



**TOWN OF LOS GATOS
TOWN COUNCIL POLICY COMMITTEE MEETING
FEBRUARY 16, 2017
TOWN COUNCIL CHAMBERS – 110 EAST MAIN STREET
LOS GATOS, CA
10:00 AM**

*Marico Sayoc, Mayor
Marcia Jensen, Council Member*

MEETING CALLED TO ORDER

ROLL CALL

VERBAL COMMUNICATIONS *(Members of the public may address the Committee on any matter that is not listed on the agenda. Unless additional time is authorized by the Committee, remarks shall be limited to three minutes.)*

OTHER BUSINESS *(Up to three minutes may be allotted to each speaker on any of the following items.)*

1. Approval of the January 19, 2016 Council Policy Committee Draft Minutes
2. Review a draft policy defining ancillary office use in the Light Manufacturing (LM) zone
3. Review and provide direction on the Neighborhood Parking Plan Process and associated cost recovery issues
4. Traffic Impact Fee Policy
5. Review and discuss the current and completed Policy Items Lists

ADJOURNMENT

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]



**DRAFT
MINUTES OF THE TOWN COUNCIL POLICY COMMITTEE MEETING
JANAURY 19, 2017**

The Town Council Policy Committee of the Town of Los Gatos conducted a Regular Meeting on Thursday, January 19, 2017, at 10:00 a.m.

ROLL CALL

Members Present: Marico Sayoc, Marcia Jensen

Staff Present: Laurel Prevetti, Rob Schultz, Joel Paulson, Matt Morley, Shelley Neis, JR Langer, Shelayne Hammack

MEETING CALLED TO ORDER AT 10:00 a.m.

VERBAL COMMUNICATIONS

None

AGENDA ITEMS

1. Approval of the December 15, 2016 Council Policy Committee Draft Minutes

The Committee unanimously approved the draft minutes with no changes.

2. Review and Discuss the Commission Appointment Policy in relation to the December 13, 2016 Interview and Appointment Process

Shelley Neis, Clerk Administrator, gave the presentation.

Public Comment:

- Lee Quintana spoke about letting residents apply for multiple Commissions and letting them give their preference.
- Maria Ristow spoke about the advantages of allowing applicants to only apply for one Commission.

Committee Members directed staff to make the discussed edits to the Commission Appointment Policy and asked staff to email them the final edits before the amended Policy goes to Council.

3. Review and discuss the Light and Exit Well Standards

Joel Paulson, Community Development Director, gave the staff report.

Public Comment:

- Lee Quintana provided comments regarding the approaches taken by the communities of Portola Valley and Atherton.

Committee Members requested that the Light and Exit Well Standards be added to the setbacks in the various zones.

4. Review and discuss Floor Area Ration (FAR) requirements

Joel Paulson, Community Development Director, gave the staff report.

Public Comment:

- Lee Quintana discussed the history of the FAR requirements and provided comments about the formula.

Committee Members discussed the history of the FAR and suggested giving homeowners guidance to moderate expectations.

5. Review and provide direction to the Neighborhood Parking Plan process and associated cost recovery issues.

Staff requested to defer this item to a special meeting on February 9, 2017. The Committee agreed.

6. Review and discuss the Facilities Use Policy regarding the definition of “All Other Users”

Shelayne Hammack, Management Analyst, gave the staff report.

Committee Members approved the proposed changes as presented in the draft amended policy.

ADJOURNMENT

The meeting adjourned at 11:35 a.m.

Prepared by:

SHELAYNE HAMMACK, Management Analyst



TOWN OF LOS GATOS
POLICY COMMITTEE REPORT

MEETING DATE: 2/16/17

ITEM NO: 2

DATE: FEBRUARY 10, 2017
TO: COUNCIL POLICY COMMITTEE
FROM: LAUREL PREVETTI, TOWN MANAGER
SUBJECT: REVIEW A DRAFT POLICY DEFINING ANCILLARY OFFICE USE IN THE LM ZONE.

RECOMMENDATION:

Review a draft policy defining ancillary office use in the LM zone.

BACKGROUND:

On November 17, 2016 the Policy Committee discussed uses allowed in the LM zone and asked staff to prepare a draft policy that defines and allows ancillary office uses of less than 50 percent in the LM zone, and allows for parking requirements to be based on a summary of the uses within the building rather than using the most intense use as the only calculation for parking. The policy was scheduled to come back on December 15, 2016, however further staff work was needed to vet the feasibility of the parking requirements and current Town Code language.

DISCUSSION:

The Town Code defines the LM zone as a commercial-industrial zone that is intended for small scale light industrial, repair and service-oriented activities that provide services to Town residents in addition to retailing, service, and administrative activities. As the business environment continues to change, and the types of products and services that consumers are looking for also evolves, the Town has limited areas in which many of these new businesses can fully operate. Currently, businesses can only have an office space within the LM zone if it can exist in the current conditions of the building and is ancillary to the primary use; however, no definition for ancillary office exists.

PREPARED BY: MONICA RENN
Economic Vitality Manager

Reviewed by: Town Manager, Town Attorney, and Community Development Director

February 16, 2017

While it may not be appropriate for entire buildings within the LM to have office uses, it may be reasonable to create an opportunity for businesses to run all of their business functions in one location, including their office functions. Staff recommends reviewing the attached policy (Attachment 1) and considering an amendment to the LM zone uses to allow for ancillary office use at less than 50 percent of the building space and business model. This would allow a business to manufacture and sell their products with their business offices also onsite. An example of this would be an architect (office use), with an onsite interior designer (office use) that offers a showroom of products for purchase by both design customers and the general public (retail use), and storage or receivership of furniture/home good items for their own or other professionals' purchase (wholesale/warehouse use). Businesses that are multifaceted are becoming more a norm and less of an exception; however, with so many uses in one location, it is a challenge for the businesses to find a location that fits within our Town Code provisions. There is no commercial zone in Los Gatos where such a business could locate at this time. The Commercial Highway, or CH zone, comes close; but limits sales to those selling the majority of their items to the ultimate consumer, as opposed to wholesale.

In addition, the attached policy defines the ability for parking requirements to be based on a calculation and percentage of all uses in the building rather than requiring enough parking to meet the most intense use for the entire square footage. This is the same manner in which staff currently calculates parking requirements for multi-tenant buildings. The challenge that staff has encountered while working on this policy is that it may not be a viable option for several LM properties given the existing available parking versus what would be required by the Town Code. Staff would work with tenants to help them understand the parking requirements and look for appropriate solutions, such as alternative use of parking with approval of a Conditional Use Permit.

CONCLUSION:

After reviewing the attached draft policy, the Policy Committee may wish to provide feedback on additional edits, or next steps for Town Council consideration.

Attachments:

1. Draft Policy for the LM zone defining ancillary office



TITLE: Ancillary Office and Parking Calculations in LM Zone

POLICY NUMBER:

EFFECTIVE DATE:

PAGES: 1

ENABLING ACTIONS:

REVISED DATES:

APPROVED:

PURPOSE

This Policy provides a definition for ancillary office use and a calculation method for parking requirements for multi-use buildings in the LM zone. The Town recognizes that businesses may wish to locate their associated office operations within the same property of the approved LM uses.

SCOPE

This Policy applies to all commercial properties in the LM zone.

POLICY

Commercial uses locating in the LM zone may operate an ancillary office use associated with the primary permitted use(s) of the commercial space in which they occupy; and, may calculate the required parking spaces for the square footage associated with each use in the building.

PROCEDURES

Ancillary Office

For the purpose of this Policy, ancillary office is defined as office use that is less than 50 percent of the building square footage, and operates in conjunction with the primary permitted use.

Parking

Parking must be provided to meet the requirements set forth in the Town Code for the square footage of each use within the building. For example, if a business is 30 percent office and 70 percent warehouse, staff would calculate 30 percent of the building square footage at the office parking rate and 70 percent of the square footage at the warehouse parking rate to determine the total number of parking spaces required.

APPROVED AS TO FORM:

Robert Schultz, Town Attorney



TOWN OF LOS GATOS
POLICY COMMITTEE REPORT

MEETING DATE: 02/16/2017

ITEM NO: 3

DATE: FEBRUARY 13, 2017
TO: COUNCIL POLICY COMMITTEE
FROM: LAUREL PREVETTI, TOWN MANAGER
SUBJECT: REVIEW AND PROVIDE DIRECTION ON THE NEIGHBORHOOD PARKING PLAN PROCESS AND ASSOCIATED COST RECOVERY ISSUES.

RECOMMENDATION:

Review and provide direction on the Neighborhood Parking Plan Process (NPPP) and associated cost recovery issues.

BACKGROUND:

At the December 15, 2016 Council Policy Committee meeting, staff was directed to research and complete the following:

- Inform neighborhoods with current preferential parking pilots that those projects would be extended
- Remove the current NPPP from the Town website
- Define safety and other metrics to evaluate parking compaction requests
- Provide suggestions to move towards cost recovery with the parking program
- Provide a new parking policy for consideration

DISCUSSION:

All current neighborhoods involved in pilot parking projects have been informed by staff that those pilots have been extended until the Town Council has had the opportunity to review staff recommendations to the Neighborhood Parking Plan Process. The current NPPP has been removed from the Town website.

PREPARED BY: J.R. LANGER
Lieutenant

Reviewed by: Town Manager, Town Attorney, Chief of Police, and PPW Director

FEBRUARY 13, 2017

In further reviewing the program, staff recommends a modified approach. This includes proactively establishing a high school permit parking area, suspending new applications to the NPPP indefinitely, and increasing permit parking fees to move the program towards cost recovery.

High School Permit Parking Zone

In December 2001, Council adopted Resolution #2001-145 implementing the Town of Los Gatos Downtown Parking Management Plan. The Plan designated three residential parking areas. The Eastside, a parking area adjacent to the high school, was developed to address overflow high school parking.

As the Town has little regulatory control over the High School to allow for managing parking onsite, staff suggests expanding the zone to reflect staff's high school parking analysis map and renaming the Eastside area to the High School Zone (see Attachment 1). The Alpine Avenue and Whitney Avenue pilots would be included and absorbed. This would equate to an increase of 242 households, including Alpine and Whitney. To simplify outreach and expedite the program, staff suggests conducting an "opt out" poll for the areas not yet included in the High School Zone. If more than 25% of any block indicates an "opt out" want, a separate process would be identified for consideration in those areas. All areas that do not opt out would be automatically incorporated into the plan. Staff will communicate the program to property owners and occupants via NextDoor and direct mailing. Final results would be brought to the full Council for approval and implementation.

Neighborhood Parking Plan Process (NPPP)

Expanding the High School Zone should mitigate parking compaction issues created by high school parking. Staff suggests that the NPPP be discontinued indefinitely and remain off the Town's web page subject to the future direction of Council. A Town Code modification may be needed so as not to create an expectation of new preferential parking areas.

Cost Recovery

Moving towards cost recovery for our current permit parking program will be more cost efficient without the need to process time intensive NPPP petitions. Staff will recommend increases to current permit fees as part of the Town's annual Fee Resolution to account for enforcement and processing expenses (see Attachment 2). The increased fees will assist the program moving towards cost recovery with current staffing. Additional fee increases and staffing considerations may be required if other modifications are made to the parking program.

SUBJECT: REVIEW AND PROVIDE DIRECTION ON THE NEIGHBORHOOD PARKING PLAN
PROCESS AND ASSOCIATED COST RECOVERY ISSUES.

FEBRUARY 13, 2017

The Council Policy Committee has previously received the results of the High School staff, faculty, and student survey. This information may be useful to the Committee as it considers the proposed Parking Compaction Assessment Program.

RECOMMENDATIONS:

Staff recommends that the Council Policy Committee recommend to the Town Council:

- Expand and rename the Eastside Area to the High School Zone
- Discontinue the Neighborhood Parking Plan Process, make any needed Town Code changes, and no longer accept petitions for preferential parking
- Absorb the current preferential parking pilots into the High School Zone
- Increase parking permit fees and consider increasing enforcement staff

CONCLUSION AND NEXT STEPS:

Inquiries and petitions for preferential parking have risen, outpacing the staff resources to evaluate the proposals in light of core service responsibilities. The proposed modifications are suggestions for the Council Policy Committee's discussion and direction.

COORDINATION:

This report has been coordinated with the Town Manager's Office, Town Attorney's Office, Parks and Public Works and the Police Department.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA and no further action is required.

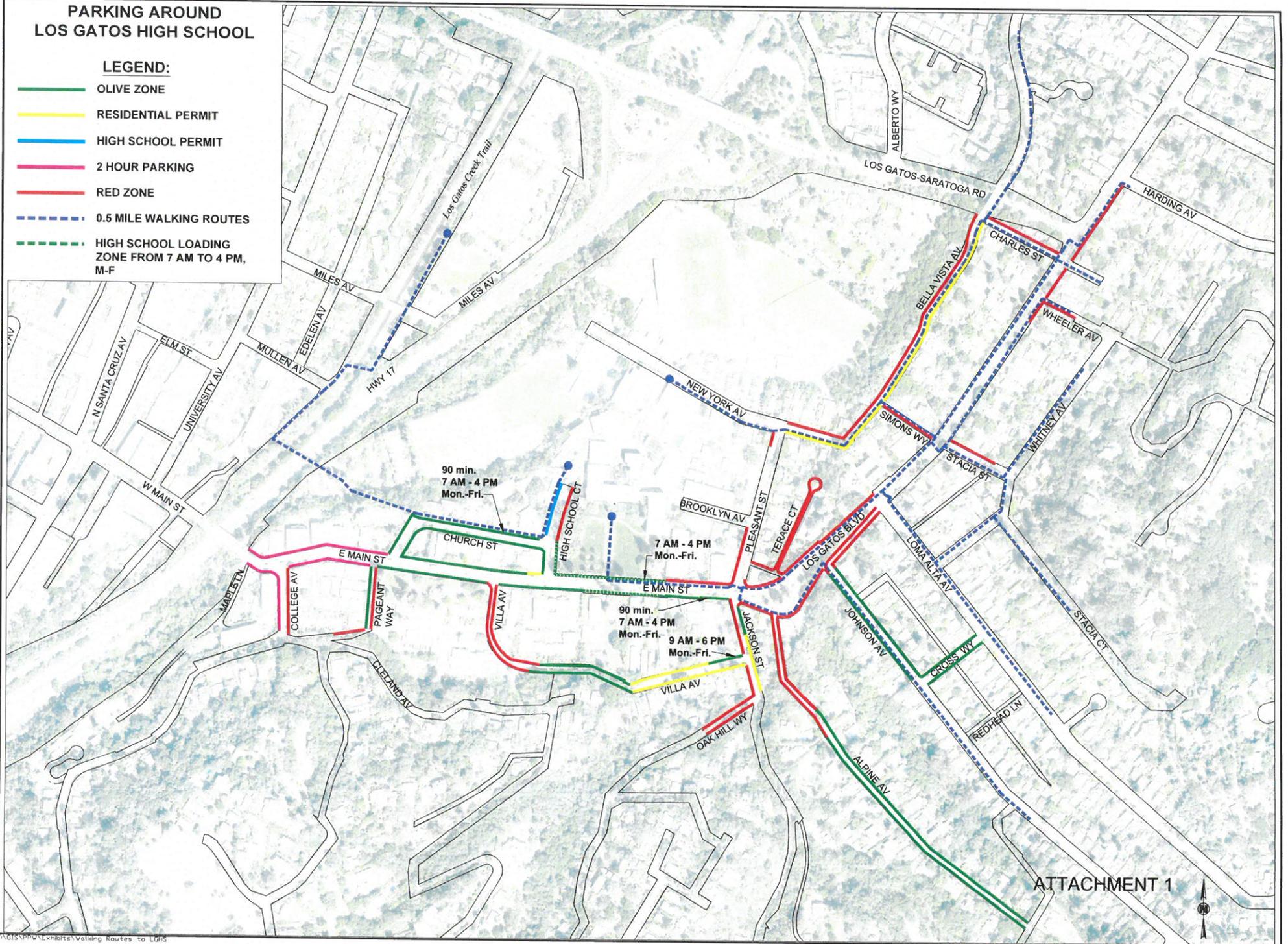
Attachments:

1. High School Parking Analysis Map
2. Proposed Permit Parking Fee

PARKING AROUND LOS GATOS HIGH SCHOOL

LEGEND:

- OLIVE ZONE
- RESIDENTIAL PERMIT
- HIGH SCHOOL PERMIT
- 2 HOUR PARKING
- RED ZONE
- - - 0.5 MILE WALKING ROUTES
- - - HIGH SCHOOL LOADING ZONE FROM 7 AM TO 4 PM, M-F



ATTACHMENT 1



Permit Parking Areas (includes pilot programs)		
Annual Permits Currently Issued	Current Annual Permit Cost	Current Revenue
1350	\$41	\$55,350
Suggested Residential Fee - Based on Total Households in Permit Area (591 households)		
Enforcement Cost	\$96,296	
Cost per Resident <i>*considering 591 households with complete participation</i>	\$163	
Processing Fee	\$15.00	
Suggested Cost per Resident	\$178	
Suggested Permit Fee Based on Average Permits Sold		
Enforcement Cost	\$96,296	
Current Permit Revenue <i>*considering 1350 annual permits</i>	\$55,350	
Unfunded Expense to the Town	\$40,946	
Recommended Permit Fee Increase	\$30.00	
Current FY 16/17 Permit Fee	\$41.00	
Processing Fee	\$15.00	
Suggested Permit Cost	\$86.00	



TOWN OF LOS GATOS
POLICY COMMITTEE REPORT

MEETING DATE: 2/16/2017

ITEM NO: 4

DATE: FEBRUARY 10, 2017
TO: COUNCIL POLICY COMMITTEE
FROM: LAUREL PREVETTI, TOWN MANAGER
SUBJECT: TRAFFIC IMPACT FEE POLICY

RECOMMENDATION:

Provide direction to staff regarding Section IV Part 4 of the Traffic Impact Policy (Attachment 1).

BACKGROUND:

The Council Traffic Impact Fee Policy guides the collection of fees for construction projects that create an impact to the traffic network in town. Section IV Part 4 allows for credits where spaces are re-occupied, based on fees paid for the prior use. If the space has been vacant for greater than five years, no credit applies.

DISCUSSION:

The applicable section of the Policy was put in place for one specific reason. As developments occur within the Town, those developments must incorporate the traffic impact from that development as well as the existing traffic load. When properties sit vacant for a period of time, the traffic from that vacant property does not contribute to that overall traffic load analysis as other properties develop, resulting in an overall undercounting of the traffic impact.

Although applicability of this policy section is rare, a recent application for a building permit triggered the fee. The building permit was submitted for a 4,048-square foot space at 640 Blossom Hill Road, adjacent to Chipotle, to construct tenant improvements for a medical use. This is a portion of the space previously occupied by Hollywood Video. Because the space has been vacant for more than five years, a fee in excess of \$100,000 applies per the Policy.

PREPARED BY: Matt Morley
Director of Parks and Public Works

Reviewed by: Town Manager, Town Attorney, and PPW Director

The traffic impact fees associated with retail and medical office are the same for this space. At the time of the original development, impact fees were paid at the rates in effect at that time. Any future occupant of this space are required to pay traffic impact fees in excess of \$100,000. The property owner has informed the Town that these fees will make leasing the space very difficult, resulting in potential continued vacancy.

The trade off in this situation is the potential future collection of impact fees to mitigate traffic in Town weighed against the risk of high profile vacant space continuing, the economic impact of vacant space, and any future tax revenue potential from that space.

RECOMMENDATIONS:

Staff recommends that the Council Policy Committee provide guidance to staff on whether they wish to see modifications to this section of the Traffic Impact Fee Policy or not. If the Policy Committee wishes to see modifications, staff will return with a modified policy section incorporating the Committee guidance.

COORDINATION:

This report has been coordinated with the Town Manager's Office, Economic Vitality, and the Community Development Department.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA and no further action is required.

Attachments:

1. Traffic Impact Fee Policy



TITLE: TRAFFIC IMPACT POLICY

POLICY NUMBER: 1-05

EFFECTIVE DATE: 12/07/16

PAGES: 5

ENABLING ACTIONS: 1991-174; 2014-017; 2016-068

REVISED DATES: 8/5/91; 3/24/14; 12/6/16

APPROVED:

I. DEFINITIONS

Average Daily Trips. Average Daily Trips (ADT) are the total number of trips, both in-bound and out-bound, within a 24 hour weekday period, generated by a particular use or development.

Pass-By Trip. Trips generated by the proposed Project that would be attracted from traffic passing the proposed project site on an adjacent street that contains direct access to the Project.

Peak Hour Trip. Peak Hour Trips are vehicle trips, both in-bound and out-bound, occurring during a one hour period either during the A.M. Peak (7 A.M. to 9 A.M.) or the P.M. Peak (4 P.M. to 6 P.M.), generated by a particular use or Project.

Project. A Project subject to this policy encompasses all land use development projects affecting the built environment, including changes in occupancy or intensification of existing uses, over which the Town has administrative or legislative authority, that require review and approval and issuance of a building permit, certificate of use or occupancy, or other land use approval by Town staff, Commissions, or Council.

Specialty Retail. Specialty Retail uses are defined as walk-in and impulse businesses such as juice bars, yogurt shops, coffee shops, donut shops, and similar uses which do not generally serve meals and have limited or no seating. Specialty Retail uses are defined under this policy for purposes of establishing trip generation data and this definition does not provide any land use or zoning guidance.

TITLE: TRAFFIC IMPACT POLICY	PAGE: 2 of 5	POLICY NUMBER: 1-05
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II. GENERAL CONDITIONS AND APPLICABILITY

1. This policy is intended to provide guidance to Town staff and the development community in implementing the provisions of the Town Municipal Code, Chapter 15, Article VII, Traffic Impact Mitigation Fees.
2. Projects that are determined by the Town to generate one or more new net Average Daily Trips are subject to this policy.
3. Projects that will generate 20 or more new Peak Hour Trips shall be required to complete a comprehensive traffic impact analysis report as described in more detail in Section VI, TRAFFIC IMPACT MITIGATION REPORT.
4. Consistent with Transportation Impact Analysis (TIA) Guidelines adopted by the Santa Clara County Transportation Authority (VTA) Congestion Management Program, Pass-by Trips shall not be considered in calculating the 20 new Peak Hour Trip threshold that triggers the requirement for conducting a comprehensive traffic impact analysis report.
5. In order to determine how much new traffic a Project will generate, the Town will use applicable trip generation rates and pass-by trip data from the most recent edition of the Institute of Traffic Engineers (ITE) *Trip Generation Manual*. Alternatively, trip generation rates from the following resources may be used if determined by the Town to be more appropriate than the available ITE rates: San Diego Association of Governments (SanDAG); California Department of Transportation (Caltrans); or the City of San Jose. A Town-sponsored or peer-reviewed traffic study may also be used to determine trip generation rates.
6. Nothing in this Policy shall prohibit or restrict a Project applicant from completing a traffic study for a Project anticipated to generate less than 20 new Peak Hour trips.

III. TRAFFIC IMPACT MITIGATION FEES

1. All Projects that generate one or more new Average Daily Trips are required to pay Traffic Impact Mitigation Fees.
2. All required Traffic Impact Mitigation Fees shall be paid in full to the Town in association with and prior to issuance of a building permit. If no building permit is required, the fee shall be paid in full prior to issuance of a certificate of use and occupancy, or similar entitlement. The amount due shall be calculated based on the fee in place as approved by the Town Council by resolution at the time the fee is paid.

TITLE: TRAFFIC IMPACT POLICY	PAGE: 3 of 5	POLICY NUMBER: 1-05
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3. The per trip amount of the fee shall be as set forth by the Town Council by resolution, pursuant to Town Municipal Code, Chapter 15, Article VII, Traffic Impact Mitigation Fees.
4. Fees shall be calculated by multiplying net new ADT by the per trip amount in place at the time the fees are paid.
5. ADT shall be determined by using the applicable trip generation rate and pass-by trip data from the most recent edition of the Institute of Traffic Engineers (ITE) *Trip Generation Manual*. When a use is not listed in the *ITE Trip Generation Manual*, or where ADT data is not available, the Town Traffic Engineer shall use available Peak Hour Trip data or select the most appropriate trip generation rate and pass-by trip classification for use in calculating ADT. Trip generation rates from alternate sources may be used if determined by the Town Traffic Engineer to be more appropriate than the available ITE rates. Examples of alternate sources of data include: San Diego Association of Governments (SanDAG); California Department of Transportation (Caltrans); City of San Jose; comparable store/business traffic studies.

IV. CREDIT FOR EXISTING TRIPS

1. In calculating new Peak Hour Trips for purposes of determining whether or not a traffic impact analysis report is required pursuant to this Policy, trip credit shall be granted for an existing use or the most recent former use within the past five years prior to submittal of a Project application.
2. In calculating new Average Daily Trips for purposes of determining the amount of the Traffic Impact Mitigation Fee due, trip credit shall be granted for an existing use or the most recent former use within the past five years prior to submission of a Project application.
3. Where the property is vacant, the most recent former use within the past five years prior to submission of a Project application shall be used. If the property has been vacant for more than five years, no credit shall be given. Vacancy for purposes of Fee Credit shall include any vacant or unoccupied property, structure or building where no active, approved use is currently present.
4. Where a portion of the space is changing use, credit will apply to the proportionate square footage of the space under review.
5. Where the change in use results in fewer trips than the existing or former use, no credit or refund will be due the applicant.

TITLE: TRAFFIC IMPACT POLICY	PAGE: 4 of 5	POLICY NUMBER: 1-05
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V. CREDIT FOR TRAFFIC MITIGATION IMPROVEMENTS

1. Credit against Traffic Impact Mitigation Fees due shall be granted up to the amount of the Estimated Project Cost shown on Attachment 1, Town of Los Gatos Traffic Mitigation Improvements Project List, for any listed projects for which the developer, as a condition of approval, is required to either construct at the developer's sole cost, or contribute a fixed or percentage amount of funding toward future construction of the listed improvement. Where construction is fully funded and completed by the developer, said credit shall be equal to the Project Cost as shown in Attachment 1. Where payment is a fixed amount or a percentage of Project Cost, credit shall be equal to the actual amount due, whether the project is constructed by the developer or others.
2. No credit shall be given for any public right-of-way dedication required for completion of projects listed on Attachment 1.
3. Credit will be given on a case-by-case basis and shall not exceed the impact fee payable. Any request for credit shall be made prior to the payment of the Traffic Impact Mitigation Fees. No credit shall be given for installation of Town-standard frontage improvements, Project access improvements, or internal circulation improvements.
4. Credit shall only be granted for payment of costs or construction of projects listed in Attachment 1, unless otherwise approved by the Town Council.

VI. TRAFFIC IMPACT ANALYSIS

1. Traffic impact analysis reports required pursuant to this policy shall be prepared consistent with the Transportation Impact Analysis (TIA) Guidelines adopted by the Santa Clara County Transportation Authority (VTA) Congestion Management Program (August 2009), or as such Guidelines may be amended or updated from time to time, except that the threshold for preparation of a traffic report under this policy is 20 new Peak Hour trips, whereas the VTA TIA threshold is 100 new Peak Hour Trips.
2. Traffic impact analysis reports shall be funded in full by the project applicant. Project applicants shall deposit funds with the Town in an amount deemed necessary to cover the cost of an independent consultant report, plus staff administrative and review costs. Following deposit of funds, the Town will hire a professional transportation consultant to complete the required study. Alternatively, the project applicant may hire their own professional engineering or transportation consultant to complete a traffic study, in which case they must deposit with the Town funds sufficient for the Town to hire a professional

firm to conduct a peer review of the applicant-prepared traffic report, plus staff administrative and review costs.

3. The Town shall conduct an open, competitive process to establish a list of firms which are qualified to prepare traffic reports and/or conduct peer review of traffic studies under contract to the Town. The list of firms shall be selected in accordance with the Town Purchasing Policy. A new list shall be created at a minimum of once every five years.

VII. OTHER PROVISIONS

1. The Institute of Traffic Engineers (ITE) *Trip Generation Manual* trip generation rates for Specialty Retail Center shall apply to all Specialty Retail uses as defined in this policy.
2. A secondary dwelling unit shall be exempt from this policy.
3. The Town Council may exempt housing developments for very low, low and moderate income residents (as defined by Town Ordinance, General Plan, or statute) from all or a portion of the traffic impact mitigation fee upon making a finding that the development provides a significant community benefit by meeting current needs for affordable housing.
4. Uses within the Central Business District (C-2 Zone) are expected to change periodically as part of the natural business cycle. For the purpose of Traffic Impact Fees, changes in use without changes in net building square footage within the C-2 Zone shall not be considered to create a traffic impact, shall be exempt from this policy, and no fees shall be charged for a change in use. Any increases in building square footage shall pay impact fees at the ITE Shopping Center rate or comparable equivalent rate for the expanded area, as determined by the Town Traffic Engineer.

APPROVED AS TO FORM:



Robert Schultz, Town Attorney



**TOWN OF LOS GATOS
TOWN COUNCIL POLICY
COMMITTEE REPORT**

MEETING DATE: 02/16/2017

ITEM NO: 5

DATE: FEBRUARY 9, 2017
TO: TOWN COUNCIL POLICY COMMITTEE
FROM: LAUREL PREVETTI, TOWN MANAGER
SUBJECT: REVIEW AND DISCUSS THE CURRENT AND COMPLETED POLICY ITEMS
LISTS

RECOMMENDATION:

Review and discuss the current and completed Policy Items Lists.

BACKGROUND:

At the August 25, 2016 meeting, the Council Policy Committee reviewed the Policy Items document. After August 25, 2016 staff continued to update the Policy Items document to reflect the Policy Committee's progress.

DISCUSSION:

Attachment 1 is the updated Policy Committee Items list. The list contains topics that the Committee has indicated that it would like to work on and topics suggested by staff. Additionally, Attachment 2 is a list of completed Policy Committee items for the Committee's reference.

Staff is looking to the Committee to determine which items on Attachment 1 are top priorities for the Policy Committee this year. Some of these items (i.e., Land Use Policies) may have several components. Staff is looking to the Committee to determine which items should be a focus for this year. The Committee's work plan is scheduled to be on the Consent Calendar for the February 21, 2017 Town Council meeting.

PREPARED BY: SHELAYNE HAMMACK
Management Analyst

PAGE 2 OF 2

SUBJECT: REVIEW AND DISCUSS THE CURRENT AND COMPLETED POLICY ITEMS LISTS

DATE: FEBRUARY 9, 2017

CONCLUSION:

Staff looks forward to the discussion with the Committee, particularly as it pertains to the priorities for considering pending items before the Committee.

COORDINATION:

The preparation of this report was coordinated with the Town Manager's Office (including Economic Vitality), Community Development Department, and the Town Attorney's Office.

FISCAL IMPACT:

There is no fiscal impact associated with this item.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Current Policy Committee Items List
2. Complete Policy Committee Items List

Current Town Policy Committee Items

Item	Next Step	Tentative Council Date	Notes/Date Direction Given
Commission Appointment Policy	Amendments Ready for Town Council	2-21-17	Direction given at 1-19-17 Committee meeting.
Cellar/Basement Policy	Ready for Planning Commission		Direction given at 12-15-16 Committee meeting.
Preferential Parking	Committee discussion on 2-16-17		
Light Manufacturing (LM) Zone <ul style="list-style-type: none"> • Ancillary Office Definition 	Committee discussion on 2-16-17		Direction given at 11-17-16 Committee meeting.
Traffic Impact Fees	Committee discussion on 2-16-17		
Alcohol Policy	Committee discussion on 3-16-17		Direction given at 3-7-16 Committee meeting.
Makers Policy	Committee discussion on 3-16-17		
Retention Policy	Agendize for Committee discussion	3-21-17	Direction from the Town Attorney's Office.
Purchasing Policy	Agendize for Committee discussion		Direction from the Town Attorney's Office.
Hillside Guidelines: <ul style="list-style-type: none"> • Visibility Analysis 	Agendize for Committee discussion		Direction given at 2-2-16 from Town Council meeting.
Continue review of land use policies <ul style="list-style-type: none"> • Food Trucks 	Agendize for Committee discussion		Direction given at 8-4-16 Committee meeting.
Specialty Retail and related definitions	Agendize for Committee discussion		Direction given at 3-7-16 Committee meeting.
Parking and Seats	Agendize for Committee discussion		Direction given at 10-4-16 from Town Council meeting.
Review Commercial Design Guidelines	Agendize for Committee discussion		Direction given at 6-23-16 Committee meeting.
Floor Area Ratio (FAR) Entire Lot vs. Least Restrictive Development Area (LRDA)	Agendize for Committee discussion		Discussed at 1-19-17 Committee meeting.
Short Term Vacation Rentals	Agendize for Committee discussion		
Formula Retail <ul style="list-style-type: none"> • Considering no CUP requirement 	Agendize for Committee discussion		Direction given at 3-7-16 & 3-24-16 Committee meetings. Additional direction given at 2-2-16 & 3-15-16 Town Council meetings.
Placemaking and related survey	Agendize for Committee discussion		Direction given at 3-7-16 Committee meeting.
Create a Strategic Priorities Policy	Agendize for Committee discussion		

Completed Town Policy Committee Items

Item	Council Date
Facilities Use Policy Amendments	APPROVED 2-7-17 10-18-16
Traffic Impact Fees	APPROVED 12-6-16
Remote Participation	APPROVED 10-18-16
Flag Policy	APPROVED 10-18-16
Commission Appointment Policy (ballot/voting process only)	APPROVED 10-18-16
Commission Appointment and Residency Requirements Policy	APPROVED 10-18-16
Legislative Policy	APPROVED 10-4-16
Applicant/Appellant Time Reduction	DENIED 9-6-16
Entertainment Policy	APPROVED 6-21-16
Rescission of seven outdated land use policies	APPROVED 4-5-16
Outdoor Seating	APPROVED 12-1-15
Valet Parking	APPROVED 11-17-15



**TOWN OF LOS GATOS
TOWN COUNCIL POLICY
COMMITTEE REPORT**

MEETING DATE: 02/16/2017

ITEM NO: 5
ADDENDUM

DATE: FEBRUARY 15, 2017
TO: TOWN COUNCIL POLICY COMMITTEE
FROM: LAUREL PREVETTI, TOWN MANAGER
SUBJECT: REVIEW AND DISCUSS THE CURRENT AND COMPLETED POLICY ITEMS
LISTS

REMARKS:

Attachment 3 is an updated version of the Current Policy Committee Items List to include the item titled, "Downtown Employee Parking"

Attachments (previously received with February 14, 2016 Staff Report):

1. Current Policy Committee Items List
2. Complete Policy Committee Items List

Attachment 3 Received with this Addendum:

3. Updated Current Policy Committee Items List

PREPARED BY: SHELAYNE HAMMACK
Management Analyst

Current Town Policy Committee Items

Item	Next Step	Tentative Council Date	Notes/Date Direction Given
Commission Appointment Policy	Amendments Ready for Town Council	2-21-17	Direction given at 1-19-17 Committee meeting.
Cellar/Basement Policy	Ready for Planning Commission		Direction given at 12-15-16 Committee meeting.
Preferential Parking	Committee discussion on 2-16-17		
Light Manufacturing (LM) Zone <ul style="list-style-type: none"> Ancillary Office Definition 	Committee discussion on 2-16-17		Direction given at 11-17-16 Committee meeting.
Traffic Impact Fees	Committee discussion on 2-16-17		
Alcohol Policy	Committee discussion on 3-16-17		Direction given at 3-7-16 Committee meeting.
Makers Policy	Committee discussion on 3-16-17		
Retention Policy	Agendize for Committee discussion	3-21-17	Direction from the Town Attorney's Office.
Purchasing Policy	Agendize for Committee discussion		Direction from the Town Attorney's Office.
Hillside Guidelines: <ul style="list-style-type: none"> Visibility Analysis 	Agendize for Committee discussion		Direction given at 2-2-16 from Town Council meeting.
Continue review of land use policies <ul style="list-style-type: none"> Food Trucks 	Agendize for Committee discussion		Direction given at 8-4-16 Committee meeting.
Specialty Retail and related definitions	Agendize for Committee discussion		Direction given at 3-7-16 Committee meeting.
Parking and Seats	Agendize for Committee discussion		Direction given at 10-4-16 from Town Council meeting.
Review Commercial Design Guidelines	Agendize for Committee discussion		Direction given at 6-23-16 Committee meeting.
Floor Area Ratio (FAR) Entire Lot vs. Least Restrictive Development Area (LRDA)	Agendize for Committee discussion		Discussed at 1-19-17 Committee meeting.
Short Term Vacation Rentals	Agendize for Committee discussion		
Formula Retail <ul style="list-style-type: none"> Considering no CUP requirement 	Agendize for Committee discussion		Direction given at 3-7-16 & 3-24-16 Committee meetings. Additional direction given at 2-2-16 & 3-15-16 Town Council meetings.
Placemaking and related survey	Agendize for Committee discussion		Direction given at 3-7-16 Committee meeting.
Create a Strategic Priorities Policy	Agendize for Committee discussion		
Downtown Employee Parking	Agendize for Committee discussion		