods and funding sources that jurisdictions may use to accelerate housing production.

Priority Processing

SB 330 enacts changes to local development policies, permitting, and processes that will be in effect through January 1, 2025. SB 330 places new criteria on the application requirements and processing times for housing developments; prevents localities from decreasing the housing capacity of any site, such as through downzoning or increasing open space requirements, if such a decrease would preclude the jurisdiction from meeting its RHNA housing targets; prevents localities from establishing non-objective standards; and requires that any proposed demolition of housing units be accompanied by a project that would replace or exceed the total number of units demolished. Additionally, any demolished units that were occupied by lower income households must be replaced with new units affordable to households with those same income levels.

Housing and Public Safety

In response to SB 379, SB 1035, SB 99, and AB 747, local jurisdictions must update their Safety Element to comprehensively address climate adaptation and resilience and identify evacuation routes. These updates are triggered by any General Plan or Housing Element Update that occurs after January 1, 2014. The Town has conducted this update through its recent General Plan Update, so that it can direct future development into areas that avoid or reduce unreasonable risks, while also providing needed housing and maintaining other community planning goals.

Online Transparency

AB 1483 increases transparency for residential development project applicants. The Town of Los Gatos' website maintains the publication of specific fee and zoning information intended to increase transparency for residential development project applications.

10.1.5 Public Participation

The primary purpose of this section is to describe the effort made by the Town of Los Gatos to engage all economic segments of the community (including residents and/or their representatives) in the development and update of the Housing Element. The 6th Cycle RHNA numbers are a significant change for all California communities, and the success of the update process is dependent on a robust, inclusive, and meaningful community outreach and engagement program. The COVID-19 pandemic has complicated community outreach efforts, but the pandemic has also catalyzed the development of new digital tools that have brought interactive engagement to a new level. The following section outlines efforts taken by the Town of Los Gatos to engage the community in the Housing Element Update process. The summary below illustrates the efforts that the Town has employed to reach the community for input and community engagement as part of the 2023-2031 Housing Element Update process to date:

- Postcards sent to all property owners and tenants in the Town for a Housing Element Update Community Meeting (17,446 in total).
- Announcements provided in the local newspaper for all Housing Element Advisory Board (HEAB) meetings, community meetings, joint study sessions, and the 30-day public review period of the Initial Public Review Draft Housing Element (Los Gatos Weekly).
- ~~17~~ 19 pop-up informational tables at the Los Gatos Farmers' Market.
- Two Housing Element Update information tables at the Los Gatos Library.
- Information table at the Town Community Event (Spring in the Green).
- Social posts on five platforms, including Facebook, Instagram, Twitter, Nextdoor, and the What's New page on the Town's website for all Housing Element meetings, interactive on-line engagement, and public engagement opportunities.
- Public notices for Housing Element Advisory Board (HEAB) meetings and community meetings posted at Town Hall and the Library.
- Targeted email messaging that sends email updates to the Town's Notify Me subscribers for the 2040 General Plan Update and Housing Element Update.
- 100 Property Owner Interest Forms mailed to all property owners on the Site Inventory.
- Online advertisements for each Housing Element meeting and interactive on-line engagement opportunities on the Town's website, the Town's General Plan Update website, and the Town's Housing Element website.
- Use of the Balancing Act, a housing simulation tool, available on the Town's dedicated Housing Element Update website for online public engagement.
- 201 submissions to the online site surveys and 42 completions of the Balancing Act housing simulation tool.
- Seven community group meetings for the 2040 General Plan Update, including discussion regarding density and affordable housing.
- ~~Eleven~~ 15 HEAB meetings held to date.

- Town Council meeting approving the draft Site Inventory.
- One community meeting hosted by the Santa Clara County Planning Collaborative for Santa Clara County municipalities.
- A public meeting hosted by West Valley Community Services; Envisioning an Inclusive Los Gatos: Housing Element 101.
- A joint study session with the Town Council and Planning Commission to discuss housing growth options for the 2040 General Plan.
- A joint study session with the Town Council, Planning Commission, and HEAB with panelists from both market rate and non-profit developers.
- Participation in a Santa Clara County Equity Advisory Group Meeting.

Staff expects to continue this level of outreach and engagement throughout the remainder of the Housing Element Update process, including: information on the Town's website; newspaper ads; social media posts; email notifications; ~~a~~ pop-up tables at the Farmers' Market, library, and public events; and the website for the Housing Element Update (engagelosgatoshousing.com). Through staff's engagement with the public at the Farmers' Market, staff has heard community support for: housing options to meet the needs of seniors and large families; displacement prevention of existing naturally affordable housing units; housing of essential workers; and lower wage earners; and the Town incentives to attract affordable housing projects.

Housing Element Advisory Board

On August 3, 2021, the Los Gatos Town Council adopted Resolution 2021-032 establishing the HEAB to serve as an advisory board for preparation of the Housing Element Update. On September 21, 2021, the Town Council appointed four at-large members to the HEAB, which when combined with the nine members of the existing General Plan Committee (GPC), formed a 13-member oversight board.

Housing Element Website

The Town developed a focused Housing Element Update website "Engage Los Gatos Housing" to provide a forum for the Town's online community to engage in the Housing Element Update process. The site provides an interactive place for the public to learn about and be a part of the Town's work on housing and to help guide decision makers on the direction of future housing. This online platform has been open throughout the Town's 6th Cycle Housing Element Update and updated regularly with key documents, key meeting dates and times, engagement opportunities, and other information.

Balancing Act Online Public Engagement

The Balancing Act tool was added on the Town's Housing Element website to allow the public to participate and provide site selection feedback on the online platform. The Balancing Act is an online simulation-based tool for public engagement on potential housing sites. The Balancing Act provided an interactive map showing where potential housing could be placed to fulfill the Town's RHNA.

Site Surveys Online Public Engagement

As a companion to the Balancing Act mapping tool opportunity to gather public comments about potential housing sites, surveys were made available for each individual site. The dedicated Housing Element Update website included opportunities to learn more about the Housing Element Update process and how to contribute to the process.

Renter's Survey

On November 15, 2022, the Town of Los Gatos published a Renter's Housing Survey to gather input from residents who are currently renting or have a history of renting in the Town. The goal of the survey was to inform the Town on renter household's needs and possible barriers to accessing housing. The survey was made available in English, Russian, and Spanish, and posted online at www.EngageLosGatosHousing.com. Additionally, the survey was distributed in print throughout the Town in collaboration with West Valley Community Services (WVCS). The survey received a total of 62 responses. See Appendix B for the survey results.

Property Interest Forms
Letters were sent to owners of properties that were considered by the Town to be candidates for housing sites. The letters included a description of the Housing Element Update process and an invitation to include their property on the Sites Inventory List.

Community Meetings
On August 25, 2021, Town staff participated with other municipalities as part of the Santa Clara County Housing Collaborative to conduct the Let's Talk Housing meeting, a regional outreach effort. The online event introduced community participants to the Housing Element Update process. Town staff presented an introduction to the Housing Element Update and hosted breakout Zoom room discussions to learn more about community members housing experiences, needs challenges, and opportunities. There were 35 participants.

On March 2, 2022, West Valley Community Services (WVCS) hosted an online community engagement event, Envisioning an Inclusive Los Gatos: Housing Element 101. The online event provided an opportunity for the public to discuss opportunities with panelists for the Town to improve the housing community for everyone, ensuring inclusive, diverse, and affordable housing in Town. Community members, Housing Element experts, nonprofits, housing developers, and clients with experience in homelessness and affordable housing joined the conversation, discussing housing challenges, opportunities, and personal experiences. The featured panelists included:

- Ande Flower, Principal Planner at EMC Planning Group.
- Alison Cingolani, Policy and Research Associate at SV@Home.
- Bianca Neumann with EAH Housing.
- Two WVCS clients.

Housing Element Advisory Board Public Meetings (HEAB)
The HEAB is an advisory board created for the purposes of advising Town staff, providing a public forum for public involvement, and making recommendations to the Planning Commission and Town Council on updates to the Housing Element. The HEAB serves as an advisory body that provides input on specific tasks associated with the Housing Element Update. The role of the HEAB is to:

- Provide guidance on the development of the Housing Element Update;
- Provide an additional forum for public involvement;
- Forward milestone products to Town Council;
- Review the Draft Housing Element; and
- Make recommendations to the Planning Commission and Town Council.

The HEAB meeting agendas allow for two opportunities for public comment, at the beginning and end of each meeting, to provide the public an opportunity to react to the topics proposed and discussed. The public is invited to participate and provide comments at the HEAB meetings or in writing. Meetings are advertised through social media, the Town's website, the Housing Element Update website, newspaper advertisements, postings at Town Hall and the Library, and emails to the General Plan Notify Me list. The following meetings were held via Zoom with public participation and will continue through the Housing Element Update process.

- October 21, 2021: Kickoff Meeting and Housing Element Overview.
- December 16, 2021: Review and Discussion of Technical Appendices.
- February 17, 2022: Review and Discussion of the Housing Site Inventory Analysis Process.
- April 21, 2022: Review and Discussion of the Housing Element Site Inventory.
- May 5, 2022: Review and Discussion of the Housing Element Site Inventory.
- May 19, 2022: Review and Discussion of the Housing Element Site Inventory.
- June 16, 2022: Review and Discussion of the Housing Element Draft Goals, Policies, and Programs.
- July 7, 2022: Review and Discussion of the Housing Element Draft Goals, Policies, and Programs.
- August 4, 2022: Review and Discussion of the Housing Element Draft Goals, Policies, and Programs.

- August 18, 2022: Review and Discussion of the full preliminary Housing Element Draft.
- September 15, 2022: Receive Public Comments on the Initial Public Review Draft Housing Element.
- October 20, 2022: Review of the Submittal of the HCD Draft Initial Review Housing Element.
- December 1, 2022: Discuss Anticipated Comments on the Town's Draft Housing Element.
- February 16, 2023: Review of HCD comments and discuss possible modifications to the Housing Element.
- March 16, 2023: Review and Discuss the Town's Revised Draft Housing Element.

In addition, the following groups have been invited to join the Housing Element Advisory Board Meetings:

- Los Gatos Chamber of Commerce.
- West Valley Community Services.
- Los Gatos Interfaith Community.
- Public and Private Schools.
- Los Gatos Anti-Racism Coalition.
- Los Gatos Rotary Club.
- Los Gatos Kiwanis Club.
- Los Gatos Lions Club.
- Architects, Designers, and Market and Affordable Housing Developers who typically do work within Town.
- The Town's Senior Services Committee.

The list of organizations that were contacted to participate in the Housing Element Update process is provided in Appendix F.

Joint Study Sessions

On December 7, 2021, the Town Council and the Planning Commission held a Joint Study session via Zoom to discuss housing growth options and related analyses for Planning Commission and Town Council consideration of the 2040 General Plan Update. The public was encouraged to continue to submit comments and participate in the 2040 General Plan Update, including any preferences for housing growth options.

On April 6, 2022, the Town Council, Planning Commission, and HEAB participated in a Joint Study session via Zoom titled "Nuts and Bolts of Affordable Housing." Several residents requested that the Town Council convene a study session with the Planning Commission and HEAB to learn more about the challenges of building affordable housing, particularly the financial and legal realities. The residents provided discussion questions to the panel members. The Town Council, Planning Commission, and HEAB members had the opportunity to ask questions of panel members. The panelists included the following:

- Josh Selo, West Valley Community Services Executive Director served as moderator for the panel discussion.
- Barbara Kautz, Goldfarb Lipman Attorneys, provided the current legal landscape for Housing Elements.
- Don Caprobres, Harmonie Park Development, provided expertise in market rate development and partnerships with affordable housing developers.
- Andrea Osgood, Eden Housing, provided hands-on knowledge of affordable housing development and working with market rate developers.
- Chris Neale, The CORE Companies, provided experience with both market and affordable housing development.

Public Hearings

On June 7, 2022, the Town Council accepted the sites in Tier 1 for inclusion in the Draft Site Inventory as recommended by the HEAB at their May 19, 2022, meeting.

~~On June 7, 2022, the Town Council considered and approved the HEAB's recommendation for the draft Site Inventory at a public hearing via Zoom. There will be more public hearings to come following the first review by~~

~~HCD.~~On December 20, 2022, the Town Council recommended that the current version of the Draft 2023-2031 Housing Element, as submitted to HCD on October 14, 2022, be considered for adoption prior to the statutory deadline of January 31, 2023.

On January 11, 2023, the Planning Commission unanimously recommended that the Town Council adopt the Draft 2023-2031 Housing Element with the revised Sites Inventory Analysis and revised Sites Inventory Form.

On January 24, 2023, the Town Council discussed the Town's 2022 through 2024 strategic priorities and included affordable housing partnerships as a strategic priority for the Town.

On January 30, 2023, the Town Council adopted the 2023-2031 Housing Element with modifications to the Sites Inventory, finding that it was in substantial compliance with State law with the revised Sites Inventory Analysis and revised Sites Inventory Form.

Justice, Diversity, Equity, and Inclusion

The Town of Los Gatos values justice, equity, diversity, and inclusion (JEDI). The Town works proactively to ensure the rights and opportunities of everyone in Los Gatos and opposes any attempts to undermine the safety, security, and rights of any members of the community. The Town promotes equal treatment, equitable distribution of and access to resources, and engagement in issues affecting the lives of residents, workers, and visitors. The Town does not tolerate discrimination, racial injustice, or police brutality. The Town works toward realizing the values of diversity, equity, and inclusion by taking specific actions to become a more inclusive community.

In May of 2017, the Town Council affirmed a commitment to Los Gatos as a diverse, supportive, equitable, and inclusive community.

On June 5, 2020, the Town affirmed its commitment to stand in solidarity with the black community with a Proclamation from the Mayor.

On June 17, 2020, the Mayor signed the Obama Foundation's Mayor's Pledge, committing to review Police Department standards, report back to the community, and work on reforms.

On June 19, 2020, the Town launched a new webpage, "Becoming an Inclusive Community," dedicated to outlining the shared values of justice, diversity, equity, and inclusion. In naming the new webpage "Becoming an Inclusive Community," the Town acknowledged that there is work to do; and by clearly stating the commitment to inclusivity and diversity, the Town strives to take the steps needed to reach that goal. The dedicated webpage can be viewed at www.LosGatosCA.gov/Inclusivity and is kept updated on a regular basis with Town efforts and current information.

On July 30, 2020, the General Plan Update Advisory Committee (GPAC) held a special meeting to review and discuss the topics including racial, social, and environmental justice in the General Plan. As a result of this meeting, the first Element of the 2040 General Plan is a new Racial, Social, and Environmental Justice Element.

In 2020, the Town hosted three community workshops via teleconference to foster dialogue on racial and social justice and how Los Gatos can be more welcoming for all. The three conversations covered police reform, and housing. The inclusivity webpage contains full video recordings, presentations, and other information associated with these conversations.

Pop-up Community Outreach

Farmers' Market Informational Booth

Town staff hosted a 2040 General Plan Update and Housing Element Update informational booth at the Los Gatos Farmers' Market on Sundays from 9:00 a.m. to 12:00 p.m. on the following dates:

- June 27, 2021.
- July 18, 2021.
- August 8, 2021.
- August 29, 2021.

- September 19, 2021.
- October 10, 2021.
- October 31, 2021.
- November 21, 2021.
- December 19, 2021.
- January 19, 2022.
- February 13, 2022.
- March 13, 2022.
- April 10, 2022.
- May 22, 2022.
- June 12, 2022.
- September 4, 2022.
- October 9, 2022.
- November 13, 2022.
- December 11, 2022.
- January 15, 2023.
- February 19, 2023.
- March 26, 2023.

The Farmers' Market is held at the Town's Plaza Park located in downtown Los Gatos. The informational booth has provided an opportunity for planning staff to have approximately 75 interactions with the public, answer ~~the public's~~ questions regarding housing opportunities and challenges within the Town, the location of possible housing sites in Town, the General Plan Update and Housing Element Update process in general, and key participation opportunities. Informational handouts were provided to members of the public with links to the Town's General Plan Update and Housing Element Update websites. Staff interacted with members of the community, including both Town residents and non-residents~~, at the Farmers Market~~. Staff members will continue hosting this informational booth once a month through the end of the Housing Element Update process.

Spring Into Green Informational Booth

On April 24, 2022, Town staff hosted an informational booth for the 2040 General Plan Update and Housing Element Update at the Town of Los Gatos' Spring into Green event. The outdoor event celebrates Keep Los Gatos Beautiful Month, environmental sustainability, and Earth Day. The festivities included environmentally focused exhibitor booths, a tree planting ceremony, the weekly Los Gatos Farmers' Market, family-friendly activities, food, and live music. The informational booth provided an opportunity for Town staff to answer the public's questions regarding housing opportunities and challenges within the Town, possible housing sites in Town, the General Plan Update and Housing Element Update process and key participation opportunities.

2040 General Plan Update

On June 30, 2022, the Town Council adopted the 2040 General Plan. As mentioned above, the 2040 General Plan includes a new chapter: Racial, Social, and Environmental Justice. The Racial, Social, and Environmental Justice Element includes goals, policies, and implementation programs that encourage and support local efforts to increase participation in the local political process and to improve local conditions relative to racial, social, and environmental justice issues. The themes covered in this element lay the foundation for creating a more equitable and inclusive Town for all residents of Los Gatos. The Racial, Social, and Environmental Justice Element focuses on the empowerment of the community, and especially of the members of the community who have not been previously heard.

General Plan Update Advisory Committee (GPAC)

To help guide the update to the General Plan, the Town Council appointed a GPAC. The GPAC was composed of the Town's General Plan Committee (GPC) and three additional residents. The GPC includes two Town Council members, three Planning Commissioners, and four residents. The GPAC served to review and discuss

issues, opportunities, and the development the Draft 2040 General Plan. The GPAC held more than 35 public meetings throughout the General Plan Update process, listening to community input and contributing to the development of Land Use Alternatives, and the content of the General Plan document.

Public Participation to Affirmatively Furthering Fair Housing
The Los Gatos public participation program was also responsive to AFFH, which requires local jurisdictions to conduct public outreach to equitably include all stakeholders in the housing element public participation program (see Section 10.1.3 for more complete information on AFFH).

Tribal Consultation
This public participation effort also includes formal consultation, pursuant to Government Code §65352.3, with representatives from nine Native American tribes that are present and active in Santa Clara County.

10.2 Overview of Housing Needs and Constraints

This section summarizes the housing needs of Los Gatos as determined through the comprehensive housing data assessment and analysis presented in Appendix B and serves as the basis for housing goals, policies, and implementation programs. The housing summary gives an overview of population trends: characteristics of the housing stock; housing affordability; and special needs households.

10.2.1 Introduction

The Bay Area continues to see growth in both population and jobs, which means more housing of various types and sizes is needed to ensure that residents across all income levels, ages, and abilities have housing opportunities. While the number of people drawn to the region over the past 30 years has steadily increased, housing production has stalled, due to the high cost of land, contributing to the housing shortage that communities are experiencing. In many communities, this has resulted in residents being priced out, increased traffic congestion caused by longer commutes, and fewer people across income levels being able to purchase homes or meet surging rents.

10.2.2 Los Gatos Overview

As California works to face its housing crisis, the State of California has adopted rules to ensure that the burden of housing an economically diverse and growing population is shared proportionately among all California communities. The Town is committed to meeting the housing challenge, while preserving the essential character of the community. The Town faces some of the following conditions as summarized below:

- Population growth trends in the Town are significantly lower than the County and regional rates.
- The Town has more than double the County share of White population and a correspondingly smaller percent of minority populations.
- The Town has a higher share of high-income earners than the County and Bay Area.
- The income gap between lower income residents and higher income residents in the Town is higher than the average value for Bay Area jurisdictions.
- Poverty rates are very low in the Town.
- The Town is a net importer of workers.
- Housing prices in the Town are extremely high. Home prices are valued at more than $2 million, and rental prices increased by 61 percent from 2009 to 2019.
- The Town does not have any public housing and only a small portion of the Town contains Housing Choice Voucher usage.

Figures 10-4 and 10-5 on the following pages show the concentration of public housing buildings with less than seven units and buildings with eight to 35 units in Santa Clara County; and Housing Choice vouchers by census tract, respectively.

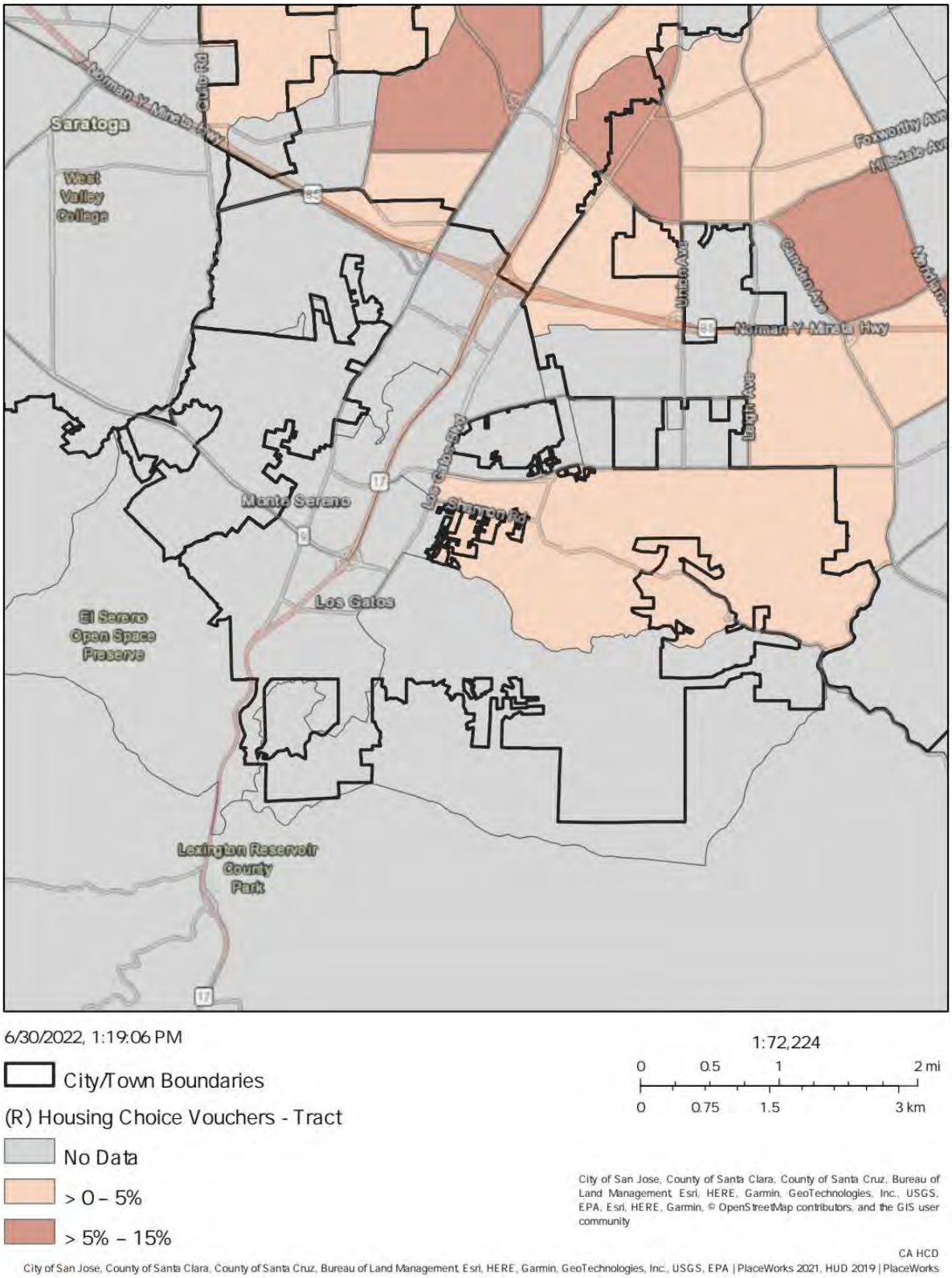
The remainder of this section provides an overview of the demographics, housing characteristics, and special housing needs that provide the context for Los Gatos's 6th Cycle Housing Element Update. A more complete report on housing needs is presented in Appendix B.

Figure 10-4 Public Housing Buildings, ~~Santa Clara County~~ Partial Bay Area Region



Source: California Department of Housing and Community Development AFFH Data Viewer

Figure 10-5 Housing Choice Vouchers by Census Tract



Source: California Department of Housing and Community Development AFFH Data Viewer

10.2.3 Demographics

Population Trends

Generally, the population of the Bay Area continues to grow because of natural growth and because the strong economy draws new residents to the region. The population of the Town of Los Gatos increased by 10 percent from 2000 to 2020, which is below the 14.8 percent growth rate of the Bay Area. In 2020, the population of the Town was estimated to be 31,439 according to the Department of Finance. The population of the Town makes up 1.6 percent of Santa Clara County.[5] In the Town of Los Gatos, roughly 13.5 percent of its population moved during the past year, a number that is roughly the same as the regional rate of 13.4 percent. Table 10-2 shows population growth trends for the Town, Santa Clara County, and the Bay Area as a whole.

Table 10-2 Population Growth Trends

Geography	1990	1995	2000	2005	2010	2015	2020
Los Gatos	27,357	28,751	28,592	28,872	29,413	30,807	31,439
Santa Clara County	1,497,577	1,594,818	1,682,585	1,752,696	1,781,642	1,912,180	1,961,969
Bay Area	6,020,147	6,381,961	6,784,348	7,073,912	7,150,739	7,595,694	7,790,537

Source: California Department of Finance, E-5 series

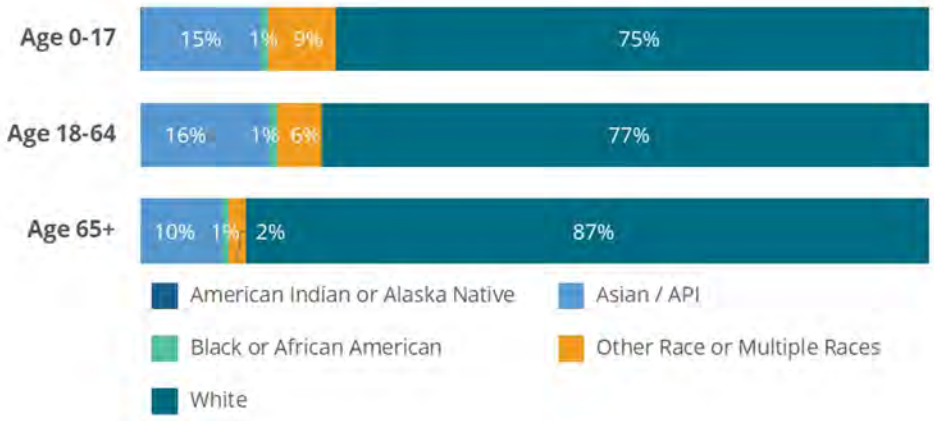
Population by Age

The distribution of age groups in a town or city shapes what types of housing the community may need in the near future. An increase in the older population may mean there is a developing need for more senior housing options, while higher numbers of children and young families can point to the need for more family housing options and related services. There has also been a move by many to age-in-place or downsize to stay within their communities, which can mean more multi-family and accessible units are also needed.

In 2019, the median age in the Town was 47 years, an increase from the median age of 41 in 2000. The youth population of the Town under the age of 18 was 6,767 and the senior population 65 and older was 6,393. These age groups represent 22 percent and 20.8 percent, respectively, of the Town's population. This reflects a nationwide aging trend related to the large baby boom generation, as well as local characteristics. The Town of Los Gatos is a community with a high quality of life that encourages residents to stay throughout their lives. Aging in place, attracting retirees, and high housing costs that favor older, more financially stable households all contribute to the aging trend in the Town. Figure 10-6 shows the distribution of senior and youth population by race.

[5] To compare the rate of growth across various geographic scales, Table 10-2 shows population for the jurisdiction, county, and region indexed to the population in the year 1990. This means that the data points represent the population growth in each of these geographies relative to their populations in 1990. NOTE: Universe: Total population; For more years of data, please refer to the Data Packet Workbook, Table POPEMP-01.

Figure 10-6 Senior and Youth Population by Race, Los Gatos, 2000-2019



Source: ABAG Housing Needs Data Workbook

Population by Race/Ethnicity

Understanding the racial makeup of a town, city, and region is important for designing and implementing effective housing policies and programs. These patterns are shaped by both market factors and government actions, such as exclusionary zoning, discriminatory lending practices, and displacement that has occurred over time and continues to impact communities of color today.[6]

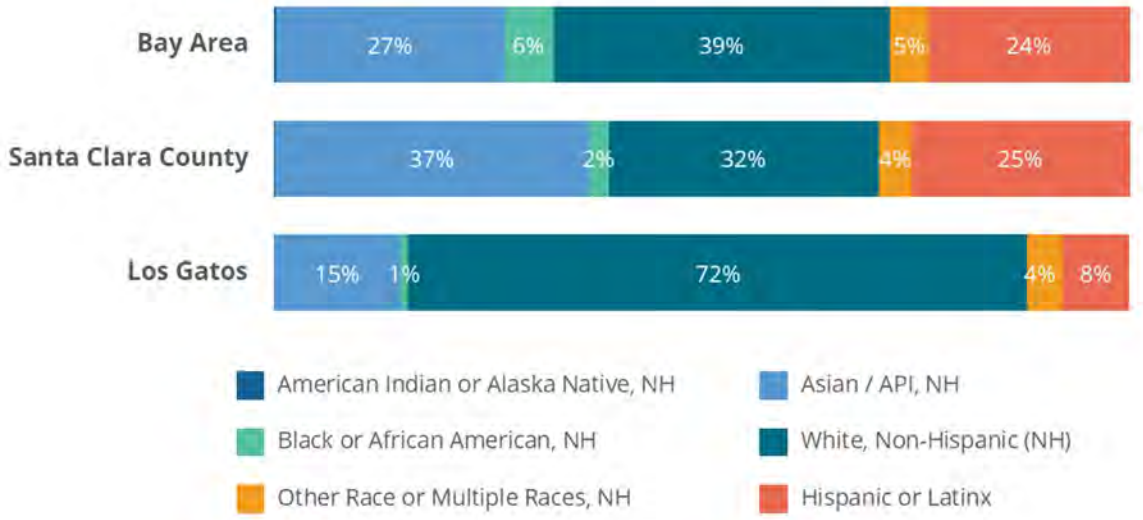
Figures 10-7 and 10-8 show the population distribution by race and ethnicities in the Bay Area, Santa Clara County, and specifically Los Gatos, through the period 2000 to 2019. Since 2000, the percentage of residents in the Town of Los Gatos identifying as "White, Non-Hispanic" has decreased by 13.3 percentage points. At the same time the percentage of residents of all "Other Race of Multiple Races, Non-Hispanic" has increased. In absolute terms, the "Asian/API, Non-Hispanic" population increased the most, while the "White, Non-Hispanic" population decreased the most.

In 2019, 72.3 percent of the Town's population was White while 0.9 percent was African American, 14.8 percent was Asian, and 7.9 percent was Latinx. People of color in Los Gatos comprise a proportion below the overall proportion in the Bay Area as a whole.[7]

[6] See, for example, Rothstein, R. (2017). The color of law: a forgotten history of how our government segregated America. New York, NY & London, UK: Liveright Publishing.

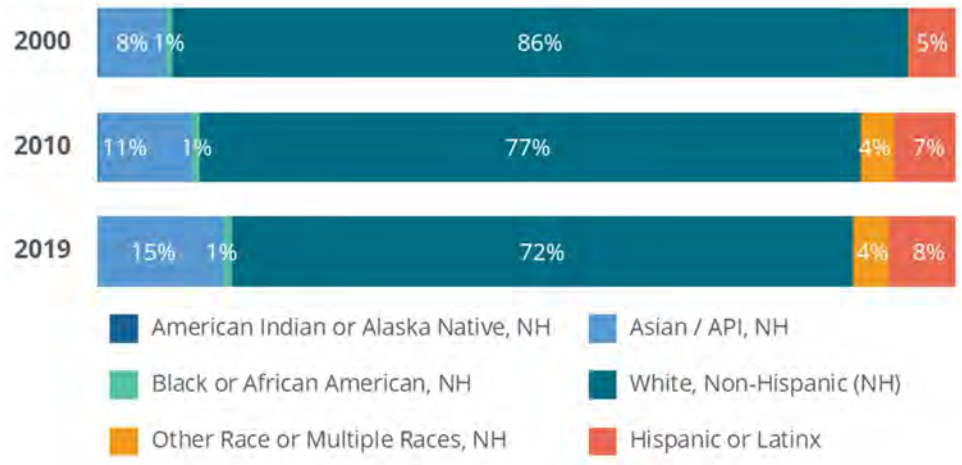
[7] The Census Bureau's American Community Survey accounts for ethnic origin separate from racial identity. The numbers reported here use an accounting of both, such that the racial categories are shown exclusive of Latinx status, to allow for an accounting of the Latinx population regardless of racial identity. The term Hispanic has historically been used to describe people from numerous Central American, South American, and Caribbean countries. In recent years, the term Latino or Latinx has become preferred. This report generally uses Latinx, but occasionally when discussing US Census data, we use Hispanic or Non-Hispanic, to clearly link to the data source.

Figure 10-7 Population by Race and Ethnicity, Los Gatos, 2019



Source: ABAG Housing Needs Data Workbook

Figure 10-8 Population by Race and Ethnicity, Los Gatos, 2000-2019



Source: ABAG Housing Needs Data Workbook

Employment

Town residents most commonly work in the Financial and Professional Services industry. From January 2010 to January 2021, the unemployment rate in the Town decreased by three percentage points. Since 2010, the number of jobs located in the jurisdiction increased by 4,440 (28.8 percent).

Additionally, the jobs-household ratio in the Town has increased from 1.32 in 2002 to 1.59 jobs per household in 2018, which means the Town has more jobs than housing. A surplus of jobs relative to residents suggests the need to import workers. Los Gatos has more low-wage jobs than low-wage residents (where low-wage refers to jobs paying less than $25,000). At the other end of the wage spectrum, the Town has more high-wage residents than high-wage jobs (where high-wage refers to jobs paying more than $75,000).

10.2.4 Household Characteristics

Extremely Low-Income Households

Despite the economic and job growth experienced throughout the region since 1990, the income gap has continued to widen. California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the State.

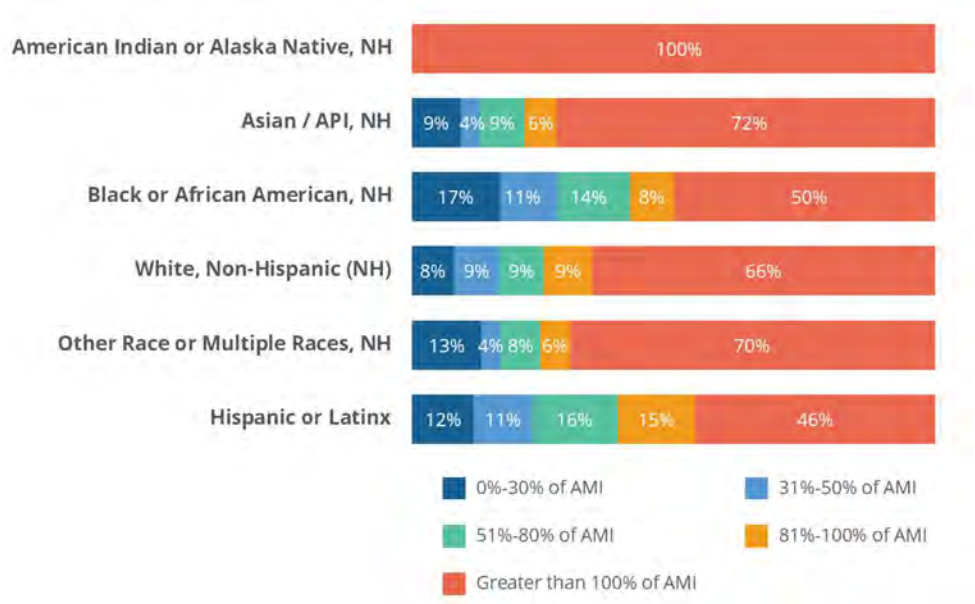
HUD annually updates it Section 8 Program income limits to reflect changes in median family income (MFI) levels for different size households and income limits for extremely low-, very low-, and low-income households. HCD must then annually update its income limits based on HUD's annual revisions. California law and State Income Limits reference AMI that, pursuant to Health & Safety Code 50093(c), means the MFI of a geographic area, estimated by HUD for its Section 8 Program.

In Los Gatos, 65 percent of households make more than 100 percent of the AMI [8], compared to nine percent making less than 30 percent of AMI, which is considered extremely low-income. Regionally, more than half of all households make more than 100 percent AMI, while 15 percent make less than 30 percent AMI. In Santa Clara County, 30 percent AMI is equivalent to an annual income of $39,900 for a family of four. Many households with multiple wage earners, including food service workers, full-time students, teachers, farmworkers, public safety officers, and healthcare professionals can fall into lower AMI categories due to relatively stagnant wages in many industries.

Throughout the region, there are disparities between the incomes of homeowners and renters. Figures 10-9 and 10-10 show the AMI distribution and the poverty rate among different races and ethnicities in the Los Gatos area. Typically, the number of low-income renters greatly outpaces the amount of housing available that is affordable for these households. In Los Gatos, the largest proportion of both renters and homeowners is found in the greater than 100 percent of AMI group.

[8] Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Households making between 80 and 120 percent of the AMI are moderate-income, those making 50 to 80 percent are low income, those making 30 to 50 percent are very low income, and those making less than 30 percent are extremely low income. This is then adjusted for household size.

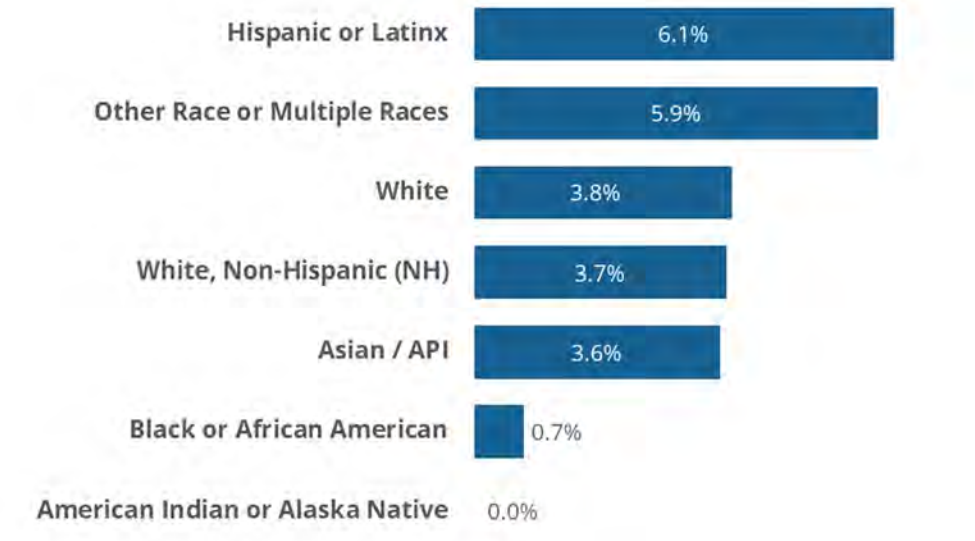
Figure 10-9 Area Median Income by Race and Ethnicity, Los Gatos, 2019



Source: ABAG Housing Needs Data Workbook

People of color are more likely to experience poverty and financial instability as a result of Federal and local housing policies that have historically excluded them from the same opportunities extended to White residents.[9] These economic disparities also leave communities of color at higher risk for housing insecurity, displacement, or homelessness. In Los Gatos, Hispanic or Latinx and Other Race or Multiple Races (Hispanic and Non-Hispanic) residents experience the highest rates of poverty, followed by White (Hispanic and Non-Hispanic) residents.

Figure 10-10 Poverty Rate by Race and Ethnicity, Los Gatos, 2019



Source: ABAG Housing Needs Data Workbook

[9] Moore, E., Montojo, N. and Mauri, N., 2019. Roots, Race & Place: A History of Racially Exclusionary Housing the San Francisco Bay Area. *Hass Institute*.

Tenure

The number of residents who own their homes compared to those who rent their homes can help identify the level of housing insecurity (i.e., ability for individuals to stay in their homes) in a town, city, and region. Generally, renters may be displaced more quickly if prices increase. As of 2019, there are a total of 12,083 housing units in Los Gatos, and fewer residents rent than own their homes: 35 percent versus 65 percent. By comparison, 43.6 percent of households in Santa Clara County are renters, while 43.9 percent of Bay Area households rent their homes.

Homeownership rates often vary considerably across race and ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth, but also stem from Federal, State, and local policies that limit access to homeownership for communities of color, while facilitating homebuying for White residents. While many of these policies, such as redlining, have been formally disbanded, the impacts of race-based policy are still evident across Bay Area communities. In Los Gatos, 84 percent of Black households owned their homes, while homeownership rates were 72 percent for Asian households, 39 percent for Latinx households, and 65 percent for White households.

In many communities, homeownership rates for households in single-family homes are substantially higher than the rates for households in multi-family housing. In Los Gatos, 86 percent of households in detached single-family homes are homeowners, while 13 percent of households in multi-family housing are homeowners.

Displacement

Because of increasing housing prices, displacement is a major concern in the Bay Area. Displacement has severe impacts on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they also lose their support network.

The University of California (UC), Berkeley has mapped all neighborhoods in the Bay Area, identifying their risk for gentrification. It finds that in Los Gatos there are no households that live in neighborhoods that are susceptible to or experiencing displacement and none live in neighborhoods at risk of or undergoing gentrification. Equally important, some neighborhoods in the Bay Area do not have housing appropriate for a broad section of the workforce. UC Berkeley estimates that all households in Los Gatos live in neighborhoods where low-income households are likely to be excluded due to prohibitive housing costs.[10] Figure B-18 in Appendix B shows household displacement risk and tenure.

10.2.5 Housing Stock Characteristics

Number of Homes

The number of new homes built in the Bay Area has not kept pace with the demand, resulting in longer commutes, increasing prices, and exacerbating issues of displacement and homelessness. The number of homes in Los Gatos increased by four percent from 2010 to 2020, which is below the growth rate for Santa Clara County and below the growth rate of the region's housing stock during this time period.

Between 2015 and 2021, 502 housing units were issued permits in Los Gatos, which represents approximately 81 percent of the RHNA number of 619 units assigned in the 5th Cycle Housing Element. Approximately 66 percent of permits issued in Los Gatos were for above moderate-income housing, 24 percent were for moderate-income housing, and 10 percent were for low- or very low-income housing.

Housing Type

It is important to have a variety of housing types to meet the needs of a community today and in the future. In 2020:

[10] More information about this gentrification and displacement data is available at the Urban Displacement Project's webpage: https://www.urbandisplacement.org/. Specifically, one can learn more about the different gentrification/displacement typologies shown in Figure 18 at this link: https://www.urbandisplacement.org/sites/default/files/typology_sheet_2018_0.png. Additionally, one can view maps that show which typologies correspond to which parts of a jurisdiction here: https://www.urbandisplacement.org/san-francisco/sf-bay-area-gentrification-and-displacement.

- 60 percent of homes in Los Gatos were single-family detached.
- 13 percent were single-family attached.
- 9 percent were small multi-family (two to four units).
- 18 percent were medium or large multi-family (five or more units).

Between 2010 and 2020, the number of single-family units increased more than multi-family units. Los Gatos has a higher portion of detached single-family homes than other jurisdictions in the region.

The housing stock of Los Gatos is generally in good condition, and few homes require reconstruction or rehabilitation. The high quality of life, desirable location, walkable neighborhoods, and school system have provided financial incentive for property owners to rehabilitate homes and maintain them.

Home Prices

A diversity of homes at all income levels would create opportunities for all members of the Los Gatos community to live in Town.

- **Ownership** – The largest proportion of homes had a value greater than $2 million in 2019. Home prices increased by 98.4 percent from 2010 to 2020.
- **Rental Prices** – The typical contract rent for an apartment in Los Gatos was $2,270 in 2019. Rental prices increased by 61 percent from 2009 to 2019. To rent a typical apartment without cost burden, a household would need to make $90,960 per year.[11]

Cost Burden

The U.S. Department of Housing and Urban Development (HUD) considers housing to be affordable for a household if the household spends less than 30 percent of its income on housing costs. A household is considered "cost-burdened" if it spends more than 30 percent of its monthly income on housing costs, while those who spend more than 50 percent of their income on housing costs are considered "severely cost-burdened." In Los Gatos, 20 percent of renter households and 16 percent of owner households spend 30 percent to 50 percent of their income on housing, while 22 percent of renter households and 12 percent of owner households are severely cost-burdened and use the majority of their income for housing.

Minority communities are more likely to experience poverty and financial instability as a result of Federal and local housing policies that have historically excluded them from the same opportunities extended to White residents. As a result, they often pay a greater percentage of their income on housing, and in turn, are at a greater risk of housing insecurity.

"Other Race" or "Multiple Races, Non-Hispanic" residents are the most cost-burdened, with 28 percent spending 30 to 50 percent of their income on housing, and Hispanic or Latinx residents are the most severely cost-burdened, with 22 percent spending more than 50 percent of their income on housing.

Neighborhood

100 percent of residents in Los Gatos live in neighborhoods identified as "Highest Resource" or "High Resource" areas by State-commissioned research, while none live in areas identified by this research as "Low Resource" or "High Segregation and Poverty" areas. These neighborhood designations are based on a range of indicators covering areas such as education, poverty, proximity to jobs and economic opportunities, low pollution levels, and other factors.[12]

[11] Note that contract rents may differ significantly from, and are often lower than, current listing prices.

[12] For more information on the "opportunity area" categories developed by HCD and the California Tax Credit Allocation Committee, see this website: https://www.treasurer.ca.gov/ctcac/opportunity.asp. The degree to which different jurisdictions and neighborhoods have access to opportunity will likely need to be analyzed as part of new Housing Element requirements related to affirmatively furthering fair housing. ABAG/MTC will be providing jurisdictions with technical assistance on this topic this summer, following the release of additional guidance from HCD.

10.2.6 Special Housing Needs

Some population groups may have special housing needs that require specific program responses, and these groups may experience barriers to accessing stable housing due to their specific housing circumstances. In Los Gatos, nine percent of residents have a disability and may require accessible housing. Additionally, six percent of Los Gatos households are larger households with five or more people, and likely need larger housing units with three bedrooms or more. Eight percent of households are female-headed families, which are often at greater risk of housing insecurity.

Large Households

Large households, with five or more persons, often have different housing needs than smaller households. If a town or city's rental housing stock does not include larger apartments, large households who rent could end up living in overcrowded conditions. Large families are generally served by housing units with three or more bedrooms, of which there are 7,760 units in Los Gatos, as shown in Figure 10-11. Among these large units, most are owner-occupied, and few are renter-occupied, indicating the Town's rental housing stock lacks larger apartments.

Figure 10-11 Housing Units by Number of Bedrooms and Tenure, Los Gatos, 2019



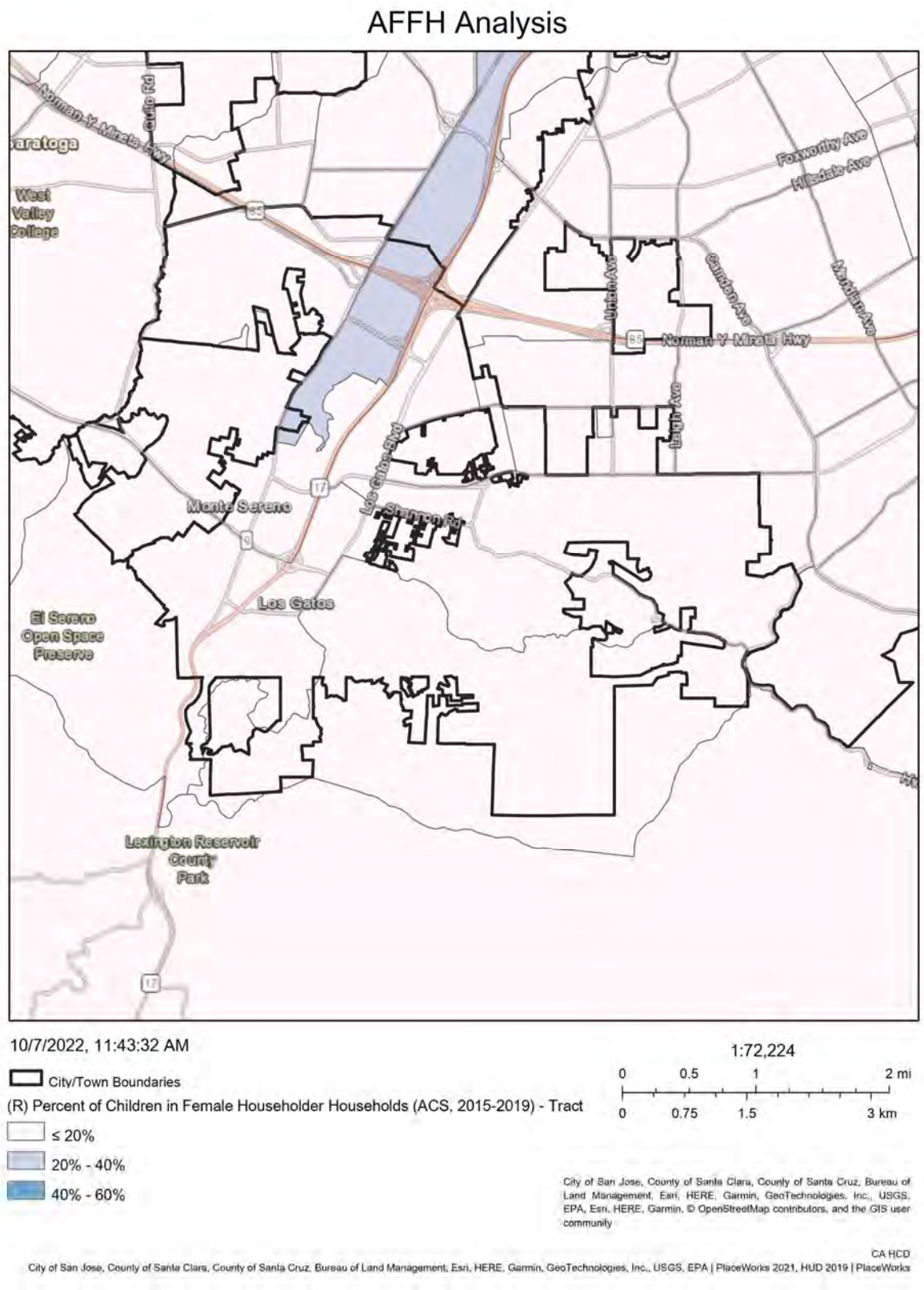
Source: ABAG Housing Needs Data Workbook

Female-Headed Households

Households headed by one person are often at greater risk of housing insecurity, particularly female-headed households, who may be supporting children or a family with only one income. Female-headed households with children may face particular housing challenges, with gender inequality resulting in lower wages for women. Moreover, the added need for childcare can make finding a home that is affordable more challenging.

In Los Gatos, the largest proportion of households is Married-Couple Family Households at 58 percent of the total, while Female-Headed Family Households make up 8 percent of all households. Additionally, 36 Female-Headed Households with Children (eight percent) fell in the Below Poverty Level category, while 26 Female-Headed Households without Children (five percent) fell in the Below Poverty Level category.

Figure 10-12 Percent of Children in Female Households, 2015-2019



Source: California Department of Housing and Community Development AFFH Data Viewer

Senior Households

Senior households often experience a combination of factors that can make accessing or keeping affordable housing a challenge. Seniors, defined as persons who are 65 years or older, may live on fixed incomes and may have disabilities, chronic health conditions, and/or reduced mobility. Seniors who rent may be at even greater risk for housing challenges than those who own, due to income differences between these groups.

When cost-burdened seniors are no longer able to make house payments or rent payments, displacement from their homes can occur, putting further stress on the local rental market or forcing residents out of their community. Understanding how seniors might be cost-burdened is of particular importance due to their special housing needs, particularly for low-income seniors. Of seniors making less than 30 percent of AMI, 74 percent are spending the majority of their income on housing. For seniors making more than 100 percent of AMI, 86 percent are not cost-burdened and spend less than 30 percent of their income on housing.

People with Disabilities

People with disabilities face additional housing challenges. Encompassing a broad group of individuals living with a variety of physical, cognitive, and sensory impairments, many people with disabilities live on fixed incomes and are in need of specialized care, yet often rely on family members for assistance due to the high cost of care. When it comes to housing, people with disabilities are not only in need of affordable housing, but accessibly designed housing, which offers greater mobility and opportunity for independence. Unfortunately, the need typically outweighs what is available, particularly in a housing market with such high demand. People with disabilities are at a high risk for housing insecurity, homelessness, and institutionalization, particularly when they lose aging caregivers. Overall, nine percent of people in Los Gatos have a disability of some kind.

State law also requires a Housing Element to examine the housing needs of people with developmental disabilities. Developmental disabilities are defined as severe, chronic, and attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down's Syndrome, autism, epilepsy, cerebral palsy, and mild to severe intellectual disability. Some people with developmental disabilities are unable to work, rely on supplemental security income, and live with family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them.[13] In Los Gatos, there are 123 persons with a developmental disability. Out of this nine percent of the Town's population, 50 are children under the age of 18 (41 percent) and 73 are adults (60 percent). The most common living arrangement for individuals with disabilities in Los Gatos is the home of a parent/family/guardian.

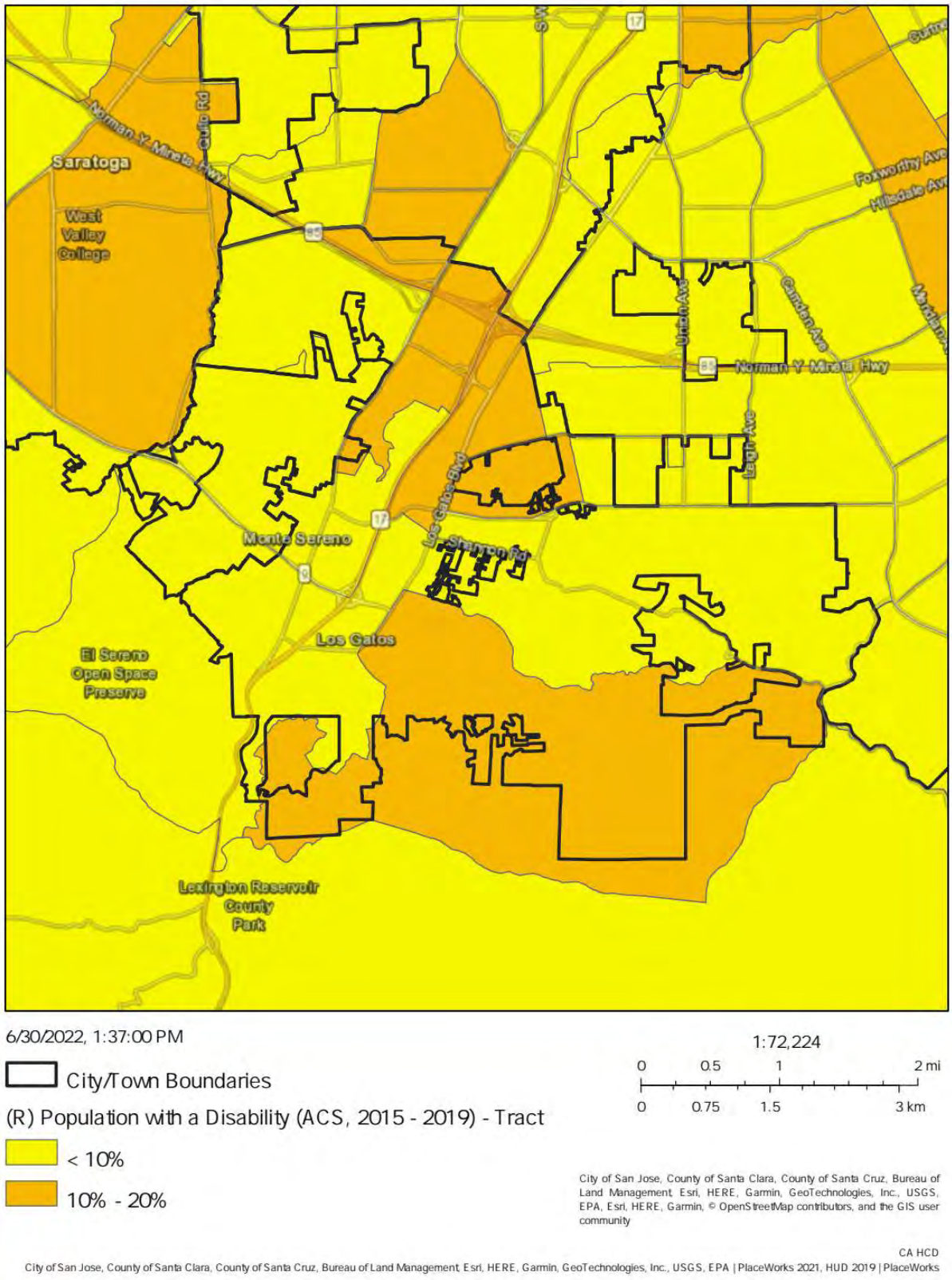
Figure 10-13 Share of Population by Disability Status, 2019



Source: ABAG Housing Needs Data Workbook

[13] For more information or data on developmental disabilities in your jurisdiction, contact the Golden Gate Regional Center for Marin, San Francisco and San Mateo Counties; the North Bay Regional Center for Napa, Solano and Sonoma Counties; the Regional Center for the East Bay for Alameda and Contra Costa Counties; or the San Andreas Regional Center for Santa Clara County.

Figure 10-14 Percent of Population with a Disability by Census Tract, 2019



Source: California Department of Housing and Community Development AFFH Data Viewer

Homelessness

Homelessness remains an urgent challenge in many communities across the State, reflecting a range of social, economic, and psychological factors. Rising housing costs result in increased risks of community members experiencing homelessness. Many residents who have found themselves housing insecure have ended up homeless in recent years, either temporarily or longer term. Addressing the specific housing needs of the unhoused population remains a priority throughout the region, particularly since homelessness is disproportionately experienced by people of color, people with disabilities, those struggling with addiction, and those dealing with traumatic life circumstances.

In Santa Clara County, the most common type of household experiencing homelessness is those without children in their care. Among households experiencing homelessness that do not have children, 87 percent are unsheltered. Of homeless households with children, most are sheltered in emergency shelters.

People of color are more likely to experience poverty and financial instability as a result of Federal and local housing policies that have historically excluded them from the same opportunities extended to White residents. Consequently, people of color are often disproportionately impacted by homelessness, particularly Black residents of the Bay Area.

In Santa Clara County, White (Hispanic and Non-Hispanic) residents represent the largest proportion of residents experiencing homelessness and account for 44 percent of the homeless population, while making up 45 percent of the overall population.

Farmworkers

Across the State, housing for farmworkers has been recognized as an important and unique concern. Farmworkers generally receive wages that are considerably lower than other jobs and may have temporary housing needs. Finding decent and affordable housing can be challenging, particularly in the current housing market.

In Los Gatos, there were no reported students of migrant workers in the 2019-20 school year. The trend for the region for the past few years has been a decline of more than two percent in the number of migrant worker students since the 2016-17 school year. The change at the County level is a 50 percent decrease in the number of migrant worker students since the 2016-17 school year.

10.2.7 Governmental and Non-Governmental Constraints

Housing development is affected by government regulations and other non-governmental forces, such as the cost of land and building materials and the availability and cost of housing loans. A Housing Element is required to investigate the impact of these constraints as they present themselves in the municipality in which the Housing Element is being prepared. Please see Appendix C for a full discussion governmental and non-governmental constraints in the Town of Los Gatos.

Revisions to the Zoning Code are necessary to achieve consistency with changes in State housing law. Anticipated zoning changes are detailed in the implementation programs found in Section 10.5 of this Housing Element.

In terms of non-governmental constraints, land costs will remain a constraint to affordable housing. To help offset this constraint, programs to use Town-owned lands, such as Town parking lots could be utilized. Due to the cost of construction materials, the Town may subsidize affordable housing projects with available funds dedicated to housing in order to increase affordable housing inventory.

10.3 Site Inventory and Opportunities

This section summarizes the housing needs of the Town as determined through the comprehensive housing data assessment and analysis presented in Appendix D and serves as the basis for housing goals, policies, and actions. The housing summary gives an overview of population trends, characteristics of the housing stock, housing affordability, and special needs households.

10.3.1 Introduction

The Plan Bay Area 2050 Final Blueprint [14] forecasts that the nine-county Bay Area will add 1.4 million new households between 2015 and 2050. For the eight-year time frame covered by this Housing Element Update, HCD has identified the region's housing need as 441,176 units. The total number of housing units assigned by HCD is separated into four income categories that cover housing types for all income levels, from very low-income households to market rate housing. This calculation, known as the RHNA, is based on population projections produced by the California Department of Finance as well as adjustments that incorporate the region's existing housing need. The adjustments result from recent legislation requiring HCD to apply additional adjustment factors to the baseline growth projection from California Department of Finance, in order for the regions to get closer to healthy housing markets. To this end, adjustments focus on the region's vacancy rate, level of overcrowding and the share of cost-burdened households and seek to bring the region more in line with comparable ones. Compared to previous cycles, these new laws governing the methodology for how HCD calculates the RHNA resulted in a significantly higher number of housing units for which the Bay Area must plan compared to previous cycles.

10.3.2 Sites Summary

The vacant, partially vacant, and underutilized sites identified in this report are sufficient to accommodate Los Gatos' Regional Housing Needs Allocation for the 6th Cycle planning period. The sites also accommodate the recommended buffer of 15 percent above RHNA, which would equal a capacity of approximately 299 additional units. This "cushion" for capacity above the base RHNA number is highly recommended because of the State's no-net-loss policy, which precludes jurisdictions from approving development that results in an overall housing site deficit. The "cushion" essentially provides a degree of flexibility for policy makers as they make development decisions. Many of the sites identified in this report have existing uses that would need to be demolished before new housing could be constructed.

For communities like Los Gatos that are largely built-out, bounded by hillsides with restricted developments opportunities due to fire danger, and surrounded on all sides by other communities, redevelopment and densification is the only practical solution to providing a fair share of future housing for the San Francisco Bay Area. By its nature, such redevelopment is more costly and more time consuming than building new units on vacant land. To offset these constraints, higher densities are proposed in some areas. These higher densities act as a market incentive to offset the added cost and time required to build new housing on redeveloped sites. Property owner interest will be pivotal for facilitating single-family site opportunities and policies to add housing through SB 9, which allows for up to four units on a property zoned for single-family residences. Table 10-3 provides a summary of the number of vacant and underutilized housing sites included in the Site Inventory for the Town of Los Gatos, and how they compare to the RHNA allocation plus a ~~15~~ 25 percent buffer.

[14] Plan Bay Area 2050 is a long-range plan charting the course for the future of the nine-county San Francisco Bay Area. It covers four key issues: the economy, the environment, housing and transportation.

Table 10-3 Summary of Vacant and Underutilized Housing Sites

Item	Very Low	Low	Moderate	Above Moderate	Total
Total Estimated Housing for Sites in Inventory	646~~618~~	362~~360~~	347~~388~~	6421~~,005~~	1,997~~2,371~~
Accessory Dwelling Units	20	60	60	60	200
Senate Bill 9				96	96
Pipeline Projects		1		200	201
Total	666	423	407	998	2,494
RHNA	537	310	320	826	1,993
Buffer (15 %)	81	46	48	124	299
RHNA + Buffer	618	356	368	950	2,292
Difference Between Housing Estimate and RHNA + Buffer	480	674	3920	4855	20279

~~SOURCE~~Source: EMC Planning Group, Inc; Town of Los Gatos

10.3.3 Summary of Quantified Objectives

While the Town cannot control the amount of housing that is built during any specific period of time, the Town does intend to make an effort to achieve housing production at a level that is consistent with its RHNA.

Many programs and policies reduce barriers and create opportunities for a balanced community. These goals are essential to meeting the Town's housing needs, but are more qualitative in nature. The 2,494 units that Los Gatos takes credit for on its Sites Inventory are sufficient to meet the Town's RHNA of 1,993 units. Between Implementation Programs J, AS, and AU, it is assumed that 11 housing units will be rehabilitated, and all existing affordable units will be conserved or preserved. Los Gatos reasonably expects that a total of 2,494 units will be developed, as described in the tables below:

Table 10-4 2023-2031 Quantified Objectives

Income Category	New Construction	Rehabilitation	Construction/Preservation
Very Low Income	666	5	0
Low Income	423	6	0
Moderate Income	407	0	0
Above Moderate Income	998	0	0
Totals	2,494	11	0

Source: Town of Los Gatos

- **New Construction Objective:** Reflects the Town's 2023-2031 RHNA.
- **Rehabilitation Objective:** Reflects goal to assist a total of 11 very low-income and low-income households through Implementation Programs J, AS, and AU.
- **Conservation Objective:** The Town does not expect the following unit types to be at risk of conversation: BMP rental units; Housing Choice Vouchers; and existing mobile home units in mobile home parks.

10.4 Energy and Resource Conservation

This section summarizes background information and actions being undertaken by the Town of Los Gatos to address energy and resource conservation. The information is excerpted from Chapter 8 (Environment and

Sustainability Element) of the 2040 General Plan. For a full discussion of energy-related issues, please see Chapter 8, Section 8.6 (Energy) of the 2040 General Plan.

10.4.1 Opportunities for Energy Conservation

With the escalation in energy prices, consumers and builders have once again become more aware of energy costs. The Town must balance between development and environmental stewardship to maintain a strong economy and, at the same time, protect the environment. The following section highlights building standards and conservation codes contributing to that success.

Title 24 of the California Administrative Code sets forth mandatory energy standards for new development and requires adoption of an "energy budget." In turn, the home building industry must comply with these standards while localities are responsible for enforcing the energy conservation regulations. In 2015, the Town adopted a Solar Energy Code for the purpose of reducing energy costs for new residential developments and adopted an energy budget. In addition, State law (both the Residential Building Code and CalGreen) have standards that significantly reduce energy use in new residential construction.

Increasing energy costs, persistent drought, and climate change have reshaped how Californians think when it comes to buying new homes. Solar roof panels have become more commonplace over the past several decades, with both State and Federal tax credits available. Energy-efficient appliances and water wise landscaping have become amenities of choice for homebuyers. Developers can make the most of this paradigm shift by embracing "green" building practices that incorporate the energy and water efficiencies that consumers desire as well as environmentally friendly construction that minimizes waste and maximizes the use of resources.

Pacific Gas and Electric (PG&E) distributes electricity throughout Los Gatos, with supplies purchased from Silicon Valley Clean Energy (SVCE). PG&E supplies natural gas to the community as well. The Town is committed to its partnership with other local communities under the umbrella of SVCE. Through this partnership, Los Gatos residents and businesses receive carbon-free electricity at lower rates than those that arise from fossil fuel consumption. SVCE works to innovate and implement new clean energy programs and presents many of these innovations at community meetings, Earth Day events, and presentations to businesses. SVCE's 2020 Community Benefits Summary indicates Los Gatos achieved the following results:

- $813,000 in on-bill savings for Los Gatos SVCE customers.
- 14,700 households and businesses served.
- 99 percent reduction in electric utility-related emissions (34,897,000 pounds greenhouse gas emissions avoided by providing clean energy).
- $29,900 in cash payments to customers for generating surplus solar energy.

Achieving these goals adds to the overall GHG reduction strategy, with a focus on lowering dependence on carbon-based fuels and energy sources. Energy efficiency involves a careful balance of assessing energy sources, educating the public on home and business renewable energy use, implementing energy efficiency strategies, and encouraging and incentivizing widespread and ongoing implementation of those strategies. This in turn translates into lower ongoing costs to homeowners and renters.

10.4.2 Energy-Related Goals and Policies

As required by State housing law, the Housing Element must analyze energy conservation opportunities in residential development. In the following section, Goal HE-5 and its related policies and actions address energy conservation in residential development in Los Gatos.

The relevant Environment and Sustainability Element goals and policies in the 2040 General Plan are:

- Carbon-Neutral Energy (ENV-11.1). Support SCVE to continue to procure carbon-neutral energy for long-term and short-term supplies, including renewable resources.
- Energy Efficiency in Municipal Facilities (ENV 11.2). Invest in cost-effective energy efficiency and energy conservation programs in municipal facilities.

- Future Demand Reduction (ENV 11.3). Explore cost-effective, reliable, and feasible energy efficiency and demand reduction opportunities and continue to use the Sustainability Plan to include education programs for these opportunities.
- Conservation and Reduction (ENV 11.4). Maximize the conservation and efficient use of energy in existing and new residences, businesses, and municipal buildings in Los Gatos.
- Solar Systems (ENV 11.5). Support the maximum economic use of solar electric (photovoltaic) systems on-site to augment the renewable energy portfolio available to new development, businesses, and municipal facilities.
- Organic Waste Recycling (ENV 11.6). Comply with SB 1383 regulations to maximize energy recovery from organic materials such as yard trimmings, food waste, and other compostable resources.

10.5 Goals, Policies, and Implementation Programs

The Town does not build housing but, rather creates the policies and implementation programs to plan for where the housing can be located and how many units can be built on potential sites. The Town is responsible for enabling the production of housing by reducing regulatory barriers, providing incentives, and supporting programs that create or preserve housing, especially for vulnerable populations. The Town encourages production of a diversity of new housing to ensure an adequate supply is available to meet the needs of existing and future residents. To enable the construction of quality housing, the Town has identified the following goals, policies, and actions.

Goal HE-1	Facilitate All Types of Housing Construction.

The Town encourages the production of diverse new housing options to ensure that an adequate supply is available to meet the existing and future needs of all residents.

Policy HE-1.1 Adequate Sites
Designate sufficient, residentially zoned land at appropriate densities to provide adequate sites to accommodate Los Gatos's RHNA for 2023–2031 and monitor residential development to ensure there is an adequate level of remaining development capacity.

Policy HE-1.2 Multi-Family Housing Densities
Encourage builders to develop projects on multi-family designated properties at the high end of the applicable density range.

Policy HE-1.3 Infrastructure
All new residential development shall be sufficiently served by public services and facilities, including pedestrian and vehicular circulation, bike lanes, water and wastewater services, police, fire, schools, and parks.

Policy HE-1.4 Housing Design
Ensure that all new housing is well designed and fosters a sense of community.

Policy HE-1.5 Variety of Housing Choices
AFFH
Encourage the production of housing that meets the needs of all economic segments of the Town, including lower and moderate households, to maintain a balanced community.

Policy HE-1.6 Universal Design
AFFH
Address the special housing needs of persons with disabilities through reasonable accommodation procedures, zoning provisions for supportive and group housing, homeowner accessibility grants, and by encouraging universal design.

Policy HE-1.7 Infill Opportunities in Single-Family Neighborhoods
The Town shall increase access to opportunity for lower-income households by encouraging infill of smaller units in single-family neighborhoods (e.g., ADUs, multi-generational housing units, and SB 9 projects).

Goal HE-2 Provide New Affordable Housing.

Overall housing production has been too slow to keep pace with population growth over the past two decades. This trend has increased demand on the supply side of housing and increased the cost of all housing. More affordable housing is needed for extremely low, very low-, low-, and middle-income households.

Policy HE-2.1 Financial Resources
AFFH
Pursue expanding financial resources to support the production of affordable housing for the Town's modest income residents and workforce.

Policy HE-2.2 Housing Vouchers
AFFH
The Town shall support the Santa Clara County Housing Authority program for Housing Choice Vouchers (Section 8) to assist extremely low-, very low-, and low-income residents of the Town.

Policy HE-2.3 Mixed-Use Development
Encourage mixed–use developments that provide affordable housing close to employment centers and/or transportation facilities, particularly along arterials.

Policy HE-2.4 Rental Housing
Strive to ensure that at least 30 percent of the housing stock is rental units and continue to support the development of ADUs as a means of affordable rental housing.

Policy HE-2.5 Pre-Approved Accessory Dwelling Units
Collaborate with countywide efforts to develop pre-approved ADU plans suitable for Los Gatos, including designs that are Americans with Disabilities Act (ADA) accessible.

Policy HE-2.6 Promote Accessory Dwelling Unit Construction
Encourage homeowners to construct detached rental ADUs in order to increase the housing stock of smaller rental units.

Policy HE-2.7 Senior Housing
AFFH
Support development and maintenance of affordable senior rental and ownership housing and continue to work with existing senior lifestyle living and assisted living facilities in Los Gatos. Encourage a variety of senior living options including downsizing and step-down independent ownership housing.

Policy HE-2.8 Equal Housing and Special Needs
AFFH
Support the provision of permanent, affordable, and accessible housing that allows persons with special needs to live independent lives. For the purposes of this Housing Element "persons with special needs" include extremely low-income households, seniors, overcrowded and large-family households, the homeless population, those in need of emergency shelter, youth aging out of foster care, female-headed or single-parent households, and persons with disabilities, including developmental challenges.

Policy HE-2.9 Public/Private Partnerships
Work with and support collaborative partnerships with nonprofit agencies and housing developers to plan and develop a mix of affordable housing opportunities in Los Gatos using available funding.

Policy HE-2.10 Repurposing Obsolete Commercial Buildings
Encourage property owners to pursue opportunities to integrate housing in underutilized commercial centers, and to reuse excess or obsolete commercial buildings for affordable housing.

Policy HE-2.11 Smart Growth
Encourage "smart growth" that accommodates higher density residential uses near transit, bicycle-, and pedestrian-friendly areas of the Town that encourage and facilitate the conservation of resources by reducing the need for automobile use.

Policy HE-2.12 Housing on Land Owned by Religious Institutions
Support the provision of affordable housing on congregational land through flexible development standards, including opportunities for reduced and shared parking arrangements.

Goal HE-3

Remove Barriers to the Production of Housing.

Governmental constraints on the development of housing for households of all income levels needs to be minimized. The success of development in some opportunity areas will be dependent upon consolidation of individual parcels into larger development sites. While some of the individual parcels within these areas are already under common ownership, many are individually owned.

Policy HE-3.1 Regulatory Incentives for Affordable Housing
AFFH
Facilitate the development of affordable housing through regulatory incentives and concessions, and/or financial assistance. Continue expediting the permit processing system for affordable residential development applications and proactively seek out new models and approaches in the provision of affordable housing.

Policy HE-3.2 Flexible Development Standards
Provide flexibility in development standards to accommodate new models and approaches to providing housing, such as live/work housing (permitted with a CUP), and micro units (in existing housing units), to allow housing to adapt to the needs of the occupants.

Policy HE-3.3 Efficient Development Processing
Explore continued improvements to the entitlement process to streamline and coordinate the processing of permits, design review, and environmental clearance.

Policy HE-3.4 Lot Consolidation
Educate and encourage lot consolidation and lot assemblage in mixed use and commercial areas.

Policy HE-3.5 Development Impact and Permit Fees
Consider reduced fees and alternative funding to facilitate affordable housing development.

Goal HE-4

Improve the Existing Housing Stock.

Providing more housing is a priority; but maintaining and preserving existing housing also plays a critical role. Much of the older housing in the Town can be naturally affordable, as priced by the housing market, but must be well-maintained to provide quality housing across income levels.

Policy HE-4.1 Property and Housing Conditions
Support long-term maintenance and improvement of existing housing units through Code Enforcement and housing rehabilitation programs.

Policy HE-4.2 Multi-Family Housing Acquisition and Improvement
AFFH
Improve the quality of rental housing by acquisition and/or rehabilitation using the Affordable Housing Fund and support nonprofit housing providers in the acquisition and rehabilitation of older housing stock, and maintenance as long-term affordable housing.

Policy HE-4.3 Home Affordability Preservation
AFFH
Preserve the affordability of units affordable to very low-, low-, and moderate-income households in the Town and Bonnie View Park, and enforce zoning regulations regarding conversion of mobile home parks in Los Gatos.

Policy HE-4.4 Naturally Occurring Affordable Units
Encourage maintaining naturally affordable housing types such as duplexes, townhomes, and mobile homes.

Policy HE-4.5 Preserve Residences of Historic or Architectural Value
The Town shall encourage the preservation of residential buildings with historic or architectural value.

Goal HE-5

Encourage Green Building and Energy Conservation.

The Town is dedicated to addressing and mitigating climate change impacts and strives to be a leader in sustainable development. The General Plan promotes environmentally sound and socially equitable development by encouraging residential construction that promotes sustainable building and energy conservation practices.

Policy HE-5.1 Green Building
AFFH
Encourage sustainable housing development throughout the Town by fostering awareness and encouraging the adoption of green building practices.

Policy HE-5.2 Solar Energy
Promote more efficient energy use and renewable energy to reduce the strain on the existing energy grid and reduce greenhouse gas emissions.

Goal HE-6

Publicize Fair Housing Resources, Including those for Special Needs Populations.

Many programs that address housing access and affordability for lower income households are supported by the Town and its partners; however, many people who need these resources have trouble finding them. It is important for the Town to proactively inform residents about housing needs and resources, particularly those related to Fair Housing issues.

Policy HE-6.1 Fair Housing
AFFH
Support and publicize housing programs that protect individuals' rights and enforce fair housing laws prohibiting arbitrary discrimination in the building, financing, selling or renting of housing on the basis of race, color, ancestry, religion, national origin, sex, sexual orientation, gender identification or expression, genetic information, primary language, citizenship, age, disability~~/~~, medical condition, familial status, marital status, immigration status, military or veteran status, source of income or other such arbitrary factors.

Policy HE-6.2 Financial Assistance

AFFH

Continue to encourage Los Gatos households to participate in financial assistance programs provided in the County of Santa Clara.

Policy HE-6.3 Housing for Persons with Special Needs

AFFH

Continue to provide assistance to service providers who support special needs households and the homeless, such as Project Sentinel, Santa Clara County Housing Authority, and Santa Clara County Office of Supportive Housing. Support and publicize efforts and resources to provide coordinated services for persons with special needs in the Town.

Policy HE-6.4 Affordable Housing Awareness

Raise community awareness of the need for and benefits of affordable housing through Town outreach. Foster Town-wide discussion on housing needs, resources and ideas and improve communication channels and methods for meaningful dialogue.

Policy HE-6.5 Infill Opportunities in Single-Family Neighborhoods

The Town shall provide educational materials for the public to promote ADUs, multi-generational housing units and SB 9 projects that create housing opportunities in single-family neighborhoods through the infill of smaller units.

Policy HE-6.6 Rental Dispute Mediation and Arbitration Ordinance

AFFH

The Town will work to prevent evictions of long term, low-income residents living in naturally affordable housing who can quickly lose their residence due to sudden rent increases or changes in property owners.

10.6 Implementation Programs

Programs		
A	**Developer Forum** Establish an annual meeting between staff and housing developers to discuss constraints and opportunities to affordable and market rate housing projects.	Implementation Policies HE-1.1 Adequate Sites HE-1.2 Multi-family Housing Densities HE-1.3 Infrastructure HE-1.4 Housing Design HE-1.5 Variety of Housing Choices Responsible Department/Review Authority Community Development Department Timeframe Annually provide focus group or Town Hall meeting opportunities Funding Source None required Quantified Objective Meet once a year to generate a list of opportunities and constraints Performance Metric(s) Number of Planning applications submitted for new housing
B	**Large Site Program** Encourage property owners and affordable housing developers to target and market the availability of sites with the best potential for development by facilitating meetings between willing property owners of large sites. To assist the development of housing, especially for lower income households, on sites larger than 10 acres, the Town will facilitate land divisions and lot line adjustments to result in parcels sizes between one half to10 acres that can accommodate multiple-family developments affordable to lower income households in light of State, Federal, and local financing programs.	Implementation Policies HE-1.1 Adequate Sites HE-1.2 Multi-family Housing Densities HE-1.3 Infrastructure HE-1.4 Housing Design HE-1.5 Variety of Housing Choices Responsible Department/Review Authority Community Development Department Timeframe Annually provide focus group or Town Hall meeting opportunities Funding Source None required Quantified Objective Facilitate four land divisions and/or lot line adjustments Performance Metric(s) Number of subdivision applications entitled
C	**No Net Loss** Develop and implement an ongoing formal evaluation procedure (project-by-project) of	Implementation Policies HE-1.1 Adequate Sites HE-1.3 Infrastructure ~~HE-1.5 Town Resources~~

Programs		
	sites identified in the Site Inventory to maintain sufficient sites at appropriate densities to accommodate RHNA for lower income households. If an approval of a development results in a reduction of site capacity below the residential capacity needed to accommodate the remaining RHNA, including for lower income households, the Town will identify and zone sufficient adequate sites at appropriate densities to accommodate the remaining RHNA.	HE-1.5 Variety of Housing Choice Responsible Department/Review Authority Community Development Department Timeframe Ongoing tracking as developments are approved Funding Source None required Quantified Objective Maintain RHNA capacity Performance Metric(s) Number of units and affordability level applied for; number of units and affordability level entitled; number of units and affordability level permitted; number of units and affordability level completed
D	**Additional Housing Capacity** Amend the North Forty Specific Plan to increase the maximum allowable density from 20 dwelling units per acre to ~~more than 30~~ 40 dwelling units per acre and increase the total number of dwelling units allowed in the Specific Plan.	Implementation Policies HE-1.1 Adequate Sites HE-3.3 Efficient Development Processing Responsible Department/Review Authority Community Development Department Timeframe ~~December 2023~~January 2024 Funding Source None required Quantified Objective Facilitate the construction of 15 new homes for lower-income households. Performance Metric(s) Number of affordable homeownership units entitled and the number of units entitled for lower-income Households
E	**Affordable Development on Town Owned Property** Pursue opportunities to work with an affordable housing developer to construct affordable housing on Town owned property.	Implementation Policies HE-1.1 Adequate Sites HE-2.9 Public/Private Partnerships Responsible Department/Review Authority ~~Community Development Department~~Town Manager Timeframe Ongoing effort Funding Source None required

Programs		
		Quantified Objective
		The number of Town owned properties suitable for affordable housing
		Performance Metric(s)
		The number of Planning applications submitted for new affordable housing
F	**Update Permit Software System** Update the existing permit software system to better monitor average processing times for ministerial and discretionary development permits. Use data to set baselines timelines to drive improvements. Update the Town planning and zoning regulations and remove permit processing constraints as appropriate.	Implementation Policies
		HE-3.3 Efficient Development Processing
		Responsible Department/Review Authority
		Community Development Department
		Timeframe
		Review and update regulations as appropriate at biannual years
		Funding Source
		None required
		Quantified Objective
		Reduce processing time by five percent
		Performance Metric(s)
		Improve current permit processing time
G	**Report Annually on Housing Availability** Prepare an annual housing report for the review of the Town Council including information on progress made towards achieving new construction need, affordable housing conserved/developed, effectiveness of existing programs and recommendations for improvement. Consult and collaborate with non-profit providers, special need providers, and other community resources in preparation and evaluation of the report.	Implementation Policies
		HE-1.1 Adequate Sites HE-1.5 ~~Town Resources~~Variety of Housing Choices HE-3.3 Efficient Development Processing ~~HE-1.5 Variety of Housing Choices~~
		Responsible Department/Review Authority
		Community Development Department
		Timeframe
		Annually completed
		Funding Source
		None required
		Quantified Objective
		The annual housing report reflects input from non-profit providers, special needs providers, and other community resources
		Performance Metric(s)
		The number of new housing units that receive entitlements
H	**Study detached single-family condominium option.**	Implementation Policies
		HE-1.5 Variety of Housing Choices HE-2.7 Senior Housing

Programs		
	Study the development of a new floor area ratio standard for multi-family development when developed as detached single-family condominium units.	Responsible Department/Review Authority Community Development Department Timeframe ~~Upon adoption of this Housing Element~~ December 2024 Funding Source None required Quantified Objective Increase the floor area ratio to promote higher density housing development Performance Metric(s) The number of Planning applications submitted for new multi-family development utilizing the new floor area ratio standard
I	**Coordination with Water and Sewer Providers** Deliver the adopted Housing Element to the San Jose Water Company and the West Valley Sanitation District so that they can prioritize current and future resources or services for housing development that helps meet Los Gatos's RHNA for lower income households.	Implementation Policies HE-1.3 Infrastructure Responsible Department/Review Authority Community Development Department Timeframe Upon adoption of ~~this~~ the Housing Element Funding Source None required Quantified Objective Deliver Housing Element Performance Metric(s) Delivery of Housing Element
J	**Helping Seniors Program** Provide financial assistance for health, safety, emergency and accessibility home repairs to low-income seniors and low-income mobile homeowners through the Below Market Price Program funds, subject to availability of Program funds.	Implementation Policies HE-1.6 Universal Design HE-2.7 Senior Housing HE-2.8 Equal Housing and Special Needs Responsible Department/Review Authority Community Development Department~~,~~ and the Town Council Timeframe Ongoing and annual effort Funding Source Town Affordable Housing Funds Quantified Objective

Programs		
		Maintain the existing housing stock by funding three home repairs to lower income seniors
		Performance Metric(s)
		Measure the number of units assisted versus the need
K	**Small Multi-Unit Housing** Update the Zoning Code to facilitate low rise multi-family structures in the Medium Residential Density designation. Promote this program through publication, to include the following information: Low rise multi-family dwelling units ranging from two to 10 units can help meet the needs of families, seniors and students. Permit processing times tend to be shorter than larger multi-family buildings due to the low-rise nature of the structures.	Implementation Policies
		HE-1.5 Variety of Housing Choices HE-2.4 Rental Housing HE-3.3 Efficient Development Processing
		Responsible Department/Review Authority
		Community Development Department
		Timeframe
		~~Ongoing~~December 2024
		Funding Source
		None required
		Quantified Objective
		Increase the number of low-rise multi-family developments from the previous year
		Performance Metric(s)
		Complete Zoning Code amendment by December 2024 and track the number of entitled Planning applications received per year
L	**Rental Housing for Large Families** Encourage development of multi-family rental housing that is greater than two bedrooms to encourage the provision of adequate rental housing for families.	Implementation Policies
		HE-1.5 Variety of Housing Choices HE-2.4 Rental Housing
		Responsible Department/Review Authority
		Community Development Department
		Timeframe
		Ongoing and annual effort
		Funding Source
		None required
		Quantified Objective
		Four family friendly multi-family rental housing units are entitled a year
		Performance Metric(s)
		Number of two-, three-, and four-bedroom units entitled and number of family friendly designated units
M	**Lot Consolidation** The Town will conduct outreach to property owners in these areas to identify meaningful	Implementation Policies
		HE-3.4 Lot Consolidation
		Responsible Department/Review Authority

Programs		
	incentives to facilitate lot consolidation, lot assemblage and redevelopment in mixed use and commercial areas. Based on this feedback, within two years of Housing Element adoption, the Town will consider the development of a Lot Consolidation Ordinance to include specific incentives such as: flexible development standards such as reduced setbacks, increased lot coverage, increased heights, reduced parking, reduced fees, and streamlined permit processing through administrative staff review. Upon adoption of the Ordinance, the Town will work with property owners that are receptive to lot consolidation/lot assemblage to assist them in facilitating the parcel merge process in a streamlined and timely manner.	Community Development Department Timeframe ~~Within two years of Housing Element adoption~~June 2025 Funding Source None required Quantified Objective Facilitate four housing units through the lot consolidation process. Performance Metric(s) Complete Zoning Code amendment
N	**Below Market Price Program** Conduct a study to evaluate the existing BMP Program and recommend changes to the program to increase the number of units constructed. The study will include evaluation of the implementation of the BMP Program to date, including impacts to market rate housing related to current market conditions, project applications, estimated affordable housing requirements, fee collection, and actual construction of affordable housing units to address constraints based on the outcome of the evaluation. The study will evaluate the feasibility of requiring BMP's for senior assisted living, senior independent living, and senior communities.	Implementation Policies HE-2.7 Senior Housing HE-3.1 Regulatory Incentives for Affordable Housing HE-4.1 Property and Housing Conditions HE-4.2 Multi-family Housing Acquisition Improvement Responsible Department/Review Authority Community Development Department Timeframe Complete study by June 2025 and implement recommended policy actions by December 2028 Funding Source Town Affordable Housing Fund Quantified Objective Increase number of BMP units annually by two units Performance Metric(s) Complete study and implement policy actions
O	**Establish a Commercial Linkage Fee** Conduct a nexus study and amend the Municipal Code to include a linkage fee if appropriate. A commercial linkage fee is an impact fee levied on commercial development for the provision of affordable housing. Before levying an impact fee, the Town is required to complete a nexus study that shows the linkage between new development and the increased demand for housing.	Implementation Policies HE-3.5 Development Impact and Permit Fees Responsible Department/Review Authority Community Development Department Timeframe Complete study by June 2024 and implement recommended actions by December 2024 Funding Source None required

Programs		
		Quantified Objective Complete a nexus study to determine if linkage fees are appropriate Performance Metric(s) Determine amount of affordable impact fees collected
P	**Funds for Development for Extremely Low Income (ELI) Households** Continue to encourage the creation of housing that is affordable to extremely low-income households by allocating a percentage of the Town Affordable Housing (Below Market Price) Fund to subsidize housing for extremely low-income households. As part of the Town's annual budget process, provide a priority for funding ELI developments that may be submitted to the Town with the Town's BMP monies. Update the allocation as recommended by the BMP study. Additionally, provide staff technical assistance with the preparation of Tax Credit or grant funding applications or conducting local Tax Equity and Fiscal Responsibility Act (TEFRA) hearings to facilitate the financing of proposed housing projects in Los Gatos.	Implementation Policies HE-3.1 Regulatory Incentives for Affordable Housing HE-4.1 Property and Housing Conditions HE-4.2 Multi-family Housing Acquisition Improvement Responsible Department/Review Authority Community Development Department Timeframe Ongoing and annual effort Funding Source Below Market Price Housing In-lieu Fees~~Town Affordable Housing Fund~~ Quantified Objective Subsidize three developments which include extremely low-income households Performance Metric(s) Number of extremely low-income households funded.
Q	**Habitat for Humanity Home Repair Program** Work with Habitat for Humanity to promote the Home Repair Program offered by Habitat, which responds to health, accessibility, and safety concerns in homes owned by low-income families, veterans, and senior residents on limited incomes. By fixing the long-deferred maintenance projects, critical repairs and code violations, this program helps families stay in their already affordable homes and avoid displacement.	Implementation Policies HE-2.7 Senior Housing HE-2.8 Equal Housing and Special Needs HE-4.1 Property and Housing Conditions Responsible Department/Review Authority Community Development Department Timeframe Annually meet with Habitat for Humanity Funding Source None required Quantified Objective Increase the number of homes repaired through Habitat for Humanity Performance Metric(s) Measure how many homes are repaired

Programs		
R	**Development Impact and Permit Fees** Review the financial needs of affordable housing projects, determine whether or not Town fees can be reduced to facilitate affordable housing development, and identify options for the Town to offset the foregone revenues from other sources.	Implementation Policies HE-3.5 Development Impact and Permit Fees Responsible Department/Review Authority Community Development Department, Parks and Public Works, Town Council Timeframe January 2026 ~~2023 to January 2031~~ Funding Source Staff Time Quantified Objective Reduce development impact fees and permit processing fees for affordable housing projects by 10 percent Performance Metric(s) Complete the review
S	**Affordable Housing Development** Provide incentives for affordable housing development, including density bonus, fee deferrals or reductions, and reduced fees for studio units. The Town shall also provide annual outreach to attract and support affordable housing developers in the Town, including developers of senior housing, extremely low-, very low- and low-income units, and permanent supportive housing for persons with disabilities and developmental disabilities. The Town shall annually identify development and housing opportunities.	Implementation Policies HE-1.2 Multi-family Housing Densities HE-3.5 Development Impact and Permit Fees HE-2.~~7~~ 8 Equal Housing and Special Needs HE-2.9 Public/Private Partnerships HE-3.1 Regulatory Incentives for Affordable Housing Responsible Department/Review Authority Community Development Department, Town Council Timeframe ~~January 2023 to January 2031~~Ongoing and annual effort Funding Source Staff Time and the Below Market Price Housing In-lieu Fees~~Town Affordable Housing Fund~~ Quantified Objective ▪ Facilitate the construction of 10 new homes for moderate to lower-income households (five for moderate, three for low, and two for very-low) ▪ Facilitate annual outreach to developers. Annually identify development and housing opportunities Performance Metric(s) Number of affordable homeownership units entitled and number of units entitled for

Programs		
		moderate, low, and very-low income households.
T	**Purchase Affordability Covenants in Existing Apartments** Create a program for the Town to purchase affordability covenants with BMP funding to increase the supply of affordable housing or "buy-down" existing affordability covenants to have deeper affordable units in existing rental properties. This program is analogous to purchasing covenants in new developments in conjunction with the BMP program, but for existing apartments. In existing and new rental developments, the Town could provide a rehabilitation loan or another form of subsidy to a rental property owner in exchange for securing affordability covenants on a percentage of units and the owner's agreement to restrict rents on these units to levels that would be affordable to very low- and low-income households.	Implementation Policies HE-2.1 Financial Resources Responsible Department/Review Authority Community Development Department, Town Council Timeframe January 2028 ~~2023 to January 2031~~ Funding Source Below Market Price Housing In-lieu Fees~~Town Affordable Housing Fund~~ Quantified Objective Affordability covenants for three housing units with BMP funding to increase the supply of affordable housing per year Performance Metric(s) Number of affordability covenants
U	**Accessory Dwelling Units** Waive building fees when an ADU is deed restricted for very low- and low-income households. Initiate a marketing program for homeowners on the benefits of ADUs and the availability of resources (templates, cost calculators, technical support) to support development. Collaborate with countywide efforts to develop pre-approved ADU plans suitable for Los Gatos, including designs that are ADA~~U~~ accessible. Streamline the review and permitting of ADU's by publishing pre-approved plans including plans that are ADA-compliant, which shall be posted on the Town's website. Annually monitor number of ADU's produced.	Implementation Policies HE-1.7 Infill Opportunities in Single-Family Neighborhoods HE-2.4 Rental Housing HE-2.5 Pre-Approved Accessory Dwelling Units HE-2.6 Promote Accessory Dwelling Unit Construction HE-2.7 Senior Housing HE-3.1 Regulatory Incentives for Affordable Housing HE-3.3 Efficient Development Processing HE-3.5 Development Impact and Permit Fees Responsible Department/Review Authority Community Development Department Timeframe ■ Initiate marketing program and coordinate efforts on pre-approved ADU plans (2023) ■ Select at least three plans and conduct media campaign to promote (December 2024) ■ Monitor the production and affordability of ADUs annually and adjust, if necessary, within six months Funding Source Below Market Price Housing In-lieu Fees for Waiving Building Fees and General Fund

Programs		
		Quantified Objective
		▪ Construction of 200 ADUs or JADUs throughout the Planning period ▪ Publish pre-approved ADU plans and templates, including designs that address ADA and senior housing needs ▪ Post pre-approved plans on Town website ▪ Use the Town's social media, website, local press, and community events to distribute information
		Performance Metric(s)
		Number of Building Permits ~~i~~issued; number of ADU/JADUs rented at a rental rate affordable for very low-and low-income households
V	**Density Bonus** Conduct a study to evaluate the existing Density Bonus Ordinance and recommend changes to increase the number of units constructed. The study will include an evaluation of the implementation of the ordinance to date and actual construction of affordable housing units that utilized the Density Bonus. Additional density and height incentives beyond what the State requires will be considered (i.e., fee reductions, add free density of BMP units). The study shall recommend improvements to the Ordinance based on the outcome of the evaluation.	Implementation Policies
		HE-3.1 Regulatory Incentives for Affordable Housing HE-2.3 Mixed-Use Development HE-2.8 Equal Housing and Special Needs
		Responsible Department/Review Authority
		Community Development Department
		Timeframe
		Complete study by June 2026 and implement recommended actions by December 2029
		Funding Source
		None required
		Quantified Objective
		Increase affordable housing units generated by an amended Density Bonus Ordinance
		Performance Metric(s)
		Measure the number of affordable units that received entitlements
W	**Affordable Housing Overlay Zone (AHOZ)** Continue to encourage development of housing affordable to all income levels on property within this Town Overlay Zone. The Overlay property on Knowles Avenue is a key site for a mixed income affordable housing project.	Implementation Policies
		HE-3.1 Regulatory Incentives for Affordable Housing HE-2.7 Senior Housing HE-2.8 Equal Housing and Special Needs HE-2.9 Public/Private Partnerships HE-2.11 ~~Policy~~ Smart Growth
		Responsible Department/Review Authority
		Community Development Department
		Timeframe
		Complete by 2025

Programs		
		Funding Source
		None required
		Quantified Objective
		Retain the AHOZ on Knowles Avenue
		Performance Metric(s)
		The number of units that receive entitlements at the Knowles Avenue AHOZ
X	**Congregational Land Overlay Zone** Expand site opportunities by allowing affordable housing on religious sites. Study new Congregational Land Overlay to build upon what is available through AB 1851 and help congregations by connecting them with affordable housing development partners.	Implementation Policies
		HE-3.1 Regulatory Incentives for Affordable Housing HE-2.7 Senior Housing HE-2.8 Equal Housing and Special Needs HE-2.9 Public/Private Partnerships HE-2.11 ~~Policy~~ Smart Growth
		Responsible Department/Review Authority
		Community Development Department
		Timeframe
		Complete by December 2025
		Funding Source
		None required
		Quantified Objective
		Increase affordable housing on religious sites.
		Performance Metric(s)
		Complete study and measure the number of congregational units that receive entitlements
Y	**Nonprofit Affordable Housing Providers** Support the efforts of nonprofit affordable housing organizations that provide housing services in Los Gatos. Encourage the participation of these providers in developing housing and meeting the affordable housing needs of Los Gatos households particularly extremely low-income households. Staff will meet with nonprofit groups on at least on an annual basis to discuss constraints to development and develop strategies and actions for affordable housing development, including incentives for the development of affordable housing as provided under the Affordable Housing Overlay Zone.)	Implementation Policies
		HE-2.3 Mixed-Use Development HE-2.7 Senior Housing HE-2.8 Equal Housing and Special Needs HE-2.9 Public/Private Partnerships
		Responsible Department/Review Authority
		Community Development Department
		Timeframe
		~~Annually~~ Ongoing and annual effort
		Funding Source
		None required
		Quantified Objective
		Meet with nonprofit affordable housing providers to identify constraints and barriers
		Performance Metric(s)

Programs		
		Develop incentives for affordable housing and measure number of units using incentives
Z	**Increased Range of Housing Opportunities for the Homeless** Continue to support the County of Santa Clara's Continuum of Care plan, as well as the "Housing 1000" campaign by "Destination: Home" to provide housing opportunities for homeless households, including emergency shelter, transitional housing, and permanent affordable housing opportunities.	Implementation Policies HE-2.8 Equal Housing and Special Needs HE-2.9 Public/Private Partnerships Responsible Department/Review Authority Community Development Department Timeframe ~~January 2023 to January 2031~~Ongoing and annual effort Funding Source County CDBG Quantified Objective Support non-profit organizations to identify emergency shelter, transitional housing, and permanent housing opportunities Performance Metric(s) ~~N/A~~Number of units entitled.
AA	**Reasonable Accommodation Ordinance** Continue to enforce Section 29.10.505–530 of the Town Code to ensure equal access to housing for persons with disabilities under the Fair Housing Act and provide specific procedures for requesting and granting reasonable accommodations. Review annually for trends and develop new procedures and/or materials in response to annual review.	Implementation Policies HE-2.8 Equal Housing and Special Needs Responsible Department/Review Authority Community Development Department Timeframe Ongoing an annual effort Funding Source None required Quantified Objective Review annually and develop new procedures Performance Metric(s) The number of requests for reasonable accommodations approved versus the need
AB	**Accessibility Design Features** Encourage residential development that incorporates accessible design features to meet the needs of as many users as possible. The intent is to reduce the potential for occupants to be displaced from their homes due to disability, to allow those persons to visit	Implementation Policies ~~Policy~~ HE-1.6 Universal Design HE-2.8 Equal Housing and Special Needs HE-2.9 Public/Private Partnerships Responsible Department/Review Authority Community Development Department Timeframe

Programs		
	neighboring dwelling units, and to increase to number of accessible dwelling units in the local housing supply that meet long term housing needs. Remove identified regulatory constraints on housing for persons with disabilities.	Review and update regulations as necessary; at least every three years Funding Source None required Quantified Objective Increase housing for persons with disabilities Performance Metric(s) Number of projects implementing Universal Design
AC	**Housing Opportunities for Persons Living with Disabilities** Support the provision of housing for the disabled population, including persons with developmental disabilities, through several means, including: ▪ By-right zoning for licensed residential care facilities (six or fewer residents) in all residential zones, and provisions for larger care facilities (seven or more residents) in multi-family residential zones subject to a conditional use permit. ▪ Treatment of supportive and transitional housing as a residential use of property, and subject only to those restrictions and processing requirements that apply to other residential dwellings of the same type in the same zone. ▪ Programs to facilitate affordable housing, including Density Bonus and Affordable Housing Overlay. ▪ Encouraging affordable housing developers to integrate supportive housing units, increasing project competitiveness for Tax Credits and other funding sources. ▪ Supporting the creation of ADUs in all residential districts.	Implementation HE-1.6 Universal Design HE-2.8 Equal Housing and Special Needs HE-6.1 Fair Housing HE-6.3 Housing for Persons with Special Needs Responsible Department/Review Authority Community Development Department Timeframe Complete by December 2025 Funding Source None required Quantified Objective Zoning Code amendment to increase the number of disabled persons housed. Performance Metric(s) Complete Zoning Code Amendment and measure number of units entitled
AD	**Special Needs Housing** Prioritize special needs housing by allowing for reduced processing times and streamlined procedures for applicable zoning/land use applications. Include preferential handling of special needs populations in management plans and regulatory agreements of funded projects.	Implementation HE-2.7 Senior Housing HE-2.8 Equal Housing and Special Needs HE-2.9 Public/Private Partnerships HE-3.3 Efficient Development Processing Responsible Department/Review Authority Community Development Department Timeframe January 2028~~January 2023 to January 2031~~ Funding Source

Programs		
		None required
		Quantified Objective
		Establish streamlined procedures for special needs housing
		Performance Metric(s)
		Number of deed restricted special needs units created
AE	**Rental Dispute Resolution Program** Continue the administration of the Rental Dispute Resolution Program and consider revisions as necessary to make the program as effective as possible in protecting both tenants' and landlords' rights.	Implementation
		HE-6.6 Rental Dispute Mediation and Arbitration Ordinance
		Responsible Department/Review Authority
		Community Services Department
		Timeframe
		~~January 2023 to January 2031~~Ongoing and annual effort
		Funding Source
		Program fees
		Quantified Objective
		Increase the number of disputes resolved
		Performance Metric(s)
		Measure the percentage of disputes resolved annually
AF	**Rental Assistance for Persons with Developmental Challenges** Work with local and/or regional partners to provide rental assistance for persons with developmental challenges. Efforts will include the following: ▪ Work with the California Department of Developmental Services local Regional Center to identify the housing needs specific to developmentally challenged persons residing in Los Gatos and assist in identifying available housing that meets those needs. ▪ Encourage qualifying Regional Center clients residing in Los Gatos to apply for appropriate rental assistance programs. ▪ Identify outside funding sources, such as regional or State programs, that could provide rental assistance for developmentally challenged persons living in Los Gatos. ▪ Make referrals to non-profit service providers with rental assistance or rental voucher programs such as West Valley	Implementation
		HE-2.7 Senior Housing HE-2.8 Equal Housing and Special Needs HE-2.9 Public/Private Partnerships
		Responsible Department/Review Authority
		Community Development Department
		Timeframe
		Annually follow up on a periodic basis with service providers to determine outcomes for referrals and update referral process and timelines accordingly 2023-2031 period
		Funding Source
		None required
		Quantified Objective
		Provide rental assistance for persons with disabilities
		Performance Metric(s)
		Measure percentage of persons helped versus the number of requests

Programs		
	Community Services and the Housing Authority of Santa Clara County.	
AG	**Supportive Services for the Homeless** Continue to support community and nonprofit organizations that provide supportive services for homeless persons in Los Gatos in part by continuing to fund the Town's annual grant and disseminating opportunities for other agency funding to West Valley Community Services (WVCS), in order to support its Comprehensive Emergency Assistance Program (CEAP).	Implementation HE-2.3 Mixed-Use Development HE-2.7 Equal Housing and Special Needs Responsible Department/Review Authority Town Manager Timeframe ~~January 2023 to January 2031~~Ongoing and annual effort Funding Source Town of Los Gatos Quantified Objective Continue the Town's support to provide funds to WVCS for homeless persons services Performance Metric(s) The number of Town residents assisted through WVCS
AH	**Stabilize Rents** Study and implement recommendations with regard to the Town's Rental Dispute Mediation and Arbitration Ordinance 2128 to help further stabilize rents for long-term residents.	Implementation HE-2.3 Mixed-Use Development HE-2.4 Rental Housing HE-6.6 Rental Dispute Mediation and Arbitration Ordinance Responsible Department/Review Authority Community Development Department Timeframe Complete study by January ~~2024~~ 2025 and implement Municipal Code changes by June ~~2024~~2025 Funding Source Below Market Price Housing In-lieu Fees Quantified Objective Implement improvement opportunities for the Rental Dispute Mediation and Arbitration Ordinance Performance Metric(s) Measure the number of disputes resolved versus unresolved
AI	**Reduce Parking Standards** Initiate a study to determine specific updates for the Municipal Code to address the following:	Implementation ~~3.1 Regulatory Incentives for Affordable Housing~~ HE-2.7 Senior Housing HE-2.8 Equal Housing and Special Needs

Programs		
	▪ Align parking requirements with the preparation of Objective Design Standards. ▪ Reduce parking requirements near transit. ▪ Remove guest parking requirements. ▪ Allow parking to be unbundled from residential units.	HE-3.1 Regulatory Incentives for Affordable Housing Responsible Department/Review Authority Community Development Department Timeframe Complete study by January ~~2024~~ 2025 and implement Town Code changes by June 2025 Funding Source None required Quantified Objective Zoning Code amendment to reduce parking standards Performance Metric(s) Zoning Code amendment
AJ	**Allow for 100 Percent Affordable Residential Development in Mixed-Use General Plan Designations** Amend the General Plan and the Municipal Code to allow for 100 percent affordable residential development without the requirement of commercial uses.	Implementation HE-3.1 Regulatory Incentives for Affordable Housing Responsible Department/Review Authority Community Development Department Timeframe Implement General Plan and Municipal Code changes by June 2024 Funding Source None required Quantified Objective Amend the General Plan and Zoning Code to allow for 100 percent affordable housing development in Mixed-Use General Plan designations Performance Metric(s) Measure the number of mixed-use units entitled annually
AK	**Housing Conditions Survey** Seek funding through the Below Market Price Program funds, or other funding sources, to conduct a survey of housing conditions in the Town. The survey shall identify housing units in need of rehabilitation or replacement.	Implementation HE-4.1 Property and Housing Conditions Responsible Department/Review Authority Community Development Department Timeframe ~~January 2023 to January 2031~~January 2028 Funding Source

Programs		
		Below Market Price Housing In-lieu Fees~~Town Affordable Housing Fund~~
		Quantified Objective
		Document the number of housing units in need of rehabilitation or replacement
		Performance Metric(s)
		Complete study and evaluate if the study is needed annually based on the report's findings
AL	**SB 35 Process Improvements** Develop an SB 35 checklist and written procedures for processing SB 35 applications to ensure efficient and complete application processing.	Implementation
		HE-3.3 Efficient Development Processing HE-3.1 Regulatory Incentives for Affordable Housing
		Responsible Department/Review Authority
		Community Development Department
		Timeframe
		Implement by December 2023
		Funding Source
		Staff Time
		Quantified Objective
		Measure SB 35 applications processed per year
		Performance Metric(s)
		N/A
AM	**Low Barrier Navigation Centers** Amend the Zoning Code Definitions to include the definition for "Low Barrier Navigation Center" consistent with State law. Allow at least two mixed-use zoning districts to permit low barrier navigation centers as a by-right use.	Implementation
		HE-2.7 Equal Housing and Special Needs
		Responsible Department/Review Authority
		Community Development Department
		Timeframe
		Implement by December 2023
		Funding Source
		Staff Time
		Quantified Objective
		Zoning Code amendment to include the definition for "Low Barrier Navigation Center" consistent with State law
		Performance Metric(s)
		Zoning Code amendment
AN	**Fair Housing Law Education**	Implementation

Programs		
	Educate the community about landlords and renters rights and responsibilities under Fair Housing law, needs and benefits of affordable housing, and available resources in the Town by posting information on the Town's website, social media posts and/or brochures, distributing information through the business licensing recertification process, and posting fair housing posters in Town Hall, the community center and the library. The Town will continue to work with and fund local nonprofits, and to collaborate with local homeless service providers to provide information on homeless needs in the town.	HE-6.4 Affordable Housing Awareness Responsible Department/Review Authority Community Development Department, Finance Department, California Department of Developmental Services Timeframe Resources posted by end of January 2023 Funding Source Staff Time Quantified Objective Add 50 new subscribers to the Notify me subscriber list Performance Metric(s) Number of new subscribers
AO	**Transit Oriented Development** As part of the comprehensive Zoning Code update, establish development standards for transit-oriented development located within existing transit areas that promote sustainable land use practices which reduce vehicle trips and allow for mixed-use developments as well as stand-alone residential. In addition, the Town shall provide for CEQA streamlining consistent with the provisions of SB 375.	Implementation HE-2.~~10~~ 11 ~~Policy~~ Smart Growth Responsible Department/Review Authority Community Development Department Timeframe Implement Municipal Code changes by June 2025~~January 2023 to January 2031~~ Funding Source Staff Time Quantified Objective Zoning Code amendment to establish development standards for transit-oriented development Performance Metric(s) Measure the number of mixed-use and stand-alone residential units entitled within transit areas
AP	**Preserve "At-Risk" Affordable Housing Units** Continue to monitor affordable, multi-family housing units in the Town to ensure that they retain their affordability status.	Implementation HE-4.3 Home Affordability Preservation Responsible Department/Review Authority Community Development Department Timeframe Ongoing and annual effort~~January 2023 to January 2031~~ Funding Source None required

Programs		
		Quantified Objective
		Zero loss of affordable housing.
		Performance Metric(s)
		Number of units preserved; number of existing residents retained
AQ	**Rental Housing Conservation Program** Continue to implement Section 29.20.155 of the Town Code that addresses conversions of residential use, specifically Section 29.20.155(a)(2), which requires that any proposed conversion satisfy the housing goals and policies as set forth in the 2040 General Plan.	Implementation
		HE-2.4 Rental Housing HE-4.1 Property and Housing Conditions
		Responsible Department/Review Authority
		Community Development Department
		Timeframe
		Ongoing and annual effort~~January 2023 to January 2031~~
		Funding Source
		None required
		Quantified Objective
		Zero loss of rental housing
		Performance Metric(s)
		Measure the loss of rental housing
AR	**CDBG and other Housing Rehabilitation Programs** Continue to participate in the County of Santa Clara Community Development Block Grant Joint Powers Authority to facilitate participation in County CDBG Housing Rehabilitation programs by Town residents.	Implementation
		HE-4.1 Property and Housing Conditions HE-4.3 Home Affordability Preservation
		Responsible Department/Review Authority
		Community Development Department
		Timeframe
		Ongoing and annual effort~~January 2023 to January 2031~~
		Funding Source
		General Fund
		Quantified Objective
		Zero loss of housing due to the need for rehabilitation
		Performance Metric(s)
		Measure the number of homes retained through CDBG support through the Town's annual participation
AS	**Countywide Home Repair Programs** Continue to support countywide programs (Habitat for Humanity East Bay/Silicon Valley,	Implementation
		HE-4.1 Property and Housing Conditions HE-6.3 Housing for Persons with Special Needs

Programs		
	Rebuilding Together, Housing Trust of Santa Clara County, etc.) that provide assistance with minor home repairs and accessibility improvements for lower income households, including special needs households. Support annual funding requests submitted by rehabilitation agencies to the County of Santa Clara, and provide local technical assistance as needed to nonprofits submitting funding applications to the County and/or applying for building permits through the Town's building permit process. Contribute funding from the Town's Below Market Price monies to support these programs. ~~The~~ Continue to participate as a member of the County of Santa Clara JPA. Continue to provide staffing to the County Technical Advisory Committee (TAC), which reviews annual applications for funding and helps formulate funding recommendations to the Board of Supervisors.	Responsible Department/Review Authority Community Development Department; County of Santa Clara Timeframe Ongoing and annual effort~~January 2023 to January 2031~~ Funding Source None required Quantified Objective Three minor home repairs and/or accessibility improvements for lower income households, including special needs households Performance Metric(s) The number of homes that received assistance compared to the number of homes needing assistance
AT	**Energy Conservation Opportunities** Continue to enforce State of California Title 24 requirements for energy conservation.	Implementation HE-5.1 Green Building Responsible Department/Review Authority Community Development Department Timeframe Ongoing and annual effort~~January 2023 to January 2031~~ Funding Source None required Quantified Objective Increase the number of all electric housing units built Performance Metric(s) Number of all electric housing units built
AU	**Residential Rehabilitation Program** Create a new program to assist lower income homeowners, including senior and disabled households, with funding for home repairs and improvements. The program could incentivize providing grants for the following activities: accessibility improvements; exterior or interior home repair; repair of fencing and/or	Implementation HE-4.1 Property and Housing Conditions HE-5.1 Green Building Responsible Department/Review Authority Community Development Department Timeframe ~~January 2023 to January 2031~~December 2027

Programs		
	landscaping; plumbing; exterior painting; roof repair; and similar activities.	Funding Source Below Market Price Housing In-lieu Fees~~Town Affordable Housing Fund~~ Quantified Objective Provide rehabilitation to five low-income homeowner units Performance Metric(s) Number of low-income homeowners assisted and program created
AV	**Solar Energy** Continue to expedite solar panel installation by requiring only ministerial building permits.	Implementation HE-5.1 Green Building HE-5.2 Solar Energy Responsible Department/Review Authority Community Development Department Timeframe Ongoing and annual effort ~~Ongoing~~ Funding Source None required Quantified Objective Increase solar energy use through ministerial building permits Performance Metric(s) Number of solar permits issued a year
AW	**Town Housing Resources Guide** Continue to provide a guide to developments that include affordable housing units as part of the Housing Resources Guide posted on the Town's website, and available at Town Hall, Library, and other Town facilities. Publicize available warming/cooling centers as provided by the Santa Clara County of Office of Supportive Housing during inclement weather episodes.	Implementation HE-5.1 Green Building HE-6.4 Affordable Housing Awareness Responsible Department/Review Authority Community Development Department Timeframe Update list annually Funding Source None required Quantified Objective Increase the Housing Resources Guide usage Performance Metric(s) Measure the number of persons accessing the Town's Housing Resources Guide on the website
AX	**Santa Clara County Fair Housing Consortium**	Implementation HE-5.2 Solar Energy

Programs		
	Support the efforts of the Santa Clara County Fair Housing Consortium, as follows. Continue to make referrals through Project Sentinel and provide updated fair housing information on the Town's website and at public locations through the Town, such as the Adult Recreation Center, Library, Farmers' Market and public kiosks. Through an ongoing partnership with Project Sentinel, a member of the Consortium and the Town's service administrator for the Rental Dispute Resolution Program, Town staff is able to attend the Consortiums annual Fair Housing Symposium, receive training, and disseminate fair housing information (including how to contact Consortium agencies for assistance) to members of the public who contact the Town about a potential fair housing related matter.	HE-6.3 Housing for Persons with Special Needs Responsible Department/Review Authority Community Development Department Timeframe Ongoing and annual effort ~~January 2023 to January 2031~~ Funding Source None required Quantified Objective Zero displacement Performance Metric(s) Counsel 10 tenants annually on tenant/landlord concerns to prevent displacement
AY	**Senior Housing Resources** Provide regularly updated senior housing resource materials at the Adult Recreation Center, Library, and Farmers' Market.	Implementation HE-6.1 Fair Housing HE-6.2 Financial Assistance HE-6.3 Housing for Persons with Special Needs HE-6.4 Affordable Housing Awareness Responsible Department/Review Authority Community Development Department Timeframe Update materials annually Funding Source None required Quantified Objective Increase senior housing resource materials Performance Metric(s) Continue to update senior housing resource materials annually
AZ	**Developmental Challenges** Continue to work with the local California Department of Developmental Services Regional Center to proactively inform families within Los Gatos about housing and services available for persons with developmental challenges, to include an informational brochure, information on the Town's website, and housing-related training workshops for individuals and families.	Implementation HE-6.1 Fair Housing HE-6.3 Housing for Persons with Special Needs HE-6.4 Affordable Housing Awareness Responsible Department/Review Authority Community Development Department, California Department of Developmental Services Timeframe

Programs		
		Update materials annually
		Funding Source
		None required
		Quantified Objective
		Increase the number of families served
		Performance Metric(s)
		Continue to provide housing and services information annually
BA	**Use a Variety of Communication Methods** Broadcast information about available housing resources through a variety of communication methods across media, technological nonprofit organizations and traditional in person outreach methods, such as the Farmers' Market, Library, and community center, with a particular focus on reaching the very low- and low-income demographic and those who may not have access to online resources.	Implementation
		HE-6.1 Fair Housing HE-6.4 Affordable Housing Awareness
		Responsible Department/Review Authority
		Community Development Department, California Department of Developmental Services
		Timeframe
		Update materials quarterly ~~Quarterly January 2023 to January 2031~~
		Funding Source
		None required
		Quantified Objective
		Increase availability of information.
		Performance Metric(s)
		Continue to provide housing resources to very low- and low-income individuals
BB	**Educate Single-Family Property Owners Regarding In-Fill Housing Options** Create and distribute educational materials to include information about the process to construct ADU's, multi-generational housing, and options available with Senate Bill SB 9.	Implementation
		HE-1.5 Variety of Housing Choices HE-1.7 Infill Opportunities in Single-Family Neighborhoods HE-6.1 Fair Housing HE-6.4 Affordable Housing Awareness
		Responsible Department/Review Authority
		Community Development Department, California Department of Developmental Services
		Timeframe
		Update materials quarterly~~Quarterly January 2023 to January 2031~~
		Funding Source
		None required
		Quantified Objective

Programs	
	Provide education on SB 9 and ADU's. Performance Metric(s) Number of Building permits issued for ADUs and SB 9 projects
BC Zoning Text Amendments for Special Needs Housing Pursuant to recent changes in State law, the Town's Municipal Code may be modified to better facilitate the provision of a variety of housing types. These Code revisions include: ▪ Amend parking standards for emergency shelters from a ratio based on the size of the structure to a ratio based on the number of shelter staff (per AB 139). ▪ Eliminate current spacing requirements between shelters and residentially zoned properties and schools. ▪ Develop and adopt by- right processing procedures for Low Barrier Navigation Centers (per AB 101). ▪ Allow small employee housing (six or fewer) in all zone districts where single-family residential is permitted. ▪ Allow Transitional Housing and Supportive Housing developments by-right in all zoning districts that permit residential uses (per SB 2) ▪ Develop a by-right, streamlined, ministerial review of Supportive and Transitional Housing developments (per AB 2162). ▪ Permit by-right Permanent Supportive Housing and Transitional Housing in zones where multi-family and mixed uses are permitted, including nonresidential zones permitting multi-family uses (per Government Code Section 65651) ▪ Allow Employee Housing consisting of up to 36 beds or 12 units in zones that allow agricultural uses (per Health and Safety Code Section 17000, et seq.). ▪ Allow for group homes of seven and more by right in residential districts, and to conform with HCD's Group Home Technical Advisory (Dec 2022) ▪ Modify language of Municipal Code Section 29.10.530(5) of the mandatory criteria for granting a reasonable accommodation request to read,	Implementation HE-2.7 Equal Housing and Special Needs Responsible Department/Review Authority Community Development Department Timeframe January 2024 Funding Source None required Quantified Objective Amend the Zoning Code to remove barriers to building special needs housing Performance Metric(s) Adopt Zoning Code amendments

Programs		
	"There would be ~~no~~ minimal impact on surrounding uses."	
BD	**Affordable Development on Religious Sites** Pursue and expand development opportunities by allowing affordable housing on religious sites per AB 2244.	Implementation HE-2.12 Housing on Land Owned by Religious Institutions Responsible Department/Review Authority Community Development Department Timeframe Ongoing and annual effort Funding Source None required Quantified Objective Increase affordable housing on religious sites Performance Metric(s) Number of units entitled per AB 2244.
BE	**Community Education on Housing Needs** Provide education on the problems and needs of affordable housing as a means of changing negative attitudes towards the provision of affordable housing.	Implementation HE-6.4 Affordable Housing Awareness Responsible Department/Review Authority Community Development Department Timeframe Ongoing and annual effort Funding Source None required Quantified Objective Provide education annually Performance Metric(s) Number of education opportunities provided annually
BF	**Zoning Code Amendments** ~~The Town will initiate a program to revise~~Amend the Zoning Code to comply with State law and ensure adequate sites are available to accommodate the identified sites in the Sites Inventory. These Code revisions include: ▪ Amend the Zoning Code to include a Housing Element Overlay Zone (HEOZ) to apply to the sites included in the Site Inventory to modify the development	Implementation HE-1.1 Adequate Sites HE-1.2 Multi-family Housing Densities HE-2.11 Smart Growth Responsible Department/Review Authority Community Development Department Timeframe ~~If the Housing Element is found in compliance by January 31, 2023, then rezonings will be completed within 3 years and 120 days. If it is not found in compliance, then t~~Complete~~he~~

Programs		
	standards (i.e., density, lot coverage, FAR, height) on those sites. ▪ Amend the Affordable Housing Overlay Zone to increase the maximum allowable density from 20 dwelling units per acre to 40 dwelling units per acre. ▪ Clarify the text of the non-residential zones regarding housing. ▪ Rezone the Caltrans ~~ROW~~ Right-~~-~~of-~~-~~Way – Site E3 from R:1:8 to R-M:5-12 ~~to allow residential development~~. ▪ Amend the Accessory Dwelling Unit Ordinance. ▪ Amend the Density Bonus Ordinance.	rezonings ~~will be completed within 1 year of~~ by January 31, 2024 Funding Source General Plan Update Fund Quantified Objective Amend the Zoning Code consistent with the Housing Element timing Performance Metric(s) Number of affordable homeownership units entitled~~.~~ and numbers of units entitled for moderate, low, and very-low households and adopt the Zoning Code amendments
BG	**General Plan Amendment** Amend the General Plan to modify the designation of 16492 Los Gatos Boulevard and Parcel 532-07-086 from Low Density Residential to Neighborhood Commercial, modify the designation of the Cal Trans Right-of-Way from Low Density Residential to Medium Density Residential, and establish new maximum densities for the High Residential, Medium Density Residential, Low Density Residential, Mixed-Use, Neighborhood Commercial, and Central Business District land use designations to provide for the development of housing for the sites in the Site Inventory. See Program BF.	Implementation HE-1.1 Adequate Sites HE-1.2 Multi-family Housing Densities HE-2.11 Smart Growth Responsible Department/Review Authority Community Development Department Timeframe ~~If the Housing Element is found in compliance by January 31, 2023, then rezonings will be completed within 3 years and 120 days. If it is not found in compliance, then the~~Complete General Plan amendments ~~will be completed within 1 year of~~by January 31, 2024 Funding Source General Plan Update Fund Quantified Objective Adopt General Plan amendments consistent with the Housing Element timing. Performance Metric(s) Adopt General Plan amendments.
BH	**Provide Adequate Sites for Housing, RHNA Rezoning, and Lower Income Households on Nonvacant and Vacant Sites Previously Identified** Rezone sites as identified within Appendix D to accommodate the Town's RHNA and a 25 percent buffer to allow for compliance with No Net Loss Provisions of SB 166. Rezone ~~the following sites~~the reuse sites included below to meet density requirements for lower-income households and allow development by right pursuant to Government	Implementation HE-1.1 Adequate Sites Responsible Department/Review Authority Community Development Department Timeframe ~~Sites rezoned no more than three years from the beginning of the planning period~~Rezone 16 reuse sites and rezone to increase housing on nonvacant and vacant sites previously identified Funding Source

Programs		
	Code section 65583.2(~~i~~H) and (I) when 20 percent or more of the units are affordable to lower income households ~~as identified in Appendix I to accommodate the lower income RHNA for sites that were previously identified in past housing elements~~: ▪ Parcel: 424-08-074; ▪ Parcel: 424-08-057; ▪ Parcel: 424-08-021; ▪ Parcel: 424-06-116; ▪ 14823 Los Gatos Boulevard; ▪ 14831 Los Gatos Boulevard; ▪ 14849 Los Gatos Boulevard; ▪ 14859 Los Gatos Boulevard; ▪ 16392 Los Gatos Boulevard; ▪ 16210 Burton Road; ▪ 16240 Burton Road; ▪ 16245 Burton Road; ▪ 16250 Burton Road; ▪ 16260 Burton Road; ▪ 16270 Burton Road; and ▪ 110 Knowles Drive.	General Plan Update Fund Quantified Objective The number of housing units entitled per year on these sites Performance Metric(s) Rezone the reuse sites
BI	**Affirmative Marketing** The Town will work with affordable and market rate housing developers to ensure that affordable housing is affirmatively marketed to households with disproportionate housing needs, including Hispanic and Black households who work in and live outside of Los Gatos (e.g., materials in Spanish and English, distributed through employers). The Town will notify a broad representation of the community to solicit ideas for housing strategies when they are discussed at Planning Commission or Town Council meetings. Specific outreach activities include: ▪ Maintain the Housing Element email list and send public notices to all interested public and non-profit agencies and affected property owners; ▪ Post notices at the Community Development Department and at the Town library with information on the type and number of units proposed for a project and their expected availability; ▪ Publish notices in the local newspaper with information on the type and	Implementation HE-6.4 Affordable Housing Awareness Responsible Department/Review Authority Community Development Department Timeframe As applications which propose new housing units are submitted and available Funding Source General fund (staff time) Quantified Objective Number of marketing plans updated. Performance Metric(s) Affirmatively market all affordable housing opportunities

Programs		
	number of units proposed for a project and their expected availability; ▪ Post information and meeting information on the Town's website and social media accounts with information on the type and number of units proposed for a project and their expected availability; and ▪ Provide notice to community groups such as West Valley Community Services with information on the type and number of units proposed for a project and their expected availability.	
BJ	**Ordinance Amendments** Amend the following Ordinances to comply with current State law: ▪ Accessory Dwelling Unit Ordinance; and ▪ Density Bonus Ordinance.	Implementation HE-2.6 Promote Accessory Dwelling Unit Construction Responsible Department/Review Authority Community Development Department Timeframe Complete amendments by December 2023 Funding Source General fund (staff time) Quantified Objective Zoning Code amendments Performance Metric(s) Adopted Zoning Code amendments
BK	**Replacement Unit Program** Adopt a policy requiring replacement housing units subject to the requirements of Government Code section 65915 (c)(3) when new development occurs on a housing inventory site which currently has or within the past five years had residential uses (existing, vacated or demolished), and was legally restricted to low-income households, or subject to price control, or occupied by low-income households.	Implementation HE-1.1 Adequate Sites Responsible Department/Review Authority Community Development Department Timeframe Adopt a policy by January 2024 and apply the policy as applications on sites within the Sites Inventory are received and processed Funding Source General fund (staff time) Quantified Objective New policy adopted Performance Metric(s) Measure the number of replacement housing units entitled that are restricted to low-income households

Programs	
BL Senate Bill 9 Monitoring Annually monitor the development of SB 9 applications every year beginning in 2023 to better understand their role in the Los Gatos housing market if trends indicate a potential shortfall in meeting the estimated SB 9 development in the Sites Inventory, consider additional efforts to incentivize SB 9 applications and reassess and revise the overall sites strategy for the RHNA within one year through adjusting SB 9 capacity assumptions with actual permitted units, and/or identifying additional sites to expand site capacity to the extent necessary to accommodate the RHNA.	Implementation HE-1.1 Adequate Sites Responsible Department/Review Authority Community Development Department Timeframe Evaluate effectiveness of SB 9 approvals every year beginning in 2023; and identify additional incentives and/or site capacity, if needed by 2025 Funding Source General fund (staff time) Quantified Objective Prepare Annual Progress Report and issue 12 SB 9 building permits per year Performance Metric(s) Number of issued SB 9 Building Permits.
BM Story Poles and Netting Policy Review Story Pole and Netting Policy and explore options for residential or mixed-use projects with affordable housing to reduce the associated costs of installing story poles.	Implementation Policy HE-3.1 Regulatory Incentives for Affordable Housing Responsible Department/Review Authority Community Development Department Timeframe Implement by December 2023 Funding Source General fund (staff time) Quantified Objective Reduce cost of development by modifying the story pole requirements for affordable housing projects Performance Metric(s) Measure impact of modifying the story pole policy on the number of affordable housing units entitled

10.7 Glossary and Acronyms

A

Accessible. The ability to accommodate everyone regardless of ability or pre-existing condition.

Accessory Dwelling Unit (ADU). An accessory dwelling unit is a detached or attached dwelling unit. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation and is generally smaller and located on the same parcel as a proposed or exiting primary dwelling. An accessory dwelling unit also includes efficiency units and manufactured homes.

Acres (Gross). An acre is a measurement of land area equal to 43,560 square feet. The gross acreage of a lot includes all land within the boundaries of the lot (including, but not limited to, easements). The gross acreage is defined as the total area, measured on a horizontal plane, and is the measure used for determination of density and intensity calculations.

Acres (Net). A reduced lot size based average lot slope or other factors and used for the purpose of calculating the maximum allowed floor area or density.

Affirmative Furthering Fair Housing. Taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a public agency's activities and programs relating to housing and community development. (Gov. Code, § 8899.50, subd. (a)(1).)"

Affordable Housing. Under State and Federal statutes, affordable housing is housing which costs no more than 30 percent of gross household income. Housing costs include rent or mortgage payments, utilities, taxes, insurance, homeowner association fees, and other related costs.

Americans with Disabilities Act (ADA). A civil rights law that prohibits discrimination against individuals with disabilities in all areas of public life, including jobs, schools, transportation, and all public and private places that are open to the general public.

Area Median Income (AMI). A key metric in affordable housing. Area median income is defined as the midpoint of a specific area's income distribution and is calculated on an annual basis by the Department of Housing and Urban Development.

B

Below Market Program (BMP). The BMP Program implements the Town of Los Gatos' inclusionary zoning ordinance, which requires that a portion of the new residential construction in Los Gatos be dedicated to affordable housing.

C

California Environmental Quality Act (CEQA). State law that requires State and local agencies to evaluate and disclose the significant environmental impacts of discretionary actions and to avoid or mitigate those impacts, if feasible.

Commercial. Retail, service, and entertainment uses (e.g., shopping centers, smaller stores, restaurants).

D

Density. Residential developments are regulated by an allowed density range (minimum and maximum) measured in "dwelling units per acre." Residential density is calculated by dividing the number of housings units on the site (excluding accessory units) by the gross lot area.

Development. The subdivision of land; construction or alteration of structures, roads, utilities, and other facilities; installation of septic systems; grading activities; depositing of refuse; disposal of any material; dredging or mineral extraction, debris or fill materials; and the clearing of natural vegetation with the exception of agricultural activities. This does not include routine repair and maintenance activities.

Dwelling Unit. A room or group of rooms (including sleeping, eating, cooking, and sanitation facilities, but not more than one kitchen) that constitutes an independent housekeeping unit, occupied or intended for occupancy by one household on a long-term basis.

E

Environmental Justice. The fair treatment of people of all races, cultures, incomes, political and religious affiliation, and national origins with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies.

Equality. Is sameness; everyone gets the same thing. Equality focuses on everyone getting the same opportunity, but often ignores the realities of historic exclusion and power differentials among whites and other racialized groups.

Equity. Ensures that outcomes in the conditions of well-being are improved for marginalized groups, lifting outcomes for all. Equity is a measure of justice.

F

Federal Fair Housing Act of 1968. Prohibits discrimination concerning the sale, rental, and financing of housing based on race, color, religion, national origin, - and was later amended to include familial status and disability.

Fire Hazard Severity Zone. A mapped area that designates zones, based on factors such as fuel, slope, and fire weather, with varying degrees of fire hazard (e.g., moderate, high, and very high).

Floor Area Ratio (FAR). Total building size is regulated by a maximum FAR standard. FAR means the gross floor area of a building or buildings on a zoning plot divided by the area of such zoning plot. Floor area means the entire enclosed area of all floors that extend more than four (4) feet above the existing or proposed grade, measured from the outer face of exterior walls or in the case of shared walls from the centerline. The maximum FAR standard limits the overall size of development on a property.

G

Goal. A statement that describes, in general terms, a desired future condition or "end" state. Goals describe ideal future conditions for a topic and tend to be very general and broad.

H

Housing Element Advisory Board. A Town Council appointed advisory board for preparation of the Housing Element.

I

Implementation Program. An action, activity, or strategy to be taken by the Town to carry out an adopted policy to achieve a specific goal or objective.

Infill Development. Development of vacant or underutilized land (usually individual lots or leftover properties) within areas that are already largely developed.

Intensity. Developments are regulated by an allowed intensity, measured by a maximum FAR. Intensity is a measure of the extent to which a land parcel is developed in conformity with the zoning

J

K

L

Land Use Designation. A specific geographic designation with associated land use or management policies and regulations.

Lot Coverage. Lot coverage is the percentage of a lot that is covered by all buildings compared to the total area of the lot.

M

Missing Middle Housing. Missing middle housing is a term used to describe a range of house-scale buildings with multiple units that are compatible in scale and form with detached single-family homes. Common housing types include duplexes; triplexes; fourplexes; courtyard apartments; cottage courts; townhomes; triplex stacked (vertical); and live-work spaces. Also referred to as "Small Multi-Unit Housing".

Mixed-Use Development. Development projects where a variety of uses such as office, commercial, institutional, and residential are combined in a single building or on a single site in an integrated project. These developments are regulated by both the maximum residential density (units per acre) and maximum FAR standard that incorporates both the residential and non-residential building floor areas.

Multi-Family Residential. Residential buildings containing units built one on top of another and those built side-by-side which do not have a ground-to-roof wall and/or have common facilities (i.e., attic, basement, heating plant, plumbing, etc.). Accessory dwelling units (ADUs) are not considered multi-family residential.

N

O

Objective Design Standards. Objective standards are defined under State law as "standards that involve no personal or subjective judgement by a public official and are uniformly verifiable by reference to an external or uniform benchmark or criteria available and knowable by both the development applicant or proponent and the public official prior to submittal "(California Government Code, Section 65913.4).

P

Persons With Special Needs. Includes extremely low-income households, seniors, overcrowded and large-family households, the homeless population, those in need of emergency shelter, youth aging out of foster care, female-headed or single-parent households, and persons with disabilities, including developmental challenges.

Planning Commission. An appointed commission responsible for conducting public hearings on the General Plan and Zoning Code modifications, considering the input of the public, and making recommendations to the Town Council on these matters.

Planned Development. The Planned Development (PD) overlay zone provides alternative standards for housing developments with a minimum of 40 percent of the units affordable to households of very low, low, or moderate income.

Policy. A statement that guides a specific course of action for decision-makers to achieve a desired goal.

Q

R

Regional Housing Need Allocation (RHNA). A State-mandated process to identify the total number of housing units (by affordability level) that each jurisdiction must accommodate in its Housing Element.

S

Setback. The distance between a building and the property line or other buildings.

Single-Family Residential. Land with detached buildings with not more than one primary dwelling unit for residential uses, such as single-family homes, townhomes, and condominiums.

Specific Plan. A planning tool authorized by Government Code Section 65450, et seq., for the systematic implementation of the General Plan for a defined portion of a community's planning area. A specific plan must specify in detail the land uses,

public and private facilities needed to support the land uses, phasing of development, standards for the conservation, development, and use of natural resources, and a program of implementation measures, including financing measures.

Small Multi-Unit Housing. Also known as "Missing middle housing" is a term used to describe a range of house-scale buildings with multiple units that are compatible in scale and form with detached single-family homes. Common housing types include duplexes; triplexes; fourplexes; courtyard apartments; cottage courts; townhomes; triplex stacked (vertical); and live-work spaces.

T

Town Council. The political body which formulates and implements policies in Los Gatos. It is the Town Council, through its decision-making authority, that affirms the policy direction and priorities contained within this General Plan. The Town Council is ultimately responsible for adoption of the General Plan, as well as the regulations, capital improvement programs, and financing mechanisms that implement the General Plan.

U

V

Vacant Land. Land that is not actively used for any purpose, including land that is not improved with buildings or site facilities and is sizeable in area to accommodate development.

W

Wildland/Urban Interface (WUI). Areas where homes or other structures are built near or among lands prone to wildland fire.

X

Y

Z

Zoning. The division of the Town into districts, and the application of different regulations in each district.

Zoning District. A part of the community designated by the local zoning ordinance for specific of land uses, such as single-family residential or neighborhood commercial uses. Only the primary permitted land uses, their accessory uses, and any conditional uses permitted in the zoning district may be placed on the land in that part of the community.

Zoning Ordinance. The adopted zoning and planning regulations of a town, city, or county that establish development standards for each zone, such as minimum lot size, maximum height of structures, building setbacks, and yard size.

List of Acronyms

AB	Assembly Bill
ABAG	Association of Bay Area Governments
ADA	Americans with Disabilities Act
ADU	Accessory dwelling unit
AFFH	Affirmative Furthering Fair Housing
AHOZ	Affordable Housing Overlay Zone
AMI	Area Median Income
BMP	Below Market Program
CBD	Central Business District land use designation
CC	Community Commercial land use designation
CD	Community Design Element
CEQA	California Environmental Quality Act
CMU	Mixed-Use land use designation
CUP	Conditional Use Permit
DFEH	California Department of Fair Employment in Housing
du/ac	Dwelling units per acre
EIR	Environmental Impact Report
FAR	Floor area ratio
FFH	Federal Fair Housing Act
HCD	Department of Housing and Community Development
HDR	High Density Residential land use designation
HDS&G	Hillside Development Standards and Guidelines
HEAB	Housing Element Advisory Board
HR	Hillside Residential land use designation
HUD	Department of Housing and Urban Development
LDR	Low Density Residential land use designation
LHP	Landmark and Historic Preservation Zone
LI	Light Industrial land use designation
LID	Low Impact Development
LU	Land Use Element
MDR	Medium Density Residential land use designation
MTC	Metropolitan Transportation Commission
MU	Mixed-Use land use designation
NFHA	National Fair Housing Alliance
NF-SP	North Forty Specific Plan
PD	Planned Development
PS	Public School Zone
RHNA	Regional Housing Needs Allocation
RHND	Regional Housing Needs Determination
RHM	Mobile Home Residential
SB	Senate Bill
WUI	Wildland/Urban Interface

.

Affirmatively Furthering Fair Housing Report

A

APPENDIX

A.1 What is AFFH?

The State of California's 2018 Assembly Bill (AB 686) requires that all public agencies in the state affirmatively further fair housing (AFFH) beginning January 1, 2019. Public agencies receiving funding from the U.S. Department of Housing and Urban Development (HUD) are also required to demonstrate their commitment to AFFH. The Federal obligation stems from the fair housing component of the Federal Civil Rights Act mandating Federal fund recipients to take "meaningful actions" to address segregation and related barriers to fair housing choice.

AB 686 requires all public agencies to "administer programs and activities relating to housing and community development in a manner that affirmatively furthers fair housing and take no action inconsistent with this obligation."[1]

AB 686 also makes changes to Housing Element Law to incorporate requirements ~~to~~ of AFFH as part of the H~~h~~ousing E~~e~~lement and General Plan to include an analysis of fair housing outreach and capacity, integration and segregation, access to opportunity, disparate housing needs, and current fair housing practices.

Affirmatively Furthering Fair Housing

"Affirmatively furthering fair housing" means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a public agency's activities and programs relating to housing and community development. (Gov. Code, § 8899.50, subd.(a)(1).)"

Source: California Department of Housing and Community Development Guidance, 2021, page 14.

Analysis of the 5th Cycle Housing Element

Goals of the Previous Housing Element

Many of the goals, policies, and programs that were presented in the 5th Cycle Housing Element are still applicable to the current 6th Cycle Housing Element. Some of the goals, policies, and programs included in this Housing Element serve as a continuation of policies identified within the previous Housing Element; whereas, others are new and concentrate more on promoting AFFH. The following are a list of goals from the 5th Cycle Housing Element:

- Goal HOU-1: Expand the choice of housing opportunities for all economic segments of the community by supporting the development of affordable housing in a variety of types and sizes, including a mixture of ownership and rental housing.
- Goal HOU-2: Maintain and/or adopt appropriate land use regulations and other development tools to encourage the development of affordable housing that is compatible with the neighborhood and the community.

[1] California Department of Housing and Community Development Guidance, 2021, page 9.

- Goal HOU-3: Preserve existing residential opportunities, including the existing affordable housing stock.
- Goal HOU-4: Ensure that all persons have equal access to housing opportunities.
- Goal HOU-5: Retain and expand affordable housing opportunities for seniors.
- Goal HOU-6: Mitigate Town governmental constraints to affordable and special needs housing development.
- Goal HOU-7: Encourage residential construction that promotes green building and energy conservation practices.
- Goal HOU-8: Ensure that the Town has sufficient resources and takes appropriate measures to implement the Housing Element.
- Goal HOU-9: Maintain the Town's 2005 jobs-to-household ratio of 1.5 jobs per household.

The goals listed above are still applicable and support producing, providing, and retaining housing within the Town. The goals of the 6th Cycle Housing Element have refined the goals of the 5th Cycle Housing Element to state six clear goals that ~~compliment~~complement the polices and implementation programs, further strengthening the Town's housing goals.

Production of Housing

The 5th Cycle Housing Element identified a Regional Housing Needs Allocation (RHNA) of 619 housing units in Los Gatos between January 1, 2015, and January 31, 2023. The RHNA was divided into the following income categories:

- 100 units affordable to extremely low-income households.
- 101 units affordable to very low-income households.
- 112 units affordable to low-income households.
- 132 units affordable to moderate-income households.
- 174 units affordable to above moderate-income households.

During the 2015–2023 planning period, as of December 31, 2022, 683 new units were added to the Town's housing stock, achieving approximately 110 percent of the Town's RHNA. Units affordable to moderate- and lower-income households that were created during the planning period include density bonus senior rental units (North Forty Phase I), an attached condominium (Union Avenue), detached townhomes (Knowles Avenue) produced through the BMP program, and accessory dwelling units. The Town exceeded the required housing units per RHNA in the moderate and above moderate-income categories; however, fell short in the very low- and low-income categories. Many of the goals, policies, and programs added and modified in this document have the goal and objective of increasing the total production of very low- and low-income category housing units during the 6th Housing Element cycle. For a deeper analysis of the previous Housing Element Update, refer to Appendix E.

Meaningful Steps towards AFFH

The Town's overarching goal of furthering AFFH and creating more housing opportunities has made a concentrated effort to assist the most vulnerable populations. These vulnerable populations include, but are not limited to: the elderly; large households; extremely low income households; individuals experiencing homelessness; and individuals with disabilities. Many of the programs identified in this 6th Cycle Housing Element are designed to create a measurable impact on the affordable housing options provided to the afore-mentioned populations. These policies include:

- Implementation Program J: Helping Seniors Program
- Implementation Program L: Rental Housing for Large Families
- Implementation Program P: Funds for Development for Extremely Low Income (ELI) Households
- Implementation Program Q: Habitat for Humanity Home Repair Program

- Implementation Program Z: Increased Range of Housing Opportunities for the Homeless
- Implementation Program AB: Accessibility Design Features
- Implementation Program AC: Housing Opportunities for Persons Living with Disabilities
- Implementation Program AD: Special Needs Housing
- Implementation Program AF: Rental Assistance for Persons with Developmental Challenges
- Implementation Program AG: Supportive Services for the Homeless
- Implementation Program AH: Stabilize Rents

The Town of Los Gatos implements these programs through funding allocation or through partnerships with other local organizations and jurisdictions.

A.2 History of Segregation in the Region

The United States' oldest cities have a history of mandating segregated living patterns and Northern California cities are no exception. ABAG, in its recent Fair Housing Equity Assessment, attributes segregation in the Bay Area to historically discriminatory practices, highlighting redlining and discriminatory mortgage approvals as well as "structural inequities" in society, and "self-segregation" (i.e., preferences to live near similar people).

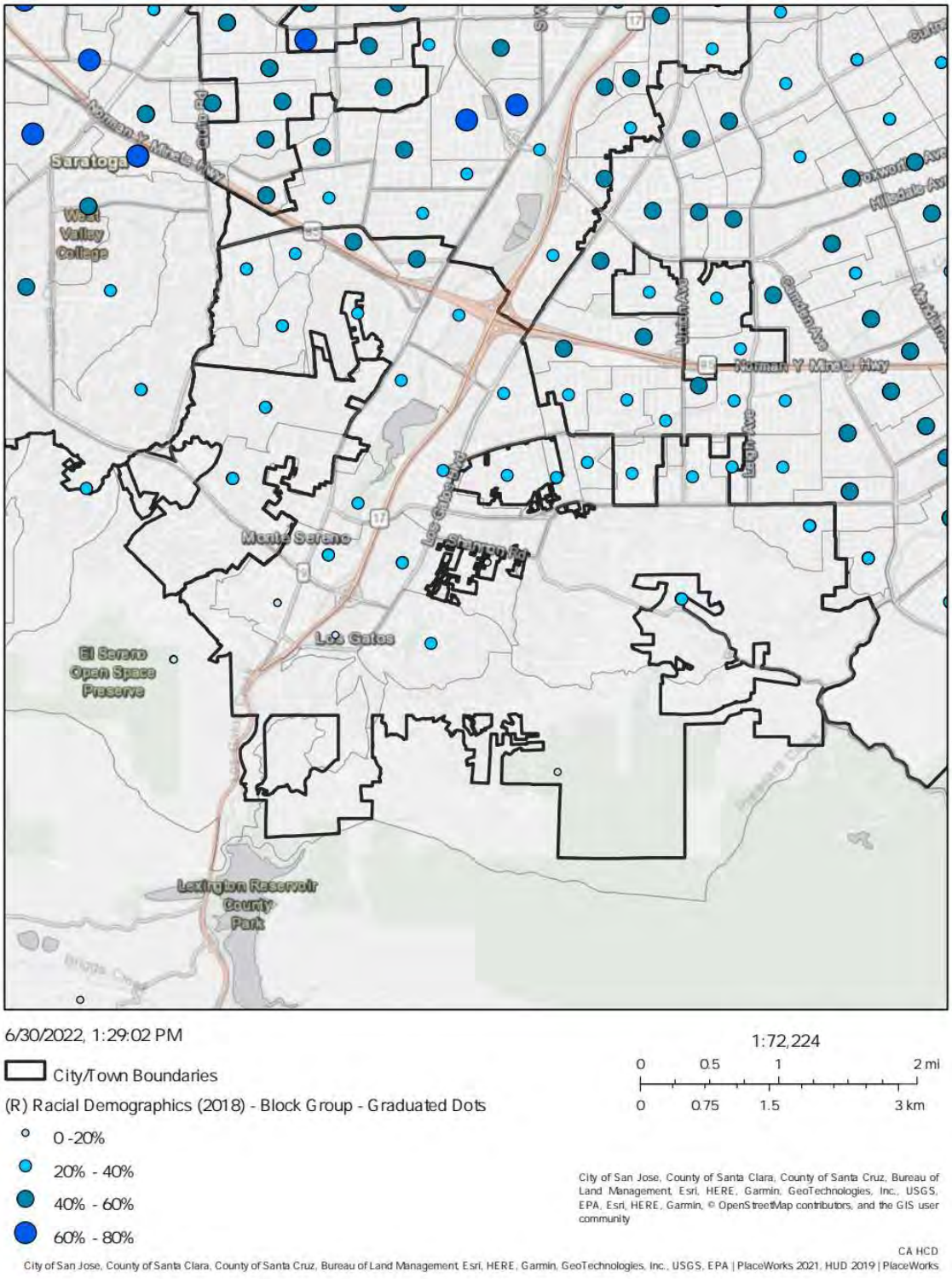
Researcher Richard Rothstein's 2017 book *The Color of Law: A Forgotten History of How Our Government Segregated America* chronicles how the public sector contributed to the segregation that exists today. Rothstein highlights several significant developments in the Bay Area region that played a large role in where the region's non-White residents settled.

In 1955, builders began developing workforce housing for the Ford Corporation's plant in the Bay Area, including Santa Clara County. Initially the units were segregated as no one would sell to the local Black/African American workers. The American Friends Service Committee (AFSC) worked to find builders who would build integrated subdivisions. Unfortunately, after four purchased plots were subsequently rezoned to prevent integrated housing, the original builder quit. After multiple additional iterations, Black/African American workers had "become so discouraged about finding housing opportunities" that they began carpooling from outside cities such as Richmond[2].

A 2018 Berkeley publication titled, *Racial Segregation in the San Francisco Bay Area*, describes Los Gatos among the "most segregated, heavily white cities in the county" with Santa Clara County containing "no truly integrated city"[3]. The study also delved into the history of segregation, highlighting 1960s-era laws and practices connected to urban renewal projects that displaced established communities of color. This was coupled with the building of transportation infrastructure that resulted in a net loss of affordable housing due to a lack of one-for-one replacement. Figure A-1 through Figure A-7 illustrate~~s~~ the demographic distribution within ~~the~~ Santa Clara County.

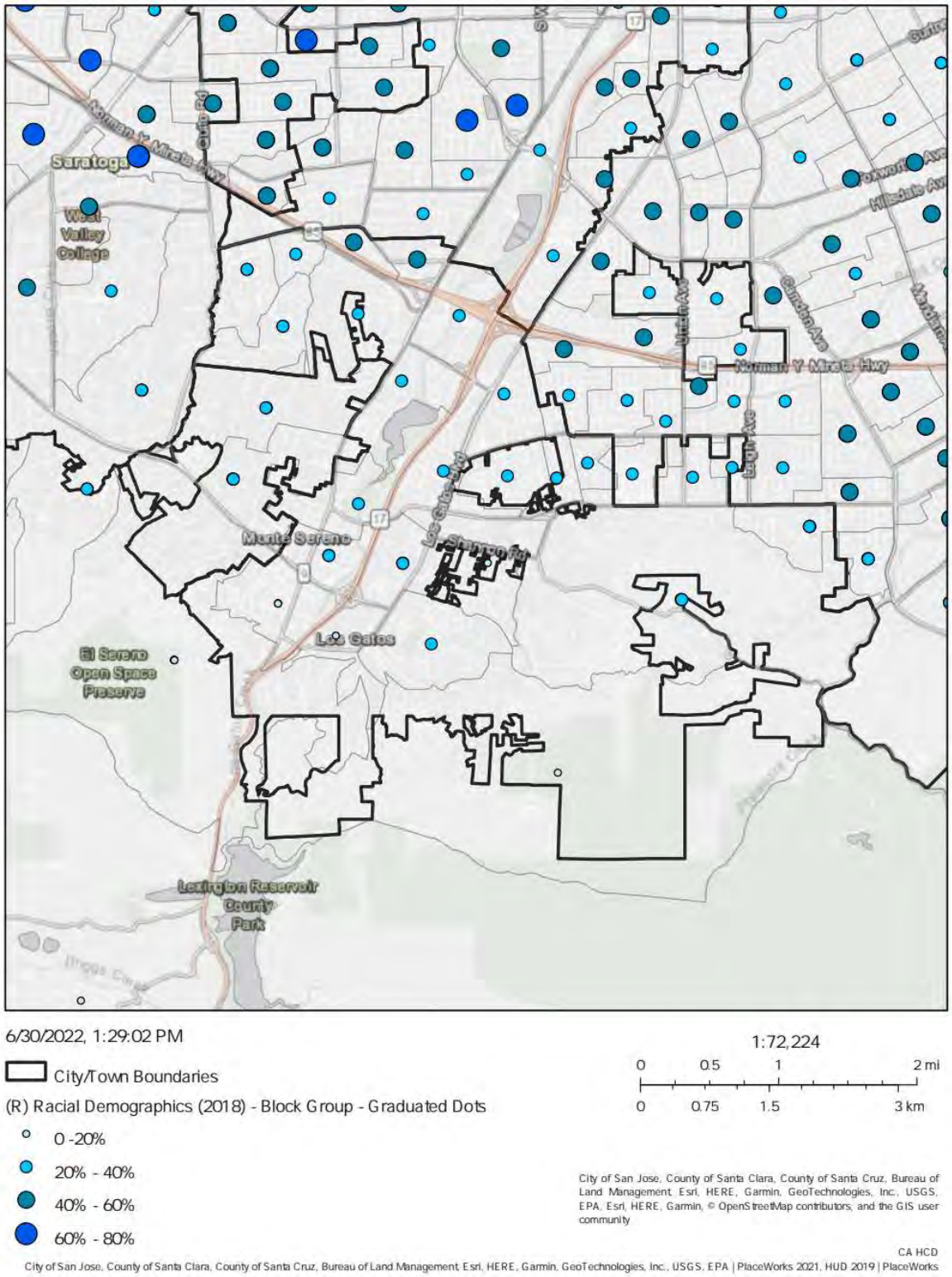
[2] Source: book *The Color of Law: A Forgotten History of How Our Government Segregated America* by Richard Rothstein, p 121.
[3] Racial Segregation in the San Francisco Bay Area, Part 1 | Othering & Belonging Institute (berkeley.edu)

Figure A-1 Percent Non-White Population by Census Block Groups, 2018



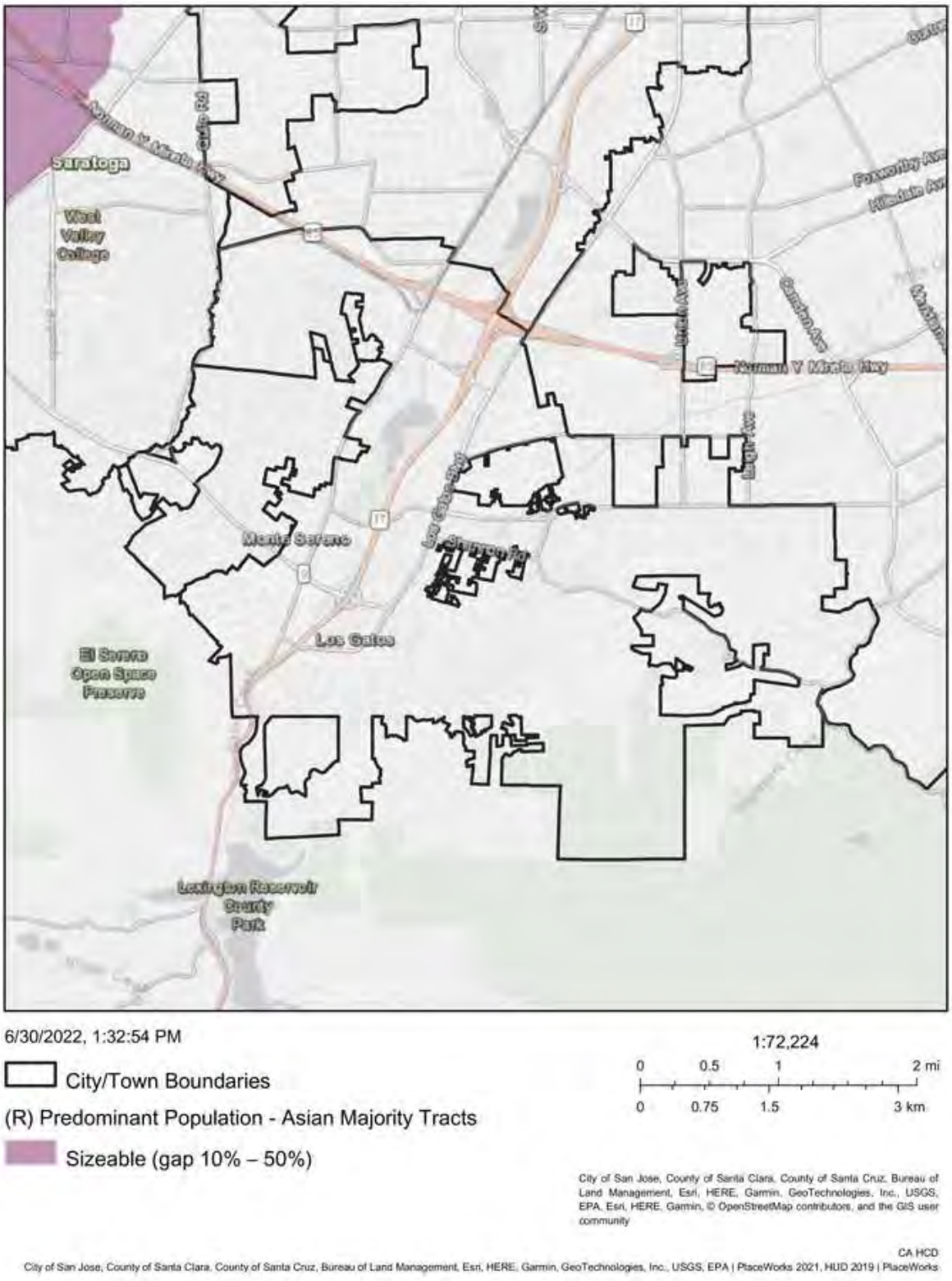
Source: California Department of Housing and Community Development AFFH Data Viewer

Figure A-2 White Majority Census Tracts



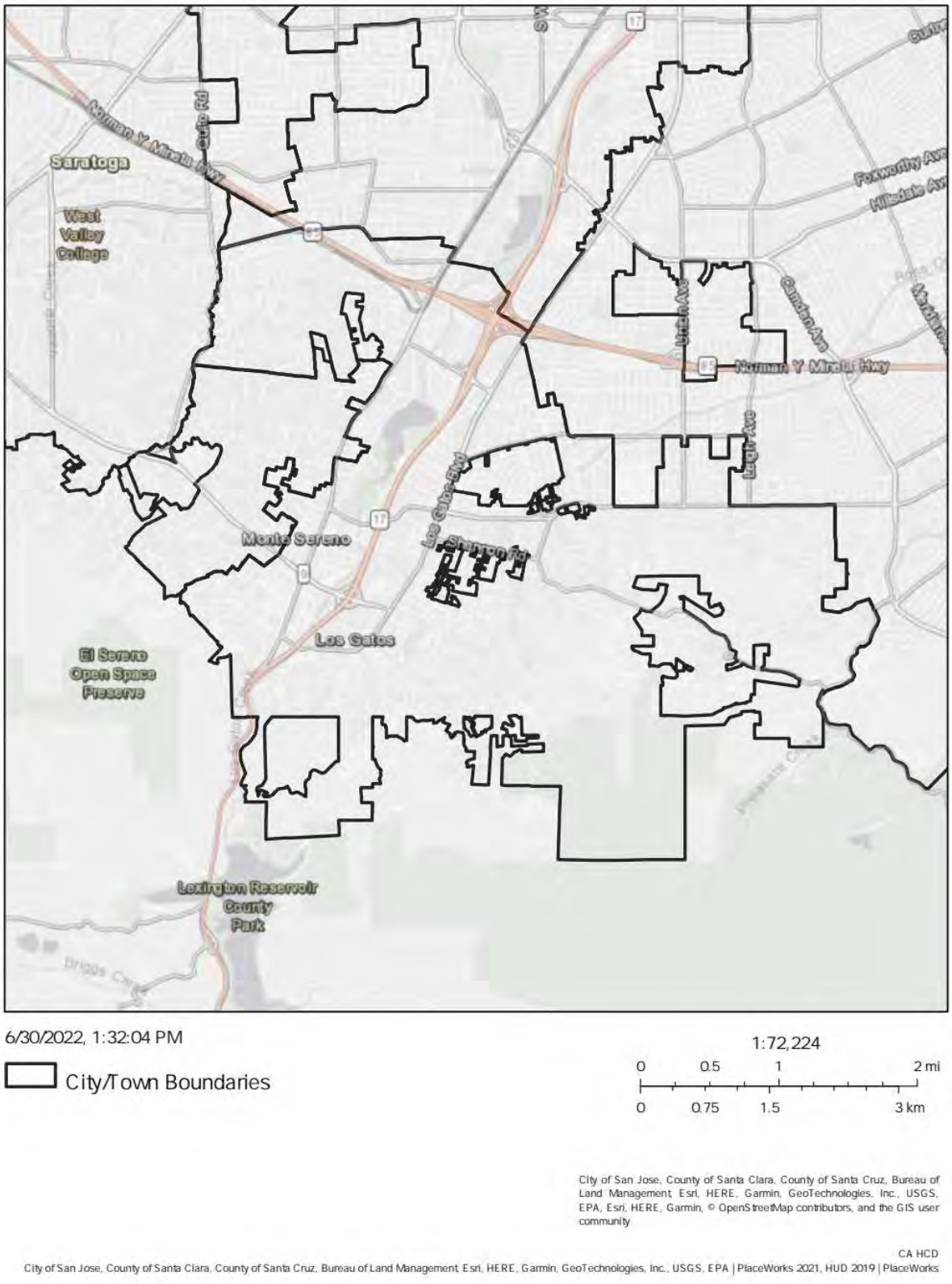
Source: California Department of Housing and Community Development AFFH Data Viewer

Figure A-3 Asian Majority Census Tracts



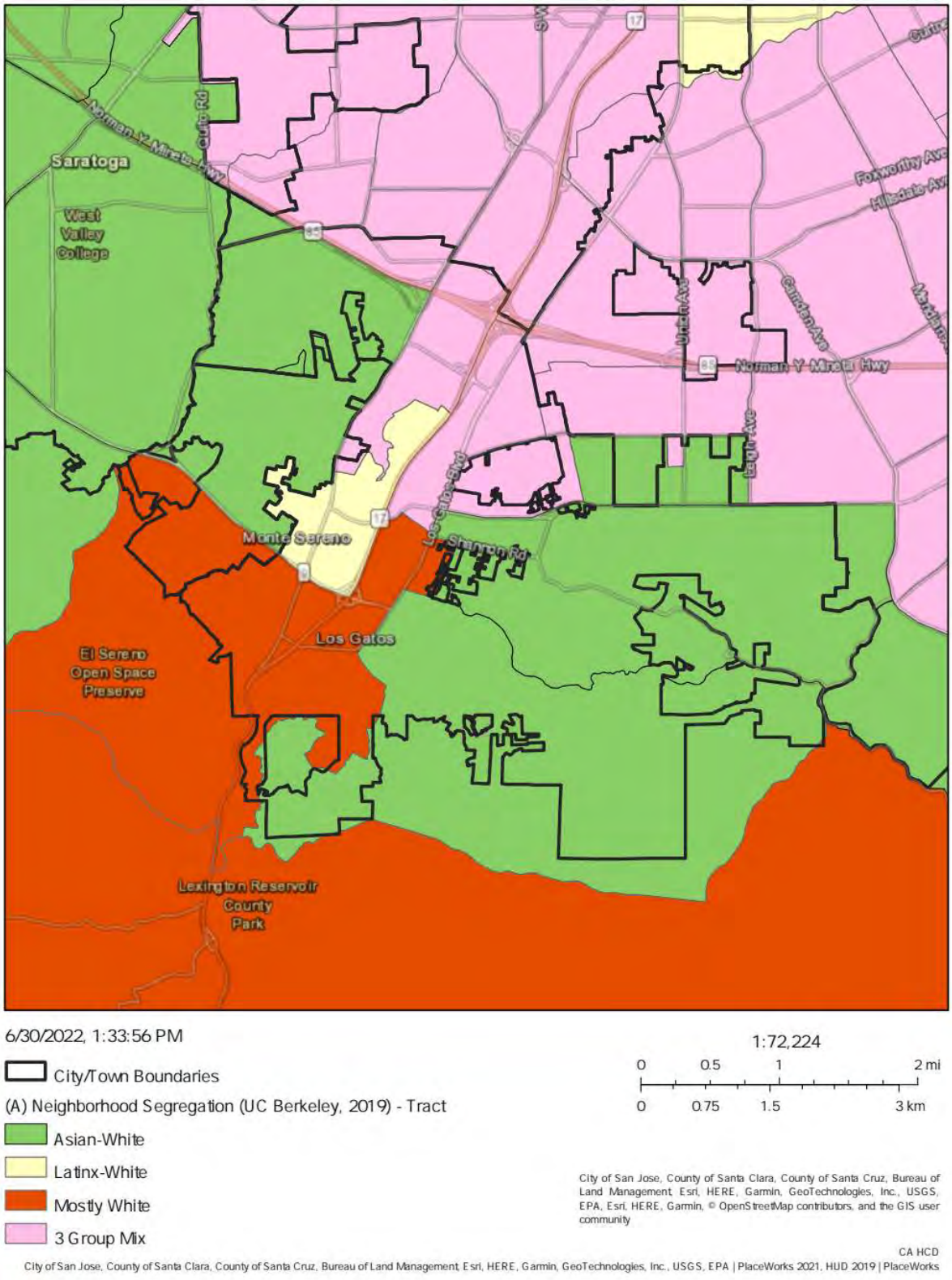
Source: California Department of Housing and Community Development AFFH Data Viewer

Figure A-4 Hispanic Majority Census Tracts



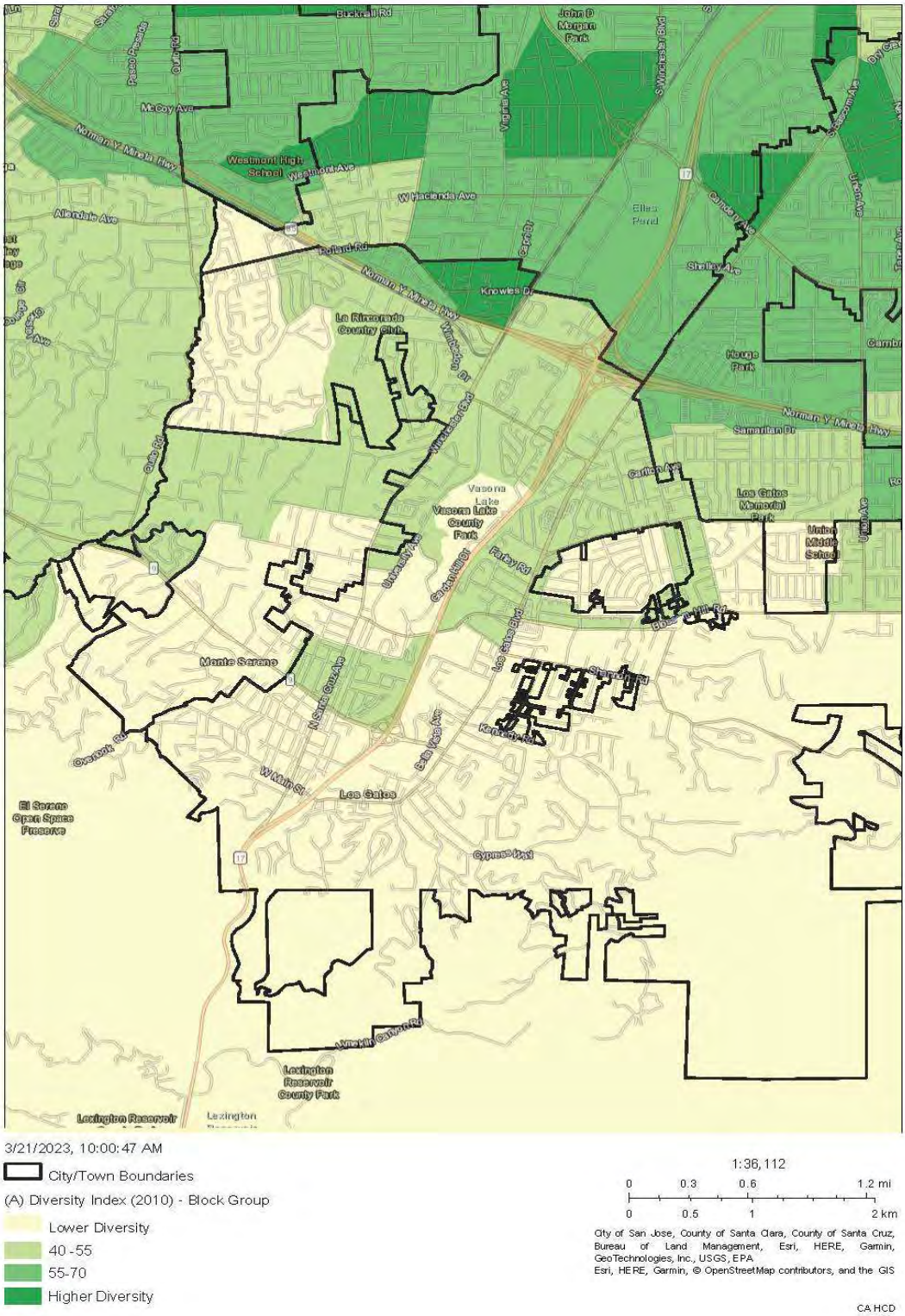
Source: California Department of Housing and Community Development AFFH Data Viewer

Figure A-5 Neighborhood Segregation by Census Tract, 2019



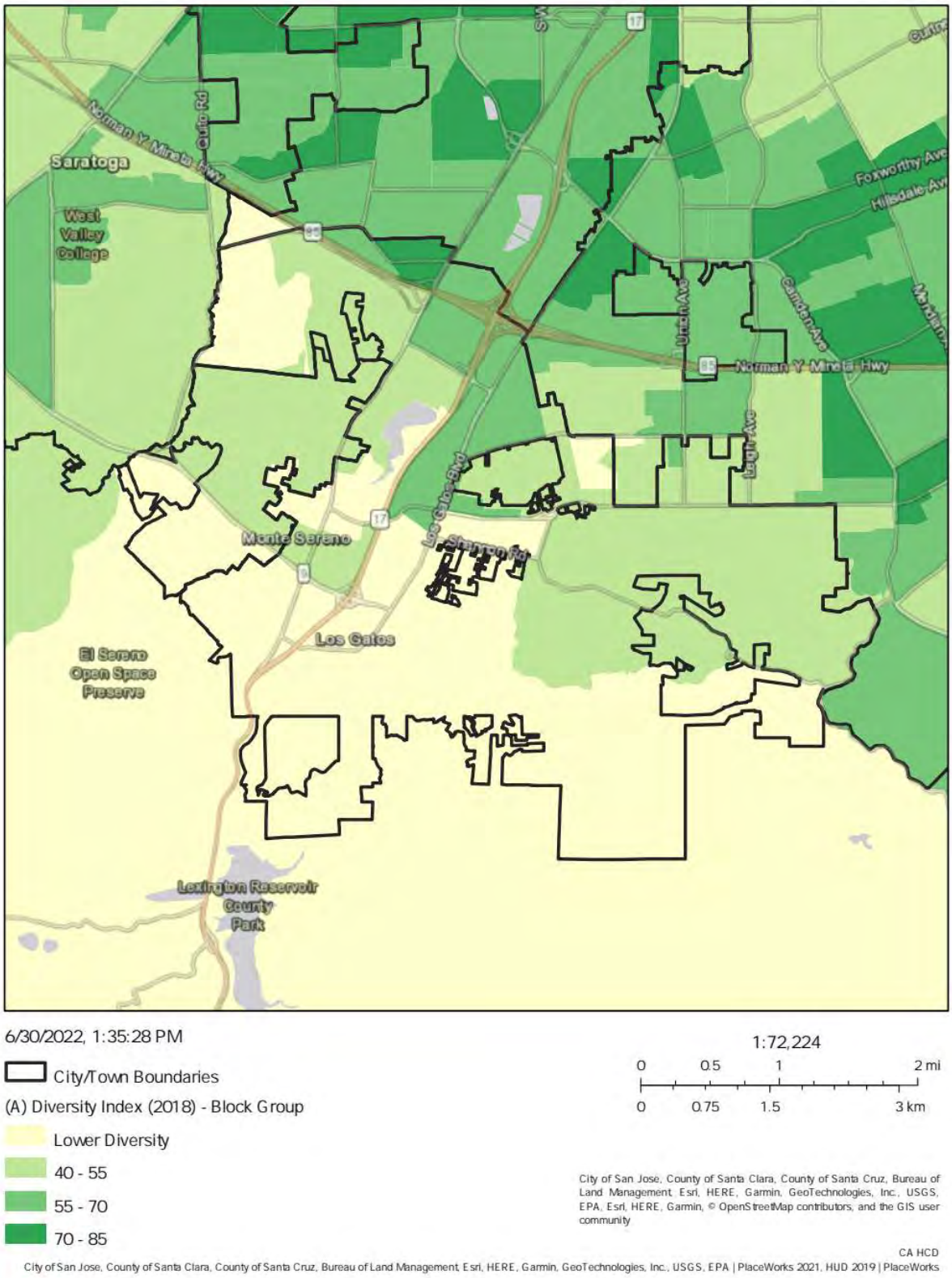
Source: California Department of Housing and Community Development AFFH Data Viewer

Figure A-6 Diversity Index by Block Group, 2010



Source: California Department of Housing and Community Development AFFH Data Viewer

Figure A-7 Diversity Index by Block Group, 2018



Source: California Department of Housing and Community Development AFFH Data Viewer

History of Segregation in the Region

This history of segregation in the region is important not only to understand how residential settlement patterns came about—, but, more importantly, to explain differences in housing opportunity among residents today. In sum, not all residents had the ability to build housing wealth or achieve economic opportunity. This historically unequal playing field in part determines why residents have different housing needs today.

In addition to historical discriminatory practices that embedded segregation into living patterns throughout the Bay Area, it's also necessary to recognize the historical impacts of colonization and genocide on Indigenous populations and how the effects of those atrocities are still being felt today. The original inhabitants of present-day San Mateo County are the Ramaytush Ohlone, who have "…lived on the San Francisco Peninsula for thousands of years and continue to live here as respectful stewards of the land"[4]. However, "[d]ue to the devastating policies and practices of a succession of explorers, missionaries, settlers, and various levels of government over the centuries since European expansion, the Ramaytush Ohlone lost the vast majority of their population as well as their land"[5]. The lasting influence of these policies and practices have contributed directly to the disparate housing and economic outcomes collectively experienced by Native populations today[6].

The timeline of major Federal Acts and court decisions related to fair housing choice and zoning and land use appears on the following page.

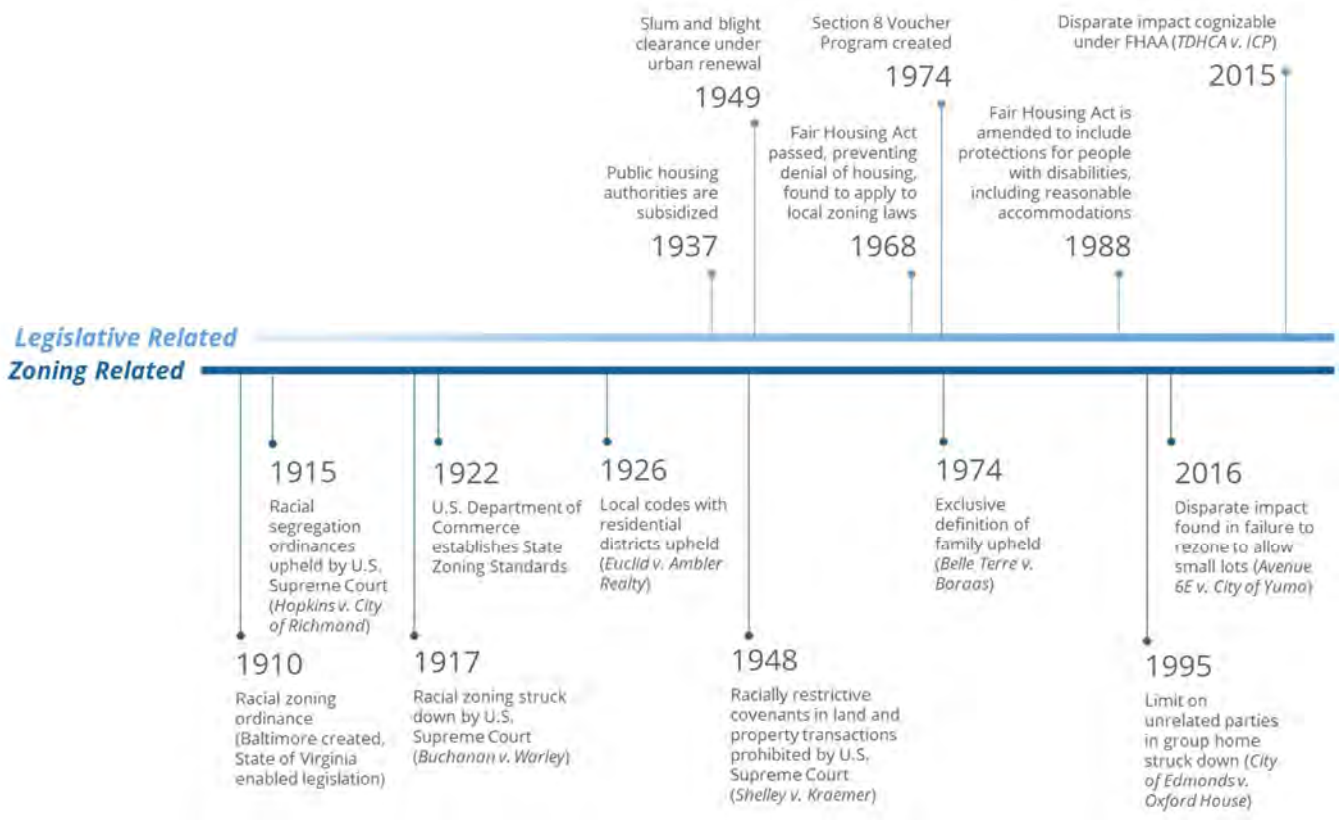
As shown in the timeline, exclusive zoning practices were common in the early 1900s. Courts struck down only the most discriminatory and allowed those that would be considered today to have a "disparate impact" on classes protected by the Fair Housing Act. For example, the 1926 case *Village of Euclid v. Amber Realty Co. (272 U.S. 365)* supported the segregation of residential, business, and industrial uses, justifying separation by characterizing apartment buildings as "mere parasite(s)" with the potential to "utterly destroy" the character and desirability of neighborhoods. At that time, multifamily apartments were the only housing options for people of color, including immigrants.

The Federal Fair Housing Act was not enacted until nearly 60 years after the first racial Zoning Ordinances appeared in U.S. cities. This coincided with a shift away from Federal control over low-income housing toward locally-tailored approaches (block grants) and market-oriented choice (Section 8 subsidies), the latter of which is only effective when adequate affordable rental units are available.

Racial covenants were used across the United States, and though they are now illegal, the language remains in many property records. A homeowner may not even know that their deed includes a racial covenant, it is easily missed in the paperwork that comes with buying a home. It is unknown in the Town of Los Gatos how many deeds have racial covenants attached to them due to localized public record-keeping and the fact that the language can be buried within the document.

[4] https://www.smcoe.org/for-communities/indigenous-people-of-san-mateo-county.html
[5] https://www.smcoe.org/for-communities/indigenous-people-of-san-mateo-county.html
[6] https://www.americanprogress.org/article/systemic-inequality-displacement-exclusion-segregation/

Major Public and Legal Actions that Influence Fair Access to Housing



A.3 Report Content and Organization

This Fair Housing Assessment follows the April 2021 State of California State Guidance for AFFH.

Section I. Fair Housing Enforcement and Outreach Capacity reviews lawsuits/enforcement actions/complaints against the jurisdiction; compliance with State fair housing laws and regulations; and jurisdictional capacity to conduct fair housing outreach and education.

Section II. Integration and Segregation identifies areas of concentrated segregation, degrees of segregation, and the groups that experience the highest levels of segregation

Section III. Access to Opportunity examines differences in access to education, economic development, and healthy environments.

Section IV. Disparate Housing Needs identifies which groups have disproportionate housing needs including displacement risk.

Section V. Contributing Factors and Fair Housing Action Plan identifies the primary factors contributing to fair housing challenges and the Plan for taking meaningful actions to improve access to housing and economic opportunity.

Appendices

- Map and Data packet, including Fair Housing Organizations in Santa Clara County—mission, services, and contact information
- State Fair Housing Laws and Regulations—, summary of key State laws and regulations related to mitigating housing discrimination and expanding housing choice

A.4 Primary Findings

This section summarizes the primary findings from the Fair Housing Assessment for Los Gatos including the following sections: fair housing enforcement and outreach capacity, integration and segregation, access to opportunity, disparate housing needs, and contributing factors and the Town's Fair Housing Action Plan.

- Population growth trends in Los Gatos are significantly lower than the county and regional index rates. The Town has grown 15 percent since 1990, while Santa Clara County grew by 31 percent.
- Los Gatos diverges from the county and region overall in racial composition with more than double the county share of non-Hispanic White population (72 percent versus 32 percent for Santa Clara County). Yet Los Gatos' residents have grown more racially diverse since 2000 with the non-Hispanic white population declining by 14 percentage points and Asian residents increasing in population from eight percent to 15 percent in 2019.
- Conversely, the types of households in Los Gatos mirror the county and are similar to the Bay Area with 58 percent married couples (57 percent in Santa Clara County and 51 percent in the Bay Area). Household size is in line with the county, except for five or more person households, for which Los Gatos has a smaller share.
- Los Gatos has a higher share of high-income earners (greater than 100 percent AMI) than the county and Bay Area (65 percent versus 55 percent and 52 percent respectively). Accounting for race and ethnicity, Asian households are much more likely to comprise high income earners (72 percent), especially when compared to Black/African American and Hispanic households (50 percent and 46 percent, respectively).
- In 2015, the income segregation in Los Gatos between lower-income residents and other residents was higher than the average value for Bay Area jurisdictions. Segregation also exists among racial groups, yet is slowly declining.
- Poverty rates are minimal but do vary across races and ethnicities with Hispanic residents experiencing the highest poverty rate (although still a very low six percent) and Black/African Americans the lowest (0.7 percent).
- The job to household ratio for Los Gatos tracks closely with Bay Area and is lower than Santa Clara County's, indicating that Los Gatos is less of a commuter Town than surrounding jurisdictions with much higher job to household ratios. This differs, however, by wage, with jobs to household ratios much higher for low wage workers who cannot afford to live in the Town. Los Gatos has twice as many jobs as households for low wage jobs.
- Los Gatos' housing opportunities are limited by pricing, and both rental and home values are higher than the county median. Eighty-three percent of houses are valued at more than one million dollars; Zillow reports Los Gatos' market average value at more than three million dollars. The average value of homes in Los Gatos is 63 percent higher than the County's 1.3-million-dollar average value. Sixty-three percent of rentals charge 2,000 dollars or more a month, compared to 56 percent in Santa Clara County. Los Gatos does not have any public housing and only a small portion of the Town contains any Housing Choice Voucher usage, a minimal 0-5 percent.
- Nearly three-quarters of the Town's housing are single-family units.
- Housing cost burden in Los Gatos is lower than nearby cities but differs by race and ethnicity, —and by tenure (renters/owners). Asian households experience the lowest rates of cost burden (30 percent) in the Town, followed by non-Hispanic White households (31 percent). This is followed by Black/African American household (34 percent) and Hispanic households (37 percent). Other/Multiple Race households (45 percent) are the most likely to be cost burdened (45 percent). Owners experience cost burden at a lower rate (28 percent) than renters (42 percent).

- Mortgage denial rates vary little by race and ethnicity, with 55 percent to 65 percent of loans originated. Other than Asian applicants, however, applications from non-White applicants are very low in numbers.
- Saratoga Elementary School, Los Gatos Union Elementary School, and Los Gatos-Saratoga Union High School Districts serve the majority of Los Gatos residents. The most up-to-date performance rankings show that the Los Gatos-Saratoga high school with very few Black/African American or Native American students. Asian students experienced higher educational outcomes compared to other students, scoring 93.8 percent in a 2019 College/Career Indicator metric. White and Hispanic students scored 71 percent and 64.6 percent, respectively.

A.5 Contributing Factors and Fair Housing Issues

The disparities in housing choice and access to opportunity discussed above stem from historical actions in the broader region, socioeconomic factors that have limited employment and income growth among non-White and Hispanic residents, and a shortage of housing units built to accommodate growth.

Fair Housing Issue

Los Gatos' very low production of affordable and market rate housing limits housing choices of all but the highest income households.

Contributing factors:

- Since 2010, Los Gatos' population has increased, while not producing the amount of housing units to match the population growth. This lack of production has exacerbated an already tight housing market. The lack of production is due to land costs, construction costs, availability of land, availability of financing, duration of permitting process, cost of permitting process, and environmental constraints.
    - To address this issue, the 6th Cycle Housing Element includes Implementation Program B: "Large Site Program" and Implementation Program D: "Additional Housing Capacity", along with other implementation programs, as a means to increase affordable housing production.
- The housing that was added in Los Gatos between 2015 and 2019 was largely priced for above moderate-income households. Only 1.5 percent of housing permits approved were for low- or very-low-income housing. The lack of production of low- or very-low-income housing units is due to high land costs, high construction costs, limited availability of land, limited availability of financing, duration of permitting process, cost of permitting process, and lack of incentives.
    - Under the 6th Cycle Housing Element, the Town will improve the Below Market Price (BMP) Program by conducting a study to evaluate the existing BMP Program and recommend changes to the program to increase the number of units constructed.

Fair Housing Issue

Los Gatos' lack of affordable housing has a disproportionate impact on low- and moderate-income households who are more likely to be households of color. As such, Los Gatos lacks racial and ethnic diversity relative to the County overall.

Contributing factors:

- Black or African American and Hispanic residents typically work lower wage jobs, stemming from historical employment discrimination and lack of access to quality educational environments. These jobs do not support the Town's very high housing costs.

- Low wage jobs are necessary to support higher wage industries. Los Gatos' employment growth has not been adequately supported by affordable housing development. As such, there are twice as many low wage jobs as residents in Los Gatos who work those jobs.

    - To address these particular contributing factors, the 6th Cycle Housing Element includes Implementation Program BI: "Affirmative Marketing" to work with affordable and market rate housing developers to ensure that affordable housing is affirmatively marketed to households with disproportionate housing needs, including Hispanic and Black households who work in and live outside of Los Gatos (e.g., materials in Spanish and English, distributed through employers). The Town will notify a broad representation of the community to solicit ideas for housing strategies when they are discussed at Planning Commission or Town Council meetings.

Fair Housing Issue

Los Gatos' households are segregated by income, and income segregation is higher in the Town than in other Bay Area jurisdictions.

Contributing factors:

- Lack of affordable housing overall is due to the high percentage of above moderate rate single-family housing stock in Town.

    - The Town will address this issue by allocating a percentage of the Town Affordable Housing (Below Market Price) Fund to subsidize housing for extremely low-income households as identified in Implementation Program P.

- Segregation of the limited affordable housing in Town is predominately located in the central portion of Town- due to a limited area of where multi-family dwelling units are permitted.

    - The Town will use "Affirmative Marketing" strategies, as described in Implementation Program BI, to work with affordable and market rate housing developers to ensure that affordable housing is affirmatively marketed to households with disproportionate housing needs, including Hispanic and Black households who work in and live outside of Los Gatos (e.g., materials in Spanish and English, distributed through employers). The Town will also amend its Zoning Ordinances in order to increase the development of affordable housing.

Fair Housing Issue

Los Gatos feeds to high performing schools, yet, except for Asian students, students of color cannot take advantage of these learning opportunities because they cannot afford to live in Los Gatos.

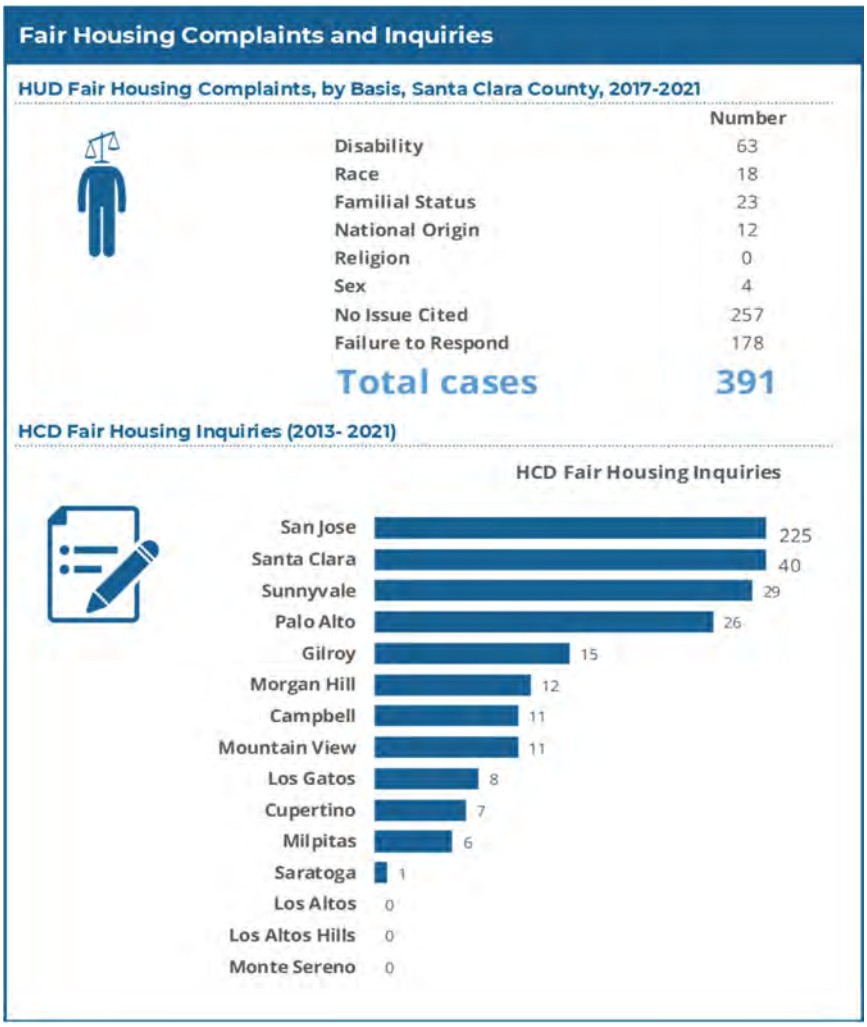
Contributing factors:

- Lack of affordable housing overall due to high land costs, high construction costs, limited availability of land, limited availability of financing, duration of permitting process, cost of permitting process, and lack of incentives.
    - The Town will address this issue by allocating a percentage of the Town's Affordable Housing (Below Market Program) F~~f~~unds to subsidize housing for extremely low-income households and by including housing development sites on the Sites Inventory in all areas of Town.

A.6 Fair Housing Enforcement and Outreach Capacity

This section discusses fair housing legal cases and inquiries, fair housing protections and enforcement, and outreach capacity. Figure A-8 provides a summary of fair housing complaints and inquiries in Los Gatos and the County.

Figure A-8 Fair Housing Complaints and Inquiries in Los Gatos and Santa Clara County



Source: Root Policy Research

Fair housing legal cases and inquiries. California fair housing law extends beyond the protections in the Federal Fair Housing Act (FHA). In addition to FHA protected classes—, race, color, ancestry/national origin, religion,

disability, sex, and familial status—. California law offers protections for age, sexual orientation, gender identity or expression, genetic information, marital status, military or veteran status, and source of income (including Federal housing assistance vouchers).

The California Department of Fair Employment in Housing (DFEH) was established in 1980 and is now the largest civil rights agency in the United States. According to their website, DFEH's mission is, "to protect the people of California from unlawful discrimination in employment, housing and public accommodations (businesses) and from hate violence and human trafficking in accordance with the Fair Employment and Housing Act (FEHA), Unruh Civil Rights Act, Disabled Persons Act, and Ralph Civil Rights Act"[7].

DFEH receives, evaluates, and investigates fair housing complaints. DFEH plays a particularly significant role in investigating fair housing complaints against protected classes that are not included in Federal legislation and, therefore, not investigated by HUD. DFEH's website provides detailed instructions for filing a complaint, the complaint process, appealing a decision, and other frequently asked questions[8]. Fair housing complaints can also be submitted to HUD for investigation.

Additionally, Santa Clara County has a number of local resource and enforcement organizations:

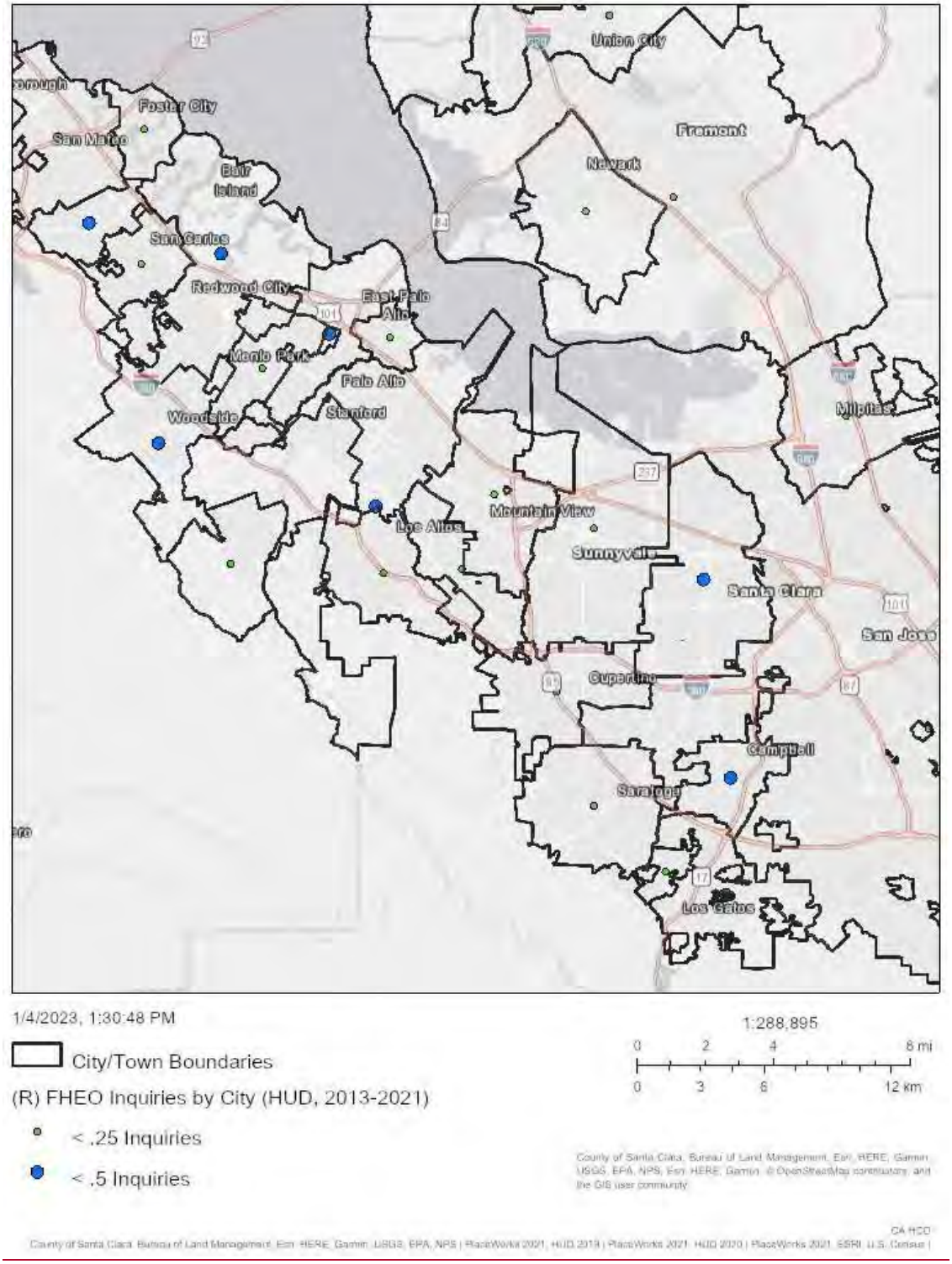
- Project Sentinel: Assists with housing discrimination, mortgage foreclosures, rental issues, and more.
- Housing and Economic Rights Advocates (HERA) provides legal and advocacy for vulnerable Californians facing discrimination and economic abuses.
- Bay Area Legal Aid engages in broad advocacy focused on helping low-income Bay Area residents lead stable lives, including housing stability.
- The Law Foundation of Silicon Valley provides legal advocacy for social change with a focus on finding stable homes for low-income residents.
- Senior Adults Legal Assistance is a law office dedicated to supporting elder residents obtain independent living.

From 2013 to 2021, 391 fair housing complaints in Santa Clara County were filed with the U.S. Department of Housing and Urban Development (HUD) or Fair Housing Advocates of Northern California (FHANC). Most of the county's valid complaints cited disability status as the bias. Of these complaints, 69 percent were considered valid and proceeded to actionable responses. – Los Gatos had eight total Fair Housing and Equal Opportunity (FHEO) complaints and Figure A-9 illustrates the inquiries by city, with Los Gatos at less than 0.5. Figure A-10 illustrates FHEO Cases of Disability Bias in the County in 2020 and shows that Los Gatos and the region experienced 40-65 percent disability bias in FHEO cases in 2020. Compared to receiving less than 25 percent FHEO complaints between 2013-2021, this may be indicative of a recent rise in a lack of accessible housing in the local housing market.

[7] https://www.dfeh.ca.gov/aboutdfeh/

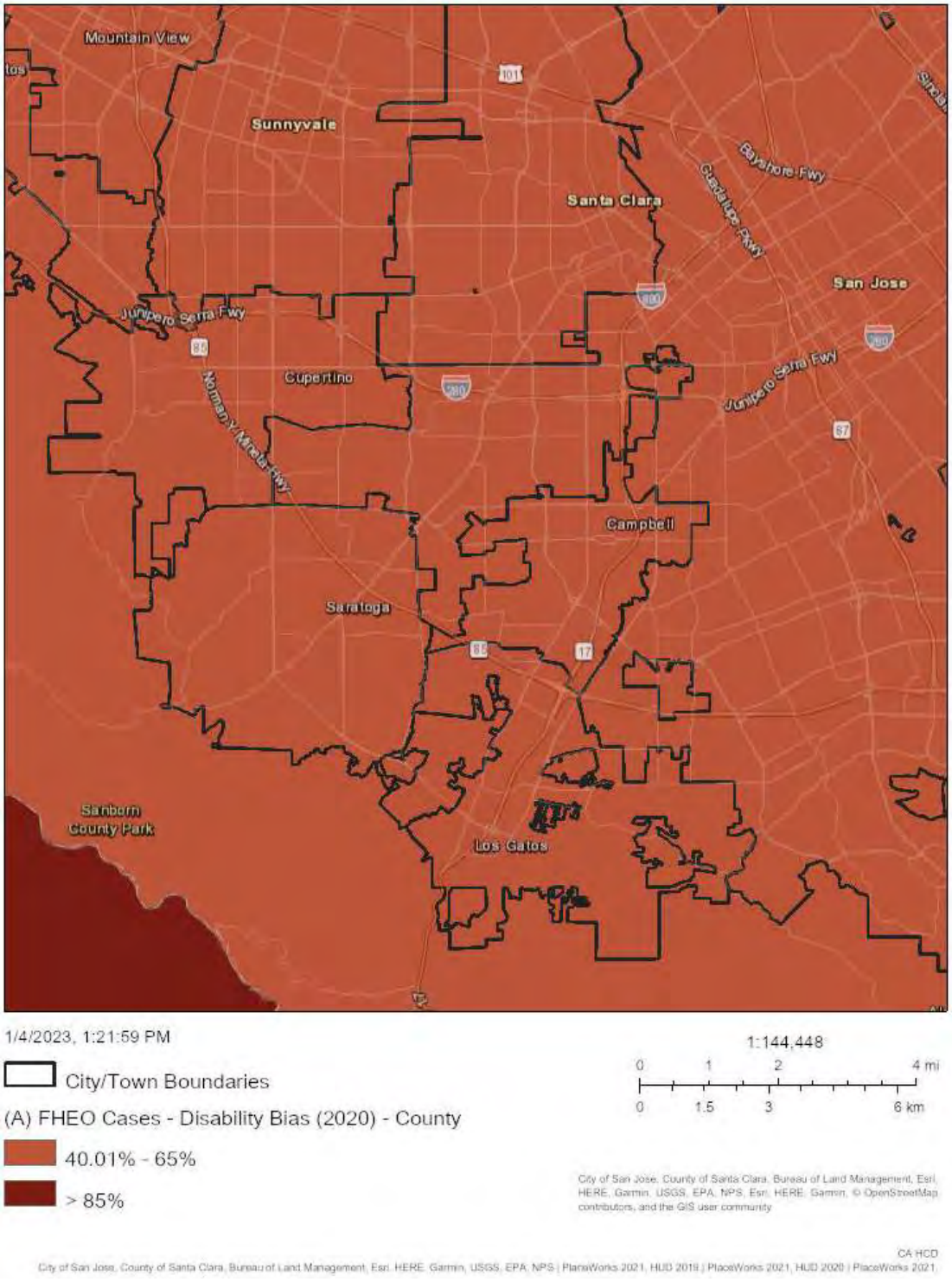
[8] https://www.dfeh.ca.gov/complaintprocess/

Figure A-9 FHEO Inquiries by City, 2013-2021



Source: California Department of Housing and Community Development AFFH Data Viewer

Figure A-10 FHEO Cases – Disability Bias, County, 2020



Source: California Department of Housing and Community Development AFFH Data Viewer

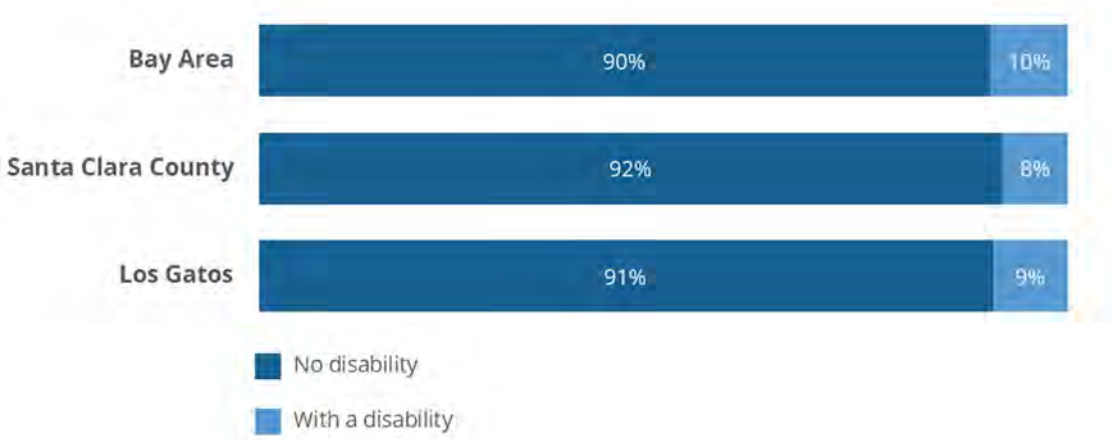
Nationally, the National Fair Housing Alliance (NFHA) reported a “negligible” decrease in the number of complaints filed between 2019 and 2020. The primary bases for complaints nationally of disability (55 percent) were represented in Santa Clara County at a much lower rate (16 percent). Familial status represented eight

percent of complaints nationally, similar to the six percent of cases in the C~~c~~ounty. Figure A-11~~8~~ and Figure A-12~~9~~ show the share of population by disability status within Santa Clara County and the distribution by census tract, respectively.

NFHA identifies three significant trends in 2020 that are relevant for this AFFH:

- First, fair lending cases referred to the Department of Justice from Federal banking regulators has been declining, indicating that State and local government entities may want to play a larger role in examining fair lending barriers to homeownership.
- Second, NFHA identified a significant increase in the number of complaints of harassment - 1,071 complaints in 2020 compared to 761 in 2019.
- Finally, NFHA found that 73 percent of all fair housing complaints in 2020 were processed by private fair housing organizations, rather than State, local, and Federal government agencies, reinforcing the need for local, active fair housing organizations and increased funding for such organizations[9].

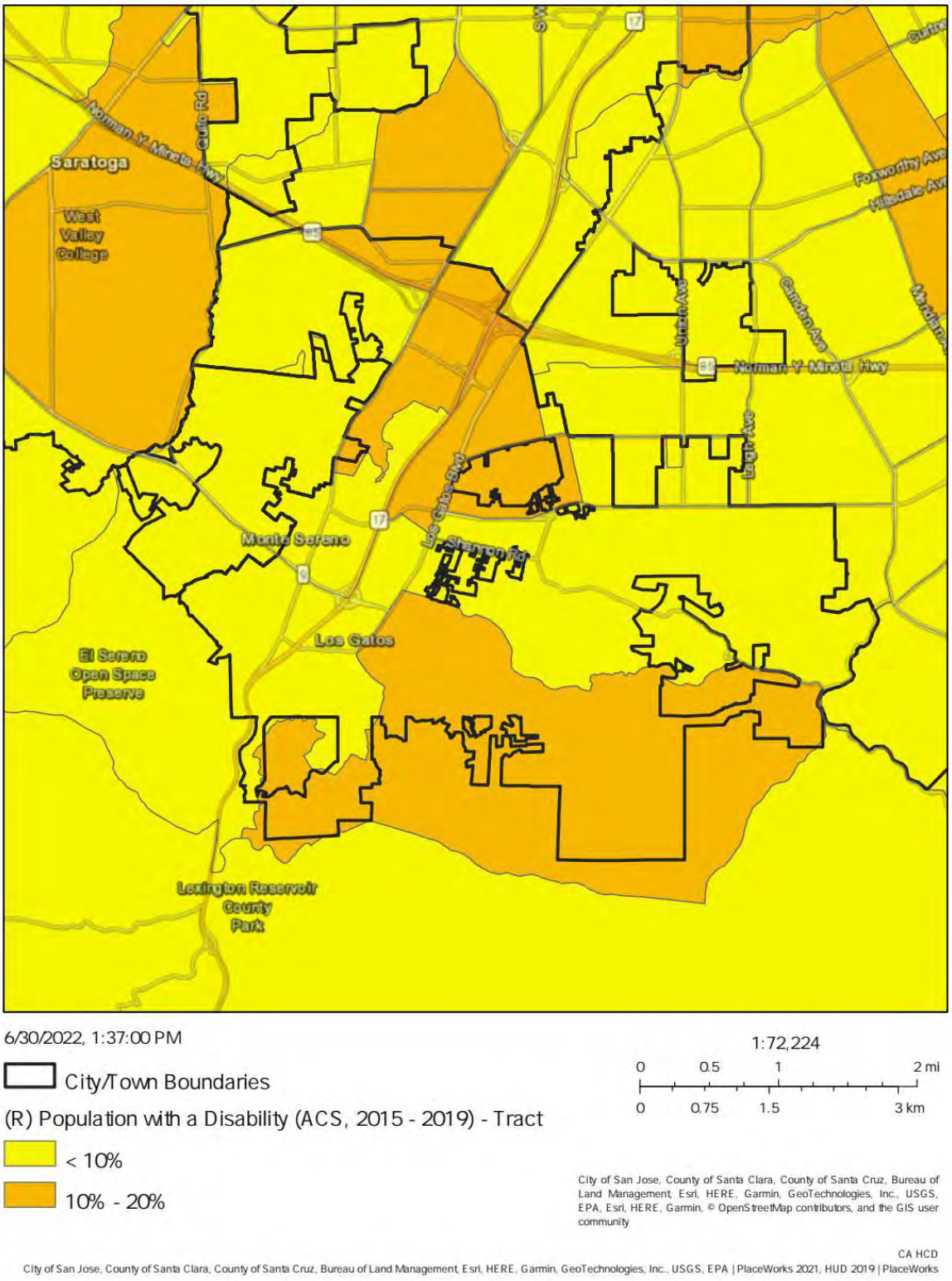
Figure A-11~~8~~ Share of Population by Disability Status ~~by Jurisdiction~~for Santa Clara County, Los Gatos, and the Bay Area, 2019



Source: ABAG Housing Needs Data Workbook

[9] https://nationalfairhousing.org/2021/07/29/annual-fair-housing-report-shows-increase-in-housing-harassment/

Figure A-~~12~~9 Percent of Population with a Disability by Census Tract, 2019



Source: California Department of Housing and Community Development AFFH Data Viewer

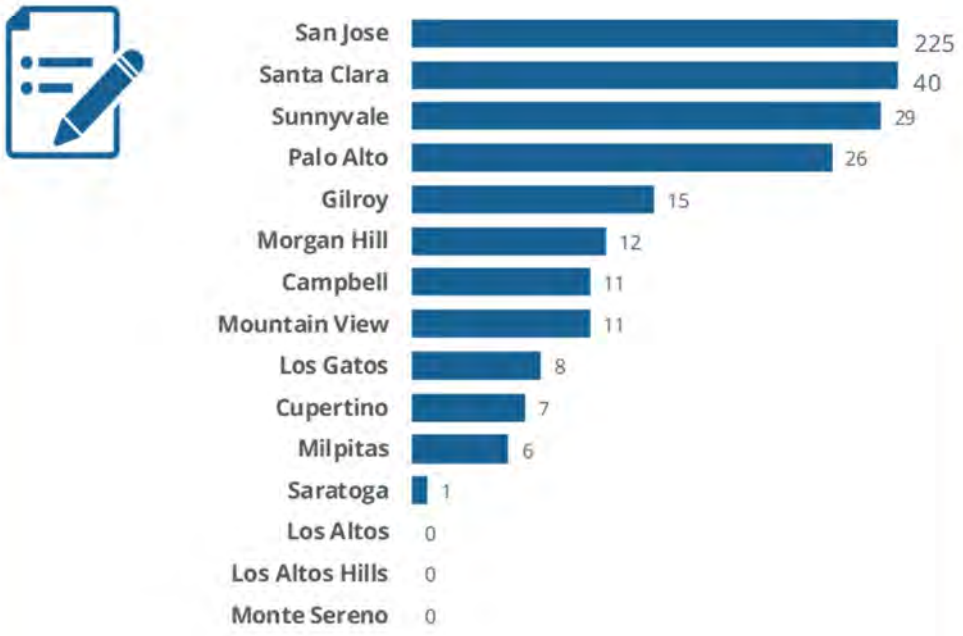
- ~~Second, NFHA identified a significant increase in the number of complaints of harassment - 1,071 complaints in 2020 compared to 761 in 2019.~~

Fair Housing Complaints and Inquiries

HUD Fair Housing Complaints, by Basis, Santa Clara County, 2017-2021

	Number
Disability	63
Race	18
Familial Status	23
National Origin	12
Religion	0
Sex	4
No Issue Cited	257
Failure to Respond	178
Total cases	**391**

HCD Fair Housing Inquiries (2013- 2021)



- ~~Finally, NFHA found that 73 percent of all fair housing complaints in 2020 were processed by private fair housing organizations, rather than State, local, and Federal government agencies—reinforcing the need for local, active fair housing organizations and increased funding for such organizations[10].~~

Outreach and capacity. Santa Clara County, including Los Gatos, has a number of organizations dedicated to assisting residents with legal services related to housing discrimination and general housing disputes. These organizations are listed in Figure I-1 of the map and data appendix.

The Town also maintains a resource guide that highlights service providers across multiple categories focused on housing and quality of life for underserved members of the community[11]. Additionally, the Town provides links and email addresses for citizens to participate in the ongoing Housing Element Update process, including links to the agendas and staff reports for the Housing Element Advisory Board (HEAB) meetings.

Finally, the Town has a strong statement about inclusivity and directly addresses hate speech on its website[12].

Compliance with State law. Los Gatos is compliant with the following State laws that promote fair and affordable housing. The Town has not been alleged or found in violation of the following:

- Housing Accountability Act (Gov. Code. Section 65589.5) requiring adoption of a Housing Element and compliance with RHNA allocations;
- No Net Loss Law (Gov. Code Section 65863) requiring that adequate sites be maintained to accommodate unmet RHNA allocations;
- Least Cost Zoning Law (Gov. Code. Section 65913.1);
- Excessive Subdivision Standards Law (Gov. Code. Section 65913.2); and
- Limits on Growth Controls Law (Gov. Code. Section 65589.5).

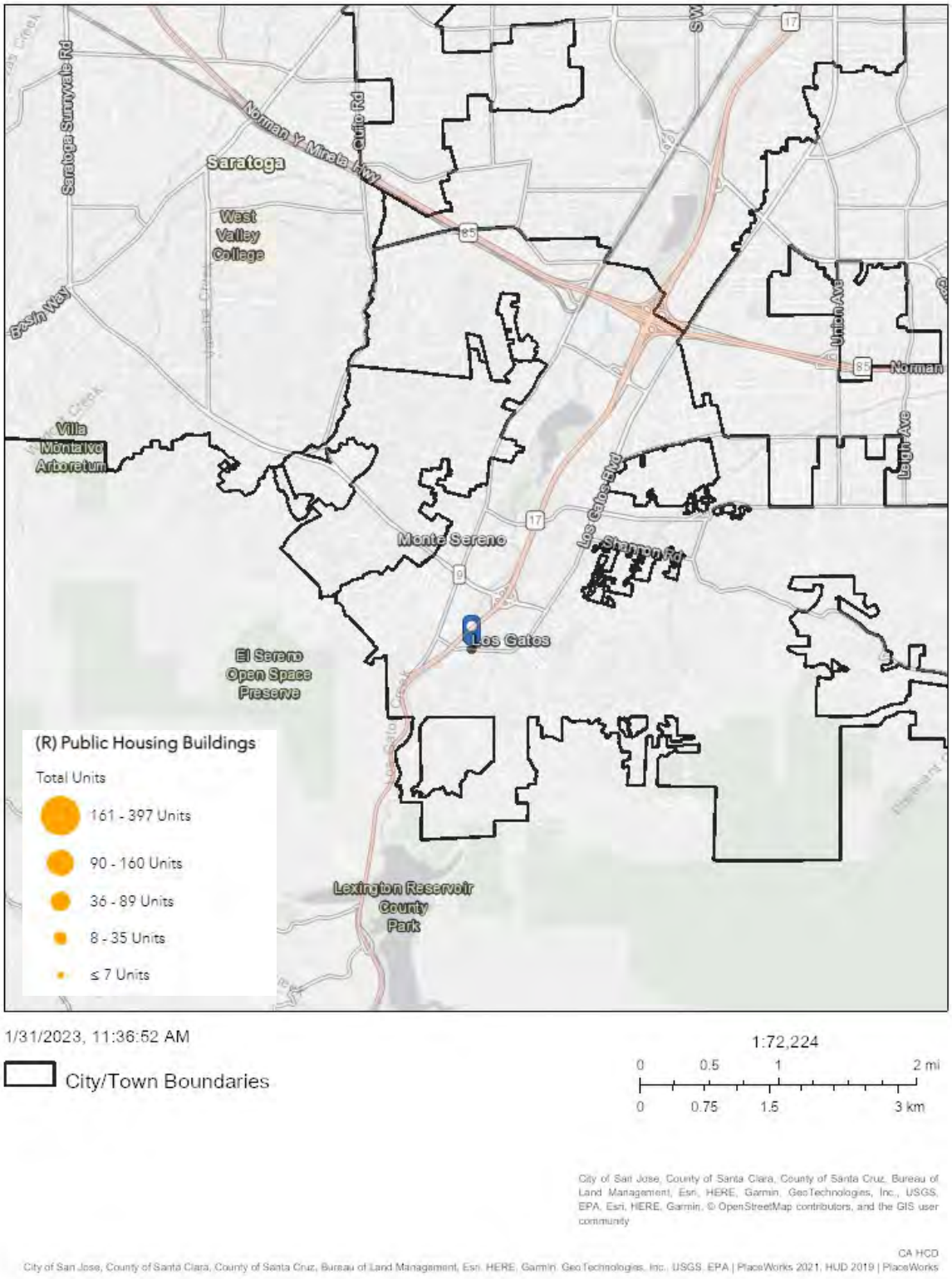
Housing specific policies enacted locally:

- Los Gatos offers a density bonus program to comply with State law;
- It also has an affordable housing overlay zone; however, that zone applies to one property only;
- The Town allows relative diverse type of housing in residential zones. However, minimum lot area for duplexes is quite generous (8,000 square feet). The Town could add flexibility for affordable duplexes, particularly in areas near and within downtown;
- The Town requires that development of Accessory Dwelling Units under Town incentive programs be affordable, and deed restricted to 80 percent AMI households; and
- The Town's Below Market Price program requirements apply to developments of five units and more and require between 10 percent and 20 percent of units to be affordable to low- and moderate-income households. In-lieu fees are only allowed in limited circumstances, which prioritizes unit development.

Publicly-Assisted Housing. According to the California Department of Housing and Community Development AFFH Data Viewer (HCD data viewer), Los Gatos does not have any public housing buildings (Figure A-13).

[10] ~~https://nationalfairhousing.org/2021/07/29/annual-fair-housing-report-shows-increase-in-housing-harassment/~~
[11] Los-Gatos-Housing-Resources-Guide (losgatosca.gov)
[12] https://www.losgatosca.gov/2604/Becoming-an-Inclusive-Community

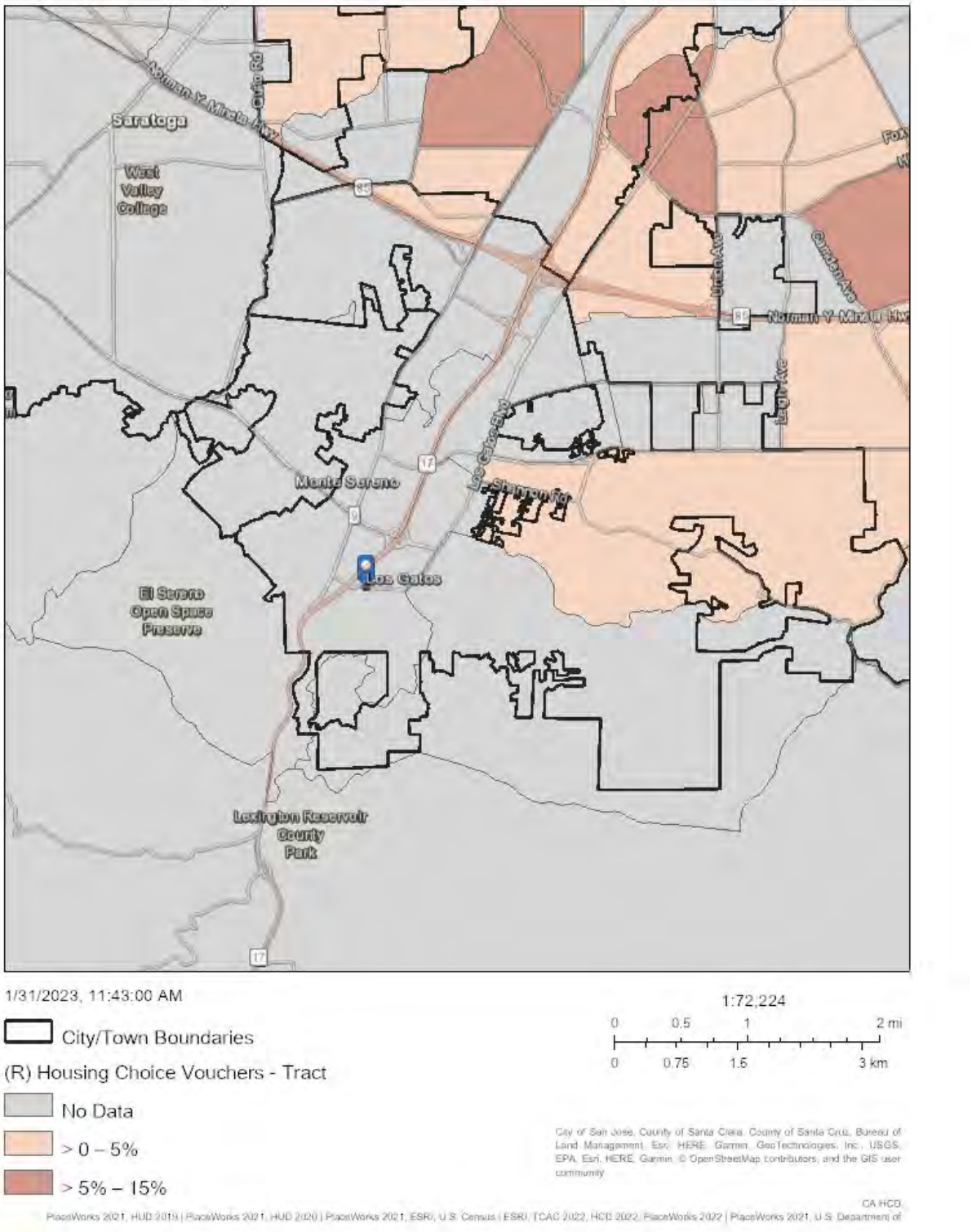
Figure A-13 Public Housing Buildings, Los Gatos



Source: California Department of Housing and Community Development AFFH Data Viewer

~~-~~Additionally, only a small portion of Los Gatos contains any Housing Choice Voucher usage, a minimal zero to five percent (Figure A-14). ~~-~~

Figure A-14 Housing Choice Voucher, Los Gatos



Source: California Department of Housing and Community Development AFFH Data Viewer

A.7 Integration and Segregation

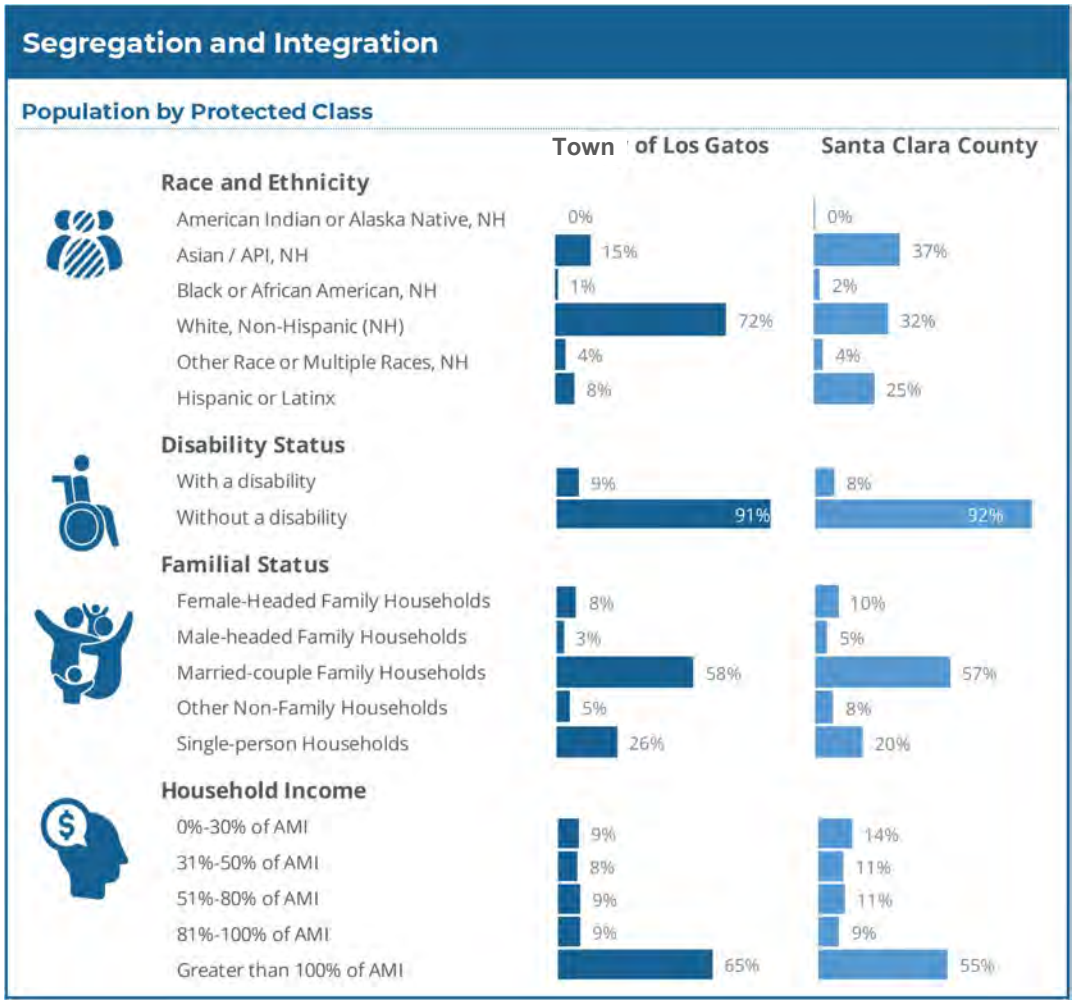
This section discusses integration and segregation of the population by protected classes including race and ethnicity, disability status, familial status, and income status. The section concludes with an analysis of racially and ethnically concentrated areas of poverty and affluence. Figure A-15 provides a summary of segregation and integration in Los Gatos and the County.

Integration and Segregation

"**Integration** generally means a condition in which there is not a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability when compared to a broader geographic area.

Segregation generally means a condition in which there is a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a type of disability in a particular geographic area when compared to a broader geographic area."

Figure A-15 Segregation and Integration, Los Gatos and Santa Clara County

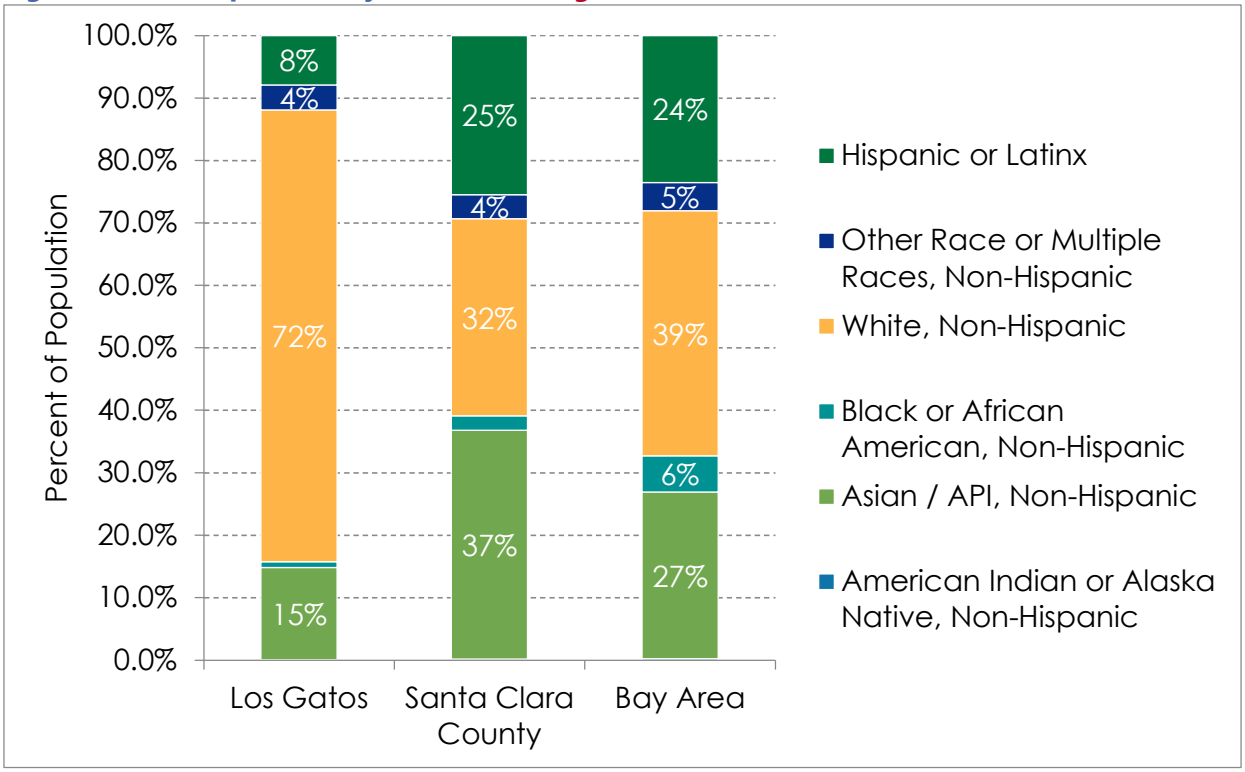


Source: Root Policy Research

Race and ethnicity. Los Gatos differs from the county and Bay Area overall for its relatively high proportion of residents identifying as non-Hispanic White (72 percent in Los Gatos compared to 32 percent in Santa Clara County) and small Hispanic population (eight percent in Los Gatos and 25 percent in the county) (Figure A-16).

- Los Gatos' proportion of Black/African American and Other and mixed-race residents is less proportional to the County and the Bay Area overall (Figure A-160).
- Los Gatos' residents have grown more racially diverse since 2000 largely due to growth in Asian and Hispanic residents (Figure B-4).
- Older residents are less racially diverse than other age groups, with 87 percent of the population older than 65 years identifying as White compared to 77 percent of those aged 18 to 24 and 75 percent of children less than 18 years old. The main shift is the inclusion of more diverse populations in younger age groups, especially among Asian/API and Other/Multiple race residents (Figure B-3).
- Poverty rates are very low for all residents including residents of color. Black/African American have the lowest poverty rate at less than 1 percent. The highest poverty rate was 6.1 percent among Hispanic residents (Figure B-13).

Figure A-160 Population by Race in the Region



Source: ABAG Housing Needs Data Workbook

Geospatially, almost all census tracts in Los Gatos have a predominantly White population (Figure A-2 above). Compared with neighboring Monte Sereno, Los Gatos has a more varied neighborhood composition map and a more even dispersion of residents of varied races and ethnicities, see Figure A-5 above. Overall, the Town has low to moderate diversity (Figure A-6 and Figure A-7 above). The Town's diversity index has improved since 2010 due to changes in racial and ethnic diversity in the northern and eastern portions of Town, but constraints on development in the form of zoning restrictions and discretionary permit reviews have slowed this progress.

The Association of Bay Area Governments (ABAG), working with UC Merced, created a 2021 report on segregation in Los Gatos that measured racial and income segregation within the community. This report, in its entirety can be found in Appendix G. That report utilized several common measures of segregation:

- The Dissimilarity Index, or DI, is a common tool that measures segregation in a community. DI is an index that measures the degree to which two distinct groups are evenly distributed across a geographic area. DI represents the percentage of a group's population that would have to move for each area in the county to have the same percentage of that group as the county overall. DI values range from zero to 100, ~~—~~where zero is perfect integration and 100 is complete segregation. Dissimilarity index values between zero and 39 generally indicate low segregation, values between 40 and 54 generally indicate moderate segregation, and values between 55 and 100 generally indicate a high level of segregation.

- The isolation index is interpreted as the probability that a randomly drawn minority resident shares an area with a member of the same minority, it ranges from zero to 100 and higher values of isolation tend to indicate higher levels of segregation.

ABAG's assessed measures of segregation above highlighted White residents as the most segregated in Los Gatos. White residents are more likely than any other racial group to live in a neighborhood where they are unlikely to come into contact with other racial groups. However, White residents are becoming less isolated over time, and segregation in Los Gatos is decreasing.

Segregation by income increased between 2010 and 2015. In 2015, the income segregation in Los Gatos between lower-income residents and other residents was higher than the average value for Bay Area jurisdictions.

Disability status. The share of the population living with at least one disability is nine percent in Los Gatos compared to eight percent in Santa Clara County (Figure A-11). Roughly a third of census tracts in Los Gatos contain 10 percent to 20 percent of persons with a disability, higher than most of the surrounding jurisdictions (Figure A-9 above).

Familial status. Familial status can indicate specific housing needs and preferences. A larger number of non-family or single person households indicates a higher share of seniors living alone, young adults living alone or with roommates, and unmarried partners. Higher shares of nonfamily households indicate an increased need for one- and two-bedroom units.

Los Gatos' households are as likely to be three to four person households (34 percent) as two person households (35 percent). Compared to the county and Bay Area overall, Los Gatos mirrors the share of one person households (26 percent compared to 20 percent in the county and 25 percent for the Bay Area). Married couple households were the majority household type (58 percent) and 31 percent of all households have at least one child under the age of 18. The share of single persons and female-headed households mirror the makeup in the Bay Area.

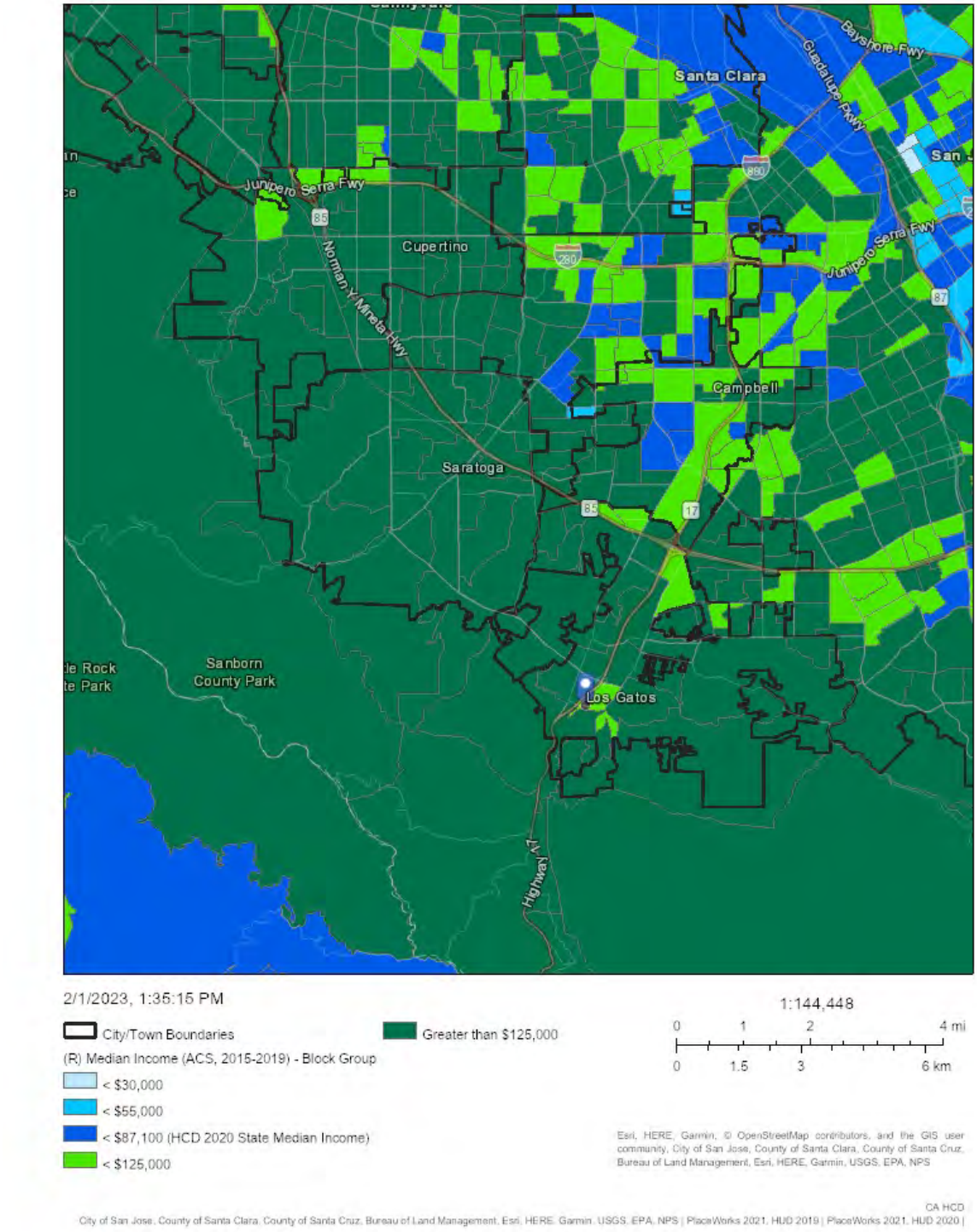
The Town has no concentrations of adults living alone, suggesting that access to in-home services and care for single, older adults is less critical for Los Gatos than some surrounding communities within the county. However, the Town's age distribution has shifted upwards since 2000 (Appendix B, Figure B-2) and these accommodations may grow in demand if older adults, 55 and older, in Los Gatos age in place.

Los Gatos' married couples overwhelmingly own housing: seventy-seven percent of married couple families in the Town own their homes. Renters are more likely to occupy studios and one- and two-bedroom units than owners (Appendix B, Figure B-36), and owners are more likely to be occupying three to four- and 5 or more-bedroom units. Owners and renters are equally as likely to live alone.

Household income. Los Gatos' households are higher-income than the county and Bay Area overall: 65 percent of Los Gatos households earn more than 100 percent of the AMI, compared to 55 percent for the county and 52 percent for the Bay Area (Appendix B, Figure B-11~~1, and infographic below~~).

Every block group in Los Gatos with available data has a median household income of $125,000 or more (Figure A-17). In the Town, Hispanic or Latinx and Other Race or Multiple Races (Hispanic and Non-Hispanic) residents experience the highest rates of poverty, followed by White (Hispanic and Non-Hispanic) residents (Figure B-13).

Figure A-17 Median Household Income by Census Block Group, Los Gatos, 2015-2019



Source: California Department of Housing and Community Development AFFH Data Viewer

The 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) data indicates there were approximately 2,255 extremely low- and very low-income households living in Los Gatos. Extremely low-income households are those that earn less than 30 percent of the median family income (MFI). Very low-income households are those that earn 50 percent or less of the MFI. There are approximately 1,320 extremely low-income households in Los

Gatos (owners and renters). Table A-1 provides data characterizing affordability and cost burden by income group. A total of 670 extremely low-income households in Los Gatos are living in renter-occupied housing units with at least one of the four housing problems. The housing problems identified by CHAS include the following:

- Units with physical defects (lacking complete kitchen or bathroom);
- Overcrowded conditions (housing units with more than one person per room);
- Housing cost burden, including utilities, exceeding 30 percent of gross income; or
- Severe housing cost burdens, including utilities, exceeding 50 percent of gross income.

For renter-occupied units, extremely low-income households occupied the most units (670) with at least one housing problem. In contrast, owners earning an above moderate-income occupied the most housing units (820) with at least one housing problem. As the income level increases for owner-occupied units, the number of housing units with housing problems decreases with the exception of above moderate-income households. Above moderate-income households show a sudden increase in the number of units with at least one housing problem. This may be an indicator of cost burden among above moderate-income households.

Table A-1 Housing Problems for all Households by Tenure, Los Gatos

Income by Housing Problem	Household has at least 1 of 4 Housing Problems	Household has none of the 4 Housing Problems or Cost Burden not available, no other problems
Owners		
Less-than or = 30% MFI	485	110
>30% to less-than or = 50% MFI	250	275
>50% to less-than or = 80% MFI	280	355
>80% to less-than or = 100% MFI	290	340
>100% MFI	820	4,635
Total	**2,130**	**5,710**
Renters		
Less-than or = 30% MFI	670	55
>30% to less-than or = 50% MFI	315	95
>50% to less-than or = 80% MFI	400	165
>80% to less-than or = 100% MFI	305	225
>100% MFI	290	1,725
Total	**1,980**	**2,260**

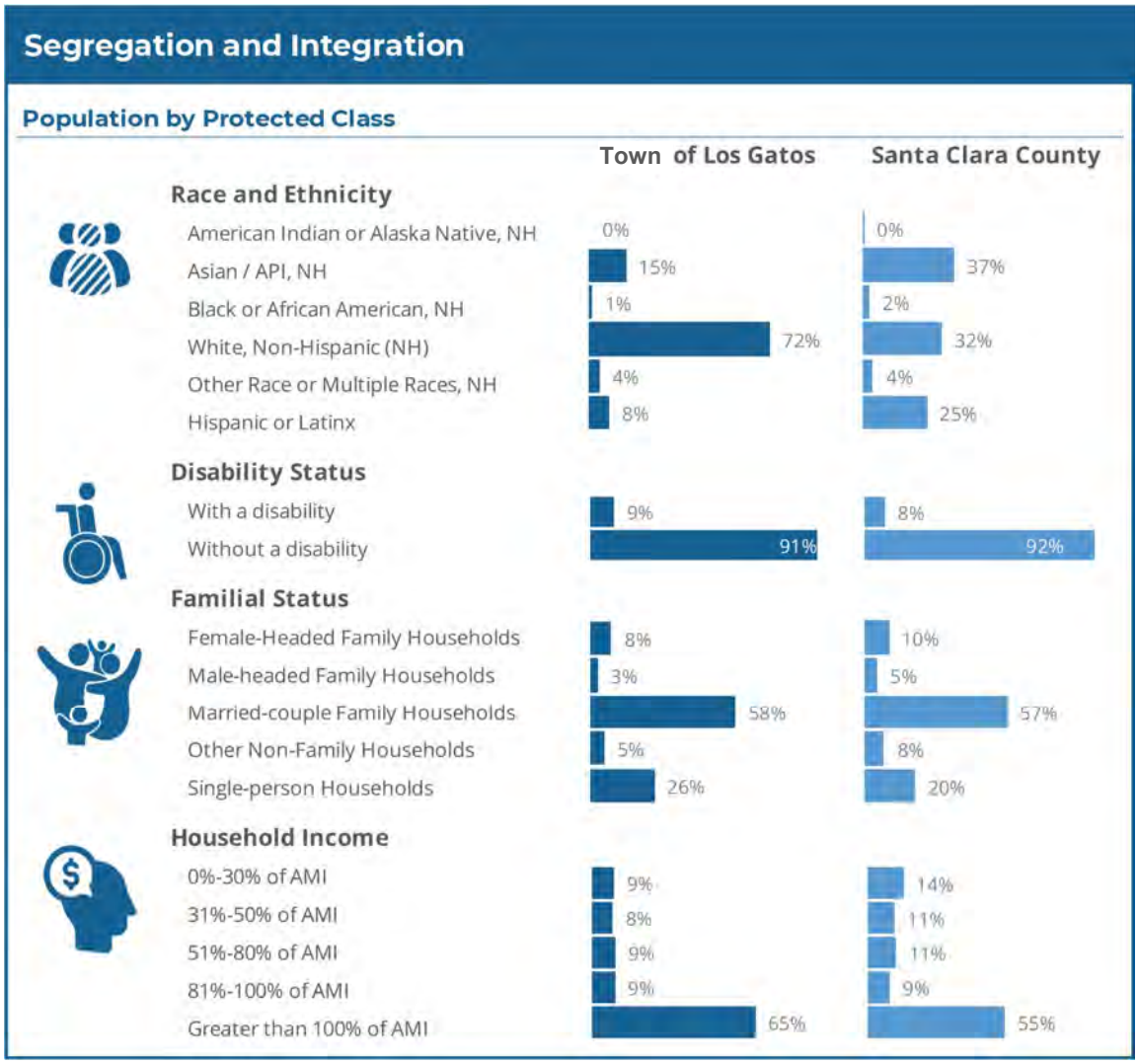
*The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%.
**The four severe housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1.5 persons per room, and cost burden greater than 50%.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) 2013-2017.

Note: MFI = HUD Median Family Income, this is the median family income calculated by HUD for each jurisdiction, to determine Fair Market Rents (FMRs) and income limits for HUD programs. MFI will not necessary be the same as other calculations of median incomes (such as Census number), due to a series of adjustments that are made.

The projected RHNA for extremely low-income households was based on the assumption that 50 percent of very low-income households qualify as extremely low-income households.[13] The very low-income housing need is 537 housing units, which allows the Town to estimate 268 housing units as the extremely low-income housing need.

To address the needs of extremely low-income households, the Town will adopt housing programs to facilitate the construction of affordable and supportive housing for extremely low-income households. Programs that will directly impact extremely low-income households include:



- Implementation Program P: Funds for Development for Extremely Low-Income (ELI) Households;
- Implementation Program Q: Habitat for Humanity Home Repair Program; and
- Implementation Program S: Affordable Housing Development.

All housing policies and programs can be found in Section 10.6 of the Housing Element.

[13] https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/extremely-low-income-housing-needs

Racially or ethnically concentrated areas of poverty and affluence. Racially Concentrated Area of Poverty or an Ethnically Concentrated Area of Poverty (R/ECAP) and Racially Concentrated Areas of Affluence (RCAAs) represent opposing ends of the segregation spectrum from racially or ethnically segregated areas with high poverty rates to affluent predominantly White neighborhoods. Historically, HUD has paid particular attention to R/ECAPs as a focus of policy and obligations to AFFH. Recent research out of the University of Minnesota Humphrey School of Public Affairs argues for the inclusion of RCAAs to acknowledge current and past policies that created and perpetuate these areas of high opportunity and exclusion[14].

It is important to note that R/ECAPs and RCAAs are not areas of focus because of racial and ethnic concentrations alone. This study recognizes that racial and ethnic clusters can be a part of fair housing choice if they occur in a non-discriminatory market. Rather, R/ECAPs are meant to identify areas where residents may have historically faced discrimination and continue to be challenged by limited economic opportunity, and conversely, RCAAs are meant to identify areas of particular advantage and exclusion.

R/ECAPs

HCD and HUD's definition of a Racially/Ethnically Concentrated Area of Poverty is:

- A census tract that has a non-White population of 50 percent or more (majority-minority) or, for non-urban areas, 20 percent, AND a poverty rate of 40 percent or more; OR
- A census tract that has a non-white population of 50 percent or more (majority-minority) AND the poverty rate is three times the average tract poverty rate for the County, whichever is lower.

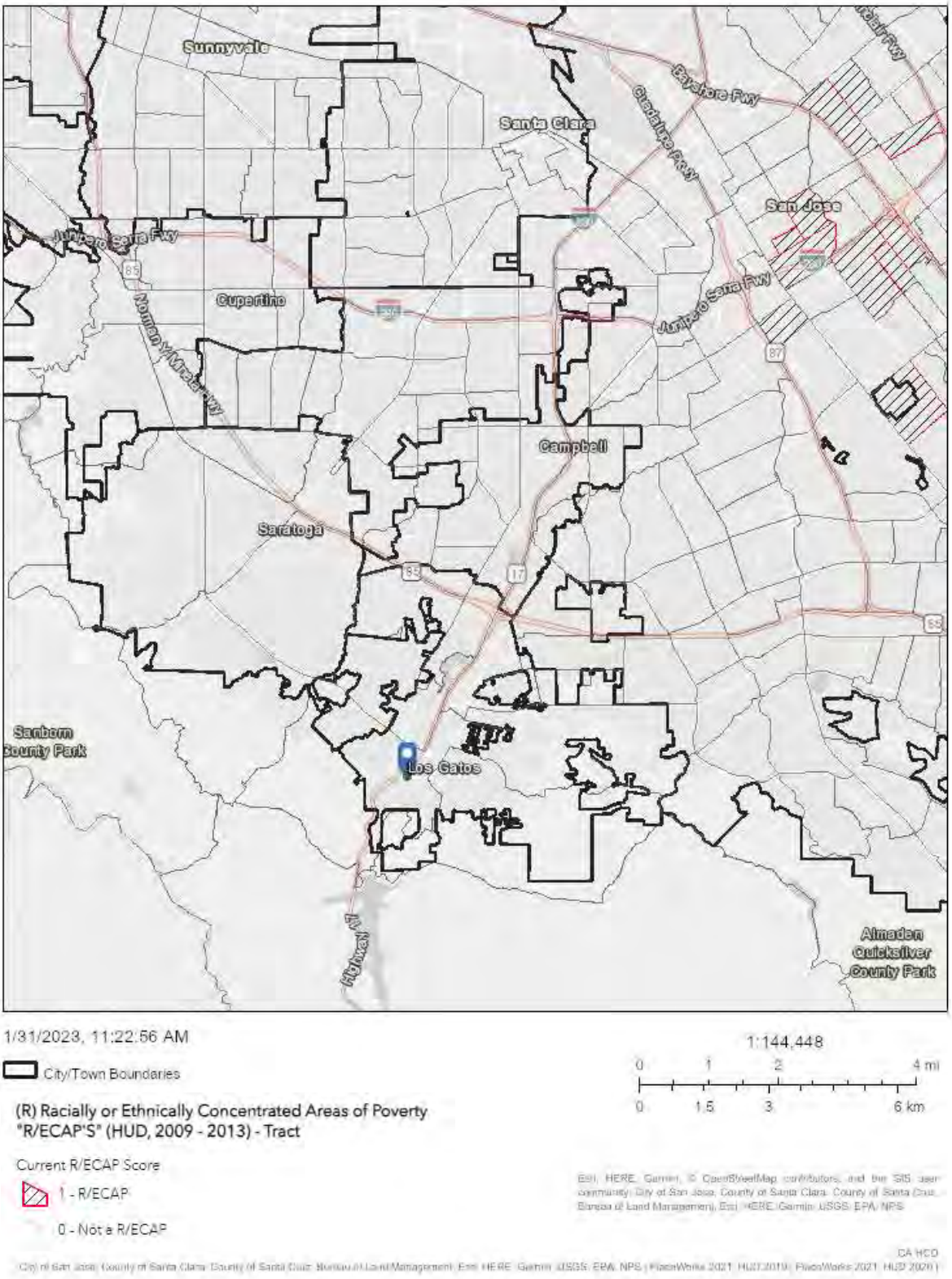
Source: California Department of Housing and Community Development Guidance, 2021.

For this study, the poverty threshold used to qualify a tract as an R/ECAP was three times the average census tract poverty rate countywide, or 22.5 percent.

Similar to many jurisdictions in Santa Clara County, t~~T~~here are no census tracts in Los Gatos that qualify as R/ECAPs. R/ECAPs in the C~~c~~ounty are all located in San Jose (Figure A-18).

[14] Goetz, E. G., Damiano, A., & Williams, R. A. (2019). Racially Concentrated Areas of Affluence: A Preliminary Investigation. Cityscape: A Journal of Policy Development and Research, 21(1), 99–124

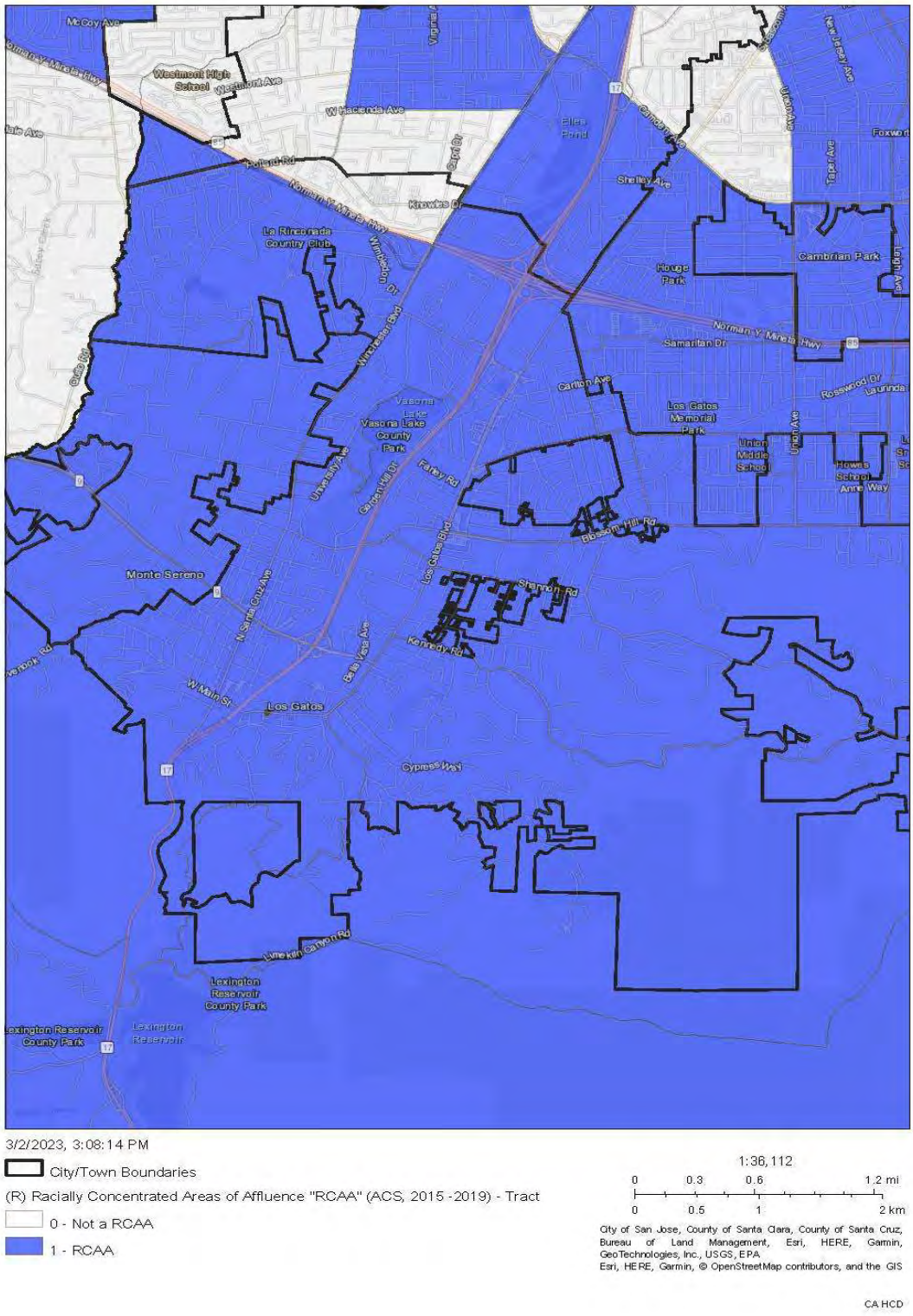
Figure A-18 R/ECAPS, Santa Clara County



Source: California Department of Housing and Community Development AFFH Data Viewer

RCAAs. An RCAA is a census tract (1) with a percentage of its total White population that is 1.25 times higher than the average percentage of the COG region's White population; and (2) has a median income that is 2 times higher than the COG Area Median Income (AMI). ~~At the time this report was written, HCD and HUD had not established standard definitions for Racially or Ethnically Concentrated Areas of Affluence (RCAAs).~~ G~~However, these are g~~enerally, these are understood to be neighborhoods in which there are both high concentrations of non-Hispanic White households and high household income rates. As shown in Figure A-19, when c~~C~~omparing Los Gatos to the surrounding county and region, it is safe to speculate that the Town has more RCAAs than other communities, the county, and the region. The majority of the Town is located within an RCAA with the exception of census tract 5067.03 located in the northern portion of the Town, north of Interstate Highway 85 and west of California State Route 17.

Figure A-19 Racially Concentrated Areas of Affluence by Census Tract 2015-2019



Source: California Department of Housing and Community Development AFFH Data Viewer

A.8 Access to Opportunity

This section discusses disparities in access to opportunity among protected classes including access to quality education, employment, and environment. Figure A-20 provides a summary of access to opportunity demographics in Los Gatos and the County.

Access to Opportunity

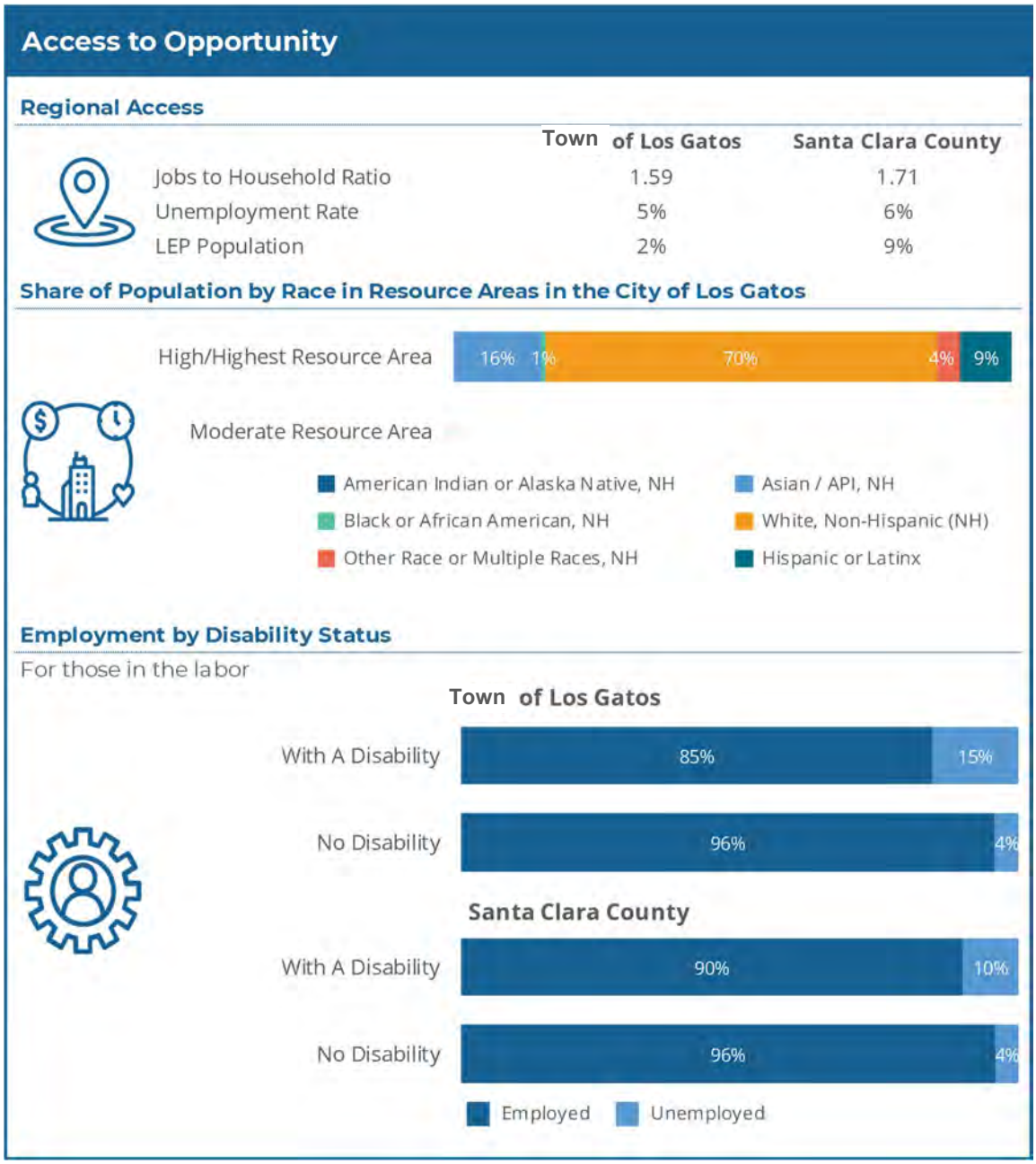
"Access to opportunity is a concept to approximate place-based characteristics linked to critical life outcomes. Access to opportunity oftentimes means both improving the quality of life for residents of low-income communities, as well as supporting mobility and access to 'high resource' neighborhoods. This encompasses education, employment, economic development, safe and decent housing, low rates of violent crime, transportation, and other opportunities, including recreation, food and healthy environment (air, water, safe neighborhood, safety from environmental hazards, social services, and cultural institutions)."

Source: California Department of Housing and Community Development Guidance, 2021, page 34.

The California Tax Credit Allocation Committee (TCAC) in collaboration with HCD developed a series of opportunity maps that help to identify areas of the community with good or poor access to opportunity for residents. These maps were developed to align funding allocations with the goal of improving outcomes for low-income residents—, particularly children.

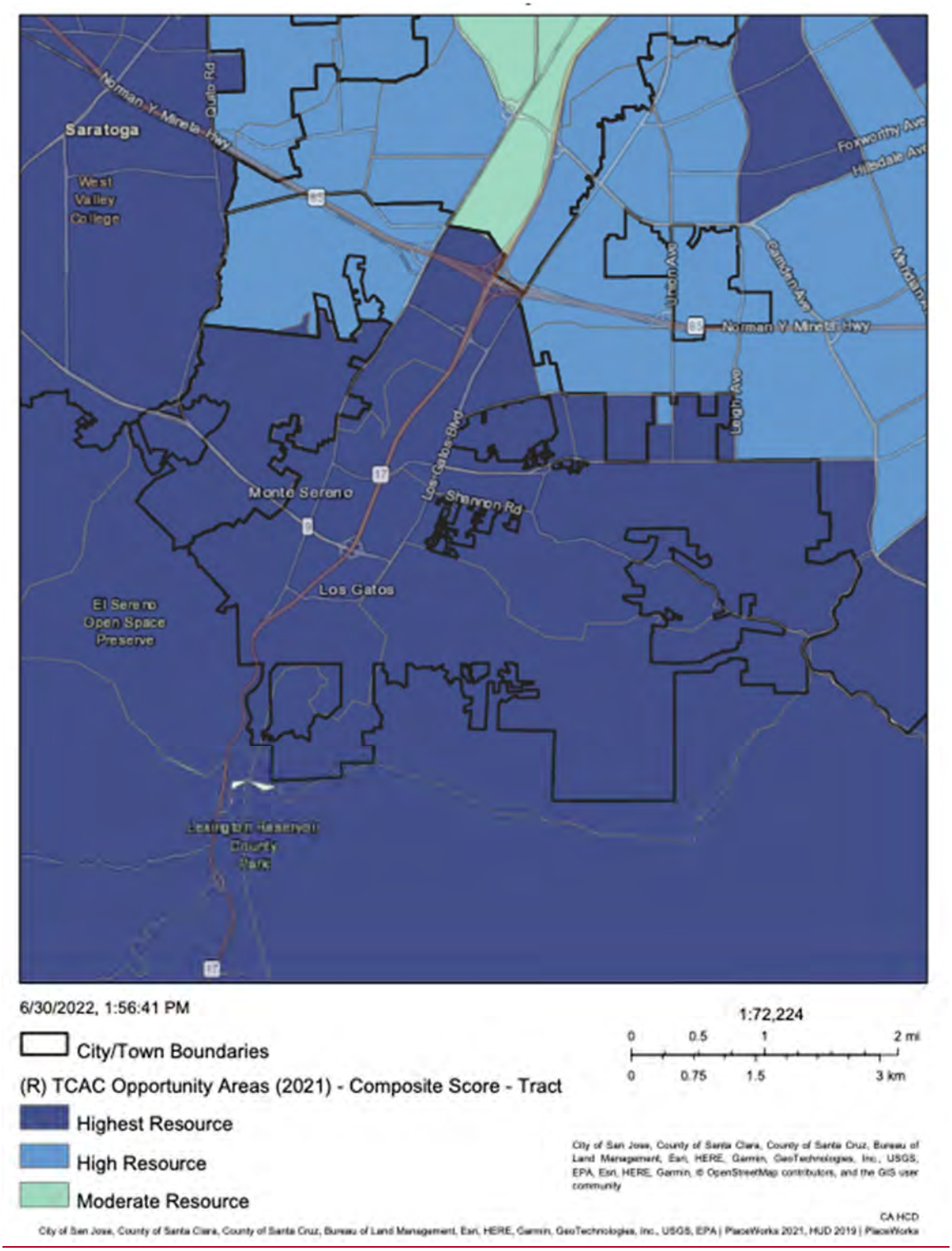
Figure A-21 illustrates TCAC Opportunity Areas across the region. The opportunity maps highlight areas of highest resource, high resource, moderate resource, moderate resource (rapidly changing), low resource and high segregation and poverty. TCAC provides opportunity maps for access to opportunity in quality education, employment, transportation, and environment. Opportunity scores are presented on a scale from zero to one and the higher the number, the more positive the outcomes.

Figure A-20 Access to Opportunity in Los Gatos and Santa Clara County



Source: Root Policy Research

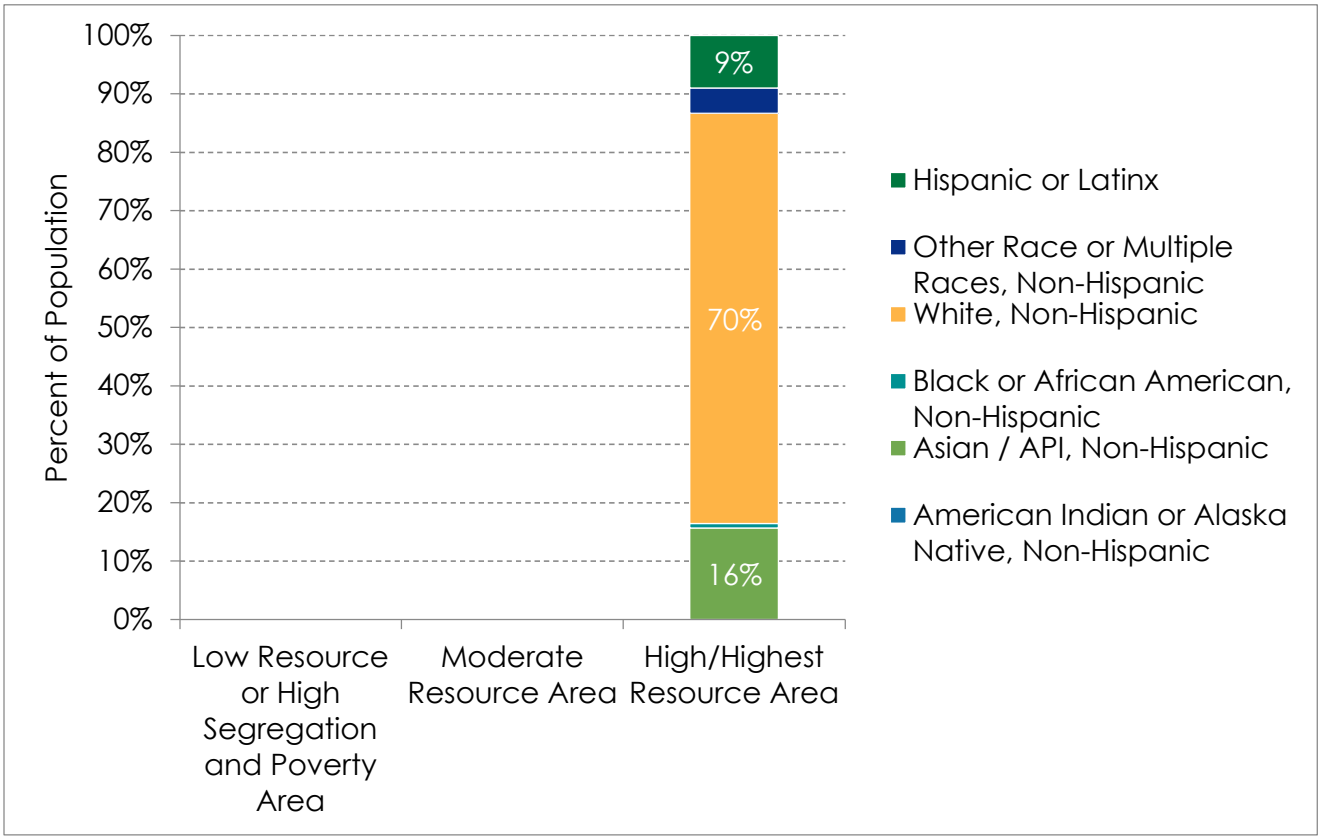
Figure A-21 TCAC Opportunity Areas Composite Score by Census Tract, Los Gatos, 2021



Source: California Department of Housing and Community Development AFFH Data Viewer

TCAC's economic opportunity score comprises poverty, adult educational attainment, employment, job proximity, and median home value for Los Gatos. ~~s and is shown in~~ Figure A-22~~11~~ illustrates the population living in high resource areas by race in Los Gatos. ~~.~~

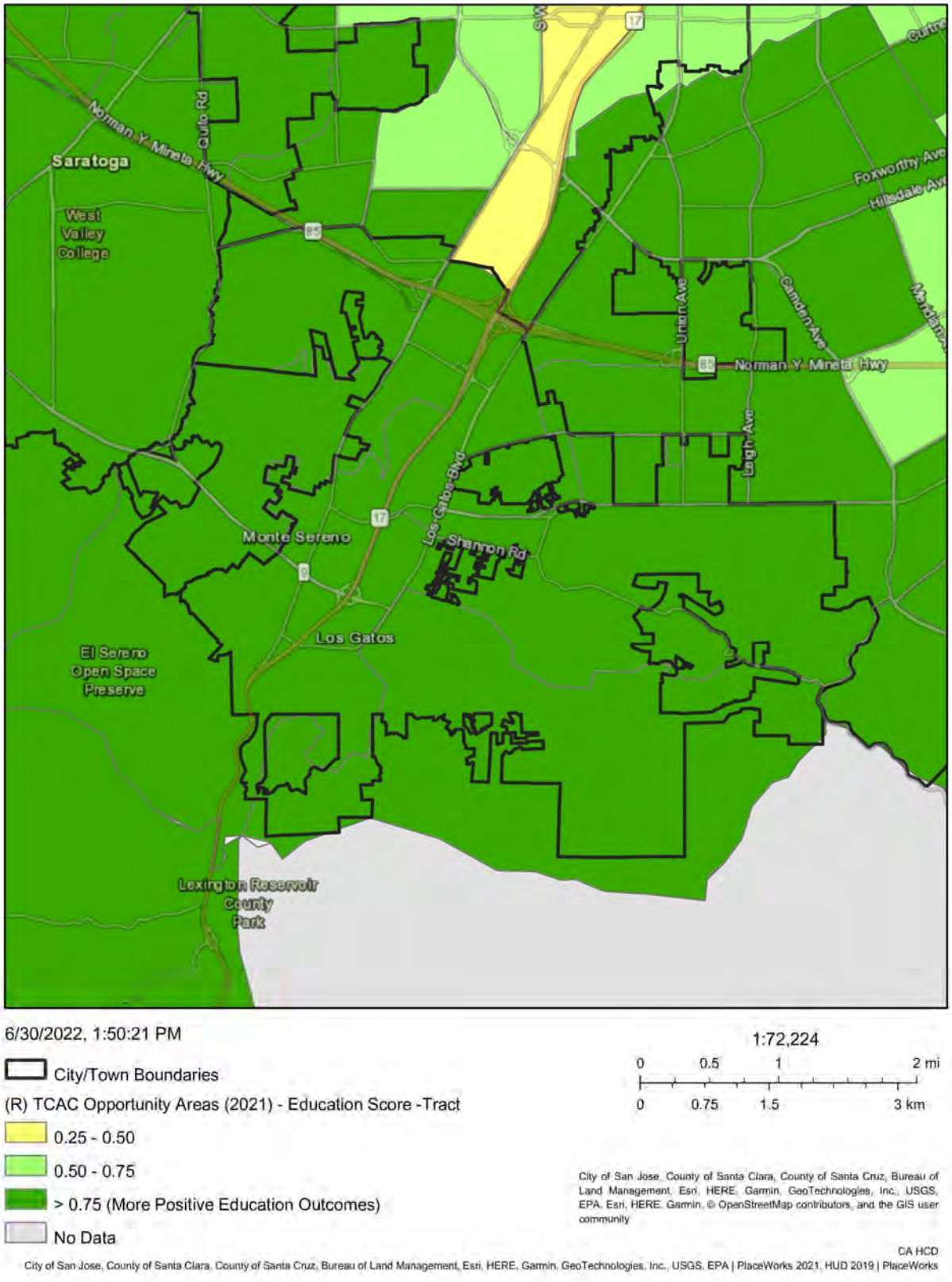
Figure A-~~1~~22~~2~~ Population Living in High Resource Areas by Race



Source: ABAG Housing Needs Data Workbook, California Tax Credit Allocation Committee (TCAC)/California Housing and Community Development (HCD), Opportunity Maps (2020); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002

Education. TCAC's education score is based on math proficiency, reading proficiency, high school graduation rates, and the student poverty rate. According to TCAC's educational opportunity map, every census tract in Los Gatos scores higher than 0.75, —indicating the highest positive educational outcomes (Figure A-23). Opportunity scores are presented on a scale from zero to one and the higher the number, the more positive the outcomes.

Figure A-23 TCAC Opportunity Areas Education Score by Census Tract, Los Gatos, 2021



Source: California Department of Housing and Community Development AFFH Data Viewer

Los Gatos is served by the Los Gatos-Saratoga Union High School District, the Los Gatos Union Elementary School, the Saratoga Elementary School Districts, Loma Prieta Joint Union Elementary, and Lakeside Joint School District. The most complete data, due to halted data collection during the COVID pandemic, was from 2019 and highlights a 97.7 percent graduation rate among all students in the Los Gatos-Saratoga Union high school, a small increase over 2018 (97.1 percent). When broken down by race/ethnicity, Asian students graduated at a slightly higher rate of 98 percent, while Hispanic and White students graduated at 95 percent and 96.5 percent respectively. There were not enough African American students enrolled to provide accurate data (less than 11 total). The lowest graduation rate was among students with a disability, yet still relatively high at 88 percent.

The Los Gatos Union Elementary served 2,710 students in 2021, down from 3,024 from 2019, the last year with complete data. White students accounted for 64 percent of the student body, with Asian (19 percent) and Hispanic students (9 percent) accounting for the majority of the remainder. The school included four percent socioeconomically disadvantaged students, one homeless student, and seven percent students with a disability.

Saratoga Elementary had 1,657 students in 2021 and 1,765 in 2019. At Saratoga, 57 percent of students are Asian and White students accounted for 26 percent and Hispanic students another six percent. Saratoga Elementary served a student population with 11 percent disabilities, two percent socioeconomically disadvantaged, and no homeless students.

Employment. The job to household ratio for Los Gatos tracks with the Bay Area and is lower than Santa Clara County's (Appendix B, Figure B-8), indicating that Los Gatos is less of a commuter city than surrounding jurisdictions with much higher job to household ratios. This differs, however, by wage (Figure B-7), with jobs to household ratios much higher for low wage workers who cannot afford to live in the Town. Los Gatos has twice as many jobs as workers for low wage jobs.

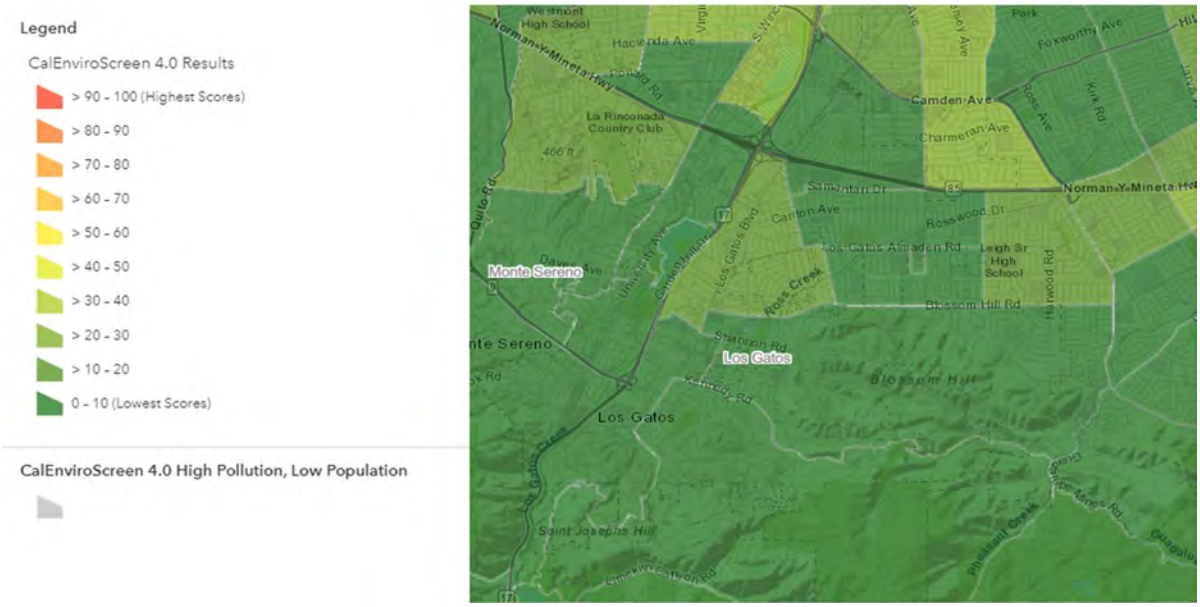
- Notably, Los Gatos had 19,843 jobs ~~(Figure B-5)~~ in 2018 compared to 14,573 job holders (Appendix B, Figure B-5), indicating a healthy job market for local residents and a need for in-commuting to fill the unoccupied jobs.
- Most jobs in Los Gatos are in Financial and Professional Services and Health and Educational Services ~~(Figure B-9)~~.
- Unemployment in Los Gatos is five percent, below the county and area averages (Appendix B, Figure B-10).

HUD's job proximity index shows that Los Gatos offers a moderate to high proximity to jobs. On a scale from zero to 100, where 100 is the closest proximity to jobs, the areas near Highway 17 score within the high proximity range, while most of the remaining parts of the Town scores as moderate proximity. The further away from Highway 17, the lower the proximity to jobs.

Environment. TCAC's opportunity areas environmental scores are based on the CalEnviroScreen four indicators, which identify areas disproportionately vulnerable to pollution sources such as ozone, PM2.5, diesel PM, pesticides, toxic release, traffic, cleanup sites, groundwater threats, hazardous waste, impaired water bodies, and solid waste sites.

Three-quarters of Los Gatos scores low on positive environmental outcomes, with no census tracts in the Town scoring over 0.5 out of one (Figure A-24). Los Gatos almost uniformly had the lowest possible scores according to the CalEnviroScreen metric for 2021.

Figure A-2412 CalEnviroScreen 4.0, Los Gatos

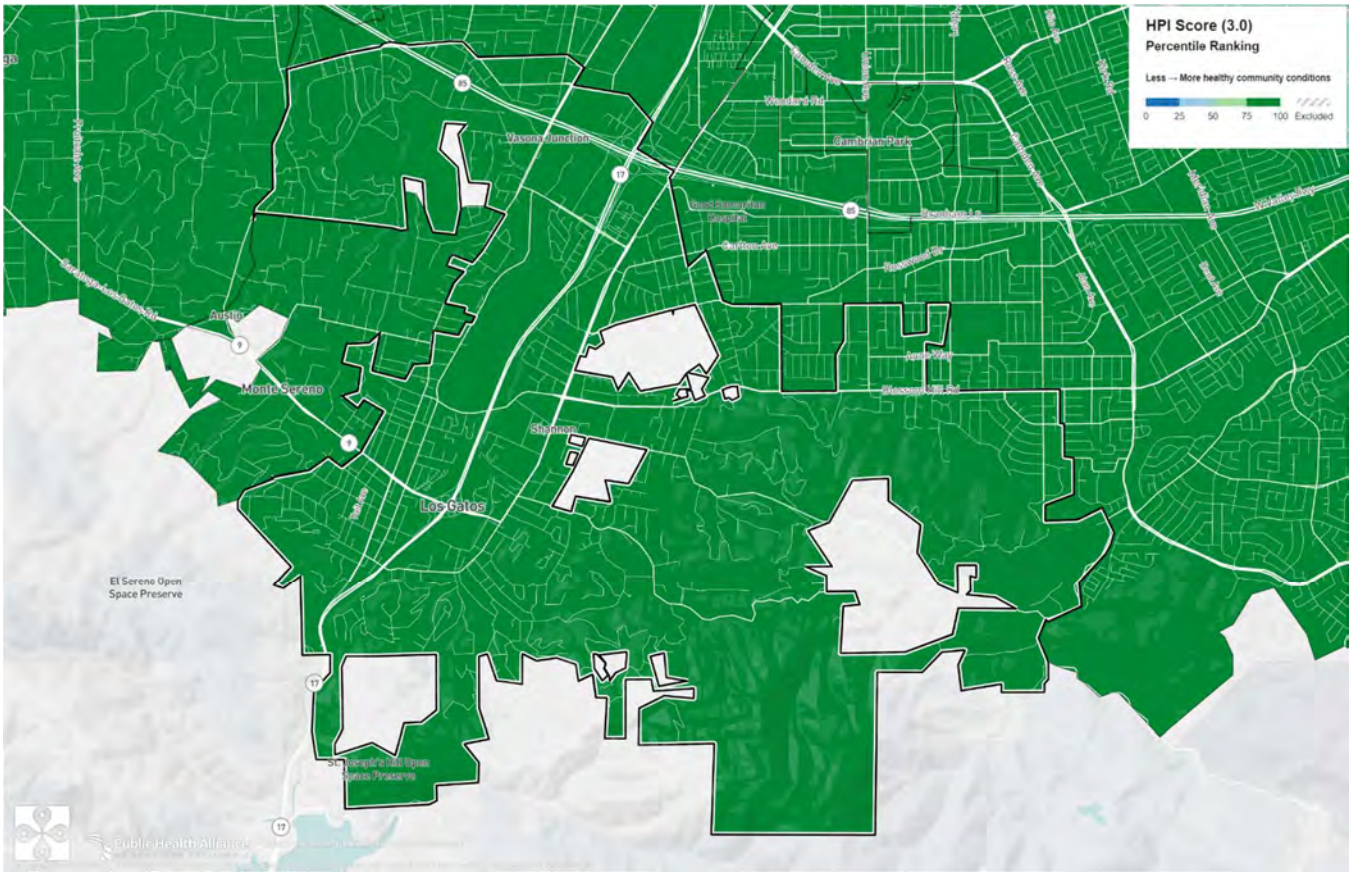


Source: California Office and Environmental Health Hazard Assessment, CalEnviroScreen Maps and Data.

The Town scores high on California Healthy Places Index (HPI) developed by the Public Health Alliance of Southern California (PHASC) (Figure A-2513). HPI includes 25 community characteristics in eight categories including economic, social, education, transportation, neighborhood, housing, clean environment, and healthcare[15].

[15] https://healthyplacesindex.org/about/

Figure A-2513 California Healthy Places Index, Los Gatos



Source: Public Health Alliance of Southern California, California Healthy Places Index.

Disparities in access to opportunity. All residents live in highly resourced areas, regardless of race or ethnicity (Figure A-2211). Los Gatos and other surrounding areas are entirely high opportunity jurisdictions.

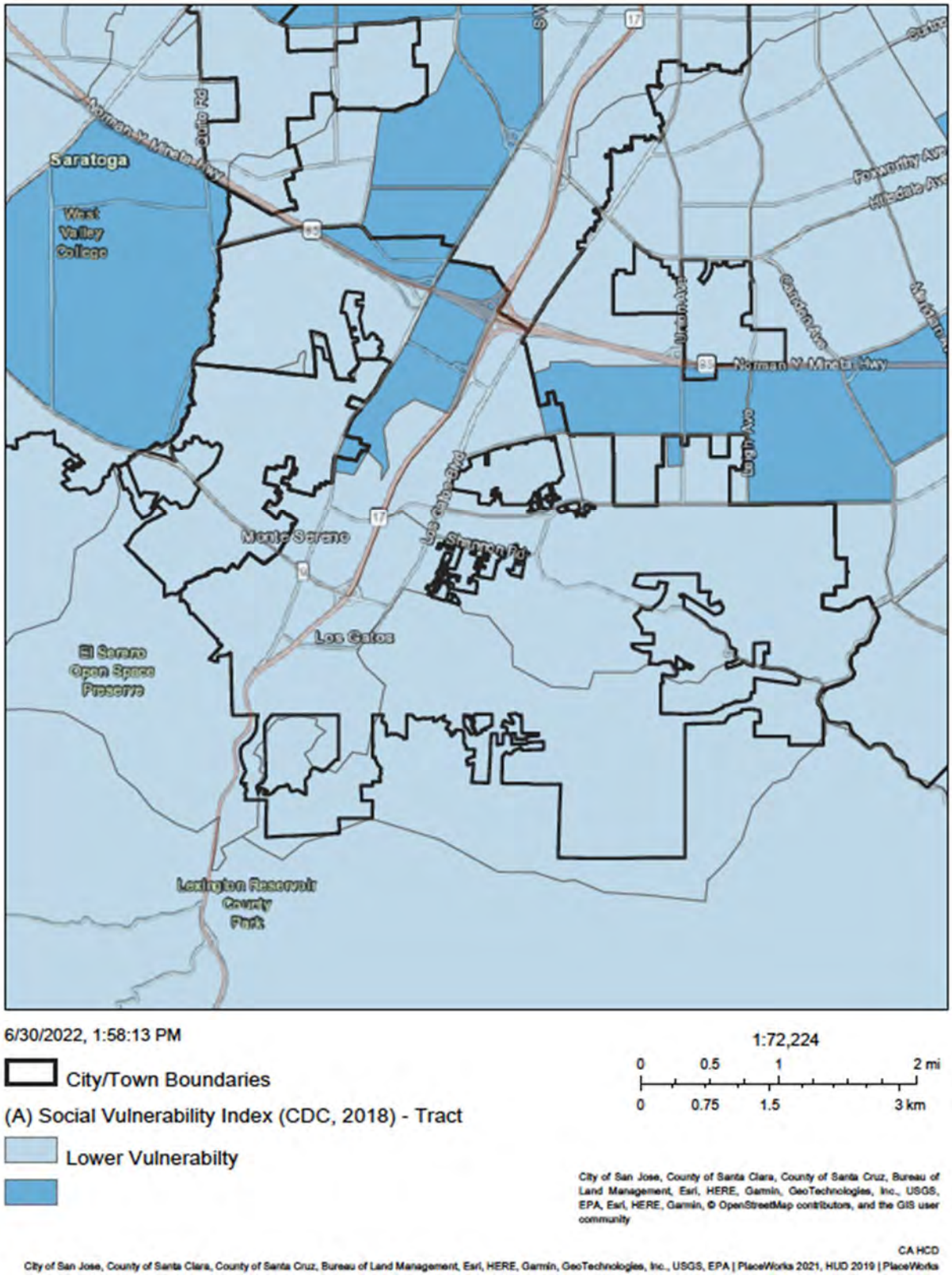
The Social Vulnerability Index (SVI) provided by the Center for Disease Control (CDC) —ranks census tracts based on their ability to respond to a disaster and— includes four themes of socioeconomic status, household composition, race or ethnicity, and housing and transportation. ~~Los Gatos scores well on the SVI; with no neighborhoods ill equipped to respond to disasters.~~ Figure A-26 illustrates SVI across the region and Figure A-27 provides a closer look at SVI within Los Gatos, showing no neighborhoods are ill equipped to respond to disasters.

Figure A-26 CDC/ATSDR Social Vulnerability Index 2020, Santa Clara County



Source: CDC/ATSDR/GRASP, US Census Bureau, Esri StreetMapTM Premium

Figure A-27 Social Vulnerability Index 2020, Los Gatos



Source: California Department of Housing and Community Development AFFH Data Viewer

Los Gatos does not have any disadvantaged communities as defined under SB 535 as, "the top 25 percent scoring areas from CalEnviroScreen along with other areas with high amounts of pollution and low populations"[16].

Disparities specific to the population living with a disability. Nine percent of the population in Los Gatos is living with at least one disability, compared to eight percent in the county. The most common disabilities in Los Gatos are ambulatory (4.8 percent), independent living difficulty (4.3 percent), and hearing difficulty (3.6 percent).

For the population 65 and over, the share of the population with ambulatory difficulties increases to 18.4 percent, independent living difficulty increase to 15.2 percent, and hearing difficulty was 13.8 percent. 15 percent of residents with a disability were unemployed in 2019, while only four percent unemployment for residents without a disability. Of the population of residents in Los Gatos that are between the ages of 18 and 64, and live with one or more disabilities, approximately 12.5 percent earned an income that was below the poverty level.

Living with one or more disabilities may create challenges in terms of accessibility to transportation, supportive services, and accessible housing units. The Town recognizes these challenges and intends to: allocate funds towards rehabilitating existing units to become more accessible; continue enforcing the "Reasonable Accommodations Ordinance;" promote accessibility design features; and create~~ing~~ other housing opportunities for persons living with disabilities.

Disability

"Disability types include hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty."

[16] https://oehha.ca.gov/calenviroscreen/sb535

Access to Opportunity

Regional Access

	City of Los Gatos	Santa Clara County
Jobs to Household Ratio	1.59	1.71
Unemployment Rate	5%	6%
LEP Population	2%	9%

Share of Population by Race in Resource Areas in the City of Los Gatos



Employment by Disability Status

For those in the labor



A.9 Disproportionate Housing Needs

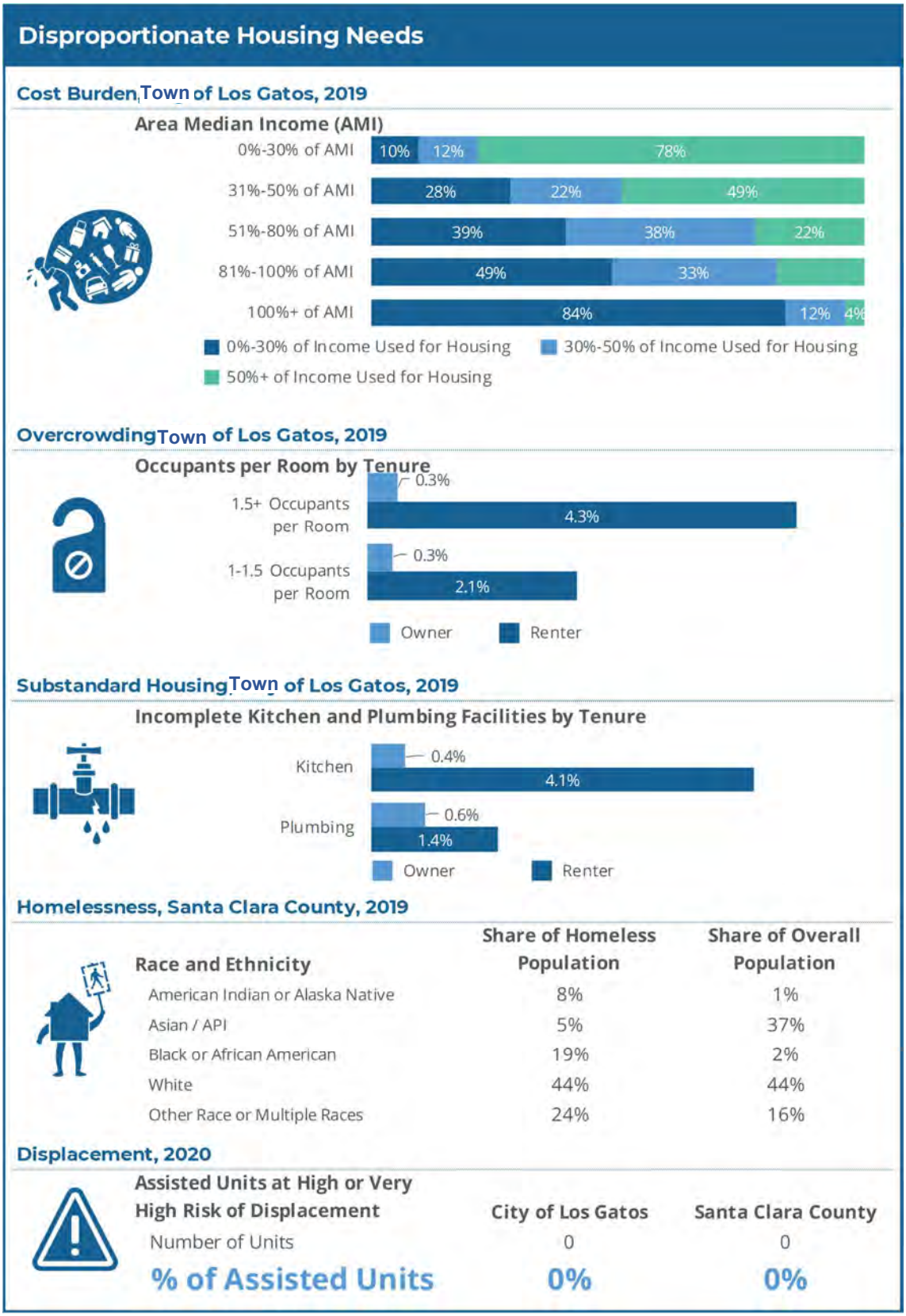
This section discusses disparate housing needs for protected classes including cost burden and severe cost burden, overcrowding, substandard housing conditions, homelessness, displacement, and other considerations. Figure A-28 provides a summary of disproportionate housing needs in Los Gatos and the County.

Disproportionate Housing Needs

"Disproportionate housing needs generally refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. For purposes of this definition, categories of housing need are based on such factors as cost burden and severe cost burden, overcrowding, homelessness, and substandard housing conditions."

Source: California Department of Housing and Community Development Guidance, 2021, page 39.

Figure A-28 Disproportionate Housing Needs in Los Gatos and Santa Clara County



Source: California Department of Housing and Community Development AFFH Data Viewer

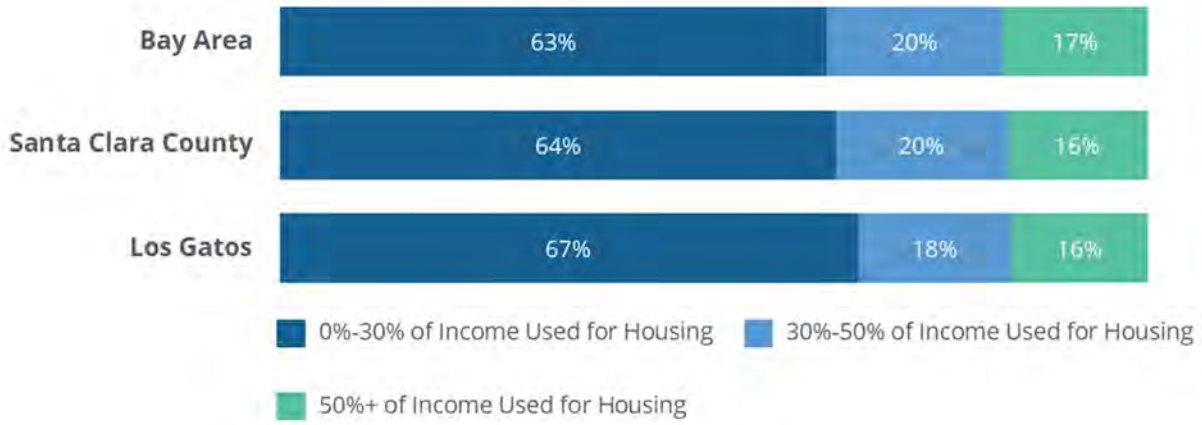
Housing Needs. Since 2015, the housing that has received permits to accommodate growth has almost exclusively been priced for the higher incomes, with only two units permitted for low-income households and none for very low-income households.

- The vast majority of the Town's homes were built between 1940 and 1979 (69 percent). After this period, housing production slowed, with only three percent of units built since 2010.
- Los Gatos housing is becoming more limited by type with 76 percent single-family units, up from 71 percent in 2010. Multifamily housing, with five or more units, made up the second highest category of units (18 percent); there were sixty-four mobile/manufactured homes in Los Gatos[17].
- Eighty-four percent of owner-occupied homes in Los Gatos are valued over one million dollars with another 39 percent valued above two million dollars. This compares to 48 percent for the county and 35 percent for the Bay Area overall (Appendix B, Figure B-23). According to the Zillow Home Value Index, home values in Los Gatos are 63 percent higher than home values for the county and almost double the cost of housing in the Bay Area (Appendix B, Figure B-24).
- Rents in Los Gatos are most likely to be at least $2,000 per month (63 percent); 24 percent rent for $3,000 per month. While the Town's rental costs higher than in the county, the trend of increasing rental costs matches the changes in the county and Bay Area overall.
- ~~-~~Special needs of individuals with disabilities vary depending on the particular disability. For example, the needs of a blind person differ greatly from those of a person confined to a wheelchair. Special facilities, such as ramps, elevators, or specially designed restrooms necessary for wheelchair access are architectural features needed to make dwellings suitable for persons confined to wheelchairs. Special features needed by ambulatory persons constrained by other disabilities may not be architectural; rather, these might be simple alternatives to conventional dwelling units or furnishings and appliances that make ordinary tasks of housekeeping and home life less trying and more enjoyable. In families, the needs of persons with disabilities, in terms of special features, are fewer than those of a single person. Nevertheless, a person with a disability in a family would still have special needs. Special architectural features could be valuable in giving this person greater independence, dignity, and quality of living.

Cost burden and severe cost burden. Despite Los Gatos' comparably high housing costs, cost burden~~—~~, which occurs when households spend more than 30 percent of their gross income on housing costs~~—~~ and is slightly better than the C~~c~~ounty and Bay Area (Figure A-29~~15~~). This is indicative of a market with high barriers to entry. ~~The lack of publicly subsidized housing and opportunity for use of Housing Choice Vouchers limits the ability of low-income households (who are typically cost burdened) to live in the Town. Figure A-14 identifies the housing vouchers distribution by tract within Los Gatos.~~

[17] Housing Needs Data Report: Los Gatos, ABAG/MTC Staff and Baird + Driskell Community Planning, 2021.

Figure A-29 Overpayment (Cost Burden) by Jurisdiction, 2019

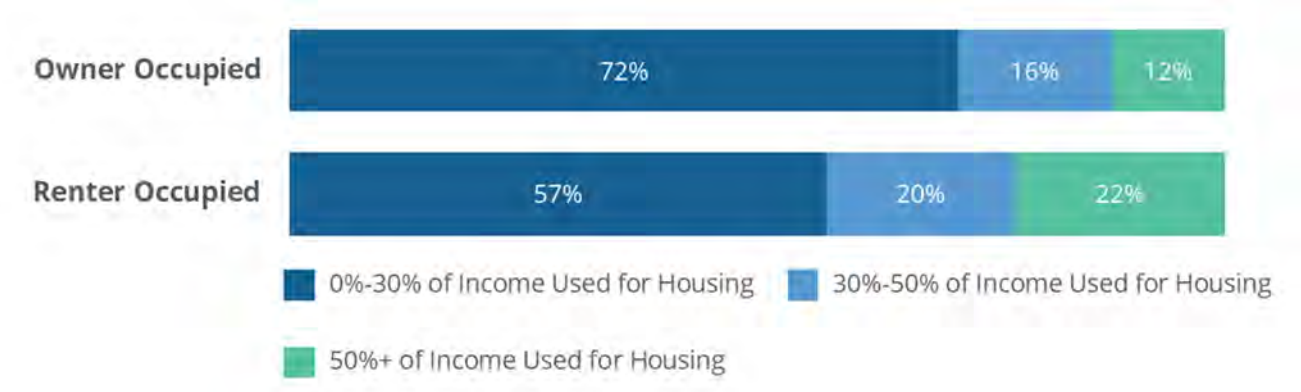


Source: ABAG Housing Needs Data Workbook

Cost burden does vary by tenure (renter or ownership) in Los Gatos, Figure A-30~~16~~. Renters experience a greater share of all forms of cost burden while owners experienced less of a cost burden. Figure A-31 and Figure A-32 illustrate cost burden by tenure and by census tract in Los Gatos, respectively.

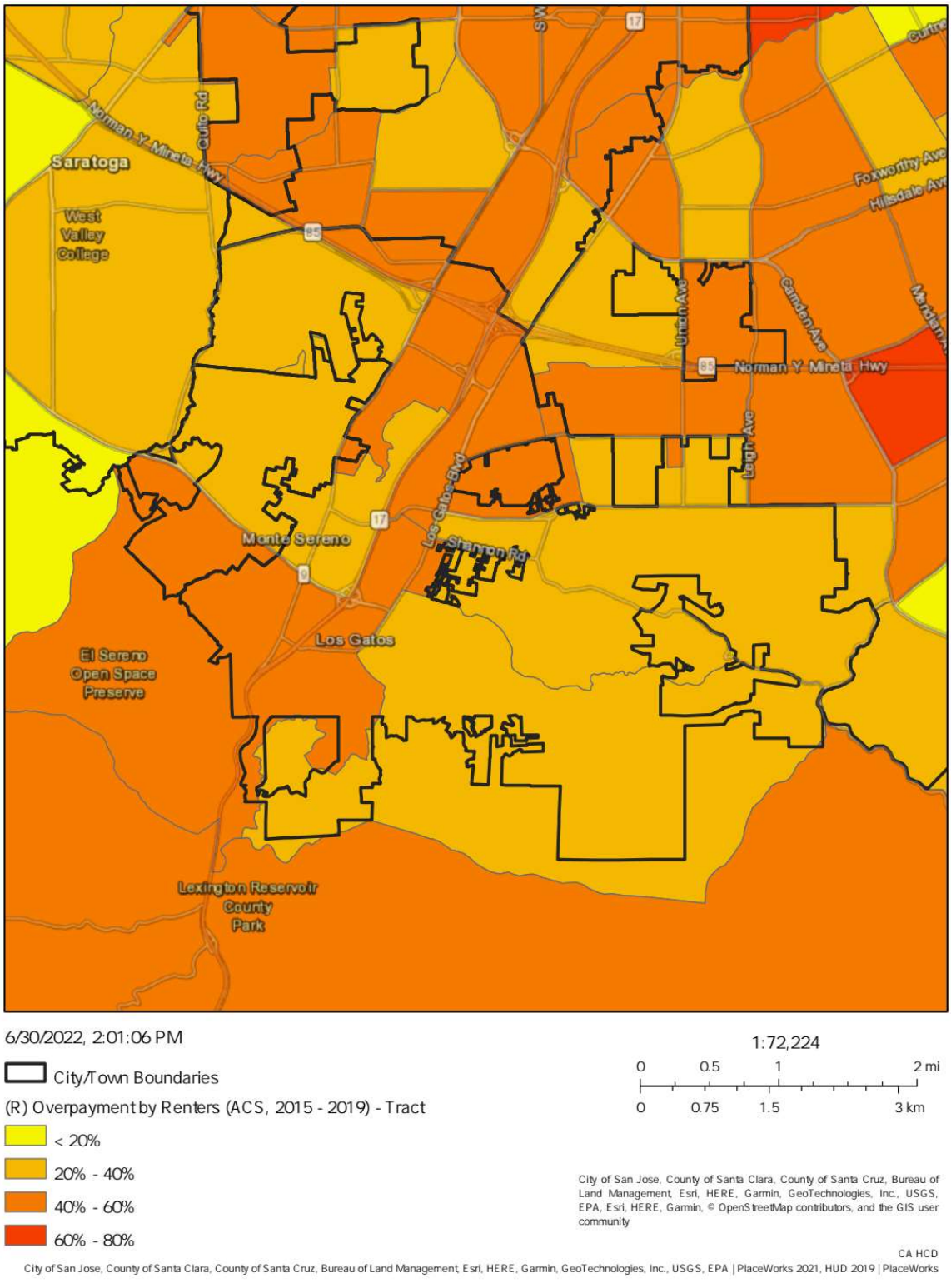
Figure A-31, Cost Burden for Renter Households shows concentrations of cost burden are split between 20-40 percent cost burden and 40-60 percent cost burden, with the 40-60 percent concentration in the northwest region of the Town. Similarly, Figure A-32, Cost Burden for Homeowners reveals owner households experience the nearly the same levels of concentration in the same areas. ~~. The cost burden by income decreases for each increase in earned income (AMI category) with a vast difference between the highest and lowest income groups. Seventy-eight percent of the lowest income group (zero percent to 30 percent of AMI) pay more than 50 percent of their gross household incomes in housing costs (Figure A-16). Figure A-14 identifies the housing vouchers distribution by tract within Los Gatos.~~

Figure A-30 Overpayment (Cost Burden) by Tenure, Los Gatos, 2019



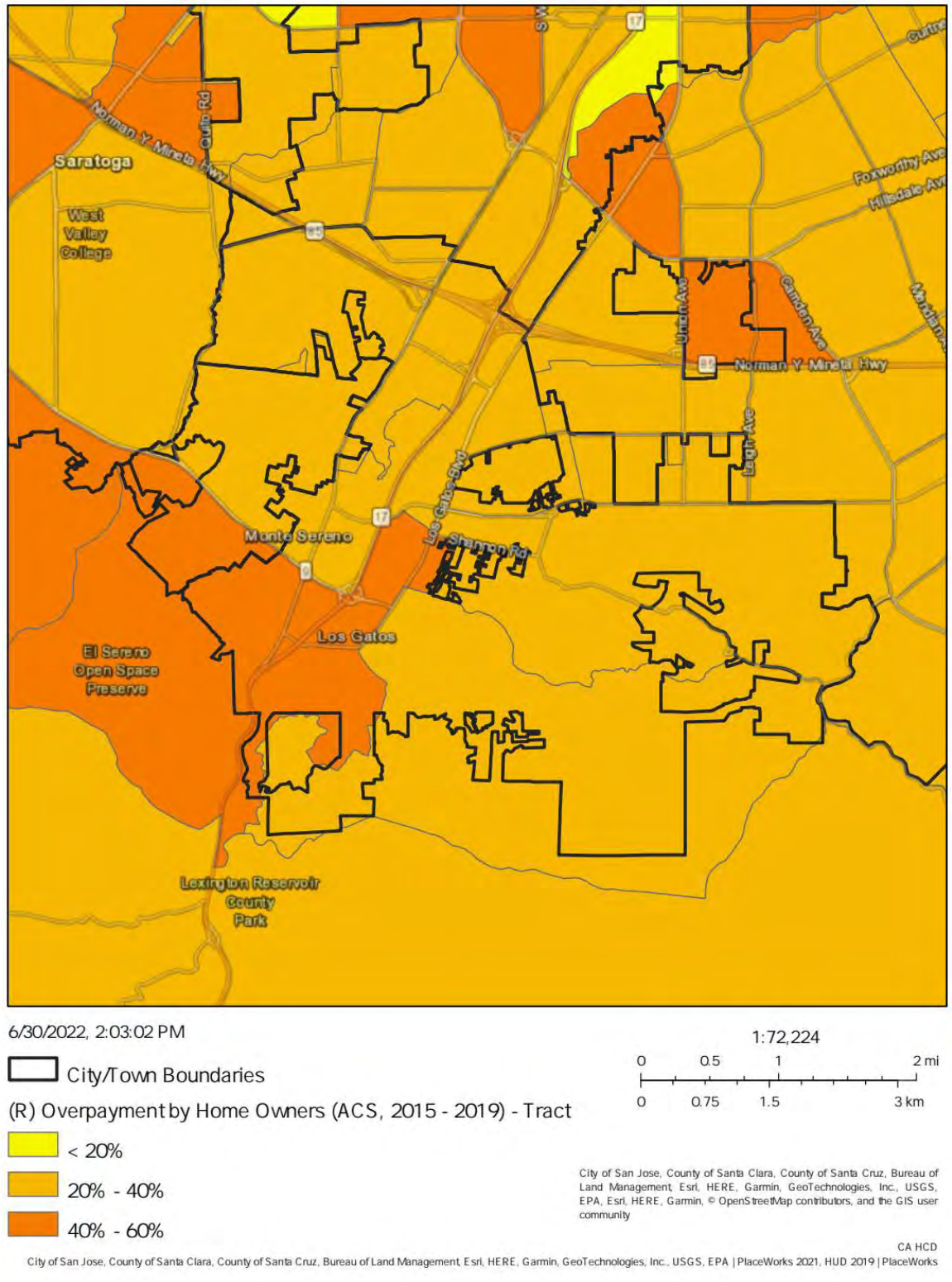
Source: ABAG Housing Needs Data Workbook

Figure A-31 Overpayment (Cost Burden) for Renter Households by Census Tract, 2019



Source: California Department of Housing and Community Development AFFH Data Viewer

Figure A-32 Overpayment (Cost Burden) for Owner Households by Census Tract, 2019

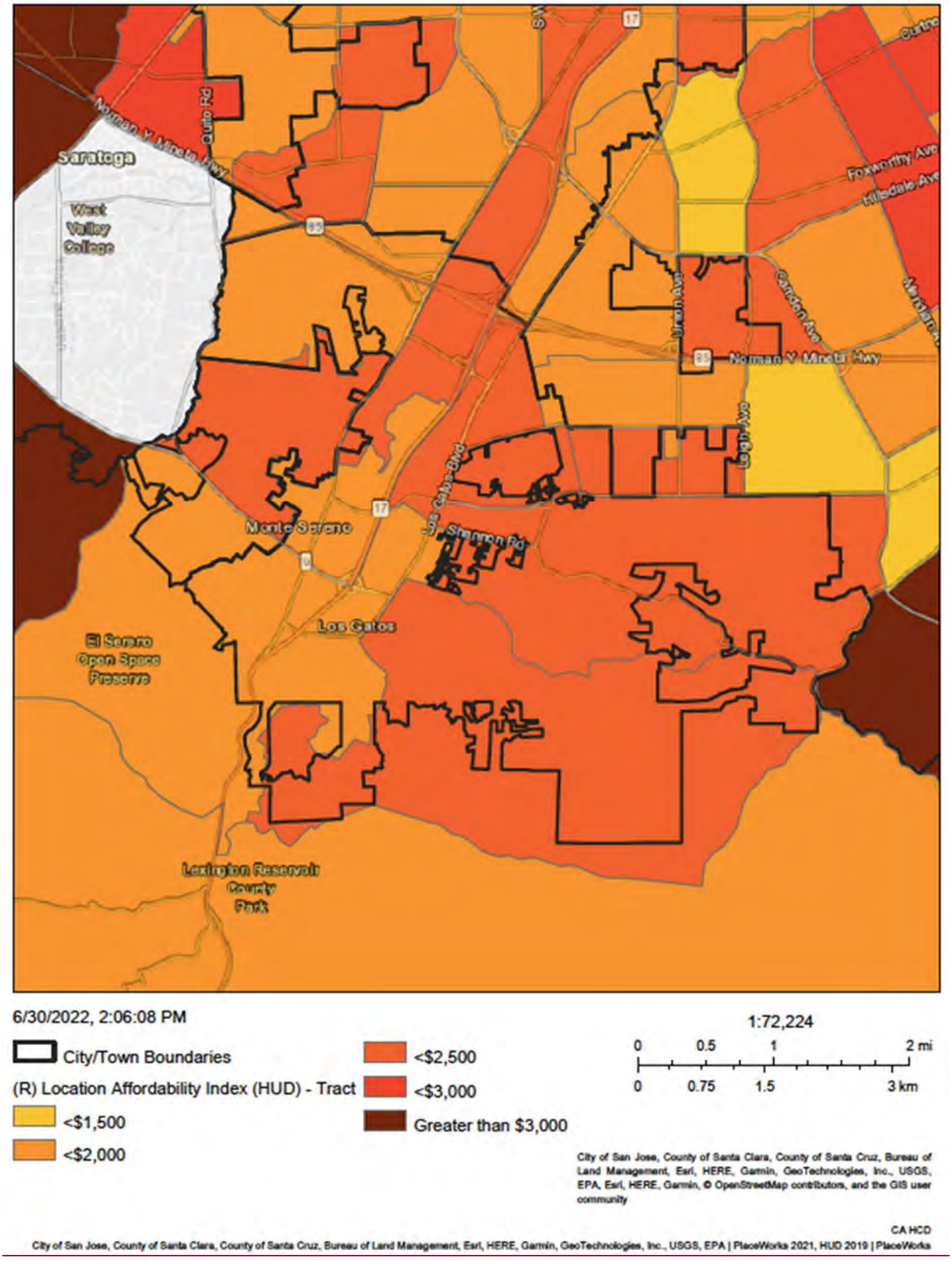


Source: California Department of Housing and Community Development AFFH Data Viewer

Figure A-33 illustrates the Location Affordability Index (LAI) for Los Gatos, which is an indicator of housing and transportation costs at the neighborhood level. The Town's LAI suggests that the majority of residents are estimated to spend between $2,000 and $2,500 per month on housing and transportation costs combined.

When comparing cost burden for renter households by census tract (Figure A-31) and LAI (Figure A-33), it can be inferred that concentrations of renter cost burden are highest (40-60 percent concentration) where LAI are actually lower (estimated to spend less than $2,000). As stated earlier, this is indicative of a market with high barriers to entry.

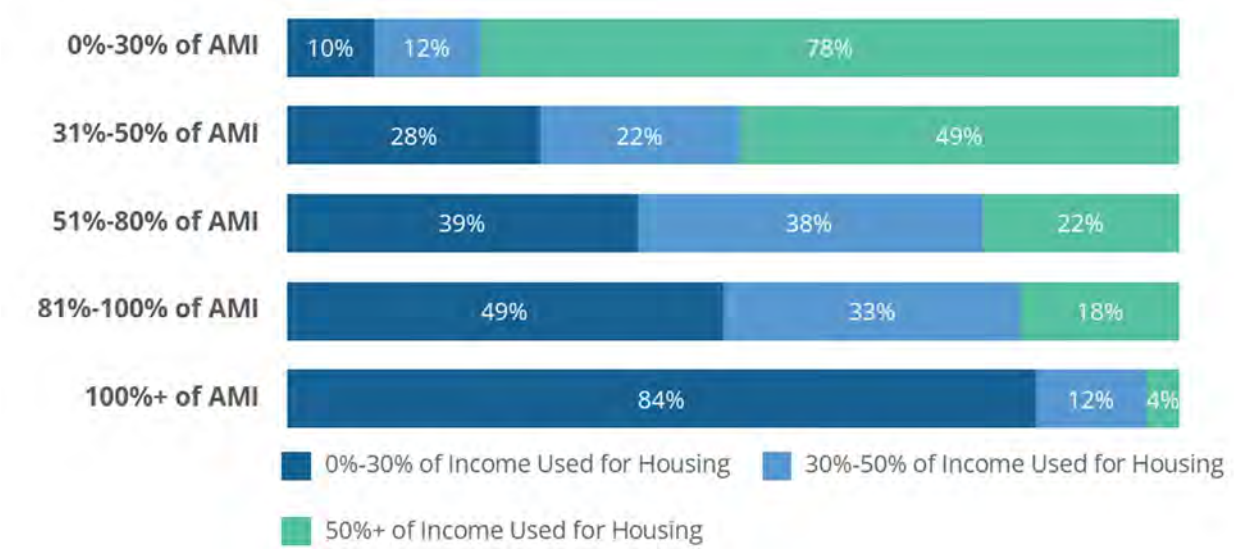
Figure A-33 Location Affordability Index Households, 2019



Source: California Department of Housing and Community Development AFFH Data Viewer

Cost burden by income in Los Gatos decreases for each increase in earned income (AMI category) with a vast difference between the highest and lowest income groups (Figure A-34). Seventy-eight percent of the lowest income group (zero percent to 30 percent of AMI) pay more than 50 percent of their gross household incomes in housing costs.

Figure A-34~~17~~ Overpayment (Cost Burden) by AMI, Los Gatos, 2019



Source: ABAG Housing Needs Data Workbook

The lack of publicly subsidized housing and opportunity for use of Housing Choice Vouchers limits the ability of low-income households (who are typically cost burdened) to live in the Town (Figure A-14).

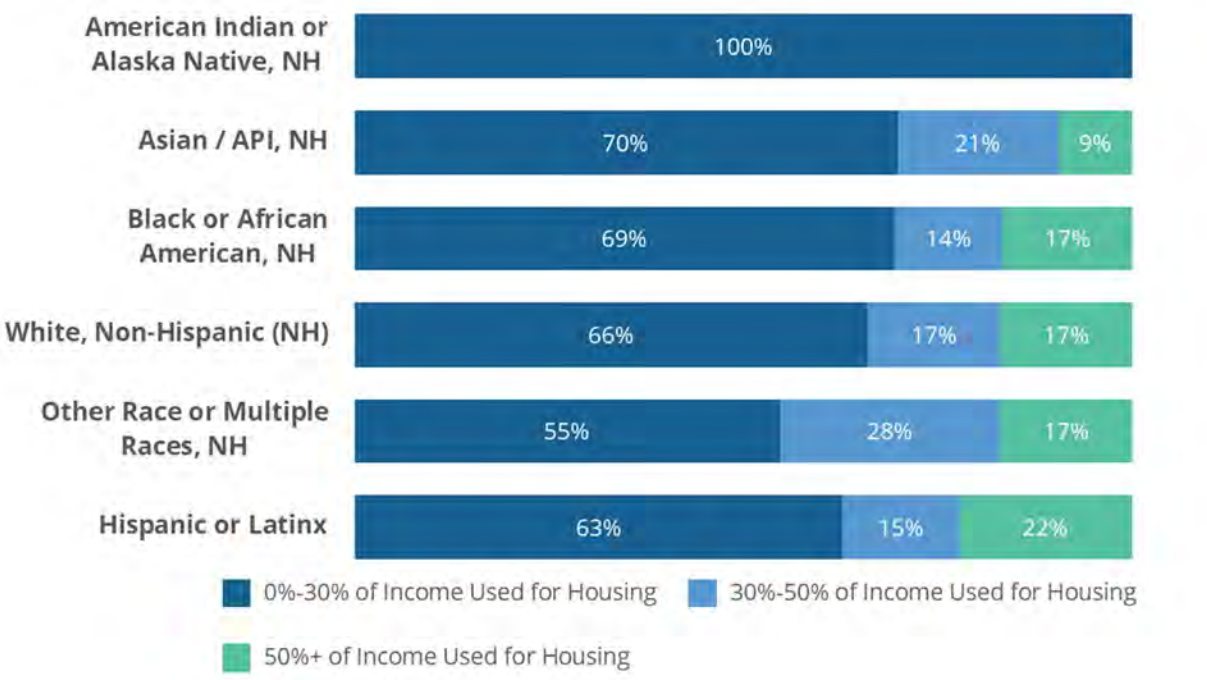
~~Figure A-15 through Figure A-19 shows cost burden distribution by jurisdiction, tenure, Area Median Income (AMI), race and ethnicity, and the size of the families. Renters experience a greater share of all forms of cost burden (42 percent) while owners experienced 28 percent cost burden (Figure A-16). The cost burden by income decreases for each increase in earned income (AMI category) with a vast difference between the highest and lowest income groups (16 percent versus 90 percent). Seventy-eight percent of the lowest income group pay more than 50 percent of their gross household incomes in housing costs.~~

There is consistency in housing cost burden in Los Gatos by race and ethnicity. All households have similar shares of residents paying less than 30 percent of their income on housing. Hispanic and Black/African American residents were the only groups to experience a greater percentage of households spending 50 percent or more of their income than 30 percent to 50 percent of their income, indicating larger shares of extreme cost burdens, see Figure A-35~~18~~.

~~**Figure A-17 Overpayment (Cost Burden) by AMI, Los Gatos, 2019**~~

~~Source: ABAG Housing Needs Data Workbook~~

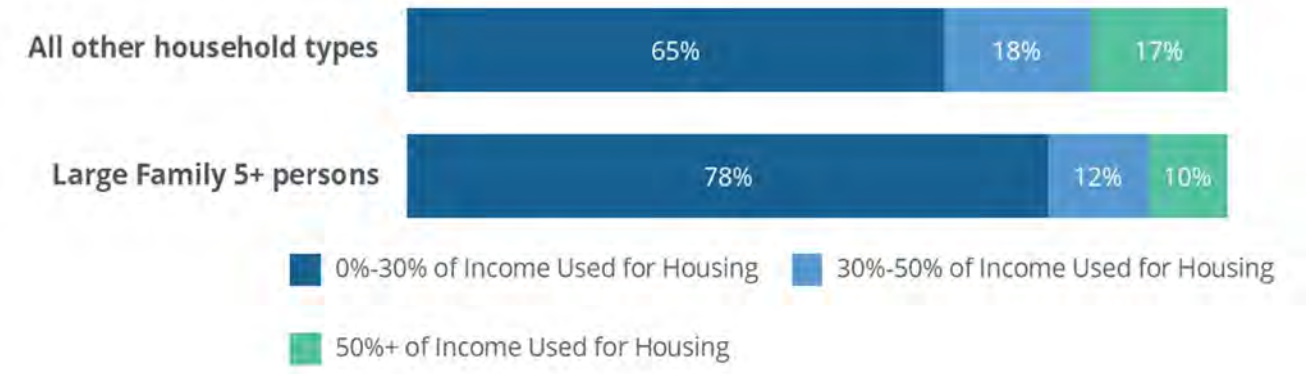
Figure A-3518 Overpayment (Cost Burden) by Race and Ethnicity, Los Gatos, 2019



Source: ABAG Housing Needs Data Workbook

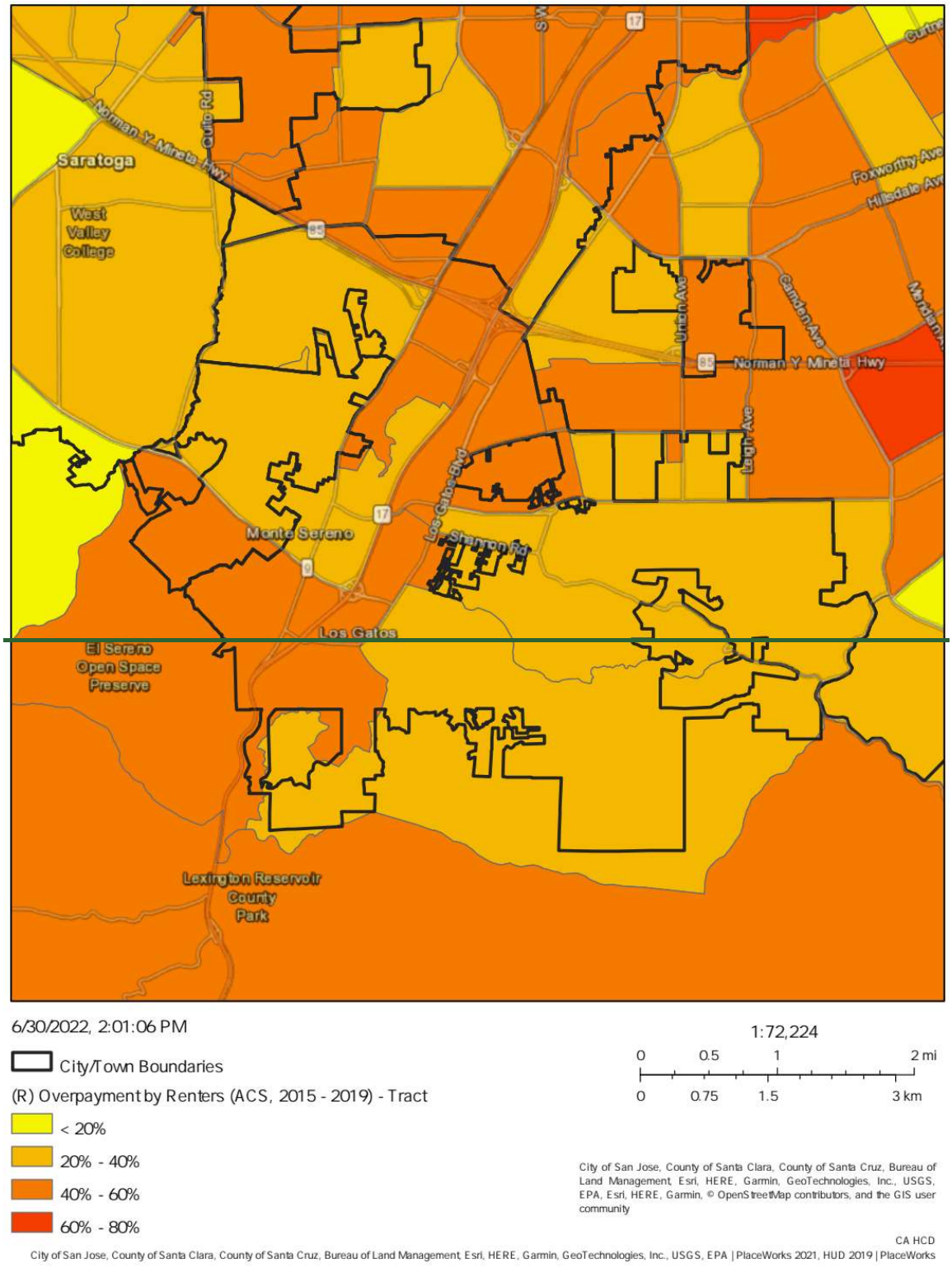
When analyzing cost burden by family size in Los Gatos, households with five or more persons experience less cost burden (22 percent) compared to all other household types (35 percent) (Figure A-36).

Figure A-3619 Overpayment (Cost Burden) by Family Size, Los Gatos, 2019



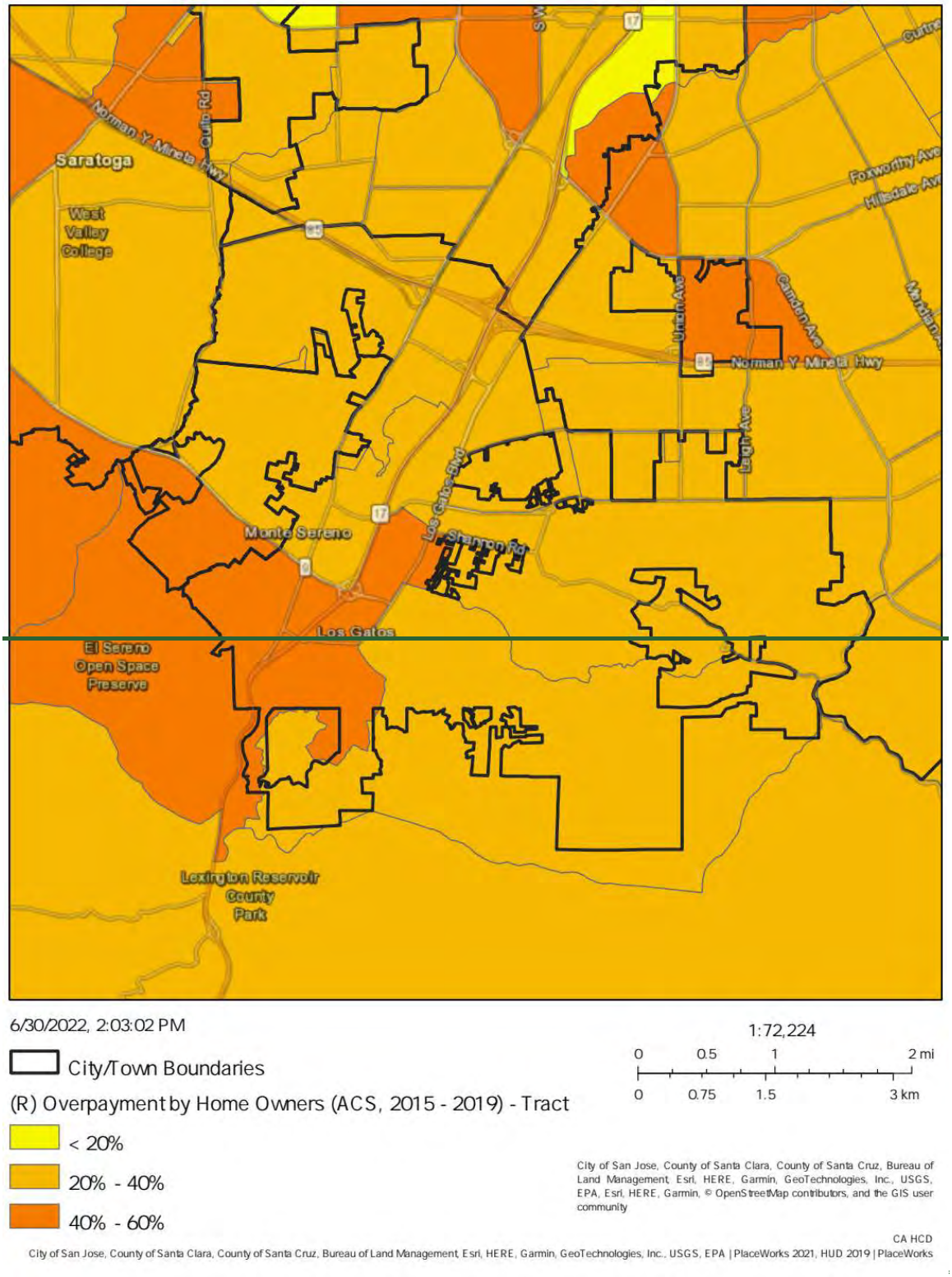
Source: ABAG Housing Needs Data Workbook

~~**Figure A-20 Overpayment (Cost Burden) for Renter Households by Census Tract, 2019**~~



~~Source: California Department of Housing and Community Development AFFH Data Viewer~~

~~Figure A-21 Overpayment (Cost Burden) for Owner Households by Census Tract, 2019~~

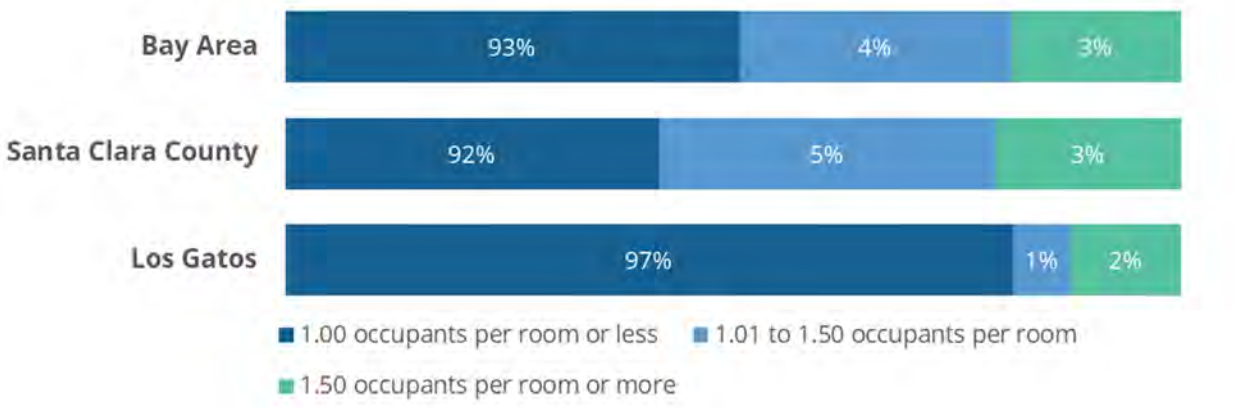


~~Source: California Department of Housing and Community Development AFFH Data Viewer~~

Overcrowding. The vast majority of households (97 percent) in Los Gatos are not overcrowded (less than the County and Bay Area) as— indicated by more than one occupant per room (Figure A-3822). Renter households

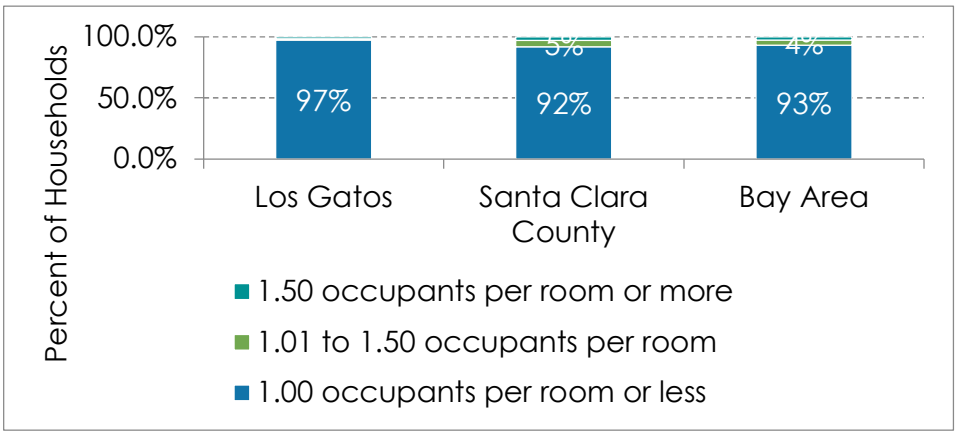
are more likely to be overcrowded, with ~~six~~ approximately four percent of renter households with more than one occupant per room (Figure A-38)~~, compared to 0.3 percent of owner households (Figure B-372)~~.

Figure A-3723 Occupants per Room by Jurisdiction, 2019



Source: ABAG Housing Needs Data Workbook

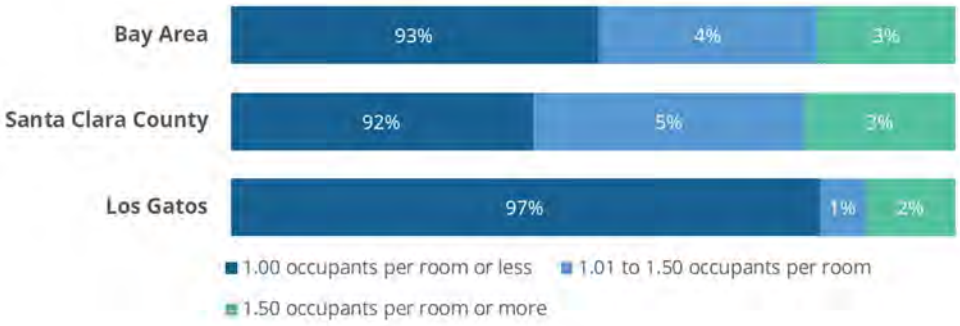
~~**Figure A-22 Overpayment (Cost Burden) for Owner Households by Census Tract, 2019**~~



~~Source: ABAG Housing Needs Data Workbook, U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release~~

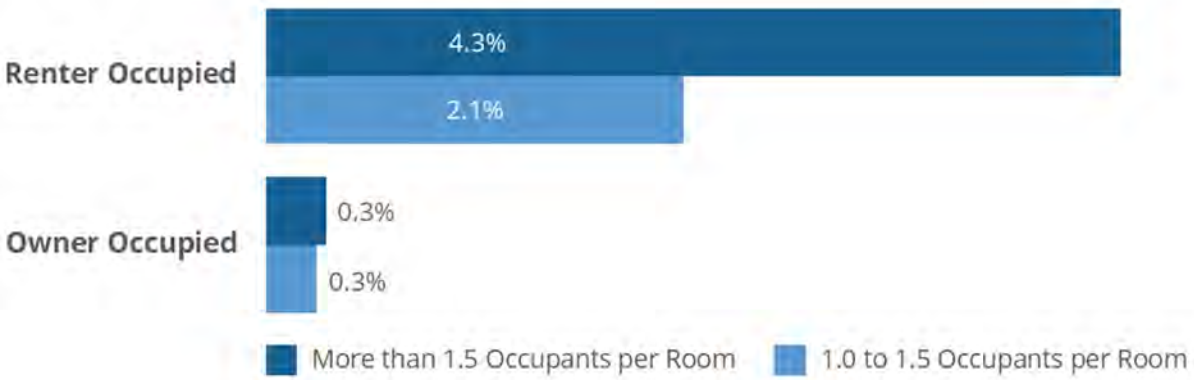
~~Hispanic residents experience the highest rates of overcrowding (Figure B-34). The rest of the Town's population experiences approximately two percent to 3.5 percent overcrowding.~~

~~**Figure A-23 Occupants per Room by Jurisdiction, 2019**~~



~~Source: ABAG Housing Needs Data Workbook~~

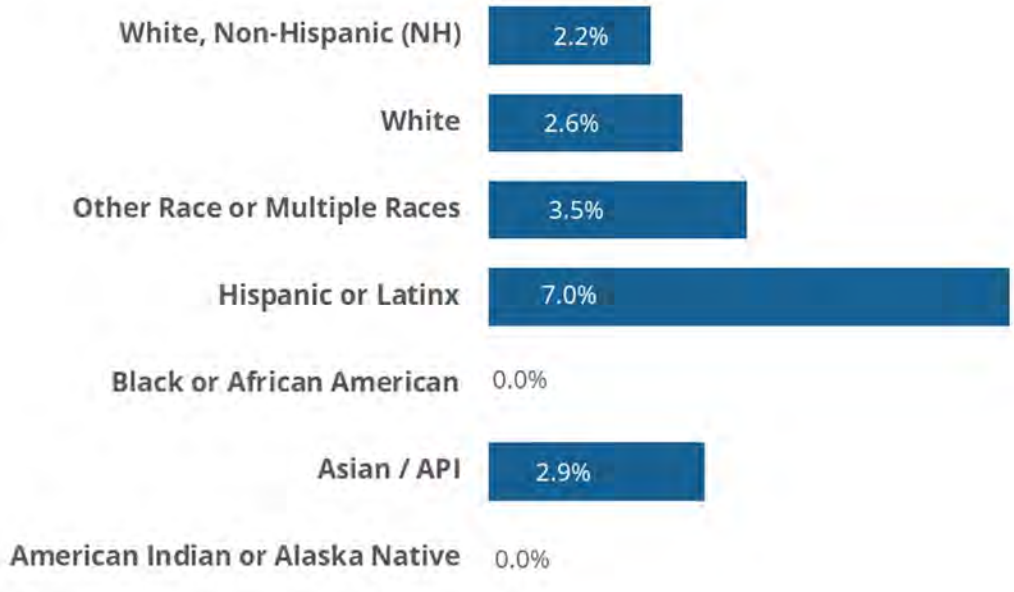
Figure A-3824 Occupants per Room by Tenure, Los Gatos, 2019



Source: ABAG Housing Needs Data Workbook

Hispanic residents experience the highest rates of overcrowding (Figure B~~A~~-39). The rest of the Town's population experiences approximately 2~~two~~ percent to 3.5 percent overcrowding.

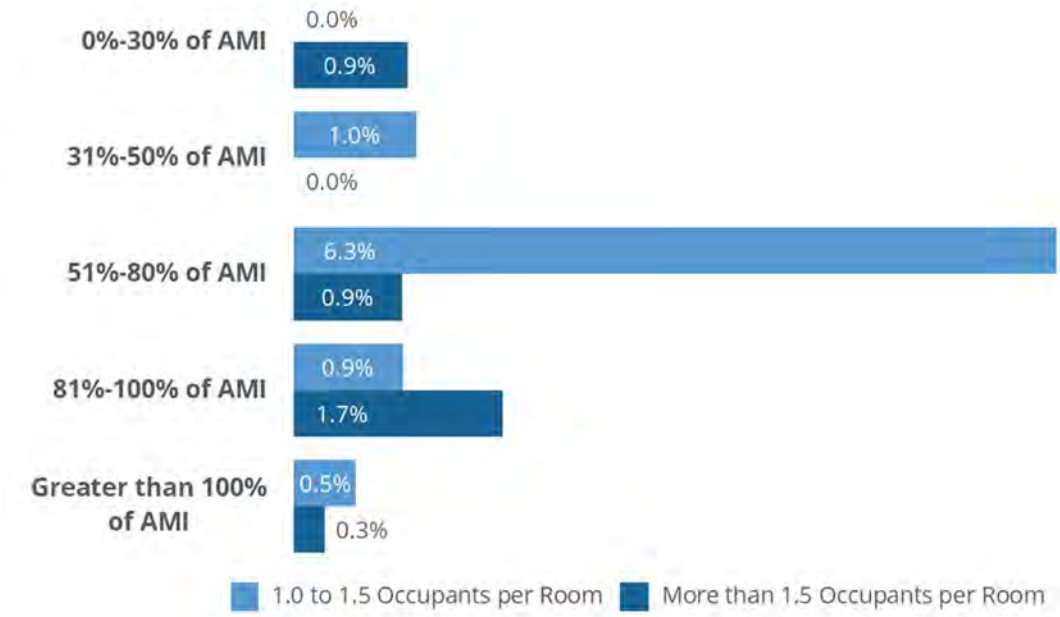
Figure A-~~39~~25 Overcrowding by Race and Ethnicity, Los Gatos, 2019



Source: ABAG Housing Needs Data Workbook

Figure A-40 illustrates occupants per room by AMI in Los Gatos. In Los Gatos, moderate-income households experience the highest rate of overcrowding (1.7 percent) followed by low-income households (0.9 percent) and extremely low-income households (0.9 percent). Moreover, extremely low-income households report only experiencing overcrowded housing conditions (0.9 percent). This may be an indicator of limited housing options for extremely low-income households in the Town.

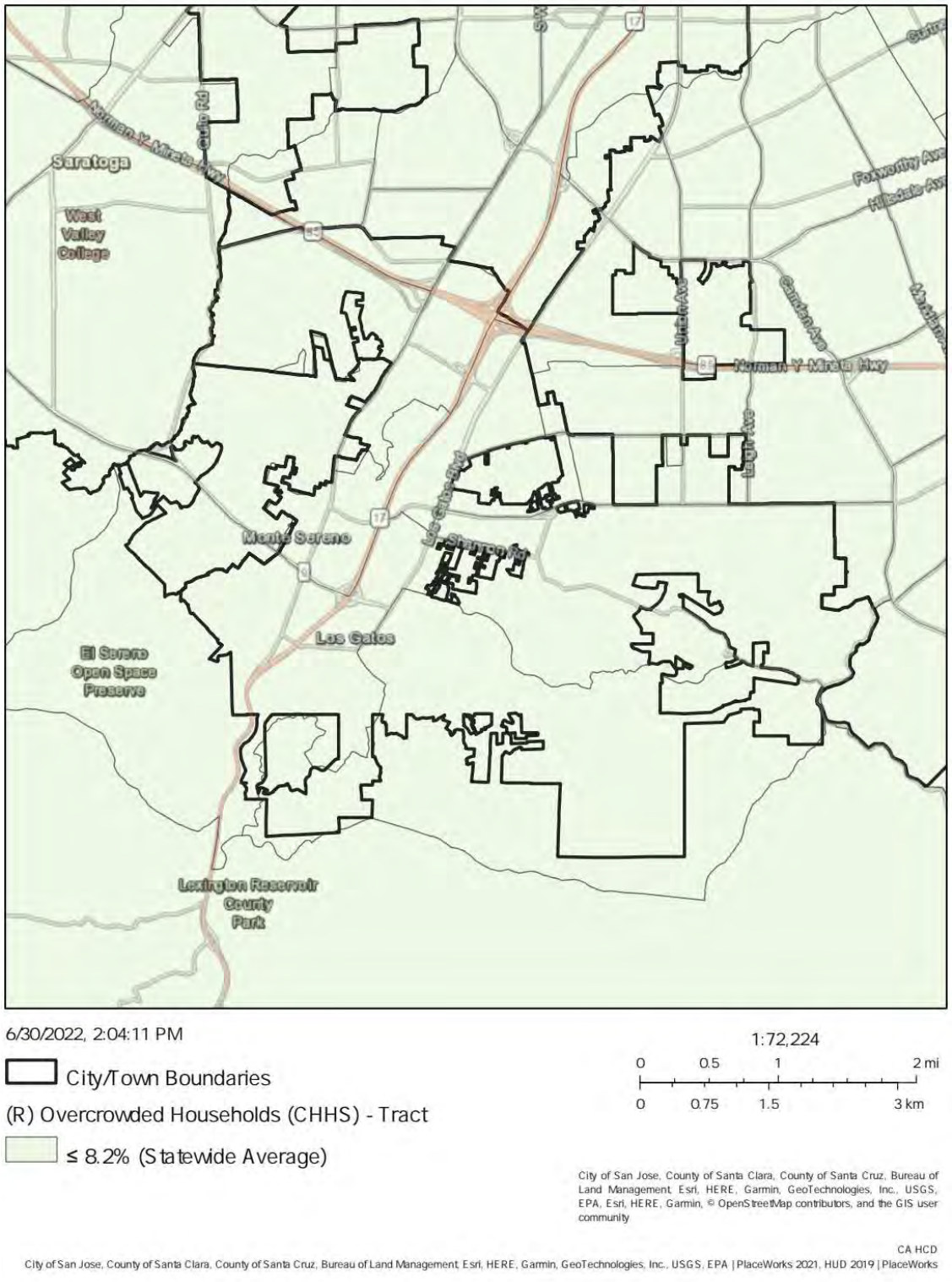
Figure A-40 Occupants per Room by AMI, Los Gatos, 2019



Source: ABAG Housing Needs Data Workbook

Figure A-41, Overcrowded Households by Census Tract, illustrates the percentage of overcrowded households in Los Gatos, revealing approximately eight8 percent overcrowding in the Town (equivalent to the statewide average).

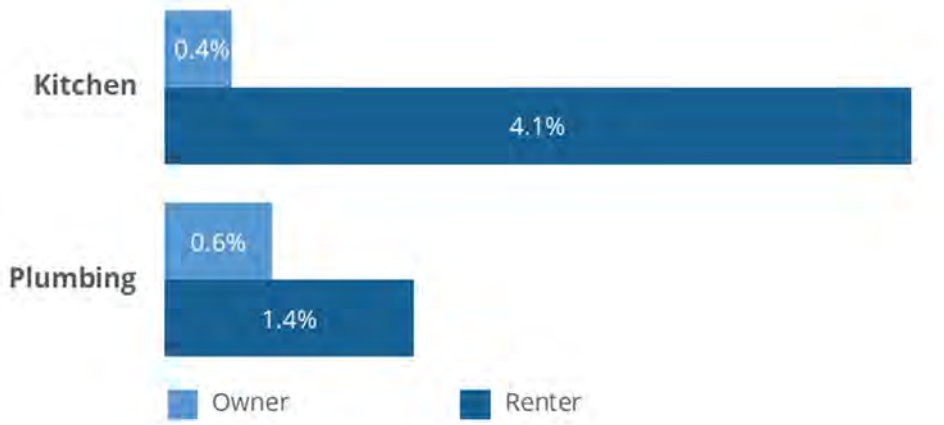
Figure A-~~41~~27 Overcrowded Households by Census Tract, Los Gatos, 2019



Source: California Department of Housing and Community Development AFFH Data Viewer

Substandard housing. Data on housing condition are limited, with the most consistent data available across jurisdictions found in the American Community Survey (ACS), —which captures units in substandard condition as self-reported in Census surveys. Renters in Los Gatos report living in substandard housing in 5.5 percent of housing units, with the more units lacking complete kitchen facilities (4.1 percent). As shown in Figure A-4228, about 0.4 percent of owner households are lacking complete kitchens and 0.6 percent lack complete plumbing.

Figure A-4228 Percent of Units Lacking Complete Kitchen and Plumbing Facilities, Los Gatos, 2019



Source: ABAG Housing Needs Data Workbook

Homelessness. In 2019, 9,706 people were experiencing homelessness in the Cocounty during the one-day count (point-in-time), with only 18 percent of people in emergency or transitional shelter while the remaining 82 percent were unsheltered. In Los Gatos the count was 16, all of whom were unsheltered. In 2022 the number of homeless counted in Los Gatos increased to 58. The majority of unsheltered people experiencing homelessness were in households without children. The majority of people in transitional housing were in households with children or people without children, as shown in Figure A-4329.

Figure A-4329 Homelessness by Household Type and Shelter Status, Santa Clara County, 2019

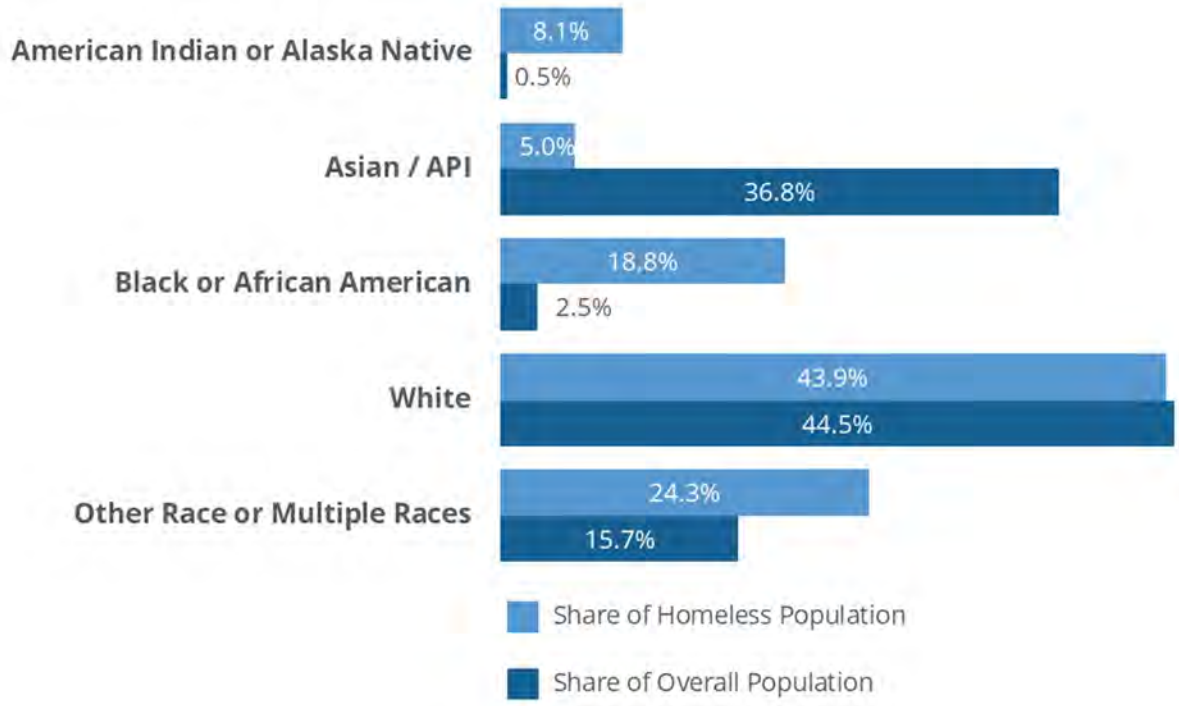
	People in Households Solely Children	People in Households with Adults and Children	People in Households Without Children
Sheltered - Emergency Shelter	7	377	696
Sheltered - Transitional Housing	3	301	400
Unsheltered	266	243	7,413

Source: ABAG Housing Needs Data Workbook

~~People who identify as American Indian or Alaskan Native (approximately eight percent of the homeless population compared to less than one percent of the total population), Black (approximately 19 percent, compared to two and a half percent of the total population), , and Other Race or Multiple Races (approximately 24 percent compared to 16 percent of the total population) are overrepresented in the homeless population compared to their share of the general population, as shown in Figure A-430. People struggling with chronic substance abuse (35 percent), severe mental illness (42 percent), and post-traumatic stress disorder (33 percent) represented a~

~~substantial share of the homeless population in 2019. Losing a job or being evicted was reported to be the causal events that led to homelessness in 44 percent of incidents of homelessness[18].~~

~~Figure A-29 Homelessness by Household Type and Shelter Status, Santa Clara County, 2019~~



	People in Households Solely Children	People in Households with Adults and Children	People in Households Without Children
Sheltered - Emergency Shelter	7	377	696
Sheltered - Transitional Housing	3	301	400
Unsheltered	266	243	7,413

~~Source: ABAG Housing Needs Data Workbook~~

~~Figure A-430 Share of General and Homeless Populations by Race, Santa Clara County, 2019~~

~~[18] According to Santa Clara County's Homeless Census & Survey (2019); 2019 SCC Homeless Census and Survey Exec Summary.pdf (sccgov.org).~~

~~Source: ABAG Housing Needs Data Workbook~~

Displacement. According to the Sensitive Communities map of vulnerable communities, one area north of Highway 9 and west of Highway 17 were vulnerable to displacement (Figure A-27). The Town has 169 assisted units, but all were rated as low risk of conversion. ~~Figure A-31 illustrates the social vulnerability index, identifying the census tracts by lower or higher social vulnerability.~~

Displacement Sensitive Communities

"According to the Urban Displacement Project, communities were designated sensitive if they met the following criteria:

- They currently have populations vulnerable to displacement in the event of increased redevelopment and drastic shifts in housing cost. Vulnerability is defined as:
- Share of very low-income residents is above 20 percent, 2017

AND the tract meets two of the following criteria:

- Share of renters is above 40 percent, 2017
- Share of people of color is above 50 percent, 2017
- Share of very low-income households (50 percent AMI or below) that are severely rent burdened households is above the county median, 2017
- They or areas in close proximity have been experiencing displacement pressures. Displacement pressure is defined as:
- Percent change in rent above county median for rent increases, 2012-2017

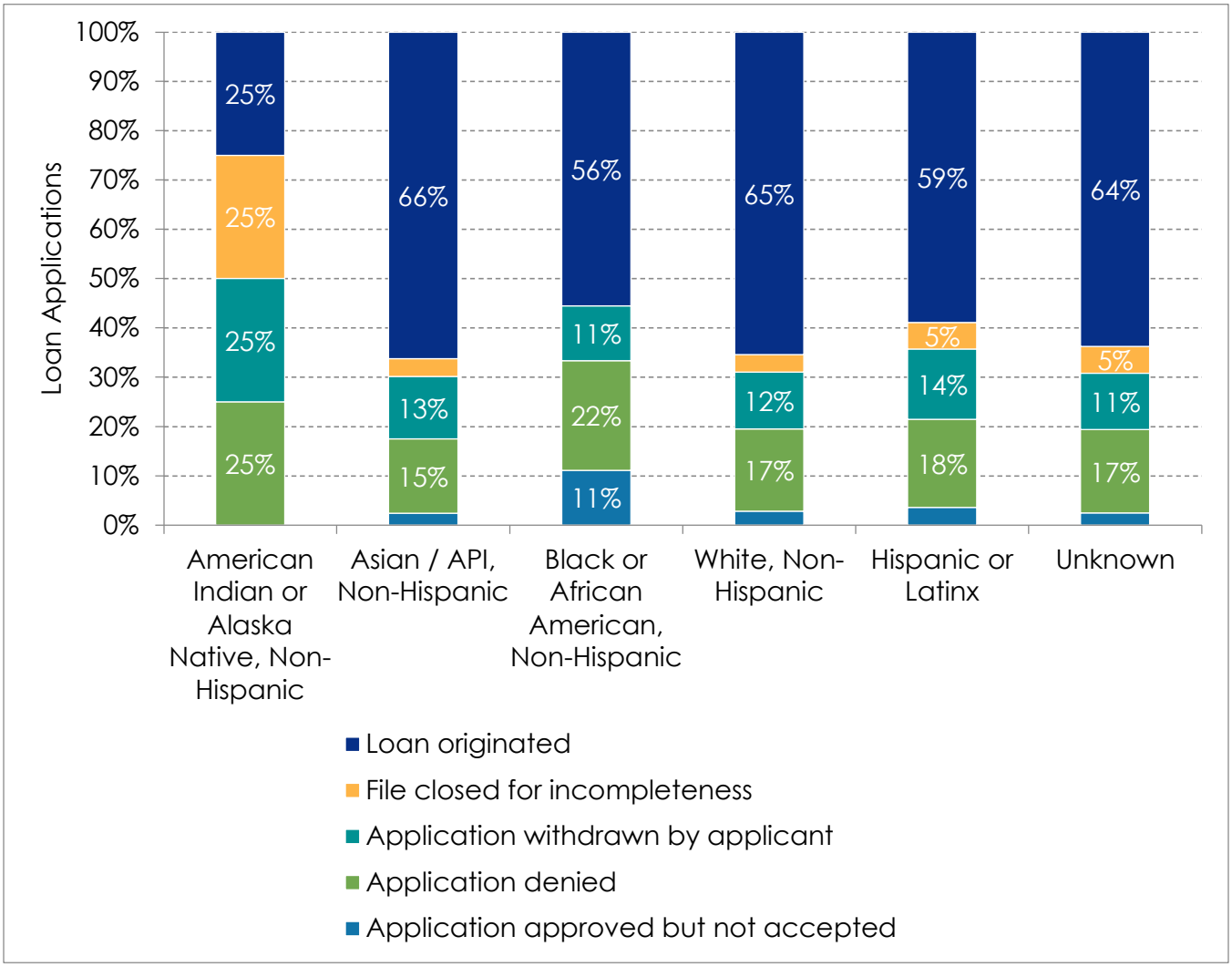
OR

- Difference between tract median rent and median rent for surrounding tracts above median for all tracts in county (rent gap), 2017"

Source: https://www.sensitivecommunities.org/.

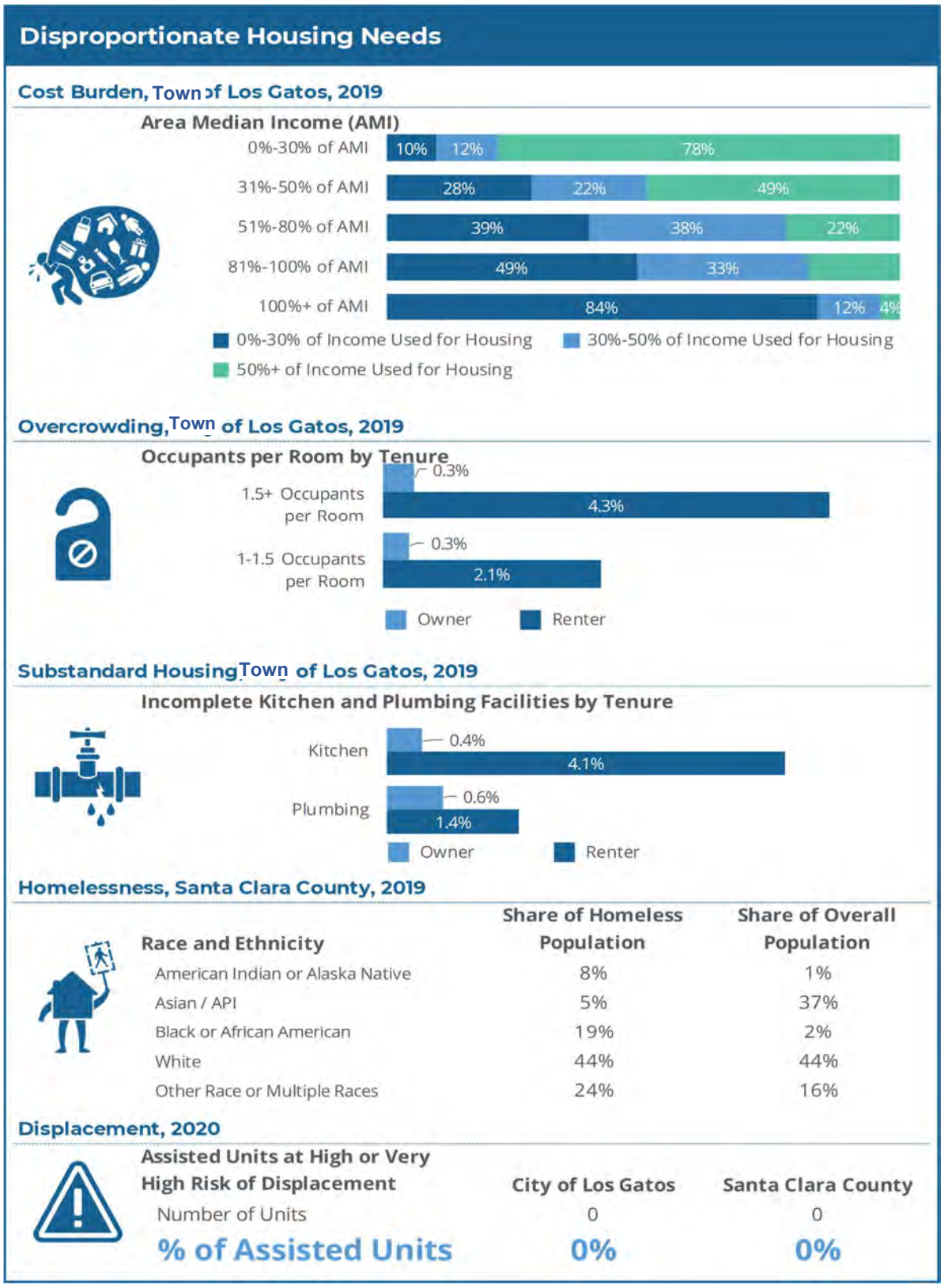
Access to mortgage loans. In many communities, disparities by race and ethnicity are prevalent for home mortgage applications, particularly in denial rates. This is less true in Los Gatos (Figure A-4432). Mortgage denial rates range from 17 percent to 25 percent. American Indian or Alaska Native, Non-Hispanic and Black/African American residents experienced the next highest rejection rate at 25 percent and 22 percent.

Figure A-~~44~~32 Mortgage Applications and Acceptance by Race, 2018 and 2019



Source: ABAG Housing Needs Data Workbook, Federal Financial Institutions Examination Council's (FFIEC) Home Mortgage Disclosure Act loan/application register (LAR) files.

Figure A-45 Disproportionate Housing Needs in Los Gatos



Source: California Department of Housing and Community Development AFFH Data Viewer

A.10 Distribution of Sites Inventory

The proposed housing sites in the Sites Inventory are well distributed to increase opportunities throughout the Town. In addition, Accessory Dwelling Units and Senate Bill 9 units have been distributed throughout the Town, where single-family neighborhoods are the most prominent housing type.

Potential Effects on Segregation and Integration

While Los Gatos does not have significant segregation issues within the Town, from a broader regional perspective, providing increased lower-income housing opportunities in a high resource community like Los Gatos will help overcome Countywide and regional patterns of segregation, disparate impacts for impacted racial and ethnic groups, and foster more inclusive communities free from barriers that restrict access to opportunity. Housing opportunities in Los Gatos are limited by the pricing of both rental and market rate units. Additionally, approximately three-quarters of the housing in Town are single-family units, further reducing housing opportunities for smaller sized rental units. Sites proposed for very low- and low-income units have been distributed evenly throughout the Town and will not result in dense areas of income segregation.

Potential Effects on Access to Opportunity

The Town-wide distribution of housing sites will provide housing options for lower income households to choose housing that is close to amenities and services, such as parks, schools, transit, or other features (refer to Appendix D, Sites Inventory Analysis). The sites in the Sites Inventory do not saturate one specific set of income category in a specific location, rather they are spread throughout the Town. The sites in the Sites Inventory are spread throughout Town and were selected for their proximity to Town services and amenities, such as parks, high quality schools, shopping, and local Valley Transportation Authority bus transit that links to regional light rail transit.

In evaluating the selected sites from a broader, Countywide perspective, providing increased lower income housing opportunities in a high resource community such as Los Gatos will help overcome Countywide and regional patterns of disparate impacts for impacted racial and ethnic groups by providing more affordable housing choices near desirable resources such as employment and high-quality education. This will allow for more inclusive communities that are free from barriers that restrict access to opportunity.

Potential Effects on Disproportionate Housing Needs

"Disproportionate housing needs generally refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. For purposes of this definition, categories of housing need are based on such factors as cost burden and severe cost burden, overcrowding, homelessness, and substandard housing conditions."[19]

Overpayment for housing is a significant challenge for low-income residents in Town. Cost burden does vary by tenure (renter or ownership) in Los Gatos. Renters tend to experience a greater share of all forms of cost burden while owners experienced less of a cost burden. When analyzing cost burden by family size, households with five or more persons experience less cost burden compared to all other household types.

Housing cost burden in Los Gatos is lower than nearby cities, but differs by race and ethnicity and by tenure (renters or owners). Asian households experience the lowest rates of cost burden (30 percent) in the Town, followed by non-Hispanic White households (31 percent). This is followed by Black/African American household (34 percent) and Hispanic households (37 percent). Other/Multiple Race households (45 percent) are the most likely to be cost burdened (45 percent). Owners experience cost burden at a lower rate (28 percent) than renters

[19] California Department of Housing and Community Development Guidance, 2021, page 39.

(42 percent). This may be likely due to the relatively high cost of living in Los Gatos and the greater Bay Area region.

The quantity and Town-wide distribution of affordable housing within the Sites Inventory will concentrate on the disproportionate housing needs by providing affordable housing dispersed throughout the Town, nearby high need services and amenities.

Housing Needs Assessment

B

APPENDIX

B.1 Introduction

This appendix of the Housing Element describes existing housing needs and conditions in the Town of Los Gatos. The analysis in this section primarily utilizes data compiled by Association of Bay Area Governments/ Metropolitan Transportation Commission (ABAG/MTC) in the "Housing Needs Data Report: Los Gatos" (ABAG/MTC, Baird + Driskell Community Planning, April 2, 2021). This data packet was approved by the California Department of Housing and Community Development (HCD).

Overview of Bay Area Housing

The Bay Area continues to see growth in both population and jobs, which means more housing of various types and sizes is needed to ensure that residents across all income levels, ages, and abilities have a place to call home. While the number of people drawn to the region over the past 30 years has steadily increased, housing production has stalled, contributing to the housing shortage that communities are experiencing today. In many communities, this has resulted in residents being priced out, increased traffic congestion caused by longer commutes, and fewer people across incomes being able to purchase homes or meet surging rents.

The 2023-2031 Housing Element Update provides a roadmap for how to meet growth and housing challenges. As required by the State, the Housing Element identifies what the existing housing conditions and community needs are, reiterates goals, and creates a plan for more housing.

Summary of Key Facts

- **Population** – Generally, the population of the Bay Area continues to grow because of new births (natural growth) and the strong economy draws new residents to the region. The population of the Town of Los Gatos increased by 10 percent from 2000 to 2020, which is below the growth rate of the Bay Area.
- **Age** – In 2019, the youth population of the Town, under the age of 18, was 6,767 and the senior population, 65 and older, was 6,393. These age groups represent 22. percent and 20.8 percent, respectively, of the Town's population.
- **Race/Ethnicity** – In 2020, 72.3 percent of the Town of Los Gatos population was White, while 0.9 percent was African American, 14.8 percent was Asian, and 7.9 percent was Latinx. People of color in Los Gatos comprise a proportion below the overall proportion in the Bay Area as a whole[1].
- **Employment** – The Town of Los Gatos residents most commonly work in the Financial and Professional Services industry. From January 2010 to January 2021, the unemployment rate in the Town decreased by 2.9 percent. Since 2010, the number of jobs located in the jurisdiction increased by 4,440 (28.8 percent). Additionally, the jobs-household ratio in the Town of Los Gatos has increased from 1.32 jobs per household in 2002 to 1.59 in 2018.
- **Number of Homes** – The number of new homes built in the Bay Area has not kept pace with the demand, resulting in longer commutes, increasing prices, and exacerbating issues of displacement and homelessness. The number of homes in the Town of Los Gatos increased 4.5 percent from 2010 to 2020, which is below the growth rate for Santa Clara County and below the growth rate of the region's housing stock during this time period[2].

[1] The Census Bureau's American Community Survey accounts for ethnic origin separate from racial identity. The numbers reported here use an accounting of both such that the racial categories are shown exclusive of Latinx status, to allow for an accounting of the Latinx population regardless of racial identity. The term Hispanic has historically been used to describe people from numerous Central American, South American, and Caribbean countries. In recent years, the term Latino or Latinx has become preferred. This report generally uses Latinx, but occasionally when discussing US Census data, we use Hispanic or Non-Hispanic, to clearly link to the data source.

[2] According to HCD Annual Progress Report Dashboard (as of September 20, 2021).

- **Home Prices** – A diversity of homes at all income levels would create opportunities for all of the Los Gatos community to live in Town.
  - ✓ **Ownership** – The largest proportion of homes had a value greater than $2 million in 2019. Home prices increased by 98.4 percent from 2010 to 2020.
  - ✓ **Rental Prices** – The typical contract rent for an apartment in the Town of Los Gatos was $2,270 in 2019. Rental prices increased by 60.9 percent from 2009 to 2019. To rent a typical apartment without cost burden, a household would need to make $90,960 per year[3].

- **Housing Type** – It is important to have a variety of housing types to meet the needs of a community today and in the future. In 2020, 60 percent of homes in the Town of Los Gatos were single-family detached, 13 percent were single-family attached, 9 percent were small multi-family (two to four units), and 18 percent were medium or large multi-family (five or more units). Between 2010 and 2020, the number of single-family units increased more than multi-family units. Los Gatos has a higher portion of detached single-family homes than other jurisdictions in the region.

- **Housing Demand** – The Town is populated with a higher share of high-income earners (65% greater than 100% of AMI) than the rest of the county, therefore, housing is built for these higher income and amenity levels. Without goals, policies and programs that specifically address the need to build "affordable housing" targeting incomes less than 100% of AMI (not above greater than 100% AMI), it is highly unlikely developers will voluntarily build housing for low and very-low-income levels.

- **Cost Burden** – The U.S. Department of Housing and Urban Development (HUD) considers housing to be affordable for a household if the household spends less than 30 percent of its income on housing costs. A household is considered "cost-burdened" if it spends more than 30 percent of its monthly income on housing costs, while those who spend more than 50 percent of their income on housing costs are considered "severely cost-burdened." In the Town of Los Gatos, 20 percent of households spend 30 percent to 50 percent of their income on housing, while 16 percent of households are severely cost burdened and use the majority of their income for housing.

- **Displacement/Gentrification** – According to research from the University of California (UC), Berkeley no households in the Town of Los Gatos live in neighborhoods that are susceptible to or experiencing displacement, and none live in areas at risk of or undergoing gentrification. All households in the Town live in neighborhoods where low-income households are likely excluded due to prohibitive housing costs.

- **Neighborhood** – All residents in Los Gatos live in neighborhoods identified as "Highest Resource" or "High Resource" areas by State-commissioned research, while no residents live in areas identified by this research as "Low Resource" or "High Segregation and Poverty" areas. These neighborhood designations are based on a range of indicators covering areas such as education, poverty, proximity to jobs and economic opportunities, low pollution levels, and other factors[4].

- **Special Housing Needs** – Some population groups may have special housing needs that require specific program responses, and these groups may experience barriers to accessing stable housing due to their specific housing circumstances. In Los Gatos, 9 percent of residents have a disability (physical, developmental, etc.), and may require accessible housing. Additionally, 6 percent of Los Gatos households are larger households with five or more people and likely need larger housing units with three bedrooms or more. 8.2 percent of households are female-headed families, which are often at greater risk of housing insecurity.

[3] Note that contract rents may differ significantly from, and often being lower than, current listing prices.

[4] For more information on the "opportunity area" categories developed by HCD and the California Tax Credit Allocation Committee, see this website: https://www.treasurer.ca.gov/ctcac/opportunity.asp. The degree to which different jurisdictions and neighborhoods have access to opportunity will likely need to be analyzed as part of new Housing Element requirements related to affirmatively furthering fair housing. ABAG/MTC will be providing jurisdictions with technical assistance on this topic this summer, following the release of additional guidance from HCD.

B.2 Population, Employment, and Household Characteristics

Population

The Bay Area is the fifth-largest metropolitan area in the nation and has seen a steady increase in population since 1990, except for a dip during the Great Recession. Many towns and cities in the region have experienced significant growth in jobs and population. While these trends have led to a corresponding increase in demand for housing across the region, the regional production of housing has largely not kept pace with job and population growth.

According to the data, the population of the Town of Los Gatos was estimated to be 31,439 in 2020. The population of Los Gatos makes up 1.6 percent of Santa Clara County[5]. In Los Gatos, roughly 13.5 percent of its population moved during the past year, a number that is roughly the same as the regional rate of 13.4 percent. Table B-1 shows population growth trends for the Town of Los Gatos, Santa Clara County, and the Bay Area as a whole.

Table B-1 Population Growth Trends

Geography	1990	1995	2000	2005	2010	2015	2020
Town of Los Gatos	27,357	28,751	28,592	28,872	29,413	30,807	31,439
Santa Clara County	1,497,577	1,594,818	1,682,585	1,752,696	1,781,642	1,912,180	1,961,969
Bay Area	6,020,147	6,381,961	6,784,348	7,073,912	7,150,739	7,595,694	7,790,537

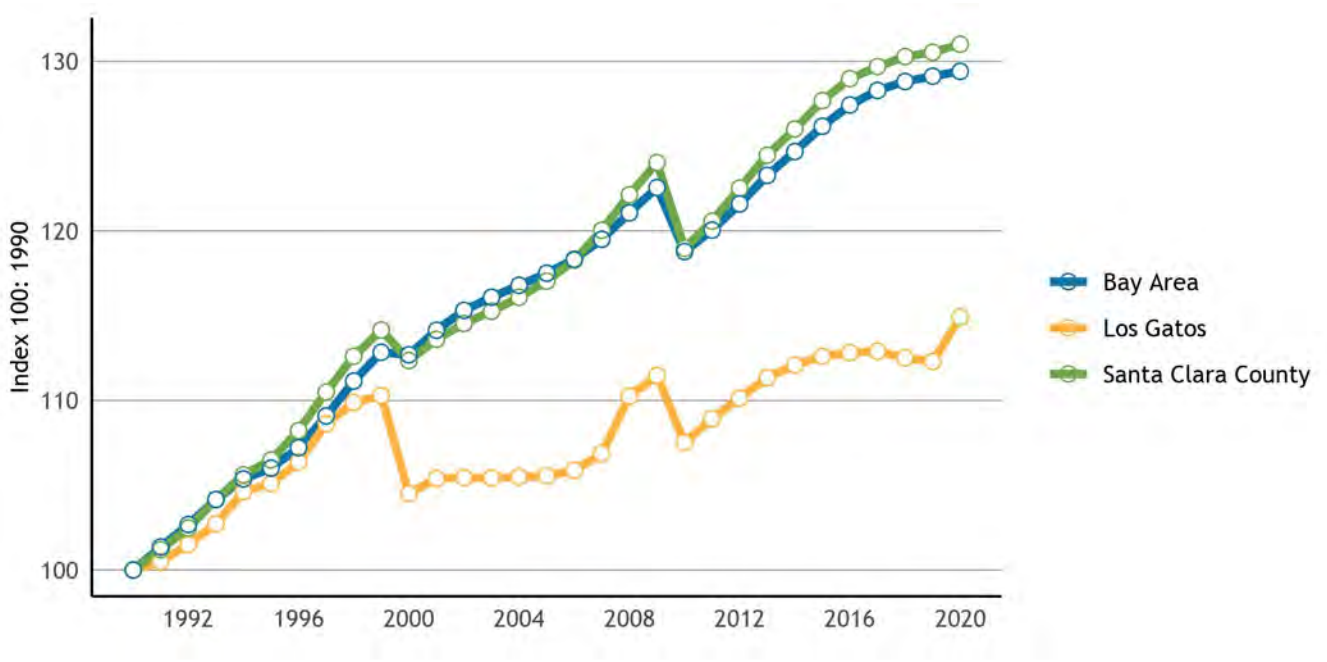
SOURCE: California Department of Finance, E-5 series.
NOTE: Universe: Total population; Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-01.

Since 2000, the Town of Los Gatos population has increased by approximately 10 percent, which is below the rate for the region as a whole, at 14.8 percent. From 1990 to 2000, the population increased by 4.5 percent. During the first decade of the 2000's the population increased by 2.9 percent. In the most recent decade, the population increased by 6.9 percent. Figure B-1 shows population growth trends in percentages.

In 2019 the Town of Los Gatos annexed 24 urban islands totaling 116.1 acres. The islands were comprised of approximately 308 single-family residences and the staff report assumed 2.2 persons per household for an estimated increase in population of 678.

[5] To compare the rate of growth across various geographic scales, Figure B-1 shows population for the jurisdiction, county, and region indexed to the population in the year 1990. This means that the data points represent the population growth (i.e., percent change) in each of these geographies relative to their populations in 1990.

Figure B-1 Population Growth Trends



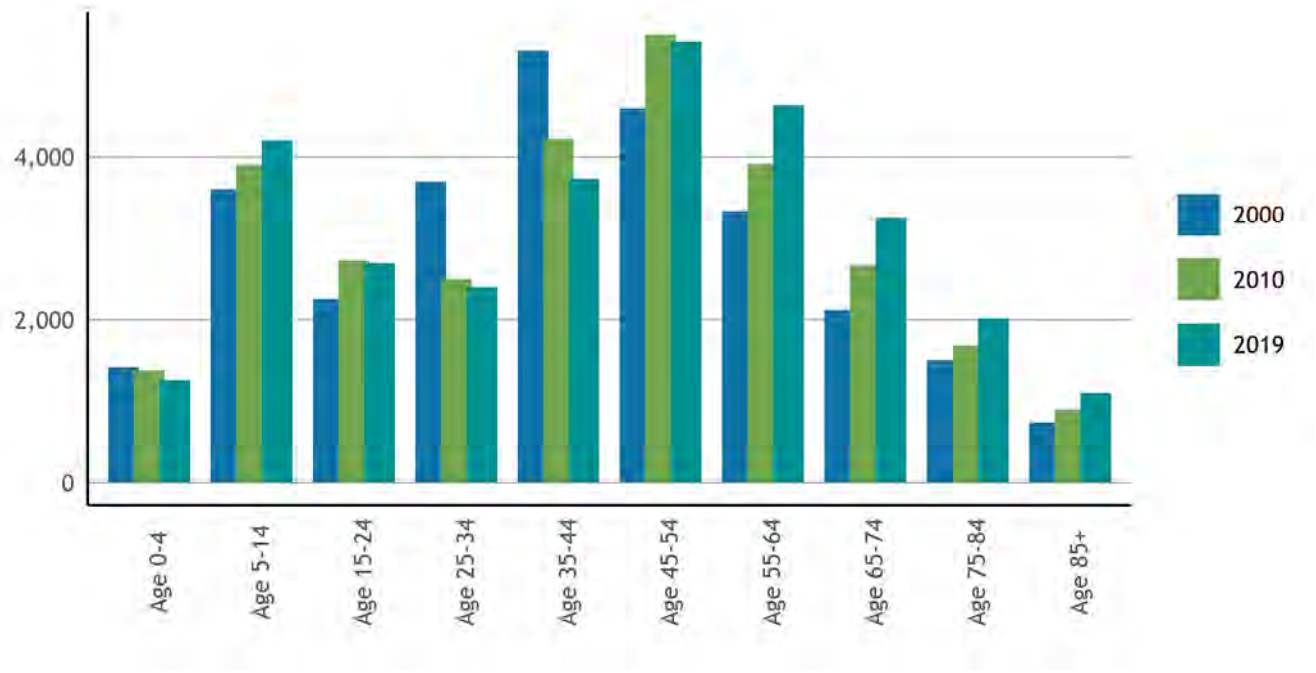
Source: California Department of Finance, E-5 series.
Note: The data shown on the graph represents population for the jurisdiction, county, and region indexed to the population in the first year shown. The data points represent the relative population growth in each of these geographies relative to their populations in that year. For some jurisdictions, a break may appear at the end of each decade (1999, 2009) as estimates are compared to census counts. DOF uses the decennial census to benchmark subsequent population estimates. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-01

Age

The distribution of age groups in a community shapes what types of housing the community may need in the near future. An increase in the older population may mean there is a developing need for more senior housing options, while higher numbers of children and young families can point to the need for more family housing options and related services. There has also been a move by many to age-in-place or downsize to stay within their communities, which can mean more multi-family and accessible units are needed.

In the Town of Los Gatos, the median age in 2000 was approximately 41 years. By 2019, the median age increased to approximately 47 years. The cohorts age 25 to 34 and age 35 to 44 decreased between 2000 and 2019, while all age cohorts 55 and above increased during the same time period. Figure B-2 shows population by age for the years 2000, 2010, and 2019 for the Town of Los Gatos.

Figure B-2 Los Gatos Population by Age, 2000-2019

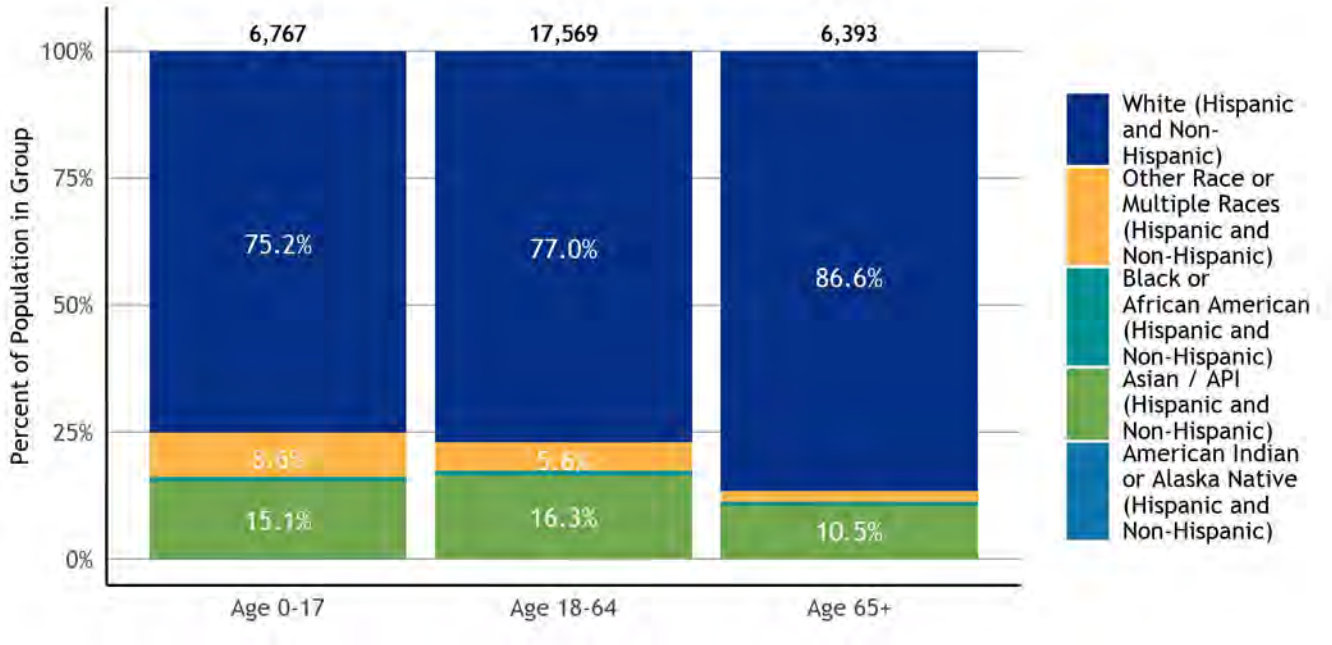


Source: U.S. Census Bureau, Census 2000 SF1, Table P12; U.S. Census Bureau, Census 2010 SF1, Table P12; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-04.
Note: Universe: Total population.

Looking at the senior and youth population by race can add an additional layer of understanding, as families and seniors of color are even more likely to experience challenges finding affordable housing. People of color [6] make up 13.4 percent of seniors and 23.7 percent of youth under 18. Figure B-3 shows population age by race for the Town of Los Gatos.

[6] Here, all non-white racial groups are counted.

Figure B-3 Los Gatos Population Age by Race



Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-G). Data from ABAG/MTC Housing Needs Data Packet Workbook, Table SEN-02.
Notes: Universe: Total population. In the sources for this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity, and an overlapping category of Hispanic / non-Hispanic groups has not been shown to avoid double counting in the stacked bar chart.

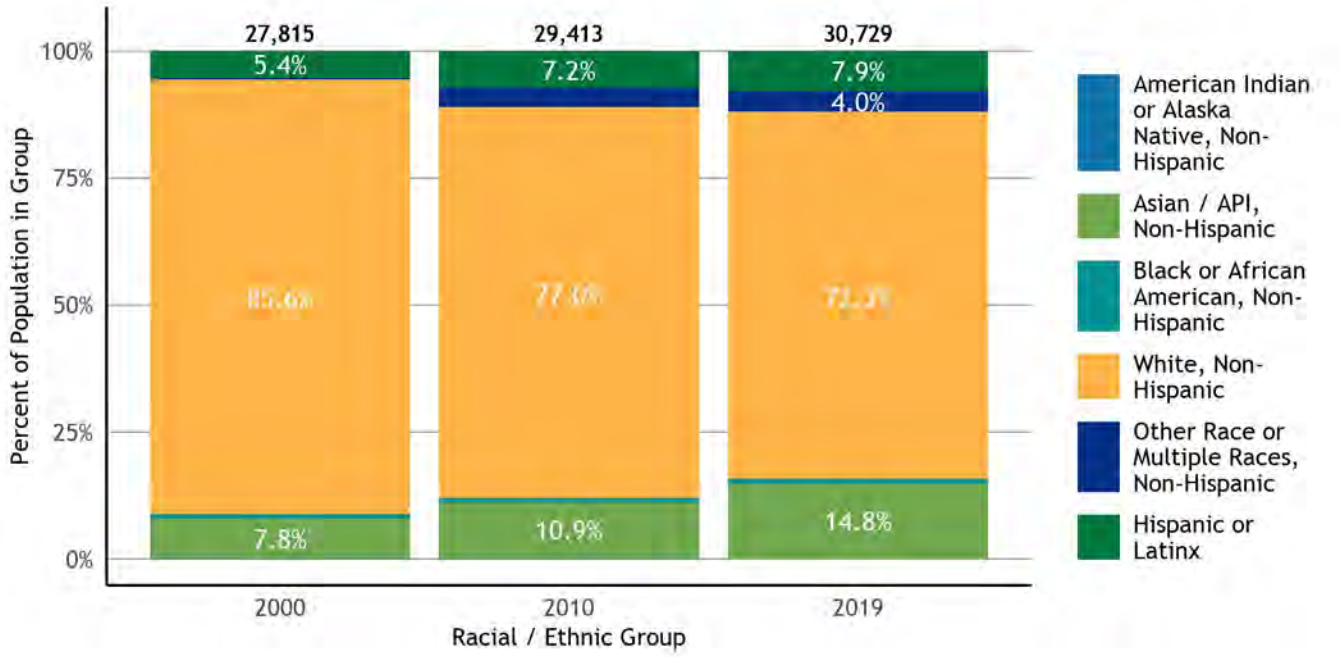
Race and Ethnicity

Understanding the racial makeup of the Town and region is important for designing and implementing effective housing policies and programs. These patterns are shaped by both market factors and government actions, such as exclusionary zoning, discriminatory lending practices, and displacement that has occurred over time and continues to impact communities of color today[7].

Since 2000, the percentage of residents in the Town of Los Gatos identifying as White, Non-Hispanic has decreased by 13.3 percentage points, with this 2019 population standing at 22,231. At the same time the percentage of residents of all Other Race of Multiple Races, Non-Hispanic has increased. In absolute terms, the Asian/API, Non-Hispanic population increased the most while the White, Non-Hispanic population decreased the most. Figure B-4 shows population for the Town of Los Gatos by race for 2000, 2010, and 2019.

[7] See, for example, Rothstein, R. (2017). The color of law: a forgotten history of how our government segregated America. New York, NY & London, UK: Liveright Publishing.

Figure B-4 Los Gatos Population by Race, 2000-2019



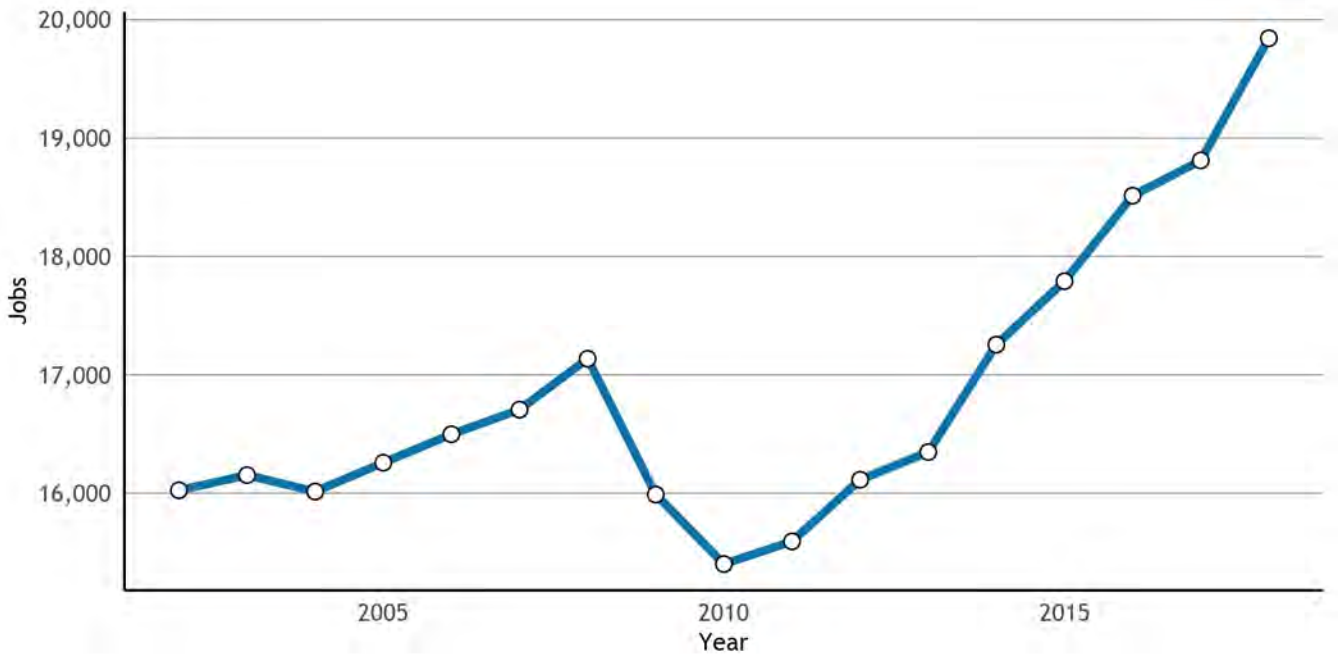
Source: U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-02.
Notes: Universe: Total population. Data for 2019 represents 2015-2019 ACS estimates. The Census Bureau defines Hispanic/Latinx ethnicity separate from racial categories. For the purposes of this graph, the "Hispanic or Latinx" racial/ethnic group represents those who identify as having Hispanic/Latinx ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latinx ethnicity.

Employment Trends

Balance of Jobs and Workers

A town houses employed residents who either work in the community where they live or work elsewhere in the region. Conversely, a town may have job sites that employ residents from the same town, but more often employ workers that commute from outside of it. Smaller towns typically will have more employed residents than jobs and export workers, while larger towns tend to have a surplus of jobs and import workers. To some extent the regional transportation system (bus system, for example) is set up for this flow of workers to the region's core job centers. At the same time, as the housing affordability crisis has illustrated, local imbalances may be severe, where local jobs and worker populations are out of sync at a sub-regional scale. One measure of this is the relationship between workers and jobs. A town with a surplus of workers "exports" workers to other parts of the region, while a town with a surplus of jobs must conversely "import" them. Between 2002 and 2018, the number of jobs in the Town of Los Gatos increased by 23.8 percent. Figure 3-5 shows jobs in the Town of Los Gatos between 2002 and 2018.

Figure B-5 Los Gatos Jobs in a Jurisdiction

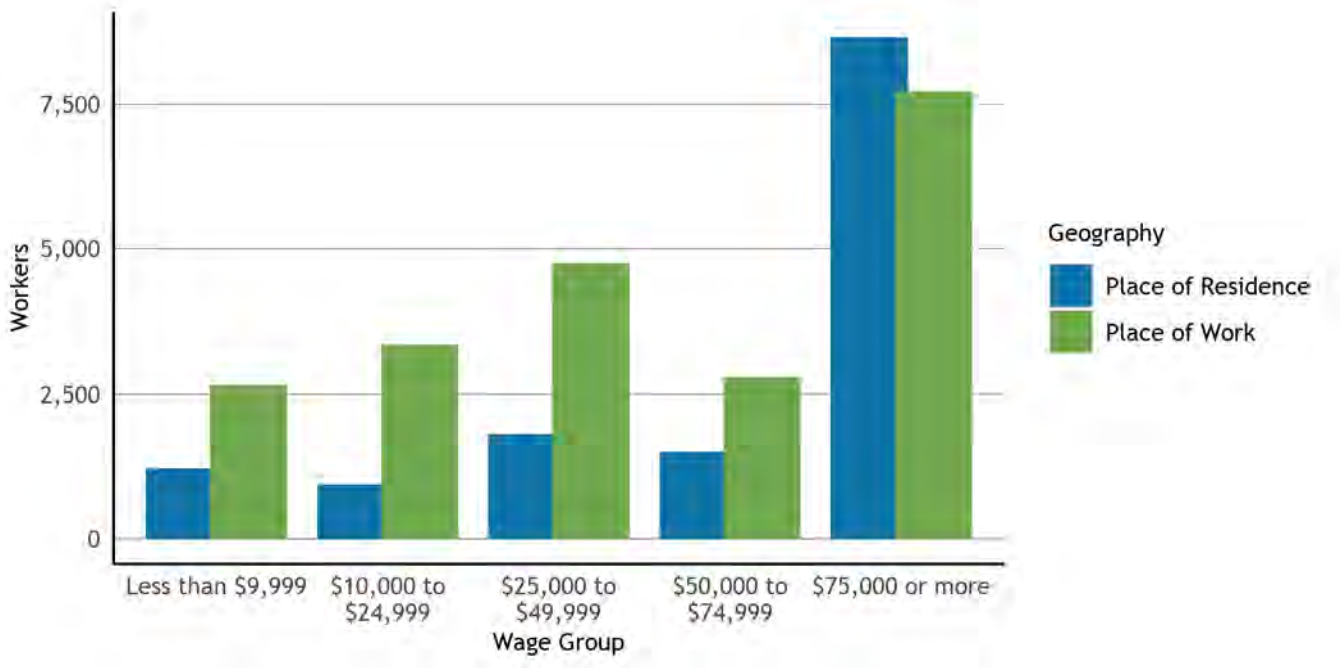


Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files, 2002-2018. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-11.
Notes: Universe: Jobs from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment. The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are cross walked to jurisdictions and summarized.

The figure below shows the balance when comparing jobs to workers, broken down by different wage groups, offering additional insight into local dynamics. A community may offer employment for relatively low-income workers but have relatively few housing options for those workers. Conversely, it may house residents who are low wage workers, but offer few employment opportunities for them. Such relationships may cast extra light on potentially pent-up demand for housing in particular price categories. A relative surplus of jobs relative to residents in a given wage category suggests the need to import those workers, while conversely, surpluses of workers mean the community will export those workers to other jurisdictions. Such flows are not inherently bad, though over time, sub-regional imbalances may appear. The Town has more jobs than residents in wage categories below $75,000 per year. At the high end of the wage spectrum (i.e., wages over $75,000 per year), the Town has more high-wage residents than high-wage jobs[8]. Figure B-6 shows workers by earnings, place of residence, and place of work within the jurisdiction of the Town of Los Gatos.

[8] The source table is top coded at $75,000, precluding more fine-grained analysis at the higher end of the wage spectrum.

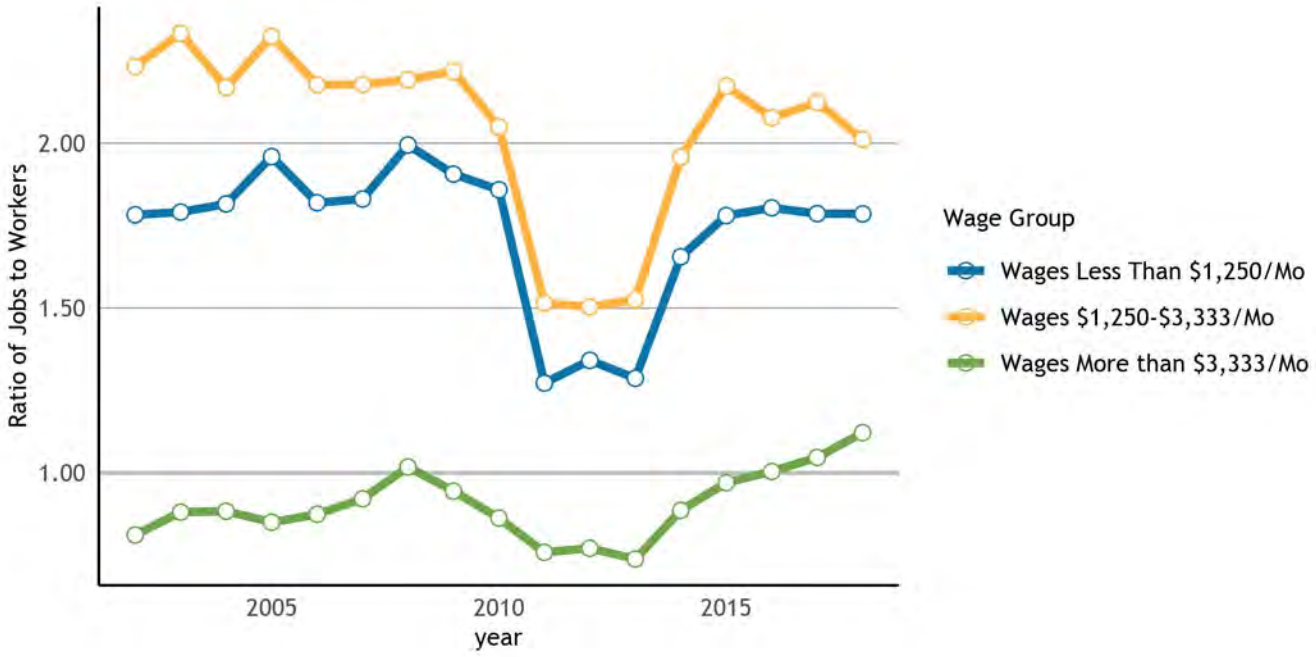
Figure B-6 Workers by Earnings, by Los Gatos Jurisdiction as Place of Work and Place of Residence



Source: U.S. Census Bureau, American Community Survey 5-Year Data 2015-2019, B08119, B08519. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-10.
Notes: Universe: Los Gatos Workers 16 years and over with earnings.

The next diagram shows the ratio of jobs to workers, by wage group. A value of 1.00 means that the Town has the same number of jobs in a wage group as it has resident workers, in principle, a balance. Values above 1.00 indicate a jurisdiction will need to import workers for jobs in a given wage group. Figure B-7 shows jobs to worker ratios for the Town Los Gatos.

Figure B-7 Los Gatos Jobs-Worker Ratios, By Wage Group

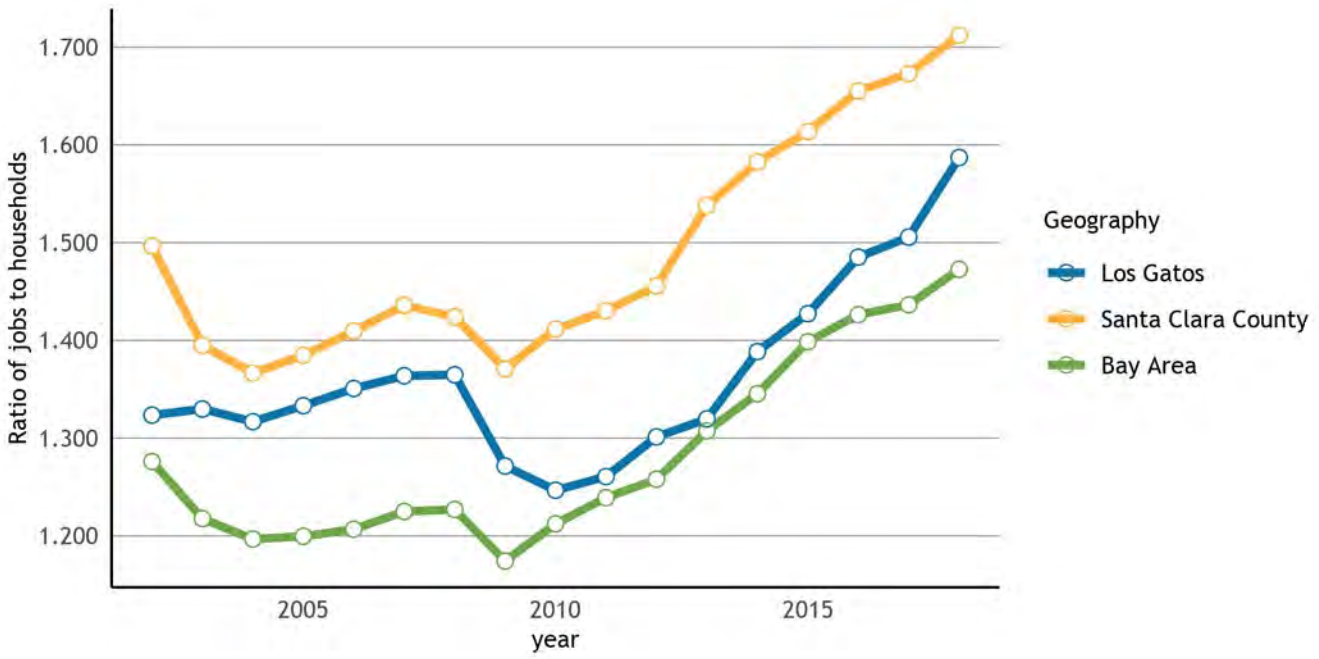


Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs); Residence Area Characteristics (RAC) files (Employed Residents), 2010-2018. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-14.
Notes: Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment. The ratio compares job counts by wage group from two tabulations of LEHD data: Counts by place of work relative to counts by place of residence. See text for details.

Such balances between jobs and workers may directly influence the housing demand in a community. New jobs may draw new residents, and when there is high demand for housing relative to supply, many workers may be unable to afford to live where they work, particularly where job growth has been in relatively lower wage jobs. The Town is a "net importer of workers" at the low-wage group, while at the high-wage group the Town is "exporting workers." This dynamic not only means many workers will need to prepare for long commutes and time spent on the road, but in the aggregate, it contributes to traffic congestion and time lost for all road users.

If there are more jobs than employed residents, it means a community is relatively jobs-rich, typically also with a high jobs-per-employed-resident ratio. Therefore, bringing housing into the measure, the jobs per employed resident ratio in the Town of Los Gatos has increased from 1.32 in 2002, to 1.59 jobs per employed resident in 2018. In short, the Town of Los Gatos is a net importer of workers. Figure B-8 shows the Town of Los Gatos jobs per household ratio.

Figure B-8 Jobs-Household Ratio

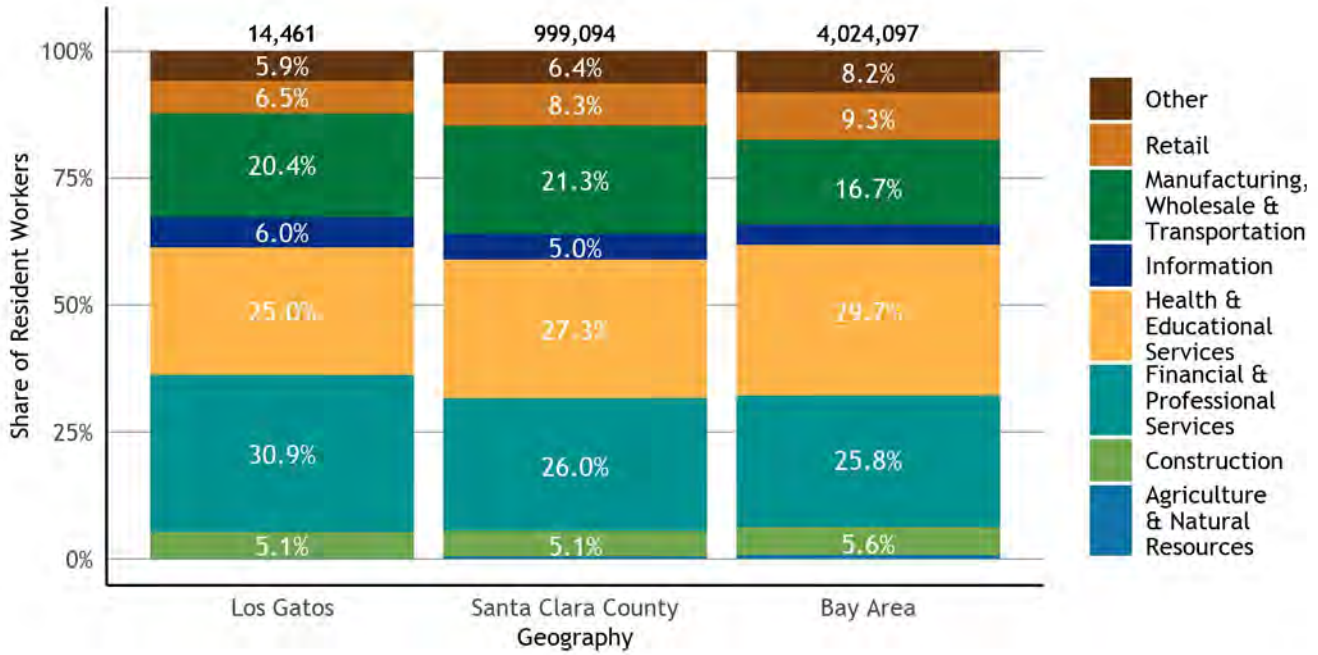


Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs), 2002-2018; California Department of Finance, E-5 (Households). Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-13.
Notes: Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment; households in a jurisdiction. The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are cross walked to jurisdictions and summarized. The ratio compares place of work wage and salary jobs with households, or occupied housing units. A similar measure is the ratio of jobs to housing units. However, this jobs-household ratio serves to compare the number of jobs in a jurisdiction to the number of housing units that are actually occupied. The difference between a jurisdiction's jobs-housing ratio and jobs-household ratio will be most pronounced in jurisdictions with high vacancy rates, a high rate of units used for seasonal use, or a high rate of units used as short-term rentals.

Sector Composition

In terms of sectoral composition, the largest industry in which the Town of Los Gatos residents work is Financial and Professional Services, and the largest sector in which Santa Clara residents work is Health and Educational Services. For the Bay Area as a whole, the Health and Educational Services industry employs the most workers. Figure B-9 shows resident employment by industry.

Figure B-9 Resident Employment by Industry

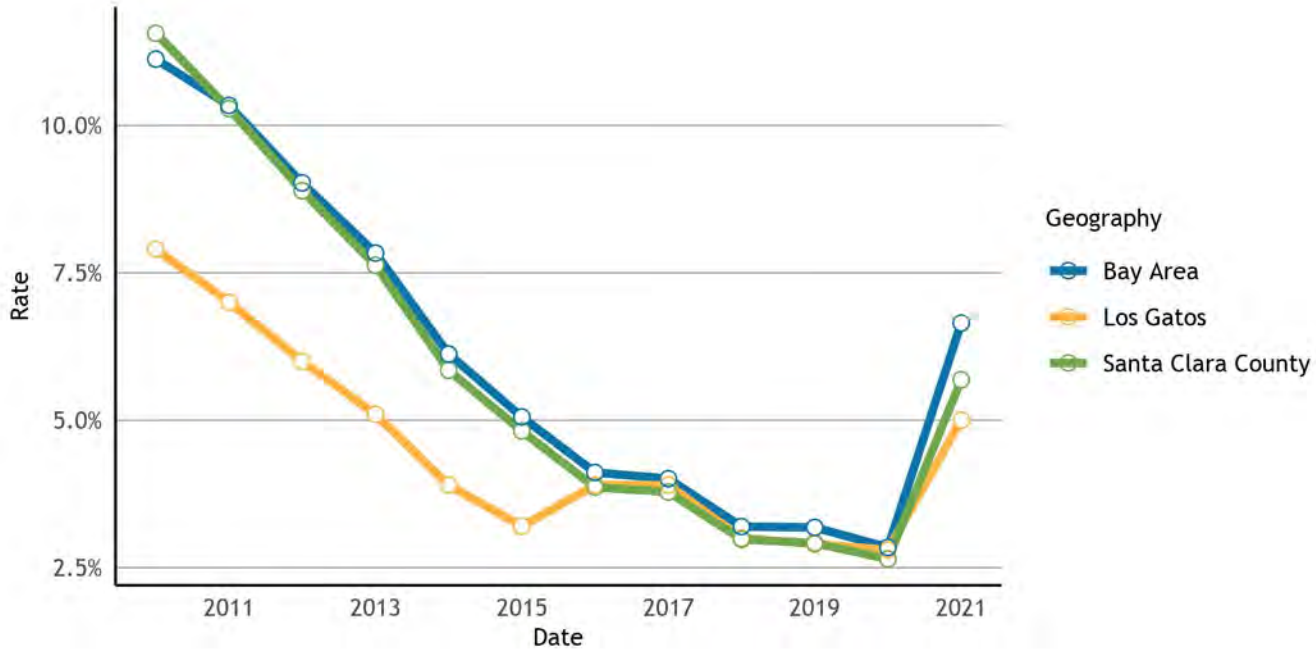


Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table C24030. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-06.
Notes: Universe: Civilian employed population age 16 years and over. The data displayed shows the industries in which jurisdiction residents work, regardless of the location where those residents are employed (whether within the jurisdiction or not). Categories are derived from the following source tables: Agriculture & Natural Resources: C24030_003E, C24030_030E; Construction: C24030_006E, C24030_033E; Manufacturing, Wholesale & Transportation: C24030_007E, C24030_034E, C24030_008E, C24030_035E, C24030_010E, C24030_037E; Retail: C24030_009E, C24030_036E; Information: C24030_013E, C24030_040E; Financial & Professional Services: C24030_014E, C24030_041E, C24030_017E, C24030_044E; Health & Educational Services: C24030_021E, C24030_024E, C24030_048E, C24030_051E; Other: C24030_027E, C24030_054E, C24030_028E, C24030_055E.

Unemployment

In the Town of Los Gatos, there was a 2.9 percentage point decrease in the unemployment rate between January 2010 and January 2021. Jurisdictions throughout the region experienced a sharp rise in unemployment in 2020 due to impacts related to the COVID-19 pandemic, though with a general improvement and recovery in the later months of 2020. Figure B-10 shows the unemployment rates over the last decade for the Town of Los Gatos, Santa Clara County, and the Bay Area as a whole.

Figure B-10 Los Gatos Unemployment Rate



Source: California Employment Development Department, Local Area Unemployment Statistics (LAUS), Sub-county areas monthly updates, 2010-2021. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-15.
Notes: Universe: Civilian noninstitutional population ages 16 and older. Unemployment rates for the jurisdiction level is derived from larger-geography estimates. This method assumes that the rates of change in employment and unemployment are exactly the same in each sub-county area as at the county level. If this assumption is not true for a specific sub-county area, then the estimates for that area may not be representative of the current economic conditions. Since this assumption is untested, caution should be employed when using these data. Only not seasonally-adjusted labor force (unemployment rates) data are developed for cities and CDPs.

Extremely Low-Income Households

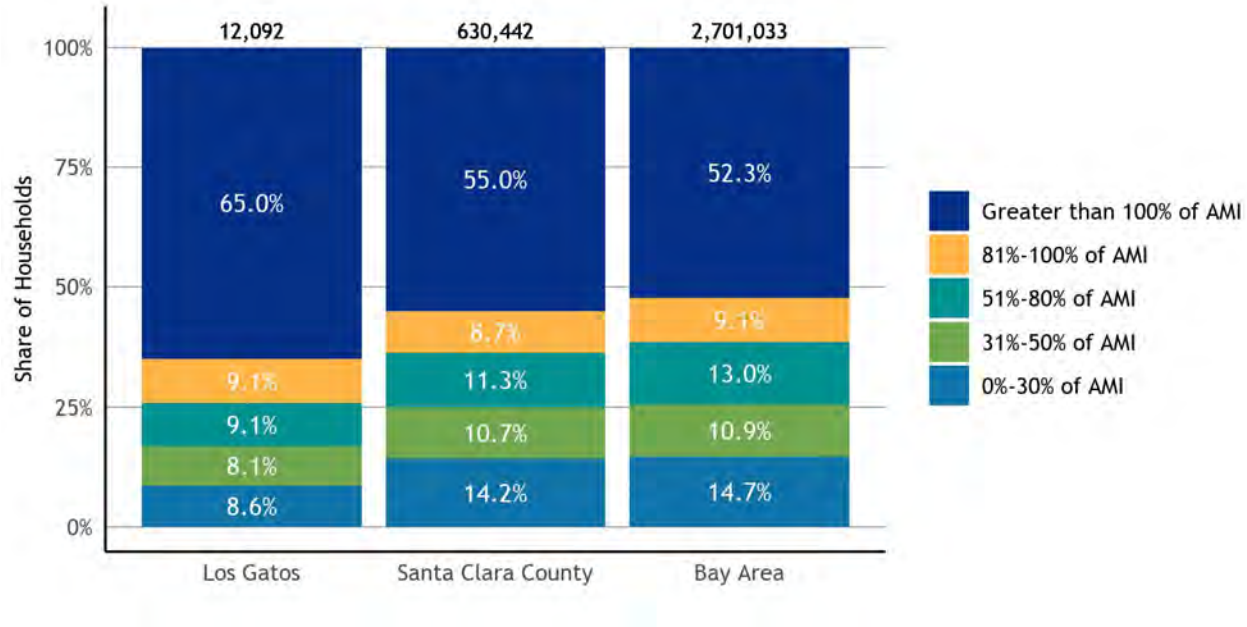
Despite the economic and job growth experienced throughout the region since 1990, the income gap has continued to widen. California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the state[9].

In the Town of Los Gatos, 65 percent of households make more than 100 percent of the Area Median Income (AMI)[10], compared to 8.6 percent making less than 30 percent of AMI, which is considered extremely low-income. Regionally, more than half of all households make more than 100 percent AMI, while 15 percent make less than 30 percent AMI. In Santa Clara County, 30 percent AMI is the equivalent to the annual income of $39,900 for a family of four. Many households with multiple wage earners, including food service workers, full-time students, teachers, farmworkers, and healthcare professionals, can fall into lower AMI categories due to relatively stagnant wages in many industries. Figure B-11 shows households by income level.

[9] Bohn, S.et al. 2020. Income Inequality and Economic Opportunity in California. Public Policy Institute of California.

[10] Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), S1anta Rosa Metro

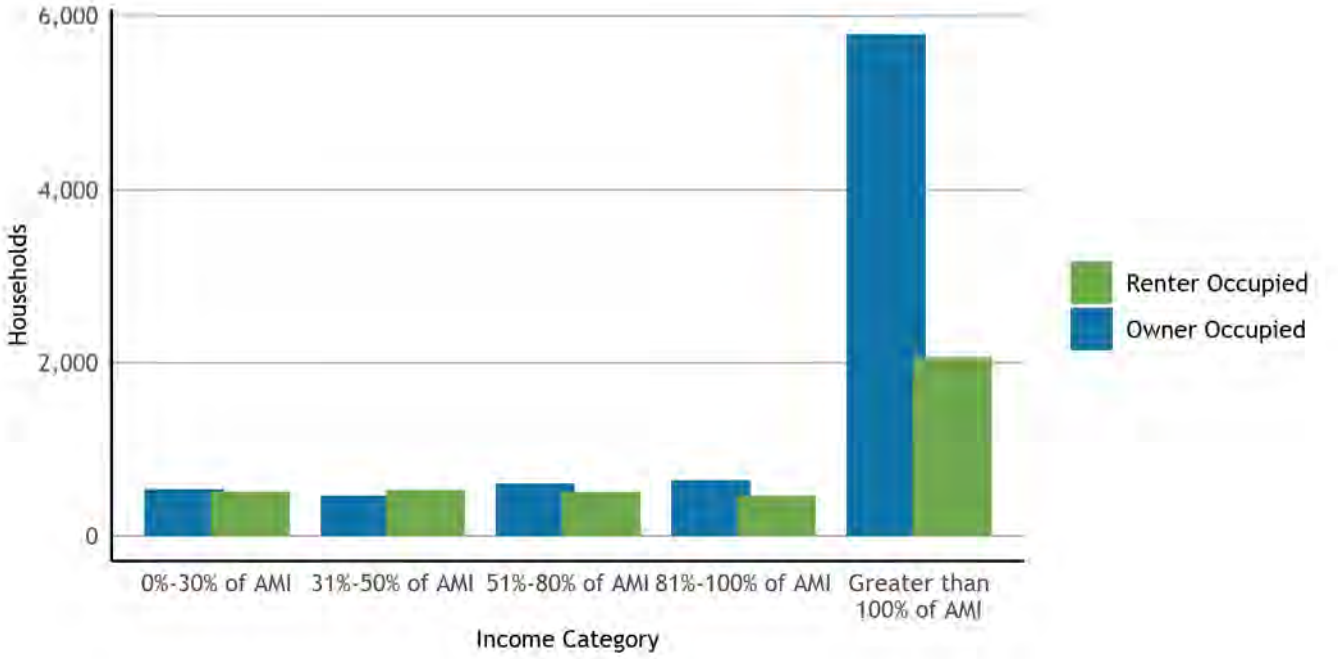
Figure B-11 Households by Household Income Level



Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2012-2017 release. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table ELI-01.
Notes: Universe: Occupied housing units. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. The data that is reported for the Bay Area is not based on a regional AMI but instead refers to the regional total of households in an income group relative to the AMI for the county where that household is located. Local jurisdictions are required to provide an estimate for their projected extremely low-income households (0-30 percent AMI) in their Housing Elements. HCD's official Housing Element guidance notes that jurisdictions can use their RHNA for very low-income households (those making 0-50 percent AMI) to calculate their projected extremely low-income households. As Bay Area jurisdictions have not yet received their final RHNA numbers, this document does not contain the required data point of projected extremely low-income households. The report portion of the housing data needs packet contains more specific guidance for how local staff can calculate an estimate for projected extremely low-income households once jurisdictions receive their 6th cycle RHNA numbers. AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Households making between 80 and 120 percent of the AMI are moderate-income, those making 50 to 80 percent are low income, those making 30 to 50 percent are very low-income, and those making less than 30 percent are extremely low-income. This is then adjusted for household size.

Throughout the region, there are disparities between the incomes of homeowners and renters. Typically, the number of low-income renters greatly outpaces the amount of housing available that is affordable for these households. In the Town of Los Gatos, the largest proportion of renters falls in the Greater than 100 percent of AMI group, while the largest proportion of homeowners are found in the Greater than 100 percent of AMI group. Figure B-12 shows household income by tenure.

Figure B-12 Los Gatos Household Income Level by Tenure



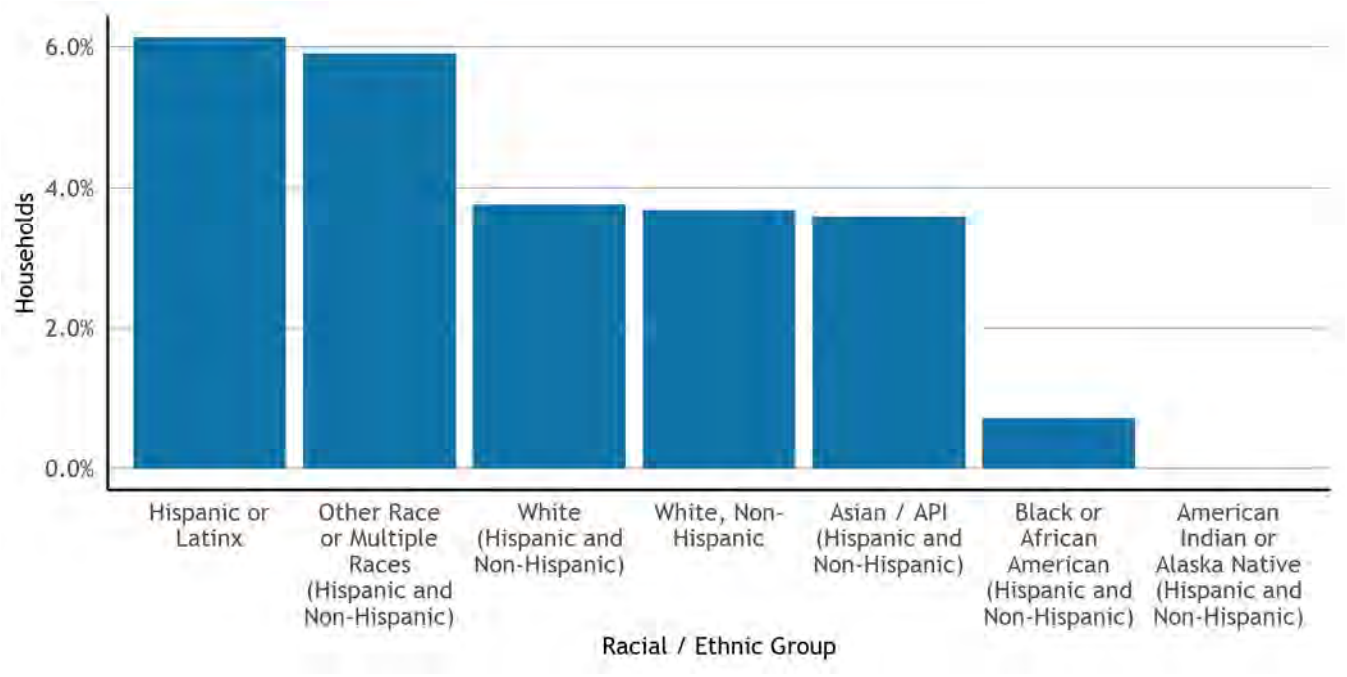
Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2012-2017 release. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-21.
Notes: Universe: Occupied housing units. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Currently, people of color are more likely to experience poverty and financial instability as a result of Federal, State, and local housing policies that have historically excluded them from the same opportunities extended to White residents[11]. These economic disparities also leave communities of color at higher risk for housing insecurity, displacement, or homelessness.

In the Town of Los Gatos, Hispanic or Latinx and Other Race or Multiple Races (Hispanic and Non-Hispanic) residents experience the highest rates of poverty, followed by White (Hispanic and Non-Hispanic) residents. Figure B-13 shows poverty status by race.

[11] Moore, E., Montojo, N. and Mauri, N., 2019. Roots, Race & Place: A History of Racially Exclusionary Housing the San Francisco Bay Area. Hass Institute.

Figure B-13 Los Gatos Poverty Status by Race



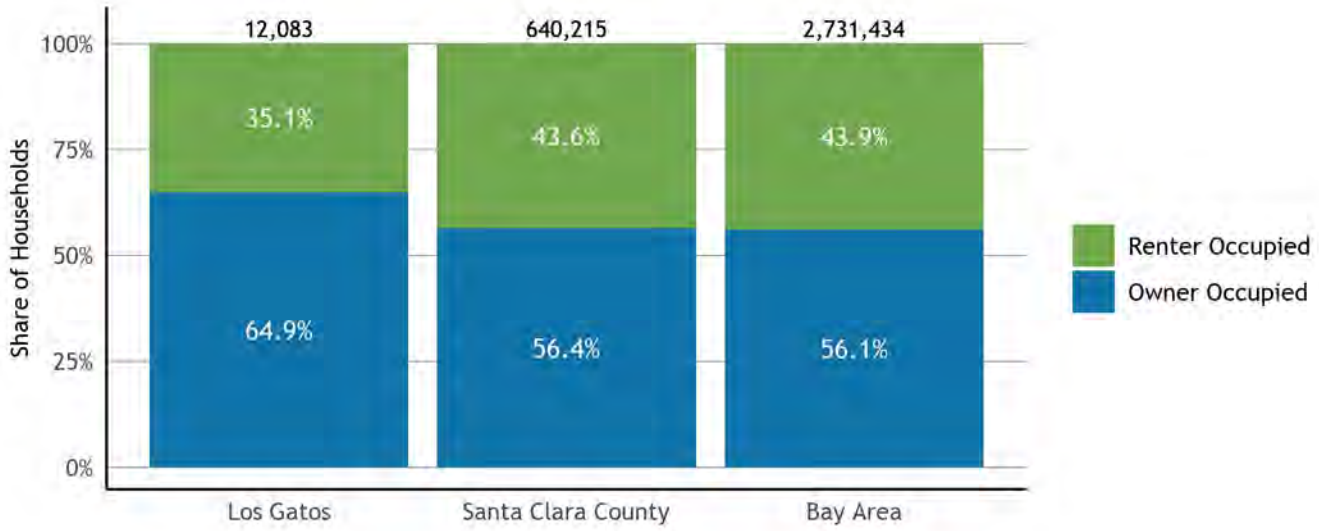
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17001(A-I). Data from ABAG/MTC Housing Needs Data Packet Workbook, Table ELI-03.
Notes: Universe: Population for whom poverty status is determined. The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to Area Median Income. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the population for whom poverty status is determined for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the population for whom poverty status is determined.

Tenure

The number of residents who own their homes compared to those who rent their homes can help identify the level of housing insecurity (i.e., ability for individuals to stay in their homes) in a town or city and region. Generally, renters may be displaced more quickly if prices increase.

In the Town of Los Gatos as of 2019, there are a total of 12,083 housing units, and fewer residents rent than own their homes: 35.1 percent versus 64.9 percent. By comparison, 43.6 percent of households in Santa Clara County are renters, while 43.9 percent of Bay Area households rent their homes. Figure B-14 shows housing tenure for Los Gatos, Santa Clara County, and the Bay Area as a whole.

Figure B-14 Housing Tenure



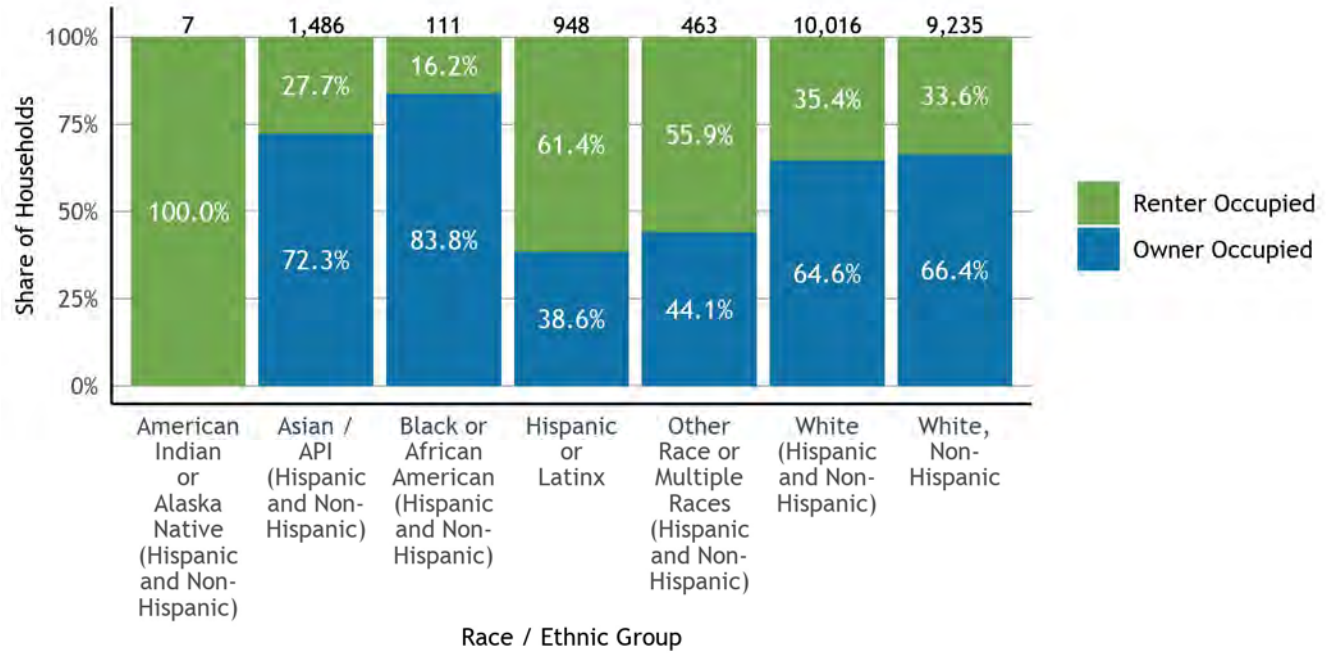
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-16.
Notes: Universe: Occupied housing units.

Homeownership rates often vary considerably across race and ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth, but also stem from Federal, State, and local policies that limited access to homeownership for communities of color while facilitating homebuying for White residents. While many of these policies, such as redlining, have been formally disbanded, the impacts of race-based policy are still evident across Bay Area communities.[12]

In Los Gatos, 84 percent of Black households owned their homes, while homeownership rates were 72 percent for Asian households, 39 percent for Latinx households, and 65 percent for White households. Notably, recent changes to State law require local jurisdictions to examine these dynamics and other fair housing issues when updating their Housing Elements. Figure B-15 shows housing tenure by the race of the householder.

[12] See, for example, Rothstein, R. (2017). The color of law: a forgotten history of how our government segregated America. New York, NY & London, UK: Liveright Publishing.

Figure B-15 Los Gatos Housing Tenure by Race of Householder

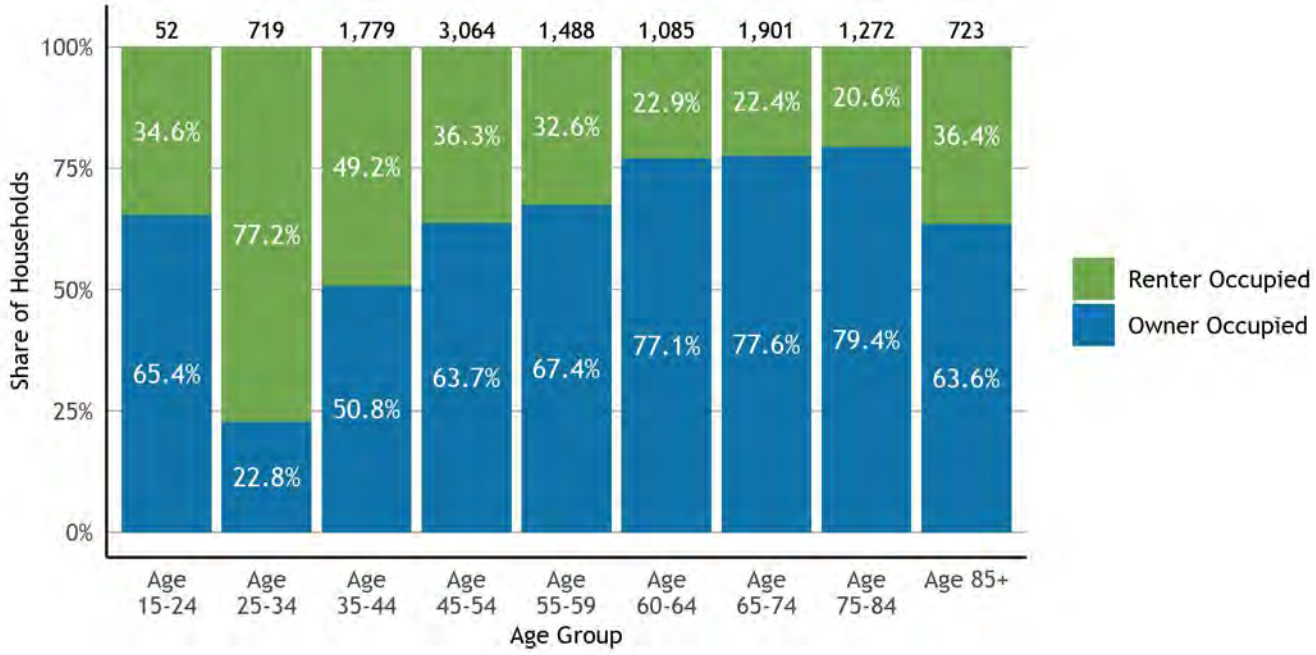


Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003(A-I). Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-20.
Notes: Universe: Occupied housing units. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labeled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.

The age of residents who rent or own their home can also signal the housing challenges a community is experiencing. Younger households tend to rent and may struggle to buy a first home in the Bay Area due to high housing costs. At the same time, senior homeowners seeking to downsize may have limited options in an expensive housing market.

In the Town of Los Gatos, 77.2 percent of householders between the ages of 25 and 34 are renters, and 36.4 percent of householders over 85 are renters. Figure B-16 shows housing tenure by age.

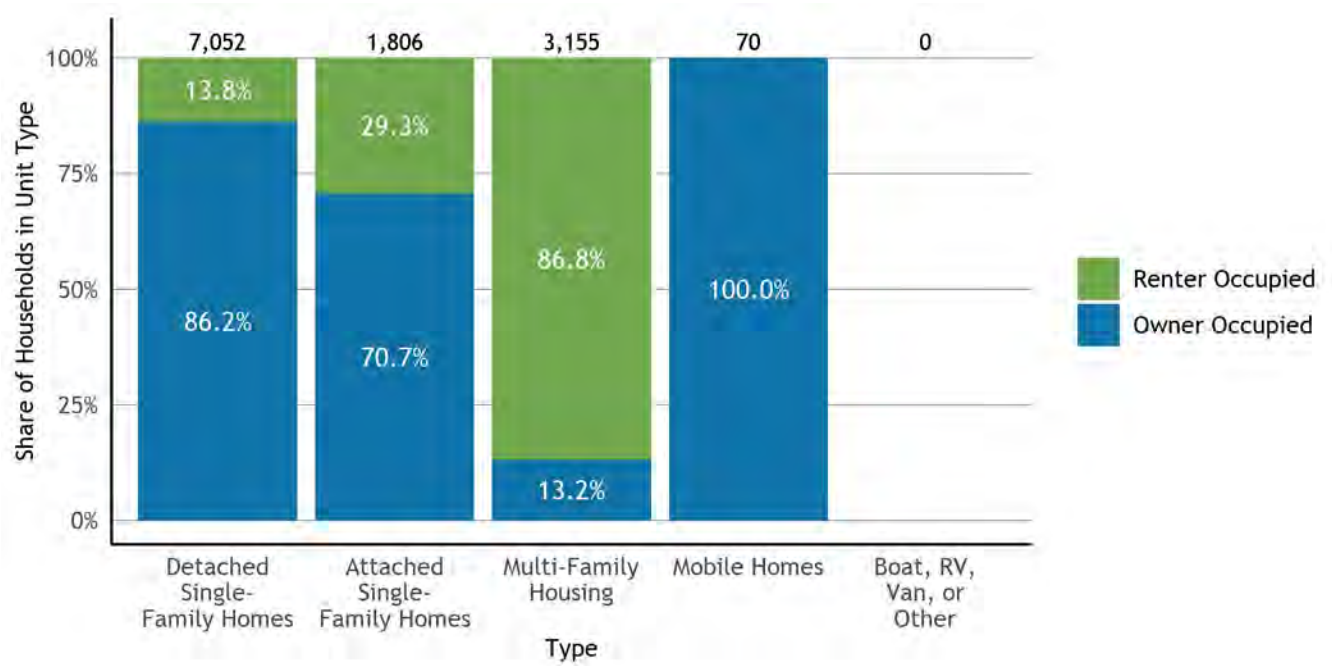
Figure B-16 Los Gatos Housing Tenure by Age



Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25007. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-18.
Notes: Universe: Occupied housing units.

In many communities, homeownership rates for households in single-family homes are substantially higher than the rates for households in multi-family housing. In the Town of Los Gatos, 86.2 percent of households in detached single-family homes are homeowners, while 13.2 percent of households in multi-family housing are homeowners. Figure B-17 shows housing tenure by housing type.

Figure B-17 Los Gatos Housing Tenure by Housing Type



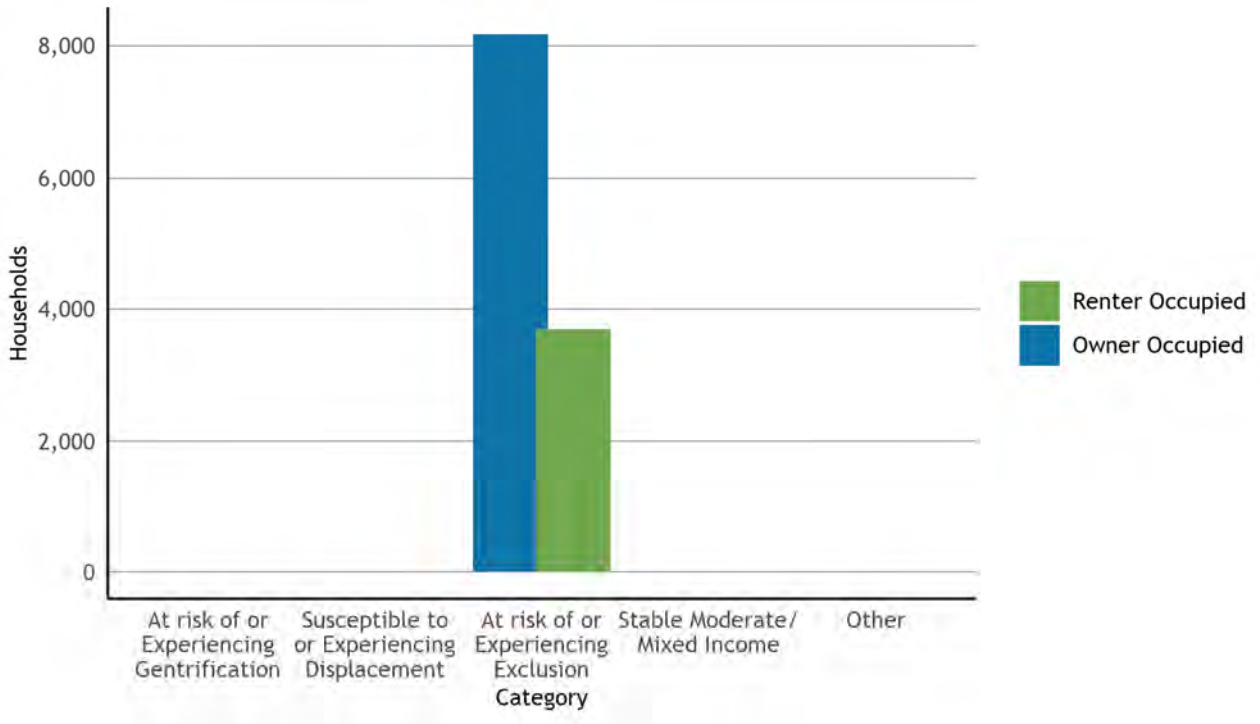
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25032. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-22.
Notes: Universe: Occupied housing units.

Displacement

Because of increasing housing prices, displacement is a major concern in the Bay Area. Displacement has the most severe impacts on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they also lose their support network.

The University of California UC, Berkeley, has mapped all neighborhoods in the Bay Area, identifying their risk for gentrification. They find that in the Town of Los Gatos, there are no households that live in neighborhoods that are susceptible to or experiencing displacement and none live in neighborhoods at risk of or undergoing gentrification. Equally important, some neighborhoods in the Bay Area do not have housing appropriate for a broad section of the workforce. The University of California, Berkeley, estimates that all households in the Town of Los Gatos live in neighborhoods where low-income households are likely to be excluded due to prohibitive housing costs[13]. Figure B-18 shows household displacement risk and tenure.

Figure B-18 Los Gatos Households by Displacement Risk and Tenure



Source: Urban Displacement Project for classification, American Community Survey 5-Year Data (2015-2019), Table B25003 for tenure.
Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-25.
Notes: Universe: Households. Displacement data is available at the census tract level. Staff aggregated tracts up to jurisdiction level using census 2010 population weights, assigning a tract to jurisdiction in proportion to block level population weights. Total household count may differ slightly from counts in other tables sourced from jurisdiction level sources. Categories are combined as follows for simplicity: At risk of or Experiencing Exclusion: At Risk of Becoming Exclusive; Becoming Exclusive; Stable/Advanced Exclusive At risk of or Experiencing Gentrification: At Risk of Gentrification; Early/Ongoing Gentrification; Advanced Gentrification Stable Moderate/Mixed Income: Stable Moderate/Mixed Income Susceptible to or Experiencing Displacement: Low-Income/Susceptible to Displacement; Ongoing Displacement Other: High Student Population; Unavailable or Unreliable Data.

[13] More information about this gentrification and displacement data is available at the Urban Displacement Project's webpage: https://www.urbandisplacement.org/. Specifically, one can learn more about the different gentrification/displacement typologies shown in Figure 18 at this link: https://www.urbandisplacement.org/sites/default/files/typology_sheet_2018_0.png. Additionally, one can view maps that show which typologies correspond to which parts of a jurisdiction here: https://www.urbandisplacement.org/san-francisco/sf-bay-area-gentrification-and-displacement

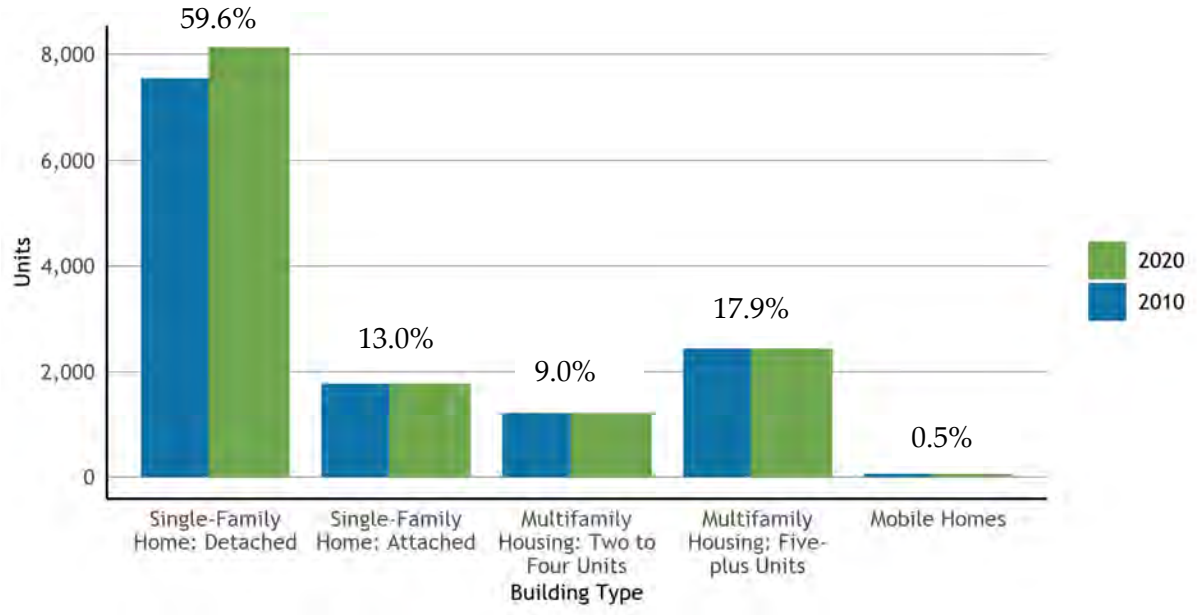
B.3 Housing Stock Characteristics

Housing Types, Year Built, Vacancy, and Permits

In recent years, most housing produced in the region and across the State consisted of single-family homes and larger multi-unit buildings. However, some households are increasingly interested in "missing middle housing" or "Small Multi-Unit Housing, including duplexes, triplexes, townhomes, cottage clusters, and accessory dwelling units. These housing types may open up more options across incomes and tenure, from young households seeking homeownership options to seniors looking to downsize and age-in-place.

The housing stock of the Town of Los Gatos in 2020 was made up of 60 percent Single-Family Home: Detached, 13 percent Single-Family Home: Attached, 9 percent Multi-family Housing: Two to Four Units, 18 percent Multi-family Housing: Five-Plus Units, and 0.5 percent Mobile Homes. In Los Gatos, the housing type that experienced the most growth between 2010 and 2020 was Single-Family Home: Detached. Figure B-19 shows housing type trends in Los Gatos for 2010 and 2020.

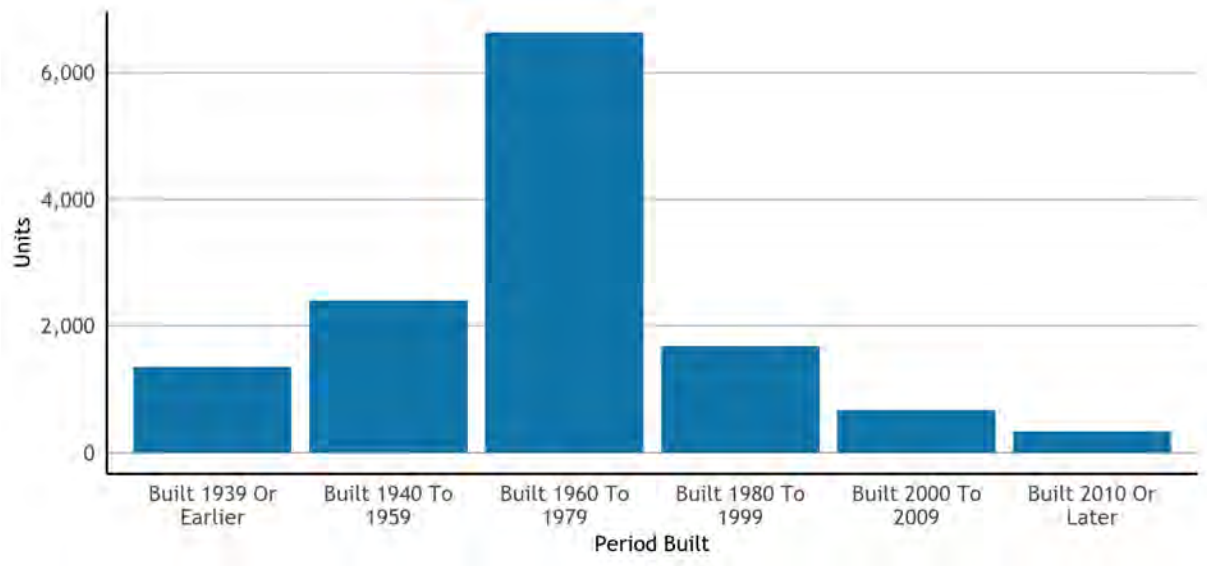
Figure B-19 Los Gatos Housing Type Trends



SOURCE: California Department of Finance, E-5 series. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table HSG-01.
NOTE: Universe: Housing units.

Production has not kept up with housing demand for several decades in the Bay Area, as the total number of units built and available has not yet come close to meeting the population and job growth experienced throughout the region. In the Town of Los Gatos, the largest proportion of the housing stock was Built 1960 to 1979, with 6,630 units constructed during this period. Since 2010, 2.6 percent of the current housing stock was built, which is 342 units (U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25034). Figure B-20 shows housing units by the year built.

Figure B-20 Los Gatos Housing Units by Year Structure Built



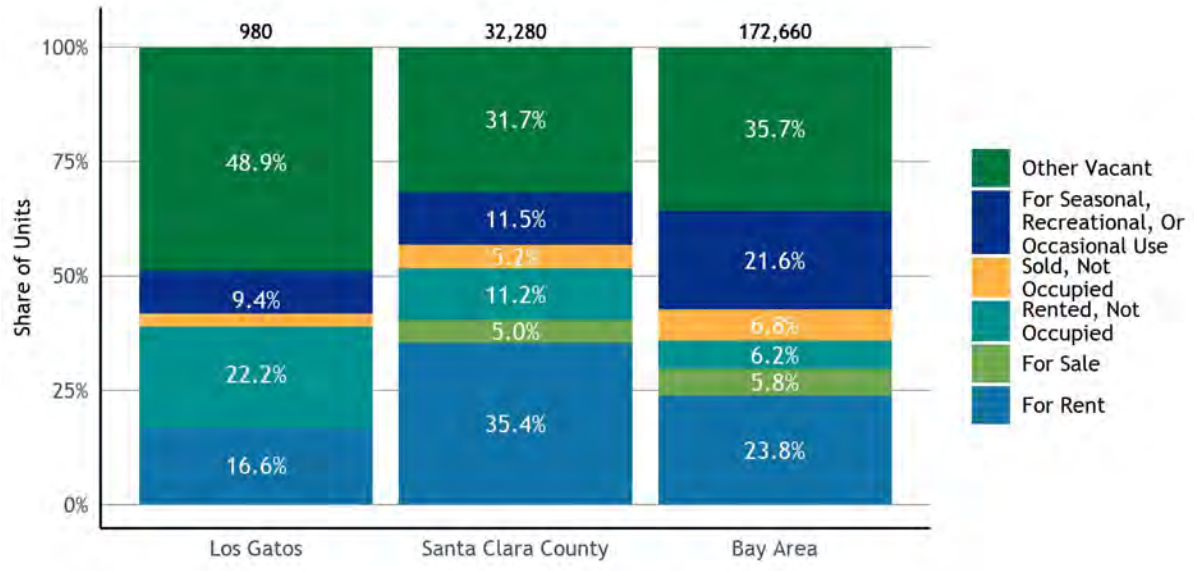
SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25034. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table HSG-04.
NOTE: Universe: Housing units.

Throughout the Bay Area, vacancies make up 2.6 percent of the total housing units, with homes listed for rent, units used for Recreational or Occasional Use, and units not otherwise classified (Other Vacant) making up the majority of vacancies. The Census Bureau classifies a unit as vacant if no one is occupying it when census interviewers are conducting the American Community Survey or Decennial Census. Vacant units classified as For Recreational or Occasional Use are those that are held for short-term periods of use throughout the year. Accordingly, vacation rentals and short-term rentals like Airbnb are likely to fall in this category. The Census Bureau classifies units as Other Vacant if they are vacant due to foreclosure, personal/family reasons, legal proceedings, repairs/renovations, abandonment, preparation for being rented or sold, or vacant for an extended absence for reasons such as a work assignment, military duty, or incarceration[14]. In a region with a thriving economy and housing market like the Bay Area, units being renovated/repaired and prepared for rental or sale are likely to represent a large portion of the Other Vacant category. Additionally, the need for seismic retrofitting in older housing stock could also influence the proportion of Other Vacant units in some jurisdictions[15].

Vacant units make up 7.5 percent of the overall housing stock in the Town of Los Gatos. The rental vacancy stands at 8.2 percent, while the ownership vacancy rate is 0.4 percent. Of the vacant units in the Town of Los Gatos, the most common type of vacancy is Other Vacant, which represents almost half of all vacant rental units[16]. Figure B-21 shows vacant units by type.

[14] For more information, see pages 3 through 6 of this list of definitions prepared by the Census Bureau: https://www.census.gov/housing/hvs/definitions.pdf.
[15] See Dow, P. (2018). Unpacking the Growth in San Francisco's Vacant Housing Stock: Client Report for the San Francisco Planning Department. University of California, Berkeley.
[16] The vacancy-rates-by-tenure is for a smaller universe than the total vacancy rate first reported, which in principle includes the full stock (7.5 percent). The vacancy by tenure counts are rates relative to the rental stock (occupied and vacant) and ownership stock (occupied and vacant) but exclude a significant number of vacancy categories, including the numerically significant *other vacant*.

Figure B-21 Los Gatos Vacant Units by Type



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25004. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table HSG-03.
NOTE: Universe: Vacant housing units.

Between 2015 and 2020, 502 housing units were issued building permits in the Town of Los Gatos. Of those, approximately percent were for above moderate-income housing, approximately percent were for moderate-income housing, and approximately 1.0 percent were for low-income, and approximately 17.0 percent were for very low-income housing. Table B-2 shows residential building permits issued by the Town of Los Gatos by income group.

Table B-2 Los Gatos, Residential Building Permits by Income Group, 2015 to 2020

Income Group	Number	Percent
Very Low-Income Permits	49	revise all below
Low-Income Permits	3	
Moderate-Income Permits	119	
Above Moderate-Income Permits	331	
Total	502	100.0%

SOURCE: California Department of Housing and Community Development (HCD), 5th Cycle Annual Progress Report Permit Summary (2020). Data from ABAG/MTC Housing Needs Data Packet Workbook, Table HSG-11.
NOTE: Universe: Housing permits issued between 2015 and 2021. Notes: HCD uses the following definitions for the four income categories: Very Low Income: units affordable to households making less than 50 percent of the Area Median Income for the county in which the jurisdiction is located. Low Income: units affordable to households making between 50 percent and 80 percent of the Area Median Income for the county in which the jurisdiction is located. Moderate Income: units affordable to households making between 80 percent and 120 percent of the Area Median Income for the county in which the jurisdiction is located. Above Moderate Income: units affordable to households making above 120 percent of the Area Median Income for the county in which the jurisdiction is located.

Assisted Housing Developments At-Risk of Conversion

While there is a need to produce new affordable housing units, ensuring that the existing affordable housing stock remains affordable is also important. Additionally, it is typically faster and less expensive to preserve currently affordable units that are at risk of converting to market-rate than it is to build new affordable housing.

The data in the table below comes from the California Housing Partnership's Preservation Database, the State's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status

and converting to market-rate housing[17]. According to the data, there are 169 assisted units in the Town of Los Gatos. Of these units, none were at high risk or very high risk of conversion. Table B-3 summarizes assisted units at risk in the Town of Los Gatos.

Table B-3 Assisted Units at Potential Risk of Conversion

Income	Los Gatos	Santa Clara County	Bay Area
Low-Income Units	169	28,001	110,177
Moderate-Income Units	0	1,471	3,375
High-Income Units	0	422	1,854
Very High-Income Units	0	270	1,053
Total	169	30,164	116,459

SOURCE: California Housing Partnership, Preservation Database (2020). Data from ABAG/MTC Housing Needs Data Packet Workbook, Table RISK01.

NOTE: Universe: HUD, Low-Income Housing Tax Credit (LIHTC), USDA, and CalHFA projects. Subsidized or assisted developments that do not have one of the aforementioned financing sources may not be included. While California Housing Partnership's Preservation Database is the state's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing, this database does not include all deed-restricted affordable units in the state. Consequently, there may be at-risk assisted units in a jurisdiction that are not captured in this data table. Per HCD guidance, local jurisdictions must also list the specific affordable housing developments at-risk of converting to market rate uses. This document provides aggregate numbers of at risk units for each jurisdiction, but local planning staff should contact Danielle Mazzella with the California Housing Partnership at dmazzella@chpc.net to obtain a list of affordable properties that fall under this designation. California Housing Partnership uses the following categories for assisted housing developments in its database: Very-High Risk: affordable homes that are at-risk of converting to market rate within the next year that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. High Risk: affordable homes that are at-risk of converting to market rate in the next 1-5 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. Moderate Risk: affordable homes that are at-risk of converting to market rate in the next 5-10 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. Low Risk: affordable homes that are at-risk of converting to market rate in 10+ years and/or are owned by a large/stable non-profit, mission-driven developer.

Substandard Housing

Housing costs in the region are among the highest in the country~~., which could result in households, particularly renters, needing to live in substandard conditions in order to afford housing. Generally, there is limited data on the extent of substandard housing issues in a community. However, the~~ In general, substandard housing is not an issue in Los Gatos. Between the years of 2015-2023 there were 4,311 code violations with only 15 cases of substandard housing conditions. 0.3 percent of code enforcement violations were substandard housing cases. Most of the substandard conditions were related to mental health issues involving hoarding and are owner occupied. The 15 cases are spread throughout the Town limits and are not concentrated in one part of Town. The Town of Los Gatos has one full time Code Compliance Officer and is reactive (complaint based) in regard to enforcement.

Year	2015-2023 Los Gatos Substandard Housing Code Violations
2023	Occupied rental - gutters in disrepair, and mold in interior rooms.
2022	Owner occupied residence - hole in roof, junk accumulation, and unregistered vehicles*.
2021	Occupied multi-family apartment - carport ceiling repair, trash can area sanitation, and decking-railing repair/replace.
2020	Unoccupied storage for hoarder-tarps covering holes in roof, unregistered vehicles, and nonfunctioning gutters*.

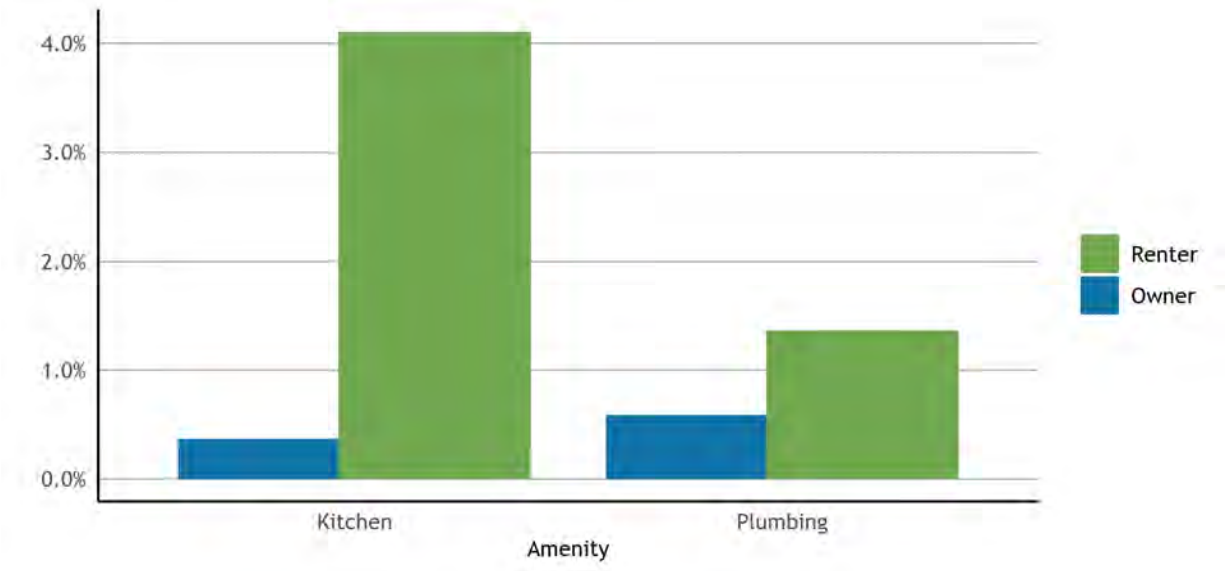
[17] This database does not include all deed-restricted affordable units in the state, so there may be at-risk assisted units in a jurisdiction that are not captured in this data table.

2020	Occupied residence - tall grass, inoperable vehicles, residence in disrepair, and rodent harborage.
2019	Unoccupied residence - tall grass, un-secured, residence in disrepair, rodent harborage, and demolished by owner.
2017	Owner occupied residence - storage in the side yard, felled trees, unregistered vehicles, parking on dirt, RV used as home in rear yard, and storage of household items in carport*.
2015	Owner occupied residence - hoarding conditions, junk accumulation, inoperable vehicles, and trailer in front yard*.
2015	Owner occupied residence - rodent harborage, trash/rubbish, and unregistered vehicles*.
2015	Unoccupied storage for hoarder - weeds, unregistered vehicles, rodent harborage, and junk accumulation*.
2015	Owner occupied residence - junk accumulation, and structures in disrepair*.
2015	Owner occupied residence and rental - inoperative vehicles parked in front yard, and junk accumulation*
2015	Occupied rental - felled trees, gutters in disrepair, broken window, front door kicked in, chipping and peeling paint.
2015	Unoccupied residence - house deemed unfit for human habitation due to the lack of safe power, water, heat, and smoke alarms.
2015	Occupied multi-family apartment - plumbing leaks, non-functioning furnace, substandard decking, non-functioning fire extinguishers, and unpermitted work.

SOURCE: Town of Los Gatos Code Enforcement, Community Development Department
*Denotes hoarding conditions

The Census Bureau data included in the graph below gives a sense of some of the substandard conditions that may be present in Los Gatos. For example, 4.1 percent of renters in Los Gatos reported lacking a kitchen and 1.4 percent of renters lack plumbing, compared to 0.4 percent of owners who lack a kitchen and 0.6 percent of owners who lack plumbing. Figure B-22 shows substandard housing issues in Los Gatos.

Figure B-22 Los Gatos Substandard Housing Issues



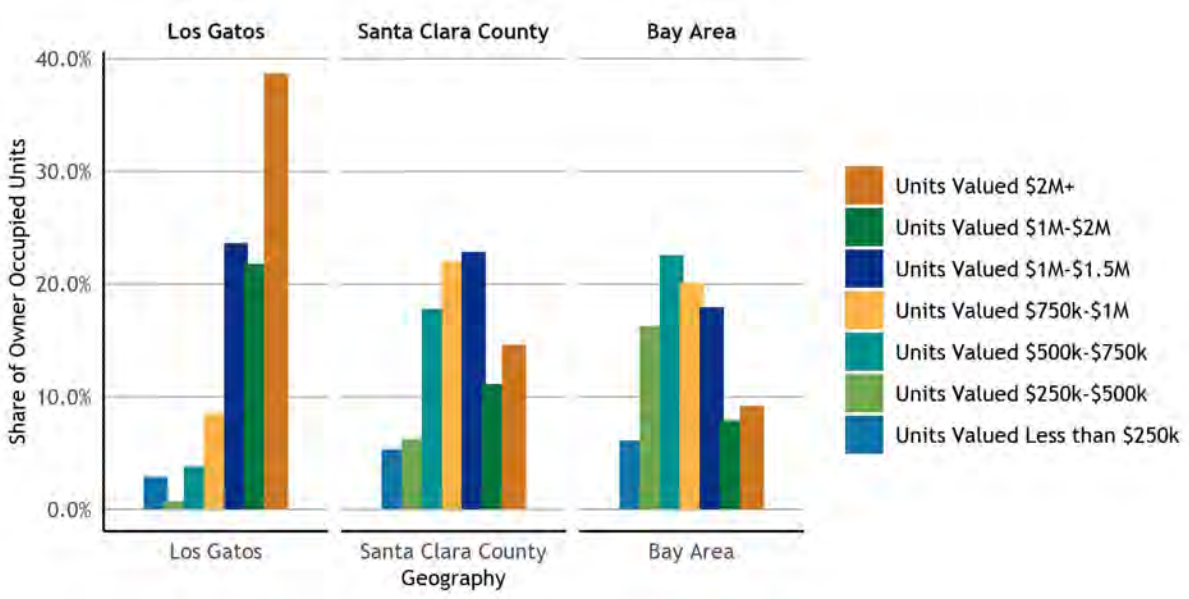
SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25053, Table B25043, Table B25049 Data from ABAG/MTC Housing Needs Data Packet Workbook, Table HSG-06.
NOTES: Universe: Occupied housing units. Per HCD guidance, this data should be supplemented by local estimates of units needing to be rehabilitated or replaced based on recent windshield surveys, local building department data, knowledgeable builders/developers in the community, or nonprofit housing developers or organizations.

Home and Rent Values

Home prices reflect a complex mix of supply and demand factors, including an area's demographic profile, labor market, prevailing wages, and job outlook, coupled with land and construction costs. In the Bay Area, the costs of housing have long been among the highest in the nation.

The typical home value in Los Gatos was estimated at $2,109,040 in December of 2020, per data from Zillow. The largest proportion of homes were valued in excess of $2 million. By comparison, the typical home value is $1,290,970 in Santa Clara County and $1,077,230 in the Bay Area, with the largest share of units valued $1 million to $1.5 million (county) and $500 thousand to $750 thousand (region). Figure B-23 shows home values of owner-occupied housing units in Los Gatos.

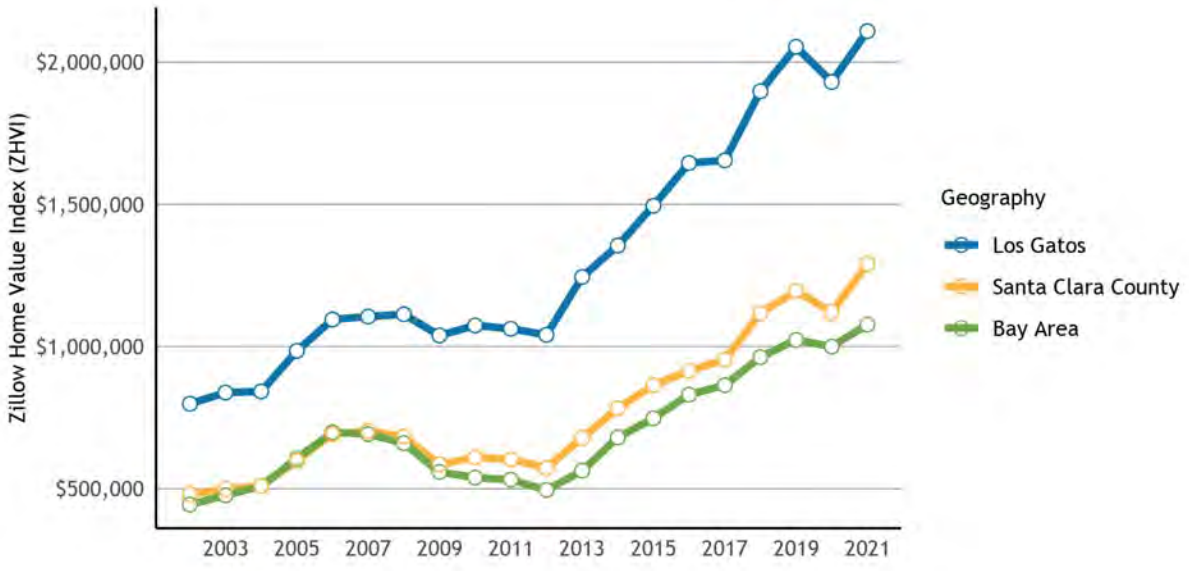
Figure B-23 Home Values of Owner-Occupied Units



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25075. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table HSG-07.
NOTE: Universe: Owner-occupied units.

The region's home values have increased steadily since 2000, besides a decrease during the Great Recession. The rise in home prices has been especially steep since 2012, with the median home value in the Bay Area nearly doubling during this time. Since 2001, the typical home value has increased 164.0 percent in Los Gatos from $798,770 to $2,109,040. This change is considerably greater than the change in Santa Clara County and for the region as a whole. Figure B-24 shows Zillow home value index for Los Gatos.

Figure B-24 Zillow Home Value Index (ZHVI)

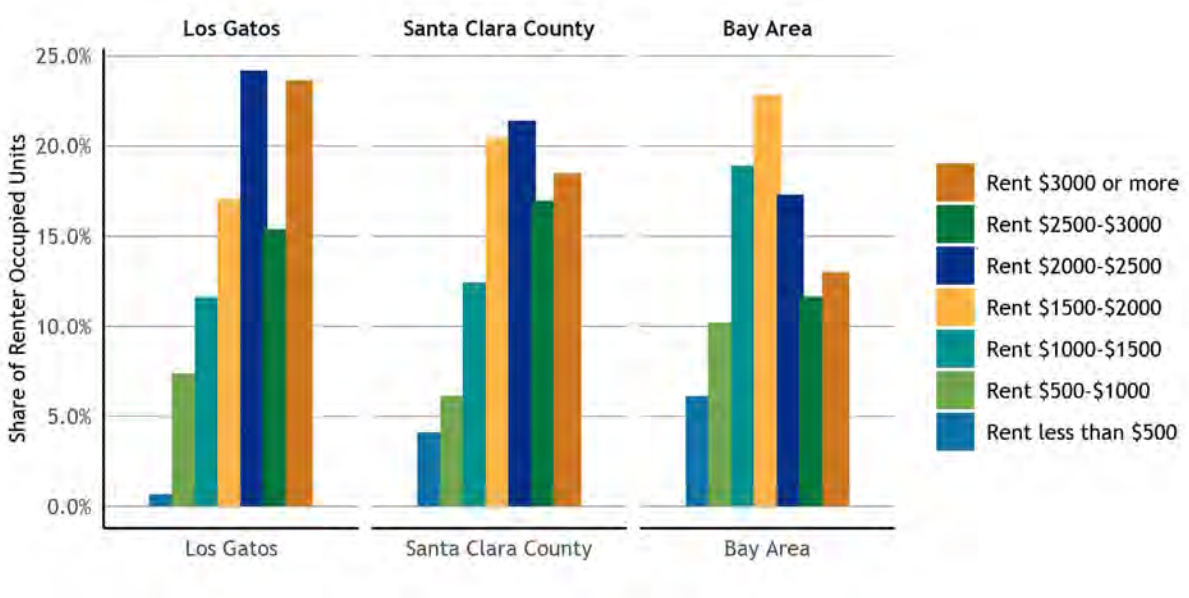


SOURCE: Zillow, Zillow Home Value Index (ZHVI). Data from ABAG/MTC Housing Needs Data Packet Workbook, Table HSG-08.
NOTES: Universe: Owner-occupied housing units. Zillow describes the ZHVI as a smoothed, seasonally adjusted measure of the typical home value and market changes across a given region and housing type. The ZHVI reflects the typical value for homes in the 35th to 65th percentile range. The ZHVI includes all owner-occupied housing units, including both single-family homes and condominiums. More information on the ZHVI is available from Zillow. The regional estimate is a household-weighted average of county-level ZHVI files, where household counts are yearly estimates from DOF's E-5 series For unincorporated areas, the value is a population weighted average of unincorporated communities in the county matched to census-designated population counts.

Similar to home values, rents have also increased dramatically across the Bay Area in recent years. Many renters have been priced out, evicted, or displaced, particularly communities of color. Residents finding themselves in one of these situations may have had to choose between commuting long distances to their jobs and schools or moving out of the region, and sometimes, out of the State.

In Los Gatos, the largest proportion of rental units rented in the 'rent $2,000-$2,500 category', totaling 24.2 percent, followed by 23.7 percent of units renting in the 'rent $3,000 or More category.' Looking beyond the Town, the largest share of units in Santa Clara County is in the 'rent $2,000-$2,500 category', compared to the 'rent $1,500-$2,000 category' for the Bay Area as a whole. Figure B-25 shows contract rents for renter-occupied units in Los Gatos, Santa Clara County, and the Bay Area as a whole.

Figure B-25 Contract Rents for Renter-Occupied Units

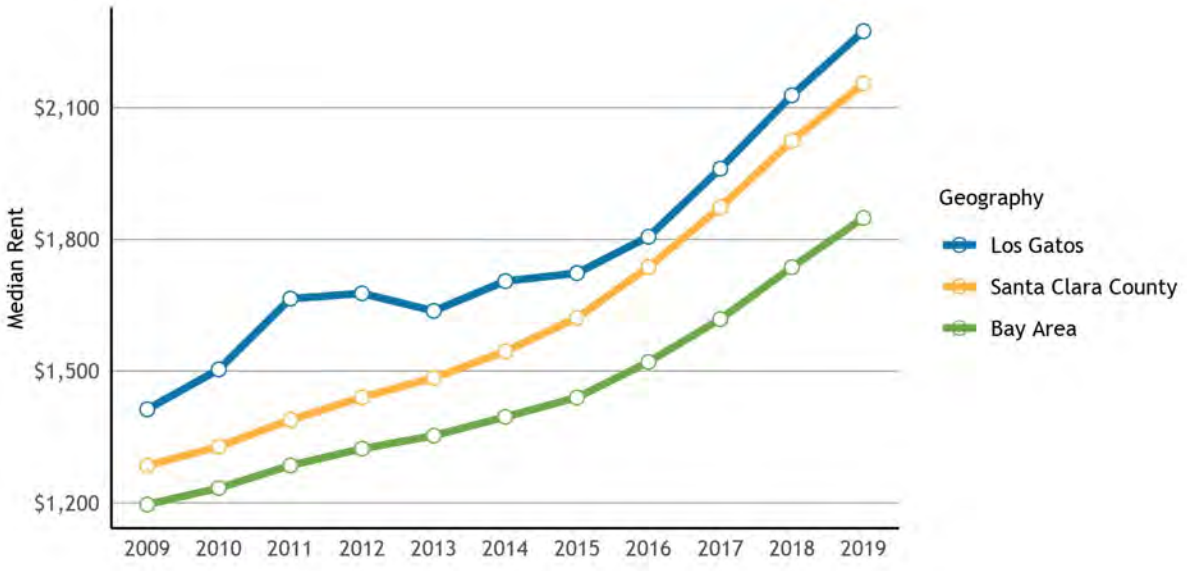


SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25056. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table HSG-09.
NOTE: Universe: Renter-occupied housing units paying cash rent.

Since 2009, the median rent has increased by 33.5 percent in the Town of Los Gatos, from $1,700 to $2,270 per month. In Santa Clara County, the median rent has increased 39.6 percent, from $1,540 to $2,150. The median rent in the region has increased significantly during this time from $1,200 to $1,850, a 54.2 percent increase[18]. Figure B-25 shows median contract rent in the Town of Los Gatos, Santa Clara County, and the Bay Area as a whole.

[18] While the data on home values shown in Figure B-24 comes from Zillow, Zillow does not have data on rent prices available for most Bay Area jurisdictions. To have a more comprehensive dataset on rental data for the region, the rent data in this document comes from the U.S. Census Bureau's American Community Survey, which may not fully reflect current rents. Local jurisdiction staff may want to supplement the data on rents with local realtor data or other sources for rent data that are more current than Census Bureau data.

Figure B-26 Median Contract Rent



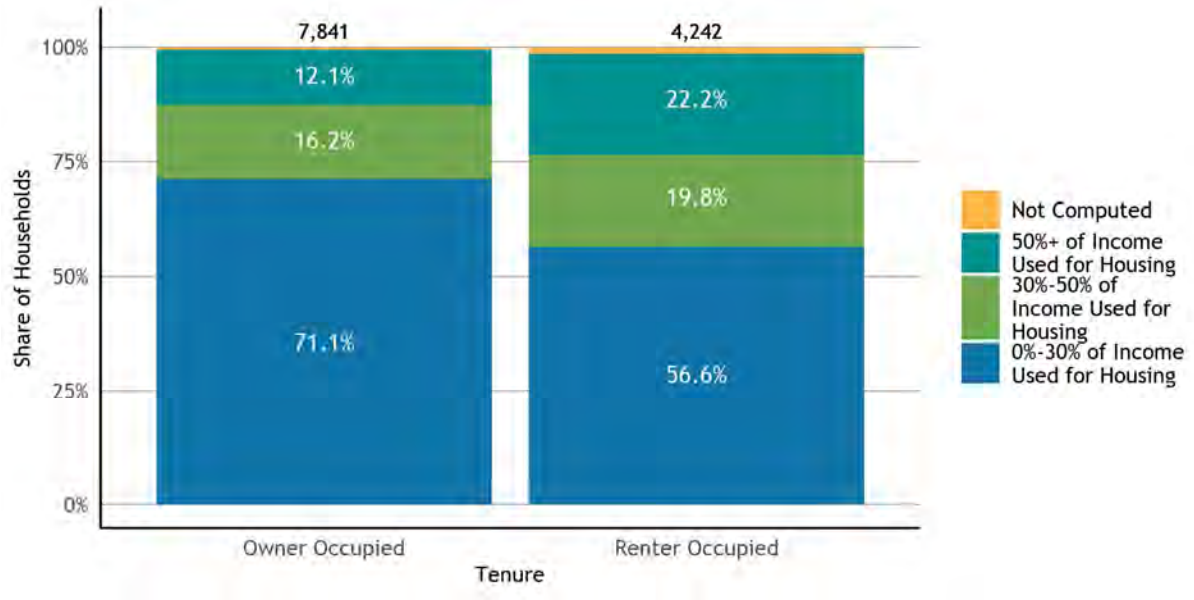
SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data releases, starting with 2005-2009 through 2015-2019, B25058, B25056 (for unincorporated areas). County and regional counts are weighted averages of jurisdiction median using B25003 rental unit counts from the relevant year. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table HSG-10.
NOTES: Universe: Renter-occupied housing units paying cash rent. For unincorporated areas, median is calculated using distribution in B25056.

Overpayment and Overcrowding

A household is considered "cost-burdened" if it spends more than 30 percent of its monthly income on housing costs, while those who spend more than 50 percent of their income on housing costs are considered "severely cost-burdened." Low-income residents are the most impacted by high housing costs and experience the highest rates of cost burden. Spending such large portions of their income on housing puts low-income households at higher risk of displacement, eviction, or homelessness. While the housing market has resulted in home prices increasing dramatically, homeowners often have mortgages with fixed rates, whereas renters are more likely to be impacted by market increases.

When looking at the cost burden across tenure in the Town of Los Gatos, 20 percent of renters spend 30 percent to 50 percent of their income on housing compared to 16 percent of those that own. Additionally, 22 percent of renters are severely cost-burdened (i.e., spend 50 percent or more of their income on housing), while 12 percent of owners are severely cost-burdened. Figure B-27 shows cost burden by tenure.

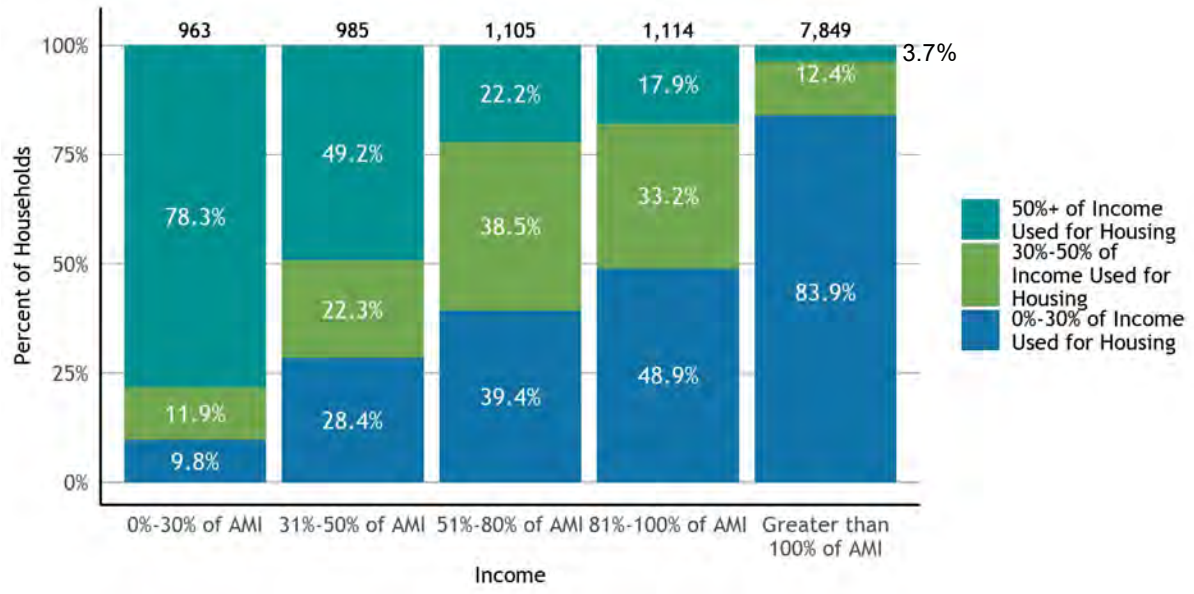
Figure B-27 Cost Burden by Tenure, Los Gatos



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table OVER-06.
NOTES: Universe: Occupied housing units. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30 percent of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50 percent of monthly income.

When one looks at both renters and owners together in the Town of Los Gatos, 15.6 percent of households spend 50 percent or more of their income on housing, while 17 percent spend 30 percent to 50 percent. However, these rates vary greatly across income categories. For example, 78.3 percent of Los Gatos households making less than 30 percent of AMI spend the majority of their income on housing. For Los Gatos residents making more than 100 percent of AMI, just 3.7 percent are severely cost-burdened, and 83.9 percent of those making more than 100 percent of AMI spend less than 30 percent of their income on housing. Figure B-28 shows cost burden by income level.

Figure B-28 Cost Burden by Income Level, Los Gatos



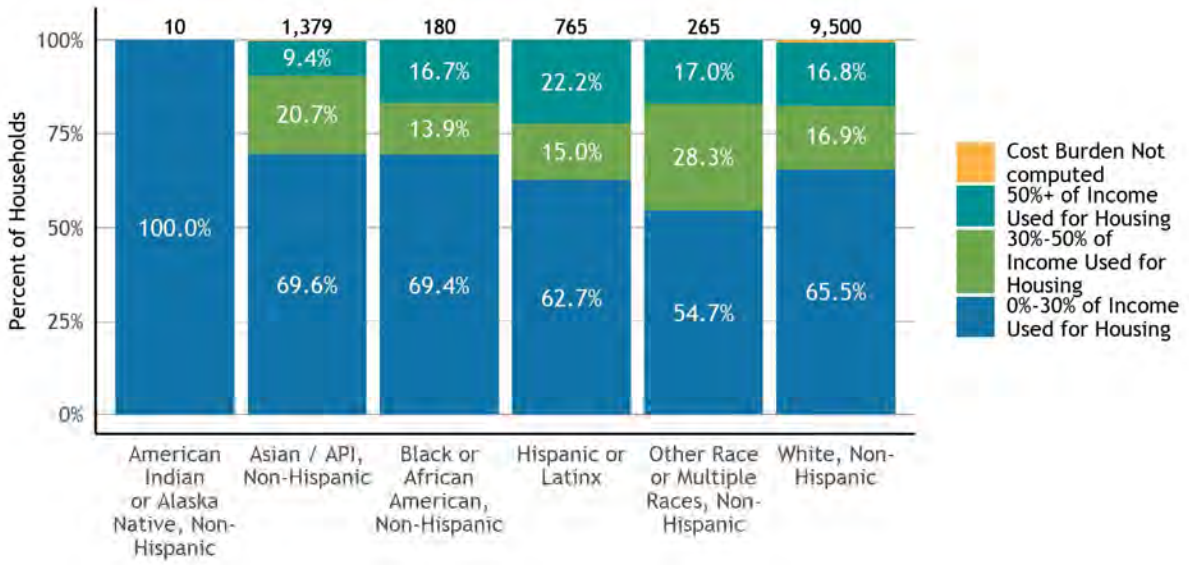
SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2012-2017 release. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table OVER-05.
NOTES: Universe: Occupied housing units. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30 percent of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50 percent of monthly income. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Currently, people of color[19] are more likely to experience poverty and financial instability as a result of Federal, State, and local housing policies that have historically excluded them from the same opportunities extended to white residents. As a result, they often pay a greater percentage of their income on housing, and in turn, are at a greater risk of housing insecurity.

Hispanic or Latinx residents are the most severely cost burdened with 22 percent spending more than 50 percent of their income on housing. Figure B-29 shows cost burden by race.

[19] As before, this category as it is used here includes all non-White persons.

Figure B-29 Cost Burden by Race, Los Gatos

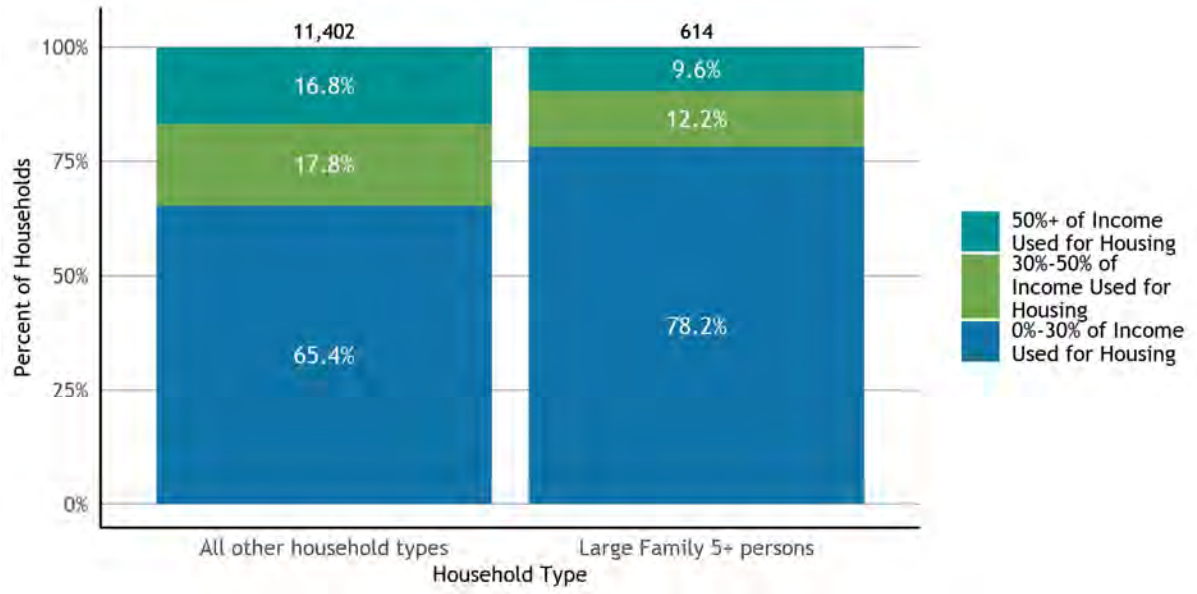


SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2012-2017 release. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table OVER-08.
NOTES: Universe: Occupied housing units. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30 percent of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50 percent of monthly income. For the purposes of this graph, the "Hispanic or Latinx" racial/ethnic group represents those who identify as having Hispanic/Latinx ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latinx ethnicity.

Large family households often have special housing needs due to a lack of adequately sized affordable housing available. The higher costs required for homes with multiple bedrooms can result in larger families experiencing a disproportionate cost burden than the rest of the population and can increase the risk of housing insecurity.

In the Town of Los Gatos, 12.2 percent of large family households experience a cost burden of 30 to 50 percent, while 9.6 percent of households spend more than half of their income on housing. Some 17.8 percent of all other households have a cost burden of 30 percent to 50 percent, with 16.8 percent of households spending more than 50 percent of their income on housing. Figure B-30 shows cost burden by household size.

Figure B-30 Cost Burden by Household Size, Los Gatos

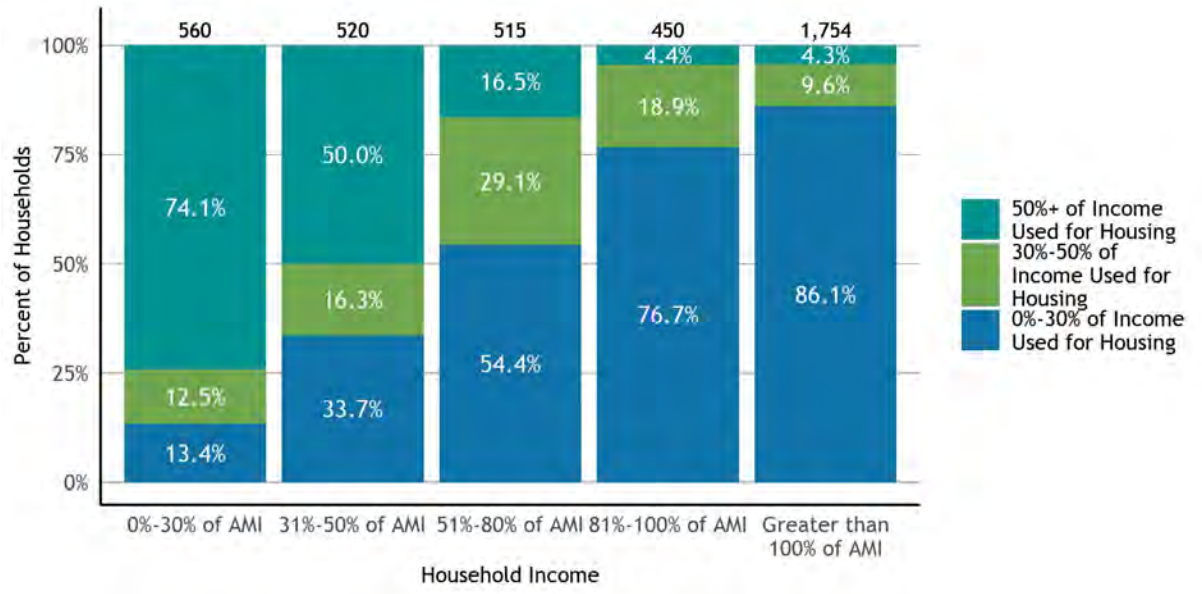


SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2012-2017 release. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table OVER-09.
NOTES: Universe: Occupied housing units. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30 percent of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50 percent of monthly income.

When cost-burdened seniors are no longer able to make house payments or pay rents, displacement from their homes can occur, putting further stress on the local rental market or forcing residents out of the community they call home. Understanding how seniors might be cost-burdened is of particular importance due to their special housing needs, particularly for low-income seniors.

In the Town of Los Gatos, 74 percent of seniors making less than 30 percent of AMI are spending the majority of their income on housing. For seniors making more than 100 percent of AMI, only 4.3 percent are spending the majority of their income on housing. Figure B-31 shows cost-burdened senior households by income level.

Figure B-31 Cost-Burdened Senior Households by Income Level, Los Gatos



SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2012-2017 release. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table SEN-03.
NOTES: Universe: Senior households. For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30 percent of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50 percent of monthly income. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Overcrowding occurs when the number of people living in a household is greater than the home was designed to hold[20]. The Census Bureau considers units with more than 1.5 occupants per room to be severely overcrowded. Overcrowding is often related to the cost of housing and can occur when demand in a town, city, or region is high. In many towns and cities, overcrowding is seen more amongst those that are renting, with multiple households sharing a unit to make it possible to stay in their communities. In the Town of Los Gatos, 4.3 percent of households that rent are severely overcrowded (i.e., more than 1.5 occupants per room), compared to 0.3 percent of households that own. Figure B-32 shows overcrowding by tenure and severity.

[20] There are several different standards for defining overcrowding, but this report uses the Census Bureau definition, which is more than one occupant per room (not including bathrooms or kitchens).

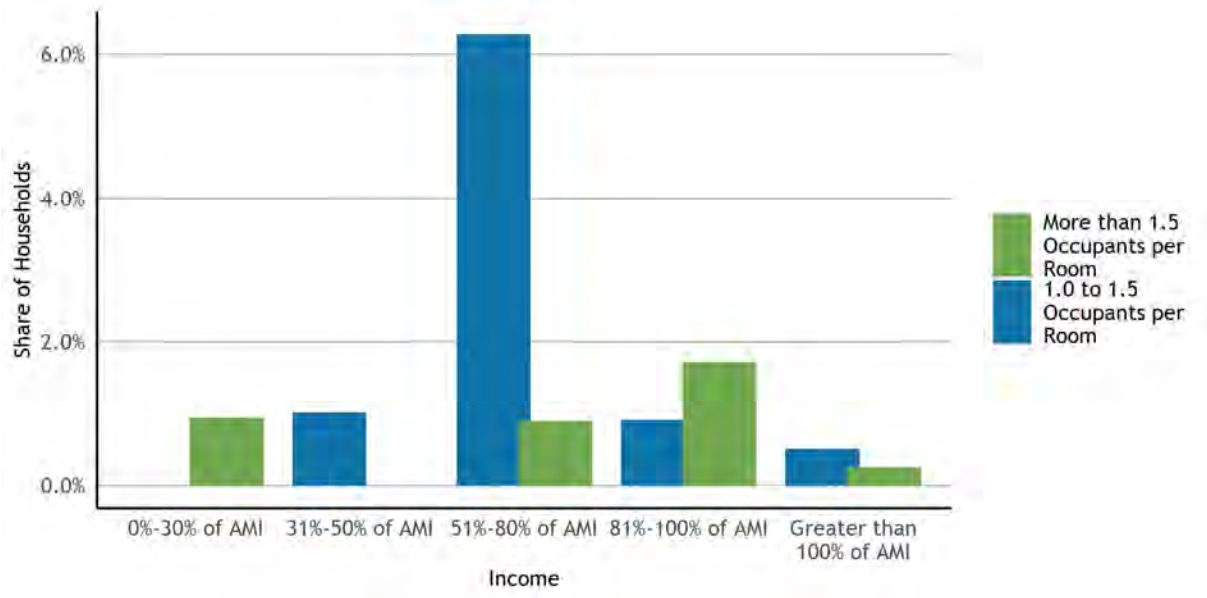
Figure B-32 Los Gatos Overcrowding by Tenure and Severity



SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2012-2017 release. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table OVER-01.
NOTES: Universe: Occupied housing units. The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded.

Overcrowding often disproportionately impacts low-income households. In Los Gatos, less than one percent of very low-income households (i.e., below 50 percent AMI) experience severe overcrowding. The income group most experiencing severe overcrowding is the 81%-100% of AMI group. Figure B-33 shows overcrowding by income level and severity.

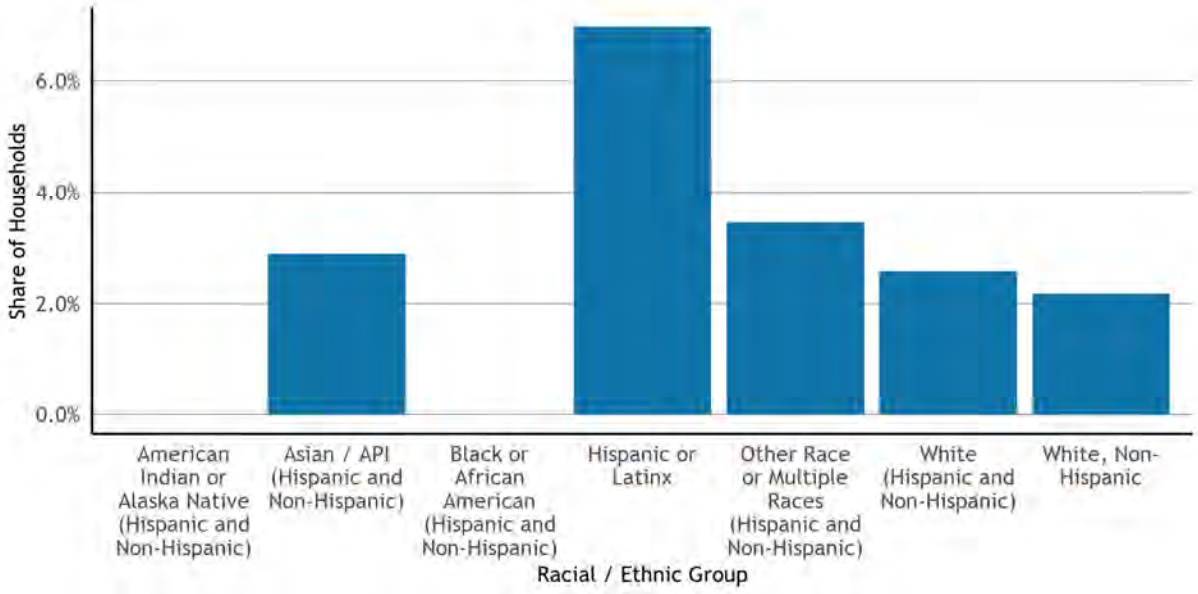
Figure B-33 Los Gatos Overcrowding by Income Level and Severity



SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2012-2017 release. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table OVER-04.
NOTES: Universe: Occupied housing units. The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Communities of color are more likely to experience overcrowding similar to how they are more likely to experience poverty, financial instability, and housing insecurity. People of color tend to experience overcrowding at higher rates than White residents. In Los Gatos, the racial group with the largest overcrowding rate is Hispanic or Latinx. Figure B-34 shows overcrowding by race.

Figure B-34 Overcrowding by Race, Los Gatos



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25014. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table OVER-03.
NOTES: Universe: Occupied housing units. The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.

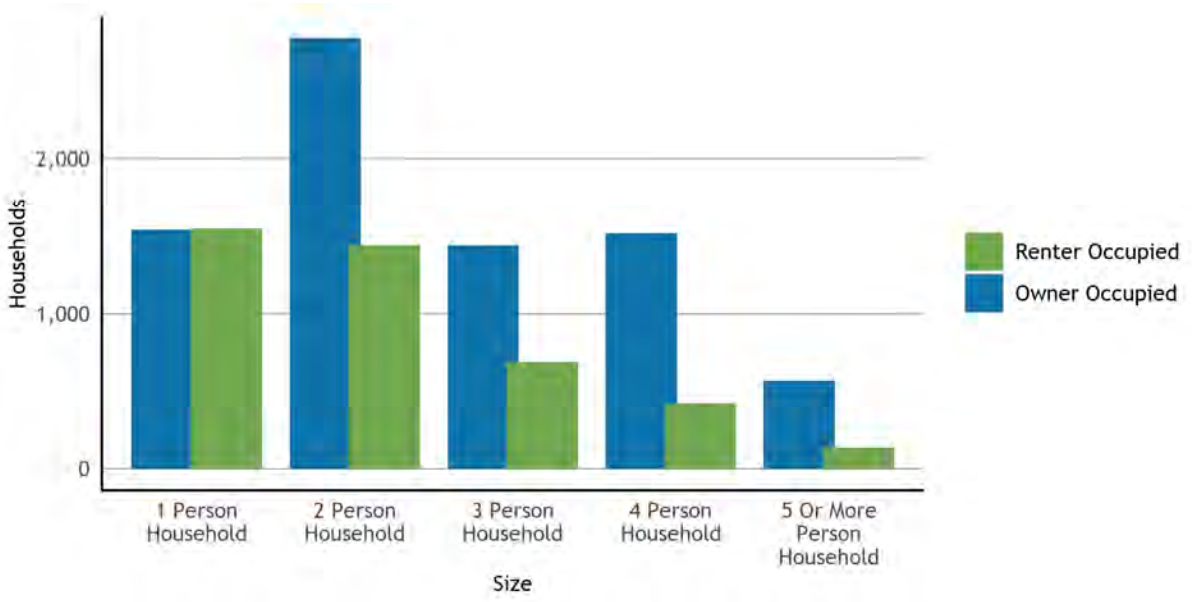
B.4 Special Housing Needs

Large Households

Large households often have different housing needs than smaller households. If the Town's rental housing stock does not include larger apartments, large households who rent could end up living in overcrowded conditions.

In Los Gatos, for large households with five or more persons, most units were owner occupied. Figure B-35 shows household size by tenure.

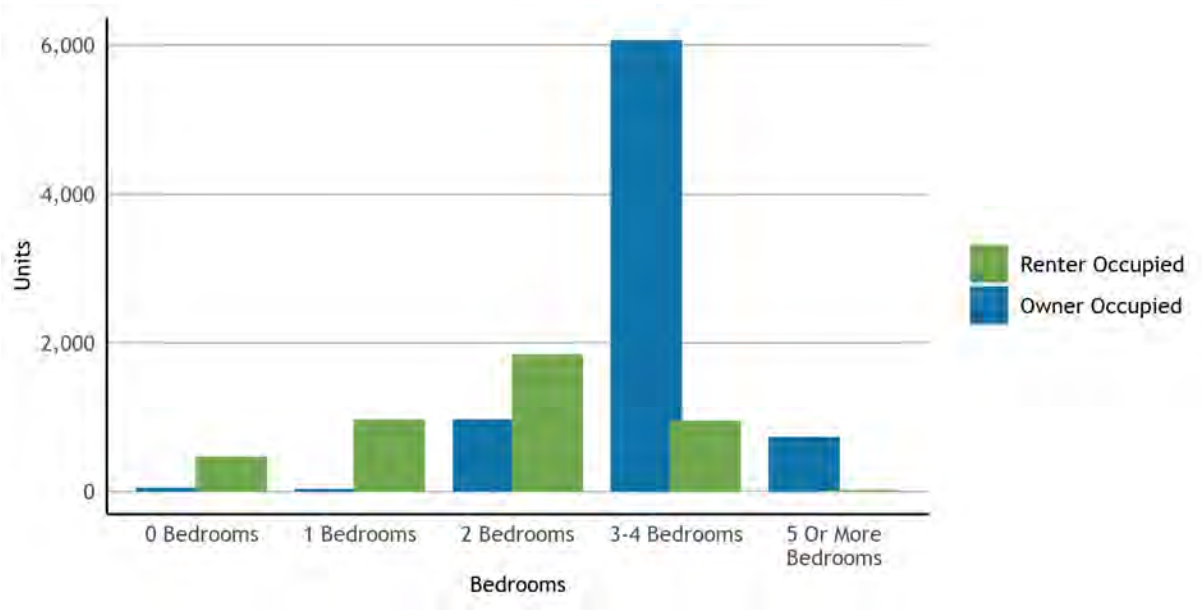
Figure B-35 Household Size by Tenure, Los Gatos



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table LGFEM-01.
NOTE: Universe: Occupied housing units.

The unit sizes available in a community affect the household sizes that can access that community. Large families are generally served by housing units with three or more bedrooms, of which there are 7,760 units in the Town of Los Gatos. Among these large units, most are owner occupied. Figure B-36 summarizes housing units by the number of bedrooms.

Figure B-36 Housing Units by Number of Bedrooms, Los Gatos



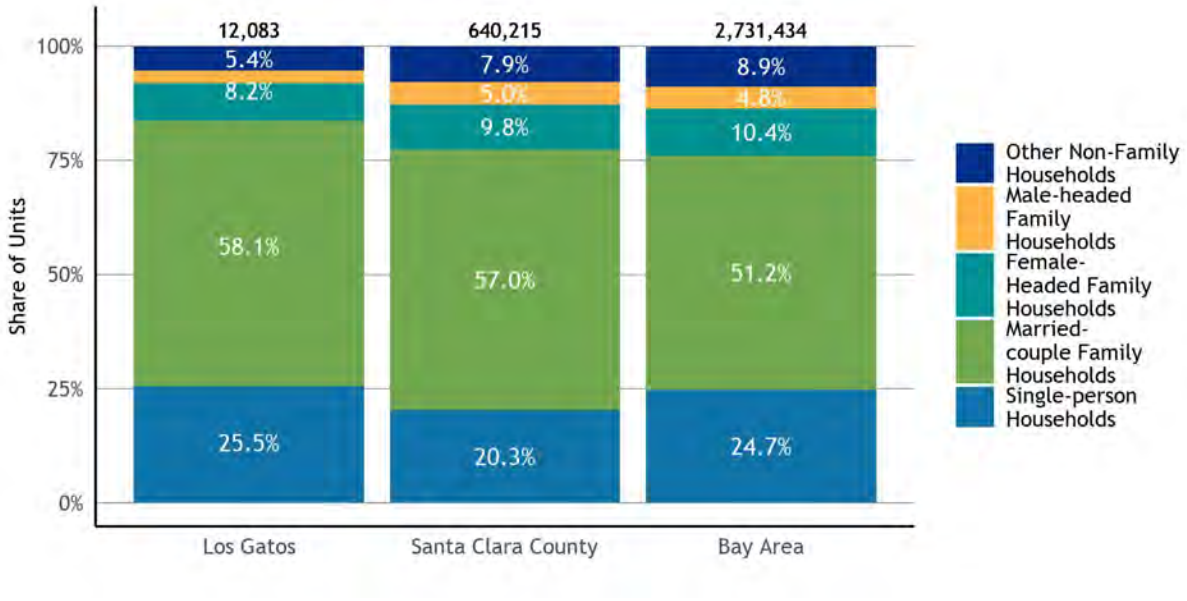
SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25042. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table HSG-05.
NOTE: Universe: Housing units.

Female-Headed Households

Households headed by one person are often at greater risk of housing insecurity, particularly female-headed households, who may be supporting children or a family with only one income.

In the Town of Los Gatos, the largest proportion of households is Married-Couple Family Households at 58.1 percent of the total, while Female-Headed Family Households make up 8 percent of all households. Figure B-37 provides information on household type in Los Gatos.

Figure B-37 Household Type

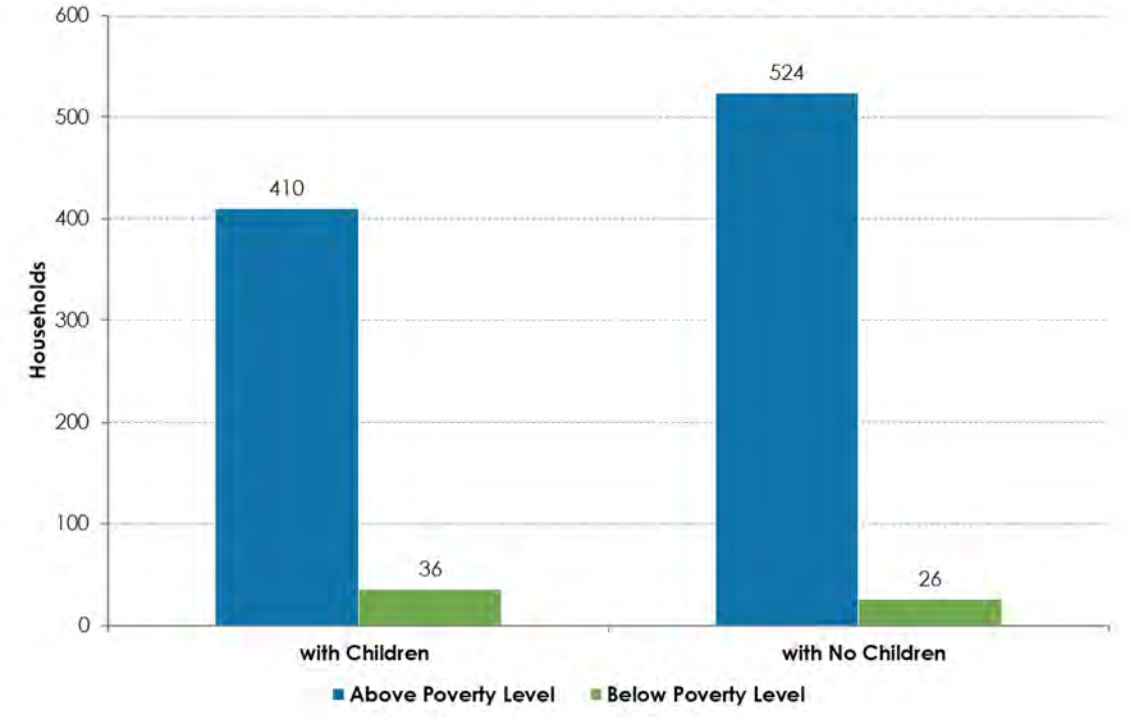


SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B11001. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table POPEMP-23.
NOTES: Universe: Households. For data from the Census Bureau, a "family household" is a household where two or more people are related by birth, marriage, or adoption. "Non-family households" are households of one person living alone, as well as households where none of the people are related to each other.

Female-headed households with children may face particular housing challenges, with pervasive gender inequality resulting in lower wages for women. Moreover, the added need for childcare can make finding a home that is affordable more challenging.

In Los Gatos, 36 female-headed households with children (eight percent) fell in the Below Poverty Level category, while 26 female-headed households without children (five percent) fell in the Below Poverty Level category. Figure B-38 shows female-headed households by poverty status.

Figure B-38 Female-Headed Households by Poverty Status, Los Gatos



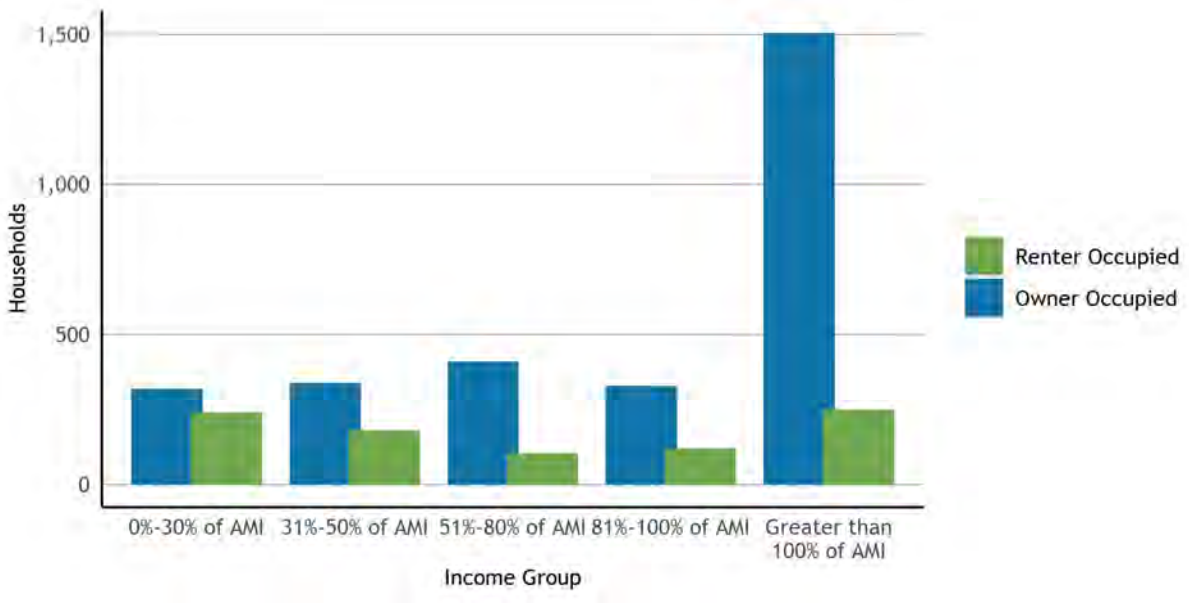
SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17012. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table LGFEM-05.
NOTES: Universe: Female Households. The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to Area Median Income.

Seniors

Senior households often experience a combination of factors that can make accessing or keeping affordable housing a challenge. They often live on fixed incomes and are more likely to have disabilities, chronic health conditions, and/or reduced mobility. Seniors who rent may be at even greater risk for housing challenges than those who own, due to income differences between these groups.

In the Town of Los Gatos, the largest proportion of senior households who rent fell into one of the categories below the Greater than 100% AMI category, while the largest proportion of senior households who are homeowners fell in the Greater than 100% AMI category. Figure B-39 shows senior households by income and tenure.

Figure B-39 Senior Households by Income and Tenure, Los Gatos



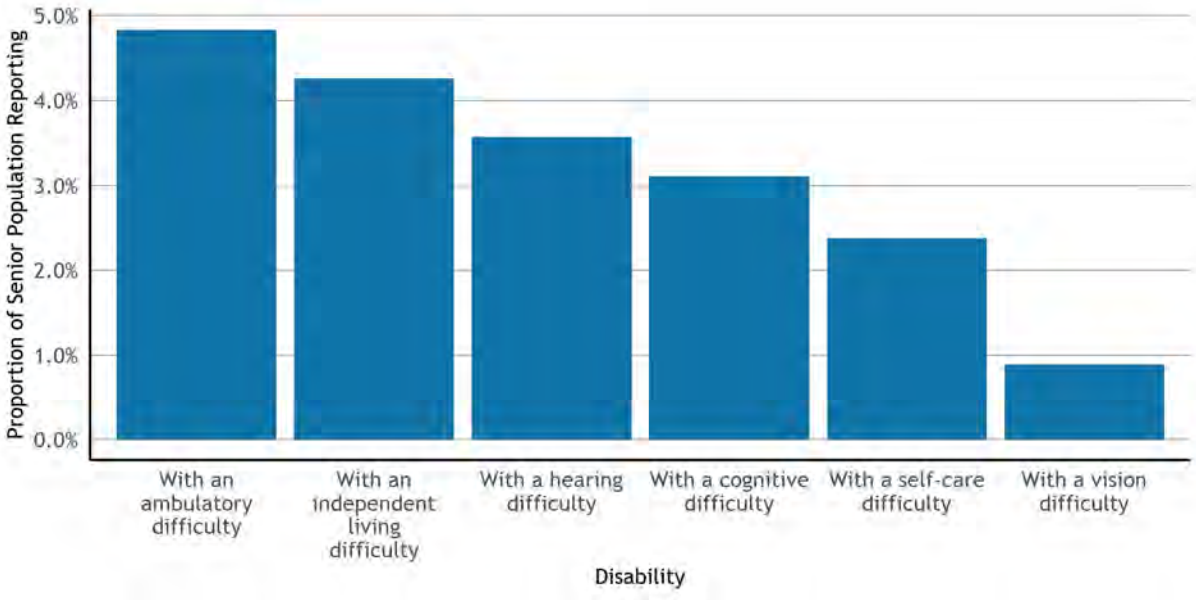
SOURCE: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2012-2017 release. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table SEN-01.
NOTES: Universe: Senior households. For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

People with Disabilities

People with disabilities face additional housing challenges. Encompassing a broad group of individuals living with a variety of physical, cognitive, and sensory impairments, many people with disabilities live on fixed incomes and are in need of specialized care, yet often rely on family members for assistance due to the high cost of care. When it comes to housing, people with disabilities are not only in need of affordable housing, but accessibly designed housing, which offers greater mobility and opportunity for independence. Unfortunately, the need typically outweighs what is available, particularly in a housing market with such high demand. People with disabilities are at a high risk for housing insecurity, homelessness, and institutionalization, particularly when they lose aging caregivers.

Overall, 9 percent of people in Los Gatos have a disability of some kind.[21] Figure B-40 shows the rates at which different disabilities are present among residents of Los Gatos.

Figure B-40 Disability by Type, Los Gatos



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B18102, Table B18103, Table B18104, Table B18105, Table B18106, Table B18107. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table DISAB-01.
NOTES: Universe: Civilian noninstitutionalized population 18 years and over. These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed. The Census Bureau provides the following definitions for these disability types: Hearing difficulty: deaf or has serious difficulty hearing. Vision difficulty: blind or has serious difficulty seeing even with glasses. Cognitive difficulty: has serious difficulty concentrating, remembering, or making decisions. Ambulatory difficulty: has serious difficulty walking or climbing stairs. Self-care difficulty: has difficulty dressing or bathing. Independent living difficulty: has difficulty doing errands alone such as visiting a doctor's office or shopping.

State law also requires a Housing Element to examine the housing needs of people with developmental disabilities. Developmental disabilities are defined as severe, chronic, and attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down's Syndrome, autism, epilepsy, cerebral palsy, and mild to severe intellectual disability. Some people with developmental disabilities are unable to work, rely on supplemental security income, and live with family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them[22].

In the Town of Los Gatos, there are 50 children under the age of 18 with a developmental disability (40.7 percent), while there are 73 adults with a developmental disability (60 percent). Table B-4 below shows the number of persons in Los Gatos with developmental disabilities by age.

[21] These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed.

[22] For more information or data on developmental disabilities in your jurisdiction, contact the Golden Gate Regional Center for Marin, San Francisco and San Mateo Counties; the North Bay Regional Center for Napa, Solano and Sonoma Counties; the Regional Center for the East Bay for Alameda and Contra Costa Counties; or the San Andreas Regional Center for Santa Clara County.

Table B-4 Los Gatos Population with Developmental Disabilities by Age

Age Group	Number
Age Under 18	50
Age 18+	73

SOURCE: California Department of Developmental Services, Consumer Count by California ZIP Code and Age Group (2020). This table is included in the Data Packet Workbook as Table DISAB-04.
NOTE: Universe: Population with developmental disabilities. Notes: The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were cross walked to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

The most common living arrangement for individuals with disabilities is in Los Gatos is the home of parent/family/guardian. Table B-5 shows the Los Gatos population with developmental disabilities by residence.

Table B-5 Los Gatos Population with Developmental Disabilities by Residence

Residence Type	Number
Home of Parent/Family/Guardian	102
Foster/Family Home	9
Independent/Supported Living	7
Other	4
Community Care Facility	4
Intermediate Care Facility	0

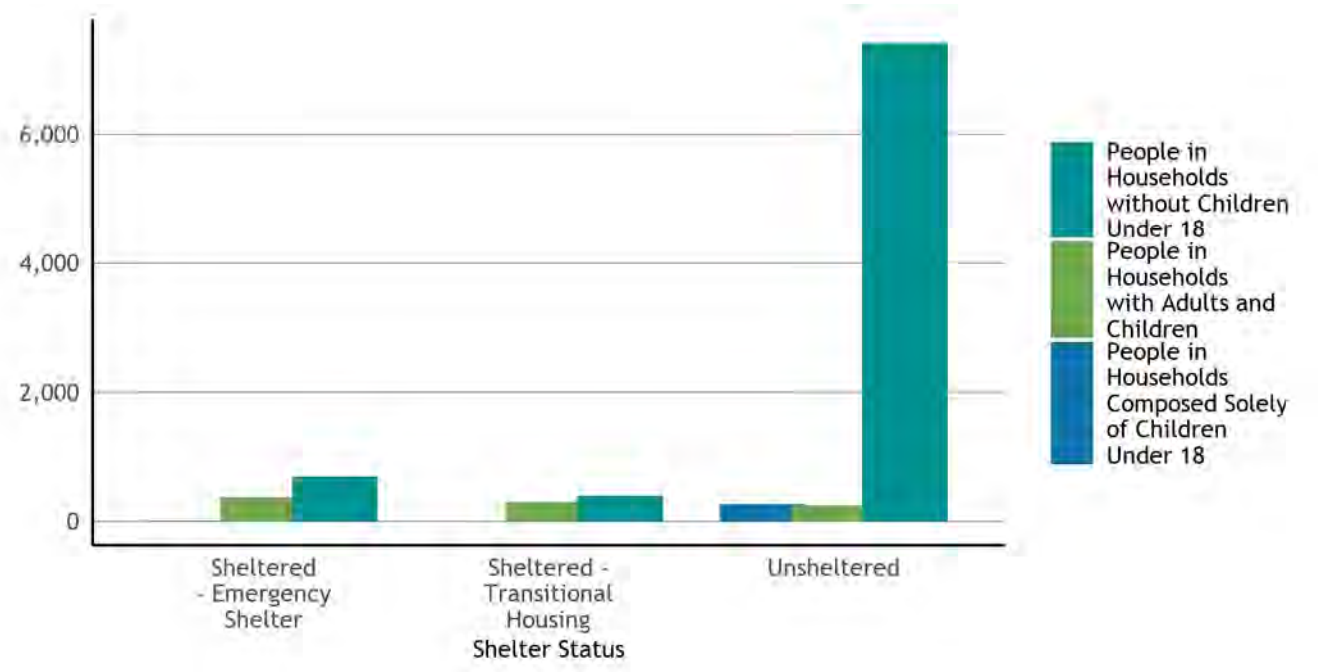
SOURCE: California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type (2020). This table is included in the Data Packet Workbook as Table DISAB-05.
NOTE: Universe: Population with developmental disabilities. Notes: The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were cross walked to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction.

Homelessness

Homelessness remains an urgent challenge in many communities across the State, reflecting a range of social, economic, and psychological factors. Rising housing costs result in increased risks of community members experiencing homelessness. Many residents have found themselves housing insecure and ended up homeless in recent years, either temporarily or longer term. Addressing the specific housing needs for the unhoused population remains a priority throughout the region, particularly since homelessness is disproportionately experienced by people of color, people with disabilities, those struggling with addiction, and those dealing with traumatic life circumstances.

In Santa Clara County, the most common type of household experiencing homelessness are those without children in their care. Among households experiencing homelessness that do not have children, 87 percent are unsheltered. Of homeless households with children, most are sheltered in an emergency shelter. Figure B-41 shows household type and shelter status in Santa Clara County.

Figure B-41 Homelessness by Household Type and Shelter Status, Santa Clara County

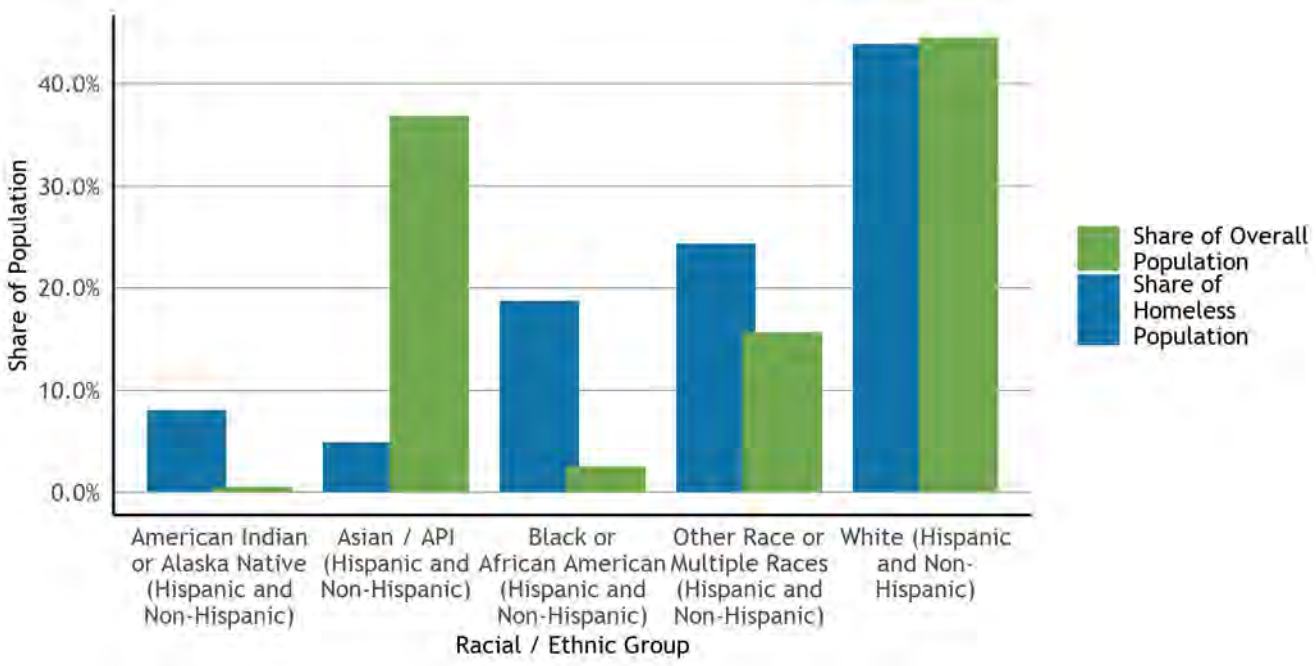


SOURCE: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019). Data from ABAG/MTC Housing Needs Data Packet Workbook, Table HOMELS-01.
NOTES: Universe: Population experiencing homelessness. This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness.

People of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to White residents. Consequently, people of color are often disproportionately impacted by homelessness, particularly Black residents of the Bay Area.

In Santa Clara County, White (Hispanic and Non-Hispanic) residents represent the largest proportion of residents experiencing homelessness and account for 44 percent of the homeless population, while making up 45 percent of the overall population. Figure B-42 shows the racial group share of the homeless population.

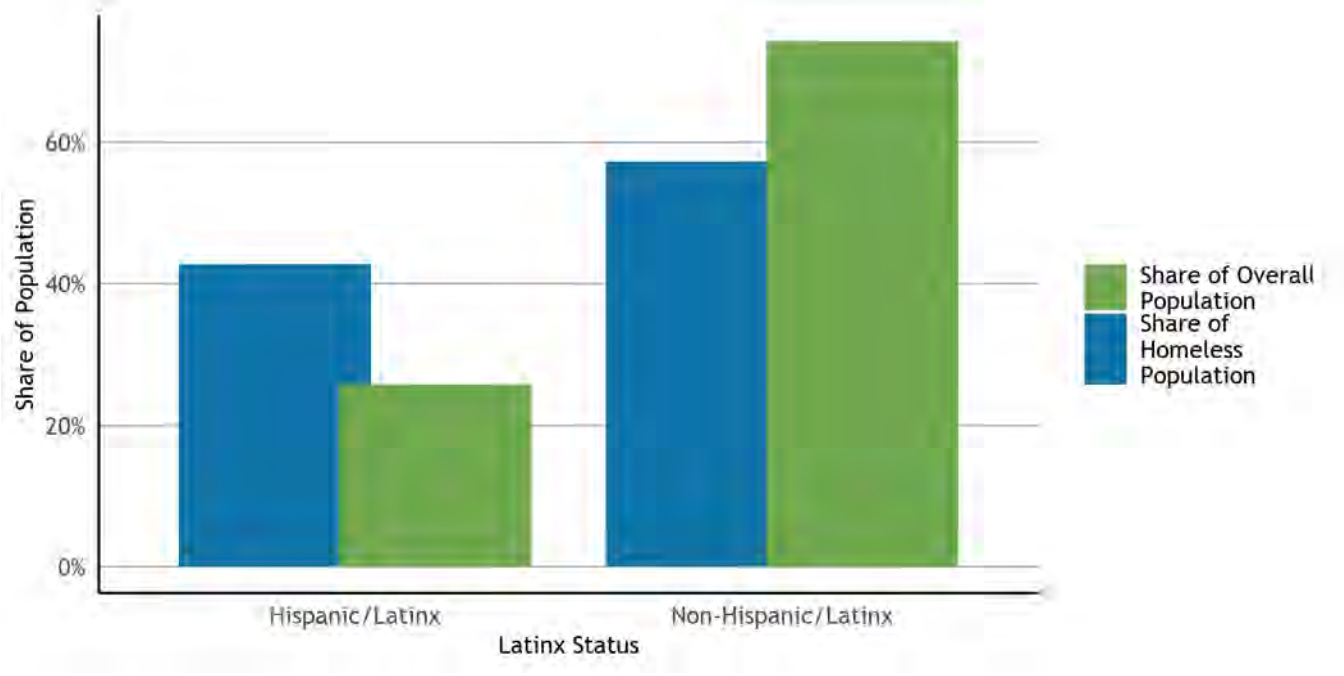
Figure B-42 Racial Group Share of General and Homeless Populations, Santa Clara County



SOURCE: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I). Data from ABAG/MTC Housing Needs Data Packet Workbook, Table HOMELS-02.
NOTES: Universe: Population experiencing homelessness. This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. HUD does not disaggregate racial demographic data by Hispanic/Latinx ethnicity for people experiencing homelessness. Instead, HUD reports data on Hispanic/Latinx ethnicity for people experiencing homelessness in a separate table. Accordingly, the racial group data listed here includes both Hispanic/Latinx and non-Hispanic/Latinx individuals.

In Santa Clara County, Latinx residents represent 42.7 percent of the population experiencing homelessness, while Latinx residents comprise 25.8 percent of the general population. Figure B-43 shows the Latinx share of the homeless population in Santa Clara County.

Figure B-43 Latinx Share of General and Homeless Populations, Santa Clara County

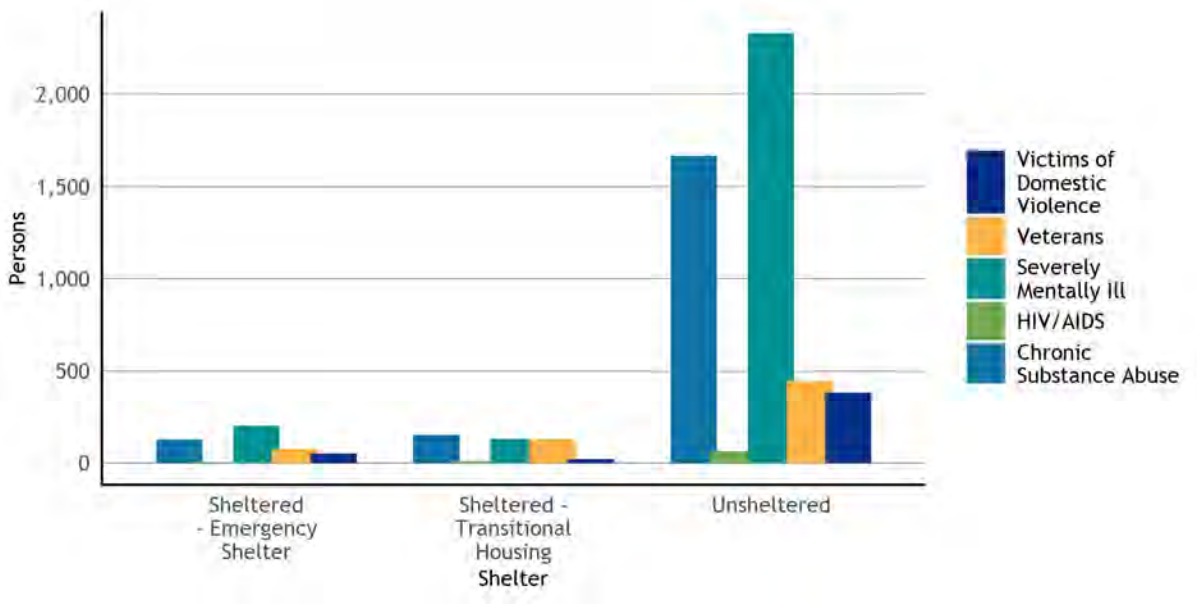


SOURCE: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I). Data from ABAG/MTC Housing Needs Data Packet Workbook, Table HOMELS-03.
NOTES: Universe: Population experiencing homelessness. This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. The data from HUD on Hispanic/Latinx ethnicity for individuals experiencing homelessness does not specify racial group identity. Accordingly, individuals in either ethnic group identity category (Hispanic/Latinx or non-Hispanic/Latinx) could be of any racial background.

Many of those experiencing homelessness are dealing with severe issues, including mental illness, substance abuse, and domestic violence, which are potentially life threatening and require additional assistance.

In Santa Clara County, homeless individuals are commonly challenged by severe mental illness, with 2,659 reporting this condition. Of those, some 87.6 percent are unsheltered, further adding to the challenge of handling the issue. Figure B-44 shows selected characteristics of the homeless population in Santa Clara County.

Figure B-44 Characteristics for the Population Experiencing Homelessness, Santa Clara County



SOURCE: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019). Data from ABAG/MTC Housing Needs Data Packet Workbook, Table HOMELS-04.
NOTES: Universe: Population experiencing homelessness. This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. These challenges/characteristics are counted separately and are not mutually exclusive, as an individual may report more than one challenge/characteristic. These counts should not be summed.

In the Town of Los Gatos, there were no reported students experiencing homeless in the 2019-20 school year. By comparison, Santa Clara County has seen a 3.5 percent increase in the population of students experiencing homelessness since the 2016-17 school year, and the Bay Area population of students experiencing homelessness decreased by 8.5 percent. During the 2019-2020 school year, there were still some 13,718 students experiencing homelessness throughout the region, adding undue burdens on learning and thriving, with the potential for longer term negative effects. Table B-6 summarizes students in public schools experiencing homelessness.

Table B-6 Students in Local Public Schools Experiencing Homelessness

Academic Year	Los Gatos	Santa Clara County	Bay Area
2016-17	0	2,219	14,990
2017-18	0	2,189	15,142
2018-19	0	2,405	15,427
2019-20	0	2,297	13,718

SOURCE: California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020). This table is included in the Data Packet Workbook as Table HOMELS-05.
NOTE: Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools. The California Department of Education considers students to be homeless if they are unsheltered, living in temporary shelters for people experiencing homelessness, living in hotels/motels, or temporarily doubled up and sharing the housing of other persons due to the loss of housing or economic hardship. The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded and assigned to jurisdiction, and finally summarized by geography.

Farmworkers

Across the State, housing for farmworkers has been recognized as an important and unique concern. Farmworkers generally receive wages that are considerably lower than other jobs and may have temporary housing needs. Finding affordable housing can be challenging, particularly in the current housing market.

In the Town of Los Gatos, there were no reported students of migrant workers in the 2019-20 school year. The trend for the region for the past few years has been a decline of 2 percent in the number of migrant worker students since the 2016-17 school year. The change at the county level is a 50 percent decrease in the number of migrant worker students since the 2016-17 school year. Table B-7 summarizes migrant worker student population in the Town of Los Gatos, Santa Clara County, and the Bay Area as a whole.

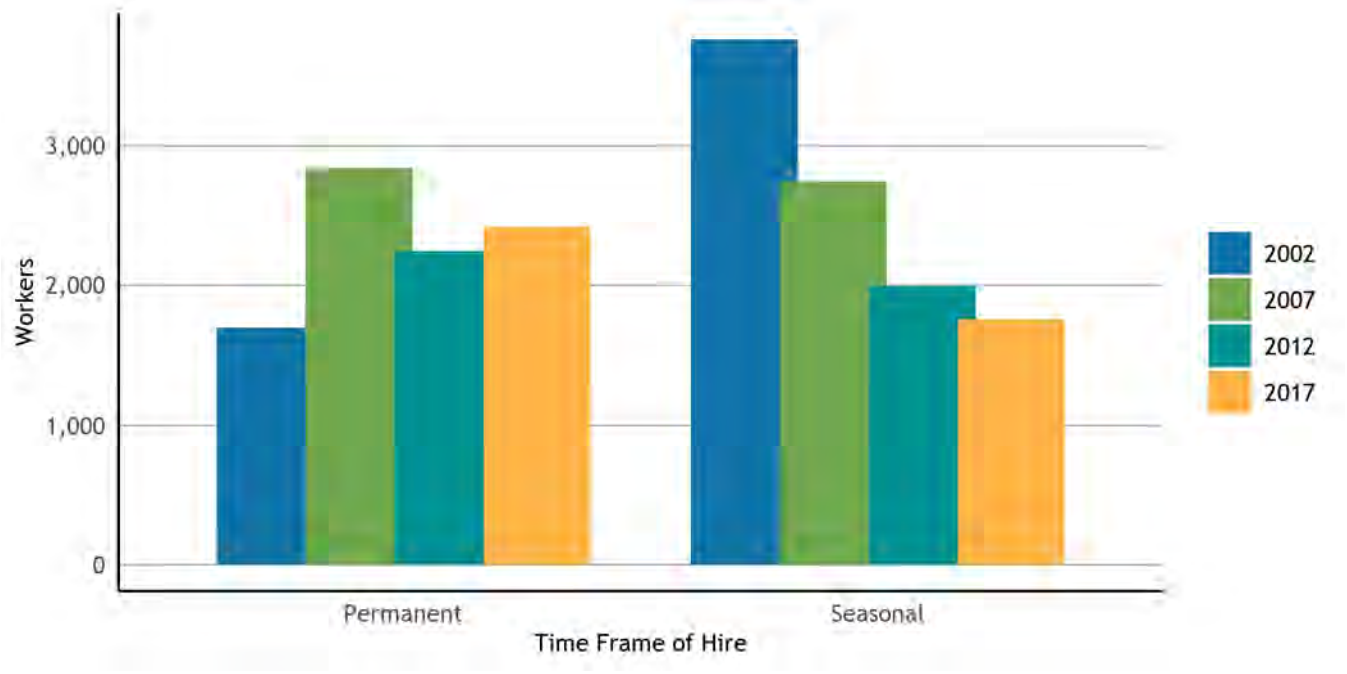
Table B-7 Migrant Worker Student Population

Academic Year	Los Gatos	Santa Clara County	Bay Area
2016-17	0	978	4,630
2017-18	0	732	4,607
2018-19	0	645	4,075
2019-20	0	492	3,976

SOURCE: California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020). This table is included in the Data Packet Workbook as Table FARM 01.
NOTES: Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools. The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded and assigned to jurisdiction, and finally summarized by geography.

According to the U.S. Department of Agriculture Census of Farmworkers, the number of permanent farm workers in Santa Clara County has increased since 2002, totaling 2,418 in 2017, while the number of seasonal farm workers has decreased, totaling 1,757 in 2017. Figure B-45 shows farm operation and labor in Santa Clara County.

Figure B-45 Farm Operations and Farm Labor by County, Santa Clara County



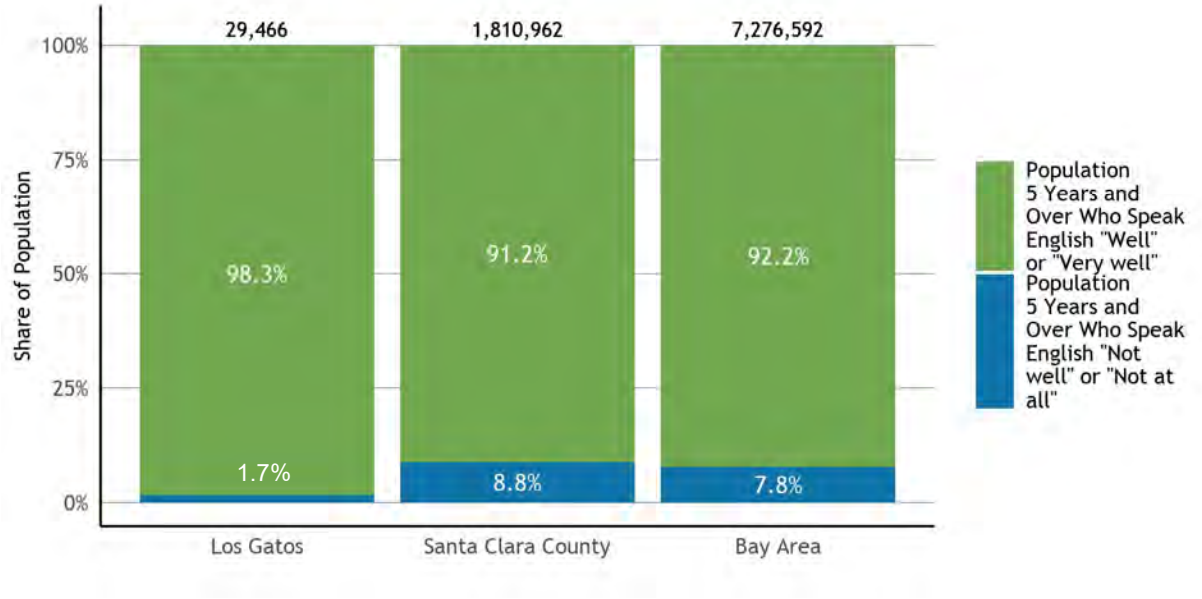
SOURCE: U.S. Department of Agriculture, Census of Farmworkers (2002, 2007, 2012, 2017), Table 7: Hired Farm Labor. For the data table behind this figure, please refer to the Data Packet Workbook, Table FARM-02.
NOTES: Universe: Hired farm workers (including direct hires and agricultural service workers who are often hired through labor contractors). Farm workers are considered seasonal if they work on a farm less than 150 days in a year, while farm workers who work on a farm more than 150 days are considered to be permanent workers for that farm.

Non-English Speakers

California has long been an immigration gateway to the United States, which means that many languages are spoken throughout the Bay Area. Since learning a new language is universally challenging, it is not uncommon for residents who have immigrated to the United States to have limited English proficiency. This limitation can lead to additional disparities if there is a disruption in housing, such as an eviction, because residents might not be aware of their rights or they might be wary to engage due to immigration status concerns.

In the Town of Los Gatos, 1.7 percent of residents five years and older identified as speaking English not well or not at all, which was below the proportion for Santa Clara County. Throughout the region the proportion of residents five years and older with limited English proficiency was eight percent. Figure B-46 shows population with limited English proficiency in the Town of Los Gatos, Santa Clara County, and the Bay Area as a whole.

Figure B-46 Population with Limited English Proficiency



SOURCE: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B16005. Data from ABAG/MTC Housing Needs Data Packet Workbook, Table AFFH-03.
NOTE: Universe: Population 5 years and over.

Santa Clara County has approximately 23 emergency shelters, providing close to 800 beds year-round, with an additional 300 beds available during the winter months (November through March). There are also over 1,100 transitional housing beds throughout the County that offer a combination of stable housing and intensive, targeted support services for the mentally ill, those with chronic substance abuse, developmental disabilities, and other factors that prevent the homeless from returning to permanent housing situations. Transitional housing includes both single site and "scattered site" programs. Table B-8 below provides a summary of homeless facilities, emergency shelters and transitional housing near the Town of Los Gatos.

Table B-8 Homeless Facilities Near Los Gatos

Facility	Beds	Target Population	Location
Emergency Shelters			
Asian Americans for Community Involvement	12	Women with Children	San Jose
City Team Rescue Mission	52	Single men	San Jose
Hospitality House, Salvation Army	24	Single men	San Jose
Our House Youth Services HomeFirst	10	Homeless and run-away youth	San Jose
San Jose Family Shelter	143	Families	San Jose
Support Network for Battered Women	18	Domestic violence shelter- women and children	San Jose
Emergency Shelter/Transitional Housing			
InnVision	178	Working men, women & children, mentally ill men & women	San Jose
James Boccardo Reception Center	370	Families and single adults	San Jose
Transitional Housing			
Next Door- Women with Children	19	Domestic Violence Shelter -Women and children	San Jose
St. Josephs Cathedral	45	Worker housing- men, women and children	San Jose
YWCA- Villa Nueva	126	Women and children	San Jose

SOURCE: Santa Clara County Consolidated Plan, 2010-2015

B.5 Fair Housing Compliance

Santa Clara County and the Town of Los Gatos are compliant with federal and State fair housing laws. Fair housing laws both the Town and County remain complaint with include:

- Title II of the Americans with Disabilities Act (ADA), prohibiting discrimination on the basis of disability in all public services, programs, and activities provided by state and local governments. The Town's Zoning Ordinance does contain a process for requesting reasonable accommodations;
- Senate Bill 2 (SB 2), requiring local governments to permit emergency shelters (in the CM zone) and transitional housing (in the RM zone) without any discretionary action. The provision for transitional and supportive housing in compliance with State law has been included as Implementation Program BC; and
- Senate Bill 520 (SB 520), adopting written reasonable accommodation procedures in the Town of Los Gatos' Zoning Ordinance.

Local Housing Policies and Programs

The Town has adopted and implemented a range of local housing policies to encourage housing production and affordable housing development. Specific to Town residents, Los Gatos has created programs to assist its special needs populations and/or collaborated with county organizations to improve resident services. Local policies include:

- Ordinance 2307 (2020), adopting an ordinance in compliance with State law to address barriers to the production of Accessory Dwelling Units (ADUs).and encourage ADU development by increasing the square footage under State law and increasing the allowable floor area by 10 percent.

Local Housing Policies and Programs

The Town of Los Gatos has not been engaged in any fair housing lawsuits, findings, settlements, judgements, or complaints in the last eight years.

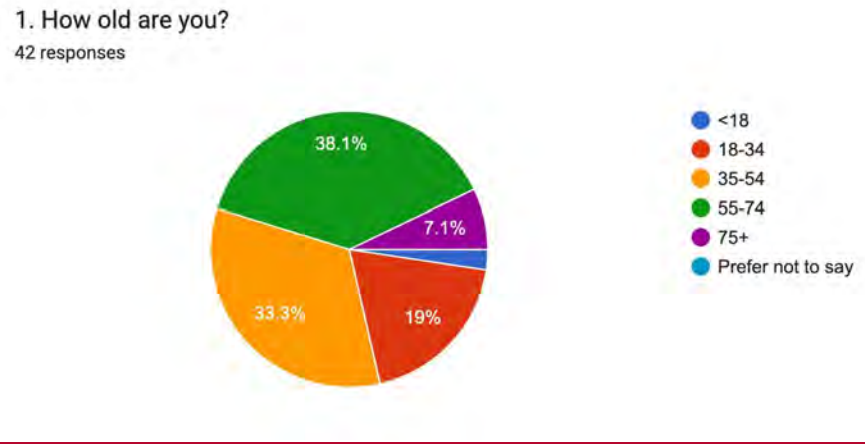
B.6 Renter's Survey Results

On November 15, 2022, the Town of Los Gatos published a Renter's Housing Survey to gather input from residents who are currently renting or have a history of renting in the Town. The goal of the survey was to inform the Town on renter household's needs and possible barriers to accessing housing. The survey was made available in English, Russian, and Spanish, and posted online at www.EngageLosGatosHousing.com. Additionally, the survey was distributed in print throughout the Town in collaboration with West Valley Community Services (WVCS). The chosen languages were determined in communicating with the Los Gatos-Monte Sereno Police Department as being the most encountered in their interactions with the community. The survey received a total of 62 responses. The following serves as a brief summary of responses.

Online Survey Results

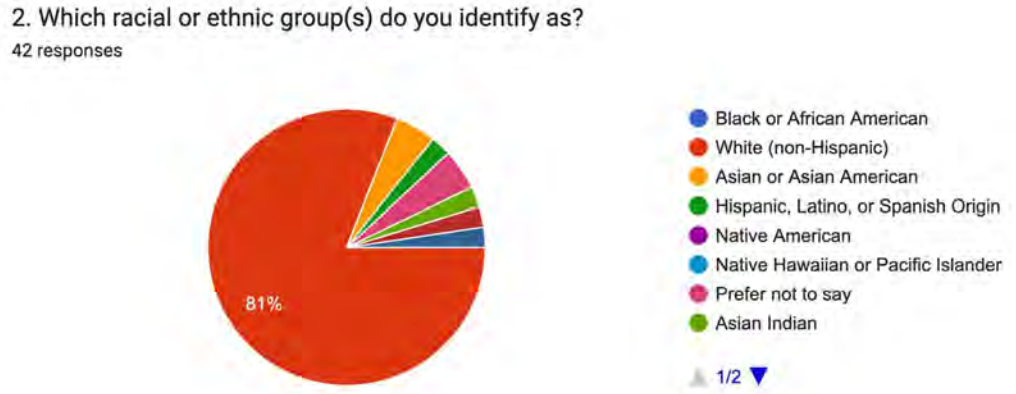
Respondent Demographics

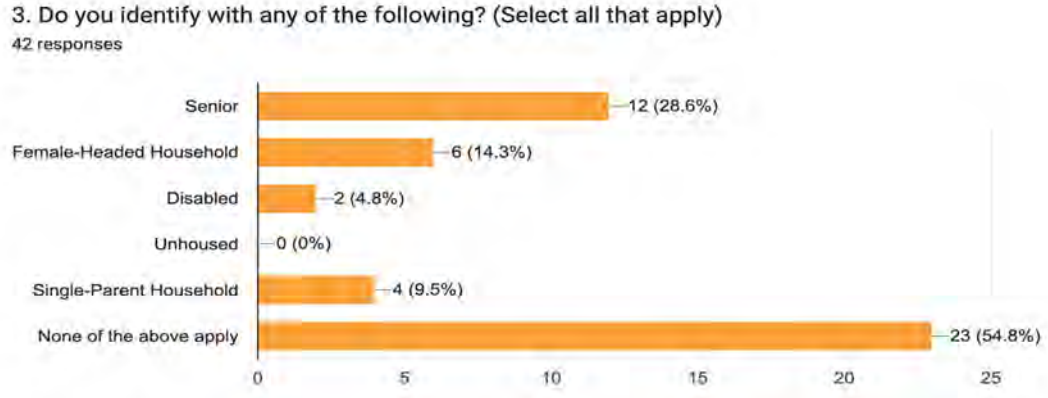
The Town collected 42 online responses via the English version of the survey. Of the respondents, 71 percent were between 35-74 years of age and 81 percent identified as non-Hispanic White. The annual income of respondents was diverse with the majority earning $200,000 or more (26 percent), $100,001-$200,000 (21 percent), and $75,001-$100,000 (19 percent). Seventeen (17) percent of the survey respondents preferred not to disclose their annual income.

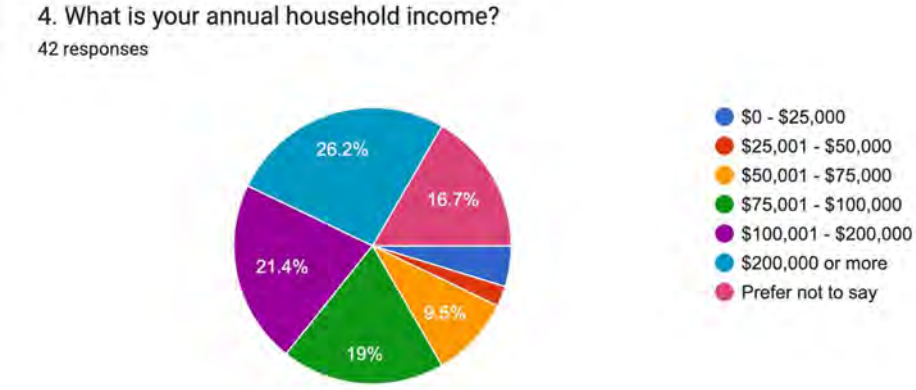


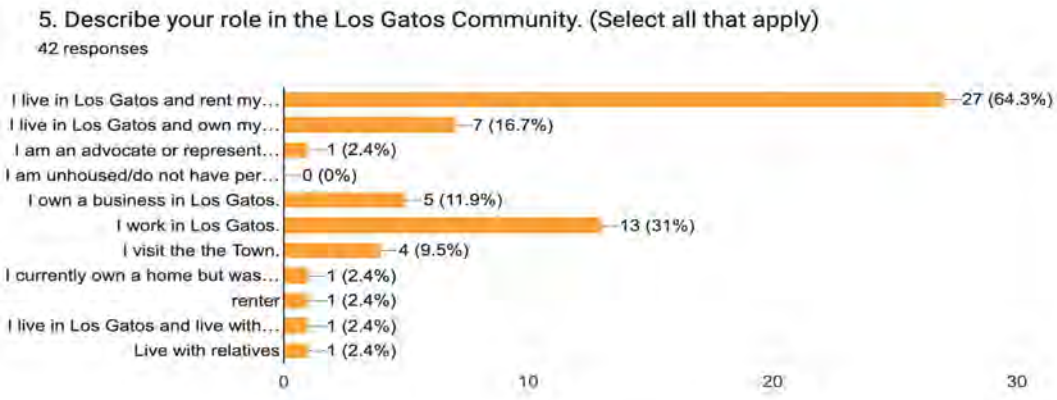
Respondent Role in the Town

Survey respondents were asked to identify their racial or ethnic group that they identify as, their annual household income, and their role in the Los Gatos community. The majority identified themselves as Los Gatos residents renting their homes (64 percent) compared to 17 percent owning their homes. Twelve (12) percent of respondents identified as business owners in the Town, 31 percent identified as working in the Town, and 10 percent identified as visitors. Zero percent of respondents identified as unhoused or lacking permanent housing.









Respondent Ideas to Enhance Housing in Los Gatos

Survey respondents were asked for ideas to make Los Gatos more welcoming to potential residents who currently cannot find housing. The most common responses include the following:

- Increase affordable rental housing stock;
- Encourage property owners to build ADUs/JADUs to increase affordable rental units;
- Affordable workforce housing;
- Add a variety of housing types for all income levels in Downtown Los Gatos and increase mixed-use development;
- Increase affordable housing stock specifically for single-person households;
- Increase rental stock that is accessible for persons with disabilities and other special needs groups;
- Expand Town support for cultural diversity;
- Increase community-centered public spaces (i.e.: community gardens, dog parks, place making, parks, etc.);
- Increase live/workspaces; and
- Repair historical past of racism and exclusionary practices.

6. I would like to live in Los Gatos, or I know someone who would like to live in Los Gatos. Here are some ideas for how to help Los Gatos be more welcoming to those who would like to live here, but currently cannot find housing.

21 responses

Town of Los Gatos is doing a great job making our town Welcoming. Greatly appreciated.

Make affordable housing?

Inherit a few million dollars or have parents that have a very large lot and will let you stay with them.

(Kidding but not kidding. It's pretty much impossible to find housing with a median level income)

BMP rent offered more

Provide more oportunities for low income / affordable housing to Single people over 50 years old. It is difficult for single people to aquire this type of housing due to the lottery system that gives more points to families. Thank you.

Rent prices are too high

Education, safety, etc.

6. I would like to live in Los Gatos, or I know someone who would like to live in Los Gatos. Here are some ideas for how to help Los Gatos be more welcoming to those who would like to live here, but currently cannot find housing.

21 responses

I know someone (actually many people) who would like to live in Los Gatos

CHEAPER RENT WOULD BE NICE

Affordable rent

It has always been known to harbor racists and I know more people who choose not to pursue housing here because of that history. So, work is needed on that front but I don't have any suggestions.

affordability

Lower rental rates and accept pets - Most rentals do not allow pets in LG

Encourage property owners to build ADU's and jADU's and rent at an affordable level.

- Greater emphasis on recognizing and celebrating diversity, important cultural events, etc.
- A wider variety of housing types (too many single-family homes, few smaller, cheaper options)
- Better treatment of homeless and deeply poor residents (more services, a heating/ cooling shelter, regular

6. I would like to live in Los Gatos, or I know someone who would like to live in Los Gatos. Here are some ideas for how to help Los Gatos be more welcoming to those who would like to live here, but currently cannot find housing.

21 responses

- Greater emphasis on recognizing and celebrating diversity, important cultural events, etc.
- A wider variety of housing types (too many single-family homes, few smaller, cheaper options)
- Better treatment of homeless and deeply poor residents (more services, a heating/ cooling shelter, regular outreach, showers more than once a week, regular food distribution)
- More community-centered public spaces like community gardens, a dog park, maker spaces, parks, etc.
- More subsidizing housing
- More live/ work options

build housing above existing structures in downtown los gatos. add parking garage and plaza. make better use of ugly street "village lane". do not build next to highway 17, no one deserves to live by the freeway. demo 208 Bachman Ave add new daycare or family friendly restaurant with outdoor space.

Bring the price down

Provide more affordable housing options.

i have bought a Condo in Los Gatos for my special needs son , because no rental property was available for him

6. I would like to live in Los Gatos, or I know someone who would like to live in Los Gatos. Here are some ideas for how to help Los Gatos be more welcoming to those who would like to live here, but currently cannot find housing.

21 responses

- More subsidizing housing
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Bring the price down

Provide more affordable housing options.

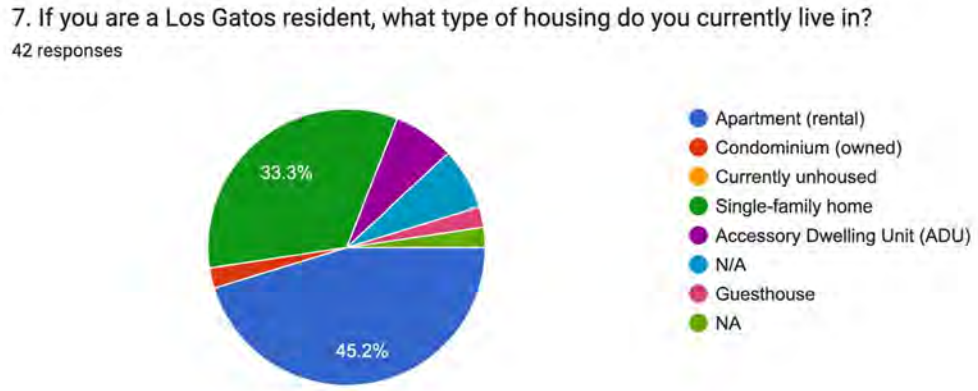
i have bought a Condo in Los Gatos for my special needs son , because no rental property was available for him

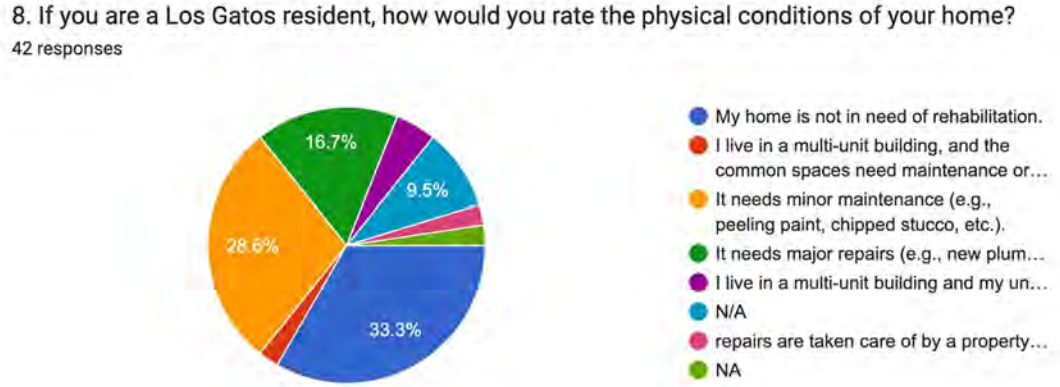
Missing middle housing downtown of course

More affordable housing would be ideal. One bedrooms that rent for $2000 or more are not affordable for teachers and other public servants.

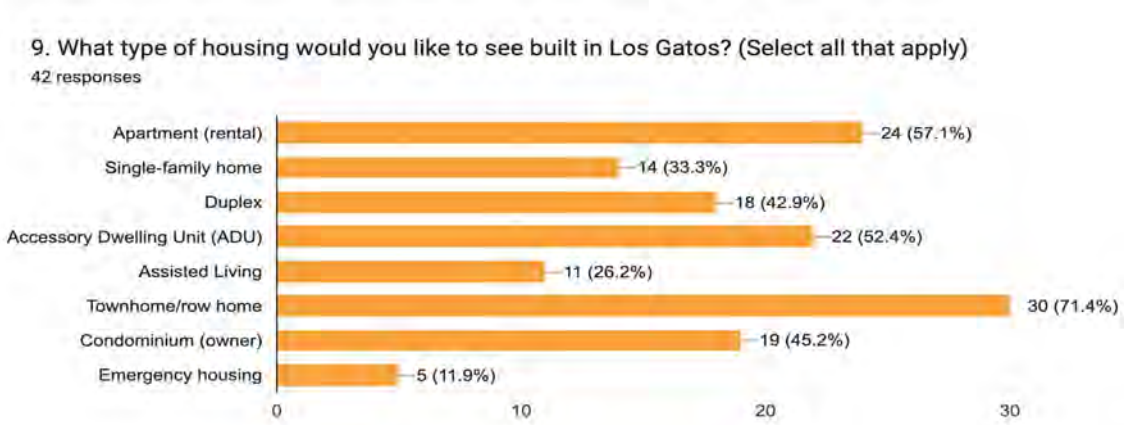
Respondent Housing Characteristics

Survey respondents were asked to identify what type of housing they currently reside in, of which approximately 45 percent identified as renting apartments, followed by 33 percent living in a guesthouse. When asked to rate the physical conditions of their home, 33 percent of respondents identified there was no need for rehabilitation of their home, while 29 percent indicated minor maintenance was needed (i.e.: peeling paint, chipped stucco, etc.). Seventeen (17) percent indicated major repairs to their home were needed (i.e.: new plumbing, new roof, new windows, etc.).





Survey respondents were also asked to identify what type of housing they would like to see built in Los Gatos. Seventy-one (71) percent of respondents indicated townhome/row homes were their preferred housing type to be built in the Town. Respondents also indicated preferences for apartment rental units (57 percent), ADUs (52 percent), and condominiums for purchase (45 percent).



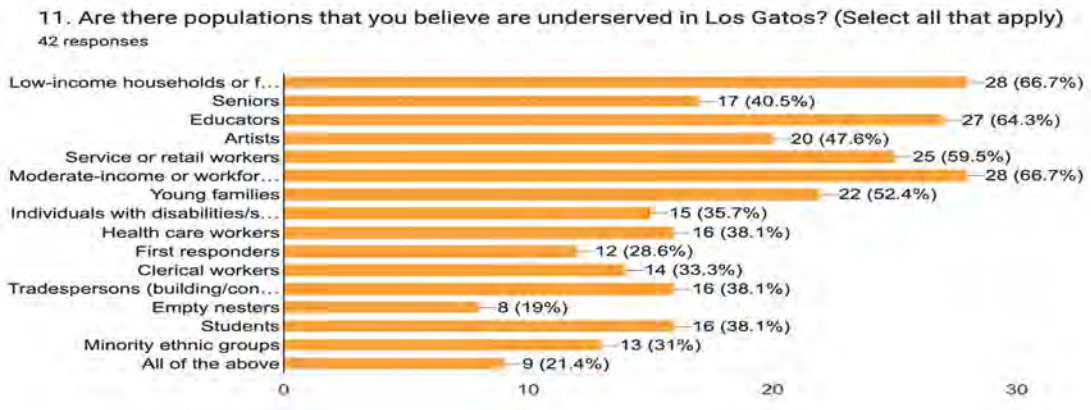
Housing Objectives and Goals for Los Gatos to Consider

When prompted to identify the top three most important housing objectives for Los Gatos (among a list of options provided), the majority of respondents chose the following:

- Providing more opportunities for home ownership at all income levels (79 percent);
- Encouraging developments with a mix of residential, commercial, and other compatible uses (48 percent);
- Encouraging development of small housing types, such as micro-units (48 percent); and
- Assisting senior and/or affordable housing developers with securing State or Federal funding (45 percent).

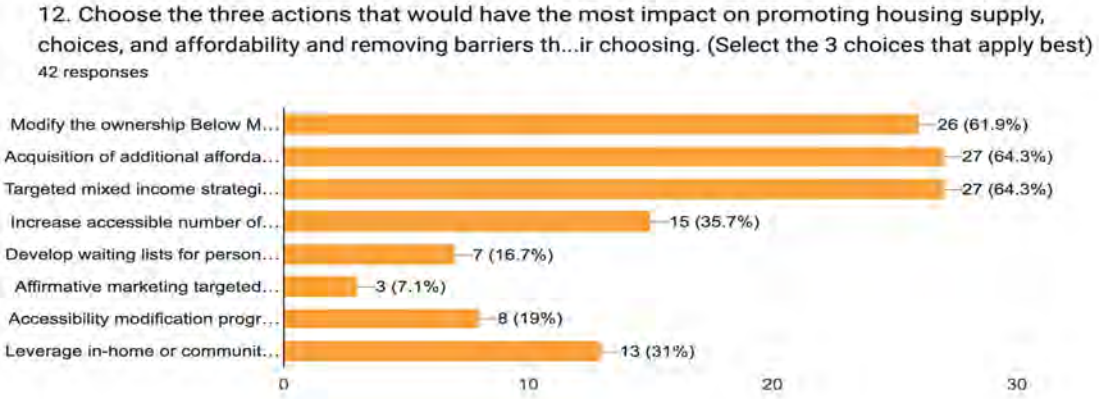


When respondents were asked if there are populations, they believe are underserved in Los Gatos the majority identified low-income households or families (67 percent), moderate-income or workforce-income households (67 percent), educators (64 percent), and service or retail workers (60 percent).



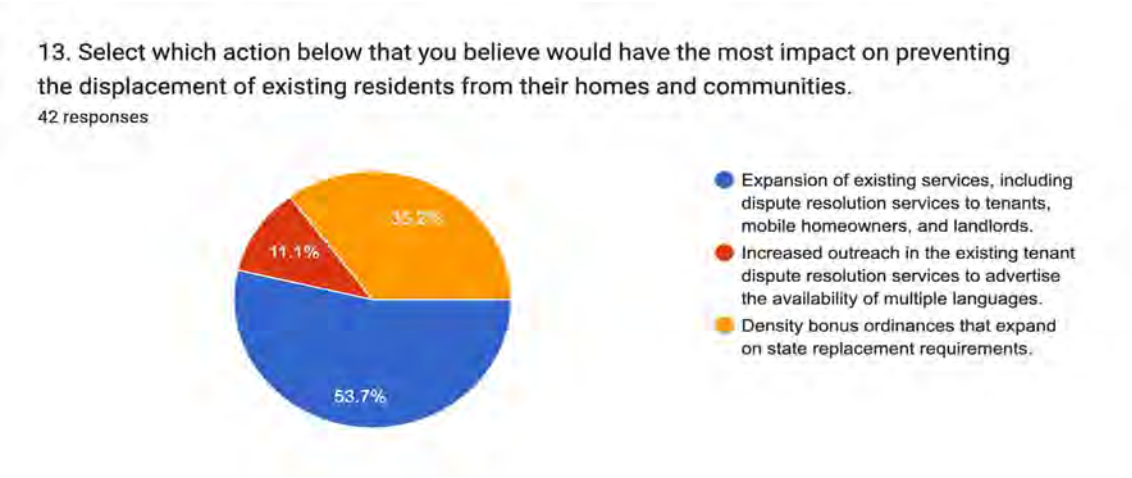
Survey respondents were asked to identify the three actions that would have the most impact on promoting housing supply, choice, and affordability and removing barriers to housing and neighborhoods of their choosing (among a list of options provided), the majority of respondents chose the following:

- Acquisition of additional affordable units in mixed income developments (64 percent);
- Targeted mixed income strategies (i.e.: funding, incentives, policies and programs, density) (64 percent); and
- Modify the ownership of the BMP Program by increasing the percentage of BMP units required in new developments or changing the income designations for greater affordability (62 percent).



Lastly, survey respondents were asked to identify which action they believed would have the most impact on preventing displacement of existing residents from their homes and communities (among a list of options provided). The following are the respondent's selections:

- Expansion of existing services, including dispute resolution services to tenants, mobile homeowners, and landlords would have the greatest impact (54 percent);
- Density bonus ordinances that expand on State replacement requirements (35 percent); and
- Increased outreach in the existing tenant dispute resolution services to advertise the availability of multiple languages (11 percent).



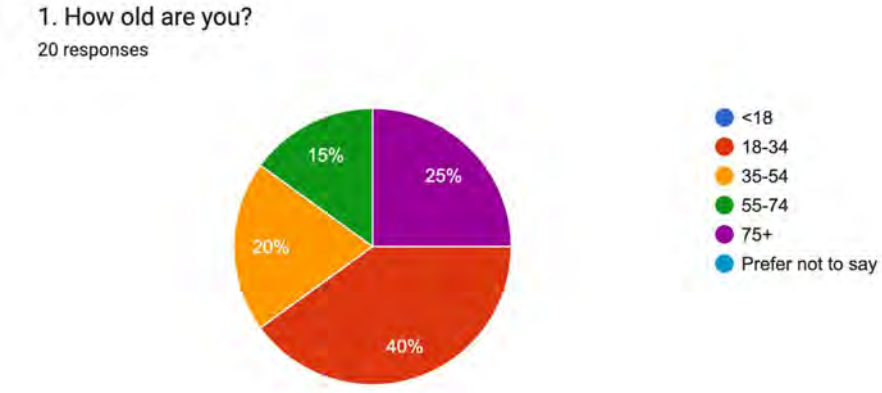
Summary and Conclusion

Overall, survey respondents indicated a need for; more affordable housing for renter households and special needs groups; increased housing types for smaller households; development of mixed-use space in the Downtown that accommodates mixed-income households; expansion of public services; and more opportunities for homeownership at all income levels.

In-Person Collected Survey Results

Respondent Demographics

In collaboration with West Valley Community Services (WVCS), the Town collected a total of 20 in-person responses from individuals. The survey was available in English, Spanish, and Russian, of which 13 in-person respondents spoke English and seven (7) spoke Russian. Forty (40) percent of respondents were between 18-34 years of age and 60 percent identified as non-Hispanic White. Seniors made up 25 percent of in-person respondents. The majority of respondents indicated earning an annual income between $0-$25,000 (56 percent).

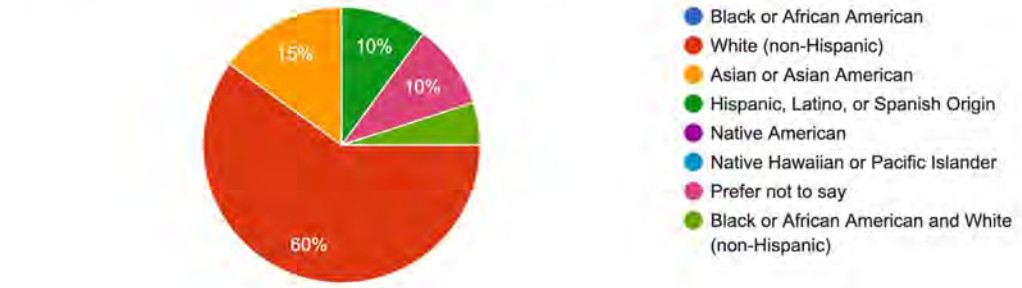


Respondent Role in the Town

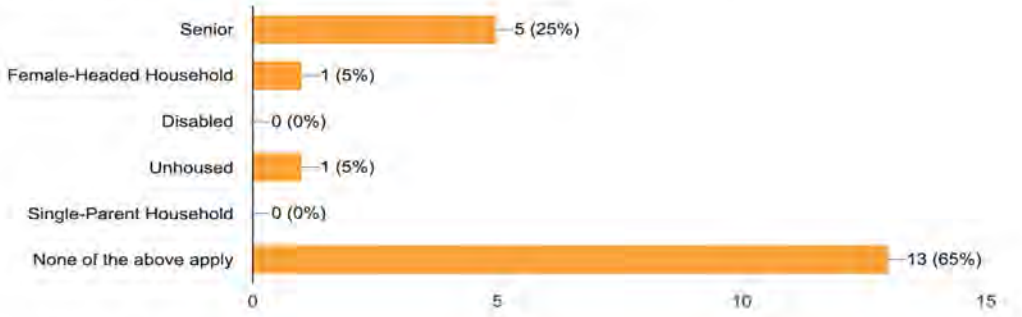
In-person survey respondents were asked to identify their racial or ethnic group that they identify as, their annual household income, and their role in the Los Gatos community. The majority of respondents chose not to identify their role in the Los Gatos community. Of those that did respond, 31 percent identified visiting the Town, 25 percent identified living in Los Gatos and renting their home, and 6 percent identified as being unhoused or

having no permanent housing. None of the in-person respondents identified as homeowners, business owners, or representing an advocacy group/organization.

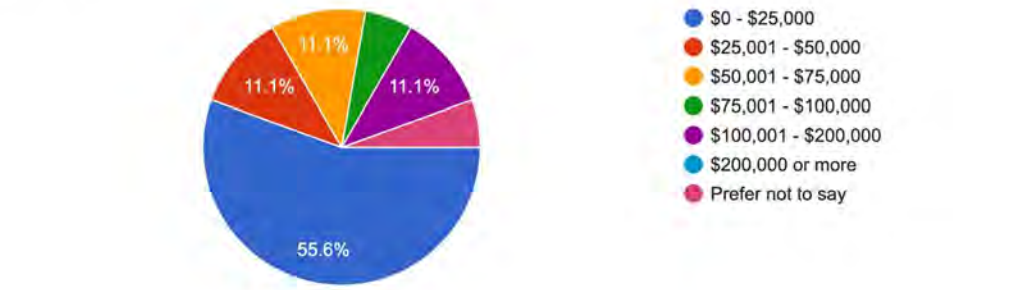
2. Which racial or ethnic group(s) do you identify as?
20 responses

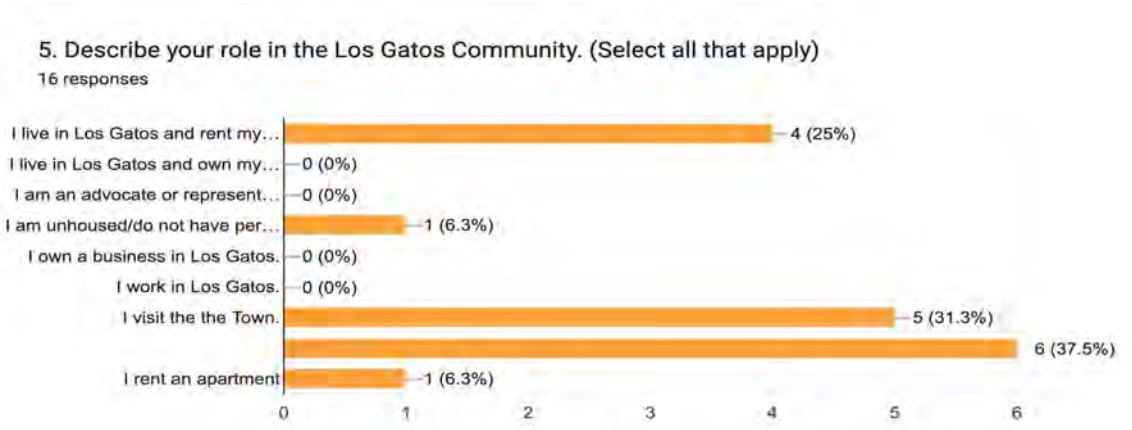


3. Do you identify with any of the following? (Select all that apply)
20 responses



4. What is your annual household income?
18 responses

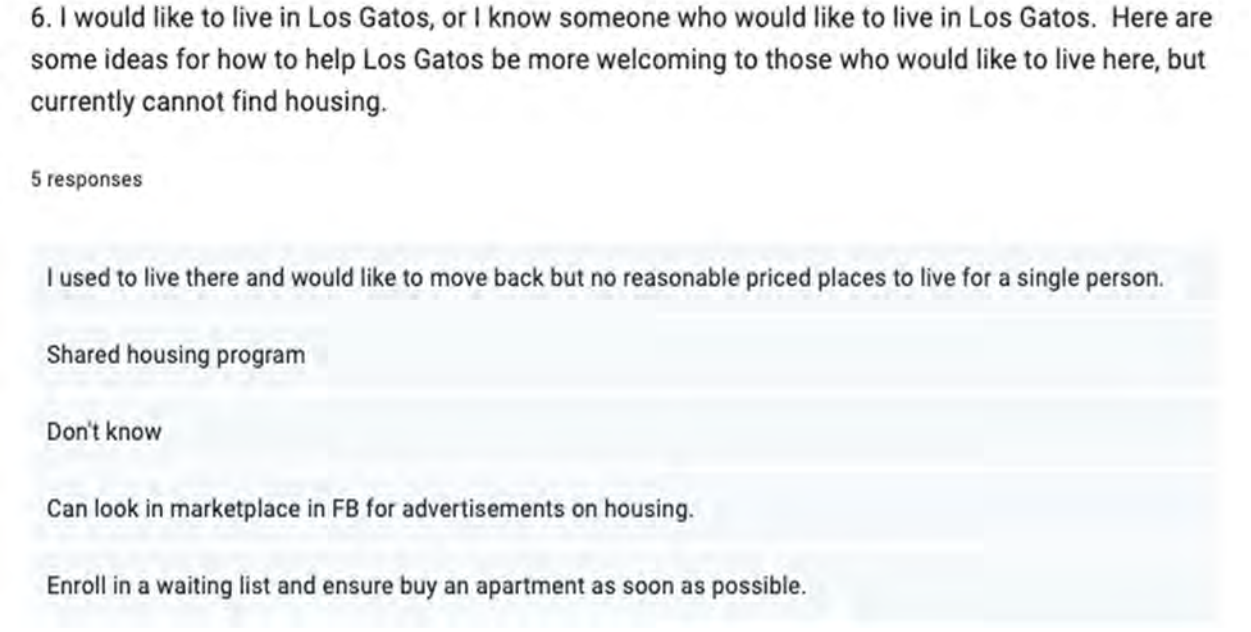




Respondent Ideas to Enhance Housing in Los Gatos

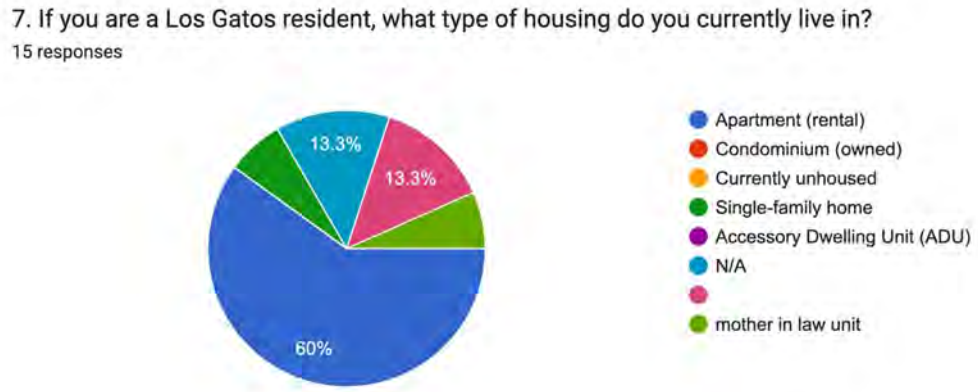
In-person survey respondents were asked for ideas to make Los Gatos more welcoming to potential residents who currently cannot find housing. The most common responses include the following:

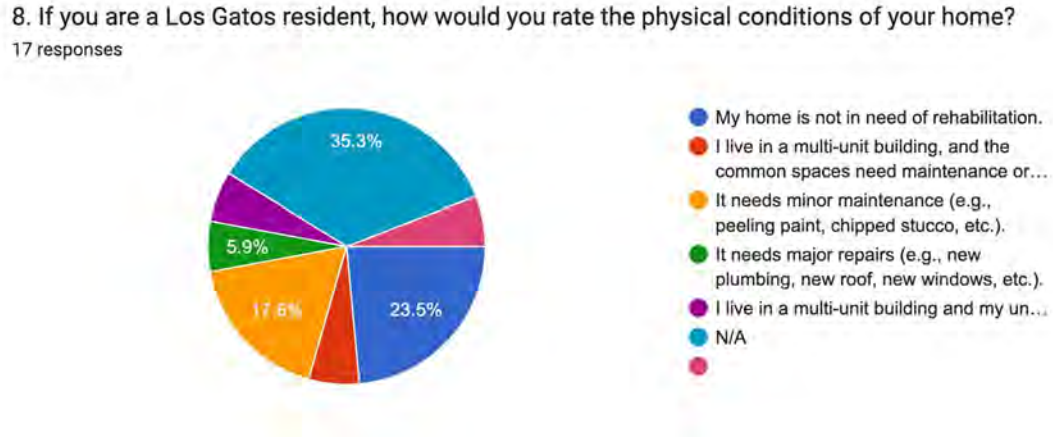
- Increase affordable housing stock specifically for single-person households;
- Develop shared housing programs;
- Advertise affordable housing on social media sites like Facebook Marketplace; and
- Develop a waiting list so potential residents may be notified when affordable housing is available.



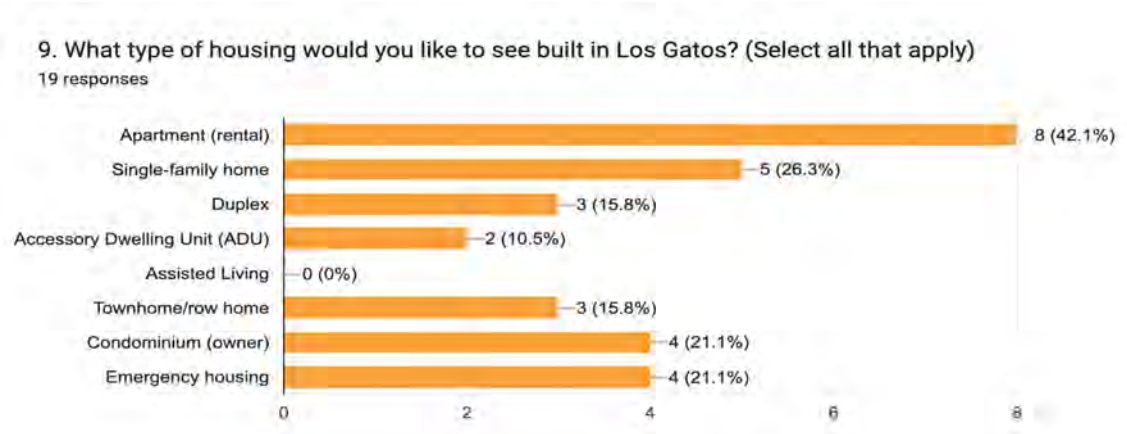
Respondent Housing Characteristics

In-person survey respondents were asked to identify what type of housing they currently reside in, of which 60 percent identified as renting apartments, followed by 27 percent not identifying. When asked to rate the physical conditions of their home, 35 percent of respondents chose not applicable, 24 percent indicated rehabilitation is not needed, and 18 percent indicated minor maintenance is needed (i.e.: peeling paint, chipped stucco, etc.). Six (6) percent indicated major repairs to their home are needed (i.e.: new plumbing, new roof, new windows, etc.).





In-person survey respondents were also asked to identify what type of housing they would like to see built in Los Gatos. Forty-two (42) percent of respondents indicated rental apartments were their preferred housing type to be built in the Town. Respondents also indicated preferences for single-family homes (26 percent), condominiums for purchase (21 percent), emergency housing (21 percent), duplexes (16 percent), townhome/row homes (16 percent), and ADUs (11 percent).



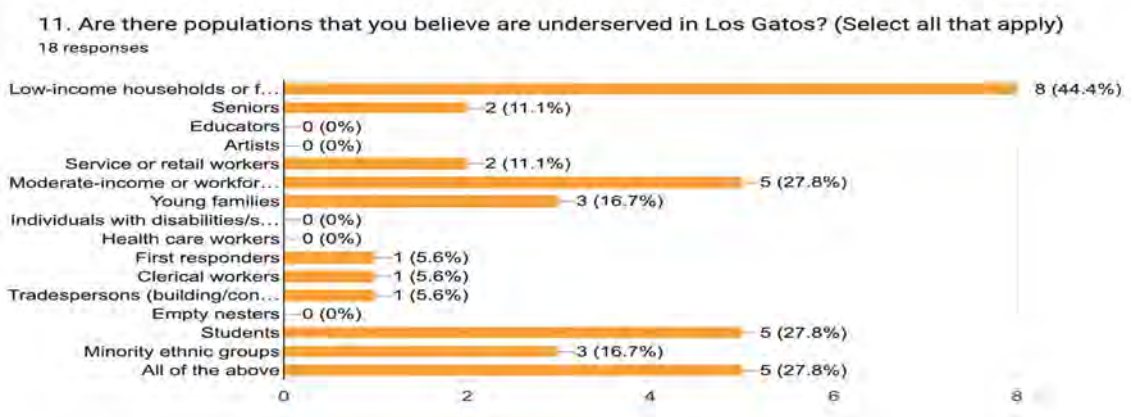
Housing Objectives and Goals for Los Gatos to Consider

When prompted to identify the top three most important housing objectives for Los Gatos (among a list of options provided), the majority of in-person respondents chose the following:

- Providing more opportunities for home ownership at all income levels (50 percent);
- Encouraging development of small housing types, such as micro-units (50 percent);
- Encouraging developments with a mix of residential, commercial, and other compatible uses (39 percent); and
- Assisting permanent supportive housing, transition housing, and/or emergency shelter projects with securing State or Federal funding (33 percent).

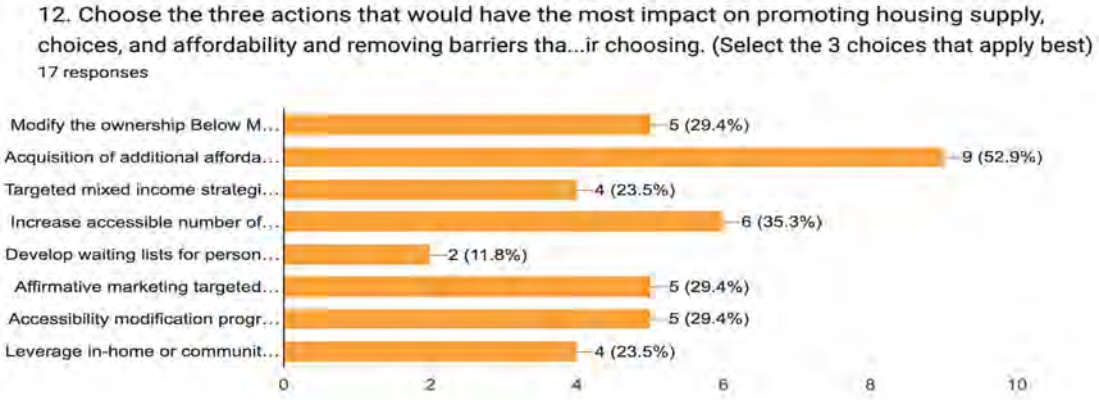


When respondents were asked if there are populations, they believe are underserved in Los Gatos the majority identified low-income households or families (44 percent), moderate-income or workforce-income households (28 percent), students (28 percent), and all of the above (28 percent).



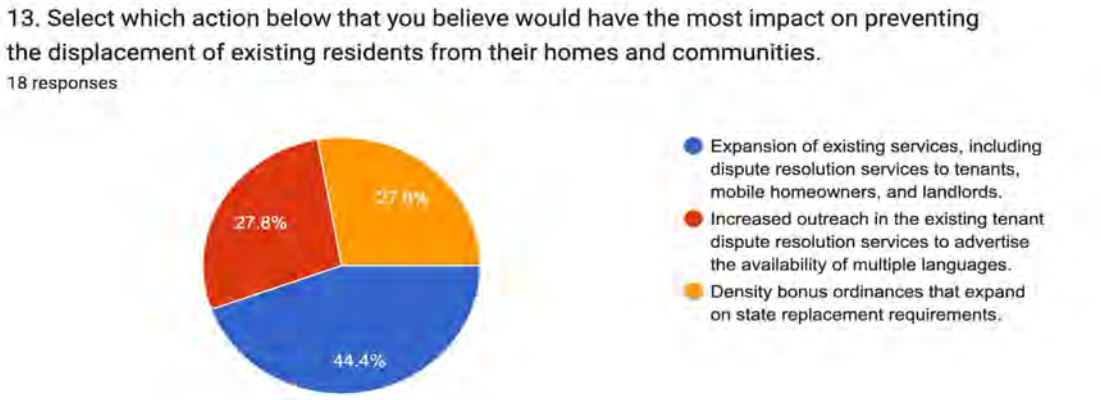
In-person survey respondents were asked to identify the three actions that would have the most impact on promoting housing supply, choice, and affordability and removing barriers to housing and neighborhoods of their choosing (among a list of options provided), the majority of respondents chose the following two actions:

- Acquisition of additional affordable units in mixed income developments (53 percent); and
- Increase accessible number of units above State law through incentives, policies, funding, and other similar measures (35 percent).



Lastly, survey respondents were asked to identify which action they believed would have the most impact on preventing displacement of existing residents from their homes and communities (among a list of options provided). The following are the respondent's selections:

- Expansion of existing services, including dispute resolution services to tenants, mobile homeowners, and landlords would have the greatest impact (44 percent);
- Density bonus ordinances that expand on State replacement requirements (28 percent); and
- Increased outreach in the existing tenant dispute resolution services to advertise the availability of multiple languages (28 percent).



Summary and Conclusion

Overall, in-person survey respondents indicated a need for more affordable housing for renter households and special needs groups, specifically seniors and persons with disabilities; emergency and transitional housing; expansion of public and supportive services; and more opportunities for homeownership at all income levels.

Governmental and Non-Governmental Constraints

C

APPENDIX

C.1 Governmental Constraints

Potential governmental constraints that impact housing development in Los Gatos include land use and zoning regulations, building code standards and code compliance, Town design and development standards, governmental fees and exactions, processing and permitting time, and local housing programs.

This appendix provides a full discussion of both governmental and non-governmental constraints that affect housing in Los Gatos. Governmental constraints are policies, requirements, or other actions imposed by various levels of government on land and housing ownership and development. Federal and State agency regulations that may constrain development are beyond the control of the Town and are therefore not addressed in this document. Non-governmental constraints are other conditions that impact housing development such as market factors, environmental setting, and construction costs.

Land Use

On June 30, 2022, the Town Council adopted the 2040 General Plan and accompanying Environmental Impact Report (EIR). As of September 27, 2022, The Land Use and Community Design Elements of the 2040 General Plan are suspended pending the results of a referendum. In the interim, the Town's 2020 General Plan Land Use and Community Design Elements will govern during the suspension period.

Residential Designations

- *HR, Hillside Residential.* The purpose of this designation very low density single-family residential and accessory dwelling unit development on large lots or as part of a cluster development. This designation allows for development that is compatible with the unique mountainous terrain and rural nature of the hillside areas. Up to one dwelling unit per acre and maximum height of 25 feet.

- *LDR, Low Density Residential.* The purpose of this designation is to provide for accessory dwelling units and single-family residential purposes. It encourages single-family residential development in either the standard development established by standard zoning or by innovative forms obtained through a planned development. Densities range from 0 to five dwelling units per acre, a maximum height of 30 feet and up to 40 percent lot coverage.

- *MDR, Medium Density Residential.* The purpose of this designation is to provide for accessory dwelling units, multi-family residential, duplexes, and/or small lot single-family homes. Mixed-use developments are not permitted in this designation. Densities range from five to 12 units per acre, maximum height up to 30 feet or 35 feet when the building has below grade parking and lot coverage up to 40 percent.

- *HDR, High Density Residential*. The purpose of this designation is to provide for accessory dwelling units, and more dense multi-family residential development. Its objective is to provide quality housing in proximity to transit and/or commercial and business areas. Mixed-use developments are not permitted in this designation. Densities range from 12 to 20 units per acre, maximum height up to 30 feet or 35 feet when the building has below grade parking and lot coverage up to 40 percent.

Commercial Designations

- *MU, Mixed-Use.* The purpose of this designation is to provide a mixture of commercial uses (including retail, office, hotel/lodging) and residential, along with allowing stand-alone commercial uses (including retail, office, hotel/lodging, service uses, recreational uses, and restaurants). Residential is only allowed when developed in a mixed-use format with retail, office, or hotel/lodging components on the site. Projects developed under this designation shall maintain primary orientation to arterial street frontages and proper transitions and buffers to adjacent residential properties. Densities range up to 20 units per acre, with a maximum height up to 35 feet, and lot coverage up to 50 percent.

- *NC, Neighborhood Commercial.* The purpose of this designation is to provide for necessary day-to-day commercial goods and services required by the residents of the adjacent neighborhoods. This designation encourages concentrated and coordinated commercial development at easily accessible locations.

Residential uses, developed using a mixed-use format, are allowed in the designation. Densities range up to 20 units per acre, with a maximum height up to 35 feet, and lot coverage up to 50 percent.

- *CDB, Central Business District*. The purpose of this designation is to encourage a mixture of community-orientated commercial goods and services within the Downtown CBD. This designation applies exclusively to the Downtown CBD, with the goal to accommodate and retain local merchants and preserve the Town's character. New development in the CBD shall integrate with existing structures of architectural and historical significance. Residential uses, developed using a mixed-use format, are allowed in the designation. Densities range up to 20 units per acre, maximum height up to 45 feet and a FAR up to 2.0.

Employment Center Designations

- *OP, Office Professional*. The purpose of this designation is to provide for professional and general business offices, incubator spaces, and innovation centers. This designation applies to various locations throughout the Town, often in proximity to neighborhood- or community-oriented commercial facilities, or as a buffer between commercial and residential uses. The intent of this designation is to satisfy the community's need for general business and professional services, and local employment. Residential uses, developed using a mixed-use format, are allowed in the designation. Densities range up to 20 units per acre, with a maximum height up to 35 feet and lot coverage up to 50 percent.

Specific Plan Designations

- *NF-SP, North Forty Specific Plan*. The purpose of this designation is to provide land for the North 40 Specific Plan, which includes the designation of mixed-use development (residential and commercial, open space amenities, and space for a hotel).

Town Code

The Town of Los Gatos Municipal Code provides zoning regulations that are more specific than the General Plan Land Use designations. This section describes residential development standards, including accessory dwelling units, overlay zones, and density bonuses. This section also analyzes constraints on housing for persons with disabilities.

Residential Development Standards

There are ~~six~~ seven residential and five commercial zoning districts in Los Gatos that allow residential uses. Table C-1 provides the regulations for each zone.

- Resource Conservation (RC)
- Hillside Residential (HR)
- Single-Family Residential (R-1)
- Single-Family Residential Downtown (R-1 D)
- Duplex Residential (RD)
- Multi-family Residential (RM)
- Residential Mobile Home Park (RMH)
- Neighborhood Commercial (C-1)
- Central Business District (C-2)
- Highway Commercial (CH)
- Office (O)
- Commercial Industrial Zone (LM)

As shown in Table C-1, development standards for each residential district could impede a project's ability to develop housing at a density of at least 35 dwelling units per acre on a site. The 30-foot height limit for the majority of residential designations allows for up to three building stories and the maximum density of 20 dwelling units per acre in the RM zone limits development.

Table C-1 also provides the parking requirements for residential development in Los Gatos, by zoning district. Parking is often a significant component of the cost of residential development and can be viewed as a constraint to the provision of housing. The Town has provided some flexibility in its parking requirements, particularly for Planned Developments and for some developments providing affordable units for elderly and disabled persons, generally easing the constraint of parking requirements on the development of higher density and affordable units.

As part of the Housing Element Update, programs to amend the Zoning Code and General Plan to ensure adequate sites are available to accommodate the identified sites in the Sites Inventory are proposed and include:

- Amending the Zoning Code to include a Housing Element Overlay Zone (HEOZ) to apply to the sites included in the Site Inventory to modify the development standards (i.e., density, lot coverage, floor area ratio, height) on those sites;
- Amending the Affordable Housing Overlay Zone to increase the maximum allowable density from 20 dwelling units per acre to ~~30~~ 40 dwelling units per acre;
- Amending the North Forty Specific Plan to increase the maximum allowable density from 20 dwelling units per acre to ~~more than 30~~40 dwelling units per acre and increase the total number of dwelling units allowed in the Specific Plan;
- Amending the General Plan to modify the designation of 16492 Los Gatos Boulevard and Parcel 532-07-086 from Low Density Residential to Neighborhood Commercial;
- Clarifying the text of the non-residential zones that the housing sites contained in the inventory sites table that are in these zones must include housing;
- Rezoning the Caltrans ROW (Site E3) from R-1:8 to R-M:5-12;
- Amending the General Plan to modify the designation of the Caltrans ROW from Low Density Residential to Medium Density Residential; and
- Allowing for housing developments that are 100 percent affordable by-right in the Mixed-Use General Plan designation.

Table C-1 Residential and Commercial Development Standards by Zoning District

Zoning District	Density	Minimum Lot Area	Maximum Height (Feet)	Front Yard Setback (Feet)	Side Yard Setback (Feet)	Rear Yard Setback (Feet)	Parking Per Unit (No. of Spaces)	Other
RC	1 unit per lot	20 acres	25	30	20	25	2	
HR	HR-1: 1-5 acres per unit HR-2.5: 2.5-10 acres per unit HR-5: 5-40 acres per unit HR-20: 20-160 acres per unit	40,000 sq. ft.	25	30	20	25	2	Density ranges are dependent on hillside slope calculations.
R-1	R-1:8	8,000 sq. ft.	30	25	8	20	2	
	R-1:10	10,000 sq. ft.	30	25	10	20	2	
	R-1:12	12,000 sq. ft.	30	25	10	20	2	
	R-1:15	15,000 sq. ft.	30	25	12	25	2	
	R-1:20	20,000 sq. ft.	30	30	15	25	2	
	R-1:30	30,000 sq. ft.	30	30	16	25	2	
R-1D		5,000 sq. ft. for single-family 8,000 sq. ft. for duplex	30	15	5	20	2 for single-family and two-family dwellings	Architecture and Site is required for all new primary buildings.
R-D		8,000 sq. ft.	30	25	8	20	2	
R-M		8,000 sq. ft.	30	25	8-10	20	Resident: 1.5 per unit [a] Visitor: 1 per unit [b]	Maximum height is 30 feet, except when the building has below grade parking the maximum is 35 feet.
RMH	Up to 12 units per acre	5 acres	30	25	8-10	20	2	
C-1	Up to 20 units per acre	N/A	35	15	0	0 [c]	Dependent on unit size	Residential allowed with CUP.
C-2	Up to 20 units per acre	N/A	45	15 [c]	0 [c]	0 [c]	Resident: 1.5 per unit [a] Visitor: 1 per unit [b]	Residential allowed with CUP.
CH	Up to 20 units per acre	N/A	35	25 [c]	15 [c]	20 [c]		Residential allowed with CUP.
O	Up to 20 units per acre	8,000 sq. ft.	35	25	10	20		Residential allowed with CUP.
LM	Up to 20 units per acre	8,000 sq. ft.	35	15 [c]	0 [c]	0 [c]		Live/work allowed with CUP.

Notes: [a] Single-family, residential condominiums, and two-family dwellings must provide two parking spaces for each living unit and one additional visitor space for each residential unit is required. See discussion below for information regarding required visitor spaces.

[b] The Town requires 1.5 parking spaces per unit for multiple-unit dwellings in all zones and two-family dwellings in the R-1D zone. One visitor parking space for each residential unit other than a detached single-family or two-family dwelling shall be required, unless the Planning Commission makes a finding that more or less visitor parking is necessary due to the size or type of housing unit(s).

[c] Setbacks vary depending on adjacent uses and streets for commercial designations.

The Town regulates the type, permitting requirements, and standards for development, which implements the General Plan and its land use designations, through the Town's Zoning Ordinance, Chapter 29 of the Municipal Code. This code section identifies residential zoning districts and allowable housing types as summarized in Table C-2 below.

Table C-2 Housing Types Allowed by Zoning District

Zoning District	Residential Permitted Uses	Residential Uses Allowed with a Conditional Use Permit
Resource Conservation Zone (RC)	• Single-family dwelling, provided that there is not more than one (1) principal residential structure on a lot • Accessory dwelling units • Junior accessory dwelling units • Residential care facility, small family home	• Residential care facility-large family home • Residential care facility-group home • Caretaker residence
Hillside Residential (HR)	• Single-family dwelling, provided that there is not more than one (1) principal residential structure on a lot • Accessory dwelling units • Junior accessory dwelling units • Residential care facility, small family home	• Residential care facility-large family home • Residential care facility-group home • Caretaker residence
Single-Family Residential Zone (R-1)	• Single-family dwelling, provided that there is not more than one (1) principal residential structure on a lot • Accessory dwelling units • Junior accessory dwelling units • Residential care facility, small family home	• Residential care facility-large family home • Residential care facility-group home
Single-Family Residential Downtown Zone (R-1D)	• Single-family dwelling, provided that there is not more than one (1) principal residential structure on a lot • Two-family dwelling, provided that there is not more than one (1) principal residential structure on a lot • Residential care facility, small family home • Accessory dwelling units • Junior accessory dwelling units	• Residential care facility-large family home • Residential care facility-group home
Duplex Residential Zone (R-D)	• Single-family dwelling • Two-family dwelling • Residential care facility, small family home • Accessory dwelling units • Junior accessory dwelling units	• Residential care facility-large family home • Residential care facility-group home
Multiple -Family Residential Zone (R-M)	• Single-family dwelling • Two-family dwelling • Residential care facility, small family home • Multi-family dwelling • Transitional Housing facility as defined by Health and Safety Code section 50675.2 • Accessory dwelling units • Junior accessory dwelling units	• Residential care facility-large family home • Residential care facility-group home • Mobile home park • Conversion of a mobile park to any other use

Zoning District	Residential Permitted Uses	Residential Uses Allowed with a Conditional Use Permit
Mobile Home Residential Zone (RMH)	• Mobile home parks for single-family dwelling uses • Residential quarters for use by manager or other park employees	• Conversion of a mobile park to any other use
Neighborhood Commercial Zone (C-1)		• Residential care facility-small family home • Residential care facility-large family home • Residential care facility-group home • One-family dwelling (in a mixed-use project) • Two-family dwelling (in a mixed-use project) • Multiple-family dwelling (in a mixed-use project) • Live/work units
Central Business District Commercial Zone (C-2)	• Single-family and two-family uses, in conjunction with the other uses permitted in this section	• Residential care facility-small family home • Residential care facility-large family home • Residential care facility-group home • Multiple-family dwelling (in a mixed-use project) • Live/work units
Restricted Highway Commercial Zone (CH)		• Residential care facility-small family home • Residential care facility-large family home • Residential care facility-group home • One-family dwelling (in a mixed-use project) • Two-family dwelling (in a mixed-use project) • Multiple-family dwelling (in a mixed-use project) • Live/work units
Office (O)		• Residential care facility-small family home • Residential care facility-large family home • Residential care facility-group home • One-family dwelling (in a mixed-use project) • Two-family dwelling (in a mixed-use project) • Multiple-family dwelling (in a mixed-use project) • Live/work units
Commercial-Industrial Zone (LM)		• Live/work units

Source: Town of Los Gatos

The Town Code will be modified to add by-right housing as required by State law. Implementation Program BC, *Zoning for a Variety of Housing Types*, will modify the Town Code to allow Transitional and Supportive Housing development by-right in all zoning districts that permit residential uses. The program will also permit by-right Permanent Supportive Housing in zones where multi-family and mixed uses are permitted, including nonresidential zones permitting multi-family uses. The CUP requirement for residential care facilities for seven or

more is a constraint to housing. Implementation Program BC, *Zoning Text Amendments for Special Needs Housing*, includes a Zoning Code amendment to allow group homes of seven or more by right in all residential zones conforming with HCD's Group Home Technical Advisory (December 2022), no longer requiring a CUP. Implementation Program BC has added a zoning amendment to allow Employee Housing consisting of up to 36 beds or 12 units in zones that allow agricultural uses (per Health and Safety Code Section 17000, et seq.).

Overlay Zones

Four overlay zones in the Town Code, the Planned Development (PD) zone, the Landmark and Historic Preservation (LHP) zone, the Affordable Housing Overlay Zone (AHOZ), and the Public School Zone (PS) that apply to housing development in Los Gatos.

Planned Development (PD)

The PD overlay zone was updated in 2018 and is intended to preserve, enhance, and/or promote development that highlights the Town's characteristics. This includes natural and historic resources, production of affordable housing, maximization of open space, and projects that provide a public benefit to the Town's citizens. As an incentive to housing development, the PD overlay provides alternative standards for housing developments with a minimum of 40 percent of the units affordable to households of very low, low, or moderate income.

Landmark and Historic Preservation (LHP)

The LHP overlay zone designation is applied to individual sites, structures, or areas deemed as architecturally or historically significant. There are five designated LHP overlay zones within the Town, including the Almond Grove, Downtown Commercial, Fairview Plaza, and University-Edelen districts. Existing and proposed structure(s) within these LHP overlay zones are subject to a special design standard and review process regarding their appearance, use, and maintenance before the Historic Preservation Committee.

Affordable Housing Overlay Zone (AHOZ)

The AHOZ is intended to increase the supply and variety of housing types to promote tenure and affordability. The AHOZ promotes densities, development standards and incentives that will encourage the production of housing affordable to all income levels of the Town's RHNA allocation. The properties can be developed consistent with the AHOZ development standards, densities and incentives or under the existing zoning requirements, but not both. The 2023-2031 Housing Element lists the one property, the Southbay Development located on Knowles Drive, east of Winchester Boulevard as a key housing opportunity site for a mixed income affordable housing project. The designation of this site will assist the Town in meeting its fair share of the regions housing needs required by the State.

The AHOZ permits development at a density of 20 units per acre by-right, with an Architecture and Site approval, for projects in which at least half of the units are affordable to lower or moderate-income households. The AHOZ provides a 30-foot building height with an automatic allowance for 35 feet for integrated (first floor) garage or podium parking. Additional height can be granted through the Architecture and Site Plan review process. The 40 percent lot coverage and parking reduction is consistent with the State Density Bonus maximum parking requirements. Further parking reductions are allowed for properties within a quarter mile of the planned Vasona Light Rail Station, for senior-only housing and housing for persons with disabilities. All other property development standards are consistent with the Town's R-M Standards.

The AHOZ also allows up to four automatic concessions. The concessions include reductions in:

- Parking: one space for studio and one-bedroom units, two spaces for three-to-four-bedroom units, 2.5 spaces for four or more-bedroom units, one space for units reserved for seniors or persons with disabilities, reduction to one space per unit for developments within one-quarter mile to the proposed Vasona Light Rail Station.
- Setbacks: Any two property setbacks may be reduced by up to 50 percent.
- Increase in lot coverage: The lot coverage may be increased up to 50 percent from 40 percent.
- Processing fees: The Town shall waive or defer planning, engineering, and building processing fees, except those that are paid directly to Town consultants or for technical studies.
  The developer can select one of the following types of fees to be waived as one of the four available concessions:
  a. Planning and engineering application fees (but not Town consultant fees).

b. Building plan check and inspection fees.
c. Construction mitigation fees.

- Priority processing: The Town gives projects the highest processing priority for planning entitlements, building plan check and building inspections.

The Valley Transportation Authority has deferred the development of the Vasona Light Rail Station indefinitely. Given this recent development, the Town will initiate a Code amendment to reduce parking within a quarter mile of transit stops as a further development incentive in the AHOZ.

Public School Zone (PS)

The PS Overlay Zone is intended to all school buildings to be used for community and educational purposes, such as museums, community centers, and nurseries, without extensive exterior modifications. Any land owned by a public school district may be designated as a PS overlay zone.

Multi-family Housing

Multi-family housing is permitted in a residential zone, including the R-M zone and is permitted in a mixed-use development with a Conditional Use Permit (CUP) in the following commercial zoning districts, C-1, C-2, and CH zones. One of the intents of these districts is to direct and facilitate housing of various density ranges. A permitting process that is more onerous or uncertain for multi-family units than for single-family presents a concern and could be considered a constraint on multi-family housing. In the R-M zone, the Town requires apartments include one and a half parking spaces per unit, regardless of the number of bedrooms in the unit, plus one visitor parking space for each apartment unit, unless the Planning Commission makes a finding that more or fewer visitor parking is necessary due to the size or type of housing unit(s).

A CUP can increase risk and costs associated with the planning entitlement process act as a deterrent to housing developers. Long permit processing times or permit processes that have a high degree of uncertainty (i.e., discretionary reviews or processes with multiple public meetings) increase the cost of housing for developers, either by increasing their carrying costs as they wait for permits, or by increasing the chance that a project will be rejected after a long wait. In either case, a developer working in a jurisdiction with an onerous permitting process will demand higher profits to account for the increased risk, thereby increasing the overall development costs. In order to remove this regulatory constraint, the Housing Element includes an Implementation Program to remove the requirement for a CUP for residential development in zoning districts that currently allow multi-family uses with a CUP.

In Los Gatos, the predominant housing type in the Town is single family development which are allowed by right in the R-M zone. When single family residences are allowed in higher density residential zoning districts, the likelihood and ability of a developer constructing higher density residential units is diminished. Housing developers face higher risk, including neighborhood opposition, when single-family homes are present in multi-family zoning districts.

Manufactured Housing

Manufactured, otherwise known as prefabricated or factory-built, housing is constructed off-site and then transported to the property. It is allowed in all residential districts in Los Gatos subject to its compliance with Town regulations.

Transitional and Supportive Housing

Transitional housing refers to a housing facility with buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six (6) months as defined by Health and Safety Code section 50675.2(h). Currently transitional housing is allowed by-right in the Town's Multiple-Family Residential zone (R-M). According to California Health and Safety Code Section 50675.14, supportive housing is housing that is linked to on- or off-site services and is occupied by low-income persons with mental disabilities, chronic health issues or substance abuse issues, or persons with disabilities that were developed before age 18. Supportive housing has no limit on the length of stay for tenants. Supportive housing in Los Gatos consists of small family home residential care facilities, which are permitted in all residential zoning districts except Mobile Home Residential (RMH). In Los Gatos, licensed residential care

facilities for six or less persons are allowed by-right in all residential districts consistent with California Health and Safety Code Section 1267.8.

As part of the Housing Element Update the Town has included Implementation Program BC, *Zoning Text Amendment for Special Needs Housing*, that will update the Zoning Code to allow transitional housing and supportive housing developments by-right in all zoning districts that permit residential (per SB 2). The program will update the Municipal Code to accommodate the by-right, streamlined, ministerial review of supportive and transitional housing developments as mandated by Assembly Bill (AB) 2162 (2019). AB 2162 requires local jurisdictions to permit the development of transitional/supportive housing by-right in any zoning district that permits multi-family and mixed uses. Additionally, jurisdictions must provide a ministerial review of transitional and supportive housing developments that only reviews these developments against standards for residential uses in that same district. As part of this streamlined, ministerial review, the Town will be required to notify applicants of their eligibility for streamlining within 30 days of application submittal. Proposed developments of up to 50 supportive housing units must be reviewed completely within sixty (60) days while developments proposing more than 50 units must be reviewed within one hundred and twenty (120) days.

~~According to California Health and Safety Code Section 50675.2, transitional housing is rental housing with, at most, a six-month limit on the length of stay for tenants. Transitional housing would be available to homeless individuals and/or families in need of temporary housing until they can secure more permanent housing. The Town of Los Gatos Zoning Code uses the State's definitions for transitional housing. Transitional housing is permitted as a residential use consistent with State law.~~

Accessory Dwelling Unit (ADU)

Accessory dwelling units are complete independent housing units that can be either detached or attached from an existing single-family residence. Based on their relatively small size, and because they do not require paying for land or major new infrastructure, ADUs are considered affordable by design. ADUs can provide affordable housing options for family members, seniors, students, in-home health care providers, and other small household types. ADUs can also be useful to generate additional rental income for the homeowner, making homeownership more financially feasible.

In 2020 the Town adopted Ordinance 2307, amending the Town Code to further address barriers to the development of ADUs and to conform with a series of State bills aimed at encouraging single-family homeowners to add ADUs to their property. Permitted zones allowing the ADUs include the R-1, R-D, R-M, R-1D, RMH, HR and RC zones. The Town's ADU Ordinance allows a 10 percent increase in the floor area ratio standards for an ADU. All detached units must comply with lot coverage maximum of their designated zone. ADUs are not to exceed 1,200 square feet. One parking space is required per unit or bedroom, unless the ADU is located within half a mile of a transit stop.

~~A~~ Prior to January 2023, new ADU's required the submittal of an Accessory Dwelling Unit Application to the Community Development Department. As of January 2023, new ADU's require only a building permit from the Building Department. Over the past three years (2020-2023), the Town has averaged ~~50~~ 32 issued ADU building permits per year. In order to further incentivize production, a program to eliminate Building fees if the unit is deed restricted for very low- and low-income households is included in the Housing Element.

Building and Code Compliance

In addition to the General Plan land use designations and Town Code, Los Gatos has recently adopted updated building codes that enforce Town regulations with the purpose of protecting the lives, health, property, and public welfare of Los Gatos residents. Each Code is an enforcement of State and local standards and is not considered a constraint on housing production in Los Gatos. The following ~~2019~~ 2022 California Building Standards Codes have been adopted, as amended by the Town:

- Part 1 California Administrative Code.
- Part 2 California Building Code, Volumes 1 and 2, including Appendices ~~B, I,~~ and J (local amendments).
- Part 2.5 California Residential Code including Appendices AH, AK, AO, AQ, ~~S~~AX, ~~V,~~ and ~~X~~AZ (local amendments).
- Part 3 California Electrical Code.

- Part 4 California Mechanical Code.
- Part 5 California Plumbing Code including Appendices A, B, D, G, I, K, and L (local amendments).
- Part 6 California Energy Code.
- Part 8 California Historical Building Code including Appendices A.
- Part 9 California Fire Code (local amendments).
- Part 10 California Existing Building Code including 2021~~20118~~ International Existing Building Code Chapter~~s 9 and~~ 14, as well as Appendices A2, A3, A4, and A5.
- Part 11 California Green Building Standards Code (CALGreen) Chapters 1 through 8 only (local amendments).
- Part 12 California Referenced Standards Code.
- ~~2018~~ 2022 International Property Maintenance Code.

The Town also has a Code Compliance Officer that enforces the Town's zoning regulations and building and safety codes. The program reviews and responds to code complaints. The Town has adopted the ~~2018~~ 2021 International Code for Property Maintenance and the ~~2019~~ 2022 California Existing Building Code, including 2021 ~~2018~~ International Existing Building Code Chapter~~s 9,~~ 14~~,~~ and Appendices A2, A3, A4, and A5. Affordable units developed under the Below Market Price (BMP) Program must undergo an annual compliance audit.

On- and Off-Site Improvements

The Town requires standard on- and off-site improvements for development, which are intended to meet health and safety requirements of the community. Required improvements may include the dedication and construction of public streets, alleys, utility infrastructure, or other facilities required to maintain public safety and convenience. The Town's standards and requirements for streets, sidewalks, and other site improvements are found in the Municipal Code. These standard improvements are not considered a constraint on development because the Town does not include improvements beyond what is required to meet health and safety requirements. While on or off-site improvements may increase the costs of developing housing, such improvements are necessary to adequately provide the infrastructure and public facilities needed to support housing development. This infrastructure and these facilities are critical to balancing the health and safety of the public, with the development needs of the Town, without hindering housing development. Subdivision design standards for the Town, described in the Town Code starting at Section 29.10.06701, include the following on- and off-site improvements:

- Parking bays may be required on narrow streets where parking may be prohibited on either or both sides of the street.
- Roadways must be paved with asphalt concrete.
- Sidewalks are required on all streets in a subdivision unless the lots will be 20,000 feet in size or more.
- Curbs and gutters must be constructed on all streets.
- Culverts, storm drains, and drainage structures will be required in a subdivision.
- Sanitary sewers with house service laterals are required to serve each lot, with some exceptions in hillside areas.
- Underground utilities with connections are required for each lot.
- Street lighting shall be installed in accordance with Town standards

Design Guidelines ~~and Objective Design Standards~~

The Town has adopted Residential Design Guidelines for single-family and two-family dwelling units, which incorporate the Town's previous Residential Pre-1941 Design Guidelines for historically significant structures, sites, and historic districts in Los Gatos. The Town has also adopted Hillside Development Standards and Guidelines. These sets of development standards and design guidelines are used in the development and design review process for Los Gatos and complement the Town's zoning regulations. The Hillside Development Standards and Guidelines were adopted in January 2004 and modified in 2020. The Residential Design Guidelines were updated and adopted in 2008.

~~The Town of Los Gatos is developing Objective Design Standards for the review of multi-family housing and mixed-use development applications. This effort is in response to State legislation requiring jurisdictions to adopt objective standards and to implement them in a streamlined review of qualifying housing projects. Objective standards are defined under State law as "standards that involve no personal or subjective judgement by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal" (California Government Code, Section 65913.4).~~

~~On September 14, 2022, the Planning Commission reviewed and recommended approval of the Draft Objective Design Standards with modifications. The Town Council is expected to consider the Draft Objective Design Standards in mid-November 2022.~~

Residential Design Guidelines

Residential Design Guidelines in Los Gatos address the following design characteristics for single-family and two-family dwelling units in all zoning districts except for the RC and HR zones:

- **Historic Designations.** When necessitated by the designating ordinance, Historic Preservation Committee review of a development is required for developments that affect a historically designated property or are located in a historic district.
- **Site Development**. This section focuses on the design and layout of the housing development in relation to its site. Site planning issues addressed include site design, solar orientation, shadow effect, and easements and dedications. This section provides information on landscaping requirements, sensitivity to adjacent neighbors, and conformity to neighborhood street and sidewalk edges.
- **Building Design.** This section focuses on the design and layout of development in relation to the surrounding neighborhood. Issues addressed include harmony and compatibility with the streetscape and surrounding structures; the scale and mass of the development including second-story additions, significant remodels, demolitions and replacement structures, exterior material and colors, building components, energy conservation, and privacy. Neighborhood compatibility for replacement structures shall be based on the following criteria:
    - Existing architectural style of surrounding neighborhood.
    - Size of the lot on which the development is located.
    - Size of homes adjacent to the development and along the street on which the development is located.
    - Transitioning neighborhood.
    - Impacts on the site and surrounding property.
- Landscaping/Open Space. This section addresses tree preservation in accordance with Division 2 of the Town Code for adherence to the Town's Tree Protection Ordinance.

The Los Gatos Residential Design Guidelines promote safe, compatible, and well-designed housing in Los Gatos. These standards are not a constraint on single-family and two-family housing development.

Hillside Development Standards and Guidelines

The Hillside Development Standards and Guidelines are consistent with the Town's policies and complement and coordinate with the Town's Hillside Specific Plan. These standards and guidelines apply to all areas zoned HR, RC, and some lots zoned R-1 as noted on the Town's Hillside Area Map. The goal of these standards and guidelines is to encourage high-quality design that incorporates sustainable development and open space preservation.

The following summarizes the Hillside Development Standards and Guidelines for Los Gatos:

- **Constraints Analysis and Site Selection.** Developers must conduct a constraints analysis as deemed necessary by the Town, consult with neighbors, meet with Town staff to discuss the development site, and

conduct a view analysis for the development site. The constraints analysis, as required by the Town, requires that developers of hillside property identify the Least Restrictive Development Area (LRDA), or areas deemed most feasible for development on hillsides. For the view analysis, developers must analyze aesthetic impacts; preserve hillside and ridgeline views; and preserve natural features, riparian corridors, and wildlife.

- **Site Planning.** This section describes site planning standards and guidelines that minimize physical and aesthetic impacts to the site topography. Standards and guidelines discuss grading, drainage, driveways and parking, and safety regarding geologic and fire hazards.
- **Development Intensity.** This section outlines the maximum allowable floor area of development based on lot size.
- **Architectural Design.** The following architectural design characteristics are addressed in this section:
    - Neighbor-friendliness.
    - Sustainability.
    - Fire safety.
    - Building height.
    - Bulk and mass.
    - Roofs.
    - Architectural features and detailing.
    - Materials and colors.
- **Site Elements.** The specific elements of a hillside development site are addressed:
    - Fences and walls.
    - Driveway entries.
    - Retaining walls.
    - Outdoor lighting.
    - Accessory buildings, swimming pools, and sport courts.
    - Impervious surfaces.
- **Landscape Design.** Because hillside sites are more prone to erosion, landslides, mudslides, and fire and water hazards than flatter sites in Los Gatos, the following concepts are addressed in the landscaping standards and guidelines for hillside development:
    - Fire safety.
    - Garden and turf locations and plant selection.
    - Irrigation.
    - Impervious surfaces.
    - Plant materials.
    - Tree preservation.
- **Planned Development Projects**. This section describes standards and guidelines that relate specifically to hillside Planned Developments (PDs) in Los Gatos. Additional restrictions are placed on the LRDA for PDs. This section includes standards and guidelines focusing on site preparation, drainage, lot configuration and building locations, street layout and driveways, and trail design.

~~*Draft*~~ *Objective Design Standards*

On November 15, 2022, the Town Council adopted the Objective Design Standards. The Town of Los Gatos developed Objective Design Standards for the review of multi-family housing and mixed-use development

applications. This effort was in response to State legislation requiring jurisdictions to adopt objective standards and to implement them in a streamlined review of qualifying housing projects. Objective standards are defined under State law as "standards that involve no personal or subjective judgement by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal" (California Government Code, Section 65913.4).

The purpose of the Objective Design Standards is to ensure that new qualifying multi-family and mixed-use projects in Los Gatos provide high-quality architecture, integrate with surrounding development, and include well-designed amenities and open spaces. The Objective Design Standards will:

- Comply with recent State housing legislation.
- Implement streamlined and ministerial review processes for qualifying projects.
- Ensure that qualifying projects align with the Town's expectations and vision to maintain and support the character of the Town.
- Provide a set of clear criteria to guide development.
- Establish an objective framework by which a qualifying project will be evaluated.

~~The Draft Objective Design Standards are organized into two primary sections: Site Standards and Building Design. The Site Standards section includes objective standards for site layout and building placement, vehicular access and parking, and outdoor spaces and amenities. The Building Design section includes objective standards for building form and massing, façade articulation, materials, and roof design.~~

~~The Draft Objective Design Standards are intended to promote predictable, safe, and well-designed multi-family housing in Los Gatos. On September 14, 2022, the Planning Commission reviewed and recommended approval of the Draft Objective Design Standards with modifications. The Town Council is expected to consider the Draft Objective Design Standards in mid-November 2022.~~

Governmental Fees and Exactions

Government policy at both the State and jurisdictional levels play a major role in determining the costs of building new housing. Regulations and permitting processes that result in lengthy or uncertain development carry higher risk and increased financing. Additionally, frequent delays in the entitlement and approval process directly increase costs, such as additional architectural work, inspections, and community meetings.

Streamlining permitting processes, applying permit application processes consistently, increasing interdepartmental cooperation, having adequately funded and staffed planning departments, and increasing by-right housing are all actions jurisdictions can take to reduce the constraints represented by fees and permit processing times.

Governmental fees can be a significant portion of the cost of housing development and can therefore be considered a constraint to housing development. Table C-~~2~~ 3 and Table C-~~43~~ below provides all of the planning and development fees that may apply to residential development projects in Los Gatos. Fees are due at the time an application is accepted by the Town, except for projects in the Affordable Housing Overlay Zone, which can waive or defer their fees as a development incentive.

Development fees are a standard component of new construction. Although these fees can add to the cost of residential development, they are necessary for new development to pay its fair share of municipal services and infrastructure for new development. Without adequate development fees, the Town would be unable to serve future growth with adequate municipal services.

According to the Town of Los Gatos' Community Development Department Planning Division, developing a new single-family home (non-hillside) in Los Gatos typically costs about $11,863.28 in planning fee plus an additional deposit of $2,750 for review by the Town's consulting architect and a deposit of $2,200 for a review by the Town's consulting arborist. The fee for a new two-family unit is $15,789.16. Multi-family units, three or more units typically cost $16,281.92 in planning fees and the same consulting architect and arborist fees are applicable. These fees include Planning Commission or Design Review Committee approval, fees associated with a Planned

Development that does not require a General Plan or Specific Plan amendment, and fees related to finalizing the map and Certificate of Compliance.

Table C-~~32~~ Community Development Department Fees Effective July 1, 2022

		Application Fee	4% Permit Tracking Fee	10% General Plan Update	10% Advance Planning Special Project	Engineering Dev Review Services Fee	Total Fee
1	**ZONING APPROVALS**						
A	Architecture and Site Applications						
1	Development Review Committee (DRC) Approval						
	a. New single-family detached (HR & RC zone)	$9,508.00	$380.32	N/A	$950.80	$4,396.00	$15,235.12
	b. New single-family detached (HR & RC zones) per unit, as part of a Planned Development	$6,603.00	$264.12	N/A	$660.30	$4,393.00	$11,920.42
	c. New single-family or two-family units	$6,552.00	$262.08	N/A	$655.20	$4,394.00	$11,863.28
	d. New single-family or two-family (any other zone) per unit, as part of a Planned Development	$4,682.00	$187.28	N/A	$468.20	$4,398.00	$9,735.48
	e. Minor projects (a development proposal that does not significantly change the size, mass, appearance or neighborhood impact of a structure, property or parking lot)	$2,375.00	$95.00	N/A	$237.50	$3,374.00	$6,081.50
2	Planning Commission						
	a. Supplemental fee for DRC applications as determined in Section 1.A.(1) or minor residential development applications that require Planning Commission approval	$3,355.00	$134.20	N/A	$335.50	$1,225.00	$5,049.70
	b. New two-family unit	$9,994.00	$399.76	N/A	$999.40	$4,396.00	$15,789.16
	c. New nonresidential	$11,471.00	$458.84	N/A	$1,147.10	$4,396.00	$17,472.94

		Application Fee	4% Permit Tracking Fee	10% General Plan Update	10% Advance Planning Special Project	Engineering Dev Review Services Fee	Total Fee
	d. New multi-family	$10,428.00	$417.12	N/A	$1,042.80	$4,394.00	$16,281.92
	e. -All other	$5,815.00	$232.60	N/A	$581.50	$4,396.00	$11,025.10
B	Conditional Use Permits						
1	Conditional Use Permit	$6,726.00	$296.04	N/A	$672.60	$1,431.00	$9,098.64
2	Conditional Use Permit (when consolidated with another application for new development)	$1,118.00	$44.72	N/A	$111.80	$820.00	$2,094.52
~~3~~	~~Conditional Use Permit for Restaurants~~						
	~~Minor Restaurant (DRC Approval)~~	~~$4,093.00~~	~~$163.72~~	~~N/A~~	~~$409.30~~	~~$1,128.00~~	~~$5,794.02~~
	~~Major Restaurant (PC Approval)~~						
	~~Tier 1~~	~~$6,726.00~~	~~$269.04~~	~~N/A~~	~~$672.60~~	~~$1,838.00~~	~~$9,505.64~~
	~~Tier 2 includes alcohol and/or entertainment (must pay #4 below with this application)~~	~~$7,949.00~~	~~$317.96~~	~~N/A~~	~~$794.90~~	~~$1,837.00~~	~~$10,898.86~~
~~4~~	~~Applications that require TC Approval (this fee supplements the above established fees)~~	~~$3,190.00~~	~~$127.60~~	~~N/A~~	~~$319.00~~	~~$1,226.00~~	~~$4,862.60~~
	~~a. Transcription Fee of PC Minutes~~	~~Actual Cost ($500 Deposit)~~	~~N/A~~	~~N/A~~	~~N/A~~	~~N/A~~	~~Varies~~
C	Variance	$4,947.00	$197.88	N/A	$494.70	$1,431.00	$7,070.58
D	Rezoning (other than Planned Development)						
1	Without General Plan or Specific Plan Amendment	Actual Cost ($5,000 min.)	$200 (min.)	$500 (min.)	$500 (min.)	N/A	$6,200.00
2	With General Plan or Specific Plan Amendment	Actual Cost ($7,000 min.)	$280 (min.)	$700 (min.)	$700 (min.)	N/A	$8,680.00
E	Planned Development						
1	Without General Plan or Specific Plan Amendment	Actual Cost	YES	YES	YES	N/A	Varies
2	Without General Plan or specific Plan Amendment (HR or RC Underlying Zone)	Actual Cost	YES	YES	YES	N/A	Varies

		Application Fee	4% Permit Tracking Fee	10% General Plan Update	10% Advance Planning Special Project	Engineering Dev Review Services Fee	Total Fee
3	With General Plan or Specific Plan Amendment	Actual Cost	YES	YES	YES	N/A	Varies
4	With General Plan or Specific Plan Amendment (HR or RC Underlying Zone)	Actual Cost	YES	YES	YES	N/A	Varies
5	Town Council Modification to a Planned Development	Actual Cost ($5,000 min.)	$200 (min.)	$500 (min.)	$500 (min.)	N/A	$6,200.00
6	DRC Modification to a Planned Development Zone	Actual Cost ($3,000 min.)	$120 (min.)	$300 (min.)	$300 (min.)	N/A	$3,720.00
7	Publication costs for the Planned Development Ordinance shall be paid by the applicant.						
8	Transcription Fee of PC Minutes	Actual Cost ($500 Deposit)	N/A	N/A	N/A	N/A	Varies
F	Minor Residential Development	$2,375.00	$95.00	N/A	$237.50	N/A	$2,707.50
G	Agricultural Preserve Withdrawal	$4,035.00	$161.40	N/A	$403.50	N/A	$4,599.90
H	Planning Division Certificates of Use and Occupancy						
~~1~~	~~Change of Use~~	~~$244.00~~	~~$9.76~~	~~N/A~~	~~$24.40~~	~~N/A~~	~~$278.16~~
~~2~~	~~Change of occupancy (excluding change of proprietor of a continuing business enterprise)~~	~~$164.00~~	~~$6.56~~	~~N/A~~	~~$16.40~~	~~N/A~~	~~$186.96~~
3	Use/occupancy clearance if Conditional Use Permit is required or occupancy of a new secondary dwelling unit	No fee	No fee	No fee	No fee	No fee	No fee
~~I~~	~~Hazardous Materials Storage Facility Application~~	~~Actual Cost ($1,000 Deposit)~~	~~N/A~~	~~N/A~~	~~N/A~~	~~N/A~~	~~Varies~~
~~J~~	~~Home Occupation Permit~~	~~$164.00~~	~~$6.56~~	~~N/A~~	~~N/A~~	~~N/A~~	~~$170.56~~
K	~~Sign Application~~						
~~L~~	~~Accessory Dwelling Unit~~						
1	~~New Permanent Sign~~	~~$328.00~~	~~$13.12~~	~~N/A~~	~~$32.80~~	~~N/A~~	~~$373.92~~
2	~~Temporary Nonresidential~~	~~$105.00~~	~~$4.20~~	~~N/A~~	~~$10.50~~	~~N/A~~	~~$119.70~~

		Application Fee	4% Permit Tracking Fee	10% General Plan Update	10% Advance Planning Special Project	Engineering Dev Review Services Fee	Total Fee
~~3~~	~~Change of Face Only~~	~~$164.00~~	~~$6.56~~	~~N/A~~	~~$16.40~~	~~N/A~~	~~$186.96~~
~~4~~	~~Sign Program~~	~~$2,197.00~~	~~$87.88~~	~~N/A~~	~~$219.70~~	~~N/A~~	~~$2,504.58~~
~~1~~	~~New or existing unit~~	~~$1,419.00~~	~~$56.76~~	~~N/A~~	~~$141.90~~	~~N/A~~	~~$1,617.66~~
M	Mobile Home Park Conversion Permit	Actual Cost ($5,000 deposit)	Varies	Varies	Varies	N/A	Varies
N	General Plan/Town Code Amendments	Actual Cost ($5,000 deposit)	N/A	N/A	N/A	N/A	Varies
O	Administrative Land Use Permit						
1	~~Minor telecommunications facility (i.e. microcell, 8021 lb or equivalent)~~	~~$1,626.00~~	~~$65.04~~	~~N/A~~	~~$162.60~~	~~N/A~~	~~$1,853.64~~
2	~~Major telecommunications facility which do not require a Conditional Use Permit~~	~~$3,898.00~~	~~$155.92~~	~~N/A~~	~~$389.80~~	~~N/A~~	~~$4,443.72~~
P	Two-Unit Housing Development	$1,340.00	$53.60	N/A	$134.00	N/A	$1,527.60
Q	Urban Lot Split	$1,340.00	$53.60	N/A	$134.00	N/A	$1,527.60
2	**SUBDIVISIONS**						
A	Lot Line Adjustment (DRC Approval)	$2,254.00	$90.16	N/A	$225.40	$3,782.00	$6,351.56
B	4 Lots or Less (DRC Approval)	$9,081.00	$363.24	$908.10	$908.10	$4,194.00	$15,454.44
C	4 Lots or Less (as part of a Planned Development) (DRC Approval)	$3,750.00	$150.00	$375.00	$375.00	$4,398.00	$9,048.00
D	5 Lots or More	$10,230.00	$409.20	$1,023.00	$1,023.00	$5,420.00	$18,105.20
E	5 Lots or More (as part of a Planned Development) (DRC Approval)	$4,397.00	$175.88	$439.70	$439.70	$5,420.00	$10,872.28
F	Vesting Tentative Map	Actual Cost ($500 deposit)	N/A	N/A	N/A	N/A	Varies
G	Lot Merger and Reversion to Acreage (DRC Approval)	$1,117.00	$44.68	$ N/A	$111.70	$3,781.00	$5,054.38
H	Condominium	$7,884.00	$315.36	$788.40	$788.40	N/A	$9,776.16
I	Condominium (as part of a Planned Development)	$3,750.00	$150.00	$375.00	$375.00	N/A	$4,650.00

		Application Fee	4% Permit Tracking Fee	10% General Plan Update	10% Advance Planning Special Project	Engineering Dev Review Services Fee	Total Fee
J	Certificate of Compliance (DRC Approval)	$3,257.00	$130.28	N/A	$325.70	$2,350.00	$6,062.98
K	VTM applications that require Town Council approval and/or DRC applications that require Planning Commission approval. This fee supplements the above established fees.	$2,~~824~~991.00	$~~112.96~~119.64	N/A	$~~282.40~~299.10	N/A	$3~~,219.36~~,409.74
3	**MISCELLANEOUS APPLICATION FEES**						
A	Time Extensions to Approved Applications (excluding fees based on actual cost)	50% of Current Fee	Varies	Varies	Varies	Varies	Varies
B	Modification of Approved Application (excluding fees based on actual cost)	75% of Current Fee	Varies	N/A	Varies	Varies	Varies
~~C~~	~~Restaurant CUP Modification (50% of $1,500)~~	~~$750.00~~	~~N/A~~	~~N/A~~	~~N/A~~	~~N/A~~	~~$750.00~~
~~C~~ D	Conceptual Development Advisory Committee Review	$2,966.00	$118.64	N/A	$296.60	N/A	$3,381.24
1	CDAC Special Noticing	Actual Cost ($500 Deposit)	N/A	N/A	N/A	N/A	Varies
~~E~~	~~Push Cart Permit~~	~~$521.00~~	~~$20.84~~	~~N/A~~	~~$52.10~~	~~N/A~~	~~$593.94~~
~~F~~	~~Auto Dealer Events~~						
~~1~~	~~Small promotional events~~	~~$87.00~~	~~$3.48~~	~~N/A~~	~~$8.70~~	~~N/A~~	~~$99.18~~
~~2~~	~~Large promotional events~~	~~$425.00~~	~~$17.00~~	~~N/A~~	~~$42.50~~	~~N/A~~	~~$484.50~~
~~G~~	~~Newsrack Permit~~	~~$413.00~~	~~$16.52~~	~~N/A~~	~~$41.30~~	~~N/A~~	~~$470.82~~
~~H~~	~~Firearms Dealer Permit ($766.00 of fee to Police)~~	~~Actual Cost ($2,000 Deposit)~~	~~N/A~~	~~N/A~~	~~N/A~~	~~N/A~~	~~Varies~~
4	**ENVIRONMENTAL ASSESSMENT FEES**						

		Application Fee	4% Permit Tracking Fee	10% General Plan Update	10% Advance Planning Special Project	Engineering Dev Review Services Fee	Total Fee
A	Categorical Exemption	No Fee	N/A	N/A	N/A	N/A	No Fee
B	Initial Study (Deposit)*	$5,000.00	N/A	N/A	N/A	Yes	Varies
C	Draft Initial Study Review Fee (or actual cost if part of a Planned Development, General Plan and/or Town Code Amendment)	$2,950.00	N/A	N/A	N/A	$2,045.00	$4,995.00
D	Environmental Impact Report (EIR)	Consultant's Fee	N/A	N/A	N/A	N/A	Varies
E	Draft EIR Review Fee	$12,184 Plus 10% EIR Cost	N/A	N/A	N/A	Varies	Varies
F	Impact Monitoring Program (AB3180)	Actual Cost on an hourly basis plus cost of Consultant (if necessary)	N/A	N/A	N/A	N/A	Varies
5	**OTHER**						
A	Pre-application Conference Fee	No fee	Varies	Varies	Varies	N/A	Varies
~~B~~	~~Fence Height Exceptions~~	~~$292.00~~	~~N/A~~	~~N/A~~	~~N/A~~	~~N/A~~	~~$292.00~~

		Application Fee	4% Permit Tracking Fee	10% General Plan Update	10% Advance Planning Special Project	Engineering Dev Review Services Fee	Total Fee
C	Peer/Technical Review	Actual Cost ($2,000 deposit)	N/A	N/A	N/A	N/A	Varies
D	Fees for Additional Tech Review and/or DRC Review DRC beyond 3 meetings, Planning Commission hearing beyond 2 meetings, Town Council hearing beyond 1 meeting	Actual Cost	N/A	N/A	N/A	N/A	Varies
~~E~~	~~Request for Service Not Covered by Any Other Fee~~	~~Actual Cost~~	~~N/A~~	~~N/A~~	~~N/A~~	~~N/A~~	~~Varies~~
F	Laserfiching Files	$1.25 per Sheet	N/A	N/A	N/A	N/A	Varies
~~F~~ G	Building Permit Plan Check Fee	20% of Building Fee	N/A	N/A	N/A	N/A	Varies
H	Surcharges						
1	Permit Tracking Maintenance and Update Surcharge	4% of Development Application Fee	N/A	N/A	N/A	N/A	Varies
2	General Plan Update Surcharge	.5% of Bldg. Valuation for new construction and additions or 10% of zone change & subdivision fee		N/A	N/A	N/A	Varies
3	Advanced Planning Projects	10% of Development Application Fee	N/A	N/A	N/A	N/A	Varies
4	Administrative Fee	10% of Consultant Deposit	N/A	N/A	N/A	N/A	Varies
~~4~~	~~Route 85 Study Plan Surcharge **~~	~~10% of Development Application Fee for property in Route 85 Study Area Plan~~		~~N/A~~	~~N/A~~	~~N/A~~	~~Varies~~
I	Applications for Work Unlawfully Completed	Double Current Application Fee	N/A	N/A	N/A	N/A	Varies

		Application Fee	4% Permit Tracking Fee	10% General Plan Update	10% Advance Planning Special Project	Engineering Dev Review Services Fee	Total Fee
J	Consultation	Actual Cost on an hourly basis	N/A	N/A	N/A	N/A	Varies
~~K~~	~~Outdoor Seating~~	~~Actual Cost ($1,000 deposit)~~	~~N/A~~	~~N/A~~	~~N/A~~	~~N/A~~	~~Varies~~
~~L~~	~~Valet Parking~~	~~Actual Cost ($1,000 deposit)~~	~~N/A~~	~~N/A~~	~~N/A~~	~~N/A~~	~~Varies~~
~~M~~	~~Parklet Program~~	~~Actual Cost ($1,000 deposit)~~	~~N/A~~	~~N/A~~	~~N/A~~	~~N/A~~	~~Varies~~
N	Appeals						
1	Fee to Appeal Planning Commission Decision to Town Council	$464 per residential $1,867 per commercial, multi-family or tentative map	N/A	N/A	N/A	N/A	Varies
2	Fee to remand applications from Town Council to Planning Commission where no error was made by Planning Commission	Actual Cost	N/A	N/A	N/A	N/A	Varies
3	Fee to Appeal Director of Community Development or Development Review Committee decision to Planning Commission	$234 per residential $934 per commercial	N/A	N/A	N/A	N/A	Varies
4	Tree Appeals	$95.00	N/A	N/A	N/A	N/A	$95.00
5	Appeal Transcription fee of Planning Commission minutes	Actual Cost ~~min.~~ ($~~500 deposit~~Deposit)	N/A	N/A	N/A	N/A	Varies
~~L.~~O	Research Services Minimum Charge	Actual Cost ($200 Deposit)~~Actual Cost min. $100 deposit~~	N/A	N/A	N/A	N/A	Varies
P	Zoning Research						
1	Basic zoning letter	$164.00	N/A	N/A	N/A	N/A	$164.00

		Application Fee	4% Permit Tracking Fee	10% General Plan Update	10% Advance Planning Special Project	Engineering Dev Review Services Fee	Total Fee
2	Legal non-conforming verification	$688.00	N/A	N/A	N/A	N/A	$688.00
3	Reconstruction of legal non-conforming structures (Burndown Letter)	$292.00	N/A	N/A	N/A	N/A	$292.00
Q	Annexations						
1	One Lot	$3,188.00	$127.52	N/A	N/A	N/A	$3,315.52
2	Two Lots	$3,188.00	$63.76	N/A	N/A	N/A	$1,657.76
3	Three Lots	$3,188.00	$42.56	N/A	N/A	N/A	$1,106.56
4	Four Lots	$3,188.00	$32.00	N/A	N/A	N/A	$832.00
5	Five Lots or more	$3,188.00	$25.40	N/A	N/A	N/A	$660.40
R	Special Noticing	Actual Cost ($500 deposit)	N/A	N/A	N/A	N/A	Varies

Source: Town of Los Gatos Comprehensive Fee Schedule Fiscal Year 2022/23

The following table provides a comprehensive list of residential Town development fees.

Table C-4 Additional Development Fees Effective July 1, 2022

Building Permit Fees	Fee
Fee for issuing/reinstating a Building Permit	$58.00
Additional Building Permit Fee	$32.00
Demolition Permit	Residential: $281.00
	Commercial: $492.00
$1.00 to $500.00	$35.00
$501.00 to $2,000.00	$35.00 for the first $500.00 plus $4.53 for each additional $100.00 or fraction thereof, to and including $2,000.00
$2,001.00 to $25,000.00	$103.00 for the first $2,000.00 plus $20.82 for each additional $1,000.00 or fraction thereof, to and including $25,000.00
$25,001.00 to $50,000.00	$582.00 for the first $25,000.00 plus $15.02 for each additional $1,000.00 or fraction thereof, to and including $50,000.00
$50,001.00 to $100,000.00	$957.00 for the first $50,000.00 plus $10.41 for each additional $1,000.00 or fraction thereof, to and including $100,000.00
$100,001.00 to $500,000.00	$1,478.00 for the first $100,000.00 plus $8.32 for each additional $1,000.00 or fraction thereof, to and including $500,000.00

Building Permit Fees	Fee
$500,001.00 to $1,000,000.00	$4,808.00 for the first $500,000.00 plus $7.06 for each additional $1,000.00 or fraction thereof, to and including $1,000,000.00
$1,000,001.00 and over	$8,339.00 for the first $1,000,000.00 plus $4.68 for each additional $1,000.00 or fraction thereof
Special Services & Inspections	
Inspection outside normal business hours (4 hr. minimum)	$203.00/hr.
Re-inspection fees	$169.00/hr.
Inspections for which no fee is specifically indicated (2 hr. minimum)	$169.00/hr.
Additional plan review required by changes, additions or revisions to plans (1 hr. minimum)	$161.00/hr
For use of outside consultants for plan checking and/or inspections	Actual Cost
Services for which no fee is specifically indicated (1/2 hr. minimum)	$169.00/hr.
Permit/Plan check time extension (per permit) (applies to permits that have not expired)	$83.00
Express plan review or initial review (1 hr. minimum)	$169.00/hr.
Application for the Appeals Building Board Review	$289.00
Temporary Certificate of Occupancy	$1,160.00
Other Miscellaneous Factors to Determine Construction Valuation	
Convert Garage to habitable space	$124.00/sq.ft.
Convert unfinished basement or attic to habitable	$134.00/sq.ft.
Pools/Spas (gunite)	$80.00/sq.ft.
Siding - aluminum/vinyl/wood	$34.00/sq.ft.
Antennas & Towers	Const.Value As Applied under valuation schedule on page 6
Fence or Freestanding Wall (over 6" high)	Wood or metal $52.00/sq.ft.
	Masonry $90.00/sq.ft.
Decks/Balcony	$50.00/sq.ft.
Wood Deck	$21.00/sq.ft.
Re-roofs	$3.00/sq.ft.
Retaining Walls	$113.00/sq.ft.
Special Systems Fees	
Emergency generation, wind power, special HVAC systems, etc.	Plan Review (1 hr. minimum) $161.00/hr.
	Field Inspection (2 hr. minimum) $169.00/hr.
Photovoltaic - Roof & Ground Mounted – Residential	Plan Review (1/4 hr. minimum) $161.00/hr.
	Field Inspection (1 hr. minimum) $169.00/hr.
Photovoltaic - Roof & Ground Mounted - Commercial	Plan Review (1 hr. minimum) $161.00/hr.
	Field Inspection (2 hr. minimum) $169.00/hr.
Electrical Permit Fees	
Fee for issuing/reinstating an Electrical Permit	$58.00
Additional Electrical Permit Fee	$26.00

Building Permit Fees	Fee
New Residential Construction (new buildings only, including garages)	$.11 sq. ft
Commercial Construction	$.08 sq. ft
Plan Review & Re-inspection Fees	
Plan review fee	25% of Electrical Permit Fee
Additional plan review	$161.00/hr.
Re-inspection fee	$169.00/hr.
System Fee Schedule	
Private swimming pools	$67.00
Temporary power poles	$83.00
Temporary distribution system & temporary lighting	$40.00
Unit Fee Schedule	
Receptacle, switch and lights	$2.00
Residential appliances/new circuits (cook top, oven, range, disposals, clothes dryers, or other motor operated appliances not exceeding one horsepower)	$6.00
Nonresidential appliances/new circuits (medical & dental devices, food, beverage, drinking fountains, laundry machines, or other similar equipment) NOTE: for other types of air conditioners and other motor-driven appliances having larger electrical ratings, see Generators/Motors	$8.00
Photovoltaic system (residential)	$90.00
Solar systems (including controls)	$90.00
Power apparatus (generators, transformers, A/C, heat pumps, baking equipment)	Up to 10 KV, each $17.00
	Over 10 KV not over 50 KV, each $34.00
	Over 50 KV and not over 100 KV, each $67.00
	Over 100 KV, each $89.00
Motors	Up to 10 hp $17.00
	Up to 25 hp $34.00
	Up to 55 hp $67.00
	Over 55 hp $97.00
Transformers	Up to 5 KVA $17.00
	Up to 10 KVA $34.00
	Up to 50 KVA $56.00
	Over 50 KVA $82.00
Busways/conduits (per 100 ft)	$8.00
Service equipment	200 amps or less $83.00
	201 to 999 amps $114.00
	Sub-panels $40.00
Installation of spas or saunas	$40.00
Other Electrical Fees	
Duplicate job card	$26.00
Permit extension (applies to permits that have not expired)	$83.00
Mechanical Permit Fees	
Fee for issuing/reinstating a Mechanical Permit	$58.00
Additional Mechanical Permit Fee	$26.00
New Residential Construction (new buildings only, including garages)	$.11 sq. ft
Commercial Construction	$.08 sq. ft

Building Permit Fees	Fee
Plan Review & Re-inspection Fees	
Plan review fee	25% of Mechanical Permit Fee
Additional plan review	$161.00/hr.
Re-inspection fee	$169.00/hr.
Unit Fee Schedule	
Installation, of each heating system, A/C, boiler, compressor or air handler	$40.00
Each duct repair or alteration	$12.00
Each fireplace appliance	$34.00
Each ventilating fan	$12.00
Installation of separate flue or vents not included with the installation of an appliance	$12.00
Installation of each hood with mechanical exhaust	Residential $34.00
	Commercial $121.00
Each new or repair of gas piping system	$74.00
Each additional gas outlet	$24.00
Installation of evaporative cooler	$34.00
Other Mechanical Fees	
Duplicate job card	$26.00
Permit extension (applies to permits that have not expired)	$83.00
Plumbing Permit Fees	
Fee for issuing/reinstating a Plumbing Permit	$58.00
Additional Plumbing Permit Fee	$26.00
New Residential Construction (new buildings only, including garages)	$.11 sq. ft
Commercial Construction	$.08 sq. ft
Plan Review & Re-inspection Fees	
Plan review fee	25% of Plumbing Permit Fee
Additional plan review	$161.00/hr.
Re-inspection fee	$169.00/hr.
System Fee Schedule	
Private swimming pools (including heater, water piping, gas piping)	$97.00
Lawn sprinkler system on one meter	$40.00
Each new or repair of gas piping system	$74.00
Each drainage, sewer system	$40.00
Radiant floor heating system	$121.00
Unit Fee Schedule	
Each plumbing fixture or trap or set of fixtures on one trap	$12.00
Each sewer cleanout, backflow device	$12.00
Each septic system abatement	$121.00
Rainwater systems - per drain (inside building)	$12.00
Each water heater, water softener	$34.00
Each grease interceptor (750 gallon capacity)	$83.00
Each grease trap (1-4 fixtures)	$47.00
Residential water re-piping	$121.00
Each ejector/sump pump	$40.00
Each vacuum breaker/hose bib	$12.00
Each water piping system repair or replacement	$25.00

Building Permit Fees	Fee
Each additional gas outlet	$25.00
Other Plumbing Fees	
Duplicate job card	$26.00
Permit extension (applies to permits that have not expired)	$83.00
Other Fees	
Duplicate Inspection Card	$32.00
NPDES Inspection Fee (Charged on all building permits with the potential to generate non-point source storm water runoff during construction)	$74.00
Engineering Plan Check Fee	
Application Fee	$519.00
Under $20,000.00	15.5% of valuation
$20,000.00 to $80,000.00	$3,283.00 plus 9% of valuation
Greater than $80,000	$9,002.00 plus 8.5% valuation
Each additional plan check beyond three reviews	Fully allocated hourly rate for all personnel
Inspection Fee	
Under $20,000.00	7.5% of valuation
$20,000.00 to $80,000.00	$1,589.00 plus 6.5% of valuation
Greater than $80,000.00	$5,719.00 plus 4.0% of valuation
Work In or Use of Public Right of Way	
Encroachment Permit - Residential	Work up to $4,000.00 - $323.00
	Each additional $2,000.00 - $169.00
Encroachment Permit - Collector/Arterial Streets**	Work up to $4,000.00 - $1,673.00
	Each additional $2,000.00 - $365.00
Outside contractor underground utility locating surcharge (actual cost for outside contractor inspection fee may change)	$95.00
Temporary Encroachment Permit	$159.00
Dumpster Permit	$159.00
Storage Permit	$159.00***

** Work done at night or on weekends shall be charged the actual costs of staff*

*** Single-family residences located along collector and arterial streets to be charged the residential fees above*

NPDES	
Inspection Fee - Grading Permits	Single Family Residential $773.00
	Commercial or Multi Family Residential $1,202.00
Inspection Fee - Encroachment Permits and Some Storage Permits	Single Family Residential $212.00
	Commercial or Multi Family Residential $344.00
	Plus $514.00 per LID facility
Inspection of Storm Water Treatment Measures	$530.00 per facility
Annual Stormwater/Limited Impact Development (LID) Permit	Per Visit and 1st facility inspection $514.00
	Every additional facility inspection $169.00
C-3 Permit Hydrologic Calculation	Fully allocated hourly rate for all personnel plus any outside cost and initial deposit of $3,750.00
Engineering Subdivision Map Checking	
1-4 lots	$3,023.00*

Building Permit Fees	Fee
5 or more lots	$4,231.00*
**Plus, initial $3,000 surveyor deposit. Additional deposit(s) of actual surveyor costs may be required for larger projects than 5 or more lots, additional map check review(s), or overall complexity of the map.*	
Traffic Impact Analysis or Parking Study	
Development Review (staff traffic impact analysis or Parking Study)	Actual Cost
	Consultant Report - Consultant Fee
Staff Review Fee	$703.00 plus 10% of the traffic consultant report cost
Site Distance Analysis	$189.00 per review not to exceed two hours. Actual cost for staff time when analysis exceeds two hours.
Traffic Impact Mitigation Fee	$1,015.00 per new average daily trip generated
Storm Drainage Fees	
Development Projects	Single family lots Section 24.60.035(b) (3): For subdivision whose lots exceed one acre, the fee shall not exceed that of one acre per lot $4,477.00/ac.
	Multiple family dwelling units - initial unit $4,477.00/ac.
	Multiple family dwelling units - each unit after initial (not to exceed $4,622.00/ac.) $168.00
	Commercial, industrial, hospitals, churches, schools, and others $5,598.00/ac.
Building/Grading Permits (Building, Structures, & impervious areas)	New impervious surface area, per sq. ft. $1.00/sq. ft.
Street Improvement in-lieu fee	
Sidewalks	$20.00/sq.ft.
Curb and Gutter	$100.00/lf.
Other in-lieu fee	
Trail Improvements	$16.00/per sq. ft. or determined by Director
Construction Activities Mitigation Fee	
New Buildings and Additions	Residential (per square foot added) $1.26/sq.ft.*
	Non-residential (per square foot added) $1.26/sq.ft.*
**These two fees are adjusted based on the Building Cost Index*	
Other Engineering Fees	
Engineering Reversion to Acreage	$2,536.00 plus initial deposit of $2,500 for surveyor
Engineering Lot Merger	$3,685.00 plus surveyor deposit
Engineering Lot Line Adjustments	$3,685.00 plus surveyor deposit
Certificate of Compliance	$3,685.00 plus surveyor deposit
Abandon Excess Public Right-of-Way & Public Easement	$4,601.00 plus surveyor and valuation consultant and planning services

Building Permit Fees	Fee
Geotechnical Peer Review Fees	Fully allocated hourly rate of all personnel plus any outside costs and initial $2,500 deposit. Larger projects require an initial deposit of $4,500 to allow for a site visit by the geotechnical peer review consultant.
Separate Instrument Dedication Fee (for dedication via grant deeds and not maps)	$762.00 plus initial deposit of $2,500 for surveyor
Slurry Seal Fee	$2.50 per sq.ft.
Flood Review Fee	Consultant Cost plus 25% Admin Fee
Miscellaneous Review Fee*	Actual Cost
Tree Related Fees	
Tree removal (one tree)	$250
Tree Removal (Each additional tree on same application)	$125
Illegal Tree Removal Administrative Fee	$300
15 gallon and each 24" Box Replacement Tree In-Lieu Fee	$250
36" Box Replacement Tree In-Lieu Fee	$500

Source: Town of Los Gatos Comprehensive Fee Schedule Fiscal Year 2022/23

The following table provides fee comparisons of jurisdictions located in Santa Clara County.

Table C-~~3~~ 5 Total Fees per Unit

Jurisdiction	Single-Family	Small Multi-family	Large Multi-family
Campbell	$72,556	$20,599	$18,541
Cupertino	$136,596	$77,770	$73,959
Gilroy	$69,219	$40,195	$39,135
Los Altos Hills	$146,631	N/A	N/A
Los Gatos	$11,202	$15,375	$15,375
Milpitas	$77,198	$74,326	$59,740
Monte Sereno	$33,445	$4,815	$4,156
Morgan Hill	$55,903	$41,374	$36,396
Mountain View	$90,423	$69,497	$82,591
San Jose	$9,919	$23,410	$23,410
Santa Clara	$72,034	$7,299	$3,048
Saratoga	$64,272	$17,063	$15,391
Sunnyvale	$133,389	$126,673	$98,292

Note: Inclusive of impact, building and entitlement fees. Source: SCCPC, 2022 citiesassociation.org/documents/constraints-survey-data-summary-2022 and Los Gatos staff.

The following table provides a comparison as a percentage of total development costs of jurisdictions located in Santa Clara County.

Table C-~~4~~ 6 Fees as a Percentage of Total Development Costs

Jurisdiction	Single-Family	Small Multi-family	Large Multi-family
Campbell	2.6%	2.7%	2.6%
Cupertino	2.9%	10.3%	10.5%
Gilroy	1.5%	5.3%	5.6%
Los Altos Hills	3.1%	N/A	N/A
Los Gatos	1.2%	0.8%	0.5%
Milpitas	2.8%	9.8%	8.5%
Monte Sereno	0.7%	0.6%	0.6%
Morgan Hill	2.0%	5.5%	5.2%
Mountain View	3.3%	9.2%	11.8%
San Jose	0.4%	3.1%	3.3%
Santa Clara	2.6%	1.0%	0.4%
Saratoga	1.4%	2.3%	2.2%
Sunnyvale	4.8%	16.8%	14.0%
Unincorporated County	0.9%	N/A	NA

Note: Calculation uses a county-wide average total development cost. Source: SCCPC, 2022 citiesassociation.org/documents/constraints-survey-data-summary-2022

Permit fees and processing times are not significant constraints to housing production in Los Gatos. In the Spring of 2022, the Santa Clara County Planning Collaborative conducted a survey of fees and permit processing times in Santa Clara County. Fourteen of fifteen jurisdictions completed the survey, an excellent response rate. The results indicate that Los Gatos has overall permit fees that are within the average range of Santa Clara County jurisdictions.

The Town's fees also represent a relatively low percentage of the overall cost to develop housing in Los Gatos. Based on the Santa Clara County Planning Collaborative survey results and an analysis on housing development costs performed by Century Urban, a San Francisco based real estate consulting firm, the fees represent approximately 1.2 percent of total development costs for a single-family home, 0.8 percent for a 10-unit multi-family development, and 0.5 percent for a 100-unit multi-family development. The fee structure does not disproportionally burden multi-family housing.

Processing and Permitting Time

Government policy at both the State and jurisdictional levels play a major role in determining the costs of building new housing. Regulations and permitting processes that result in lengthy or uncertain development carry higher risk and increased financing. Additionally, frequent delays in the entitlement and approval process directly increase costs, such as additional architectural work, inspections, and community meetings. Streamlining permitting processes, applying permit application processes consistently, increasing interdepartmental cooperation, having adequately funded and staffed planning departments, and increasing by-right housing are all actions jurisdictions can take to reduce the constraints represented by fees and permit processing times.

Each stage of the residential development process must go through some form of Town approval. Table C-7 summarizes the approximate processing time for development applications in the Town of Los Gatos.

Table C-~~5~~7 Local Development Processing Time Frame

Application Type	Development Time Frame

Architecture and Site Application for a single- or multi-family residential project	Three to six months *
Architecture and Site Application for a hillside residential	Four to six months *
Architecture and Site Application for a mixed-use project	Four to eight months *
Conditional Use Permit Application	Two to four months
Subdivision Application	Two to four months
Variance Application	Two to four months

* Note: With environmental review, the process generally takes six to 18 months, depending on the size and complexity of the project.

~~On average, a single- or multi-family infill residential application typically processes in approximately three to six months, unless environmental review is required. Hillside residential applications on average take four to six months to process. Mixed-use projects are processed in approximately four to eight months, unless environmental review is required. With environmental review, the process generally takes six to 18 months, depending on the size and complexity of the project.~~

Processing of a typical, market rate single- or multi-family housing application includes the following steps:

- Submission of an Architecture and Site Application.
- Distribution of the application to Planning, Building, Engineering, and the Santa Clara County Fire District departments.
- Staff review of application and staff conference with the applicant to resolve any concerns or plan deficiencies, including design issues.
- If deemed complete, staff continues processing the application and begins environmental review, if necessary.
- Completion of environmental review and traffic impact analysis, as appropriate. Arborist review, architectural review, and/or geotechnical review may be conducted during this time through the Architecture and Site application. A deposit for review by the Town's Consulting Architect and Consulting Arborist is requested during the application review. A peer review deposit for geotechnical and traffic impact analysis is requested by the Parks and Public Works Department during the application review.
- Staff will then provide instructions on next steps, including the requirement for Story Poles.
- Once the Story Poles have been installed and certified by a licensed surveyor or civil engineer to accurately represent the height and location of the proposed structure(s), public notice will be sent, and advertisement in the local newspaper approximately three weeks prior to making a decision on the project will be completed.
- Pursuant to the Town Code, any interested person as defined in Section 29.10.020 may appeal to the Council any decision of the Planning Commission within 10 calendar days of the decision accompanied by the required filing fee.
- Once the appeal period has passed, the applicant can remove the Story Poles.

Approval is required by the following bodies:

- Development Review Committee (with appeal to the Planning Commission and further appeal to the Town Council) for projects that require no change in the General Plan or Zoning Code.
- For hillside development applications, Planning Commission approval may be required depending on the scope of the project.
- Town Council for projects that require a change in the General Plan or Zoning Code, and for Planned Developments.

Processing for a typical mixed-use housing project includes the following steps:

- Submission of application, including application for a Conditional Use Permit (CUP), and an Architecture and Site Application.

- Distribution of the application to Planning, Building Engineering, and the Santa Clara County Fire District departments.
- Staff review of application and staff conference with applicant to resolve any concerns or plan deficiencies, including design issues.
- If deemed complete, staff continues processing the application and begins environmental review, if necessary.
- Completion of environmental review and traffic impact analysis, as appropriate. Arborist review, architectural review, and/or geotechnical review may be conducted during this time through the Architecture and Site application.
- Staff will then provide instructions on next steps, including the requirement for Story Poles.
- Once the Story Poles have been installed and certified by a licensed surveyor or civil engineer to accurately represent the height and location of the proposed structure(s), public notice will be sent, and advertisement in the local newspaper approximately three weeks prior to making a decision on the project will be completed.
- Pursuant to the Town Code, any interested person as defined in Section 29.10.020 may appeal to the Council any decision of the Planning Commission within 10 calendar days of the decision accompanied by the required filing fee.
- Once the appeal period has passed, the applicant can remove the Story Poles.
- Approval is required by one or both of the following bodies:
  - ✓ Planning Commission (with appeal to the Town Council) for projects that require no change in the General Plan or Zoning Code, and for a CUP and Architecture and Site Application.
  - ✓ Town Council for projects that require a change in the General Plan or Zoning Code, and for Planned Developments.

Design and neighborhood compatibility issues also often lengthen the permitting and processing time. To address this problem, the Town contracts out to an architectural consultant to review plans and provide recommendations on development applications compliance with the Residential Design Guidelines or Hillside Development Standards and Guidelines.

Architectural, geotechnical, and arborist reviews are conducted early in the development application process. These reviews are conducted during the review of the Planned Development or Architecture and Site applications and do not lengthen the processing time. These reviews also streamline the public hearing process, allowing the Planning Commission to rely on the recommendations of Town staff and the Town's consultants to receive qualified input from an architect, arborist, and geotechnical consultant, leading to a more efficient approval process.

Table C-~~5~~ 68 Processing Times (in months)

Jurisdiction	ADU Process	Ministerial By-Right	Discretionary By-Right	Discretionary (Development Review Commitee)	Discretionary (Planning Commission)	Discretionary (Town Council)
Campbell	1	1	3	N/A	5	8
Cupertino	1 to 3	1 to 6	2 to 4	2 to 4	3 to 6	6 to 12
Gilroy	1 to 2	1 to 2	2 to 4	N/A	4 to 5	5 to 6
Los Altos Hills	1 to 2	0.5 to 2	2 to 3	3 to 4	4 to 6	5 to 8
Los Gatos	1 to 2	1 to 2	1 to 2	2 to 4	4 to 6	6 to 12
Milpitas	1 to 3	1 to 3	2 to 4	3 to 4	4 to 6	6 to 12
Monte Sereno	0.75	0.75	1	1 to 2	1 to 2	1 to 2

Morgan Hill	1 to 2	1 to 3	*2 to 3	2 to 3	4 to 6	4 to 6
Mountain View	3 to 5	4 to 6	2 to 3	*6 to 18	N/A	12 to 24
San Jose	2	1 to 3	7	7	7 to 11	5 to 12
Santa Clara	0 to 1	0 to 1	0 to 3	4 to 9	6 to 9	6 to 12
Saratoga	1	1 to 2	2 to 3	N/A	4 to 6	6 to 12
Sunnyvale	1 to 3	1 to 3	3 to 6	6 to 9	9 to 18	9 to 18
Unincorporated County	4 to 6	6 to 8	9 to 12	12 to 15	15 to 18	15 to 18

Entitlements Only. Source: SCCPC, 2022 citiesassociation.org/documents/constraints-survey-data-summary-2022

Following the creation of Table C-9, in response to changes in State law as of January 1, 2023, and as part of the Town's ongoing efforts to increase efficiency for permit reviews, the Town's Planning and Building Divisions have developed a new Building permit application form and process. Residents who wish to build a new ADU or JADU can now submit a single application form and proceed through a single plan review process in order to obtain their Building Permit.

Jurisdictional permit processing procedures that are lengthy or uncertain can dissuade developers from building new housing or result in housing that is more expensive. Within Los Gatos, the permit processing times are within the average range for jurisdictions within Santa Clara County. The Town's permit process also does not disproportionally burden ADU applications or applications for multi-family housing.

Story Poles

The Town requires installation of height story poles and netting for all new residential (excluding single-story accessory structures) and non-residential buildings; residential second story additions; and nonresidential additions exceeding 100 square feet. This requirement is intended to demonstrate the planned rooflines and heights and massing of the proposed structure(s) and provide visual notice to the community of a forthcoming land use public hearing. The placement of story poles is extremely helpful and important during the Town's review of applications for new development. Story poles enhance understanding of the project for Town residents, staff advisory bodies, and decision-making bodies. However, the cost of story pole and netting installation, maintenance throughout the public hearing process, and additional time added to the process for installation can be viewed as a constraint for development. Implementation Program BM requires the review of the Town's Story Pole and Netting Policy and exploration of options for residential or mixed-use projects with affordable housing to reduce the associated costs of installing story poles.

Public Art for Private Developments

A robust public art program fosters economic development, creates vital public spaces, and promotes general health and welfare by contributing to a more desirable community in which to live, work, and recreate. Well-conceived and executed works of art that are integrated into their sites and accessible to the public enhance the value of development projects, create greater interest in leased space, promote cultural tourism, create a sense of place, and make a lasting visible contribution to the intellectual, emotional, and creative life of the community at large, thereby helping to mitigate the impacts of development. The experience of public art makes public areas of buildings and grounds more inviting and engaging. There is a growing national trend of including private developments in a public art funding requirement by ordinance. In California, more than 48 cities have such an ordinance or policy.

On May 4, 2021, the Town Council adopted Ordinance 2318 amending Chapter 25 of the Town Code to establish a public art requirement for private developments. The requirement for public art will apply to the following types of development:

(a) New commercial developments (including mixed-use projects), including new construction, and additions and remodels that add more than 50% square footage; and
(b) New residential projects of three or more units, including new construction, and additions and remodels that add more than 50% square footage.
(c) Notwithstanding subsections (a) and (b) above, this Chapter shall not apply to:

(i) Affordable housing developments, or, if affordable housing is a part of the development, the affordable housing units shall be subtracted from the valuation of the project as in subsection (d) below;
(ii) Historic renovations;
(iii) Repair or reconstruction of structures damaged by flood, fire, wind, earthquake, or other disaster;
(iv) Seismic retrofit projects;
(v) Single family and two-family residential units;
(vi) Accessory dwelling units or junior accessory dwelling units;
(vii) Any project exempted by Federal or State law;
(viii) Municipal facilities; and
(ix) Buildings or structures primarily used for religious worship.

A developer may satisfy the requirements of Chapter 25 of the Town Code by constructing or installing on-site public art valued at one percent of the building permit valuation.

The public art requirement for private developments can be viewed as a constraint to producing housing. The Town's adopted Ordinance provided an exemption to the requirement to affordable housing developments. In addition, the Town Code allows for an exemption from the public art requirement if affordable housing is a part of the development and the affordable housing units shall be subtracted from the valuation of the project. Additional exemptions from the requirement for residential projects are described above.

SB 35 Streamlining

(Government Code section 65913.4) allows qualifying development projects with a specified proportion of affordable housing units to move more quickly through the local government review process and restricts the ability of local governments to reject these proposals. The bill creates a streamlined approval process for qualifying infill developments in localities that have failed to meet their RHNA, requiring a ministerial approval process, removing the requirement for CEQA analysis, and removing the requirement for discretionary entitlements granted by the Planning Commission.

Since the adoption of this section of the Government Code, the Town has received one application under these provisions. The Town has included Program AM in the Housing Element to prepare an SB35 checklist and written procedures for processing SB35 applications.

SB9 California Housing Opportunity and More Efficiency (HOME) Act

SB9, also known as the California Housing Opportunity and More Efficiency (HOME) Act, is a state bill that requires cities to allow one additional residential unit on parcels zoned for single-dwelling units. Since the adoption of this section of the Government Code, the Town has adopted an interim SB9 ordinance and is in the process of developing a permanent ordinance for adoption by the end of 2022.

Requests to Develop at Densities Below Those Permitted

New State Housing Element law now requires the non-governmental constraints analysis to evaluate developer requests to build at densities below the density identified in the Housing Element sites inventory. In Los Gatos, properties generally develop around the mid to high range of allowable densities. Requests to develop at densities below those permitted are not an issue in Los Gatos.

Length of time between Application Approval and Building Permit Issuance

New Housing Element law now also requires an examination of the length of time between receiving approval for a housing development and submittal of an application for building permits. The time between application approval and building permit issuance is influenced by a number of factors, none of which are directly impacted by the Town. Factors that may impact the timing of building permit issuance include: required technical or engineering studies; completion of construction drawings and detailed site and landscape design; securing construction and permanent financing; and retention of a building contractor and subcontractors.

The majority of residential permits in Los Gatos are for single-family homes, with building permit issuance generally taking eight to 14 months after Planning approvals. Hillside properties may take a few months longer due to the need for technical and engineering studies. Among the Town's recent multi-family developments, the

time between approvals and permit issuance has averaged 12 to18 months. In Los Gatos, most approved projects are constructed in a reasonable time period

Infrastructure Constraints

To support growth under the Housing Element, it is critical that public infrastructure can accommodate new development. The Town of Los Gatos does not anticipate that the provision of public services, such as water, sewer, and storm drains is a constraint to the production of new housing.

Water

Water supply demand and infrastructure was analyzed under the 2040 General Plan Environmental Impact Report (EIR), which considered a larger population growth than proposed under the Housing Element Update. The San Jose Water Company provides water service to the Town. San Jose Water Company's 2015 Urban Water Management Plan (UWMP) outlines the availability of water supplies for the service area which includes the City of San Jose, the City of Cupertino, the City of Campbell, City of Monte Sereno, the City of Saratoga, the Town of Los Gatos, and parts of unincorporated Santa Clara County.

Pursuant to the 2015 UWMP, San Jose Water Company has enough water to supply capacity to meet current demands. The plan projects usage out to 2040, the same year as the General Plan horizon. From 2020 to 2040, the plan predicts that there would be adequate supply to meet water demand in a normal year. Projected water demand in a normal year for the San Jose Water Company service area in 2040 is 55,213 acre-feet per year (AFY) and future water storage is predicted to be 55,213 AFY. Approximately half of San Jose Water Company's long-term water supply is provided by the Santa Clara Valley Water District (SCVWD) each year, while approximately one-third is generally provided through groundwater. Water supply for the Town of Los Gatos is comprised primarily of imported water which serves the eastern Los Gatos area and approximately half is local surface water.

Sewer

The Town's wastewater is collected and treated by the West Valley Sanitation District (WVSD), which then transports wastewater to the San Jose-Santa Clara Regional Wastewater Facility (wastewater treatment plant). According to the 2040 General Plan EIR (Section 4.16, Utilities and Service Systems), the wastewater treatment plant treats an average of 110 million gallons per day (mgs), with a design capacity of up to 167 mgd.

The 2040 General Plan considered a larger population increase (approximately 8,971 residents) than considered by the Housing Element Update. According to the 2040 General Plan EIR, the West Valley Sanitation District's Capital Improvement Plan has ongoing plans for replacement and upgrade of old sewer lines and lift equipment. The general maintenance and correction of deficiencies are funded by user fees; therefore, new development would be required to pay impact fees for system expansion that would accommodate the increased growth of the Town. Impact fees on new development would ensure that the wastewater collection system receives necessary upgrades to accommodate the additional population.

C.2 Local Housing Programs

State Housing Element law requires that an analysis of governmental constraints on housing production include local government programs that regulate housing development in any way, including imposing housing cost limitations or encouraging changes in density. Los Gatos has six local housing programs that are potential constraints on market-rate housing production in the Town. The Below Market Price Program, Affordable Housing Fund, Rental Dispute Resolution Program, Density Bonus Program, State Density Bonus Program, and the Affordable Housing Overlay are discussed below.

Below Market Price (BMP) Program

The BMP Program implements the Town of Los Gatos's inclusionary zoning ordinance, which requires that a portion of new residential construction in Los Gatos be dedicated to affordable housing. Los Gatos's inclusionary zoning ordinance was adopted in 1979 as one of the first of such programs in California.

The BMP Program promotes the development of affordable housing units by providing standards and guidelines that require the development of a certain number of quality affordable units per rental or owner development

project, based on the proposed ~~size of the project~~number of market rate units. The BMP Program requires the development of affordable housing where sales and rents cannot be more than 80 percent of the current HUD Fair Market Rents (FMR) as determined by the Santa Clara County Housing Authority. The BMP Program allows low- and moderate-income households the opportunity to purchase low- and moderate-income housing in Los Gatos.

The BMP Program requirements apply to all residential development projects that include five or more residential units or parcels which involve:

- New construction of ownership or rental housing units, including mixed-use developments and addition of units to existing projects.
- Subdivision of property for single family or duplex housing development.
- Conversion of rental apartments to condominiums or other common interest ownership.
- Conversion of non-residential use to residential use.

The intent of the BMP Program is to provide a supply of affordable housing for households who work or currently reside in Los Gatos. However, there may be circumstances when the construction of a BMP unit is impractical. The Town, in limited circumstances, at its sole discretion, may consider an in-lieu payment alternative to the required BMP for a project with an underlying zone of HR or a residential project, mixed-use project, multiple-family dwelling project, residential condominium project, condominium conversions, and all residential planned development projects with five to nine units with an underlying zone of HR.~~The Town will consider, at its discretion, a fee payment in-lieu of constructing BMP units for Planned Unit Developments with an underlying HR zone or for residential developments with five to nine units~~. The required in-lieu fee shall be paid prior to or at time of final occupancy as follows:

1. Multi-Family Projects: Prior to occupancy of each phase, a proportional amount of fees shall be paid, as determined during the Planning approval process; and

~~2.~~ Single-Family Projects: At time of final occupancy for each unit. ~~of six percent of the building permit valuation for the entire project must be paid to the Town prior to issuance of the certificate of occupancy for the market-rate units.~~

The Town Council, in limited circumstances, at its sole discretion, may consider off-site construction of BMP units for continuum care facilities and for residential projects, mixed-use projects, multiple-family dwelling projects, residential condominium projects, condominium conversions, and residential planned development projects with five (5) to nine (9) units with an underlying zone of HR that have provided sufficient justification to the Town that an on-site BMP unit is not viable.~~may consider off-site construction of BMP units for continuum of care facilities, residential developments in the HR zone, or residential developments with five to nine units provided that developers provide sufficient justification that an on-site BMP is infeasible.~~

The developer of "for sale" BMP units shall enter into an affordability agreement with the Town. The agreement will ensure that the BMP units are sold to qualified buyers and will be released by the Town through the escrow process once the BMP is sold to a qualified buyer. Because the BMP Program regulates the number of affordable units required as part of new residential construction in Los Gatos, the program could be considered a constraint on market-rate housing development. However, because the BMP Program requires the construction of affordable units with every new qualifying development, the Town sees this program ~~as an~~ not as a constraint, but as an opportunity to create and preserve affordable housing for the community. Based on a track record of successful development and preservation of affordable housing through the BMP Program, Los Gatos does not consider the program to be a constraint on affordable housing development; nevertheless, the Town proposes ~~to~~ an implementation program N to study the BMP Program and implement recommendations to augment and improve it in order to facilitate the construction of more units.

Affordable Housing In-Lieu Fee Fund

In-lieu fees are paid into the Town's Affordable Housing Fund and are calculated as six percent of building permit valuation as determined by the Building Official. As previously noted, these fees may be paid by developers ~~of new residential construction with five or more units but less than 10 units or new residential construction in a Planned Unit Development with an underlying zone of HR,~~ instead of building an affordable housing unit(s) under the BMP Program, in limited circumstances and at the sole discretion of the Town. ~~All residential construction~~

~~over 10 units must build affordable units. Payment of in-lieu fees is required for the approval of Hillside Planned Developments with five or more residential sites.~~ Use of the Below Market Price Housing In-lieu Fees~~Affordable Housing Fund~~ includes, but is not limited to:

- Providing financial assistance for home repairs for lower income households, low-income seniors and low-income mobile home owners (Implementation Programs J and AU).~~Subsidizing the cost of owner-occupied units to make them affordable to low and/or moderate-income households.~~
- Conducting a survey of the housing conditions in Town to identify units in need of rehabilitation or replacement (Implementation Program AK).
- Purchasing ~~rental~~ housing units to make them affordable to low and/or moderate-income households (Implementation Program T).
- Contributing funding to support countywide programs that provide home repair and accessibility improvements for lower income households (Implementation Program AS). ~~Purchasing land for the future development of affordable housing.~~
- Fee deferrals or reductions for affordable housing (Implementation Program S). ~~Developing affordable housing.~~
- Allocating a percentage of the funding to subsidize housing for extremely low-income households (Implementation Program P).
- ~~Supplementing affordable housing projects developed through the Los Gatos Redevelopment Agency.~~
- Funding administration of the program, as approved by the Town Council in its annual budget process.
- Waiving building fees when an ADU is deed restricted for very low- and low-income households (Implementation Program U).

The Town has not received negative feedback from developers on the Town's inclusionary ordinance requirements in terms of affecting project viability. The BMP Program is similar to surrounding cities with a sliding scale for the required number of affordable units, and is generally accepted by the regional development community, as shown in Table C-7. Developments that fall under the BMP Program requirement would be eligible for State density bonus provisions (Government Code § 65915) that help support the financial viability of providing affordable units. This additional fee levied on developers may be considered a constraint on housing development; however, the fees are paid into a fund that will be used to develop more affordable housing in Los Gatos. Given the low rate of construction of affordable units, the Town proposes to study the BMP Program~~In-Lieu Fund Program~~ and implement recommendations to augment and improve it in order to facilitate the construction of more units.

Table C-9 Inclusionary Requirements

Jurisdiction	Inclusionary Requirement
Campbell	15%
San Jose	15% (20% for off-site)
Los Gatos	10-20%
Cupertino	15-20%

Rental Dispute Resolution Program

The Los Gatos Rental Dispute Resolution Program provides conciliation, mediation and arbitration services for both renters and landlords in Los Gatos. The program is administered by Project Sentinel, a local non-profit

Reorganization contracted by the Town. This program is not considered a constraint on housing development in Los Gatos. Los Gatos renters may also contact Neighborhood Housing Services Silicon Valley for assistance.

The Town helps preserve affordable rental housing costs through the Rental Mediation and Dispute Resolution Ordinance which applies to rental complexes of three or more units. The ordinance sets an annual limit on rent increased to five percent unless the landlord is able to demonstrate capital or financing costs to justify a greater increase. The Town has similar rent controls for mobile home units.

Mobile homes are an affordable housing resource in the Town of Los Gatos. They are often owned by seniors, households on fixed incomes, and households within the lower and moderate-income categories. Mobile home tenants are in the unique position of having made a substantial investment in a housing unit for which ground space is rented. The Mobile Home Ordinance establishes rent increase control within mobile home parks to ensure that a variety of housing types, including mobile homes, remain viable options to lower and moderate-income households in the community. Rents in mobile home parks cannot be increased by more than five percent annually unless operations and maintenance expenses significantly increased within the most recent year in comparison to the previous year.

~~*Density Bonus Program*~~

~~The Density Bonus Program allows qualified projects to add up to 100 percent of the units provided by the General Plan land use designation as long as these additional units are restricted to seniors, disabled persons, very low and/or low-income households.~~

~~Over the last Housing Element cycle, the Town approved the North 40 Phase One development which included 49 very-low income and one moderate-income manager unit as density bonus units.~~

~~The Density Bonus Program has the potential to provide additional opportunities to build more, affordable units in Los Gatos. The Town is including an Implementation Program to study the existing Density Bonus Ordinance and recommend changes to increase the number of units constructed. The study will include an evaluation of the implementation of the ordinance to date and actual construction of affordable housing units that utilized the Density Bonus Program.~~

State Mandated Density Bonus ~~Program~~Ordinance

The Density Bonus Program allows qualified projects to add up to 100 percent of the units provided by the General Plan land use designation as long as these additional units are restricted to seniors, disabled persons, very low and/or low-income households.

Over the last Housing Element cycle, the Town approved the North 40 Phase One development which included 49 very-low income and one moderate-income manager unit as density bonus units.

The Town adopted the State Density Bonus ~~Program~~ Ordinance in June 2012. The program allows densities, incentives, concessions and maximum parking standards~~ consistent with State law~~. In addition, the Town modified the program to apply to senior and physically handicap populations. The State Density Bonus Program provides opportunities to build additional, affordable units in Los Gatos; consequently, this program is not considered a constraint on housing development. The Town is including an implementation Program to amend the Density Bonus Ordinance to comply with new requirements of State law since the 2012 ordinance was adopted.

~~The Town has not processed a request for a State Density Bonus since the ordinance was adopted in June 2012 because the Town's BMP Program and General Plan policies exempt affordable housing units from the calculated density in a project. The State Density Bonus Program provides opportunities to build additional, affordable units in Los Gatos; consequently, this program is not considered a constraint on housing development.~~

Affordable Housing Overlay Zone

The Town adopted the AHOZ, and it applies to one property in the Housing Sites Inventory (see Table 6-2). The AHOZ allows densities (up to 20 units per acre on designated sites), development standards, and concessions that will encourage affordable housing. The Housing Element includes an implementation program to increase the maximum allowable density from 20 dwelling units per acre to 40 dwelling units per acre~~modify the affordabilityrequirements in the Town Code to require a minimum of 40 percent affordable units on the Southbay~~

~~AHOZ site instead of the currently prescribed affordability levels. Affordability would be for low and very low-income households.~~

Constraints on Housing for Persons with Disabilities

State law requires that the Housing Element analyze governmental constraints to housing for persons with disabilities. How a jurisdiction defines "family" in its zoning regulations can be a potential constraint to facilitating housing for persons with disabilities. The existing definition of "family" in the Town Code is "one or more persons who comprise a single housekeeping unit" or "households of six or fewer persons living in a residential care facilities small family home as defined by the California Community Care Facilities Act."

In Los Gatos, group homes are defined by the Town Code as synonymous with small family home residential care facilities, which are defined by the Town Code as "a residential care facility in the dwelling of a licensee in which care or supervision is provided for six or fewer persons. Whether or not unrelated persons are living together, a residential facility that serves six or fewer persons shall be considered a residential use of property for the purposes of this article. In addition, the residents and operators of such a facility shall be considered a family for the purposes of any law or zoning ordinance which relates to the residential use of property." Group homes are permitted by right in all residential districts, consistent with State law, and are permitted with a CUP in the Office (O), Neighborhood Commercial (C-1), Central Business District (C-2), and Restricted Highway Commercial (CH) zones. The Town imposes no spacing or concentration requirements on any of the allowed residential care facilities. Large family home residential care facilities, which have a capacity for seven to 12 children or seven to 15 adults are allowed in all districts with a CUP, except where large family homes are prohibited in the RMH, LM, and CM districts.

The CUP requirement for residential care facilities for seven or more is a housing constraint. Implementation Program BC, *Zoning Text Amendments for Special Needs Housing*, has been added to allow group homes of seven and more residents by-right in all residential zones conforming with HCD's Group Home Technical Advisory (Dec 2022).

Generally, the Town facilitates housing for persons with disabilities by following the accessibility requirements of the California Title 24 Multi-family Accessibility Regulations for multi-family housing of three or more units. Housing rehabilitation assistance and accessibility improvements are provided through the Town's Community Services and Community Development departments.

The Town encourages accessibility improvements by requiring that specific design features be incorporated into all new residential home projects as a condition of approval. These requirements include:

- A wooden backing that is no smaller than 2 inches by 8 inches in all bathroom walls, at water closets, showers, and bathtubs. It will be located 34 inches from the floor to the center of the backing, suitable for the installation of grab bars.
- All passage doors of at least 32 inches wide on the accessible floor.
- A primary entrance that is a 36-inch-wide door, including a five-foot by five-foot level landing, no more than one inch out of plane with the immediate interior floor level, with an 18-inch clearance.

In 2013, the Town adopted a procedure for requesting reasonable accommodation for persons with disabilities seeking equal housing access under the Federal Fair Housing Act and the California Fair Employment and Housing Act and in accordance with State housing law. A request for reasonable accommodation may include a modification or exception to the standards and practices for the siting, development, and use of housing or housing-related facilities that would eliminate regulatory barriers to accessible housing. Requests for reasonable accommodation shall be reviewed by the Planning Director within 45 days of the request. However, if the request is concurrent with a discretionary land use application, then the body overseeing the discretionary land use application will also make a determination on the reasonable accommodation request. There are seven mandatory criteria for granting a reasonable accommodation request:

- The housing will be used by an individual disabled under the Federal Fair Housing Act and the California Fair Employment and Housing Act.
- The request is necessary to make specific housing available to an individual with a disability.
- The request would not impose an undue financial or administrative burden on the Town.

- The request would not require a fundamental alteration in the nature of a Town program or law, including but not limited to land use and zoning.
- There would be no impact on surrounding uses.
- Due to physical attributes of the property or structures the request is necessary.
- There is no alternative reasonable accommodation which may provide an equivalent level of benefit.

By adopting a formal procedure, the Town has provided an objective process with clear directions for both the applicant and the decision makers. This is a benefit to persons with disabilities however, one of the mandatory criteria could be considered a constraint for granting a reasonable accommodation request, Implementation Program BC, *Zoning Text Amendments for Special Needs Housing,* has been added modifying Municipal Town Code Section 29.10.530(5) text to read, "There would be ~~no~~ minimal impact on surrounding uses." Removing the criteria of no impact on surrounding uses to minimal impact on surrounding uses. This will reduce the constraint.

~~and is not a constraint on housing.~~

Low Barrier Navigation Centers

AB 101, adopted in 2019, requires approval 'by right' of low barrier navigation centers that meet the requirements of State law. A "Low Barrier Navigation Center" means a Housing First, low barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. If the City receives applications for these uses, it will process them as required by State law. ~~A program~~Program BC, *Zoning Text Amendments for Special Needs Housing,* has been included in the Housing Element to develop by right procedures for processing low barrier navigation centers.

Employee Housing

California Health and Safety Code Section 17021.5 (Employee Housing Act) requires jurisdictions to permit employee housing for six or fewer employees as a single-family use. Employee housing shall not be included within the zoning definition of a boarding house, rooming house, hotel, dormitory, or other similar term that implies that the employee housing is a business run for profit or differs in any other way from a family dwelling. Jurisdictions cannot impose a CUP, variance, or other zoning clearance of employee housing that serves six or fewer employees that is not required of a family dwelling of the same type in the same zone. The Town's Zoning Code allows residential care facility, small family home by right in all residential zones. ~~y.~~

Any zone in the Town that allow agriculture uses, must comply with California Health and Safety Code Section 17021.6, requiring~~. Section 17021.6 which requires~~ employee housing consisting of no more than 12 units or 36 beds to be permitted in the same manner as other agricultural uses in the same zone. Implementation BC has been added to address this requirement.

~~*Employee Housing*~~ *Farmworkers*

The Town of Los Gatos does not currently have any identified farmworkers. Given the lack of farmworkers in the community, the Town has not identified a need for specialized farmworker housing beyond overall programs for housing affordability.

C.3 Non-Governmental Constraints to Housing Development

Market constraints to housing development in Los Gatos are the primary non-governmental impediment to housing production. The Town is located near Silicon Valley jobs and offers residents desirable amenities such as an historic downtown and a school district in which student performance ranks in the top four percent of the State.

Development Costs

In January 2022, the Santa Clara County Planning Collaborative distributed a survey to Santa Clara County jurisdictions to better understand the fees and processing times involved in the development of single-family and multi-family housing. Fourteen out of sixteen jurisdictions responded with locally collected data, which Collaborative staff used to identify major trends and produce data tables[1]. Additionally, the real estate economics consulting firm Century Urban conducted independent research on land and development costs[2]. Data and preliminary reports can be found on the Collaborative website: citiesassociation.org/constraints.

The cost of development is generally high in Santa Clara County and represents a significant constraint on the production of both single-family and multi-family housing. According to analysis by Century Urban, average development costs for single-family homes in the county range from $1,667,000 to $5,910,000. The cost of land and the size of the units are the two factors causing the most variance. Multi-family development costs are also quite high, though lower on a per unit basis compared to single family homes. Based on a survey of local development costs, Century Urban estimates the average cost per unit for a 10-unit prototype at $726,000 to $846,000. The average cost per unit to develop a 100-unit building ranges from $672,000 to $792,000.

Jurisdictions were asked to estimate development fees based on the following hypothetical housing types and related detailed assumptions:

- Single-Family: A new single-family house on an empty lot, 2,600 square feet or 5,000 square feet, in an existing neighborhood with no significant grading or other complicating factors.
- Small Multi-family: A project that includes 10 units in one building on one acre, where no zoning changes are required and permitting is by-right with medium complexity.
- Large Multi-family: A project that is comprised of 100 units on two acres, 80,000 total square feet, with construction type V over a concrete podium.

Century | Urban was engaged by Baird + Driskell, hired by Association of Bay Area Governments (ABAG) Planning Collaborative to perform research on the development costs of certain residential prototypes in Santa Clara County. The estimates shown below are based on data and sources including but not limited to: similar projects Century | Urban has underwritten and/or priced; specific project economics Century | Urban has reviewed; direct conversations with developers and cost estimators; database research including CoStar, MLS, Redfin, and title databases; online research sources including municipality and project websites; market reports compiled by real estate sales and research organizations; and, Century | Urban's general experience assessing residential project feasibility in the San Francisco Bay Area.

Land Costs

The price of land also varies across the county based on site conditions and location, but land costs in Santa Clara County are notably higher than costs in neighboring counties. Century Urban estimates the average land price in Santa Clara County for single-family homes (based on sales within the last three years) at $1,320,000. Land costs are lower for multi-family developments, estimated at $600,000 for small developments and $6,000,000 for large developments, or $60,000 per unit. The data does not include properties with existing homes or infrastructure that were redeveloped as new single-family homes, and the data for some cities is limited.

As the data collected is not comprehensive, summaries and averages may be valuable for reaching overall conclusions about the range of land prices in the counties, but they may or may not be representative of a given city's average or median land price or the land price for a given parcel. The information should therefore be reviewed noting the limited number of data points for certain cities, including Los Gatos where only 15 data points were available. Land prices vary substantially by location, topography, site conditions, shape of the parcel,

[1] Santa Clara County Planning Collaborative, 2022. Summary of Constraints Survey Data. citiesassociation.org/documents/constraints-survey-data-summary-2022

[2] Century Urban, 2022. San Mateo and Santa Clara Counties Development Cost & San Mateo County Unit Mix Research. citiesassociation.org/documents/development-cost-data.

neighboring uses, access, noise, and many other factors. In addition, completed sales are necessarily past transactions and may not represent the current state of the market and expected future land sale prices.

There are very few vacant parcels zoned for multi-family development, and such parcels demand premium prices because of the high demand to live in Los Gatos. Additionally, most parcels have existing improvements that increase acquisition costs. Countywide, the land costs for multi-family development sites cost approximately $60,000 per unit.

Hard and Soft Costs

Soft costs for housing development include the cost of architectural, engineering, accounting, legal and other professional services, as well as the cost of obtaining permits and paying government-imposed fees. Carrying costs and the cost of construction financing can also be considered soft costs. Century Urban's analysis finds that soft costs (such as impact fees and costs accumulated through permitting delays) are hard costs. Hard costs include the costs of labor and materials.

Hard costs are very high in Santa Clara County, and both the high cost of labor and the high cost of materials could be considered constraints on housing development. According to analysis by Century Urban, residential hard and soft costs do not vary significantly across Santa Clara County.

Hard and soft costs contribute significantly to the overall cost of developing new housing. Hard costs comprise over half of development costs for multi-family housing. Although hard costs are significant for single-family production as well, they comprise a lower percentage of overall costs because of the larger role of land costs in single-family construction. High hard costs are difficult for individual jurisdiction to mitigate.

- Single-family detached ~2,660 square feet: $81 to $965 per square foot.
- Single-family detached ~5,000 square feet: $714 to $1,174 per square foot.
- Multi-family apartments/condominiums less than 10 units on one acre: $726,500 to $846,500 per unit.
- Three- to four-story 100-unit multi-family apartment/condominiums with type V construction over a concrete podium parking: $672,500 to $792,500 per unit.

Availability of Financing

The residential real estate market is strong in the Town of Los Gatos. Local realtors and developers have noted that Los Gatos was affected by the home mortgage foreclosure crisis that plagued many communities in the last fifteen years. Adjustable-rate mortgages, jumbo loans (those above $417,000), and Government-insured Federal Housing Administration home purchase loans, in addition to all-cash offers, are common in Los Gatos. Adequate financing through local banks is available to the Los Gatos community.

The Housing Trust of Santa Clara County offer three low-interest, down payment or closing cost loan programs for income qualified buyers in Los Gatos. Participation in this program includes homebuyer education classes. The County of Santa Clara Office of Affordable Housing administers three homebuyer assistance programs. The Home Investment Partnerships Program offers down payment assistance for first-time buyers. The Mortgage Credit Certificate Program reduces the federal income taxes of qualified borrowers purchasing qualified homes, thus acting like a mortgage subsidy. The Down payment Assistance Program for First-time Buyers offers a subsidy for borrowers meeting a maximum income limit and maximum purchase price limit.

The Home Mortgage Disclosure Act (HMDA) requires the reporting of data on residential loan applications, which provides insight into the availability of financing in the community. Table C-6 summarizes HMDA data for the San Jose, Sunnyvale, Santa Clara MSA. As shown in the table below, approximately 25 percent of all loan applications for the lowest income group are denied.

Table C-~~6~~ 810 Home Purchase and Improvement Loans

Income Group	Loan Applications	Loans Approved (Originated)		Loans Denied	
		#	%	#	%

>50% of MSA AMI	9,757	4,518	46.3%	2,550	26.1%
50-79% of MSA AMI	19,780	12,673	64.1%	2,683	13.6%
80-99% of MSA AMI	8,535	5,775	67.7%	852	10.0%
100-119% of MSA AMI	28,507	20,122	70.6%	2,361	8.3%
≥120 of MSA AMI	87,715	59,930	68.3%	6,951	7.9%
TOTAL	**154,294**	**103,018**	**66.8%**	**15,397**	**10.0%**

SOURCE: Home Mortgage Disclosure Act (HMDA), 2020
MSA – Metropolitan Statistical Area
AMI – Area Median Income

Environmental Constraints

The environmental setting affects the feasibility and cost of residential development. These areas contain environmental constraints on development, such as steep slopes, landslide hazards, fire hazards, or flood hazards, and therefore, much of the undeveloped land has been set aside as open space. The Town is adjacent to other built out communities and nestled against the Santa Cruz Mountains, limiting opportunities for expansion. The following are environmental constraints and hazards that affect, in varying degrees, existing and future residential developments.

Urban and Wildland Fire Hazards

Wildfires are becoming an all too regular event in California, and both urban and wildland fires are a threat to the Town of Los Gatos. Wildfires that burn exclusively in uninhabited natural areas generally pose little risk to lives or property, although the smoke from such fires may cause respiratory problems for people nearby. Fires that occur along the wildland-urban interface (WUI) are much more of a hazard, as they can spread into urbanized areas. Wildfire risk is dependent on several factors, including the amount and type of vegetation in the area, weather, and local topography. Factors such as narrow, winding roads and vegetation also slow response to fires, increasing the risk of spread.

Based on the increased potential for devasting wildfires in Santa Clara County and the Town of Los Gatos, CAL FIRE developed and adopted “Fire Hazard Severity Zone” maps. These maps highlight that most of the County is located within the “high” fire severity zone, with smaller portions of the County within the “moderate” and “very high” fire severity zones. More than half of the southern portion of the Town is in the Very High Fire Hazard Severity Zone, with most of the areas to the south in the High or Moderate zones. The Town must therefore strongly incorporate fire hazard mitigation into its land use decisions and requirements to protect residents and property. Potential impacts are mitigated by policies in the 2040 General Plan Hazards and Safety Element including the following:

- Require new development, including additions to existing structures, located in or adjacent to fire hazard areas to minimize hazards to life and property, by using fire preventive site design, access, fire-safe landscaping, building materials, and incorporating defensible space and other fire suppression techniques.
- Minimize exposure to wildland and urban fire hazards through proactive code enforcement, public education programs, use of modern fire prevention measures, quick and safe access for emergency equipment and evacuation, and emergency management preparation.
- Restrict development in areas with inadequate water flow or emergency access.
- Monitor and remove excessive buildup of flammable vegetative materials on Town properties and along critical ingress/egress routes in the WUI.

Geological and Seismic Hazards

The San Francisco Bay Area is in one of the most active seismic regions in the United States. Los Gatos is near several active faults including the San Andreas, Hayward, and Calaveras Faults. Ground shaking is the primary risk in an earthquake and can set off a chain reaction of secondary landslides and liquefaction, or loss of soil strength. The region around the Lexington Reservoir also has higher risk of ground shaking should an earthquake occur. Implementation of applicable building codes and geotechnical investigations will minimize potential loss of

life and damage to property from primary and secondary seismic hazards and siting essential structures and services outside high-risk areas will enable faster emergency response after an earthquake.

Seismic activity within or near the Santa Clara County region has historically caused significant damage to buildings and infrastructure in the Town of Los Gatos due to ground shaking and landslides. Five earthquakes have affected Los Gatos in the 20th century, with the 1906 San Francisco and 1989 Loma Prieta earthquakes having the highest magnitude. Potential impacts are mitigated by policies in the Draft 2040 General Plan Hazards and Safety including the following:

- Require new development to be sited away from high risk geologic and seismic hazard zones or, if located in a high-risk zone, incorporate construction techniques or specialized technologies to reduce risk. Restrict new development and redevelopment based on the levels of risk and potential severity of geologic hazards.
- Require geotechnical reports analyzing seismic hazards, grading, and construction methods.
- Require that a licensed geologic/geotechnical engineer complete the Town Geologic Hazards Checklist for all new proposed development to demonstrate that potential hazards have been identified and that proposed structures, including grading cuts and fills, will be designed to resist potential earthquake effects.
- Implement the Hillside Development Standards and Guidelines.

Flood and Inundation Hazards

Flooding can threaten life, safety, and property and can occur in a number of ways. The level in a body of water, such as a lake or creek, can rise higher than the water body's banks, causing it to overflow into nearby areas. Heavy precipitation can overwhelm the ability of soil to absorb water or storm drains to carry it away, causing water to build up on the surface. Localized flooding may also occur as a result of infrastructure failure, such as a burst water tank or pipe. In Los Gatos, the floods that are of most concern are from heavy rainfall causing local flooding or flash floods. Flooding puts various populations in Town at risk. A 500-year flood could affect upwards of 28,000 people and cause $10 billion of structural damage.

Beyond localized flooding, Los Gatos faces a flood threat from dam inundation. While less common, dam inundation is recognized in both the Town Emergency Operations Plan and Santa Clara County OAHMP. The Lexington Reservoir as contained by the James J. Lenihan Dam is the largest concern for dam inundation. Lexington Reservoir is the third largest reservoir in Santa Clara County storing 19,044 acre-feet of water. The potential inundation zone in the event of failure is significant, with the potential to affect over 3,000 people and damage over 1,000 structures. As future climate change-related impacts increase, localized flooding will become more common due to more extreme storms increasing the potential for more frequent and severe riverine flooding. Potential impacts are mitigated by policies in the Draft 2040 General Plan Hazards and Safety including the following:

- Require site planning and building design to mitigate identified flood and inundation hazards.
- Require that new development and substantial improvements to existing structures meet Federal and State standards when located within FEMA Flood Insurance Rate Maps (FIRMs) designated 100-year flood zones, as designated by current FEMA mapping.
- Cooperate with the Santa Clara Valley Water District to develop and maintain additional stormwater retention facilities in areas where they are needed or where the design capacity of existing retention facilities cannot be restored.

Hazards and Hazardous Materials

The use, manufacture, production, transportation, storage, treatment, disposal, and clean-up of hazardous materials and hazardous wastes present a potential threat to the health and safety of those who are using the materials and those who could be affected by improper or accidental release or disposal. Hazardous materials include all toxic, flammable, combustible, corrosive, poisonous, and radioactive substances that possess the potential to bring harm to the public or the environment. The Town maintains a comprehensive list of Hazardous Waste and Substance sites where hazardous materials are present and cleanup activities are or may be necessary. Potential impacts are mitigated by policies in the 2040 General Plan Hazards and Safety Element.

Noise and Air Quality

Noise and air quality impacts associated with Highways 17 and 85, other high-volume arterial roadways, and the Union Pacific Railroad line parallel to and south of Highway 85 could potentially impact housing. The California Building Code and the Noise Element of the Los Gatos General Plan contain policies and standards that mitigate noise impacts, and the regulations of the Bay Area Air Quality Management District require careful study and mitigation of health risks from poor air quality. Potential impacts are mitigated by policies in the Draft 2040 General Plan Environment and Sustainability Element.

Environmental constraints to housing development are mitigated where public health, safety, and welfare can be protected.

Sites Inventory Analysis

APPENDIX D

D.1 Vacant and Available Sites

The *Plan Bay Area 2050 Final Blueprint*[1] forecasts that the nine-county Bay Area will add 1.4 million new households between 2015 and 2050. For the eight-year time frame covered by this Housing Element Update, the Department of Housing and Community Development (HCD) has identified the region's housing need as 441,176 units. The total number of housing units assigned by HCD is separated into four income categories that cover housing types for all income levels, from very low-income households to market rate housing. This calculation, known as the Regional Housing Needs Allocation (RHNA), is based on population projections produced by the California Department of Finance as well as adjustments that incorporate the region's existing housing need. The adjustments result from recent legislation requiring HCD to apply additional adjustment factors to the baseline growth projection from California Department of Finance, in order for the regions to get closer to healthy housing markets. The adjustments focus on the region's vacancy rate, level of overcrowding, and the share of cost burdened households and seek to bring the region more in line with comparable areas. The new laws governing the methodology for how HCD calculates the RHNA resulted in a significantly higher number of housing units for which the Bay Area must plan compared to previous cycles.

D.2 Regional Housing Needs Allocation

In December 2021, ABAG adopted a Final Regional Housing Needs Allocation (RHNA) Methodology. For Los Gatos, the RHNA required to be planned for the 6th cycle Housing Element Update is 1,993 units, an increase of 322 percent from the last cycle.

RHNA Summary

Los Gatos' share of the regional housing need for the eight-year period from 2023 to 2031 is 1,993 units, which is a 322 percent increase over the 619 units required by the 2015 to 2023 RHNA. The housing need is divided into the four income categories of housing affordability. Table D-1 shows Los Gatos' RHNA for the planning period 2023 through 2031 in comparison to the RHNA distributions for Santa Clara County and the Bay Area region. With an update required every eight years by the State of California, this Housing Element covers a planning period from January 31, 2023, to January 31, 2031 (also referred to as the "6th cycle").

Table D-1 Los Gatos' Regional Housing Needs Allocation: 2023–2031

Income Group	Los Gatos Units	Percent	Santa Clara County Units	Percent	Bay Area Units	Percent
Very Low Income (<50% of AMI)	537	26.9%	32,316	24.9%	114,442	25.9%
Low Income (50%-80% of AMI)	310	15.6%	18,607	14.4%	65,892	14.9%
Moderate Income (80%-120% of AMI)	320	16.1%	21,926	16.9%	72,712	16.5%
Above Moderate Income (>120% of AMI)	826	41.4%	56,728	43.8%	188,130	42.6%
Total	1,993	100.0%	129,577	100.0%	441,176	100.0%

Source: ABAG 2021

[1] Plan Bay Area 2050 is a long-range plan charting the course for the future of the nine-county San Francisco Bay Area. It covers four key issues: the economy, the environment, housing and transportation

D.3 Sites Inventory

The purpose of the sites inventory is to identify and analyze specific sites that are available and suitable for residential development during the planning period between 2023-2031 in order to accommodate Los Gatos' assigned 1,993 housing units. The Town does not build the housing but rather creates the implementation programs and policies to plan for where the housing can be located and how many units could be built on potential sites.

In 2017, Senate Bill (SB) 166 was signed into law and included new "no net loss" provisions that require communities to provide an ongoing, adequate supply of land resources for housing development during the entirety of the housing element update planning period. These provisions mean communities face risks of non-compliance should a housing site be developed with non-residential uses, lower residential densities, or residential uses at affordability levels higher than anticipated by the Housing Element. To avoid noncompliance, HCD advises communities to "buffer" their assigned RHNA numbers. The Site Inventory includes ~~48~~ 50 sites in order to have enough capacity for the RHNA and recommended buffer of at least 15 percent. These sites, in addition to Accessory Dwelling Unit (ADU) Projections, Senate Bill (SB) 9 Projections, and Pipeline Projects have a total capacity of ~~2,312~~2,494 units (1,993 units plus a ~~16~~ 25 percent buffer).

Overview of Selected Sites

This section provides information on the current list of potential sites that show how the Town will accommodate the State's required minimum of 1,993 housing units. Please note that the site numbers listed here are added only as a way to reference the site and label it on a map. The site number is not an indication of preference or priority. Figure D-1 shows an overview of the potential sites inventory map developed for Los Gatos' 6th cycle Housing Element Update. The following sites make up the Site Inventory, which is available as Appendix H.

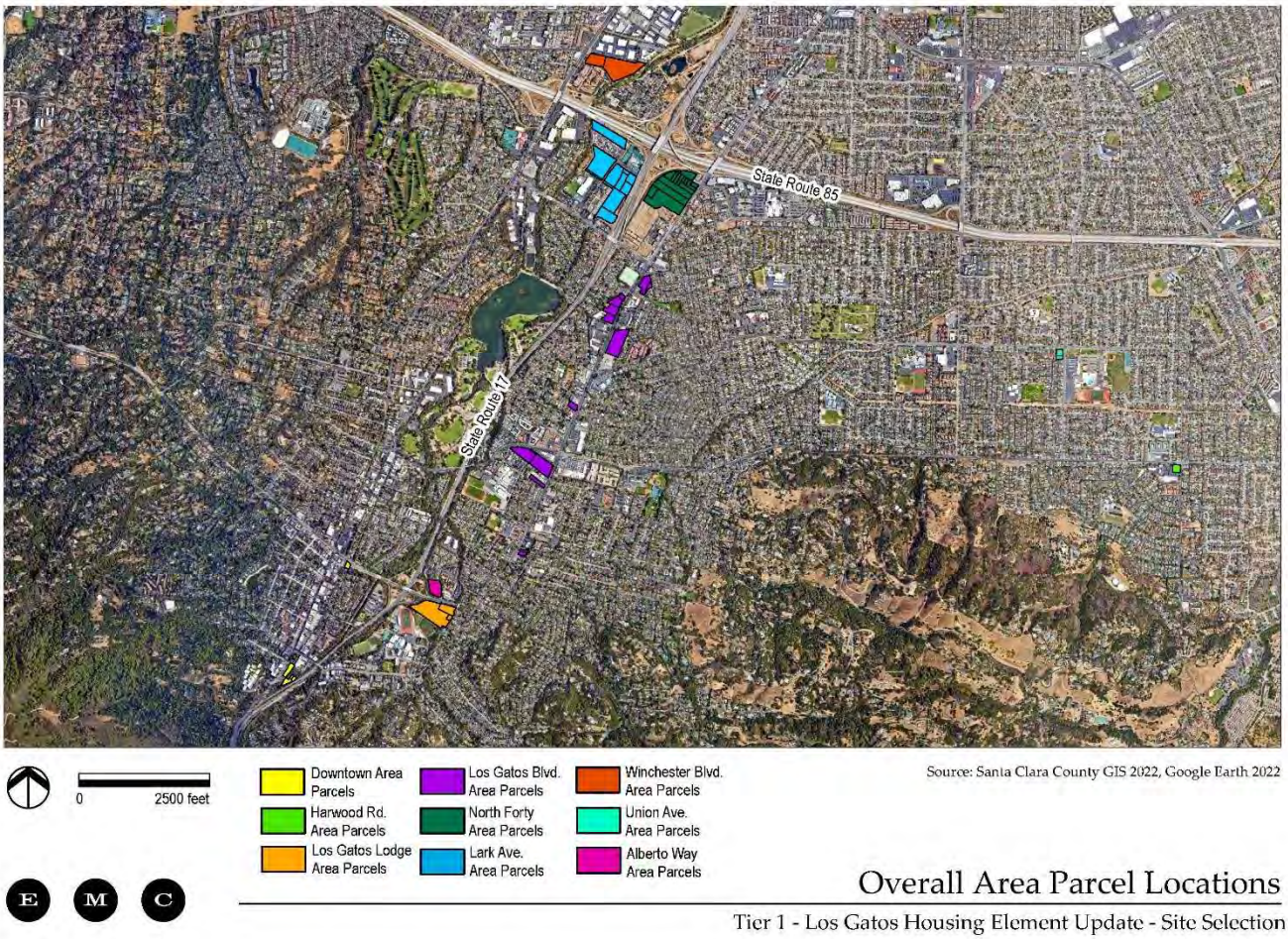
~~Figure D-1 Overall Area Parcel Locations~~



~~Sites Details~~

~~This section provides information on each of the sites selected for inclusion in the site inventory of vacant and available sites.~~

Figure D-1 Overall Area Parcel Locations



Sites Details

This section provides information on each of the sites selected for inclusion in the Sites Inventory of vacant and available sites.

Figure D-2 Downtown Area

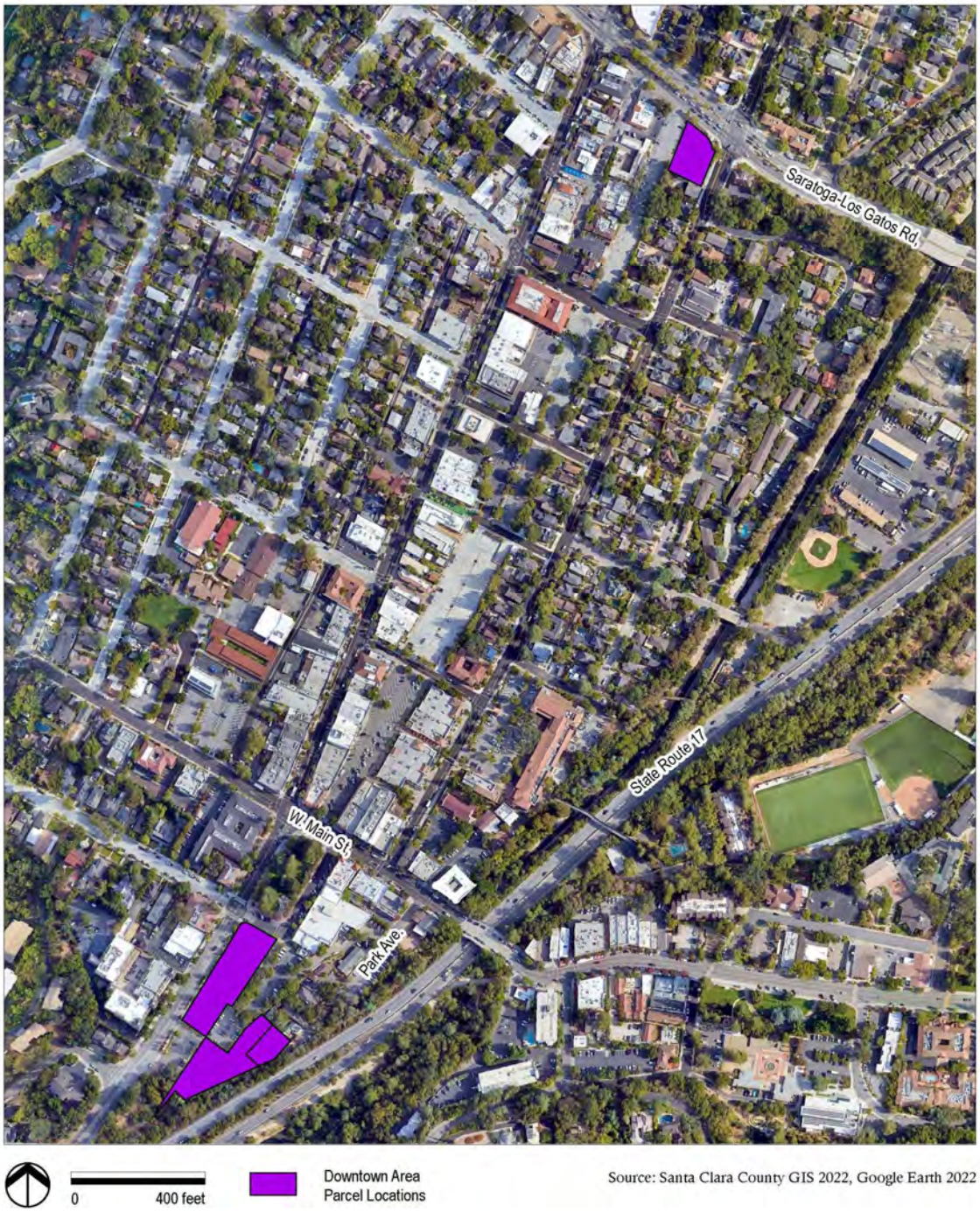
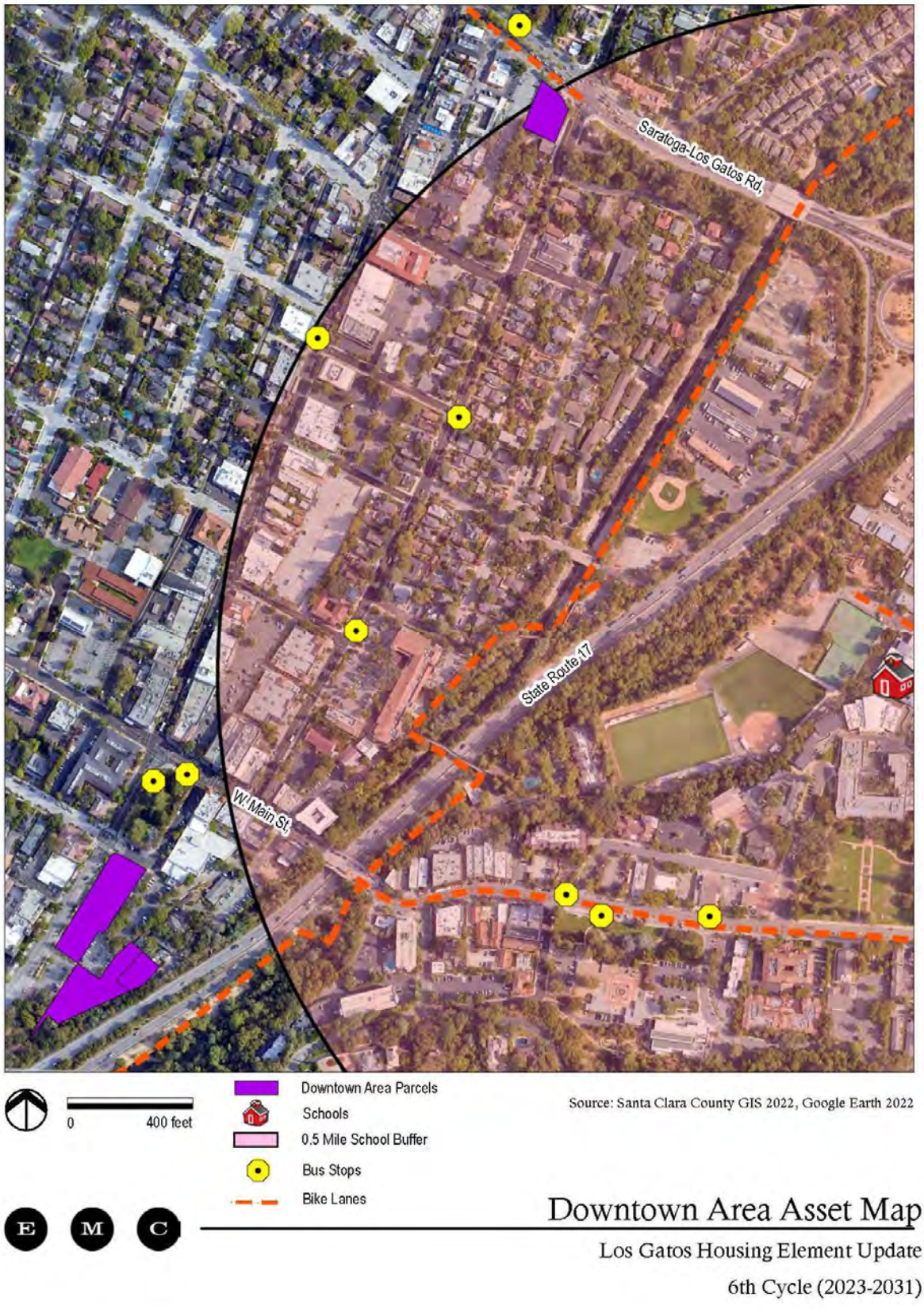


Figure D-3 Downtown Area Asset Map



Site A-1 Park Avenue

Addresses: 50 Park Avenue and 61 Montebello Way

Number of Housing Units: ~~9~~5

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The Park Avenue Site (A-1) is located in the Downtown Area on the southwest end of Town on a wooded parcel that is currently identified as Very High Fire Risk. The site is triangular in shape with parking lots and South Santa Cruz Avenue on one side, Highway 17 on a second side, and Downtown Los Gatos forming the third side. Proximity to Downtown Los Gatos ensures that this site provides pedestrian access to urban services. This site currently is developed with residential units and is designated Medium Density Residential. The site is zoned R-1D and would allow ~~nine~~ five housing units developed at a minimum ~~typical~~ density of ~~10~~ five du/ac.

Amenities: The closest public school is ~~Louise Van Meter Elementary~~Los Gatos High School and is approximately ~~1.6~~0.5 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at West Main Street and South Santa Cruz Avenue and is approximately 0.2 miles away.

Property Owner Interest Form Submitted: Yes.

Constraints: Very high fire hazard; existing residential dwelling units would require demolition.

Figure D-~~3~~4 Park Avenue (Site A-1)



Site A-2 South Santa Cruz Avenue

Address: 101 South Santa Cruz Avenue

Number of Housing Units: ~~21~~16

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The South Santa Cruz Avenue Site (A-2) is located in the Downtown Area on the southwest end of Town along South Santa Cruz Avenue on an occupied commercial parcel in Downtown Los Gatos. The site is currently identified as Medium Density Residential. Proximity To Downtown Los Gatos ensures that this site provides pedestrian access to urban services. This site is designated as Central Business District and zoned C-2, which would allow ~~21~~ 16 housing units developed at a ~~typical~~ minimum density of ~~26~~ 20 du/ac.

Amenities: The closest public school is Los Gatos High School and is approximately 0.5 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at West Main Street and South Santa Cruz Avenue and is approximately 300 feet away.

Property Owner Interest Form Submitted: Yes.

Constraints: Very high fire hazard; the existing commercial use would require demolition.

Figure D-45 South Santa Cruz Avenue (Site A-2)



Site A-3 University Avenue

Address: 165 Los Gatos-Saratoga Road

Number of Housing Units: ~~10~~7

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The University Avenue Site (A-3) is located in the Downtown Area at the corner of Los Gatos-Saratoga Road and University Avenue on an occupied commercial site. Proximity to Downtown Los Gatos ensures that this site would provide pedestrian access to urban services. This site is designated as Central Business District and zoned C-2, which would allow ~~10~~ seven housing units developed at a minimum ~~typical~~ density of ~~26~~ 20 du/ac.

Amenities: The closest public school is Los Gatos High School and is approximately 0.8 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Saratoga-Los Gatos Road and University Avenue and is approximately 360 feet away.

Property Owner Interest Form Submitted: Yes.

Constraints: Existing commercial building would require demolition.

Figure D-~~5~~6 University Avenue (Site A-3)

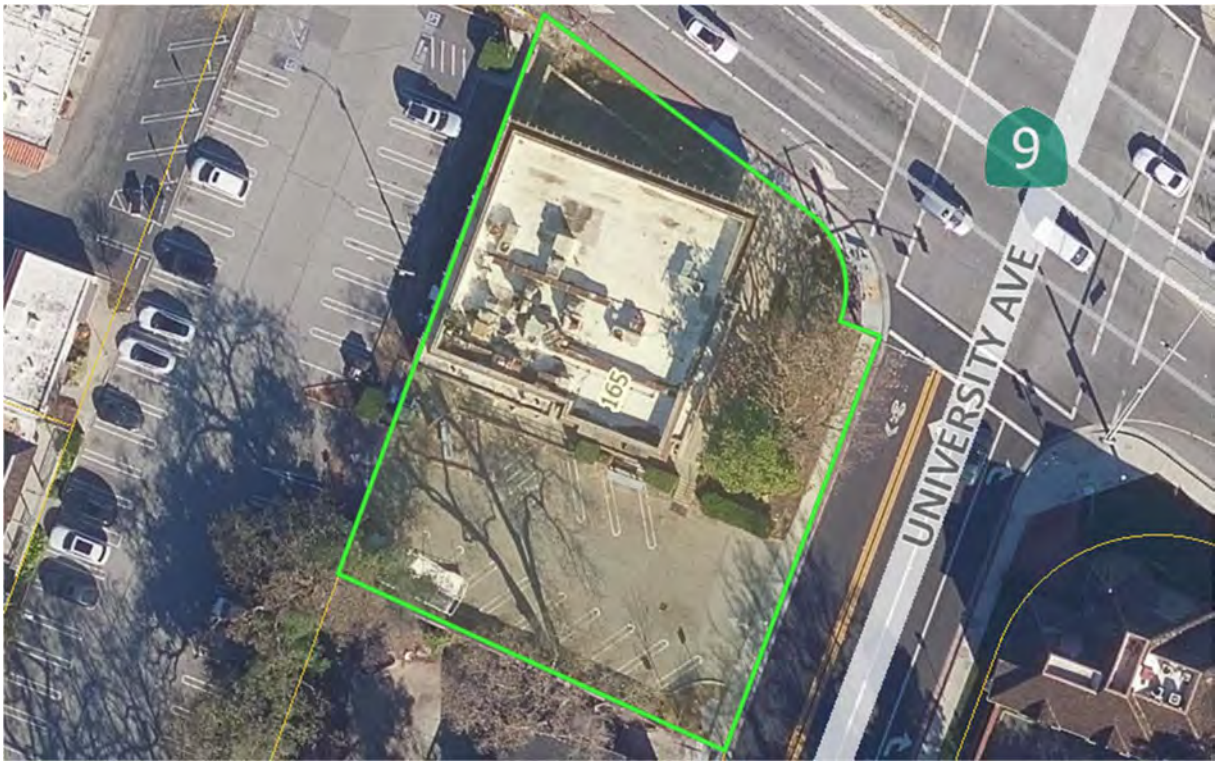


Figure D-~~7~~6 Los Gatos Lodge Area

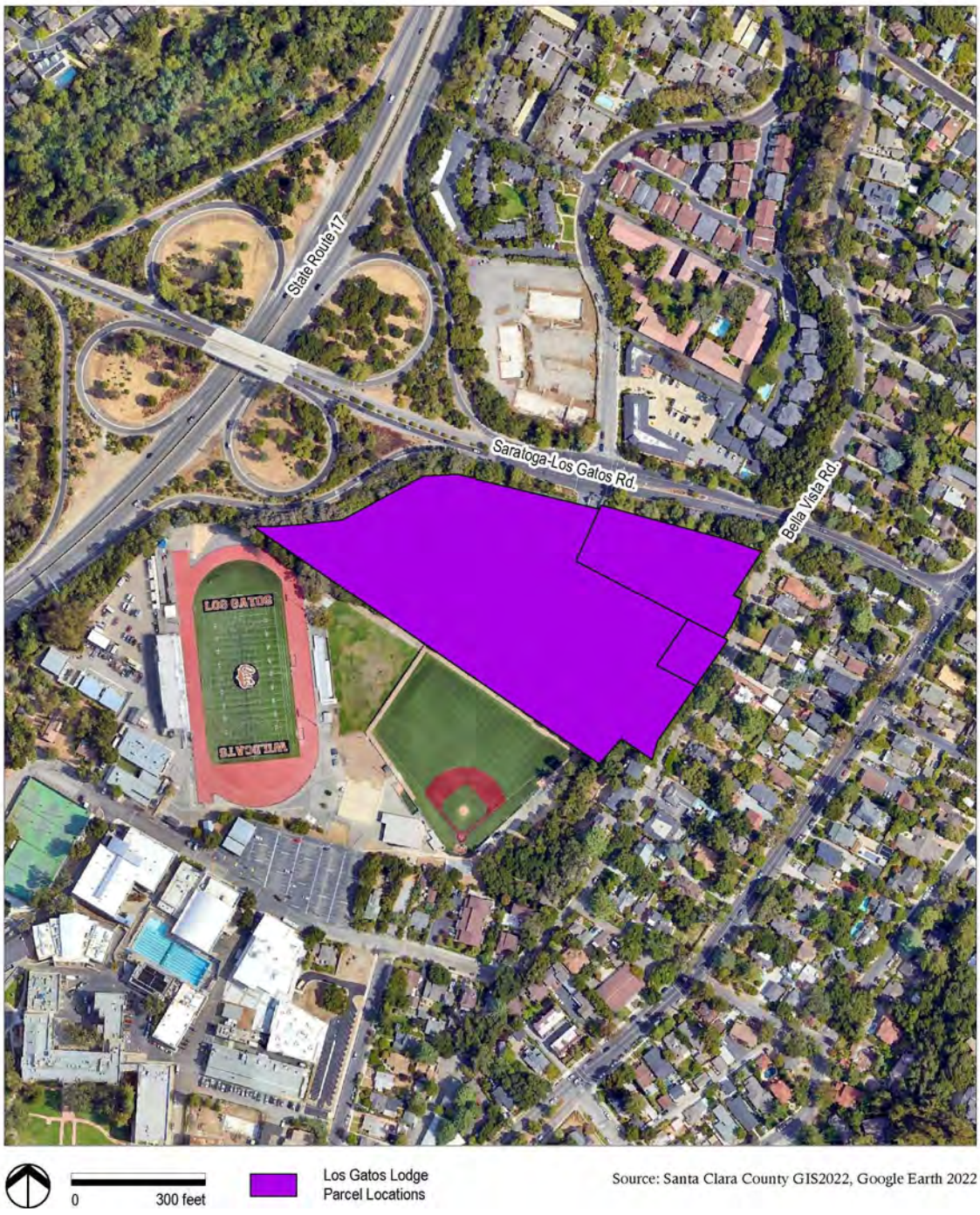
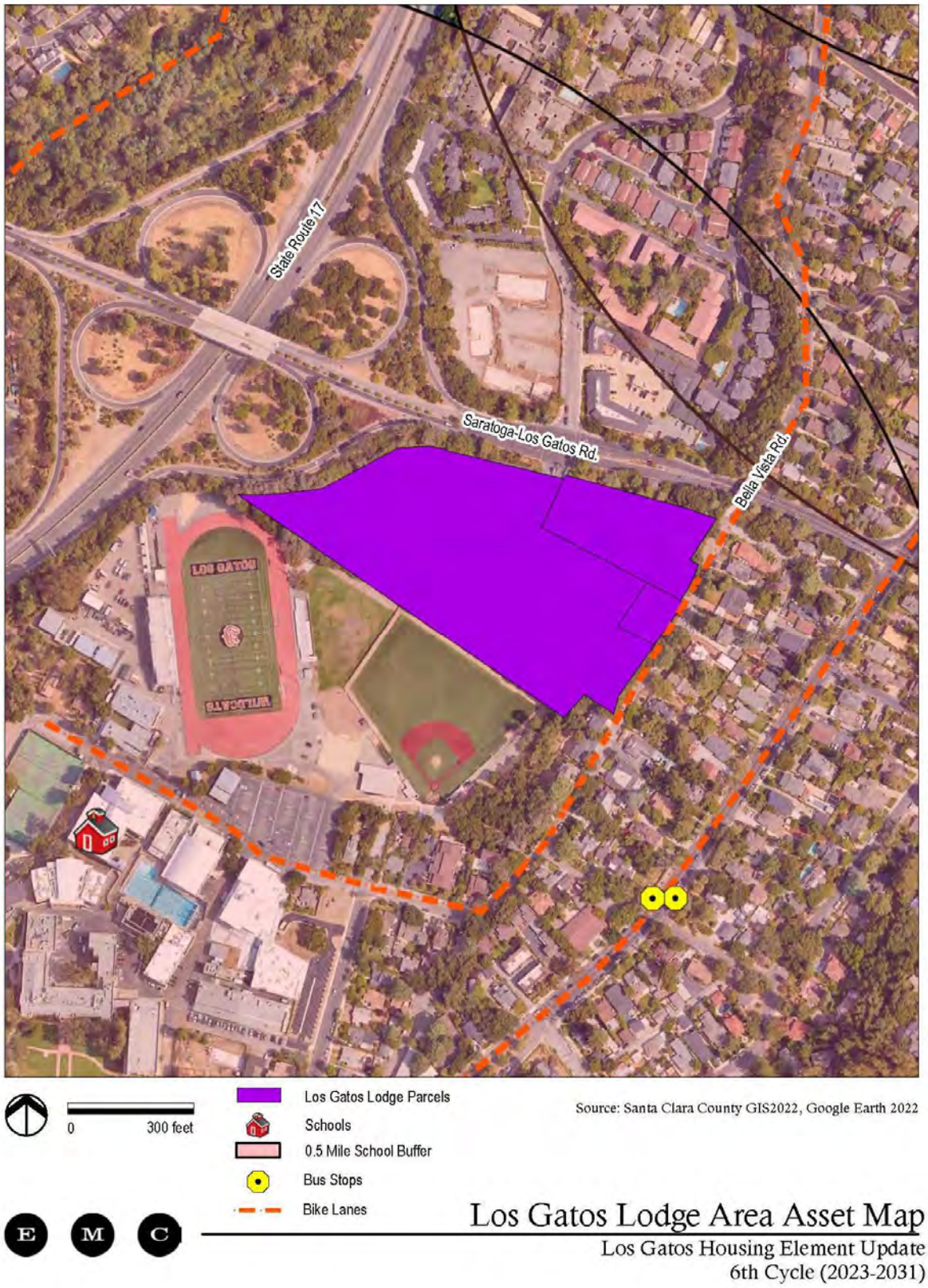


Figure D-8 Los Gatos Lodge Area Asset Map



Site B-1 Los Gatos Lodge

Address: 50 Los Gatos-Saratoga Road

Number of Housing Units: ~~317~~264

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The Los Gatos Lodge Site (B-1) is located in the Los Gatos Lodge Area immediately adjacent to the interchange of Highway 9 and Highway 17, east of Downtown Los Gatos. The site is the current location of the Los Gatos Lodge, with the Los Gatos High School sports fields to the south, lower-density residential uses across Bella Vista Avenue to the east, and Best Western Inn across Highway 9 on the north. This site is designated as Mixed-Use Commercial and zoned CH:PD, which would allow ~~317~~ 264 housing units developed at a minimum ~~typical~~ density of ~~36~~ 30 du/ac.

Amenities: The closest public school is Louise Van Meter Elementary School and is approximately 0.9 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Boulevard and Stacia Street and is approximately 0.4 miles away.

Property Owner Interest Form Submitted: Yes.

Constraints: Existing commercial buildings would require demolition and removal or modification of the existing Planned Development Overlay to accommodate residential.

Figure D-~~7~~9 Los Gatos Lodge (Site B-1)



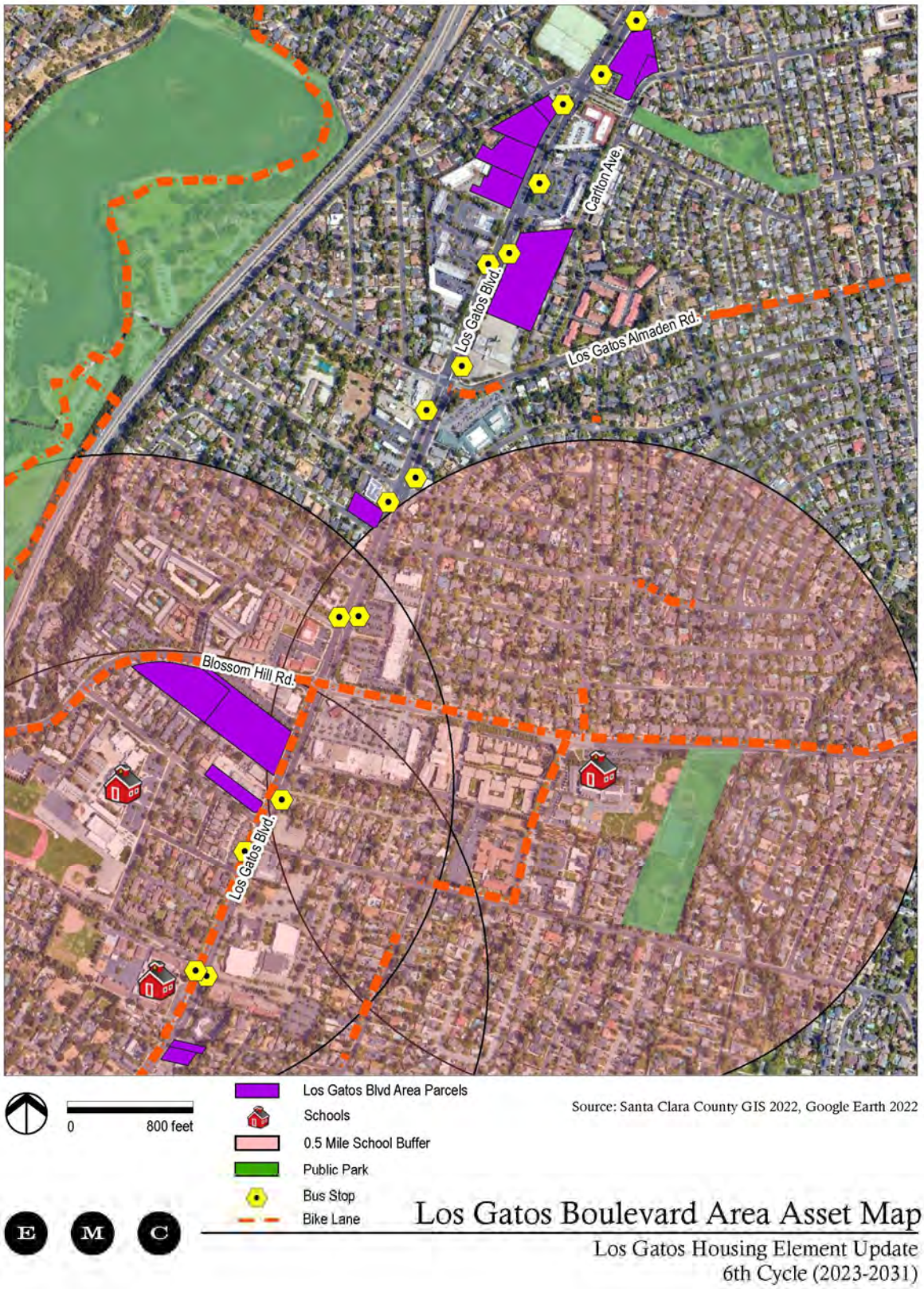
~~**Figure D-8 Los Gatos Boulevard Area**~~



Figure D-10 Los Gatos Boulevard Area



Figure D-11 Los Gatos Boulevard Area Asset Map



Site C-1 Ace Hardware

Address: 15300 Los Gatos Boulevard

Number of Housing Units: ~~58~~48

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The Ace Hardware Site (C-1) is located in the Los Gatos Boulevard Area on the east side of Los Gatos Boulevard and north of Gateway Drive. The site is the current location of Ace Hardware, with commercial uses to the north, south, and west, and lower-density residential uses to the east. The site is designated as Mixed-Use Commercial and zoned C-1, which would accommodate ~~58~~ 48 housing units developed at a minimum ~~typical~~ density of ~~36~~ 30 du/ac.

Amenities: The closest public school is Raymond J. Fisher Middle School and is approximately 1.7 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Boulevard and Lark Avenue and is approximately 443 feet away.

Property Owner Interest Form Submitted: Yes.

Constraints: Existing commercial building would require demolition.

Figure D-~~9~~12 Ace Hardware (Site C-1)



Site C-2 Los Gatos Boulevard

Address: 15349, 15367, and 15405 Los Gatos Boulevard

Number of Housing Units: ~~103~~86

"By Right" + 20% Affordable: Required – Not used in previous cycle.

Description: The Los Gatos Boulevard Site (C-2) is located in the Los Gatos Boulevard Area on the west side of Los Gatos Boulevard, and south of Garden Lane. The site is the current location of multiple commercial uses, with commercial uses to the north, south, and east, and lower-density residential uses to the west. The site is designated as Mixed-Use Commercial and zoned CH, which would accommodate ~~103~~ 86 housing units developed at a minimum ~~typical~~ density of ~~36~~ 30 du/ac.

Amenities: The closest public school is Raymond J. Fisher Middle School and is approximately 1.1 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Boulevard and Garden Lane and is approximately 80 feet away.

Property Owner Interest Form Submitted: Yes.

Constraints: Existing commercial building would require demolition.

Figure D-~~10~~13 Los Gatos Boulevard (Site C-2)



Site C-3 Los Gatos Boulevard

Address: 15425 Los Gatos Boulevard

Number of Housing Units: ~~39~~33

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The Los Gatos Boulevard Site (C-3) is located in the Los Gatos Boulevard Area on the west side of Los Gatos Boulevard and east of Garden Lane. The site is the current location of office and commerical uses, with commercial uses located on all sides. The site is designated as Mixed-Use Commercial and zoned CH, which would accommodate ~~39~~ 33 housing units developed at a minimum ~~typical~~ density of ~~36~~ 30 du/ac.

Amenities: The closest public school is Raymond J. Fisher Middle School and is approximately one mile away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Boulevard and Village Square and is approximately 395 feet away.

Property Owner Interest Form Submitted: Yes.

Constraints: Existing commercial building would require demolition.

Figure D-~~11~~14 Los Gatos Boulevard (Site C-3)



Site C-4 Affordable Treasures

Address: 15795 Los Gatos Boulevard

Number of Housing Units: ~~23~~19

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The Affordable Treasures Site (C-4) is located in the Los Gatos Boulevard Area at the northwest corner of Los Gatos Boulevard and Farley Lane. The site is the current location of Affordable Treasures Party Store with commercial uses located to the north, south, and east and lower-density residential uses located to the west. The site is designated as Mixed-Use Commercial and zoned CH, which would accommodate ~~23~~ 19 housing units developed at a minimum ~~typical~~ density of ~~36~~ 30 du/ac.

Amenities: The closest public school is Raymond J. Fisher Middle School and is approximately 0.6 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Bouelvard and Farley Road and is approximately 167 feet away.

Property Owner Interest Form Submitted: Yes.

Constraints: Existing commercial building would require demolition.

Figure D-~~12~~15 Affordable Treasures (Site C-4)



Site C-5 Los Gatos Boulevard

Address: 16203 Los Gatos Boulevard

Number of Housing Units: ~~28~~24

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The Los Gatos Boulevard Site (C-5) is located in the Los Gatos Boulevard Area at the northwest corner of Los Gatos Boulevard and Roberts Road. The site is the current location of NC Boardshop skateboard shop and Autobahn Los Gatos, with commercial uses located to the north, east, and west and medium-density residential uses located to the south. The site is designated as Mixed-Use Commercial and zoned CH, which would accommodate ~~28~~ 24 housing units developed at a minimum ~~typical~~ density of ~~36~~ 30 du/ac.

Amenities: The closest public school is Raymond J. Fisher Middle School and is approximately 0.2 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Bouelvard and Roberts Road and is approximately 400 feet away.

Property Owner Interest Form Submitted: No; however, a Conceptual Development Advisory Committee application for a mixed-use development was submitted on November 17, 2020 pending an anticipated density increase as part of the General Plan and Housing Element Updates.

Constraints: Existing commercial buildings would require demolition.

Figure D-~~13~~16 Los Gatos Boulevard (Site C-5)



Site C-6 Los Gatos Boulevard

Address: 16492 Los Gatos Boulevard and Assessor Parcel Number 532-07-86

Number of Housing Units: ~~11~~6

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The Los Gatos Boulevard Site (C-6) is located in the Los Gatos Boulevard Area on the east side of Los Gatos Boulevard, north of Spencer Avenue. The site is the current location of LG Wines and Liquors and Happy Cleaners, with commercial uses located to the north, south, and west and low-density residential uses located to the east. The site is designated as Low Density Residential but zoned C-1, which would accommodate ~~11~~ 6 housing units developed at a minimum ~~typical~~ density of ~~18~~ 10 du/ac.

Amenities: The closest public school is Louise Van Meter Elementary School and is approximately 0.3 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Bouelvard and Nino Avenue and is approximately 0.1 miles away.

Property Owner Interest Form Submitted: Yes, and the owner has submitted written interest in changing the land use designation to Neighborhood Commercial.

Constraints: Existing commercial ~~use~~ building would require demolition.

Figure D-~~14~~17 Los Gatos Boulevard (Site C-6)



~~**Site C-7 Los Gatos Boulevard**~~

~~**Address:** 15495 Los Gatos Boulevard~~

~~**Number of Housing Units:** 116~~

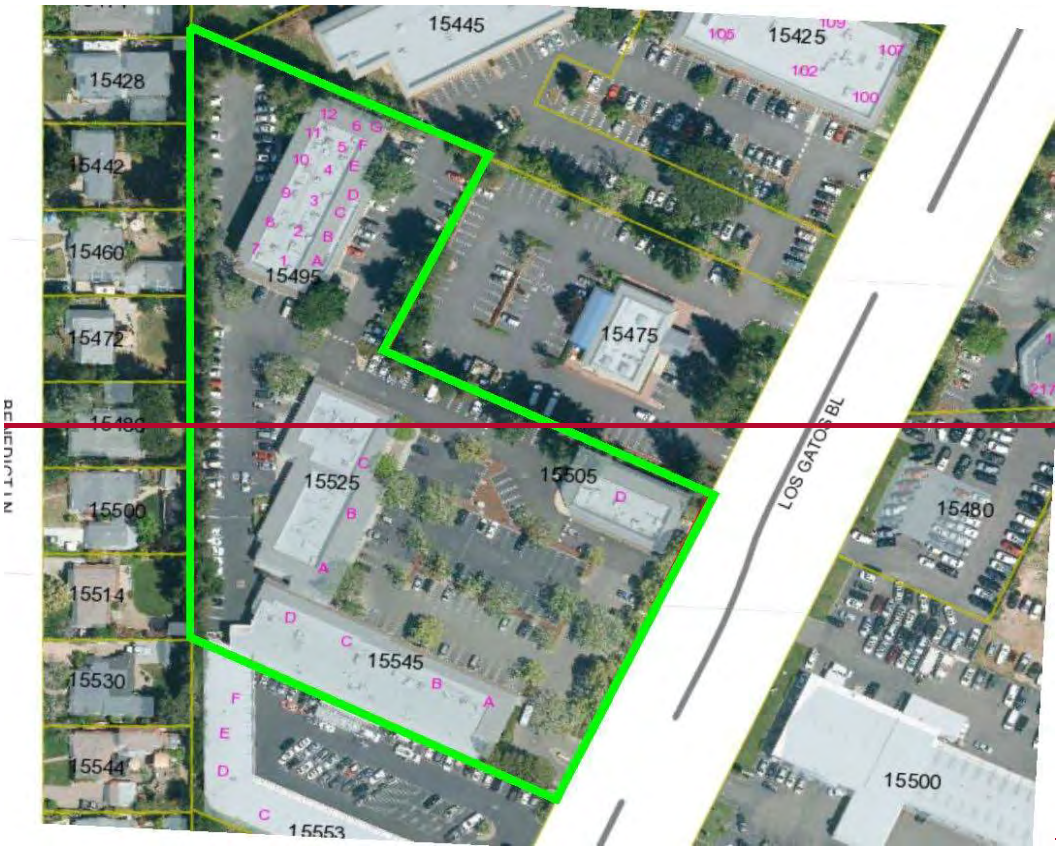
~~**"By Right" + 20% Affordable:** Not Required – Not used in previous cycle.~~

~~**Description:** The Los Gatos Boulevard Site (C-7) is located in the Los Gatos Boulevard Area on the west side of Los Gatos Boulevard and east of Garden Lane. The site is comprised of three separate commercial buildings, with commercial uses located to the north, south, and east. Low-density residential uses are located to the west. The site is designated as Mixed-Use Commercial but zoned CH, which would accommodate 116 housing units developed at a minimum density of 30 du/ac.~~

~~**Property Owner Interest Form Submitted:** No; however, a property owner has contacted staff with an inquiry for residential development of the site.~~

~~**Constraints:** Existing commercial buildings would require demolition.~~

~~**Figure D-15 Los Gatos Boulevard (Site C-7)**~~



Site C-8 Los Gatos Boulevard

Address: 15445 Los Gatos Boulevard

Number of Housing Units: 46

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The Los Gatos Boulevard Site (C-8) is located in the Los Gatos Boulevard Area on the west side of Los Gatos Boulevard and east of Garden Lane. The site is the current location of Virtus Perf.ormance Club, with commercial uses located to the east and south. Low-density residential uses are located to the north and west. The site is designated as Mixed-Use Commercial but zoned CH, which would accommodate 46 housing units developed at a minimum density of 30 du/ac.

Property Owner Interest Form Submitted: No; however, the site is adjacent to other sites within the Site Inventory.

Constraints: Existing commercial building would require demolition.

Figure D-16 Los Gatos Boulevard (Site C-8)



Site C-7 Los Gatos Boulevard

Address: 16151 Los Gatos Boulevard

Number of Housing Units: 106

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The Los Gatos Boulevard Site (C-7) is located in the Los Gatos Boulevard Area on the west side of Los Gatos Boulevard, south of Blossom Hill Road. The site currently serves as a car dealership with multiple on-site structures and commercial uses located to the north, south, and east. Low-density residential uses are located to the east and further south. The site is designated as Mixed-Use Commercial, but zoned CH, which would accommodate 106 housing units developed at a minimum density of 30 du/ac.

Amenities: The closest public school is Raymond J. Fisher Middle School and is approximately half a mile away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Boulevard and Magneson Loop and is approximately 0.2 miles away.

Property Owner Interest Form Submitted: Yes.

Constraints: Existing commercial buildings would require demolition.

Figure D-18 Los Gatos Boulevard (Site C-7)



Site C-8 Blossom Hill Road

Address: 620 Blossom Hill Road

Number of Housing Units: 79

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The Blossom Hill Road Site (C-8) is located in the Los Gatos Boulevard Area on the south side of Blossom Hill Road, west of the Blossom Hill Road and Los Gatos Boulevard intersection. The site currently serves as a car dealership with multiple on-site structures and commercial uses located to the north and east. Residential uses are located to the north, south, and west. The site is designated as Mixed-Use Commercial, but zoned CH, which would accommodate 79 housing units developed at a minimum density of 30 du/ac.

Amenities: The closest public school is Raymond J. Fisher Middle School and is approximately one mile away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Bouelvard and Blossom Hill Road and is approximately half a mile away.

Property Owner Interest Form Submitted: Yes.

Constraints: Existing commercial buildings would require demolition.

Figure D-19 Los Gatos Boulevard (Site C-8)



Site C-9 Los Gatos Boulevard

Address: 15480 Los Gatos Boulevard and 15500 Los Gatos Boulevard

Number of Housing Units: 134

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The Los Gatos Boulevard Site (C-9) is located in the Los Gatos Boulevard Area on the west side of Los Gatos Boulevard, north of Los Gatos Almaden Road. The site currently serves as a car dealership with multiple on-site structures and commercial uses located to the north, south, and west. Residential uses are located to the east and further south. The site is designated as Mixed-Use Commercial, but zoned CH, which would accommodate 134 housing units developed at a minimum density of 30 du/ac.

Amenities: The closest public school is Raymond J. Fisher Middle School and is approximately one mile away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos and Garden opp Moore and is approximately 0.2 miles away.

Property Owner Interest Form Submitted: Yes.

Constraints: Existing commercial buildings would require demolition.

Figure D-20 Los Gatos Boulevard (Site C-9)



Figure D-2117 North Forty Area

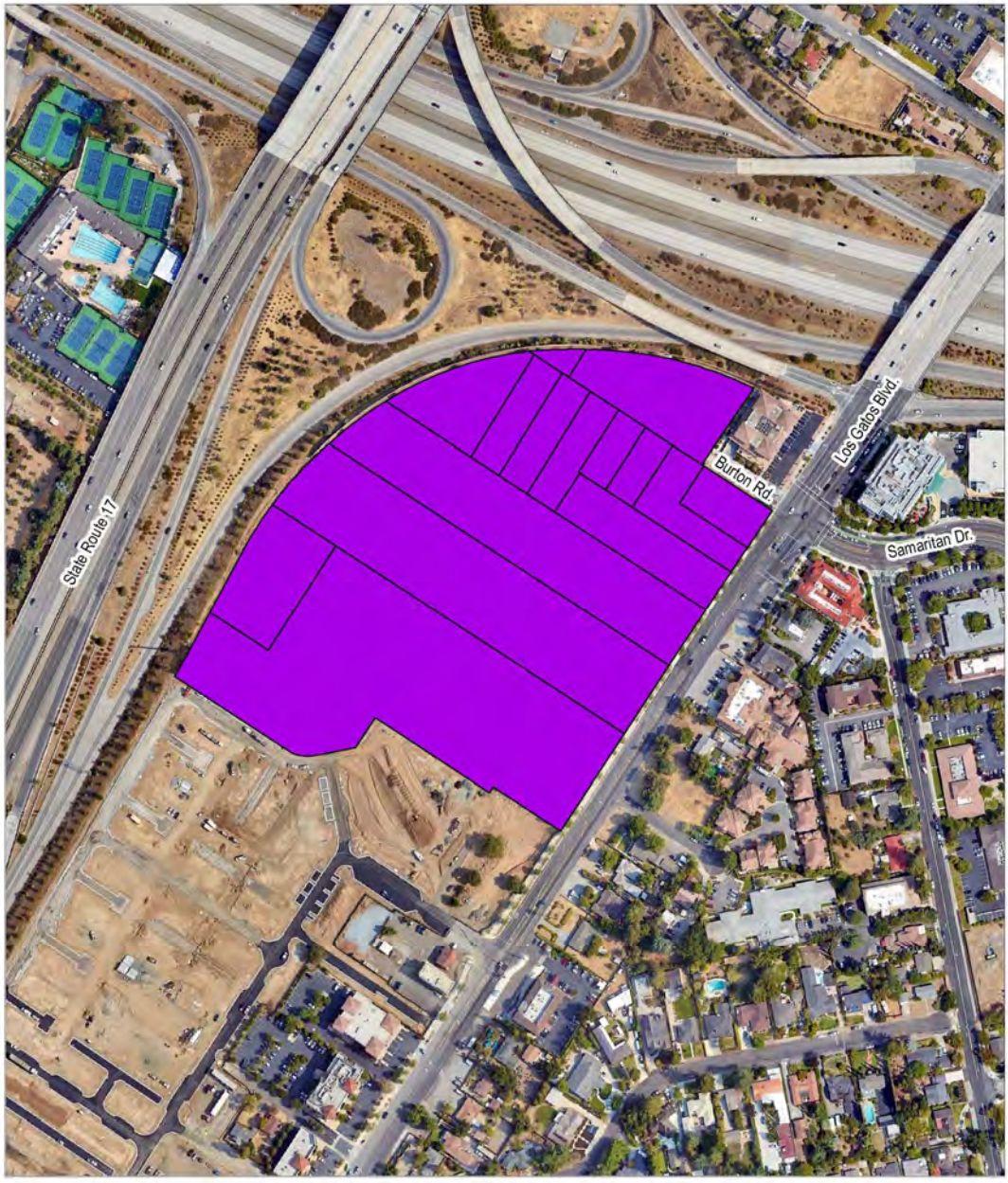
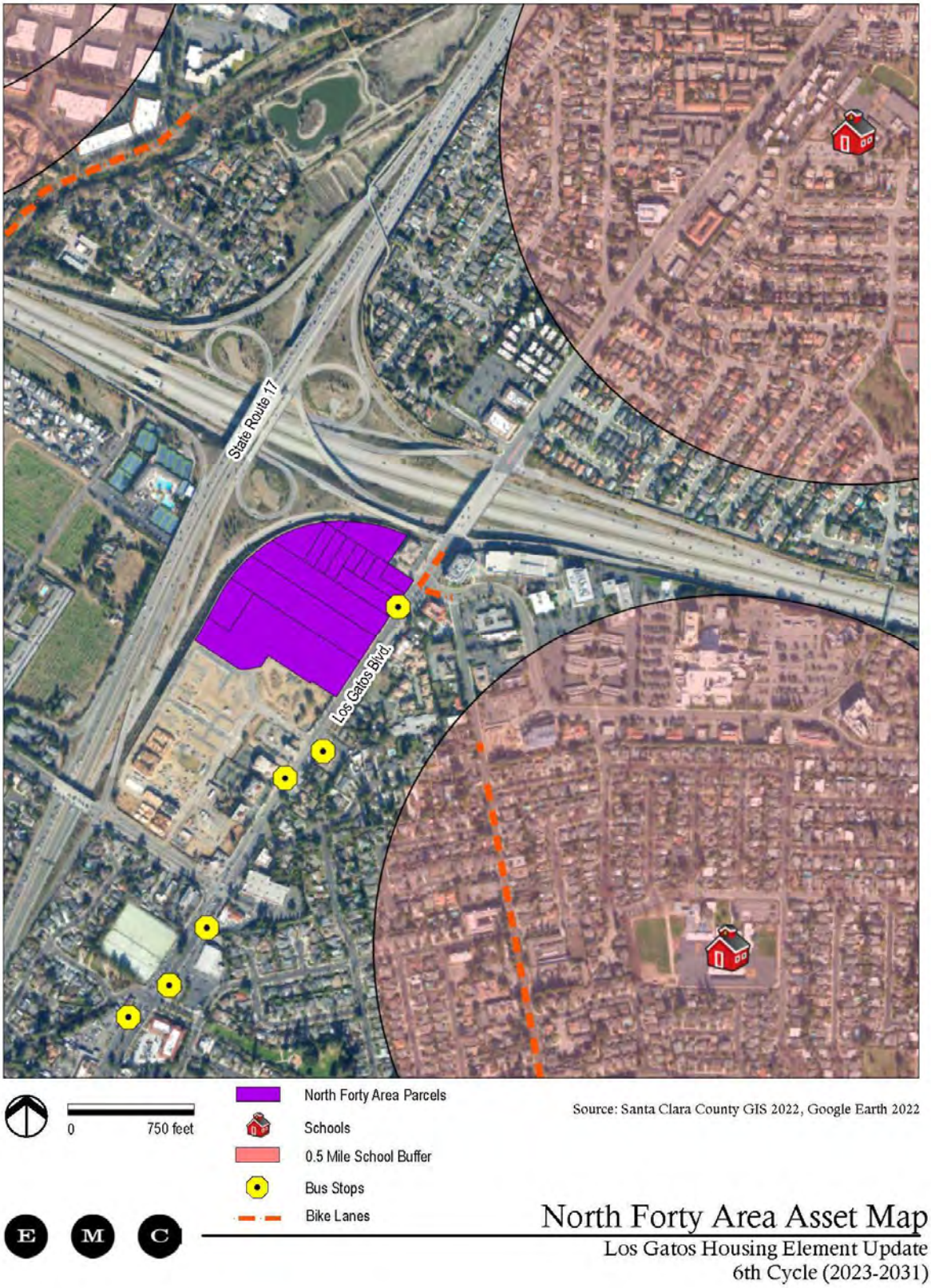


Figure D-22 North Forty Area Asset Map



Site D-1 North Forty Phase II

Address: 14859 Los Gatos Boulevard, et. al.

Number of Housing Units: 461

"By Right" + 20% Affordable: Required – Used in previous cycle.

Description: The North Forty Phase II Site (D-1) is located in the North Forty Area on the west side of Los Gatos Boulevard, south of Burton Road. The site contains existing single-family residences and agriculture uses. Commercial uses are located to the south and west and arterial highways located to the north and east. The site is designated and zoned as North Forty Specific Plan, which would accommodate 461 units at a minimum density of 30 du/ac.

Amenities: The closest public school is Farnham Elementary School and is approximately 0.8 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Bouelvard and Burton Road and is approximately 115 feet away.

Property Owner Interest Form Submitted: No; however, the property owner has been involved in attending Housing Element Advisory Board (HEAB) meetings and submitted written public comments regarding intent and interest in residential development on the site.

Constraints: Existing buildings would require demolition.

Figure D-~~18~~23 North Forty Phase II (Site D-1)



Site D-2 North Forty Phase II

Address: 16245 Burton Road

Number of Housing Units: 38

"By Right" + 20% Affordable: Required – Used in previous cycle.

Description: The North Forty Phase II Site (D-2) is located in the North Forty Area at the terminus of Burton Road, on the west side of Los Gatos Boulevard. The site is underutilized with a single-family residence. Commercial uses are located to the east and arterial highways located to the north and west. The site is designated and zoned as North Forty Specific Plan, which would accommodate 38 housing units developed at a minimum density of 30 du/ac.

Amenities: The closest public school is Farnham Elementary School and is approximately 0.8 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Bouelvard and Burton Road and is approximately 0.1 miles away.

Property Owner Interest Form Submitted: No; however, the parcel is located within Phase II of the North 40 Specific Plan Area where recent significant housing development is underway.

Constraints: Existing residential building would require demolition.

Figure D-~~19~~24 North Forty Phase II (Site D-2)



Site D-3 North Forty (Phase II)

Address: 16240 Burton Road

Number of Housing Units: Eight

"By Right" + 20% Affordable: Required – Used in previous cycle.

Description: The North Forty Phase II Site (D-3) is located in the North Forty Area along Burton Road and adjacent to the Highway 17/Highway 85 interchange. The site contains a single-family residence. Other North Forty Specific Plan properties surround the site. The site is designated and zoned as North Forty Specific Plan, which would accommodate eight housing units developed at a minimum density of 30 du/ac.

Amenities: The closest public school is Farnham Elementary School and is approximately 0.8 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Bouelvard and Burton Road and is approximately 0.1 miles away.

Property Owner Interest Form Submitted: No; however, the parcel is located within Phase II of the North 40 Specific Plan Area where recent significant housing development is underway.

Constraints: Existing residential building would require demolition.

Figure D-~~20~~25 North Forty Phase II (Site D-3)



Site D-4 North Forty Phase II

Address: 16270 Burton Road

Number of Housing Units: 13

"By Right" + 20% Affordable: Required – Used in previous cycle.

Description: The North Forty Phase II Site (D-4) is located in the North Forty Area at the end of Burton Road and immediately adjacent to the Highway 17/Highway 85 interchange. The site contains a single-family residence. Other North Forty Specific Plan properties surround the site. The site is designated and zoned as North Forty Specific Plan, which would accommodate 13 housing units developed at a minimum density of 30 du/ac.

Amenities: The closest public school is Farnham Elementary School and is approximately 0.8 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Bouelvard and Burton Road and is approximately 0.2 miles away.

Property Owner Interest Form Submitted: No; however, the parcel is located within Phase II of the North 40 Specific Plan Area where recent significant housing development is underway.

Constraints: Existing residential building would require demolition.

Figure D-~~21~~26 North Forty Phase II (Site D-4)



Site D-5 North Forty Phase II

Address: 16210 Burton Road

Number of Housing Units: 25

"By Right" + 20% Affordable: Required – Used in previous cycle.

Description: The North Forty Phase II Site (D-5) is located in the North Forty Area along Burton Road and on the west side of Los Gatos Boulevard. The site contains single-family residences. Other North Forty Specific Plan properties surround the site. The site is designated and zoned as North Forty Specific Plan, which would accommodate 25 housing units developed at a minimum density of 30 du/ac.

Amenities: The closest public school is Farnham Elementary School and is approximately 0.8 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Bouelvard and Burton Road and is approximately 0.1 miles away.

Property Owner Interest Form Submitted: No; however, the parcel is located within Phase II of the North 40 Specific Plan Area where recent significant housing development is underway.

Constraints: Existing residential building would require demolition.

Figure D-~~22~~27 North Forty Phase II (Site D-5)



Site D-6 North Forty Phase II

Address: 14849 Los Gatos Boulevard

Number of Housing Units: 28

"By Right" + 20% Affordable: Required – Used in previous cycle.

Description: The North Forty Phase II Site (D-6) is located in the North Forty Area on the west side of Los Gatos Boulevard, south of Burton Road. The site contains a single-family residence. Other North Forty Specific Plan properties surround the site on the north, south, and west. East of the site, across Los Gatos Boulevard there are commercial uses. The site is designated and zoned as North Forty Specific Plan, which would accommodate 28 housing units developed at a minimum density of 30 du/ac.

Amenities: The closest public school is Farnham Elementary School and is approximately 0.8 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Bouelvard and Burton Road and is approximately 65 feet away.

Property Owner Interest Form Submitted: No; however, the parcel is located within Phase II of the North 40 Specific Plan Area where recent significant housing development is underway.

Constraints: Existing residential building would require demolition.

Figure D-~~23~~28 North Forty Phase II (Site D-6)



Site D-7 North Forty Phase II

Address: 14823 Los Gatos Boulevard

Number of Housing Units: 11

"By Right" + 20% Affordable: Required – Used in previous cycle.

Description: The North Forty Phase II Site (D-7) is located in the North Forty Area at the southwest corner of Burton Road and Los Gatos Boulevard. The site contains a single-family residence. Other North Forty Specific Plan properties surround the site on the south and west. North of the site, across Burton Road, and east of the site, across Los Gatos Boulevard, there are commercial uses. The site is designated and zoned as North Forty Specific Plan, which would accommodate 11 housing units developed at a minimum density of 30 du/ac.

Amenities: The closest public school is Farnham Elementary School and is approximately 0.7 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Bouelvard and Burton Road and is approximately 120 feet away.

Property Owner Interest Form Submitted: No; however, the parcel is located within Phase II of the North 40 Specific Plan Area where recent significant housing development is underway.

Constraints: Existing residential building would require demolition.

Figure D-~~24~~29 North Forty Phase II (Site D-7)



Figure D-~~25~~30 Lark Avenue Area

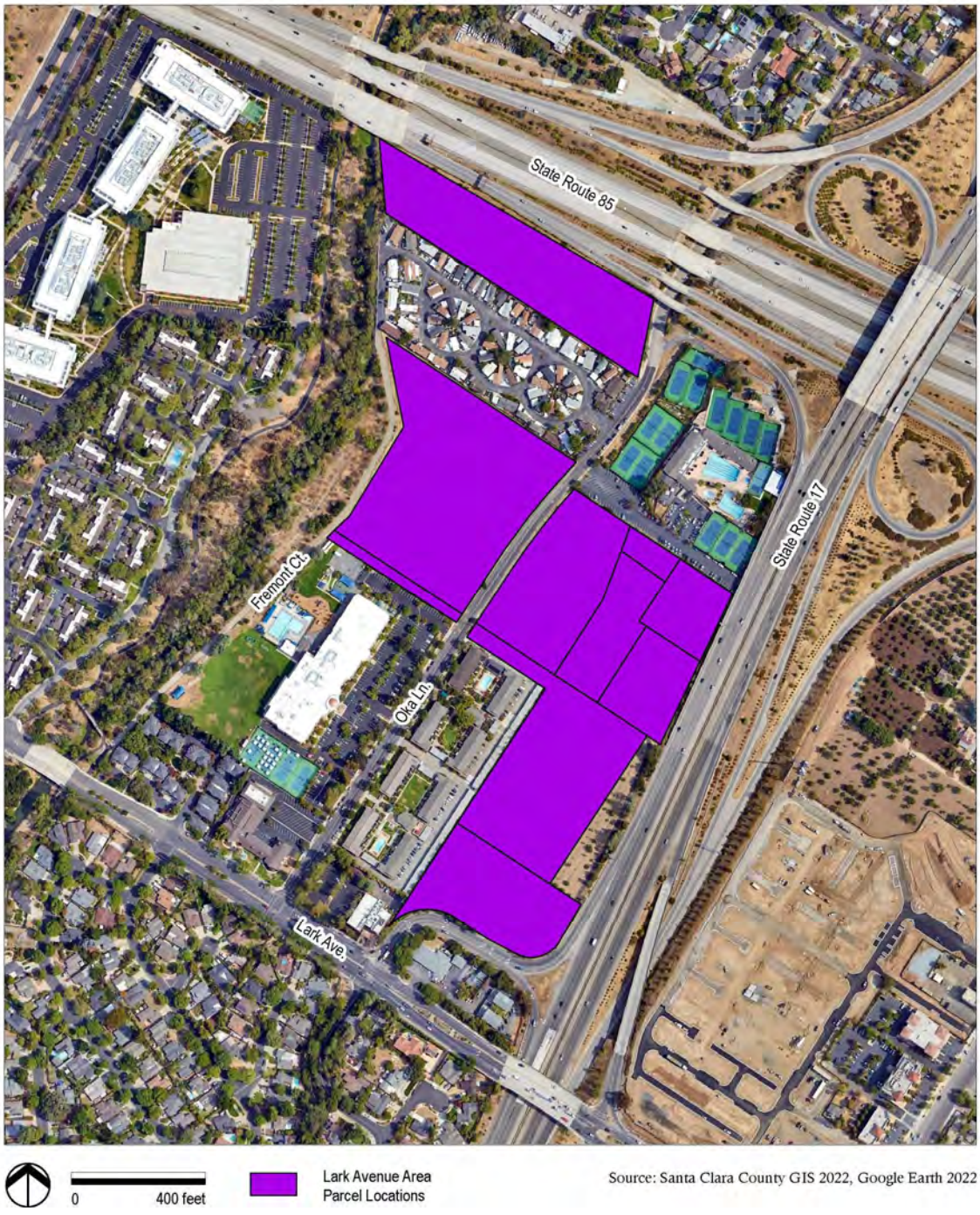
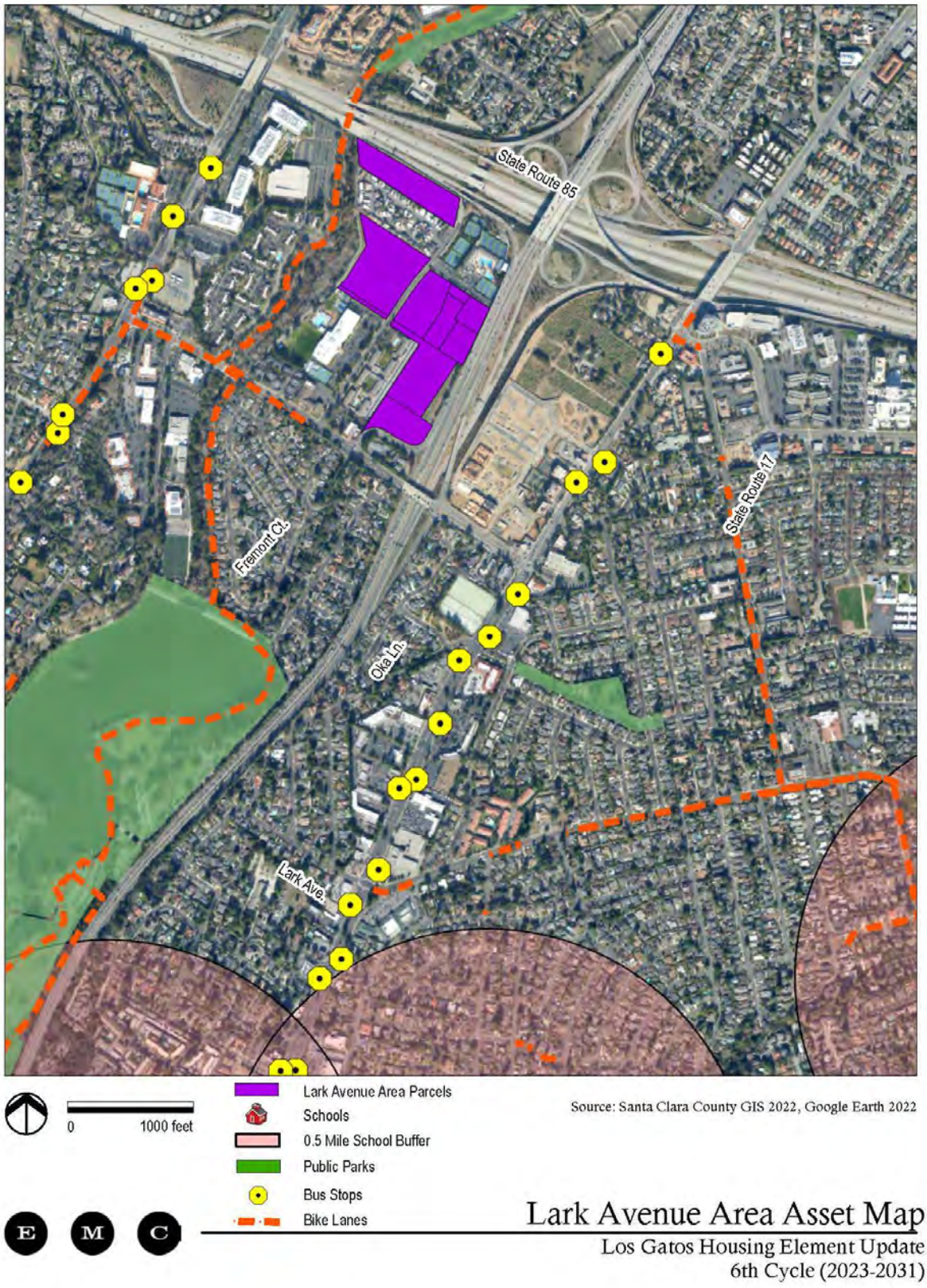


Figure D-31 Lark Avenue Area Asset Map



Site E-1 Oka Road

Address: Oka Road

Number of Housing Units: ~~151~~124

"By Right" + 20% Affordable: Required – Used in previous cycle.

Description: The Oka Road Site (E-1) is located in the Lark Avenue Area on the east side of Oka Road, north of Lark Avenue. The site contains residential and agricultural uses. Major arterial highways are located north and east of the site, with the Los Gatos Swim and Racquet Club immediately north. Agricultural and commercial uses are located across Oka Road. The site is designated as Low-Density Residential and Medium-Density Residential. Parcels within the site are zoned R-1-8 and R-M:5-12, which would allow ~~151~~ 124 housing units developed at a typical density of four du/ac for parcels designated as Low-Density Residential and at a typical minimum ~~density~~ of ~~18~~ 14 du/ac for parcels designated as Medium-Density Residential.

Amenities: The closest public school is Raymond J. Fisher Middle School and is approximately 1.9 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Bouelvard and Lark Avenue and is approximately 0.7 miles away.

Property Owner Interest Form Submitted: No; however the property owner has submitted a public comment to the HEAB regarding future development of the site.

Constraints: Existing buildings would require demolition.

Figure D-~~26~~32 Lark Avenue (Site E-1)



Site E-2 Oka Lane

Address: Oka Lane

Number of Housing Units: 26

"By Right" + 20% Affordable: Required – Used in previous cycle.

Description: The Oka Lane Site (E-2) is located in the Lark Avenue Area on the west side of Oka Road, north of Lark Avenue. The site contains agricultural uses. Major arterial highways are located north and east of the site, with the Bonnie View mobile home park to the north. Agricultural and commercial uses are located across Oka Road. The site is designated as Low-Density Residential. The site is zoned R-1:8, which would allow 26 housing units developed at a typical density of 4 du/ac.

Amenities: The closest public school is Raymond J. Fisher Middle School and is approximately 1.8 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Winchester Bouelvard and Lark Avenue and is approximately 0.8 miles away.

Property Owner Interest Form Submitted: No; however the property owner has submitted a public comment to the HEAB regarding future development of the site.

Constraints: Proximity to adjacent highways.

Figure D-~~27~~33 Oka Lane (Site E-2)



Site E-3 Caltrans Right of Way

Address: Caltrans Right of Way

Number of Housing Units: ~~88~~69

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The Caltrans Right of Way Site (E-3) is located in the Lark Avenue Area south and west of the Highway 17/Highway 85 interchange. The site is currently vacant. Major arterial highways are located north and east of the site. Commercial uses are located west of the site across Oka Road, and the Bonnie View mobile home park is located immediately south of the site. Should the site be annexed by the Town, it is designated as Medium-Density Residential and zoned as R-M:5-12, which would accommodate ~~88~~ 69 housing units developed at a minimum ~~typical~~ density of ~~18~~ 14 du/ac.

Amenities: The closest public school is Raymond J. Fisher Middle School and is approximately 2.1 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Bouelvard and Lark Avenue and is approximately 0.8 miles away.

Property Owner Interest Form Submitted: No, the Town has yet to reach out to Caltrans regarding future development of the site.

Constraints: Consultation with Caltrans for future development.

Figure D-~~28~~34 Caltrans Right of Way (Site E-3)



Figure D-~~29~~35 Winchester Boulevard Area



Figure D-36 Winchester Boulevard Area Asset Map



Site F-1 Knowles Drive

Address: 110 Knowles Drive

Number of Housing Units: ~~264~~220

"By Right" + 20% Affordable: Required – Used in previous cycle.

Description: The Knowles Drive Site (F-1) is located in the Winchester Boulevard Area north and west of the Highway 17/Highway 85 interchange. The site contains industrial uses. Los Gatos Creek is immediately south and east of the site, with low-density residential uses located beyond. High-density residential uses are located south and west of the site. Commercial/industrial uses are located north of the site across Knowles Drive. The site is designated as High-Density Residential and zoned CM:AHOZ, which would accommodate ~~264~~ 220 housing units developed at a ~~typical~~ minimum density of ~~36~~ 30 du/ac.

Amenities: The closest public school is Daves Elementary School and is approximately 2.3 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Knowles Drive and Capri Drive and is approximately 0.3 miles away.

Property Owner Interest Form Submitted: No; however the site is located within the Affordable Housing Overlay Zone.

Constraints: Existing buildings would require demolition and adjacency to the Los Gatos Creek Trail.

Figure D-~~37~~30 Knowles Drive (Site F-1)



Site F-2 Winchester Boulevard

Address: 206 Knowles Drive

Number of Housing Units: ~~87~~72

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The Winchester Boulevard Site (F-2) is located in the Winchester Boulevard Area at the northeast intersection of A Street and Knowles Drive. The site contains office uses. Multi-family residential is located to the south and office uses are located to the north, south, and west of the site. The site is designated as High-Density Residential and zoned CM, which would accommodate ~~87~~ 72 housing units developed at a minimum ~~typical~~ density of ~~36~~ 30 du/ac.

Amenities: The closest public school is Daves Elementary School and is approximately 2.1 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Knowles Drive and Capri Drive and is approximately 0.1 miles away.

Property Owner Interest Form Submitted: No; however, the site is located immediately adjacent to 110 Knowles Drive (Site F-1), which has an Affordable Housing Overlay Zone.

Constraints: Existing buildings would require demolition and adjacency to the Los Gatos Creek Trail.

Figure D-~~31~~38 Winchester Boulevard (Site F-2)



Figure D-~~32~~39 Union Avenue Area

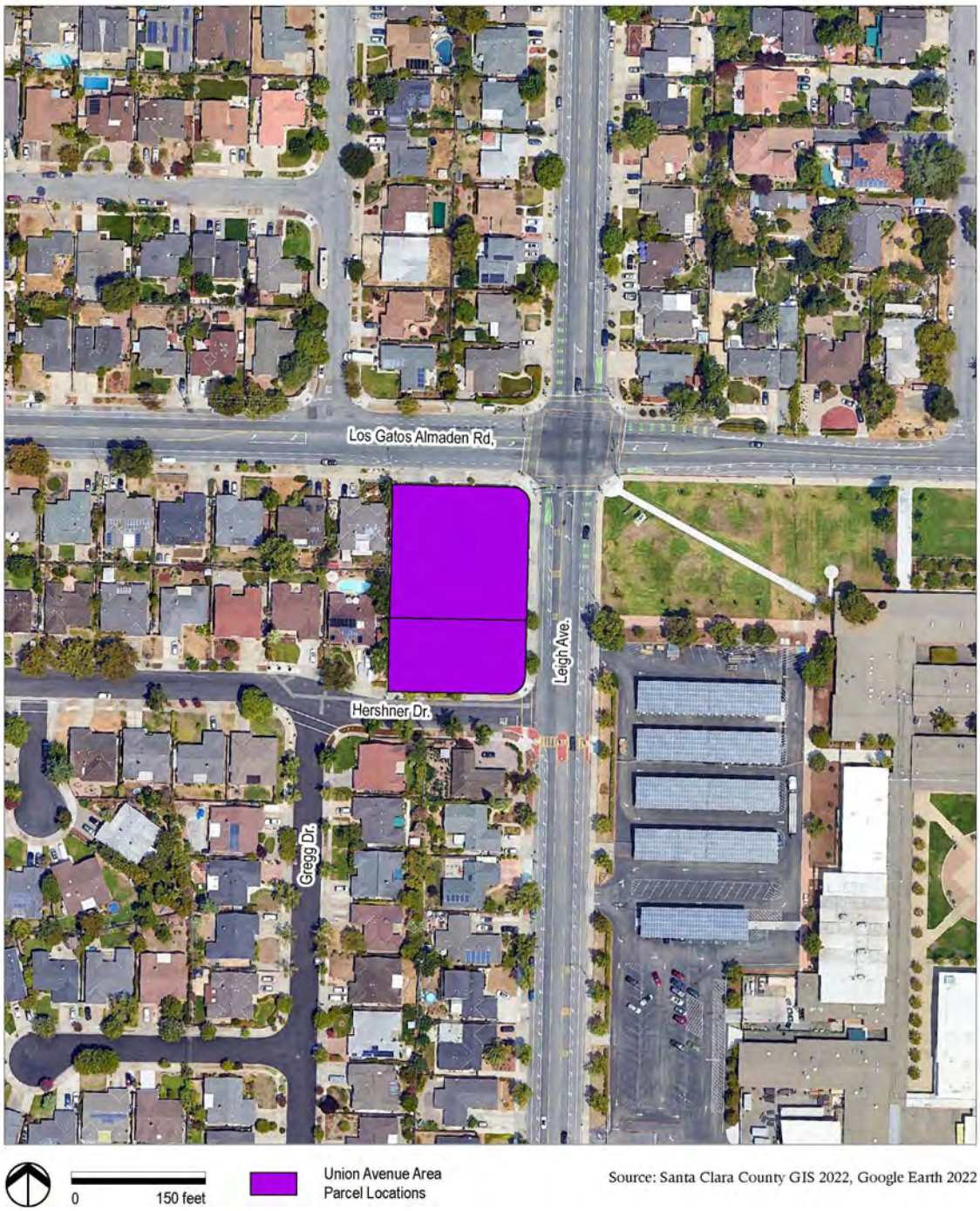
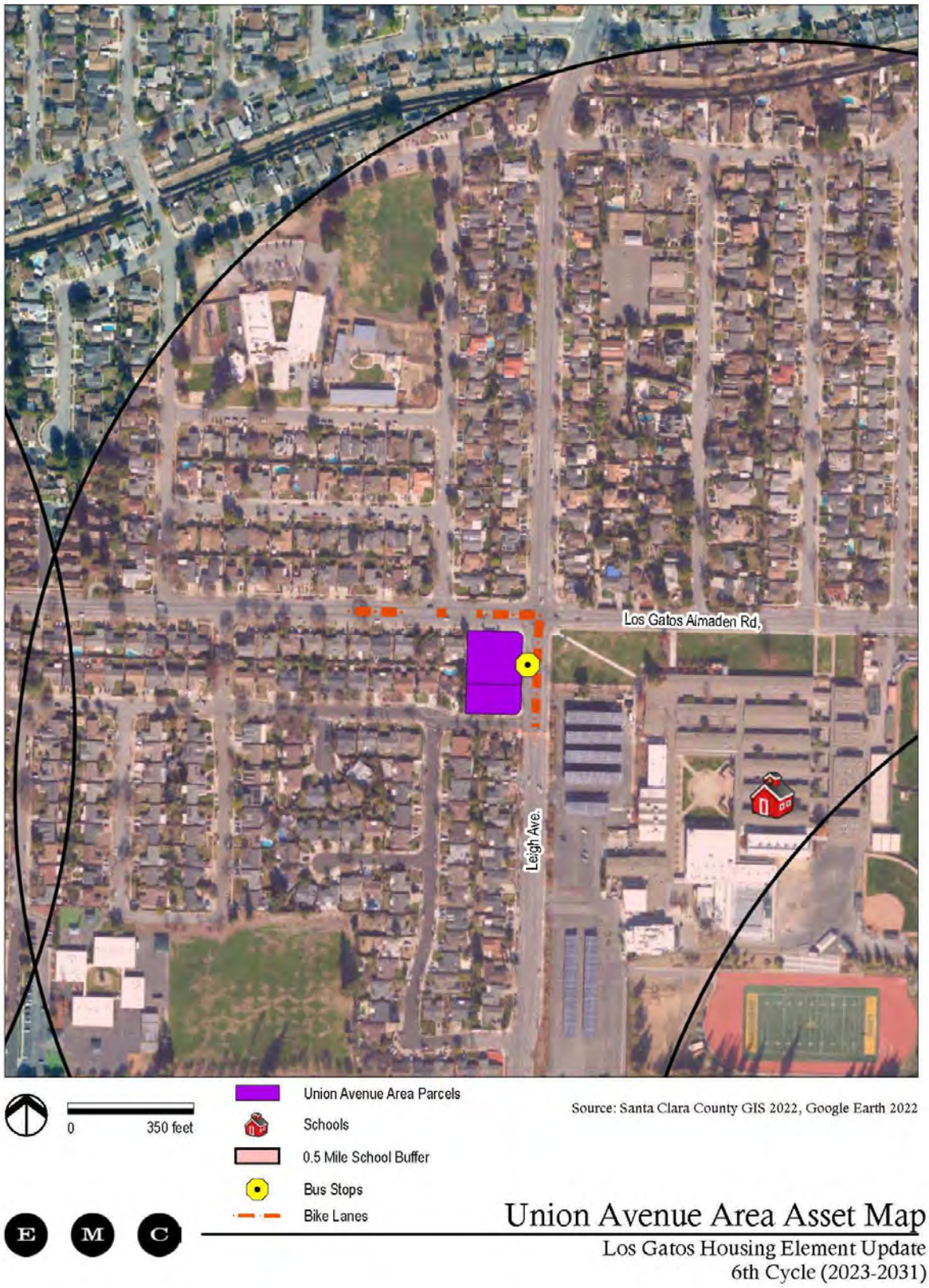


Figure D-40 Union Avenue Area Asset Map



Site G-1 Los Gatos-Almaden Road

Address: 440 Los Gatos Almaden Road

Number of Housing Units: ~~14~~8

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The Los Gatos-Almaden Road Site (G-1) is located in the Union Avenue Area at the northwest corner of Leigh Avenue and Los Gatos-Almaden Road. The site contains a gas station and commercial building. Low-density residential are located north, south, and west of the site. Leigh High School is located east of the site across Leigh Avenue. The site is designated as Neighborhood Commercial and zoned C-1, which would accommodate ~~14~~ 8 housing units developed at a minimum ~~typical~~ density of ~~18~~ 10du/ac.

Amenities: The closest public school is Leigh High School and is approximately 0.2 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos-Almaden Road and Leigh Avenue and is approximately 240 feet away.

Property Owner Interest Form Submitted: Yes

Constraints: Existing gas station and commercial building would require demolition.

Figure D-~~33~~41 Los Gatos-Almaden Road (Site G-1)



Figure D-~~34~~42 Harwood Road Area

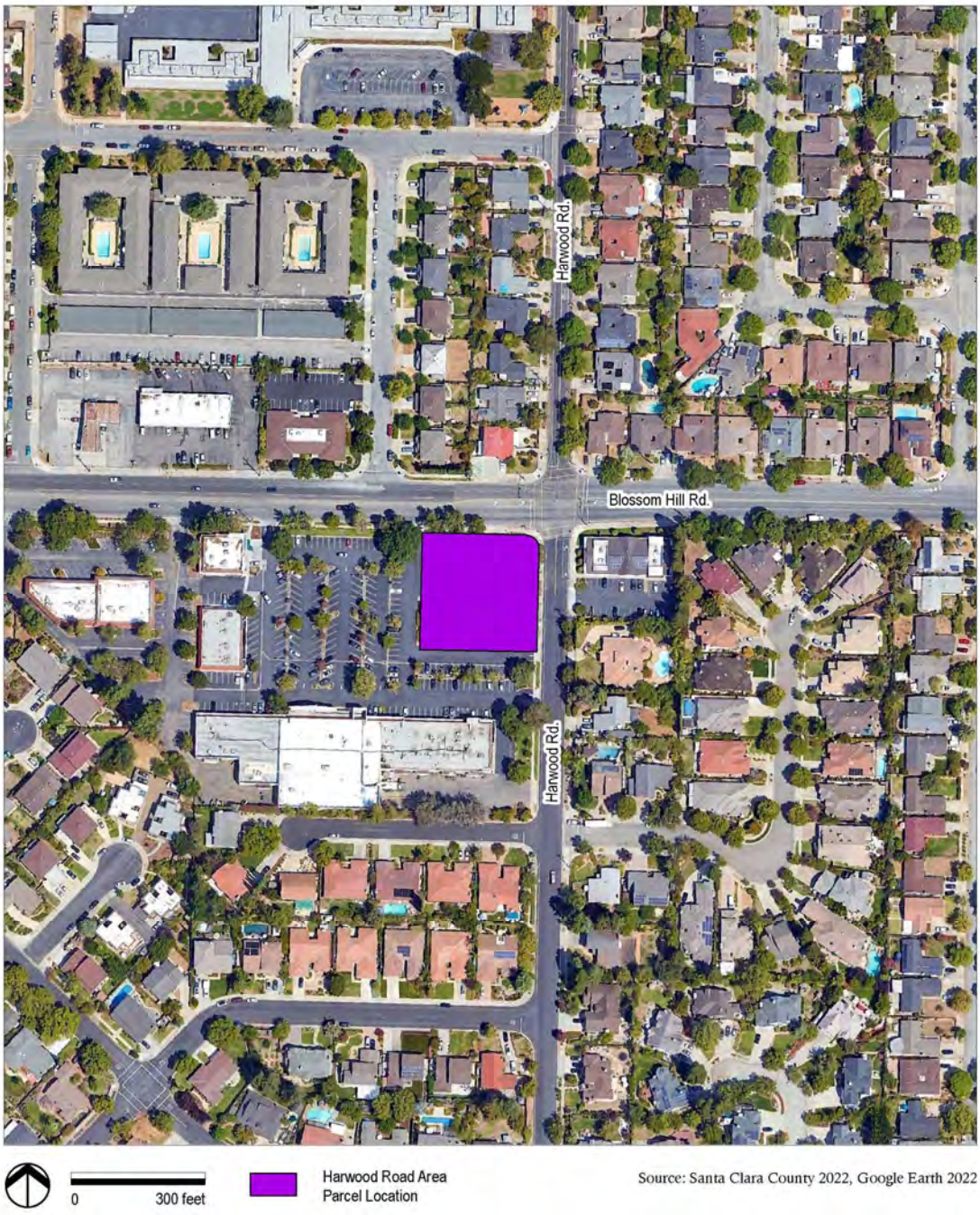


Figure D-43 Harwood Area Asset Map



Site H-1 Valero

Address: 14000 Blossom Hill Road

Number of Housing Units: ~~12~~7

"By Right" + 20% Affordable: Not Required – Not used in previous cycle

Property Owner Interest Form Submitted:

Description: The Valero Site (H-1) is located in the Harwood Road Area at the southwest corner of Blossom Hill Road and Harwood Road. The site contains a gas station. Low-density residential are located north, south, and east of the site. Commercial uses are located immediately west of the site. The site is designated as Neighborhood Commercial and zoned C-1, which would accommodate ~~12~~ 7 housing units developed at a minimum ~~typical~~ density of ~~18~~ 10 du/ac.

Amenities: The closest public school is Noddin Elementary School and is approximately 0.2 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Blossom Hill Road and Harwood Road and is approximately 220 feet away.

Property Owner Interest Form Submitted: Yes.

Constraints: Existing gas station and commercial building would require demolition.

Figure D-~~35~~44 Valero (Site H-1)



Figure D-~~36~~45 Alberto Way Area

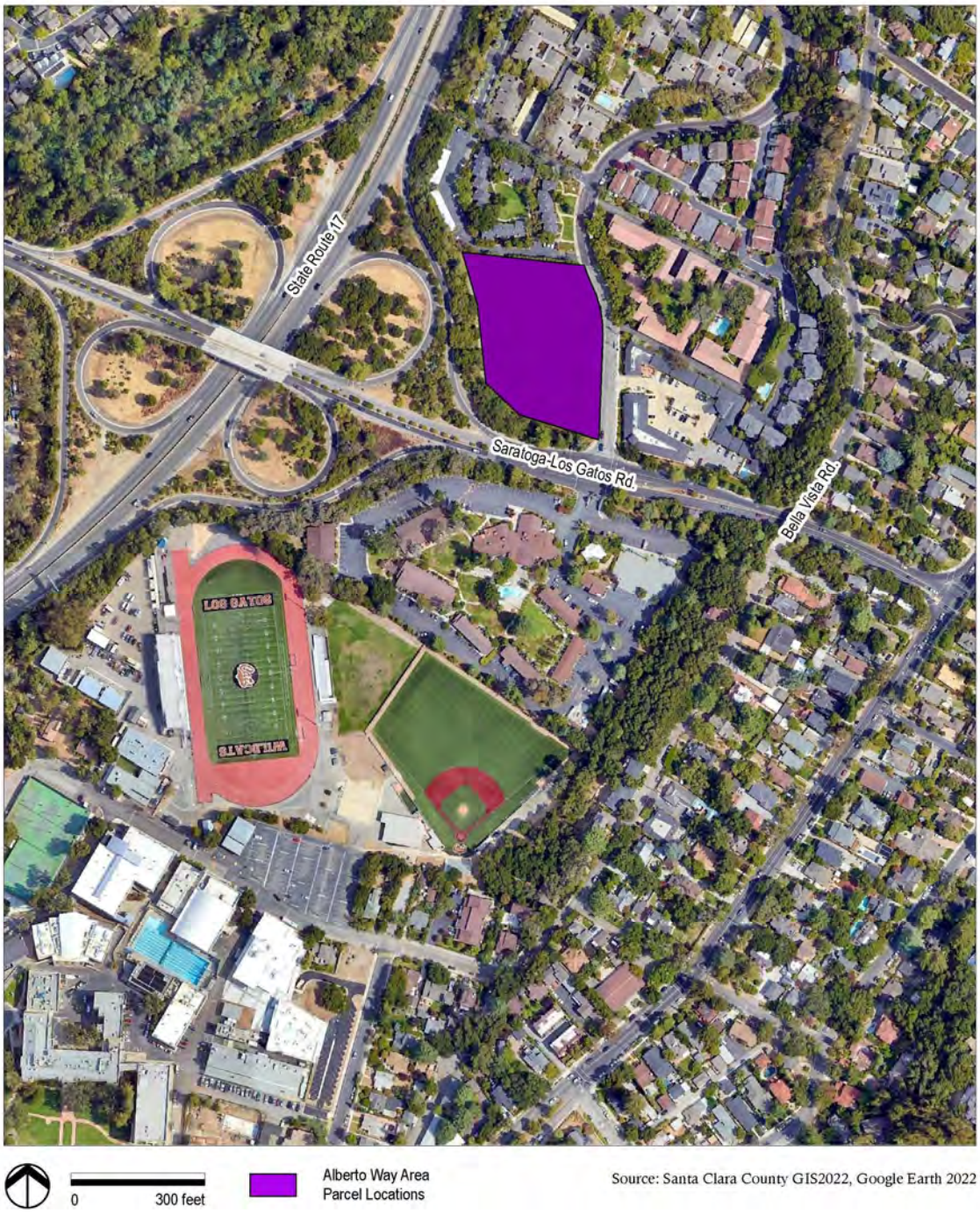
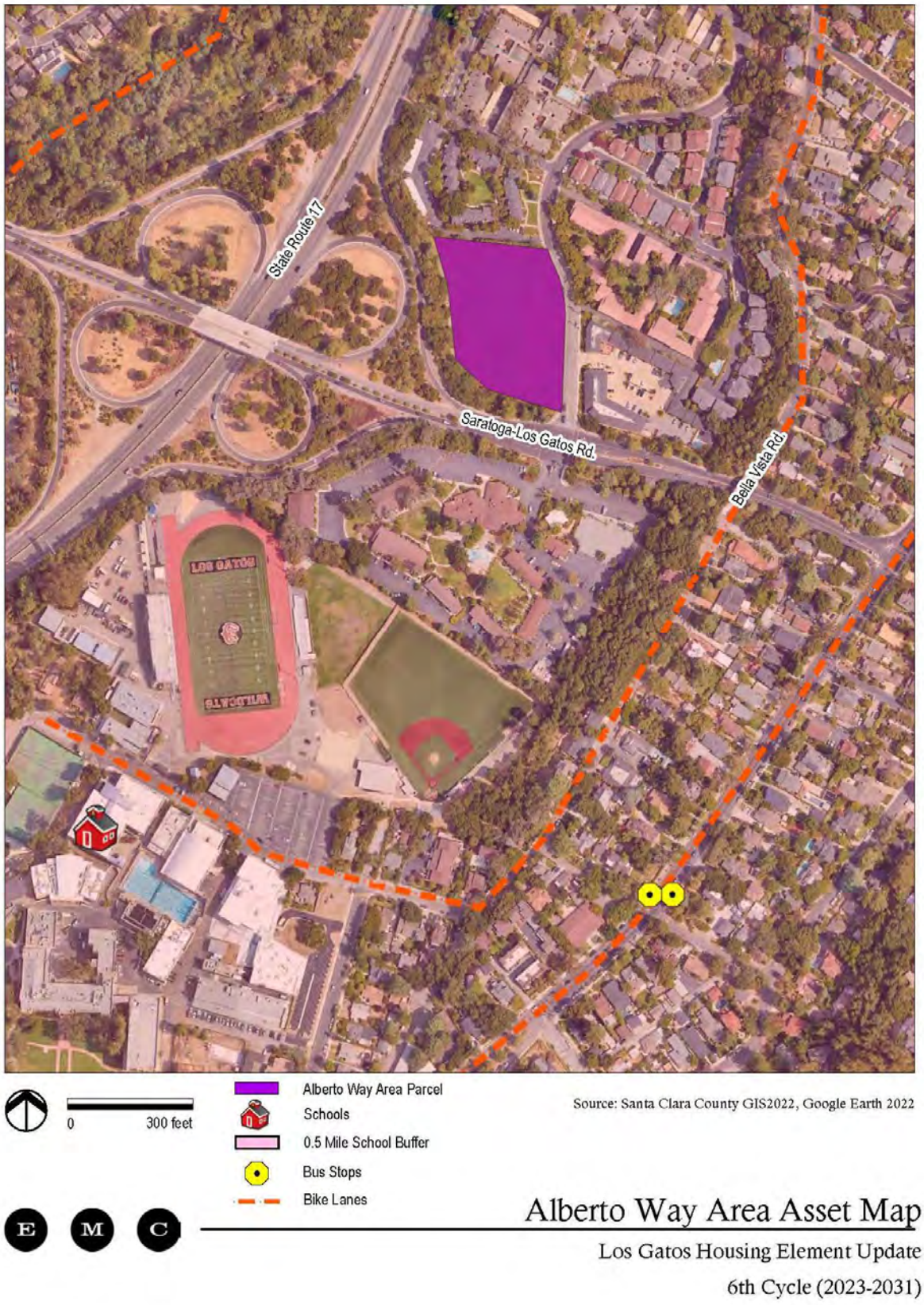


Figure D-46 Alberto Way Area Asset Map



Site I-1 Alberto Way

Address: 401-409 Alberto Way

Number of Housing Units: ~~54~~60

"By Right" + 20% Affordable: Not Required – Not used in previous cycle.

Description: The Alberto Way Site (I-1) is located in the Alberto Way Area, located at the intersection of Alberto Way and Los Gatos-Saratoga Road. The site is currently vacant. Multi-family residential are located north and east of the site. Commercial uses are located immediately south and east of the site with Highway 17 to the west. The site is designated as Mixed Use Commercial and zoned CH, which would accommodate ~~54~~ 60 housing units developed at a density of ~~25~~ 27 du/ac based on a development application submitted by the properyt owner to the Town on December 6, 2022.~~based on a Conceptual Development Advisory Committee application submitted by the property owner on September 21, 2022~~.

Amenities: The closest public school is Los Gatos High School and is approximately 0.8 miles away. The closest public transit line is a Valley Transporation Authority bus stop located at Los Gatos Boulevard and Caldwell Avenue and is approximately 0.4 miles away.

Property Owner Interest Form Submitted: Yes.

Constraints: Proximity to adjacent Highway 17 onramp.

Figure D-~~37~~47 Alberto Way (Site I-1)



Accessory Dwelling Unit (ADUs and Junior ADUs) Projections

Address: Various Locations

Number of Housing Units: 200

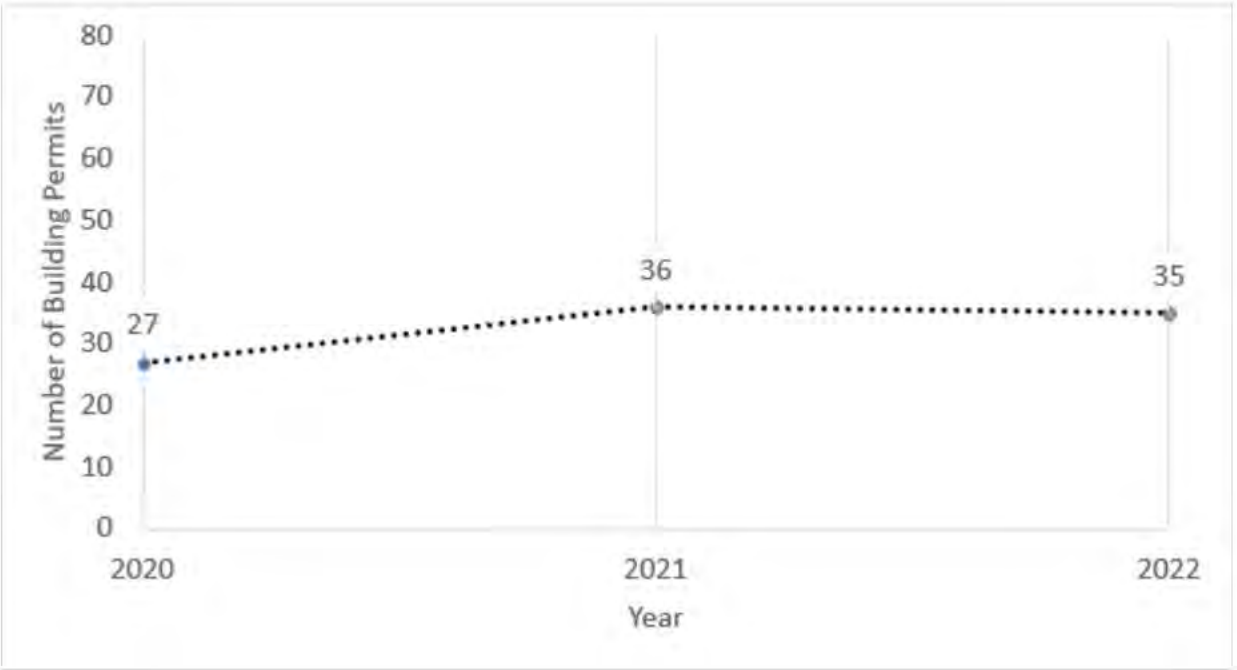
"By Right" + 20% Affordable: Not required, instead a formula exists for projecting the next eight-year cycle, along with assumptions of 30 percent very-low income units, 30 percent low income units, 30 percent moderate income units, and 10 percent above moderate categories.

Description: ~~Accessory dwelling units according to ADU Ordinance.~~ In addition to the housing units identified in the Town's Sites Inventory the production of new accessory dwelling units are ulitizied in meeting the Town's RHNA requirements. The Town analyzed the total number of ADU buidilng permits that have been approved in the last three years to identify the average number of ADU units that will be developed over the eight year planning period.

Figure D-48 below includes an analysis of the Town's issued building permits for ADU's between the years 2020 to 2022. In 2020, the Town issued building permits for 27 new ADUs. In 2021, the Town issued 36 building permits for new ADU's. In 2022, the Town issued 35 building permits for new ADU's. The last three years of data results in an average of 32 approved ADU building permits per year, however utilizing a conservative estimate the Town is using annual ADU projection of 25 units. This results in a total of 200 dwelling units planned to be constructed over the eight year planning period. Program U: Accessory Dwelling Units has been included to monitor the number of ADU applications annually.

Constraints: ~~To have HCD consider 200 units as a reasonable expectation for construction in this eight-year cycle, the Town is reliant upon the averaging of previous ADU permit submittals.~~ None.

Figure D-48 ADU Building Permits Issued 2020-2022



Source: Town of Los Gatos Community Development Department.

Senate Bill 9 (SB 9) Projections

Address: Various Locations

Minimum Number of Housing Units: 96

"By Right" + 20% Affordable: Not required – Instead, formula exists for projecting the next eight-year cycle.

Description: ~~New housing units generated from the SB 9 Ordinance.~~In addition to ADU's the production of new housing units through SB 9 are being ulitizied to meet a portion of the Town's RHNA requirements. In compliance with SB 9, the Town of Los Gatos has adopted a SB 9 Ordiance that allows for the by-right ministerial review of urban lot splits and/or two-unit development requests on single-family residentially zoned parcels.

Since the adoption the Town's SB 9 Ordiance, the Town has received a total of four Two-Unit Housing Devleopment applications and seven Urban Lot Split applications (between January 2022 and January 2023). The applications result in a total of 13 net new housing units a year. Based on the number of applications received during the first year of SB 9 the Town is ulitizing an estimate of 12 net new housing units per year and anticipating a total of 96 residential units to be developed under SB 9 during the eight year planning period. Program BL: Senate Bill 9 Monitoring has been included to monitor the number of SB 9 applications annually.

Constraints: ~~To have HCD consider SB 9 units as a reasonable expectation for construction in this eight-year cycle, the Town is reliant upon the averaging of previous SB 9 permit submittals.~~None.

~~Pipeline Projects~~
~~**Address:** Addresses listed below:~~

~~105 Newell Avenue – net four units~~
~~20101 Foster Road – net one unit~~
~~North Forty Phase I – net 14 units~~
~~465 North Santa Cruz Avenue – net one unit~~
~~16195 George Street – net three units~~
~~144 Wood Road – net one unit~~
~~16100 Greenridge Terrace – net seven units~~
~~15215 Shannon Road – net four units~~
~~17200 Los Robles – net two units~~
~~400 Surmont Drive – net two units~~
~~14915 Shannon Road – net 10 units~~
~~16220 Hardwood – net two units~~
~~14926 Los Gatos Boulevard – net five units~~
~~15415 National Avenue – net one unit~~
~~45 Reservoir Road – net one unit~~
~~200 Happy Acres – net one unit~~
~~15343 Santella Court – net one units~~
~~15415 Santella Court – net one unit~~
~~15365 Santella Court – net one unit~~
~~15860 Winchester Boulevard – net 113 units~~
~~120 Oak Meadow Drive – net one unit~~

~~**Number of Housing Units:** 176~~

~~**"By Right" + 20% Affordable:** Not required~~

~~**Description:** New housing units generated from projects with Planning entitlements and Planning applications currently under Town review.~~

~~**Constraints:** None~~

Pipeline Projects
Address: See addresses listed below in Table D-2.

Number of Housing Units: ~~176~~201

"By Right" = 20% Affordable: Not required.

Description: The Town has residential development applications that have either been approved or are currently under review and are expected to be built during the 2023-2031 planning period are referred to as "Pipeline Projects". Table D-2 shows these approved and planned projects. For each project, the table includes the address, accessor parcel number (APN), number of units by income category, project description, whether or not the project is subject to BMP In-Lieu Fees as part of a Hillside Planned Development (PD), and project status.

Several projects included demolition or renovation of existing residences. The inventory does not count replacement units or renovated units toward RHNA; rather, only the net new capacity is counted towards RHNA. Units are categorized by income level as follows:

- Projects with deed-restricted affordable units are counted towards the very low-, low- or moderate income RHNA, as applicable.
- Projects that include non-deed restricted market-rate rental multifamily units are assumed to meet the above moderate income RHNA.
- Projects that include market-rate attached ownership or single-family units are assumed to meet above moderate income RHNA based on recent home sale prices that are generally only affordable to above market-income households.
- Projects that are residential planned development projects with five (5) to nine (9) units with an underlying zone of Hillside Residential shall pay a Below Market Price In-Lieu fee prior to issuance of the certificate of occupancy. The in-lieu fee shall be equal to the amount of six (6) percent of the building permit valuation for the entire project.

As shown in Table D-2, there are 28 projects in the pipeline that will provide a total of 201 net new units.

Constraints: None.

Table D-2 Pipeline Projects

Address	APN	Net Units	Very Low-Income Units	Low Income Units	Moderate Income Units	Above Moderate Income Units	BMP In-Lieu Fee Hillside PD	Project Description	Project Status
246 Almendra Ave.	510-14-019	+1	0	0	0	1	N	One new single-family residence on a vacant lot.	Planning Entitlements Approved, Building Permit Under Review.
16466 Bonnie Ln.	532-02-053	+1	0	0	0	1	N	One new single-family residence on a vacant lot.	Subdivision Approved, Planning Entitlements for Development on Newly Created Lot Has Not Been Submitted.

Address	APN	Net Units	Very Low-Income Units	Low Income Units	Moderate Income Units	Above Moderate Income Units	BMP In-Lieu Fee Hillside PD	Project Description	Project Status
2021 Foster Rd.	537-33-001	+1	0	0	0	1	Y	One new single-family residence on a vacant lot.	Planning Entitlements Approved, Building Permit Under Review.
16195 George St.	529-18-051	+3	0	0	0	0	N	Demo of an existing residence and construction of four new condos. Net of three units.	Planning Entitlements Approved, Building Permit Under Review.
16100 Greenridge Terrace	527-12-002	+8	0	0	0	8	Y	Subdivision of one vacant lot into eight hillside lots.	Subdivision Entitlements and Site Improvements Approved, Site Improvements Under Construction, Planning Entitlements for Development on Newly Created Lots Have Not Been Submitted.
200 Happy Acres Rd.	537-24-030	+1	0	0	0	1	N	One new single-family residence on a vacant lot.	Planning Entitlements Under Review.
16220 Harwood Rd.	567-18-051	+2	0	0	0	2	N	Subdivision of one lot into three lots, and a net of two new single-family residences.	Subdivision Approved, Planning Entitlements Under Review.
16461 S. Kennedy Rd.	532-17-027	+1	0	0	0	1	N	One new single-family residence on a vacant lot.	Planning Entitlements Approved, Building Permits Under Review.
16484 S. Kennedy Rd.	532-20-012	+1	0	0	0	1	N	One new single-family residence on a vacant lot.	Planning Entitlements Approved, Building Permit Under Review.
300 Laurel Mountain Ln.	567-24-023	+1	0	0	0	1	N	One new single-family residence on a vacant lot.	Planning Entitlements Under Review.
14926 Los Gatos Blvd.	424-10-009	+5	0	1 Deed Restricted	0	4	N	Mixed-use building with five units. Net of five new units.	Planning Entitlements Under Review.

Address	APN	Net Units	Very Low-Income Units	Low Income Units	Moderate Income Units	Above Moderate Income Units	BMP In-Lieu Fee Hillside PD	Project Description	Project Status
17200 Los Robles Way	532-36-075, -076, and -077.	+2	0	0	0	2	N	Lot line adjustment of three parcels showing development potential of two vacant parcels. Net of two lots.	Lot Line Adjustment Approved, Planning Entitlements for Newly Created Lots Have Not Been Submitted
15415 National Ave.	424-12-006	+1	0	0	0	1	N	Subdivision of one lot into two new lots. Net of one new single-family residence.	Subdivision Approved, Planning Entitlements for Development on Newly Created Lots Have Not Been Submitted.
105 Newell Ave. New addresses: (103, 104, 109, and 110 Sporleder Ct)	409-24-016	+4	0	0	0	4	N	Subdivision of one lot commercial lot into five lots. Net of four new single-family residential lots.	Planning Entitlements Approved, Building Permits Under Review.
120 Oak Meadow Dr.	529-10-131	+1	0	0	0	1	N	Subdivision of one lot into two lots and construction of a new single-family residence.	Planning Entitlements Under Review.
45 Reservoir Rd.	529-33-054	+1	0	0	0	1	N	One new single-family residence on a vacant lot.	Planning Entitlements Under Review.
16940 Roberts Rd.	529-18-053	+2	0	0	0	2	N	Demolition of an existing single-family residence, construction of three new condominium units. Net of two units.	Planning Entitlements Approved, Building Permits Approved.
465 N. Santa Cruz Ave.	410-16-004	+1	0	0	0	1	N	Mixed-use project with one new dwelling unit in an existing commercial building.	Planning Entitlements Approved, Building Permits Approved and Under Construction.
15343 Santella Ct.	527-09-034	+1	0	0	0	1	Y	One new single-family residence on a vacant lot.	Planning Entitlements Under Review.

Address	APN	Net Units	Very Low-Income Units	Low Income Units	Moderate Income Units	Above Moderate Income Units	BMP In-Lieu Fee Hillside PD	Project Description	Project Status
15415 Santella Ct.	527-09-022	+1	0	0	0	1	Y	One new single-family residence on a vacant lot.	Planning Entitlements Approved, Building Permit Under Review.
15365 Santella Ct.	527-09-36	+1	0	0	0	1	Y	One new single-family residence on a vacant lot.	Planning Entitlements Approved.
15665 Shady Ln.	527-11-009	+1	0	0	0	1	N	One new single-family residence on a vacant lot.	Planning Entitlements Approved, Building Permit Under Review.
14915 Shannon Rd.	537-27-047	+10	0	0	0	10	Y	Zone Change, General Plan Amendment, and the subdivision of one lot into 10 lots.	Planning Entitlements Under Review.
15215 Shannon Rd. New addresses: (116, 118, 120, 121 and 123 Rock Ridge Rd.)	537-25-036	+4	0	0	0	4	Y	Subdivision of one lot into five hillside lots. Net of four lots.	Subdivision Entitlements Approved Planning Entitlements for Development on Newly Created Lots Have Not Been Submitted.
400 Surmont Dr.	527-20-003	+2	0	0	0	2	N	Subdivision of one lot into three lots with two new hillside homes. Net of two units.	Planning Entitlements Approved.
15860 Winchester Blvd.	529-11-013, -038, -039, and -040	+113	0	0	0	0	N	113 assisted living units with kitchens.	Planning Entitlements Under Review.
144 Wood Rd.	510-47-044	+1	0	0	0	1	N	One new single-family residence on a vacant lot.	Planning Entitlements Approved.

Address	APN	Net Units	Very Low-Income Units	Low Income Units	Moderate Income Units	Above Moderate Income Units	BMP In-Lieu Fee Hillside PD	Project Description	Project Status
North Forty Phase 1	424-07-100	+30	0	0	0	30	N	Mixed-use development consisting of 320 residential units, including 49 very low-income senior unit and one affordable caretakers' unit. 30 units have not received building permit approval yet.	Planning Entitlements Approved, Building Permits at Various Stages of Review and Approval and Construction.
Total Net Pipeline Units = 201									

Source: Town of Los Gatos Community Development Department.

RHNA Credits Summary

A summary of the pipeline projects, projected ADU, and SB 9 development which may serve as credit toward the Town's RHNA requirements are included below in Table D-3 and in total amount to 497 units.

Table D-3 Miscellaneous RHNA Credits

RHNA Credit	Affordability Credit				
	Very Low-Income	Low-Income	Moderate-Income	Above-Moderate Income	Total
Pipeline Projects	0	1	0	200	201
ADUs	20	60	60	60	200
SB 9 Units	0	0	0	96	96
Total	20	61	60	356	497

Source: Town of Los Gatos Community Development Department.

Inventory of Vacant and Available Sites

This section provides the formal inventory of sites that the Town of Los Gatos will rely on in the 6th Housing Element planning cycle. Per State law and Housing Policy, the Town is required to maintain "no net loss" of the housing capacity represented by this list of parcels and the sites they comprise. To facilitate this, the inventory presented in Appendix H has been designed with excess capacity. This allows some degree of flexibility in decision making for individual development projects as they come forward for approval.

In short, with some limited flexibility, the Town is committed to permitting housing on each of the parcels listed in the table below, and in so doing ensuring that the number of units listed for each parcel in the table "planned capacity" is achieved. Should the Town approve development that is inconsistent with the parcel's planned capacity, it is then required as part of that approval to:

1. Find, based on quantitative evidence, that the remaining inventory of housing sites is still sufficient to meet the Town's 6th cycle RHNA; or
2. Identify one or more available sites with the realistic development capacity to replace the housing that would have otherwise been developed had consistency with planned capacity been achieved.

Appendix H provides details and capacity estimates for each of the parcels that comprise the Site Inventory as identified in the section above.

D. 4 Summary and Conclusions

The sites identified in this report are sufficient to accommodate Los Gatos' Regional Housing Needs Allocation for the 6th cycle planning period. This number accommodates a buffer of approximately ~~16~~ 25 percent above RHNA, which would equal capacity of approximately ~~319~~501 additional units. These sites, in addition to Accessory Dwelling Units Projections, Senate Bill 9 Projections, and Pipeline Projects have a total capacity of ~~2,312~~ 2,494 units. This "cushion" for capacity above the base RHNA number is highly recommended because of the State's no-net-loss policy, which precludes jurisdictions from approving development that results in an overall housing site deficit. The "cushion" essentially provides a degree of flexibility for policy makers as they make development decisions. Many of the sites identified in this report have existing uses that would need to be demolished before new housing could be constructed.

For communities like Los Gatos that are largely built out and surrounded by other communities and undevelopable hillsides, redevelopment and densification is the only practical solution to providing a fair share of future housing for the San Francisco Bay Area. By its nature, such redevelopment is more costly and more time consuming than building new units on vacant land. To offset these constraints, higher densities are proposed in some areas. These higher densities act as a market incentive to offset the added cost and time required build new housing on redeveloped sites. Property owner interest will be pivotal for facilitating single-family site opportunities to add housing through construction of ADUs and use of SB 9 processes, which allow for up to four units on a property zoned for a single house.

Review of Previous Housing Element

E

APPENDIX

E.1 Introduction

In order to effectively plan for the future, it is important to reflect back on the goals of the previous Housing Element and to identify those areas where progress was made and those areas where continued effort is needed. State Housing Element guidelines require communities to evaluate their previous Housing Element according to the following criteria:

- Effectiveness of the Element.
- Progress on Implementation.
- Appropriateness in Goals, Objectives, and Policies.

E.2 Effectiveness of the Element

The Town of Los Gatos' 2015 Housing Element identified the following goals:

- Expand the choice of housing opportunities for all economic segments of the community by supporting the development of affordable housing in a variety of types and sizes, including a mixture of ownership and rental housing.
- Maintain and/or adopt appropriate land use regulations and other development tools to encourage the development of affordable housing that is compatible with the neighborhood and the community.
- Preserve existing residential opportunities, including the existing affordable housing stock.
- Ensure that all persons have equal access to housing opportunities.
- Retain and expand affordable housing opportunities for seniors.
- Mitigate Town governmental constraints to affordable and special needs housing development.
- Encourage residential construction that promotes green building and energy conservation practices.
- Ensure that the Town has sufficient resources and takes appropriate measures to implement the Housing Element.
- Maintain the Town's 2005 jobs-to-household ratio of 1.5 jobs per household.

In order to achieve these goals, the 2015 Housing Element listed a series of policies and programs. The policies covered a range of housing concerns, including appropriate zoning for lower and moderate-income households, assisting in developing affordable housing, removing governmental constraints, conserving the existing affordable housing stock, preventing the conversion of affordable units to market rate, and promoting equal housing opportunities for all persons. The policies comply with State housing law guidelines.

E.3 Progress on Implementation

To assess the Town's progress on implementing the 2015 Housing Element, the following key areas were reviewed:

- Adopted Programs;
- Production of Housing;
- Preservation of "At Risk" Units; and
- Rehabilitation of Existing Units.

Each of these areas is discussed in detail below.

Overview of Adopted Programs

Table E-1 below identifies all of the actions the Town committed to in the 2015 Housing Element. The table also includes a description of the progress that was made during the 2015 to 2023 planning period. Where a program is recommended to be continued in the current Housing Element, that program appears in Section 10.6 of Chapter 10.

Table E-1 Overview of Adopted Programs

No.	Programs (The text provided in this column is a synopsis only; for complete program language refer to the 2015 Housing Element)	Achievements/Effectiveness	Continue/Modify/Delete
Goal HOU-1	**Expand the choice of housing opportunities for all economic segments of the community by supporting the development of affordable housing in a variety of types and sizes, including a mixture of ownership and rental housing.**		**Modify as Goal HE-1.**
Policy HOU-1.1	Develop and utilize all available housing funding resources in order to provide the maximum amount of affordable housing as feasible.		Modify as Policy HE-2.1.
Policy HOU-1.2	Work with nonprofit agencies and housing developers to plan and develop a mix of affordable housing opportunities in Los Gatos.		Modify as Policy HE-2.9.
	Actions/Implementation Programs		
1.1	Continue to implement the Below Market Price (BMP) program and evaluate it annually to ensure it is not a constraint to development.	BMP Program ~~is~~ has been implemented on all residential projects that meet the criteria.	Modify as Implementation Program N.
1.2	Amend the Town Code to allow new deed restricted Accessory Dwelling Units (ADU) to be affordable to lower income households on non-conforming residential lots over 10,000 square feet and in the Hillside Residential Zone on sites that are larger than 5 acres.	Town Code has been amended to address this.	~~Modify~~Delete.
1.3	Continue to provide up to a 100 percent density bonus for developments that include housing for elderly, handicapped, and/or very low and low-income households.	This is an incentive that ~~is~~ has been available ~~provided~~ to projects that meet the criteria. There are still opportunities to fulfill this program and a modified version of this program will be continued.	Modify as Implementation Program V.
1.4	Using BMP in-lieu fees, implement the proposed programs and initiatives of the Town's Affordable Housing Strategies to increase and preserve affordable housing, such as purchasing affordability covenants in existing apartments.	Use of BMP in-lieu fees will be considered as opportunities arise and direction is provided to utilize the Town's BMP in-lieu fees. There are still opportunities to fulfill this program and a modified version of this program will be continued.	Modify as Implementation Program T.

No.	Programs (The text provided in this column is a synopsis only; for complete program language refer to the 2015 Housing Element)	Achievements/Effectiveness	Continue/Modify/Delete
1.5	Hold a periodic outreach meeting with affordable housing developers to discuss the development of housing affordable to extremely low-income households.	The Town will consider incentives when projects of this nature are proposed. There are still opportunities to fulfill this program and it is being continued but modified.	Modify as Implementation Program S.
1.6	Encourage the creation of housing that is affordable to extremely low-income households by considering allocating a percentage of the Town's Affordable Housing (Below Market Price) fund to subsidize housing for extremely low-income households.	Use of BMP in-lieu fees will be considered as opportunities arise and direction is provided to utilize the Town's BMP in-lieu fees.	Modify as Implementation Program P.
1.7	The Town will rezone 13.5 acres within the North 40 Specific Plan area within three years of Housing Element adoption at minimum a density of 20 dwelling units per acre to facilitate affordable housing production.	~~Complete~~This was completed. 320 housing units were approved with a majority under construction.	Delete. The North Forty Specific Plan was adopted by the Town Council on June 17, 2015.
1.8	To assist the development of housing for lower income households on sites larger than ten acres, the Town will facilitate land divisions and lot line adjustments to result in parcels sizes between one to ten acres that facilitate multiple-family developments affordable to lower income households in light of state, federal and local financing programs.	~~Projects~~ When this type of project is submitted, it is~~are~~ given priority. There are still opportunities to fulfill this program and a modified version of this program will be continued.	~~Continue~~Modify as Implementation Program M.
Goal HOU-2	**Maintain and/or adopt appropriate land use regulations and other development tools to encourage the development of affordable housing that is compatible with the neighborhood and the community.**		~~**Modify**~~**Delete.**
Policy HOU-2.1	Continue to designate sufficient, residentially zoned land at appropriate densities to provide adequate sites to accommodate Los Gatos's RHNA for 2015–2023.		Modify as Policy HE-1.1.~~Continue~~
Policy HOU-2.2	Ensure that the Town will provide sufficient land at appropriate zoning categories to meet its RHNA for very low-, and moderate-income households, as demonstrated in the Housing Sites Inventory analysis in Chapter 6 of the Housing Element Technical Appendix.		~~Modify~~Delete.
Policy HOU-2.3	Encourage mixed–use developments that provide affordable housing close to employment centers and/or transportation facilities, particularly along Los Gatos Boulevard and within a ½-mile radius of the future Vasona light rail station.		Modify as Policy HE-2.3.
Policy HOU-2.4	Demonstrate that all new residential development is sufficiently served by public services and facilities, including pedestrian and vehicular circulation, water and wastewater services, police, fire, schools, and parks.		~~Continue~~Modify as Policy HE-1.3.
Policy HOU-2.5	New single-family, multi-family, and mixed-use developments shall be compatible with the character of the surrounding neighborhood.		Modify as Policy HE-1.4.

No.	Programs (The text provided in this column is a synopsis only; for complete program language refer to the 2015 Housing Element)	Achievements/Effectiveness	Continue/Modify/Delete
Policy HOU-2.6	Strive to ensure that at least 30 percent of the housing stock is rental units.		Modify as Policy HE-2.4.
Policy HOU-2.7	Create new affordable housing opportunities through acquisition using Affordable Housing Funds.		Delete.
	Actions/Implementation Programs		
2.1	Continue to implement the minimum density and affordable housing incentives within the AHOZ.	A project has not been submitted for 110 Knowles Avenue, the one parcel in Town with an AHOZ overlay. ~~This will be implemented when a project in the AHOZ is considered.~~	~~Modify~~Delete. The property located at 110 Knowles Avenue will still retain the AHOZ designation, as well as a HEOZ overlay.
2.2	For multiple-family residential development within the North 40 and the Southbay AHOZ site, subject to by right development, the Town will amend the Town Code to add by right development findings~~.~~ that, among other item, state that if a project meets the objective review criteria contained in the AHOZ Design Guidelines or North Forty Specific Plan design guidelines the deciding body will approve the affordable housing proposal.	~~This has not yet been completed~~On August 1, 2017, the Town Council approved the Phase I application for the North Forty Specific Plan Area which included 320 residential units. A project for the Southbay AHOZ site was not submitted during the fifth cycle planning period.	~~Modify~~Delete. Implementation Programs BF and BG are proposed to modify the Zoning Code and General Plan to create the HEOZ for all sites located on the Sites Inventory.
2.3	The Town Code (Zoning Regulations) will be amended to clarify that Transitional and Supportive Housing is permitted in all residential zones by right.	~~The Town will comply with State Law and SB 743 if a project is proposed before the Town Code is amended.~~No projects were submitted during the fifth cycle for Transitional or Supportive Housing.	~~Delete~~Modify as Implementation Program BC.

No.	Programs (The text provided in this column is a synopsis only; for complete program language refer to the 2015 Housing Element)	Achievements/Effectiveness	Continue/Modify/Delete
2.4	For multiple family residential development within the North 40 and the Southbay AHOZ site subject to by right development, the Town will amend the Town Code to add by right development findings~~.~~ that, among other item, state that if a project meets the objective review criteria contained in the AHOZ Design Guidelines or North Forty Specific Plan design guidelines the deciding body will approve the affordable housing proposal.	On August 1, 2017, the Town Council approved the Phase I application for the North Forty Specific Plan Area which included 320 residential units. A project for the Southbay AHOZ site was not submitted during the fifth cycle planning period.~~This has not yet been completed.~~	Delete. Implementation Programs BF and BG are proposed to modify the Zoning Code and General Plan to create the HEOZ for all sites located on the Sites Inventory.~~Modify~~
2.5	To ensure adequate residential capacity to accommodate the RHNA for each income category, the Town will develop and implement an ongoing formal evaluation procedure (project-by-project) of sites identified in the Sites Inventory.	If this situation arises the Town will comply with this requirement.	Continue as Implementation Program C.~~Modify~~
Goal HOU-3	**Preserve existing residential opportunities, including the existing affordable housing stock.**		**Modify as Goal HE-4.**
Policy HOU-3.1	Encourage the maintenance and improvement of existing housing units.		Modify as Policy HE-4.1.
Policy HOU-3.2	Support the preservation and conservation of existing housing units that provide affordable housing opportunities for Town residents and workers.		Modify as Policy HE-4.4.
Policy HOU-3.3	Improve the quality of rental housing by acquisition and/or rehabilitation using Affordable Housing Fund.		Modify as Policy HE4-4.2.
Policy HOU-3.4	Preserve the affordability of units affordable to very low-, low-, and moderate-income households in Bonnie View Park, and enforce zoning regulations regarding conversion of mobile home parks in Los Gatos.		Continue as Policy HE-4.3.
	Actions/Implementation Programs		
3.1	Continue to monitor affordable, multi-family housing units in the Town to ensure that they retain their affordability status.	No units have been converted to market rate rents.	Continue as Implementation Program AP.
3.2	The Town will continue to implement Section 29.20.155 of the Town Code that addresses conversions of residential use, specifically Section 29.20.155(a)(2) that requires that any proposed conversion satisfy the housing goals and policies as set forth in the General Plan.	This will be considered if a conversion of residential uses is proposed.	Continue as Implementation Program AQ.
3.3	Continue to participate in the County of Santa Clara Community Development Block Grant Joint Powers Authority so Town residents can participate in County CDBG Housing Rehabilitation programs.	The Town still participates in these programs.	Continue as Implementation Program AR.

No.	Programs (The text provided in this column is a synopsis only; for complete program language refer to the 2015 Housing Element)	Achievements/Effectiveness	Continue/Modify/Delete
3.4	Continue to support countywide programs that provide assistance with minor home repairs and accessibility improvements for lower-income households, including special needs households.	The Town continues to support~~s~~ these programs.	Continue as Implementation Program AS.
Goal HOU-4	**Ensure that all persons have equal access to housing opportunities.**		**Modify as Goal HE-6.**
Policy HOU-4.1	Support housing programs that protect individuals' rights.		Modify as Policy HE-6.1.
Policy HOU-4.2	Continue to provide assistance to service providers who support special needs households such as seniors, persons with disabilities (including developmental challenges), and the homeless, such as Project Sentinel, Santa Clara County Housing Authority, and Santa Clara County Office of Supportive Housing.		~~Modify~~Continue as Policy HE-6.3.
Policy HOU-4.3	Continue to encourage Los Gatos households to participate in financial assistance programs provided in the County of Santa Clara.		Continue as Policy HE-6.2.
Actions/Implementation Programs			
4.1	Continue to provide a guide to developments that include affordable housing units as part of the Housing Resources Guide posted on the Town's website.	~~Town~~ The Town Housing Resources Guide is updated when necessary and a modified version of this program will be continued.	Modify as Implementation Program AW.
4.2	Continue the administration of the Rental Dispute Resolution Program and consider revisions as necessary to make the program as effective as possible in protecting both tenants and landlords' rights.	The Town continues to use Project Sentinel to administer a Rental Dispute Resolution Program.	Continue as Implementation Program AE.
4.3	Continue to allow for an emergency shelter as a by-right permitted use in the Controlled Manufacturing (CM) zoning district, subject to appropriate development standards.	This program has been completed. The Town Code has been amended to address this.	Delete.
4.4	Continue to provide support for community and non-profit organizations providing supportive services for homeless persons in Los Gatos.	The Town continues to support organizations that provide supportive services for homeless persons.	Continue as Implementation Program AN.

No.	Programs (The text provided in this column is a synopsis only; for complete program language refer to the 2015 Housing Element)	Achievements/Effectiveness	Continue/Modify/Delete
4.5	Support the efforts of the Santa Clara County Fair Housing Consortium. Continue to make referrals through Project Sentinel and provide updated fair housing information on the Town's website and at public locations through the Town, such as the Adult Recreation Center and public kiosks.	Project Sentinel is a member of the Santa Clara County Fair Housing Consortium and administers the Town's Rental Dispute Resolution Program.	Modify as Implementation Program AX.
4.6	Support the efforts of non-profit affordable housing organizations that provide housing services in Los Gatos.	The Town has met with affordable housing organizations regarding potential development in Town and a modified version of this program will be continued.	Modify as Implementation Program Y.
4.7	Continue to support the County of Santa Clara's Continuum of Care plan, as well as the "Housing 1000" campaign by Destination: Home.	The Town continues to support Santa Clara County's Continuum of Care Plan and a modified version of this program will be continued.	Continue as Implementation Program Z.
4.8	The Town shall amend the Town Code within one year of the Housing Element adoption to be consistent with the Employee Housing Act.	This program has been completed. The Town will comply with State Law if a project is proposed, or an issue comes up before the Town Code is amended.	Delete.
Goal HOU-5	**Retain and expand affordable housing opportunities for seniors.**		**Modify as Goal HE-2**
Policy HOU-5.1	Promote the Town's Housing Conservation Program to assist low-income seniors with basic home repairs and maintenance.		~~Modify~~Delete.
Policy HOU-5.2	Allow and encourage small-scale living facilities of two to six seniors that may include nursing care services that can be integrated into existing neighborhoods as infill development.		Delete.
Policy HOU-5.3	Work with existing senior lifestyle living and assisted living facilities in Los Gatos, and support the development of new senior housing that includes continuum of care facilities within the Town.		Modify as Policy HE-2.7.
Actions/Implementation Programs			
5.1	Provide regularly updated senior housing resource materials at the Adult Recreation Center.	Senior resource materials are updated when necessary and this program will be continued.	~~Modify~~Continue as Implementation Program AY.

No.	Programs (The text provided in this column is a synopsis only; for complete program language refer to the 2015 Housing Element)	Achievements/Effectiveness	Continue/Modify/Delete
Goal HOU-6	**Mitigate Town governmental constraints to affordable and special needs housing development.**		**Modify as Goal HE-3**
Policy HOU-6.1	Continue expediting the permit processing system for affordable residential development applications.		Modify Policy HE-3.3.
Policy HOU-6.2	Encourage universal design features in all new residential developments, to supplement the Title 24 requirements.		Modify as Policy HE-1.6.
Policy HOU-6.3	Support the rehabilitation and modification of housing to allow accessible to people of all abilities.		~~Modify~~Delete.
Policy HOU-6.4	Support the provision of permanent, affordable, and accessible housing that allows persons with special needs to live independent lives. For the purposes of this Housing Element "persons with special needs" include extremely low-income households, the elderly, overcrowded and large-family households, the homeless population, those in need of emergency shelter, youth aging out of foster care, female-headed or single-parent households, and persons with disabilities, including developmental challenges.		Continue as Policy HE-2.8.
Policy HOU-6.5	Support efforts to provide coordinated services for persons with special needs in the Town.		Modify as Policy HE-6.3.
Actions/Implementation Programs			
6.1	Regularly review Town planning and zoning regulations and remove affordable housing development constraints as appropriate.	The Town's Housing Element contains a number of items that limit or remove constraints and this program will be continued in multiple implementation programs to reduce constraints and encourage housing.	Modify as Implementation Programs B, AI, AJ, BF, and BG to reduce constraints and encourage housing.
6.2	Continue to enforce Section 29.10.505–530 of the Town Code to ensure equal access to housing for persons with disabilities under the Fair Housing Act and provide specific procedures for requesting and granting reasonable accommodations.	This has not yet been completed and this program will be continued.	Continue as Implementation Program AA.
6.3	Remove constraints to housing for persons with disabilities and encourage accessible housing in new residential developments.	Removal of constraints is considered when necessary. A modified version of this program will be continued.	Modify as Implementation Program AB and AC.

No.	Programs (The text provided in this column is a synopsis only; for complete program language refer to the 2015 Housing Element)	Achievements/Effectiveness	Continue/Modify/Delete
6.4	Give priority to special needs housing by allowing for reduced processing time and streamlined procedures for such appropriate zoning/land use applications.	If a project of this nature is submitted, it will be given priority and a modified version of this program will be continued.	Modify as Implementation Program AD.
6.5	Include preferential handling of special needs populations in management plans and regulatory agreements of funded projects.	Will be considered when plans are adopted, and projects are funded, and a modified version of this program will be continued.	Modify as Implementation Program AD.
6.6	Explore opportunities to work with local and/or regional partners to provide rental assistance for persons with developmental challenges.	The Town will explore opportunities with local and/or regional partners during the Housing Element update process and a modified version of this program will be continued.	Modify as Implementation Program AF.
6.7	Consider development of universal design enhancements to existing design guidelines and standards to encourage the inclusion of universal design features in new construction. Periodically study every two years and adopt as appropriate specific revisions or amendments to the Town's development documents as part of the Town Building Code.	This was completed. The Town considers enhancements to universal design and the Town requires universal design features in new construction consistent with Building Code requirements.	Delete.
6.8	Increase awareness of universal design principles by periodically educating the Town Council, Commissions, and Boards about universal design and making information available to residents and builders at the Community Development Counter.	This was completed. The Town takes appropriate actions to increase awareness of universal design principles.	Delete.
6.9	Continue to work with the local California Department of Developmental Services Regional Center to continue to inform families within Los Gatos on housing and services available for persons with developmental challenges.	The Town works with the California Department of Developmental Services to inform citizens of available services and a modified version of this program will be continued.	Modify as Implementation Program AF.
6.10	On a biannual basis, continue to review, evaluate, update, and streamline as necessary, the development process for housing developments that will guarantee affordable units on a long-term basis for very low-, low-, and moderate-income households.	The Town considers improvements to the development review process for affordable housing projects when they are proposed.	Delete.

No.	Programs (The text provided in this column is a synopsis only; for complete program language refer to the 2015 Housing Element)	Achievements/Effectiveness	Continue/Modify/Delete
Goal HOU-7	**Encourage residential construction that promotes green building and energy conservation practices.**		**~~Modify~~Continue as Goal HE-5**
Policy HOU-7.1	Encourage sustainable housing development throughout the Town using the Town's voluntary green building program by continuing to require that all residential development applications complete the Build It Green GreenPoint Rated Checklist as part of the development application package.		Modify as Policy HE-5.1.
Policy HOU-7.2	Promote the construction of energy efficient new homes utilizing the Energy Star Homes Program.		Delete.
	Actions/Implementation Programs		
7.1	Continue to enforce State of California Title 24 requirements for energy conservation.	The Town enforces Title 24 requirements, and this program will be continued.	Continue as Implementation Program AT.
Goal HOU-8	**Ensure that the Town has sufficient resources and takes appropriate measures to implement the Housing Element.**		**~~Modify~~Delete.**
Policy HOU-8.1	All approvals of residential developments of three or more units shall include a finding that the proposed development is consistent with the Town's Housing Element and addresses the Town's housing needs as identified in the Housing Element.		Delete.
Policy HOU-8.2	Provide adequate management and staffing of affordable housing funds and programs.		~~Continue~~Delete.
8.1	Prepare an annual housing report for the review of the Town Council including information on progress made towards achieving new construction need, affordable housing conserved/developed, effectiveness of existing programs and recommendations for improvement.	The Town prepares an annual housing report and this program will be continued.	Continue as Implementation Program G.
8.2	Continue to fund staff for the management and planning of housing programs and funding for the Town.	The Town has contracted with HouseKeys to administer our affordable housing program and has staff that dedicate time to the Town's affordable housing program.	Delete.
8.3	Deliver the adopted Housing Element to the San Jose Water Company and the West Valley Sanitation District.	Town staff regularly work with the San Jose Water Company and West Valley Sanitation District on upgrades to their infrastructure and they are involved in development applications and environmental review.	Modify as Implementation Program I.

Production of Housing

The 2015 Housing Element identified a Regional Housing Needs Allocation (RHNA) of 619 housing units in Los Gatos between January 1, 2015, and June 30, 2023. The RHNA was divided into the following income categories:

- 100 units affordable to extremely low-income households.
- 101 units affordable to very low-income households.
- 112 units affordable to low-income households.
- 132 units affordable to moderate-income households.
- 174 units affordable to above moderate-income households.

As shown in Table A5-2, during the 2015–2023 planning period, ~~511~~ 683 new units were added to the Town's housing stock, achieving approximately ~~83~~ 110 percent of the Town's RHNA. Units affordable to moderate- and lower-income households that were created during the planning period include density bonus senior rental units (North Forty Phase I), an attached condominium (Union Avenue) and detached townhomes (Knowles Avenue) produced through the BMP program and accessory dwelling units.

Table E-2 Housing Units Produced, January 1, 2015, to ~~June 30, 2023~~December 30, 2022

Affordability	New Construction Need	Housing Units Produced	Percent Achieved
~~Extremely Low~~	~~100~~	~~0~~	~~*~~
Very Low	~~101~~201	49	24.4%
Low	112	3	2.7%
Moderate	132	~~120~~156	~~90.9~~118.2%
Above Moderate	174	~~339~~475	~~194.8~~272.9%
Total	**619**	**~~511~~683**	~~82.5~~110.3%

Source: HCD Annual Progress Report Dashboard (as of ~~August 5, 2022~~December 30, 2022).
~~Note: This table and text will be updated prior to finalization to account for units through January 1, 2023.~~

Preservation of "At Risk" Units

According to the 2015 Housing Element, there were no affordable units at risk of converting to market rate within 10 years from the beginning of the 2015 to 2023 planning period.

Rehabilitation of Existing Units

The Town did not rehabilitate any housing units between 2015 and 2023.

Efforts to Address Special Housing Needs

Special needs populations include farmworkers, large families, female-headed single parent households, people experiencing homelessness, persons with disabilities, seniors, and households with extremely low incomes. Government Code Section 65588 requires that local governments review the effectiveness of the housing element goals, policies, and related actions to meet the community's special housing needs. As shown in Table E-1 above, the Housing Element included several programs that addressed senior housing needs, households with extremely low incomes, emergency shelters, and needs for persons with disabilities. Some of the accomplishments include:

- Phase I of the North Forty Specific Plan included 49 very low-income senior units and 1 moderate-income manager's unit.
- The Town's ADU Ordinance implemented a 10 percent increase in the allowable floor area for a new ADU to increase the production of smaller, more affordable units.

- On November 15, 2022, the Town Council adopted Resolution 2022-072 adopting Objective Standards for the review of qualifying multi-family and residential mixed-use developments.

E.4 Appropriateness of Goals, Objectives, and Policies

The goals, objectives, and policies identified in the 2015 Housing Element were appropriate for the 2015 to 2023 timeframe because they directly relate to the program requirements listed by the California Department of Housing and Community Development.

As for new construction, the greatest progress was made in producing housing in the moderate income and above moderate-income categories, where the Town permitted approximately 62 percent and 80 percent of the needed units, respectively. The Town permitted only about a quarter of its needed very low-income units and less than three percent of its low-income units. As was the case in the in prior years, the cost of housing continued to be high in Los Gatos, making affordable housing difficult to develop in the Los Gatos market. The Town successfully provided the governmental framework to encourage and facilitate affordable housing through a continuation of its BMP program and enhanced Accessory Dwelling Unit Ordinance.

E.5 Summary

~~Like many communities, the Town of Los Gatos experienced less development than expected in its 2015–2023 planning period. Of the 630 units it identified in its table of quantified housing objectives (Table H-3 on page 47 of the 2015 Housing Element), the Town permitted 511 units (approximately 81 percent), most of them for above moderate-income households.~~ During the 2015–2023 planning period, as of December 31, 2022, 683 new units were added to the Town's housing stock, achieving approximately 110 percent of the Town's RHNA. The Town exceeded the required housing units per RHNA in the moderate and above moderate-income categories; however, fell short in the low-income category. Many of the goals, policies, and programs added and modified in this document have the goal and objective of increasing the total production of very low- and low-income category housing units during the 6th Housing Element cycle.

Nonetheless, the goals, objectives, policies, and actions in the 2015 to 2023 Housing Element complied with State housing law that was in effect at the time and provided proper guidance for housing development in the Town. In the 2023 to 2031 Housing Element update, objectives for each of the goals will be modified as appropriate to more specifically respond to the current housing environment in Los Gatos. Policies will also be modified as needed to respond to current Housing Element law and existing ~~and~~ , anticipated residential development conditions~~.~~, and provide additional incentives to encourage the production of affordable housing.

List of Organizations Contacted

APPENDIX F

F.1 Introduction

This appendix provides the names of organizations and tribal units that were contacted, as well as social media outreach completed by the Town during the preparation of Los Gatos' 6th Cycle Housing Element Update.

F.2 List of Organizations Contacted

1	Native American Heritage Commission Tribal Consultation List Santa Clara County 07/22/2020

1 **Amah Mutsun Tribal Band**
Valentin Lopez, Chairperson
P.O. Box 5272
Galt, CA 95632
Phone number (916) 743-5833
vlopez@amahmutsun.org

2 **Amah Mutsun Tribal Band of Mission San Juan Bautista**
Irenne Zwierlein, Chairperson
789 Canada Road
Woodside, CA 94062
Phone: (650) 851-7489
Fax: (650) 332-1526
amahmutsuntribal@gmail.com

3 **Indian Canyon Mutsun Band of Costanoan**
Ann Marie Sayers, Chairperson
P.O. Box 28
Hollister, CA 95024
Phone number (831) 637-4238
ams@indiancanyon.org

4 **Muwekma Ohlone Indian Tribe of the SF Bay Area**
Charlene Mijmeh, Chairperson
20885 Redwood Road, Suite 232
Castro Valley, CA 94546
Phone: (408) 464-2892
cnijmeh@muwekma.org

5 **Muwekma Ohlone Indian Tribe of the SF Bay Area**
Monica Arellano
20885 Redwood Road, Suite 232
Castro Valley, CA 94546
marellano@muwekma.org

6 **North Valley Yokuts Tribe**
Timothy Perez, MLD Contact
P.O. Box 717
Linden, CA 95236
Phone: (209) 662-2788
huskanam@gmail.com

7 **North Valley Yokuts Tribe**
Katherine Perez, Chairperson
P.O. Box 717
Linden, CA 95236
Phone: (209) 887-3415
canutes@verizon.net

8 **The Ohlone Indian Tribe**
Andres Galvan
P.O. Box 3388
Fremont, CA 94539
Phone: (510) 882-0527
Fax: (510) 687-9393
chochenyo@aol.com

9 **The Confederated Villages of Lisjan**
Corrina Gould, Chairperson
10926 Edes Avenue
Oakland, CA 94603
Phone: (510) 882-027
cvltribe@gmail.com

2 Additional List of Contacted Organizations

1 **Association of Bay Area Governments**
Bay Area Metro Center
375 Beale Street, Suite 700
San Francisco, CA 94105
housingTA@BayAreaMetro.gov
(415) 820-7900

2 **Aleli Sangalang**
Deputy Executive Director of Housing
Santa Clara County Housing Authortiy
505 W Julian Street
San Jose, CA 95110
(408) 275-8870

3 **Santa Clara County Social Services Agency**
353 West Julian Street
San Jose, CA 95110
clientcomments@ssa.sccgov.org
(408) 755-7100

4 **African American Community Service Agency**
304 N. 6th Street
San Jose, CA 95112
info@sjaacsa.org
(408) 292-3157

5 **Susan Alexander Kim**
Secretary
Korean American Community Services
1800-B Fruitdale Avenue
San Jose, CA 95128
info@kacssv.org
(408) 920-9733

6 **Lindsey Caldwell**
Division Director of Emergency Programs and Housing Services
Catholic Charaties of Santa Clara County
2625 Zanker Road
San Jose, CA 95134-2107
info@Catholiccharitiesscc.org

7 **Pancho Guevara**
Executive Director
Sacred Heart Community Service
1381 South First Street
San Jose, CA 95110
(408) 278-2160

8 **Pancho Guevara**
Executive Director
Sacred Heart Community Service
1381 South First Street
San Jose, CA 95110
(408) 283-3700

9 **Bay Area Legal Aid**
4, N 2nd St. # 600
San Jose, CA 95113
(408) 283-3700

10 **United Way Bay Area**
1400 Parkmoor Avenue
San Jose, Ca 95126
(408) 345-4300

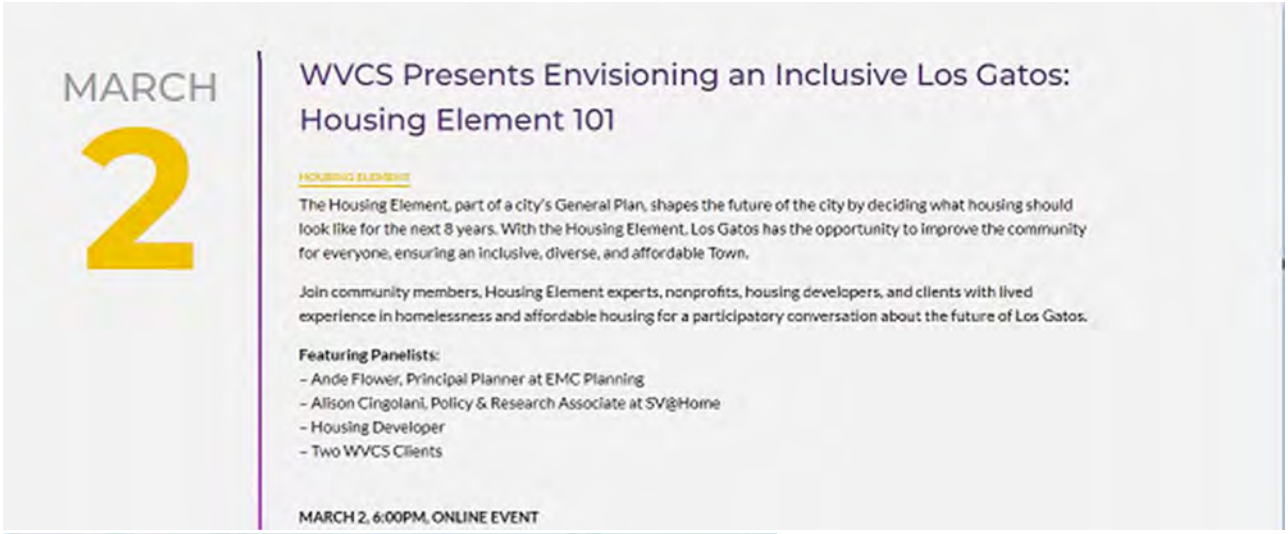
3	Engage Los Gatos Housing






Housing Element
Advisory Board Meeting
TOWN OF LOS GATOS
HOUSING ELEMENT
Teleconference
December 16, 2021
7:00 pm
www.LosGatosCA.gov/HousingElementUpdate
The Town's Housing Element is a strategic plan for housing the Town's present and future residents. This meeting is being held to provide an opportunity for the public and the Housing Element Advisory Board to discuss the Housing Element update, key issues, and opportunities.


Housing Element
Advisory Board Meeting
TOWN OF LOS GATOS
HOUSING ELEMENT
Teleconference
February 17, 2022
7:00 pm
EngageLosGatosHousing.com
The Town is updating the Housing Element of the General Plan and invites the public to participate! The Housing Element is a strategic plan for housing the Town's present and future residents.


MARCH
2
WVCS Presents Envisioning an Inclusive Los Gatos: Housing Element 101
The Housing Element, part of a city's General Plan, shapes the future of the city by deciding what housing should look like for the next 8 years. With the Housing Element, Los Gatos has the opportunity to improve the community for everyone, ensuring an inclusive, diverse, and affordable Town.
Join community members, Housing Element experts, nonprofits, housing developers, and clients with lived experience in homelessness and affordable housing for a participatory conversation about the future of Los Gatos.
Featuring Panelists:
- Ande Flower, Principal Planner at EMC Planning
- Alison Cingolani, Policy & Research Associate at SV@Home
- Housing Developer
- Two WVCS Clients
MARCH 2, 6:00PM, ONLINE EVENT


Community Meeting
HOUSING ELEMENT UPDATE
Participate in an interactive discussion about the Housing Element Update Site Selection process! Share your input and assist the Town in choosing where to focus future housing opportunities. The Town's Housing Element is a strategic plan for housing the Town's present and future residents.
March 31, 2022
7:00 p.m.
Teleconference
www.EngageLosGatosHousing.com
TOWN OF LOS GATOS
HOUSING ELEMENT


Spring into Green
SAVE THE DATE
SUNDAY
APRIL 24
TOWN PLAZA PARK
10:00AM - 1:00PM
Celebrate Keep Los Gatos Beautiful Month and Earth day with hands-on activities for all ages, eco-educational exhibitors, live entertainment, and more!
Los GATOS


Housing Element Advisory Board Meeting
TOWN OF LOS GATOS
HOUSING ELEMENT
Teleconference
May 19, 2022
7:00 pm
www.LosGatosCA.gov/HousingElementUpdate
The Town's Housing Element is a strategic plan for housing the Town's present and future residents. An inventory of land adequately zoned or planned to be zoned to accommodate its fair share of housing allocation is a required part of a Housing Element. The Housing Element Advisory Board will be reviewing and discussing the Draft Site Inventory and the income category distribution associated with each of the sites.


This Sunday, stop by the
2040 GENERAL PLAN UPDATE BOOTH AT THE LOS GATOS FARMERS' MARKET
Town staff will be available to chat, answer questions, and provide information regarding the 2040 General Plan Update.
TOWN OF LOS GATOS
GENERAL PLAN 2040
LOSGATOS2040.COM
GENERAL PLAN 2040
Sunday
May 22, 2022
Los Gatos Farmers' Market
Town Plaza Park

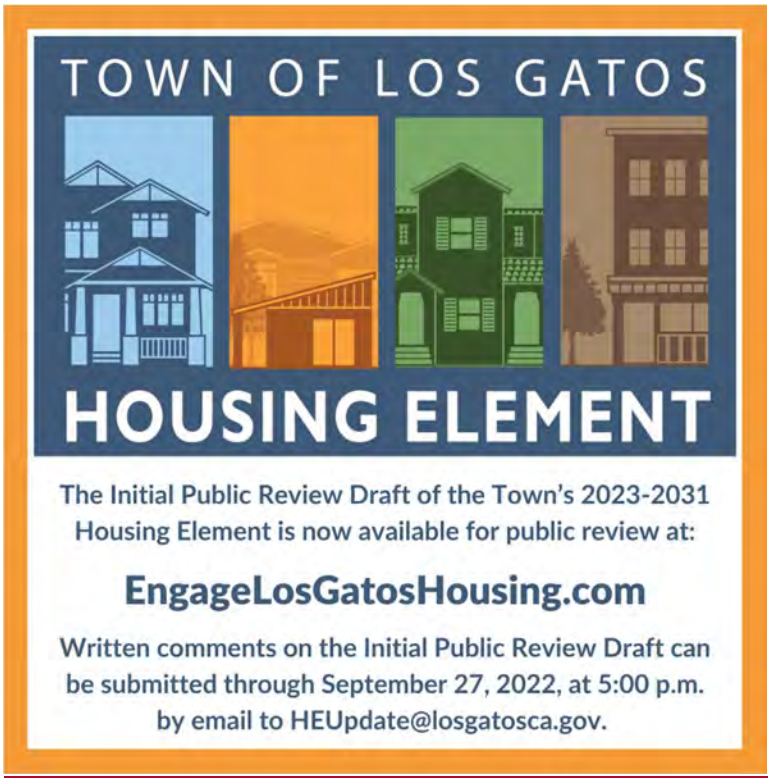

Housing Element Advisory Board Meeting
TOWN OF LOS GATOS
HOUSING ELEMENT
Teleconference
June 16, 2022
7:00 pm
www.LosGatosCA.gov/HousingElementUpdate
The Town's Housing Element is a strategic plan for housing the Town's present and future residents. On June 16, the Housing Element Advisory Board will be reviewing and discussing housing polices and programs to be included in the Housing Element update.


Housing Element
Advisory Board Meeting
TOWN OF LOS GATOS
HOUSING ELEMENT
Teleconference
July 7, 2022
7:00 pm
www.LosGatosCA.gov/HousingElementUpdate
The Town's Housing Element is a strategic plan for housing the Town's present and future residents. On July 7, the Housing Element Advisory Board will continue reviewing and discussing housing polices and programs to be included in the Housing Element update.


Housing Element
Advisory Board Meeting
TOWN OF LOS GATOS
HOUSING ELEMENT
Teleconference
August 4, 2022
7:00 pm
www.LosGatosCA.gov/HousingElementUpdate
The Town's Housing Element is a strategic plan for housing the Town's present and future residents. On August 4, the Housing Element Advisory Board will continue reviewing and discussing housing polices and programs to be included in the Housing Element update.


THIS SUNDAY, STOP BY THE
Housing Element Update
BOOTH AT THE FARMERS' MARKET
Town staff will be available to chat, answer questions, and provide information regarding the Draft Housing Element.
SUNDAY, SEPTEMBER 4, 2022
LOS GATOS FARMERS' MARKET
TOWN PLAZA PARK
TOWN OF LOS GATOS
HOUSING ELEMENT
FARMERS' MARKET
EVERY SUNDAY

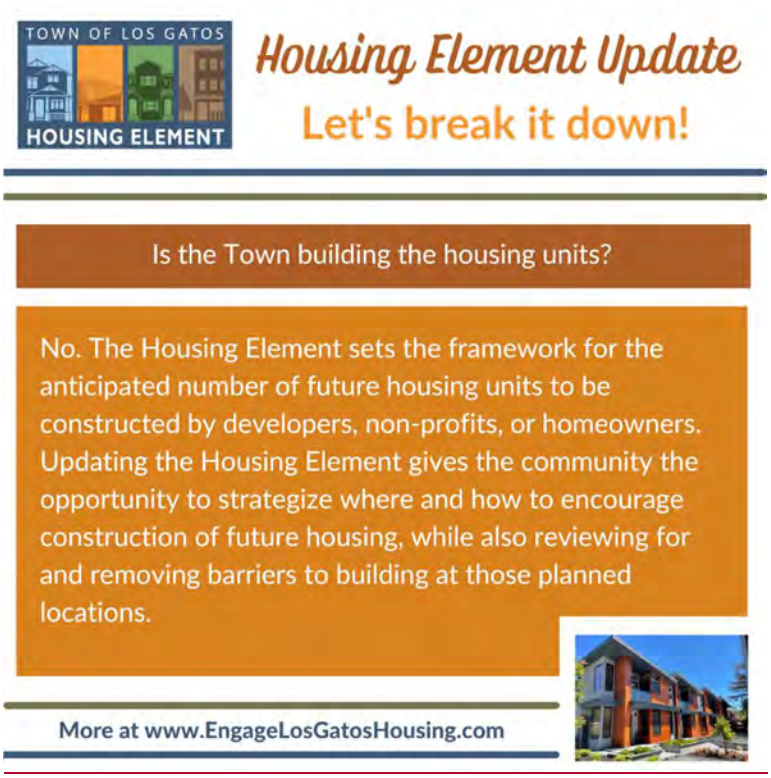

Housing Element Advisory Board Meeting
TOWN OF LOS GATOS
HOUSING ELEMENT
Teleconference
September 15, 2022
7:00 pm
www.LosGatosCA.gov/HousingElementUpdate
On September 15, the Housing Element Advisory Board will receive public comments on the Initial Public Review Draft of the Housing Element (available at EngageLosGatosHousing.com).


TOWN OF LOS GATOS
HOUSING ELEMENT
The Initial Public Review Draft of the Town's 2023-2031 Housing Element is now available for public review at:
EngageLosGatosHousing.com
Written comments on the Initial Public Review Draft can be submitted through September 27, 2022, at 5:00 p.m. by email to HEUpdate@losgatosca.gov.


TOWN OF LOS GATOS
HOUSING ELEMENT
Housing Element Update
Let's break it down!
What Goals are included in the Draft Housing Element?
• Goal HE-1: Facilitate All Types of Housing Construction.
• Goal HE-2: Provide New Affordable Housing.
• Goal HE-3: Remove Barriers to the Production of Housing.
• Goal HE-4: Improve the Existing Housing Stock.
• Goal HE-5: Encourage Green Building and Energy Conservation.
• Goal HE-6: Publicize Fair Housing Resources, Including those for Special Needs Populations.
More at www.EngageLosGatosHousing.com

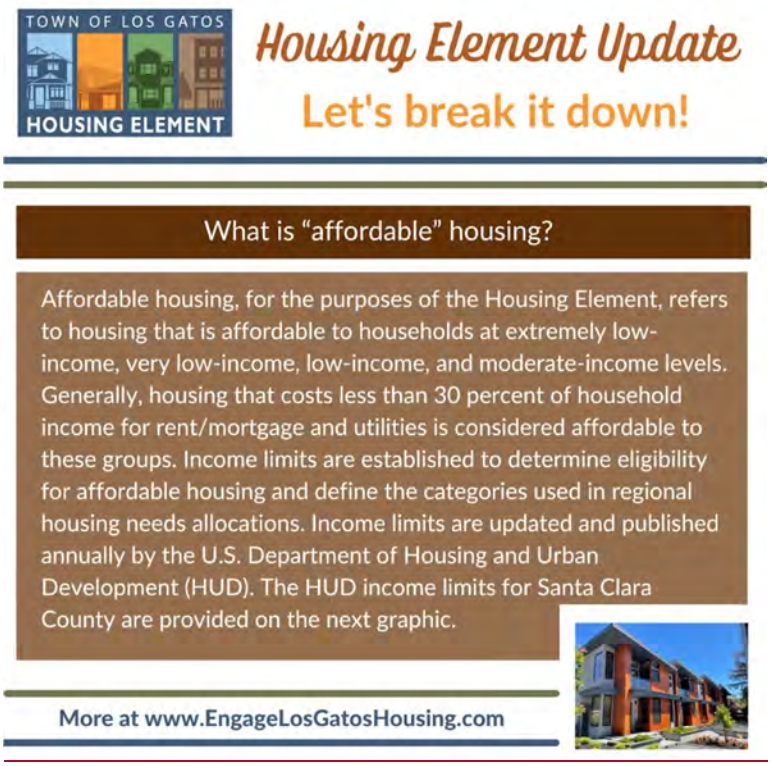

TOWN OF LOS GATOS
HOUSING ELEMENT
Housing Element Update
Let's break it down!
What Goals are included in the Draft Housing Element?
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• Goal HE-5: Encourage Green Building and Energy Conservation.
• Goal HE-6: Publicize Fair Housing Resources, Including those for Special Needs Populations.
More at www.EngageLosGatosHousing.com

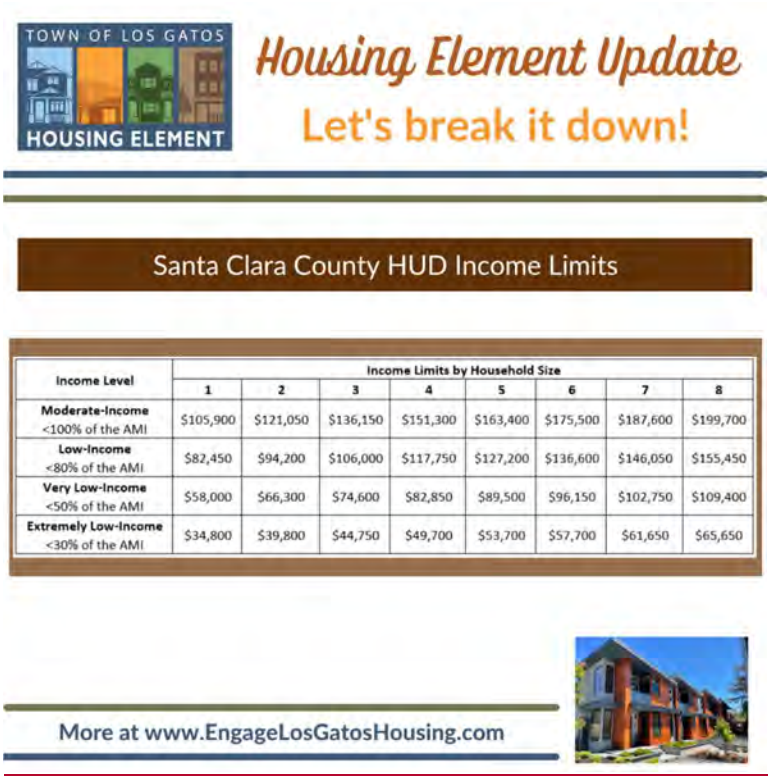

TOWN OF LOS GATOS
HOUSING ELEMENT
Housing Element Update
Let's break it down!
What is a Housing Element?
The Housing Element is a chapter of the General Plan which:
• Provides goals, policies, and programs to preserve, improve, and develop housing;
• Identifies and analyzes existing and future housing needs;
• Identifies sites for housing development within the eight-year housing cycle; and
• Must be certified (approved) by the State Department of Housing and Community Development (HCD).
More at www.EngageLosGatosHousing.com


TOWN OF LOS GATOS
HOUSING ELEMENT
Housing Element Update
Let's break it down!
Is the Town building the housing units?
No. The Housing Element sets the framework for the anticipated number of future housing units to be constructed by developers, non-profits, or homeowners. Updating the Housing Element gives the community the opportunity to strategize where and how to encourage construction of future housing, while also reviewing for and removing barriers to building at those planned locations.
More at www.EngageLosGatosHousing.com


Housing Element
Advisory Board Meeting
TOWN OF LOS GATOS
HOUSING ELEMENT
Teleconference
November 17, 2022
7:00 pm
www.LosGatosCA.gov/HousingElementUpdate
The Los Gatos Housing Element Advisory Board will discuss anticipated comments from the California Department of Housing and Community Development on the Town's Draft Housing Element.


Housing Element Update:
Renters' Survey Now Available!
The Town is in the process of updating its Housing Element, a strategic plan for housing the Town's present and future residents.
The Town welcomes input from residents who are currently renting, or have a history of renting in Los Gatos to complete an anonymous survey, available through January 12, 2023 at:
EngageLosGatosHousing.com
Hard copies are available at the Community Development Department and Library. The electronic and hard copy versions of the survey are also available in Spanish and Russian.
TOWN OF LOS GATOS
HOUSING ELEMENT
feedback


TOWN OF LOS GATOS
HOUSING ELEMENT
Housing Element Update
Let's break it down!
What is "affordable" housing?
Affordable housing, for the purposes of the Housing Element, refers to housing that is affordable to households at extremely low-income, very low-income, low-income, and moderate-income levels. Generally, housing that costs less than 30 percent of household income for rent/mortgage and utilities is considered affordable to these groups. Income limits are established to determine eligibility for affordable housing and define the categories used in regional housing needs allocations. Income limits are updated and published annually by the U.S. Department of Housing and Urban Development (HUD). The HUD income limits for Santa Clara County are provided on the next graphic.
More at www.EngageLosGatosHousing.com



Income Level	Income Limits by Household Size							
	1	2	3	4	5	6	7	8
Moderate-Income <100% of the AMI	$105,900	$121,050	$136,150	$151,300	$163,400	$175,500	$187,600	$199,700
Low-Income <80% of the AMI	$82,450	$94,200	$106,000	$117,750	$127,200	$136,600	$146,050	$155,450
Very Low-Income <50% of the AMI	$58,000	$66,300	$74,600	$82,850	$89,500	$96,150	$102,750	$109,400
Extremely Low-Income <30% of the AMI	$34,800	$39,800	$44,750	$49,700	$53,700	$57,700	$61,650	$65,650



TOWN OF LOS GATOS
HOUSING ELEMENT

Housing Element Update

Let's break it down!

How much housing does Los Gatos need to plan for?

The Association of Bay Area Governments determines the number of housing units each city and county must plan for in its Housing Element. This number is called the Regional Housing Needs Allocation (RHNA).For the 2023-2031 Housing Element, Los Gatos must plan for a minimum of 1,993 housing units. This means that the Housing Element must identify specific locations for 1,993 units. Los Gatos' RHNA is broken down by income groups, as shown in the table on the next graphic.



More at www.EngageLosGatosHousing.com

TOWN OF LOS GATOS
HOUSING ELEMENT

Housing Element Update

Let's break it down!

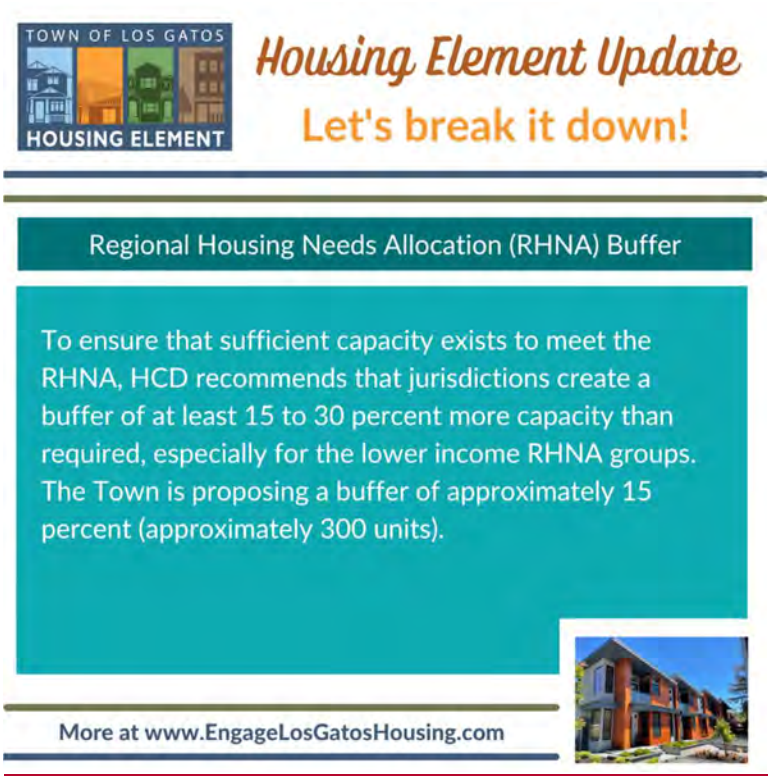
Los Gatos Regional Housing Needs Allocation (RHNA)

Income Group	Number of Units
Very Low (0-50% AMI)	537
Low (50-80% AMI)	310
Moderate (80-120% AMI)	320
Above Moderate (120%+ AMI)	826
Total	**1,993**

AMI – Area Median Income

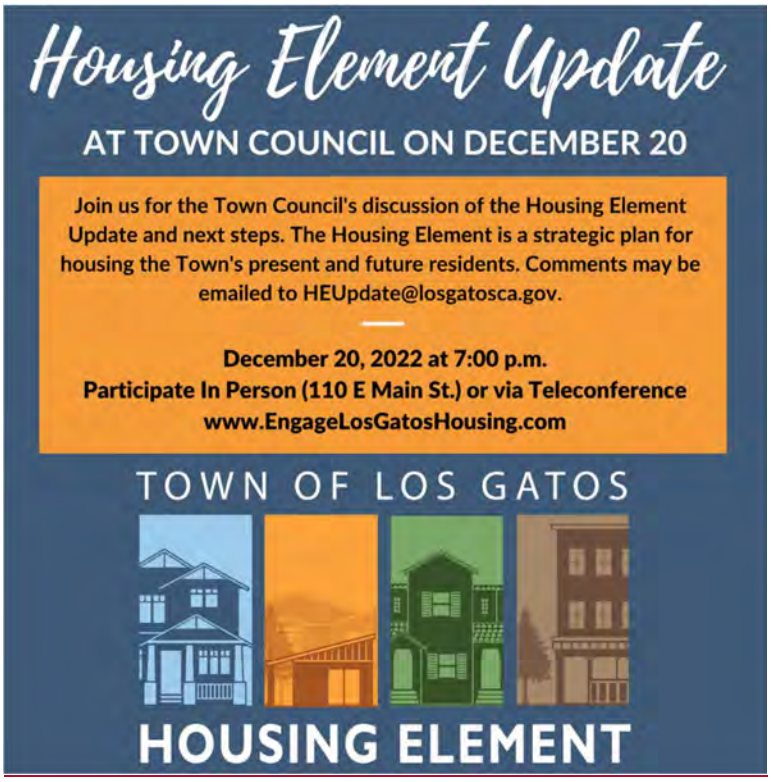


More at www.EngageLosGatosHousing.com


TOWN OF LOS GATOS
HOUSING ELEMENT
Housing Element Update
Let's break it down!
Regional Housing Needs Allocation (RHNA) Buffer
To ensure that sufficient capacity exists to meet the RHNA, HCD recommends that jurisdictions create a buffer of at least 15 to 30 percent more capacity than required, especially for the lower income RHNA groups. The Town is proposing a buffer of approximately 15 percent (approximately 300 units).
More at www.EngageLosGatosHousing.com

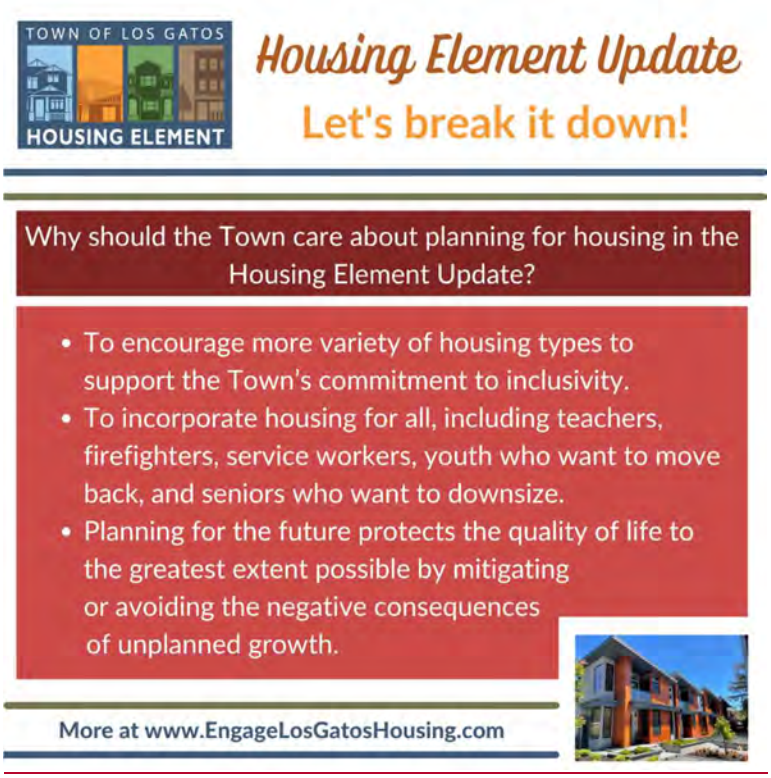

THIS SUNDAY, STOP BY THE
Housing Element Update
BOOTH AT THE FARMERS' MARKET
Town staff will be available to chat, answer questions, and provide information regarding the Draft Housing Element.
SUNDAY, DECEMBER 11, 2022
LOS GATOS FARMERS' MARKET
TOWN PLAZA PARK
TOWN OF LOS GATOS
HOUSING ELEMENT
FARMERS' MARKET
EVERY SUNDAY

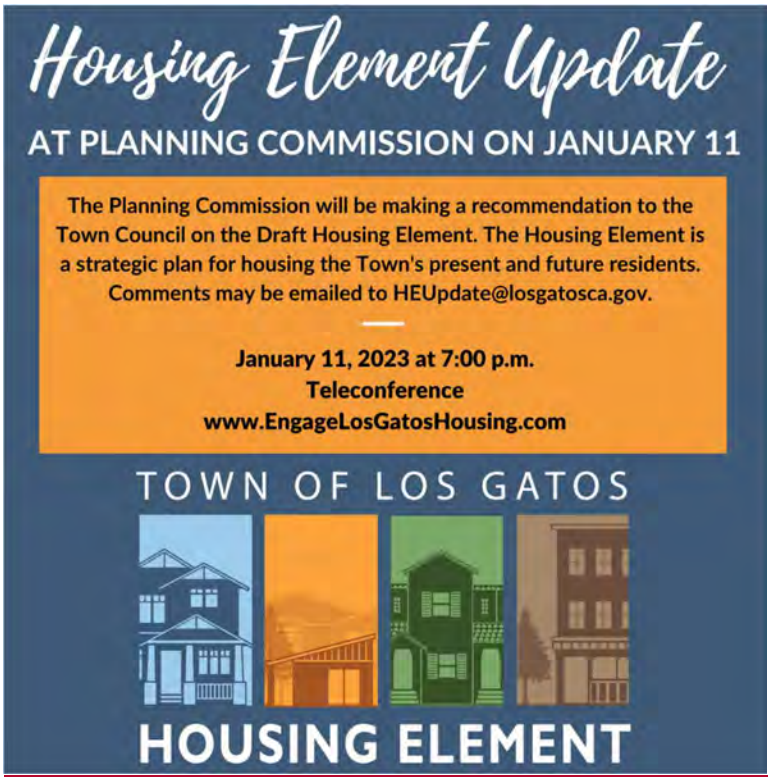

THIS FRIDAY, STOP BY THE
Housing Element Update
TABLE AT THE LOS GATOS LIBRARY
Town staff will be available to discuss and answer questions regarding the Housing Element. A Renters' Survey is available at the Library and also on the Town's Housing Element website at EngageLosGatosHousing.com.
FRIDAY, DECEMBER 16, 2022
LOS GATOS LIBRARY
10:30 AM - 12:00 PM
TOWN OF LOS GATOS
HOUSING ELEMENT

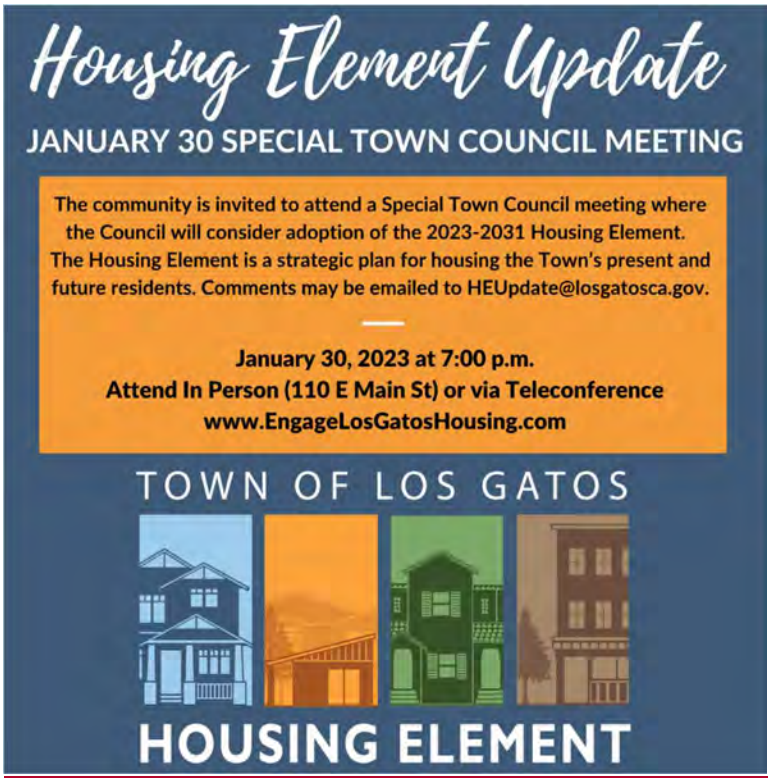

Housing Element Update
AT TOWN COUNCIL ON DECEMBER 20
Join us for the Town Council's discussion of the Housing Element Update and next steps. The Housing Element is a strategic plan for housing the Town's present and future residents. Comments may be emailed to HEUpdate@losgatosca.gov.
December 20, 2022 at 7:00 p.m.
Participate In Person (110 E Main St.) or via Teleconference
www.EngageLosGatosHousing.com
TOWN OF LOS GATOS
HOUSING ELEMENT


TOWN OF LOS GATOS
HOUSING ELEMENT
Housing Element Update
Let's break it down!
What is Affirmatively Furthering Fair Housing?
Assembly Bill 686 (2018) defines Affirmatively Furthering Fair Housing (AFFH) as, "taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based projected characteristics."
"The duty to affirmatively further fair housing extends to all of a public agency's activities and programs related to housing and community development."
[Gov. Code Section 8899.50, subd. (a)(1).]
More at www.EngageLosGatosHousing.com


TOWN OF LOS GATOS
HOUSING ELEMENT
Housing Element Update
Let's break it down!
Components of New Housing Element Requirements for AFFH
1. Outreach
2. Assessment of Fair Housing (AFH)
3. Site Inventory and Analysis
4. Identification and Prioritization of Contributing Factors
5. Goals, Policies, and Programs
More at www.EngageLosGatosHousing.com


TOWN OF LOS GATOS
HOUSING ELEMENT
Housing Element Update
Let's break it down!
Why should the Town care about planning for housing in the Housing Element Update?
• To encourage more variety of housing types to support the Town's commitment to inclusivity.
• To incorporate housing for all, including teachers, firefighters, service workers, youth who want to move back, and seniors who want to downsize.
• Planning for the future protects the quality of life to the greatest extent possible by mitigating or avoiding the negative consequences of unplanned growth.
More at www.EngageLosGatosHousing.com


Housing Element Update
AT PLANNING COMMISSION ON JANUARY 11
The Planning Commission will be making a recommendation to the Town Council on the Draft Housing Element. The Housing Element is a strategic plan for housing the Town's present and future residents. Comments may be emailed to HEUpdate@losgatosca.gov.
January 11, 2023 at 7:00 p.m.
Teleconference
www.EngageLosGatosHousing.com
TOWN OF LOS GATOS
HOUSING ELEMENT


Housing Element Update
JANUARY 30 SPECIAL TOWN COUNCIL MEETING
The community is invited to attend a Special Town Council meeting where the Council will consider adoption of the 2023-2031 Housing Element. The Housing Element is a strategic plan for housing the Town's present and future residents. Comments may be emailed to HEUpdate@losgatosca.gov.
January 30, 2023 at 7:00 p.m.
Attend In Person (110 E Main St) or via Teleconference
www.EngageLosGatosHousing.com
TOWN OF LOS GATOS
HOUSING ELEMENT


TOWN OF LOS GATOS
HOUSING ELEMENT
Housing Element Update
Let's break it down!
Has the Town Received Comments from the CA Department of Housing and Community Development (HCD) on the Draft Housing Element?
On January 12, 2023, the Town received HCD's findings/comment letter on the Draft Housing Element and additional public comments that were submitted directly to HCD. HCD determined that the Town's Draft Housing Element addresses many statutory requirements, but identified revisions necessary to comply with State Housing Element law. Both documents are available for review on Town's Housing Element Update website at www.EngageLosGatosHousing.com.
Town staff and the Town's Consultants are in the process of reviewing and addressing HCD's comments.
More at www.EngageLosGatosHousing.com

TOWN OF LOS GATOS
HOUSING ELEMENT

Housing Element Update
Let's break it down!

What Are the Next Steps in the Housing Element Process?

On January 11, 2023, the Planning Commission made a recommendation to the Town Council to adopt the Draft 2023-2031 Housing Element. The meeting can be viewed on the Town YouTube at www.LosGatosCA.gov/WatchMeetingsHere.

On January 12, 2023, the Town received HCD's findings/comment letter on the Draft Housing Element and public comments that were submitted directly to HCD. HCD determined that the Town's Draft Housing Element addresses many statutory requirements, but identified revisions necessary to comply with State Housing Element law. The documents are available for review on Town's Housing Element Update website at www.EngageLosGatosHousing.com. Town staff and the Town's Consultants are in the process of reviewing and addressing HCD's comments.

On January 30, 2023, the Town Council will hold a public hearing to consider adoption of the Draft 2023-2031 Housing Element.



More at www.EngageLosGatosHousing.com

TOWN OF LOS GATOS
HOUSING ELEMENT

Housing Element Update
Let's break it down!

Did the Town Council adopt the Housing Element on Monday, January 30, 2023?

Yes. The Town Council adopted the 2023-2031 Housing Element with modifications to the Sites Inventory.

A copy of this document showing modifications in track changes is now available online at www.LosGatosCA.gov/HousingElementUpdate for a seven-day review prior to submittal to California Department of Housing and Community Development (HCD).

The Town continues the work required to fully respond to the other comments received from HCD.



www.LosGatosCA.gov/HousingElementUpdate


Housing Element
Advisory Board Meeting
TOWN OF LOS GATOS
HOUSING ELEMENT
Teleconference
February 16, 2023
7:00 pm
www.LosGatosCA.gov/HousingElementUpdate
The Board will discuss the California Department of Housing and Community Development (HCD) findings/comment letter received by the Town on January 12, 2023 and how comments will be addressed.


Housing Element
Advisory Board Meeting
TOWN OF LOS GATOS
HOUSING ELEMENT
March 16, 2023
7:00 pm
Council Chambers at 110 E Main St.
www.LosGatosCA.gov/HousingElementUpdate
The Board will review the updated version of the Town's Draft Housing Element addressing the California Department of Housing and Community Development's (HCD) findings/comment letter received by the Town on January 12, 2023.

AFFH Segregation Report Los Gatos

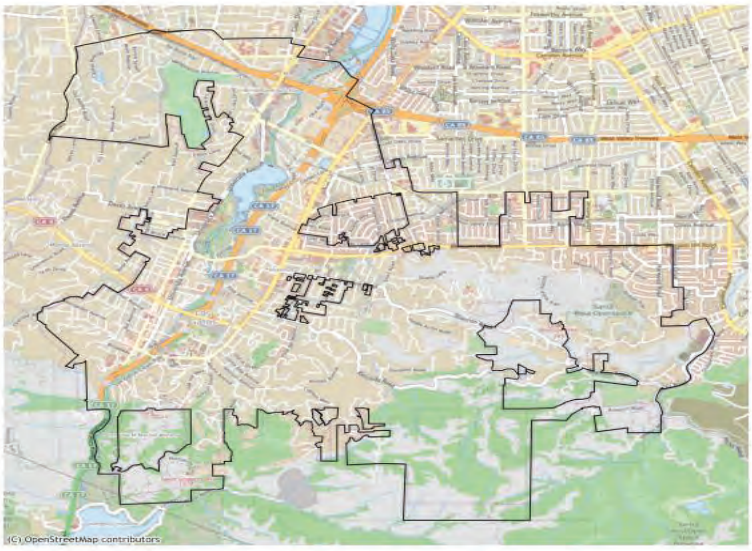
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APPENDIX

AFFH SEGREGATION REPORT: LOS GATOS

UC Merced Urban Policy Lab and ABAG/MTC Staff

Version of Record: March 06, 15:57:57



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1 INTRODUCTION

The requirement to Affirmatively Further Fair Housing (AFFH) is derived from The Fair Housing Act of 1968, which prohibited discrimination concerning the sale, rental, and financing of housing based on race, color, religion, national origin, or sex—and was later amended to include familial status and disability.[1] The 2015 U.S. Department of Housing and Urban Development (HUD) Rule to Affirmatively Further Fair Housing and California Assembly Bill 686 (2018) mandate that each jurisdiction takes meaningful action to address significant disparities in housing needs and access to opportunity.[2][3] AB 686 requires that jurisdictions incorporate AFFH into their Housing Elements, which includes inclusive community participation, an assessment of fair housing, a site inventory reflective of AFFH, and the development of goals, policies, and programs to meaningfully address local fair housing issues. ABAG and UC Merced have prepared this report to assist Bay Area jurisdictions with the Assessment of Fair Housing section of the Housing Element.

Assessment of Fair Housing Components

The Assessment of Fair Housing includes five components, which are discussed in detail on pages 22-43 of HCD's AFFH Guidance Memo:

A: Summary of fair housing enforcement and outreach capacity

B: Integration and segregation patterns, and trends related to people with protected characteristics

C: Racially or ethnically concentrated areas of poverty

D: Disparities in access to opportunity

E: Disproportionate housing needs, including displacement risk

1.1 Purpose of this Report

This report describes racial and income segregation in Bay Area jurisdictions. Local jurisdiction staff can use the information in this report to help fulfill a portion of the second component of the Assessment of Fair Housing, which requires analysis of integration and segregation patterns and trends related to people with protected characteristics and lower incomes. Jurisdictions will still need to perform a similar analysis for familial status and populations with disability.

This report provides segregation measures for both the local jurisdiction and the region using several indices. For segregation between neighborhoods within a city (intra-city segregation), this report includes isolation indices, dissimilarity indices, and Theil's-H index. The isolation index measures

[1] https://www.justice.gov/crt/fair-housing-act-2
[2] HCD AFFH Guidance Memo
[3] The 2015 HUD rule was reversed in 2020 and partially reinstated in 2021.

segregation for a single group, while the dissimilarity index measures segregation between two groups. The Theil's H-Index can be used to measure segregation between all racial or income groups across the city at once. HCD's AFFH guidelines require local jurisdictions to include isolation indices and dissimilarity indices in the Housing Element. Theil's H index is provided in addition to these required measures. For segregation between cities within the Bay Area (inter-city segregation), this report includes dissimilarity indices at the regional level as required by HCD's AFFH guidelines. HCD's AFFH guidelines also require jurisdictions to compare conditions at the local level to the rest of the region; and this report presents the difference in the racial and income composition of a jurisdiction relative to the region as a whole to satisfy the comparison requirement.

1.2 Defining Segregation

Segregation is the separation of different demographic groups into different geographic locations or communities, meaning that groups are unevenly distributed across geographic space. This report examines two spatial forms of segregation: neighborhood level segregation *within* a local jurisdiction and city level segregation *between* jurisdictions in the Bay Area.

Neighborhood level segregation (*within* a jurisdiction, or *intra-city*): Segregation of race and income groups can occur from neighborhood to neighborhood *within* a city. For example, if a local jurisdiction has a population that is 20% Latinx, but some neighborhoods are 80% Latinx while others have nearly no Latinx residents, that jurisdiction would have segregated neighborhoods.

City level segregation (*between* jurisdictions in a region, or *inter-city*): Race and income divides also occur *between* jurisdictions in a region. A region could be very diverse with equal numbers of white, Asian, Black, and Latinx residents, but the region could also be highly segregated with each city comprised solely of one racial group.

There are many factors that have contributed to the generation and maintenance of segregation. Historically, racial segregation stemmed from explicit discrimination against people of color, such as restrictive covenants, redlining, and discrimination in mortgage lending. This history includes many overtly discriminatory policies made by federal, state, and local governments (Rothstein 2017). Segregation patterns are also affected by policies that appear race-neutral, such as land use decisions and the regulation of housing development.

Segregation has resulted in vastly unequal access to public goods such as quality schools, neighborhood services and amenities, parks and playgrounds, clean air and water, and public safety (Trounstine 2015). This generational lack of access for many communities, particularly people of color and lower income residents, has often resulted in poor life outcomes, including lower educational attainment, higher morbidity rates, and higher mortality rates (Chetty and Hendren 2018, Ananat 2011, Burch 2014, Cutler and Glaeser 1997, Sampson 2012, Sharkey 2013).

1.3 Segregation Patterns in the Bay Area

Across the San Francisco Bay Area, white residents and above moderate-income residents are significantly more segregated from other racial and income groups (see Appendix 2). The highest levels of racial segregation occur between the Black and white populations. The analysis completed for this report indicates that the amount of racial segregation both *within* Bay Area cities and *across* jurisdictions in the region has decreased since the year 2000. This finding is consistent with recent research from the Othering and Belonging Institute at UC Berkeley, which concluded that "[a]lthough 7

of the 9 Bay Area counties were more segregated in 2020 than they were in either 1980 or 1990, racial residential segregation in the region appears to have peaked around the year 2000 and has generally declined since."[4] However, compared to cities in other parts of California, Bay Area jurisdictions have more neighborhood level segregation between residents from different racial groups. Additionally, there is also more racial segregation *between* Bay Area cities compared to other regions in the state.

1.4 Segregation and Land Use

It is difficult to address segregation patterns without an analysis of both historical and existing land use policies that impact segregation patterns. Land use regulations influence what kind of housing is built in a city or neighborhood (Lens and Monkkonen 2016, Pendall 2000). These land use regulations in turn impact demographics: they can be used to affect the number of houses in a community, the number of people who live in the community, the wealth of the people who live in the community, and where within the community they reside (Trounstine 2018). Given disparities in wealth by race and ethnicity, the ability to afford housing in different neighborhoods, as influenced by land use regulations, is highly differentiated across racial and ethnic groups (Bayer, McMillan, and Reuben 2004).[5] ABAG/MTC plans to issue a separate report detailing the existing land use policies that influence segregation patterns in the Bay Area.

[4] For more information, see https://belonging.berkeley.edu/most-segregated-cities-bay-area-2020.
[5] Using a household-weighted median of Bay Area county median household incomes, regional values were $61,050 for Black residents, $122,174 for Asian/Pacific Islander residents, $121,794 for white residents, and $76,306 for Latinx residents. For the source data, see U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B19013B, Table B19013D, B19013H, and B19013I.

Definition of Terms - Geographies

Neighborhood: In this report, "neighborhoods" are approximated by tracts.[6] Tracts are statistical geographic units defined by the U.S. Census Bureau for the purposes of disseminating data. In the Bay Area, tracts contain on average 4,500 residents. Nearly all Bay Area jurisdictions contain at least two census tracts, with larger jurisdictions containing dozens of tracts.

Jurisdiction: Jurisdiction is used to refer to the 109 cities, towns, and unincorporated county areas that are members of ABAG. Though not all ABAG jurisdictions are cities, this report also uses the term "city" interchangeably with "jurisdiction" in some places.

Region: The region is the nine-county San Francisco Bay Area, which is comprised of Alameda County, Contra Costa County, Marin County, Napa County, San Francisco County, San Mateo County, Santa Clara County, Solano County, and Sonoma County.

[6] Throughout this report, neighborhood level segregation measures are calculated using census tract data. However, the racial dot maps in Figure 1 and Figure 5 use data from census blocks, while the income group dot maps in Figure 8 and Figure 12 use data from census block groups. These maps use data derived from a smaller geographic scale to better show spatial differences in where different groups live. Census block groups are subdivisions of census tracts, and census blocks are subdivisions of block groups. In the Bay Area, block groups contain on average 1,500 people, while census blocks contain on average 95 people.

2 RACIAL SEGREGATION IN TOWN OF LOS GATOS

Definition of Terms - Racial/Ethnic Groups

The U.S. Census Bureau classifies racial groups (e.g. white or Black/African American) separately from Hispanic/Latino ethnicity.[7] This report combines U.S. Census Bureau definitions for race and ethnicity into the following racial groups:

White: Non-Hispanic white

Latinx: Hispanic or Latino of any race[8]

Black: Non-Hispanic Black/African American

Asian/Pacific Islander: Non-Hispanic Asian or Non-Hispanic Pacific Islander

People of Color: All who are not non-Hispanic white (including people who identify as "some other race" or "two or more races")[9]

2.1 Neighborhood Level Racial Segregation (*within* Town of Los Gatos)

Racial dot maps are useful for visualizing how multiple racial groups are distributed within a specific geography. The racial dot map of Los Gatos in Figure 1 below offers a visual representation of the spatial distribution of racial groups within the jurisdiction. Generally, when the distribution of dots does not suggest patterns or clustering, segregation measures tend to be lower. Conversely, when clusters of certain groups are apparent on a racial dot map, segregation measures may be higher.

[7] More information about the Census Bureau's definitions of racial groups is available here: https://www.census.gov/topics/population/race/about.html.
[8] The term Hispanic has historically been used to describe people from numerous Central American, South American, and Caribbean countries. In recent years, the term Latino or Latinx has become preferred. This report generally uses Latinx to refer to this racial/ethnic group.
[9] Given the uncertainty in the data for population size estimates for racial and ethnic groups not included in the Latinx, Black, or Asian/Pacific Islander categories, this report only analyzes these racial groups in the aggregate People of Color category.

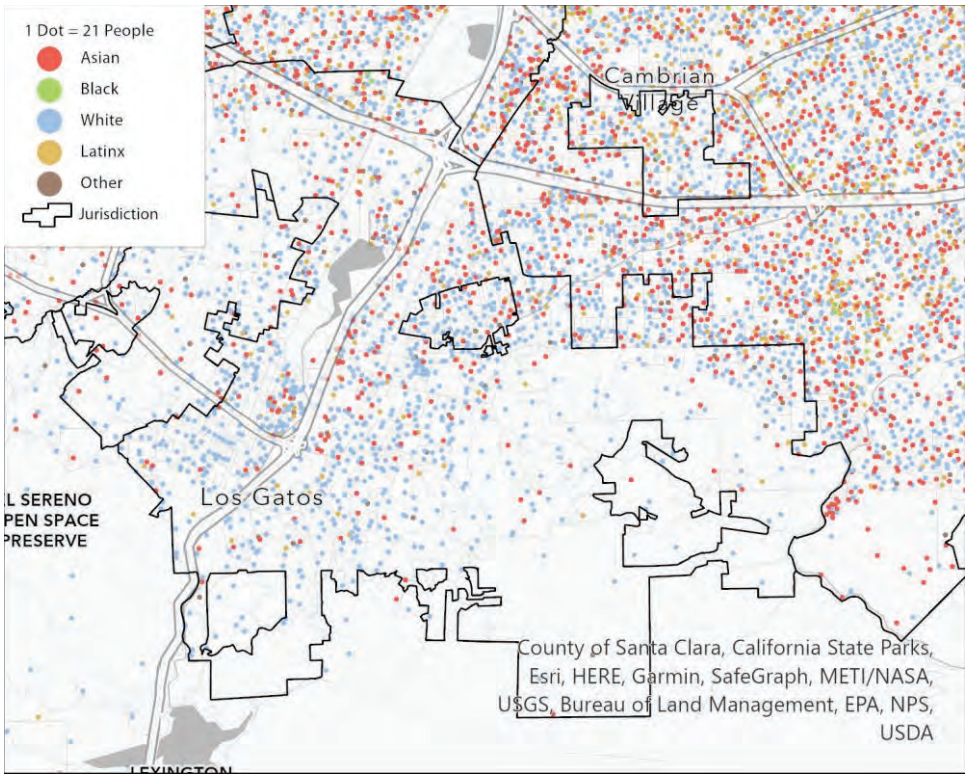


Figure 1: Racial Dot Map of Los Gatos (2020)

Universe: Population. Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.
Note: The plot shows the racial distribution at the census block level for Town of Los Gatos and vicinity. Dots in each census block are randomly placed and should not be construed as actual placement of people.

There are many ways to quantitatively measure segregation. Each measure captures a different aspect of the ways in which groups are divided within a community. One way to measure segregation is by using an **isolation index**:

- The isolation index compares each neighborhood's composition to the jurisdiction's demographics as a whole.
- This index ranges from 0 to 1. Higher values indicate that a particular group is more isolated from other groups.
- Isolation indices indicate the potential for contact between different groups. The index can be interpreted as the experience of the average member of that group. For example, if the isolation index is .65 for Latinx residents in a city, then the average Latinx resident in that city lives in a neighborhood that is 65% Latinx.

Within Town of Los Gatos the most isolated racial group is white residents. Los Gatos's isolation index of 0.663 for white residents means that the average white resident lives in a neighborhood that is 66.3% white. Other racial groups are less isolated, meaning they may be more likely to encounter other racial groups in their neighborhoods. The isolation index values for all racial groups in Los Gatos for the years 2000, 2010, and 2020 can be found in Table 1 below. Among all racial groups in this jurisdiction, the white population's isolation index has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.

The "Bay Area Average" column in this table provides the average isolation index value across Bay Area jurisdictions for different racial groups in 2020.[10] The data in this column can be used as a comparison to provide context for the levels of segregation experienced by racial groups in this jurisdiction. For example, Table 1 indicates the average isolation index value for white residents across all Bay Area jurisdictions is 0.491, meaning that in the average Bay Area jurisdiction a white resident lives in a neighborhood that is 49.1% white.

Table 1: Racial Isolation Index Values for Segregation within Los Gatos

	Los Gatos			Bay Area Average
Race	**2000**	**2010**	**2020**	**2020**
Asian/Pacific Islander	0.079	0.118	0.197	0.245
Black/African American	0.009	0.012	0.022	0.053
Latinx	0.059	0.082	0.104	0.251
White	0.838	0.774	0.663	0.491

Universe: Population.
Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 2 below shows how racial isolation index values in Los Gatos compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each racial group, the spread of dots represents the range of isolation index values among Bay Area jurisdictions. Additionally, the black line within each racial group notes the isolation index value for that group in Town of Los Gatos, and each dashed red line represents the Bay Area average for the isolation index for that group. Local staff can use this chart to contextualize how segregation levels for racial groups in their jurisdiction compare to other jurisdictions in the region.

[10] This average only includes the 104 jurisdictions that have more than one census tract, which is true for all comparisons of Bay Area jurisdictions' segregation measures in this report. The segregation measures in this report are calculated by comparing the demographics of a jurisdiction's census tracts to the jurisdiction's demographics, and such calculations cannot be made for the five jurisdictions with only one census tract (Brisbane, Calistoga, Portola Valley, Rio Vista, and Yountville).

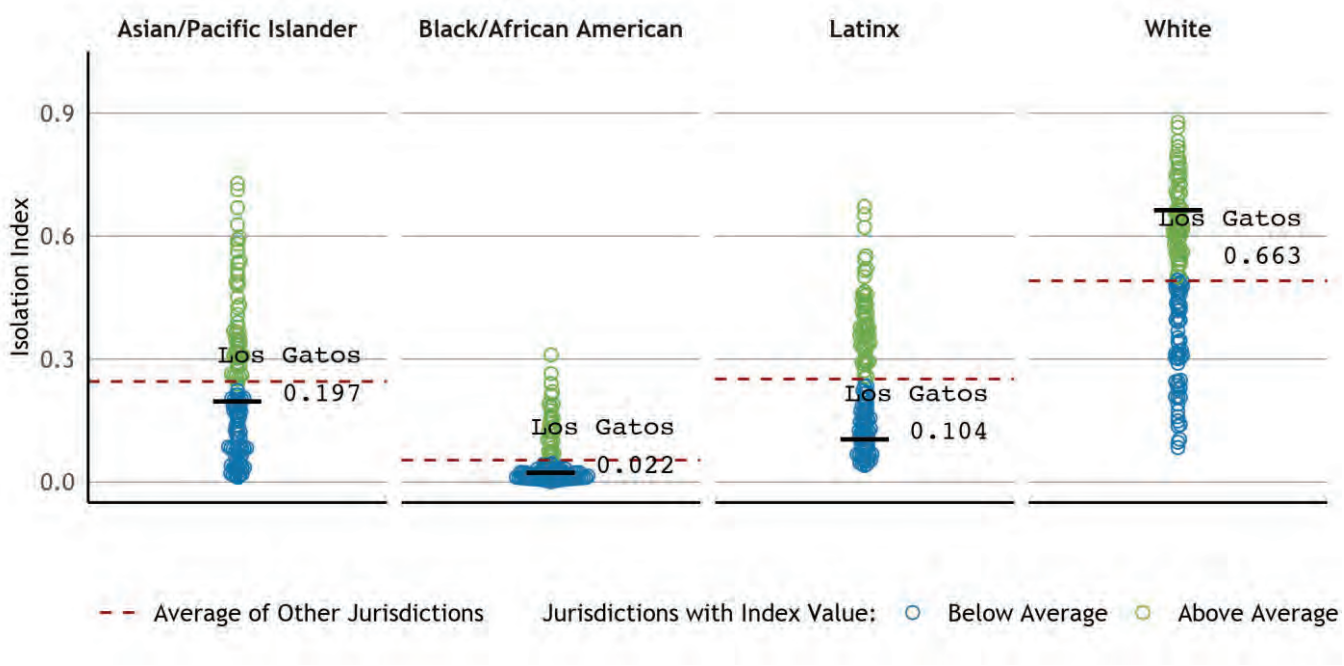


Figure 2: Racial Isolation Index Values for Los Gatos Compared to Other Bay Area Jurisdictions (2020)

Universe: Bay Area Jurisdictions.
Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Another way to measure segregation is by using a **dissimilarity index**:

- This index measures how evenly any two groups are distributed across neighborhoods relative to their representation in a city overall. The dissimilarity index at the jurisdiction level can be interpreted as the share of one group that would have to move neighborhoods to create perfect integration for these two groups.
- The dissimilarity index ranges from 0 to 1. Higher values indicate that groups are more unevenly distributed (e.g. they tend to live in different neighborhoods).

Dissimilarity Index Guidance for Cities with Small Racial Group Populations

The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population.

HCD's AFFH guidance requires the Housing Element to include the dissimilarity index values for racial groups, but also offers flexibility in emphasizing the importance of various measures. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Table 4), jurisdiction staff use the isolation index or Thiel's H-Index to gain a more accurate understanding of their jurisdiction's neighborhood-level segregation patterns (*intra*-city segregation).

If a jurisdiction has a very small population of a racial group, this indicates that segregation between the jurisdiction and the region (*inter*-city segregation) is likely to be an important feature of the jurisdiction's segregation patterns.

In Town of Los Gatos, the Black/African American group is 0.9 percent of the population - so staff should be aware of this small population size when evaluating dissimilarity index values involving this group.

Table 2 below provides the dissimilarity index values indicating the level of segregation in Los Gatos between white residents and residents who are Black, Latinx, or Asian/Pacific Islander. The table also provides the dissimilarity index between white residents and all residents of color in the jurisdiction, and all dissimilarity index values are shown across three time periods (2000, 2010, and 2020).

In Los Gatos the highest segregation is between Black and white residents (see Table 2). Los Gatos's Black /white dissimilarity index of 0.369 means that 36.9% of Black (or white) residents would need to move to a different neighborhood to create perfect integration between Black residents and white residents. However, local jurisdiction staff should note that this dissimilarity index value is not a reliable data point due to small population size. See callout box above for more information.

The "Bay Area Average" column in this table provides the average dissimilarity index values for these racial group pairings across Bay Area jurisdictions in 2020. The data in this column can be used as a comparison to provide context for the levels of segregation between communities of color are from white residents in this jurisdiction.

For example, Table 2 indicates that the average Latinx/white dissimilarity index for a Bay Area jurisdiction is 0.207, so on average 20.7% of Latinx (or white residents) in a Bay Area jurisdiction would need to move to a different neighborhood within the jurisdiction to create perfect integration between Latinx and white residents in that jurisdiction.

Table 2: Racial Dissimilarity Index Values for Segregation within Los Gatos

	Los Gatos			Bay Area Average
Race	**2000**	**2010**	**2020**	**2020**
Asian/Pacific Islander vs. White	0.106	0.145	0.182	0.185
Black/African American vs. White	0.223*	0.246*	0.369*	0.244
Latinx vs. White	0.119	0.143	0.179	0.207
People of Color vs. White	0.093	0.124	0.157	0.168

Universe: Population.
Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.
Note: If a number is marked with an asterisk (*), it indicates that the index is based on a racial group making up less than 5 percent of the jurisdiction population, leading to unreliable numbers.

Figure 3 below shows how dissimilarity index values in Town of Los Gatos compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each racial group pairing, the spread of dots represents the range of dissimilarity index values among Bay Area jurisdictions. Additionally, the black line within each racial group pairing notes the dissimilarity index value in Los Gatos, and each dashed red line represents the Bay Area average for the dissimilarity index for that pairing. Similar to Figure 2, local staff can use this chart to contextualize how segregation levels between white residents and communities of color in their jurisdiction compare to the rest of the region. However, staff should be mindful of whether a racial group in their jurisdiction has a small population (approximately less than 5% of the jurisdiction's population), as the dissimilarity index value is less reliable for small populations.

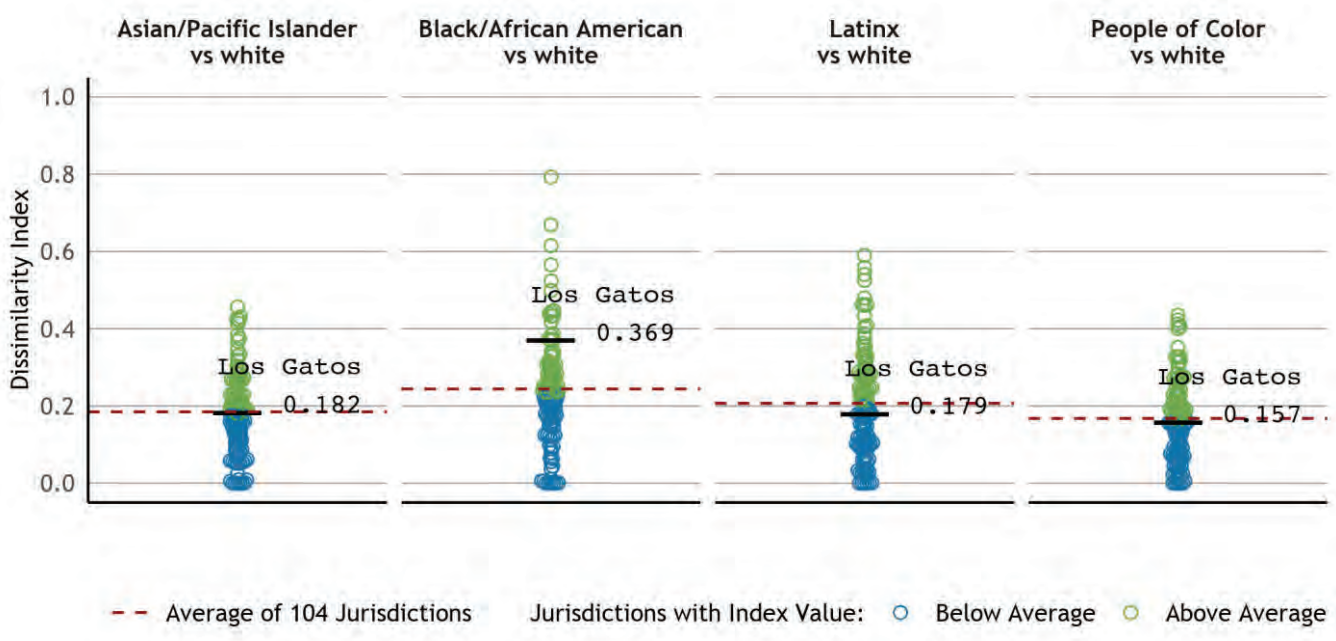


Figure 3: Racial Dissimilarity Index Values for Los Gatos Compared to Other Bay Area Jurisdictions (2020)

Universe: Bay Area Jurisdictions.
Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.
Note: The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Table 4), jurisdiction staff could focus on the isolation index or Thiel's H-Index to gain a more accurate understanding of neighborhood-level racial segregation in their jurisdiction.

The **Theil's H Index** can be used to measure segregation between all groups within a jurisdiction:

- This index measures how diverse each neighborhood is compared to the diversity of the whole city. Neighborhoods are weighted by their size, so that larger neighborhoods play a more significant role in determining the total measure of segregation.
- The index ranges from 0 to 1. A Theil's H Index value of 0 would mean all neighborhoods within a city have the same demographics as the whole city. A value of 1 would mean each group lives exclusively in their own, separate neighborhood.
- For jurisdictions with a high degree of diversity (multiple racial groups comprise more than 10% of the population), Theil's H offers the clearest summary of overall segregation.

The Theil's H Index values for neighborhood racial segregation in Los Gatos for the years 2000, 2010, and 2020 can be found in Table 3 below. The "Bay Area Average" column in the table provides the average Theil's H Index across Bay Area jurisdictions in 2020. Between 2010 and 2020, the Theil's H Index for racial segregation in Los Gatos increased, suggesting that there is now more neighborhood level racial segregation within the jurisdiction. In 2020, the Theil's H Index for racial segregation in Los

Gatos was lower than the average value for Bay Area jurisdictions, indicating that neighborhood level racial segregation in Los Gatos is less than in the average Bay Area city.

Table 3: Theil's H Index Values for Racial Segregation within Los Gatos

	Los Gatos			Bay Area Average
Index	**2000**	**2010**	**2020**	**2020**
Theil's H Multi-racial	0.011	0.015	0.023	0.042

Universe: Population.
Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 4 below shows how Theil's H index values for racial segregation in Los Gatos compare to values in other Bay Area jurisdictions in 2020. In this chart, each dot represents a Bay Area jurisdiction. Additionally, the black line notes the Theil's H index value for neighborhood racial segregation in Los Gatos, and the dashed red line represents the average Theil's H index value across Bay Area jurisdictions. Local staff can use this chart to compare how neighborhood racial segregation levels in their jurisdiction compare to other jurisdictions in the region.

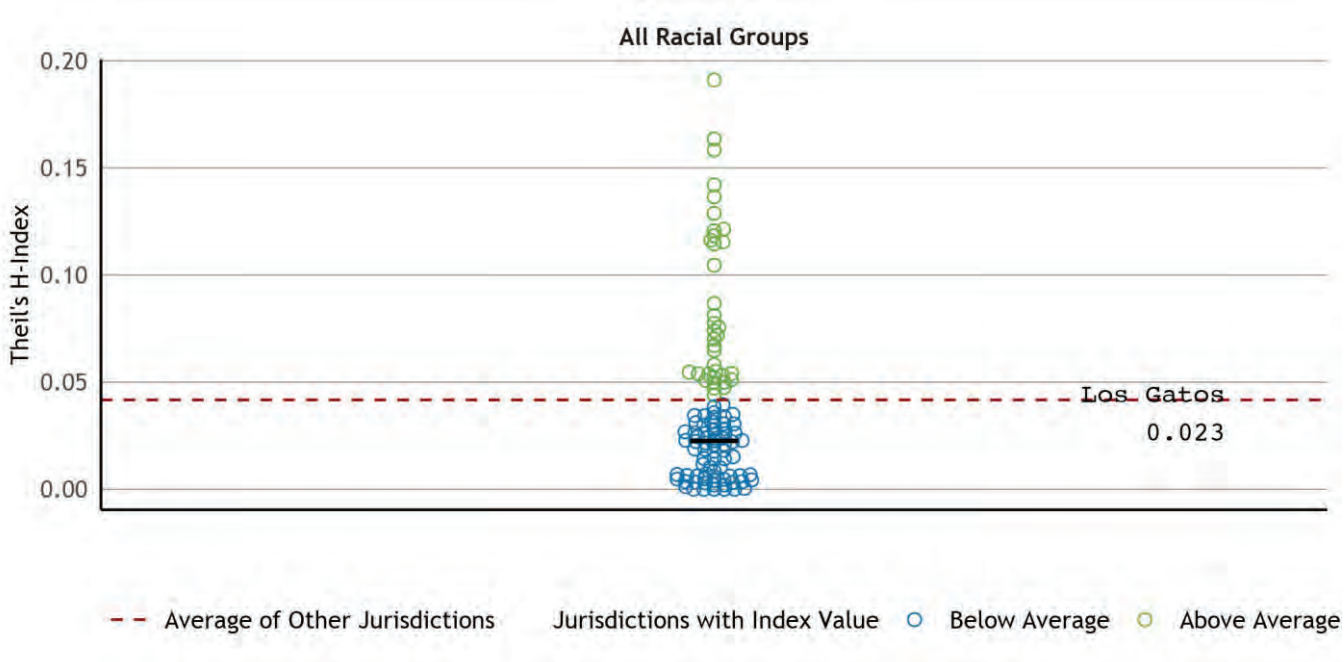


Figure 4: Theil's H Index Values for Racial Segregation in Los Gatos Compared to Other Bay Area Jurisdictions (2020)

Universe: Bay Area Jurisdictions.
Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

2.2 Regional Racial Segregation (*between* Los Gatos and other jurisdictions)

At the regional level, segregation is measured between *cities* instead of between *neighborhoods*. Racial dot maps are not only useful for examining neighborhood racial segregation within a jurisdiction, but these maps can also be used to explore the racial demographic differences between different jurisdictions in the region. Figure 5 below presents a racial dot map showing the spatial distribution of racial groups in Los Gatos as well as in nearby Bay Area cities.

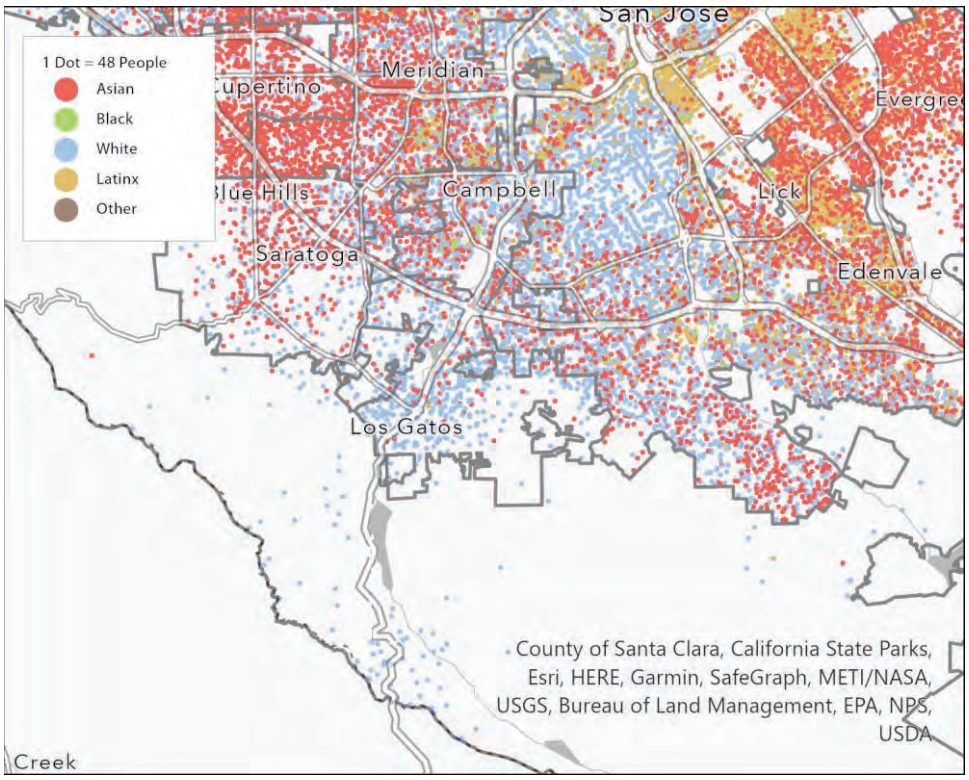


Figure 5: Racial Dot Map of Los Gatos and Surrounding Areas (2020)

Universe: Population.
Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.
Note: The plot shows the racial distribution at the census block level for Town of Los Gatos and vicinity. Dots in each census block are randomly placed and should not be construed as actual placement of people.

To understand how each city contributes to the total segregation of the Bay Area, one can look at the difference in the racial composition of a jurisdiction compared to the racial composition of the region as a whole. The racial demographics in Los Gatos for the years 2000, 2010, and 2020 can be found in Table 4 below. The table also provides the racial composition of the nine-county Bay Area. As of 2020, Los Gatos has a higher share of white residents than the Bay Area as a whole, a lower share of Latinx residents, a lower share of Black residents, and a lower share of Asian/Pacific Islander residents.

Table 4: Population by Racial Group, Los Gatos and the Region

	Los Gatos			Bay Area
Race	**2000**	**2010**	**2020**	**2020**
Asian/Pacific Islander	7.6%	10.9%	18.3%	28.2%
Black/African American	0.8%	0.9%	0.9%	5.6%
Latinx	5.2%	7.2%	9.0%	24.4%
Other or Multiple Races	3.2%	4.0%	6.5%	5.9%
White	83.3%	77.0%	65.3%	35.8%

Universe: Population.
Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 6 below compares the racial demographics in Los Gatos to those of all 109 Bay Area jurisdictions.[11] In this chart, each dot represents a Bay Area jurisdiction. For each racial group, the spread of dots represents the range of that group's representation among Bay Area jurisdictions. Additionally, the black line within each racial group notes the percentage of the population of Town of Los Gatos represented by that group and how that percentage ranks among all 109 jurisdictions. Local staff can use this chart to compare the representation of different racial groups in their jurisdiction to those groups' representation in other jurisdictions in the region, which can indicate the extent of segregation between this jurisdiction and the region.

[11] While comparisons of segregation measures are made only using the 104 jurisdictions with more than one census tract, this comparison of jurisdiction level demographic data can be made using all 109 jurisdictions.

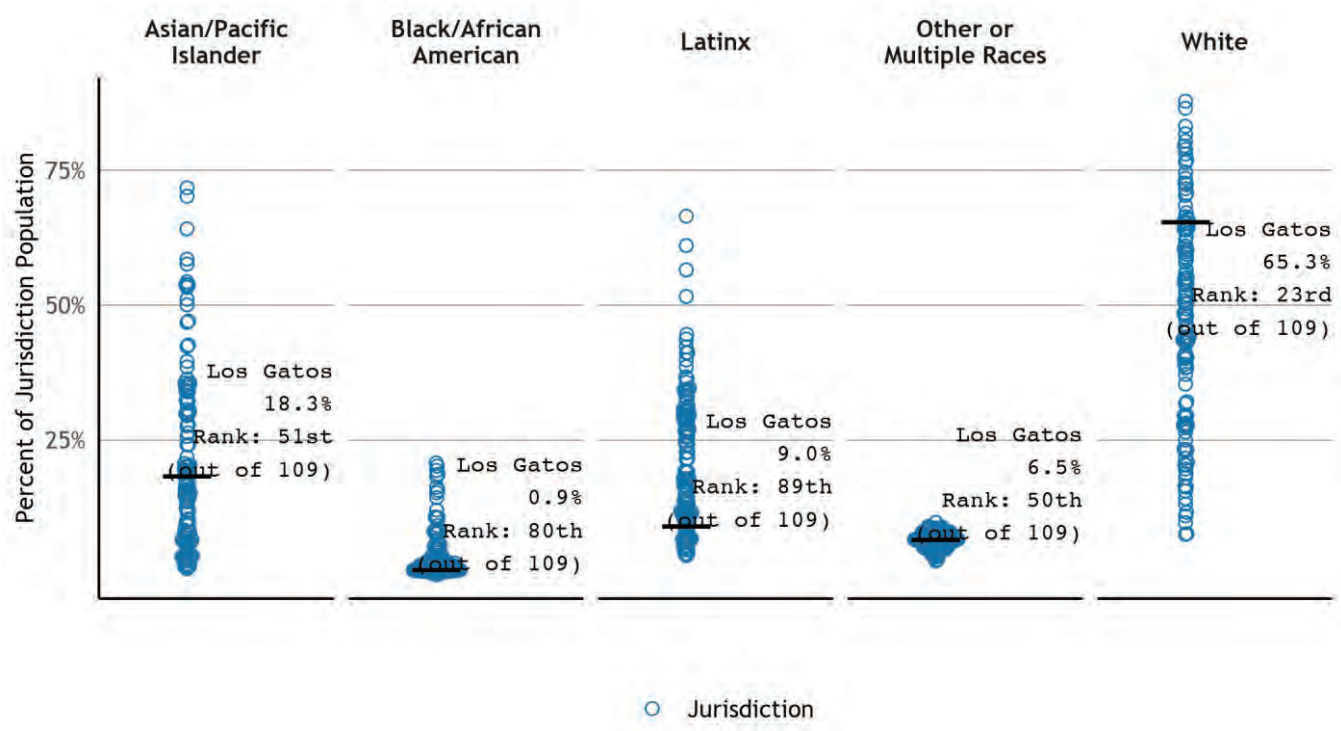


Figure 6: Racial Demographics of Los Gatos Compared to All Bay Area Jurisdictions (2020)

Universe: Bay Area Jurisdictions.
Source U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

The map in Figure 7 below also illustrates regional racial segregation between Los Gatos and other jurisdictions. This map demonstrates how the percentage of people of color in Los Gatos and surrounding jurisdictions compares to the Bay Area as a whole:

- Jurisdictions shaded orange have a share of people of color that is less than the Bay Area as a whole, and the degree of difference is greater than five percentage points.
- Jurisdictions shaded white have a share of people of color comparable to the regional percentage of people of color (within five percentage points).
- Jurisdictions shaded grey have a share of people of color that is more than five percentage points greater than the regional percentage of people of color.

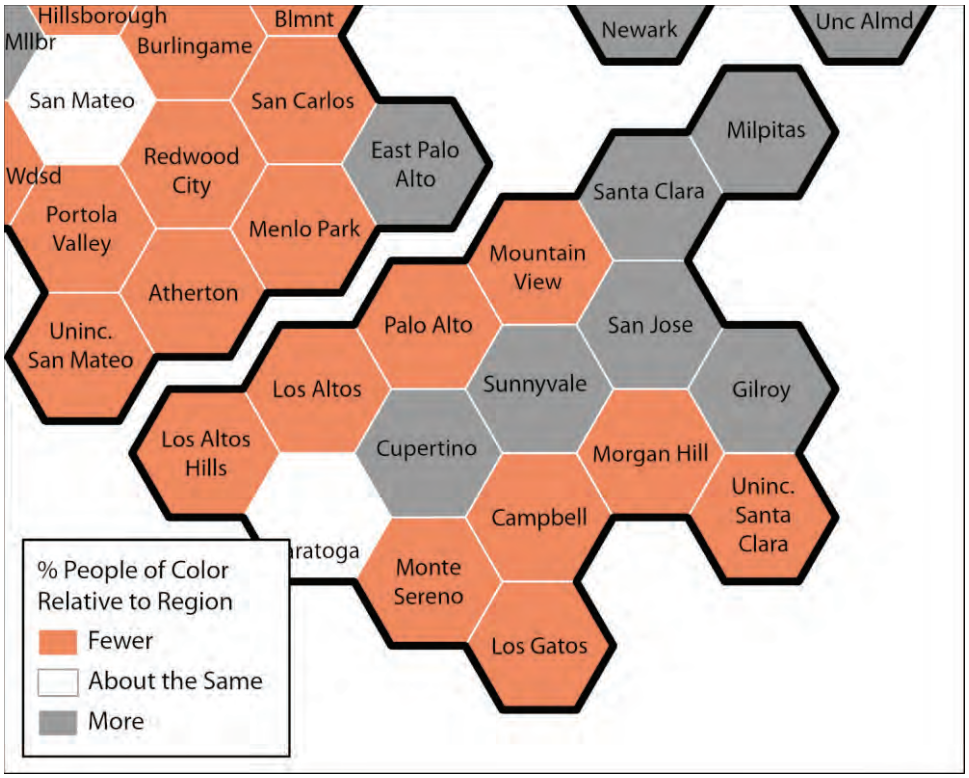


Figure 7: Comparing the Share of People of Color in Los Gatos and Vicinity to the Bay Area (2020)

Universe: Population.
Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.
Note: People of color refer to persons not identifying as non-Hispanic white. The nine-county Bay Area is the reference region for this map.

Segregation between jurisdictions in the region can also be analyzed by calculating regional values for the segregation indices discussed previously. Table 5 presents dissimilarity index, isolation index, and Theil's H index values for racial segregation for the entire nine-county Bay Area in 2010 and 2020. In the previous section of this report focused on neighborhood level racial segregation, these indices were calculated by comparing the racial demographics of the census tracts within a jurisdiction to the demographics of the jurisdiction as a whole. In Table 5, these measures are calculated by comparing the racial demographics of local jurisdictions to the region's racial makeup. For example, looking at the 2020 data, Table 5 shows the white isolation index value for the region is 0.429, meaning that on average white Bay Area residents live in a jurisdiction that is 42.9% white in 2020. An example of regional dissimilarity index values in Table 5 is the Black/white dissimilarity index value of 0.459, which means that across the region 45.9% of Black (or white) residents would need to move to a different jurisdiction to evenly distribute Black and white residents across Bay Area jurisdictions. The dissimilarity index values in Table 5 reflect recommendations made in HCD's AFFH guidance for calculating dissimilarity at the region level.[12] The regional value for the Theil's H index measures how

[12] For more information on HCD's recommendations regarding data considerations for analyzing integration and segregation patterns, see page 31 of the AFFH Guidance Memo.

diverse each Bay Area jurisdiction is compared to the racial diversity of the whole region. A Theil's H Index value of 0 would mean all *jurisdictions* within the Bay Area have the same racial demographics as the entire region, while a value of 1 would mean each racial group lives exclusively in their own separate jurisdiction. The regional Theil's H index value for racial segregation decreased slightly between 2010 and 2020, meaning that racial groups in the Bay Area are now slightly less separated by the borders between jurisdictions.

Table 5: Regional Racial Segregation Measures

Index	Group	2010	2020
Isolation Index Regional Level	Asian/Pacific Islander	0.317	0.378
	Black/African American	0.144	0.118
	Latinx	0.283	0.291
	White	0.496	0.429
	People of Color	0.629	0.682
Dissimilarity Index Regional Level	Asian/Pacific Islander vs. White	0.384	0.369
	Black/African American vs. White	0.475	0.459
	Latinx vs. White	0.301	0.297
	People of Color vs. White	0.296	0.293
Theil's H Multi-racial	All Racial Groups	0.103	0.097

Universe: Population.
Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4.

3 INCOME SEGREGATION IN TOWN OF LOS GATOS

Definition of Terms - Income Groups

When analyzing segregation by income, this report uses income group designations consistent with the Regional Housing Needs Allocation and the Housing Element:

Very low-income: individuals earning less than 50% of Area Median Income (AMI)

Low-income: individuals earning 50%-80% of AMI

Moderate-income: individuals earning 80%-120% of AMI

Above moderate-income: individuals earning 120% or more of AMI

Additionally, this report uses the term "lower-income" to refer to all people who earn less than 80% of AMI, which includes both low-income and very low-income individuals.

The income groups described above are based on U.S. Department of Housing and Urban Development (HUD) calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County).

The income categories used in this report are based on the AMI for the HUD metro area where this jurisdiction is located.

3.1 Neighborhood Level Income Segregation (*within* Los Gatos)

Income segregation can be measured using similar indices as racial segregation. Income dot maps, similar to the racial dot maps shown in Figures 1 and 5, are useful for visualizing segregation between multiple income groups at the same time. The income dot map of Los Gatos in Figure 8 below offers a visual representation of the spatial distribution of income groups within the jurisdiction. As with the racial dot maps, when the dots show lack of a pattern or clustering, income segregation measures tend to be lower, and conversely, when clusters are apparent, the segregation measures may be higher as well.

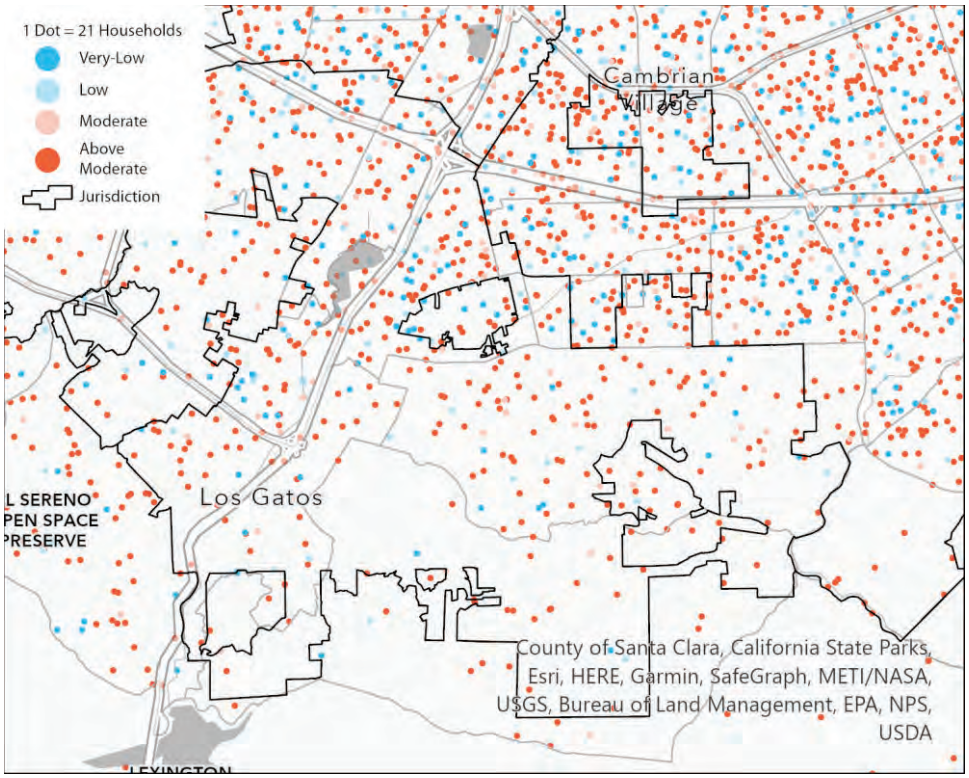


Figure 8: Income Dot Map of Los Gatos (2015)

Universe: Population.
Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.
Note: The plot shows the income group distribution at the census block group level for Town of Los Gatos and vicinity. Dots in each block group are randomly placed and should not be construed as actual placement of individuals.

The isolation index values for all income groups in Los Gatos for the years 2010 and 2015 can be found in Table 6 below.[13] Above Moderate-income residents are the most isolated income group in Los Gatos. Los Gatos's isolation index of 0.619 for these residents means that the average Above Moderate-income resident in Los Gatos lives in a neighborhood that is 61.9% Above Moderate-income. Among all income groups, the Above Moderate-income population's isolation index has changed the most over time, becoming less segregated from other income groups between 2010 and 2015.

Similar to the tables presented earlier for neighborhood racial segregation, the "Bay Area Average" column in Table 6 provides the average isolation index value across Bay Area jurisdictions for different income groups in 2015. The data in this column can be used as a comparison to provide context for the levels of segregation experienced by income groups in this jurisdiction. For example, Table 6 indicates the average isolation index value for very low-income residents across Bay Area jurisdictions is 0.269,

[13] This report presents data for income segregation for the years 2010 and 2015, which is different than the time periods used for racial segregation. This deviation stems from the data source recommended for income segregation calculations in HCD's AFFH Guidelines. This data source most recently updated with data from the 2011-2015 American Community Survey 5-year estimates. For more information on HCD's recommendations for calculating income segregation, see page 32 of HCD's AFFH Guidelines.

meaning that in the average Bay Area jurisdiction a very low-income resident lives in a neighborhood that is 26.9% very low-income.

Table 6: Income Group Isolation Index Values for Segregation within Los Gatos

	Los Gatos		Bay Area Average
Income Group	**2010**	**2015**	**2015**
Very Low-Income (<50% AMI)	0.125	0.162	0.269
Low-Income (50%-80% AMI)	0.067	0.115	0.145
Moderate-Income (80%-120% AMI)	0.135	0.166	0.183
Above Moderate-Income (>120% AMI)	0.728	0.619	0.507

Universe: Population.
Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 9 below shows how income group isolation index values in Los Gatos compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each income group, the spread of dots represents the range of isolation index values among Bay Area jurisdictions. Additionally, the black line within each income group notes the isolation index value for that group in Los Gatos, and each dashed red line represents the Bay Area average for the isolation index for that group. Local staff can use this chart to contextualize how segregation levels for income groups in their jurisdiction compare to the rest of the region.

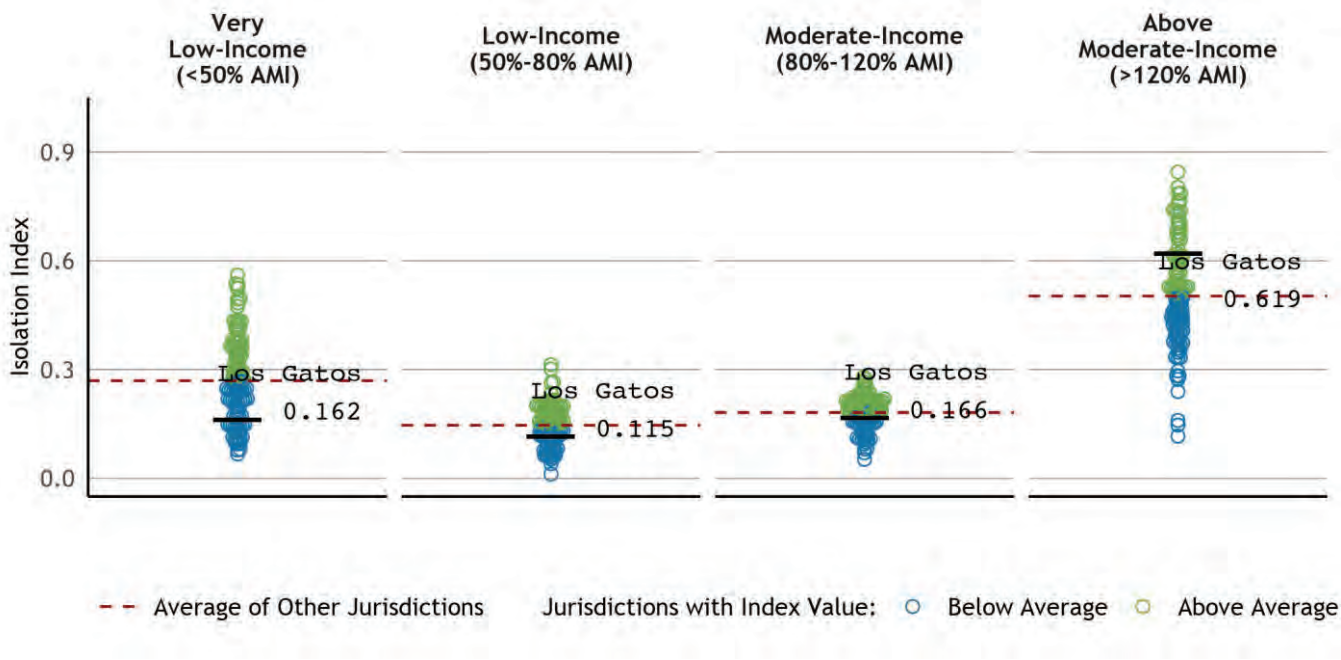


Figure 9: Income Group Isolation Index Values for Los Gatos Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions.
Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

Table 7 below provides the dissimilarity index values indicating the level of segregation in Los Gatos between residents who are lower-income (earning less than 80% of AMI) and those who are not lower-income (earning above 80% of AMI). This data aligns with the requirements described in HCD's AFFH Guidance Memo for identifying dissimilarity for lower-income households.[14] Segregation in Los Gatos between lower-income residents and residents who are not lower-income increased between 2010 and 2015. Additionally, Table 7 shows dissimilarity index values for the level of segregation in Albany between residents who are very low-income (earning less than 50% of AMI) and those who are above moderate-income (earning above 120% of AMI). This supplementary data point provides additional nuance to an analysis of income segregation, as this index value indicates the extent to which a jurisdiction's lowest and highest income residents live in separate neighborhoods.

Similar to other tables in this report, the "Bay Area Average" column shows the average dissimilarity index values for these income group pairings across Bay Area jurisdictions in 2015. For example, Table 7 indicates that the average dissimilarity index between lower-income residents and other residents in a Bay Area jurisdiction is 0.198, so on average 19.8% of lower-income residents in a Bay Area jurisdiction would need to move to a different neighborhood within the jurisdiction to create perfect income group integration in that jurisdiction.

[14] For more information, see page 32 of HCD's AFFH Guidance Memo.

In 2015, the income segregation in Los Gatos between lower-income residents and other residents was higher than the average value for Bay Area jurisdictions (See Table 7). This means that the lower-income residents are more segregated from other residents within Los Gatos compared to other Jurisdictions in the region.

Table 7: Income Group Dissimilarity Index Values for Segregation within Los Gatos

	Los Gatos		Bay Area Average
Income Group	**2010**	**2015**	**2015**
Below 80% AMI vs. Above 80% AMI	0.142	0.226	0.198
Below 50% AMI vs. Above 120% AMI	0.194	0.234	0.253

Universe: Population.
Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 10 below shows how dissimilarity index values for income segregation in Los Gatos compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each income group pairing, the spread of dots represents the range of dissimilarity index values among Bay Area jurisdictions. Additionally, the black line within each income group pairing notes the dissimilarity index value in Los Gatos, and each dashed red line represents the Bay Area average for the dissimilarity index for that pairing. Local staff can use this chart to contextualize how segregation levels between lower-income residents and wealthier residents in their jurisdiction compared to the rest of the region.

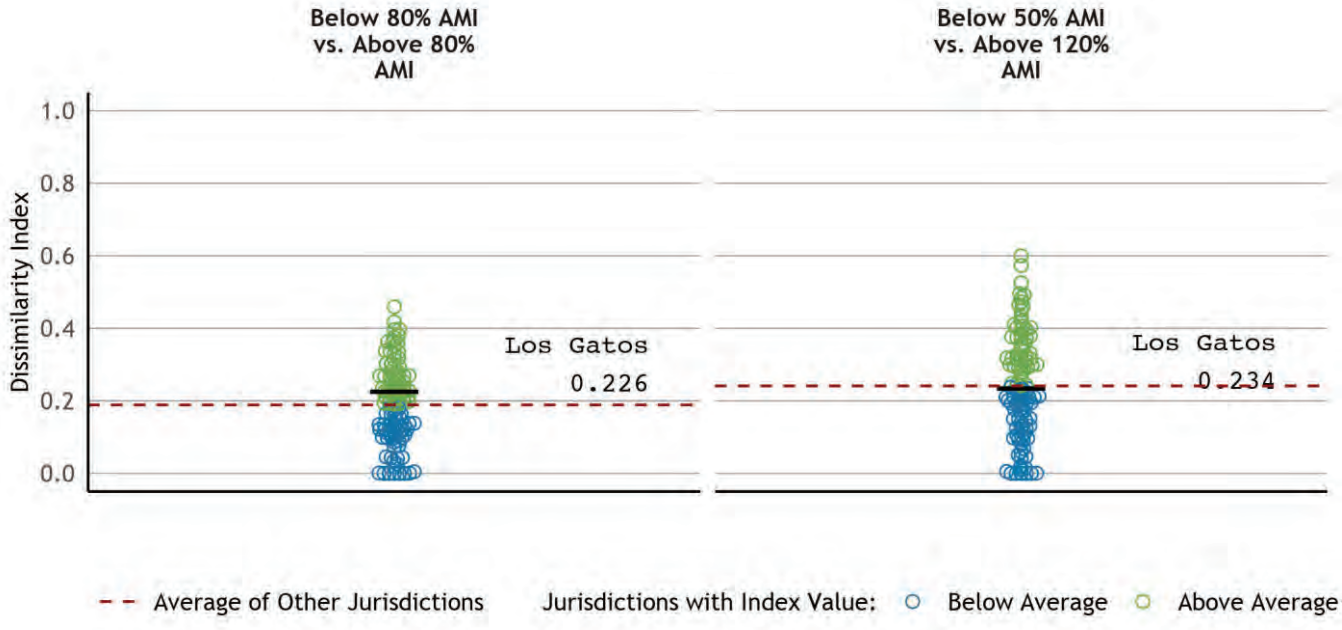


Figure 10: Income Group Dissimilarity Index Values for Los Gatos Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions.
Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

The Theil's H Index values for neighborhood income group segregation in Los Gatos for the years 2010 and 2015 can be found in Table 8 below. The "Bay Area Average" column in this table provides the average Theil's H Index value across Bay Area jurisdictions for different income groups in 2015. By 2015, the Theil's H Index value for income segregation in Los Gatos was about the same amount as it had been in 2010. In 2015, the Theil's H Index value for income group segregation in Los Gatos was lower than the average value for Bay Area jurisdictions, indicating there is less neighborhood level income segregation in Los Gatos than in the average Bay Area city.

Table 8: Theil's H Index Values for Income Segregation within Los Gatos

	Los Gatos		Bay Area Average
Index	**2010**	**2015**	**2015**
Theil's H Multi-income	0.030	0.028	0.043

Universe: Population.
Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 11 below shows how Theil's H index values for income group segregation in Los Gatos compare to values in other Bay Area jurisdictions in 2015. In this chart, each dot represents a Bay Area jurisdiction. Additionally, the black line notes the Theil's H index value for income group segregation in Los Gatos, and the dashed red line represents the average Theil's H index value across Bay Area jurisdictions. Local staff can use this chart to compare how neighborhood income group segregation levels in their jurisdiction compare to other jurisdictions in the region.

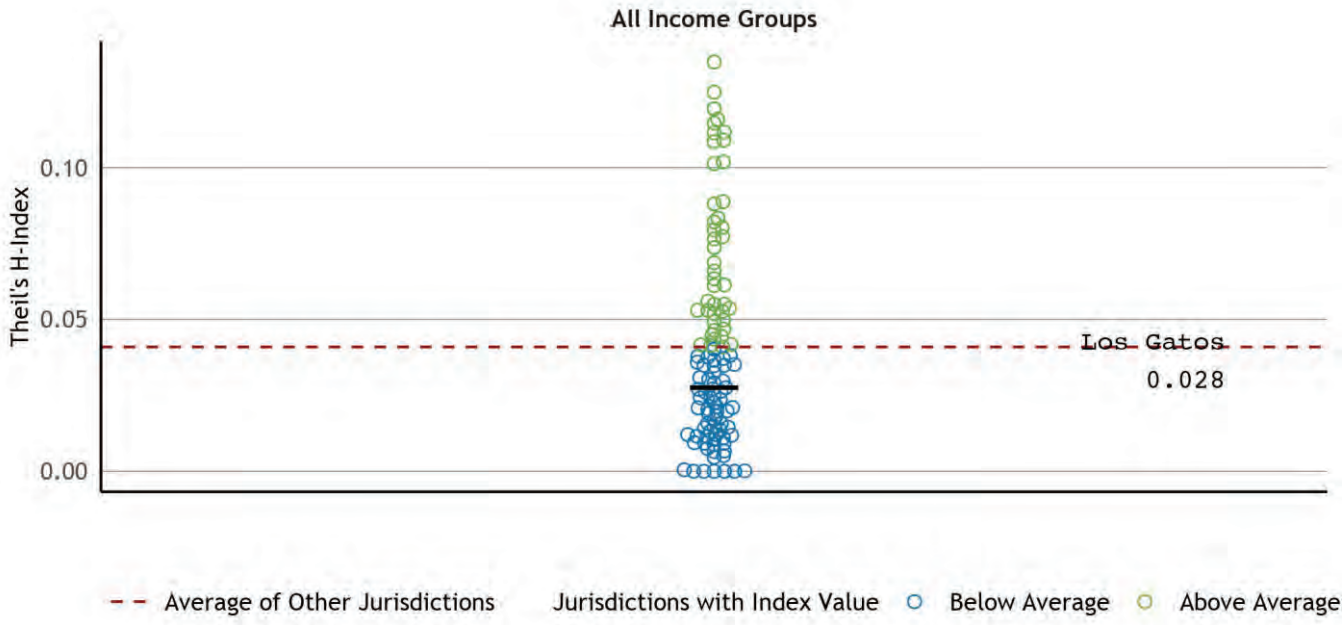


Figure 11: Income Group Theil's H Index Values for Los Gatos Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions.
Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

3.2 Regional Income Segregation (*between* Los Gatos and other jurisdictions)

At the regional level, segregation is measured between jurisdictions instead of between neighborhoods. Income dot maps are not only useful for examining neighborhood income segregation within a jurisdiction, but these maps can also be used to explore income demographic differences between jurisdictions in the region. Figure 12 below presents an income dot map showing the spatial distribution of income groups in Los Gatos as well as in nearby Bay Area jurisdictions.

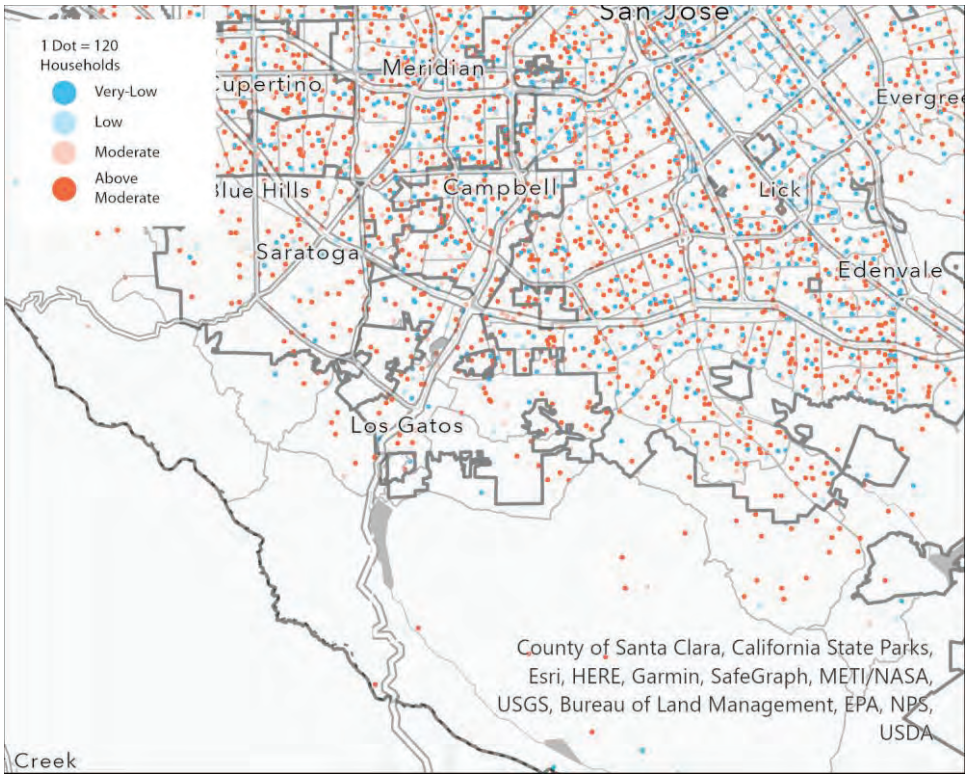


Figure 12: Income Dot Map of Los Gatos and Surrounding Areas (2015)

Universe: Population.
Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.
Note: The plot shows the income group distribution at the census block group level for Town of Los Gatos and vicinity. Dots in each block group are randomly placed and should not be construed as actual placement of individuals.

When looking at income segregation between jurisdictions in the Bay Area, one can examine how Los Gatos differs from the region. The income demographics in Los Gatos for the years 2010 and 2015 can be found in Table 9 below. The table also provides the income composition of the nine-county Bay Area in 2015. As of that year, Los Gatos had a lower share of very low-income residents than the Bay Area as a whole, a lower share of low-income residents, a lower share of moderate-income residents, and a higher share of above moderate-income residents.

Table 9: Population by Income Group, Los Gatos and the Region

	Los Gatos		Bay Area
Income Group	**2010**	**2015**	**2015**
Very Low-Income (<50% AMI)	10.83%	14.29%	28.7%
Low-Income (50%-80% AMI)	6.56%	10.57%	14.3%
Moderate-Income (80%-120% AMI)	11%	16.34%	17.6%
Above Moderate-Income (>120% AMI)	71.62%	58.8%	39.4%

Universe: Population.
Source: Data for 2015 is from Housing U.S. Department of and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 13 below compares the income demographics in Los Gatos to other Bay Area jurisdictions.[15] Like the chart in Figure 3, each dot represents a Bay Area jurisdiction. For each income group, the spread of dots represents the range of that group's representation among Bay Area jurisdictions. The smallest range is among jurisdictions' moderate-income populations, while Bay Area jurisdictions vary the most in the share of their population that is above moderate-income. Additionally, the black lines within each income group note the percentage of Los Gatos population represented by that group and how that percentage ranks among other jurisdictions. Local staff can use this chart to compare the representation of different income groups in their jurisdiction to those groups' representation in other jurisdictions in the region, which can indicate the extent of segregation between this jurisdiction and the region.

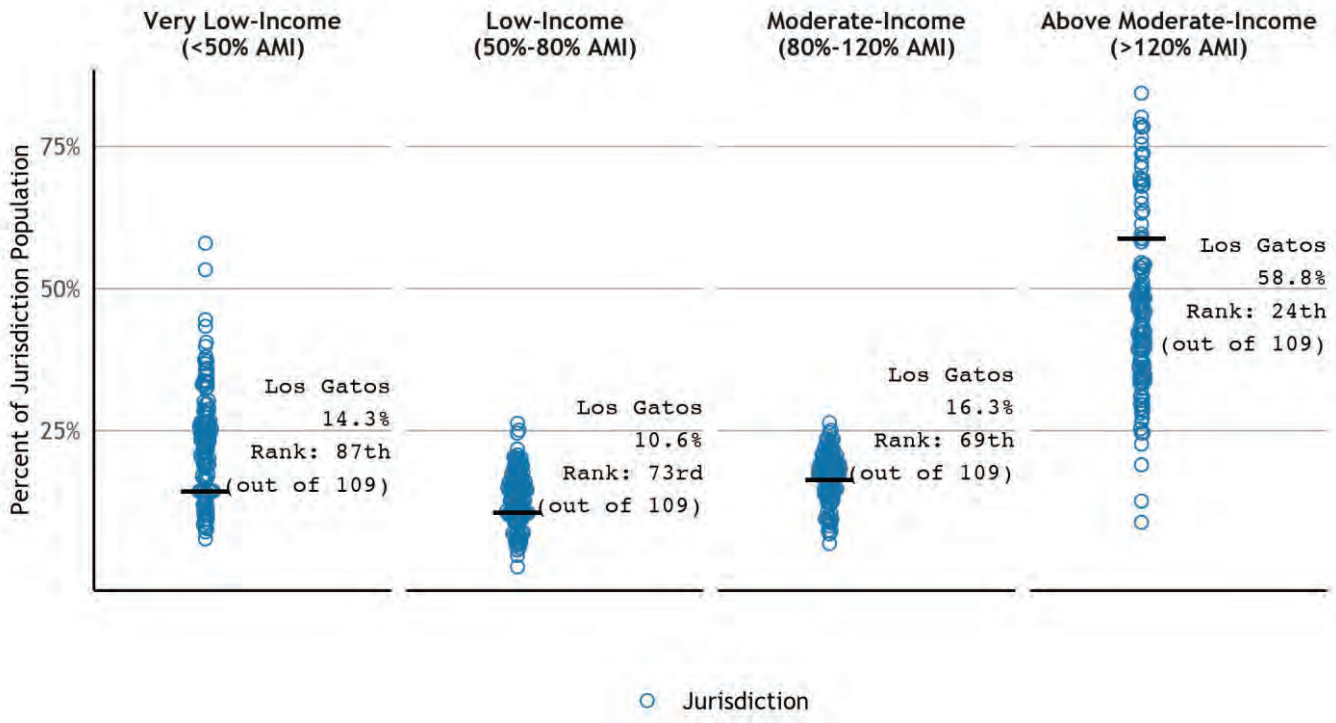


Figure 13: Income Demographics of Los Gatos Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions.
Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

[15] While comparisons of segregation measures are made only using the 104 jurisdictions with more than one census tract, this comparison of jurisdiction level demographic data can be made using all 109 jurisdictions.

Income segregation between jurisdictions in the region can also be analyzed by calculating regional values for the segregation indices discussed previously. Similar to the regional racial segregation measures shown in Table 5, Table 10 presents dissimilarity index, isolation index, and Theil's H index values for income segregation for the entire nine-county Bay Area in 2010 and 2015. In the previous section of this report focused on neighborhood level income segregation, segregation indices were calculated by comparing the income demographics of the census tracts within a jurisdiction to the demographics of the jurisdiction as a whole. In Table 10, these measures are calculated by comparing the income demographics of local jurisdictions to the region's income group makeup. For example, looking at 2015 data, Table 10 shows the regional isolation index value for very low-income residents is 0.315 for 2015, meaning that on average very low-income Bay Area residents live in a jurisdiction that is 31.5% very low-income. The regional dissimilarity index for lower-income residents and other residents is 0.194 in 2015, which means that across the region 19.4% of lower-income residents would need to move to a different jurisdiction to create perfect income group integration in the Bay Area as a whole. The regional value for the Theil's H index measures how diverse each Bay Area jurisdiction is compared to the income group diversity of the whole region. A Theil's H Index value of 0 would mean all jurisdictions within the Bay Area have the same income demographics as the entire region, while a value of 1 would mean each income group lives exclusively in their own separate jurisdiction. The regional Theil's H index value for income segregation decreased slightly between 2010 and 2015, meaning that income groups in the Bay Area are now slightly less separated by the borders between jurisdictions.

Table 10: Regional Income Segregation Measures

Index	Group	2010	2015
Isolation Index Regional Level	Very Low-Income (<50% AMI)	0.277	0.315
	Low-Income (50%-80% AMI)	0.157	0.154
	Moderate-Income (80%-120% AMI)	0.185	0.180
	Above Moderate-Income (>120% AMI)	0.467	0.435
Dissimilarity Index Regional Level	Below 80% AMI vs. Above 80% AMI	0.186	0.194
	Below 50% AMI vs. Above 120% AMI	0.238	0.248
Theil's H Multi-income	All Income Groups	0.034	0.032

Universe: Population.
Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

4 APPENDIX 1: SUMMARY OF FINDINGS

4.1 Segregation in Town of Los Gatos

- The isolation index measures the segregation of a single group, and the dissimilarity index measures segregation between two different groups. The Theil's H-Index can be used to measure segregation between all racial or income groups across the city at once.
- As of 2020, white residents are the most segregated compared to other racial groups in Los Gatos, as measured by the isolation index. White residents live in neighborhoods where they are less likely to come into contact with other racial groups.
- Among all racial groups, the white population's isolation index value has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.
- According to the dissimilarity index, within Los Gatos the highest level of racial segregation is between Black and white residents.[16] However, local jurisdiction staff should note that this dissimilarity index value is not a reliable data point due to small population size.
- According to the Theil's H-Index, neighborhood racial segregation in Los Gatos increased between 2010 and 2020. Neighborhood income segregation stayed about the same between 2010 and 2015.
- Above Moderate-income residents are the most segregated compared to other income groups in Los Gatos. Above Moderate-income residents live in neighborhoods where they are less likely to encounter residents of other income groups.
- Among all income groups, the Above Moderate-income population's segregation measure has changed the most over time, becoming less segregated from other income groups between 2010 and 2015.
- According to the dissimilarity index, segregation between lower-income residents and residents who are not lower-income has increased between 2010 and 2015. In 2015, the income segregation in Los Gatos between lower-income residents and other residents was higher than the average value for Bay Area jurisdictions.

4.2 Segregation Between Town of Los Gatos and Other jurisdictions in the Bay Area Region

- Los Gatos has a higher share of white residents than other jurisdictions in the Bay Area as a whole, a lower share of Latinx residents, a lower share of Black residents, and a lower share of Asian/Pacific Islander residents.

[16] The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Table 15 in Appendix 2), jurisdiction staff could focus on the isolation index or Thiel's H-Index to gain a more accurate understanding of neighborhood-level racial segregation in their jurisdiction.

- Regarding income groups, Los Gatos has a lower share of very low-income residents than other jurisdictions in the Bay Area as a whole, a lower share of low-income residents, a lower share of moderate-income residents, and a higher share of above moderate-income residents.

5 APPENDIX 2: SEGREGATION DATA

Appendix 2 combines tabular data presented throughout this report into a more condensed format. This data compilation is intended to enable local jurisdiction staff and their consultants to easily reference this data and re-use the data in the Housing Element or other relevant documents/analyses.

Table 11 in this appendix combines data from Table 1, Table 2, and Table 3 in the body of the report. Table 12 in this appendix combines data from Table 6, Table 7, and Table 8 in the body of the report. Table 13 represents a duplication of Table 5 in the body of the report; Table 14 represents a duplication of Table 10 in the body of the report; Table 15 in this appendix represents a duplication of Table 4 in the body of the report, while Table 16 represents a duplication of Table 9 in the body of the report.

Table 11: Neighborhood Racial Segregation Levels in Los Gatos

		Los Gatos			Bay Area Average
Index	**Race**	**2000**	**2010**	**2020**	**2020**
Isolation	Asian/Pacific Islander	0.079	0.118	0.197	0.245
	Black/African American	0.009	0.012	0.022	0.053
	Latinx	0.059	0.082	0.104	0.251
	White	0.838	0.774	0.663	0.491
Dissimilarity	Asian/Pacific Islander vs. White	0.106	0.145	0.182	0.185
	Black/African American vs. White	0.223*	0.246*	0.369*	0.244
	Latinx vs. White	0.119	0.143	0.179	0.207
	People of Color vs. White	0.093	0.124	0.157	0.168
Theil's H Multi-racial	All	0.011	0.015	0.023	0.042

Universe: Population.
Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.
Note: If a number is marked with an asterisk (*), it indicates that the index is based on a racial group making up less than 5 percent of the jurisdiction population, leading to unreliable numbers.

Table 12: Neighborhood Income Segregation Levels in Los Gatos

		Los Gatos		Bay Area Average
Index	**Income Group**	**2010**	**2015**	**2015**
Isolation	Very Low-Income (<50% AMI)	0.125	0.162	0.269
	Low-Income (50%-80% AMI)	0.067	0.115	0.145
	Moderate-Income (80%-120% AMI)	0.135	0.166	0.183
	Above Moderate-Income (>120% AMI)	0.728	0.619	0.507
Dissimilarity	Below 80% AMI vs. Above 80% AMI	0.142	0.226	0.198
	Below 50% AMI vs. Above 120% AMI	0.194	0.234	0.253
Theil's H Multi-racial	All	0.030	0.028	0.043

Universe: Population.
Source: Income data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Table 13: Regional Racial Segregation Measures

Index	Group	2010	2020
Isolation Index Regional Level	Asian/Pacific Islander	0.317	0.378
	Black/African American	0.144	0.118
	Latinx	0.283	0.291
	White	0.496	0.429
	People of Color	0.629	0.682
Dissimilarity Index Regional Level	Asian/Pacific Islander vs. White	0.384	0.369
	Black/African American vs. White	0.475	0.459
	Latinx vs. White	0.301	0.297
	People of Color vs. White	0.296	0.293
Theil's H Multi-racial	All Racial Groups	0.103	0.097

Universe: Population.
Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4.

Table 14: Regional Income Segregation Measures

Index	Group	2010	2015
Isolation Index Regional Level	Very Low-Income (<50% AMI)	0.277	0.315
	Low-Income (50%-80% AMI)	0.157	0.154
	Moderate-Income (80%-120% AMI)	0.185	0.180
	Above Moderate-Income (>120% AMI)	0.467	0.435
Dissimilarity Index Regional Level	Below 80% AMI vs. Above 80% AMI	0.186	0.194
	Below 50% AMI vs. Above 120% AMI	0.238	0.248
Theil's H Multi-income	All Income Groups	0.034	0.032

Universe: Population.
Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Table 15: Population by Racial Group, Los Gatos and the Region

	Los Gatos			Bay Area
Race	**2000**	**2010**	**2020**	**2020**
Asian/Pacific Islander	7.55%	10.95%	18.28%	35.8%
Black/African American	0.76%	0.86%	0.89%	5.6%
Latinx	5.21%	7.21%	9%	28.2%
Other or Multiple Races	3.16%	3.95%	6.55%	24.4%
White	83.31%	77.03%	65.29%	5.9%

Universe: Population.
Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Table 16: Population by Income Group, Los Gatos and the Region

	Los Gatos		Bay Area
Income Group	**2010**	**2015**	**2015**
Very Low-Income (<50% AMI)	10.83%	14.29%	28.7%
Low-Income (50%-80% AMI)	6.56%	10.57%	14.3%
Moderate-Income (80%-120% AMI)	11%	16.34%	17.6%
Above Moderate-Income (>120% AMI)	71.62%	58.8%	39.4%

Universe: Population.
Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

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Sites Inventory Form

APPENDIX H

Please Start Here, Instructions in Cell A2, Table in A3:B17	Form Fields
Site Inventory Forms must be submitted to HCD for a housing element or amendment adopted on or after January 1, 2021. The following form is to be used for satisfying this requirement. To submit the form, complete the Excel spreadsheet and submit to HCD at sitesinventory@hcd.ca.gov. Please send the Excel workbook, not a scanned or PDF copy of the tables.	
General Information	
Jurisidiction Name	LOS GATOS
Housing Element Cycle	6th
Contact Information	
First Name	Joel
Last Name	Paulson
Title	Community Development Director
Email	Jpaulson@losgatosca.gov
Phone	4083546879
Mailing Address	
Street Address	110 East Main Street
City	Los Gatos
Zip Code	94538
Website	
	https://www.losgatosca.gov/897/Planning

Table A: Housing Element Sites Inventory, Table Starts in Cell A2 For Santa Clara County jurisdictions, please format the APNs as follows: 999-99-999

Jurisdiction Name	Site Address/Intersection	5 Digit ZIP Code	Assessor Parcel Number	Consolidated Sites	General Plan Designation (Current)	Zoning Designation (Current)	Minimum Density Allowed (units/acre)	Maximum Density Allowed (units/acre)	Parcel Size (Acres)	Existing Use/Vacancy	Infrastructure	Publicly-Owned	Site Status	Identified in Last/Last Two Planning Cycle(s)	Lower Income Capacity	Moderate Income Capacity	Above Moderate Income Capacity	Total Capacity	Optional Information1	Optional Information2	Optional Information3
LOS GATOS																		0			

Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need, Table Starts in Cell A2

For Santa Clara County jurisdictions, please format the APNs as follows: 999-99-999

Jurisdiction Name	Site Address/Intersection	5 Digit ZIP Code	Assessor Parcel Number	Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income	Type of Shortfall	Parcel Size (Acres)	Current General Plan Designation	Current Zoning	Proposed General Plan (GP) Designation	Proposed Zoning	Minimum Density Allowed	Maximum Density Allowed	Total Capacity	Vacant/ Nonvacant	Description of Existing Uses	Infrastructure	Optional Information1	Optional Information2	Optional Information3
LOS GATOS	50 Park Avenue	95030	529-01-040	0	0	0	1	Unaccommodated Ne	0.18	Medium Density Resi	R-1D	Medium Density Resi	R-1D:HEOZ	5	12	1	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	61 Montebello Way	95030	529-01-041	0	0	0	4	Unaccommodated Ne	0.69	Medium Density Resi	R-1D	Medium Density Resi	R-1D:HEOZ	5	12	4	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	101 S. Santa Cruz Avenue	95030	529-01-022	0	0	0	16	Unaccommodated Ne	0.8	Central Business Dis	C-2	Central Business Dis	C-2:HEOZ	20	30	16	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	165 Los Gatos-Saratoga Road	95030	529-04-083	0	0	0	7	Unaccommodated Ne	0.37	Central Business Dis	C-2	Central Business Dis	C-2:HEOZ	20	30	7	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	50 Los Gatos-Saratoga Road	95030	529-24-032	76	75	51	9	Unaccommodated Ne	7.04	Mixed Use Commerc	CH:PD	Mixed Use Commerc	CH:PD:HEOZ	30	40	211	Non-Vacant	Hotel/motel	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	Los Gatos-Saratoga Road	95030	529-24-001	9	9	9	18	Unaccommodated Ne	1.49	Mixed Use Commerc	CH:PD	Mixed Use Commerc	CH:PD:HEOZ	30	40	45	Non-Vacant	Hotel/motel	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	Los Gatos-Saratoga Road	95030	529-24-003	1	2	2	3	Unaccommodated Ne	0.28	Mixed Use Commerc	CH:PD	Mixed Use Commerc	CH:PD:HEOZ	30	40	8	Non-Vacant	Hotel/motel	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	15300 Los Gatos Boulevard	95032	424-17-036	24	9	9	6	Unaccommodated Ne	1.6	Mixed Use Commerc	C-1	Mixed Use Commerc	C-1:HEOZ	30	40	48	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	15349 Los Gatos Boulevard	95032	424-19-049	5	2	2	1	Unaccommodated Ne	0.34	Mixed Use Commerc	CH	Mixed Use Commerc	CH:HEOZ	30	40	10	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	15367 Los Gatos Boulevard	95032	424-19-048	18	8	8	2	Unaccommodated Ne	1.2	Mixed Use Commerc	CH	Mixed Use Commerc	CH:HEOZ	30	40	36	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	15405 Los Gatos Boulevard	95032	424-19-069	20	8	8	4	Unaccommodated Ne	1.34	Mixed Use Commerc	CH	Mixed Use Commerc	CH:HEOZ	30	40	40	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	15425 Los Gatos Boulevard	95032	424-19-067	16	7	7	3	Unaccommodated Ne	1.09	Mixed Use Commerc	CH	Mixed Use Commerc	CH:HEOZ	30	40	33	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	15795 Los Gatos Boulevard	95032	529-15-059	9	4	4	2	Unaccommodated Ne	0.64	Mixed Use Commerc	CH	Mixed Use Commerc	CH:HEOZ	30	40	19	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	16203 Los Gatos Boulevard	95032	529-16-069	12	5	5	2	Unaccommodated Ne	0.79	Mixed Use Commerc	CH	Mixed Use Commerc	CH:HEOZ	30	40	24	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	Conceptual Development Advisory Committee application for a mixed-	
LOS GATOS	16492 Los Gatos Boulevard	95032	532-07-086	0	0	0	2	Unaccommodated Ne	0.23	Low Density Residen	C-1	Low Density Residen	C-1:HEOZ	10	20	2	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	Los Gatos Boulevard	95032	532-07-085	0	0	0	4	Unaccommodated Ne	0.38	Neighborhood Comm	C-1	Neighborhood Comm	C-1:HEOZ	10	20	4	Vacant	Vacant	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	16151 Los Gatos Boulevard	95032	529-16-040	53	21	21	11	Unaccommodated Ne	3.52	Mixed Use Commerc	CH	Mixed Use Commerc	CH:HEOZ	30	40	106	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	620 Blossom Hill Road	95032	529-16-041	39	16	16	8	Unaccommodated Ne	2.64	Mixed Use Commerc	CH	Mixed Use Commerc	CH:HEOZ	30	40	79	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	15480 Los Gatos Boulevard	95032	424-14-034	9	3	3	2	Unaccommodated Ne	0.56	Mixed Use Commerc	CH	Mixed Use Commerc	CH:HEOZ	30	40	17	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	15500 Los Gatos Boulelvard	95032	424-14-035	59	23	23	12	Unaccommodated Ne	3.9	Mixed Use Commerc	CH	Mixed Use Commerc	CH:HEOZ	30	40	117	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	Property Owner Interest Form Submitted	
LOS GATOS	14859 Los Gatos Boulevard	95032	424-07-094	44	13	13	17	Shortfall of Sites	2.9	North Forty Specific F	North Forty Specific F	North Forty Specific F	North Forty Specific F	30	40	87	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	Property Owner has been involved in submitting public comments on t	
LOS GATOS	16392 Los Gatos Boulevard	95032	424-07-095	12	3	3	5	Shortfall of Sites	0.78	North Forty Specific F	North Forty Specific F	North Forty Specific F	North Forty Specific F	30	40	23	Non-Vacant	Vacant	YES - Current	Housing Element Overlay Zone	Property Owner has been involved in submitting public comments on t	
LOS GATOS	16260 Burton Road	95032	424-07-053	6	2	2	3	Shortfall of Sites	0.44	North Forty Specific F	North Forty Specific F	North Forty Specific F	North Forty Specific F	30	40	13	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	Property Owner has been involved in submitting public comments on t	
LOS GATOS	16250 Burton Road	95032	424-07-009	6	2	2	3	Unaccommodated Ne	0.44	North Forty Specific F	North Forty Specific F	North Forty Specific F	North Forty Specific F	30	40	13	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	Property Owner has been involved in submitting public comments on t	
LOS GATOS	14917 Los Gatos Boulevard	95032	424-07-081	56	17	17	22	Unaccommodated Ne	3.74	North Forty Specific F	North Forty Specific F	North Forty Specific F	North Forty Specific F	30	40	112	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	Property Owner has been involved in submitting public comments on t	
LOS GATOS	14925 Los Gatos Boulevard	95032	424-07-115	91	27	27	37	Unaccommodated Ne	6.07	North Forty Specific F	North Forty Specific F	North Forty Specific F	North Forty Specific F	30	40	182	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	Property Owner has been involved in submitting public comments on t	
LOS GATOS	Los Gatos Boulevard	95032	424-07-116	15	5	5	6	Shortfall of Sites	1.02	North Forty Specific F	North Forty Specific F	North Forty Specific F	North Forty Specific F	30	40	31	Non-Vacant	Vacant	YES - Current	Housing Element Overlay Zone	Property Owner has been involved in submitting public comments on t	
LOS GATOS	16245 Burton Road	95032	424-06-115	18	5	5	7	Unaccommodated Ne	1.17	North Forty Specific F	North Forty Specific F	North Forty Specific F	North Forty Specific F	30	40	35	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	No; however, the parcel is located within Phase II of the North 40 Spec	
LOS GATOS	Burton Road	95032	424-06-116	2	0	0	1	Unaccommodated Ne	0.11	North Forty Specific F	North Forty Specific F	North Forty Specific F	North Forty Specific F	30	40	3	Vacant	Vacant	YES - Current	Housing Element Overlay Zone	No; however, the parcel is located within Phase II of the North 40 Spec	
LOS GATOS	16240 Burton Road	95032	424-07-010	4	1	1	2	Shortfall of Sites	0.26	North Forty Specific F	North Forty Specific F	North Forty Specific F	North Forty Specific F	30	40	8	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	No; however, the parcel is located within Phase II of the North 40 Spec	
LOS GATOS	16270 Burton Road	95032	424-07-052	6	2	2	3	Shortfall of Sites	0.43	North Forty Specific F	North Forty Specific F	North Forty Specific F	North Forty Specific F	30	40	13	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	No; however, the parcel is located within Phase II of the North 40 Spec	
LOS GATOS	16210 Burton Road	95032	424-07-054	4	1	1	2	Shortfall of Sites	0.26	North Forty Specific F	North Forty Specific F	North Forty Specific F	North Forty Specific F	30	40	8	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	No; however, the parcel is located within Phase II of the North 40 Spec	
LOS GATOS	14831 Los Gatos Boulevard	95032	424-07-063	8	3	3	3	Shortfall of Sites	0.56	North Forty Specific F	North Forty Specific F	North Forty Specific F	North Forty Specific F	30	40	17	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	No; however, the parcel is located within Phase II of the North 40 Spec	
LOS GATOS	14849 Los Gatos Boulevard	95032	424-07-064	14	4	4	6	Shortfall of Sites	0.93	North Forty Specific F	North Forty Specific F	North Forty Specific F	North Forty Specific F	30	40	28	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	No; however, the parcel is located within Phase II of the North 40 Spec	
LOS GATOS	14823 Los Gatos Boulevard	95032	424-07-065	5	1	1	4	Shortfall of Sites	0.37	North Forty Specific F	North Forty Specific F	North Forty Specific F	North Forty Specific F	30	40	11	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	No; however, the parcel is located within Phase II of the North 40 Spec	
LOS GATOS	14800 Oka Road	95032	424-08-057	0	0	0	12	Unaccommodated Ne	2.97	Low Density Residen	R-1:8	Low Density Residen	R-1:8:HEOZ	0	5	12	Vacant	Vacant	YES - Current	Housing Element Overlay Zone	No; however the property owner has submitted a public comment to t	
LOS GATOS	Oka Lane	95032	424-08-029	0	0	0	1	Unaccommodated Ne	0.31	Low Density Residen	R-1:8	Low Density Residen	R-1:8:HEOZ	0	5	1	Vacant	Vacant	YES - Current	Housing Element Overlay Zone	No; however the property owner has submitted a public comment to t	
LOS GATOS	Oka Lane	95032	424-08-059	0	0	0	4	Unaccommodated Ne	1.01	Low Density Residen	R-1:8	Low Density Residen	R-1:8:HEOZ	0	5	4	Vacant	Vacant	YES - Current	Housing Element Overlay Zone	No; however the property owner has submitted a public comment to t	
LOS GATOS	Oka Lane	95032	424-08-060	0	0	0	5	Unaccommodated Ne	1.29	Low Density Residen	R-1:8	Low Density Residen	R-1:8:HEOZ	0	5	5	Vacant	Vacant	YES - Current	Housing Element Overlay Zone	No; however the property owner has submitted a public comment to t	
LOS GATOS	14800 Oka Road	95032	424-08-058	0	0	0	6	Unaccommodated Ne	1.41	Low Density Residen	R-1:8	Low Density Residen	R-1:8:HEOZ	0	5	6	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	No; however the property owner has submitted a public comment to t	
LOS GATOS	16603 Lark Avenue	95032	424-08-017	0	0	0	35	Unaccommodated Ne	2.48	Medium Density Resi	R-M:5-12	Medium Density Resi	R-M:5-12:HEOZ	14	22	35	Non-Vacant	Residential	YES - Current	Housing Element Overlay Zone	No; however the property owner has submitted a public comment to t	
LOS GATOS	14840 Oka Road	95032	424-08-021	0	0	0	61	Unaccommodated Ne	4.32	Medium Density Resi	R-M:5-12	Medium Density Resi	R-M:5-12:HEOZ	14	22	61	Vacant	Vacant	YES - Current	Housing Element Overlay Zone	No; however the property owner has submitted a public comment to t	
LOS GATOS	Oka Lane	95032	424-08-074	0	0	0	26	Shortfall of Sites	6.41	Low Density Residen	R-1:8	Low Density Residen	R-1:8:HEOZ	0	5	26	Vacant	Vacant	YES - Current	Housing Element Overlay Zone	No; however the property owner has submitted a public comment to t	
LOS GATOS	Oka Road (Cal Trans ROW)	95032	37.256167, -121.9596	0	0	0	69	Unaccommodated Ne	4.9	Low Density Residen	R-1:8	Medium Density Resi	R-M:5-12:HEOZ	14	22	69	Vacant	Vacant	YES - Current	Housing Element Overlay Zone (HEOZ) implementation program	Cal Trans site with no current Al	
LOS GATOS	110 Knowles Drive	95032	424-32-077	88	44	44	44	Shortfall of Sites	7.34	High Density Residen	CM:AHOZ	High Density Residen	CM:AHOZ:HEOZ	30	40	220	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	No; however the site is located within the Affordable Housing Overlay	
LOS GATOS	206 Knowles Drive	95032	424-32-076	29	14	14	15	Unaccommodated Ne	2.41	High Density Residen	CM	High Density Residen	CM:HEOZ	30	40	72	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone	No; however, the site is located immediately adjacent to 110 Knowles	
LOS GATOS	440 Los Gatos Almaden Road	95032	527-49-048	0	0	0	5	Unaccommodated Ne	0.52	Neighborhood Comm	C-1	Neighborhood Comm	C-1:HEOZ	10	20	5	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone (HE	Property Owner Interest Form Submitted	
LOS GATOS	445 Leigh Avenue	95032	527-49-049	0	0	0	3	Unaccommodated Ne	0.29	Neighborhood Comm	C-1	Neighborhood Comm	C-1:HEOZ	10	20	3	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone (HE	Property Owner Interest Form Submitted	
LOS GATOS	14000 Blossom Hill Road	95032	527-32-028	0	0	0	7	Unaccommodated Ne	0.69	Neighborhood Comm	C-1	Neighborhood Comm	C-1:HEOZ	10	20	7	Non-Vacant	Commercial	YES - Current	Housing Element Overlay Zone (HE	Property Owner Interest Form Submitted	
LOS GATOS	401-409 Alberto Way	95032	529-23-018	0	4	4	52	Unaccommodated Ne	2.19	Mixed Use Commerc	CH	Mixed Use Commerc	CH:HEOZ	30	40	60	Vacant	Vacant	YES - Current	Housing Element Overlay Zone (HE	Property Owner Interest Form Submitted; Conceptual Development Ac	

Table C: Land Use, Table Starts in A2

Zoning Designation From Table A, Column G and Table B, Columns L and N (e.g., "R-1")	General Land Uses Allowed (e.g., "Low-density residential")
R-1D	Single-family dwelling, provided that there is not more than one principal residential structure on a lot, two-family dwelling, provided that there is not more than one principal residential structure on a lot, family daycare home, and residential care facility, small family home.
C-1	Retailing, including formula retail up to six thousand (6,000) square feet, Personal service businesses and service businesses necessary for the conduct of households, Office activities, Limited manufacturing activities when a majority of sales are made, on site, to the ultimate consumer, Activities permitted in the LM zone which were approved on or before February 1, 1993, provided any change of use must be a conforming use in the C-1 zone, and Group classes, and single-family, two-family, and multi-family in a mixed-use project through a CUP.
C-2	Retailing, including formula retail up to six thousand square feet, Office activities subject to subsection (c), Limited manufacturing activities when a majority of sales are made, on site, to the ultimate consumer, Wholesaling without warehousing on the premises, Single-family and two-family uses, in conjunction with the other uses permitted in this section and multi-family in a mixed-use project through a CUP
CH	Retailing, including formula retail up to six thousand square feet, Personal service businesses and service businesses necessary for the conduct of households, Office activities, Limited manufacturing activities when a majority of sales are made on site to the ultimate consumer, Group classes, and single-family, two-family, and multi-family in a mixed-use project through a CUP
CH:PD	Hotel up to 300 rooms, a conference facility containing approximately 10,000 square feet, and an underground parking facility
North Forty Specific Plan	Retail, Restaurant, Personal Service, Office, Hotel, Townhomes, Rowhouses, Multi-Family, Condominiums, Live/Work Lofts, Park, Public Transpiration and Parking Facilities, Small Family Daycare, Alternating Use/Shared Parking, and Botanical Nursery
R-1:8	Single-family dwelling, provided that there is not more than one principal residential structure on a lot, raising of trees, vegetables and horticultural specialties, but not including commercial greenhouses, retail nurseries, or storage of landscaping equipment, products or supplies for commercial uses, family daycare home, and residential care facility, small family home.
R-M:5-12	Single-family dwelling, two-family dwelling, family daycare home, residential care facility, small family home, multi-family dwelling, and a transitional Housing facility as defined by Health and Safety Code section 50675.2
CM	Activities involving controlled manufacturing, research and development, wholesaling, warehousing, and other light industrial uses, Sales to the ultimate consumer of articles manufactured on the premises to the customer's order, Professional and administrative offices, Emergency shelters as defined by Health and Safety Code section 50801
CM:AHOZ	Multifamily dwellings, Two-family dwellings, and Single-family dwellings.
R-1D:HEOZ	Housing Element Overlay Zone Implementation Program to apply to the sites included in the Site Inventory to modify the development standards (i.e., density, lot coverage, FAR, height) on those sites