



*Barbara Spector, Mayor  
Rob Rennie, Council Member*

**SPECIAL MEETING**  
**TOWN OF LOS GATOS**  
**PARKING AND INFRASTRUCTURE**  
**AD HOC COMMITTEE**  
**AGENDA**

**TOWN COUNCIL CHAMBERS**  
110 East Main Street  
August 8, 2016  
3:00 p.m. – 4:00 p.m.

**MEETING CALLED TO ORDER**

**ROLL CALL**

**VERBAL COMMUNICATIONS** *(Three minute time limit)*

1. Approval of May 23, 2016 Committee Meeting Minutes (Attachment 1)
2. Review Staff Report – Downtown Parking Garage (Attachment 2)
3. Set Next Steps for Downtown Parking Garage
4. Future Agenda Items

**ADJOURNMENT**

*The next meeting of the Parking Ad Hoc Committee is scheduled for TBD, Town Council Chambers*

Attachments

1. May 23, 2016 Committee Meeting Minutes
2. Staff Report – Downtown Parking Garage

***IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE CLERK DEPARTMENT AT (408) 354-6834. NOTIFICATION 48 HOURS BEFORE THE MEETING WILL ENABLE THE TOWN TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING [28 CFR §35.102-35.104]***

# TOWN OF LOS GATOS

TOWN COUNCIL CHAMBERS  
110 EAST MAIN STREET  
LOS GATOS, CA 95030



## Parking and Infrastructure Ad Hoc Committee

Monday, May 23, 2016

### MINUTES

#### MEETING CALLED TO ORDER

The meeting began at 4:02 p.m.

#### ATTENDANCE

**Committee Members:** Barbara Spector Mayor  
Rob Rennie Council Member

**Staff:** Matt Morley PPW Director

#### VERBAL COMMUNICATIONS

None.

#### MINUTES

##### 1. Approval of Minutes

**MOTION:** Approval of February 9, 2016 Committee Meeting Minutes.

**VOTE:** 2-0

#### COMMITTEE BUSINESS

##### 2. Review Staff Report – Downtown Parking Garage

Mr. Morley provided background on the staff report and the development matrix.

Mr. Morley clarified that the equations are not necessarily linear; rather the matrix is an overall holistic look at the items, with a lot of assumptions. For the sake of the equations, the parking spaces were calculated at \$35,000 per space and the below market at \$250,000 per unit as the subsidy.

Funding contributions allowed through the Town's Low Income Housing fund and the General Fund Allocated Reserve (GFAR) for the 6 Below Market Price (BMP) units was discussed.

The Committee and Mr. Morley discussed the items in the Exhibit 1 to the staff report and the following recommendations were made:

(discussed at 35:00 on recorder)

- *Explore details around potential development with the following criteria-*
  - *300 Total Parking Spaces*
  - *Minimum of 6 BMPs*
  - *Town Subsidy up to \$5million*
  - *Identify the number of market rate units to make this scenario work.*
- Move forward on exclusive negotiations with Presidio Development towards a project. (43:00)

### **3. Set Next Steps for Downtown Parking Garage**

Mr. Morley will formulate examples of what would work in terms of the direction received, provide the information to Presidio and bring the feedback to the Committee to discuss further and be prepared to present to Council no earlier than August.

### **4. Future Agenda Items**

None at this time.

### **ADJOURNMENT**

Meeting Adjourned at 4:51 p.m.



MEETING DATE: 08/08/16

**COUNCIL PARKING AND INFRASTRUCTURE  
AD HOC COMMITTEE REPORT**

DATE: AUGUST 5, 2016  
TO: COUNCIL AD HOC COMMITTEE ON PARKING AND INFRASTRUCTURE  
FROM: LAUREL PREVETTI, TOWN MANAGER  
SUBJECT: DOWNTOWN PARKING GARAGE FOLLOW UP TO MAY 23, 2016 AD HOC COMMITTEE MEETING

INFORMATION:

At the May 23, 2016 Ad Hoc Committee meeting, the Committee discussed feedback provided from the Town Council in March. The Council had asked for the following:

- Include at least six Below Market Price (BMP) units.
- Construct as few residential units as possible.
- Utilize paid parking for the garage only (not for other downtown parking spaces).
- Achieve a minimum of 300 parking spaces.
- Minimize the visual impact by considering the setback on the second level and the use of below grade parking.
- Utilize other Town funds to contribute, including the Town's housing fund and potential revenue sources from the November election.

Following up on the guidance from the Council, the Ad Hoc asked staff to identify a scenario that included a minimum of 6 BMP units, a total of 300 onsite parking spaces, and a Town capital contribution of \$5M. With those parameters, the goal was to identify the number of market rate units required to make the project viable.

Following the last Ad Hoc meeting, staff verified the available capital dollars. Funding was previously reported as \$2M in funds set aside for use in the Capital Improvement Budget for acquisition of the Main Street Property. The actual funds set aside are approximately \$1.2M, somewhat less than previously reported. This is due to an error in reporting and not to the expenditure of any funds. The BMP fund continues to retain a balance of approximately \$3M. Given this information, staff has held the Town contribution to the project at \$4M.

As staff detailed at the Council meeting, the private developers who engaged through the Request for Information (RFI) have diminishing interest in providing additional analysis without gaining assurance that a future project will develop. Both companies maintain an interest in a project should it move forward with definition and with exclusive negotiations. Both companies provided additional information, as outlined below. These scenarios continue to be very

PREPARED BY: MATT MORLEY, DIRECTOR OF PARKS AND PUBLIC WORKS

ATTACHMENT 2

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COUNCIL AD-HOC COMMITTEE ON PARKING AND INFRASTRUCTURE

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preliminary concepts with many assumptions having been made. Because of this, small adjustments in numbers are not likely to accurately reflect a future project.

Barry Swenson Builder provided information stating they could provide a project with the following parameters:

- 18-24 residential units of which 6-9 would be BMP units (12-15 Market Units)
- 275-300 total parking spaces
- Design to complement the surrounding community
- \$4M Town contribution to support to project

Presidio Development provided information in two scenarios as a means of demonstrating that the calculations are not linear in nature.

Scenario 1

- 24 residential units of which 9 would be BMP units (15 Market Units)
- 300 total parking spaces
- Design to complement surrounding community and de-emphasize the building height
- \$4M Town contribution to support the project

Scenario 2

- 20 residential units of which 6 would be BMP units (14 Market Units)
- 300 total parking spaces
- Design to complement surrounding community and de-emphasize the building height by stepping upper levels back from the street.
- \$4M Town contribution to support the project

Presidio provided additional information that may be of interest to the Ad Hoc Committee. This information includes the following points:

- Presidio anticipates an agreement with the Town that would regulate the profit at some amount agreeable to both parties.
- The timeline for a project includes 12-18 months for design and entitlement, 18 months for construction, and 2-3 months for property sales. This timeline does not include time to negotiate an agreement for the project with Presidio.

The information from both developers is very close and seems to demonstrate the viability of a project of this scope.

As previously discussed, paid parking in a garage where surrounding parking is free does not allow for attributing value to the paid parking due to uncertainty in demand. The use of paid parking will be an operational decision the Council can make at a future time.

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CONCLUSION AND RECOMMENDATION:

Staff urges caution in the scope of project and use of the dollar amounts included in this discussion. These numbers may vary widely based on the actual project requirements as the project is refined in scope and design.

Town staff recommends the Ad Hoc Committee refer the item back to Council with one of the following recommendations:

- Enter into negotiations with one or both of the companies engaged with specific parameters for the project.
- Determine that a downtown mixed use parking garage is not a feasible project given the required expense, density, and impacts to the community.