



MEMORANDUM

COMMUNITY DEVELOPMENT DEPARTMENT

To: North 40 Advisory Committee

From: Sandy L. Baily, Director of Community Development

Subject: North 40 Advisory Committee Meeting Report

Date: July 31, 2013

Attached is additional correspondence regarding the North 40 Specific Plan.

Exhibits:

1. Letter from Woody Nedom, received July 1, 2013
2. Emailed letter from Don Capobres, Senior Vice President, Grosvenor Americas, received July 26, 2013

June 28, 2013

RECEIVED

JUL 1 2013

Town of Los Gatos
North Forty Specific Plan Advisory Committee
c/o Sandy Baily, Planning Manager
110 E. Main St.
Los Gatos, CA 95031

**TOWN OF LOS GATOS
PLANNING DIVISION**

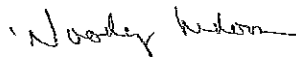
Dear Chairperson and Committee Members,

I know that you share the often-repeated concerns of Los Gatos residents about the potential pressure on our schools and intolerable traffic that the North Forty project portends. I hope you, the final architects of the Specific Plan, have not lost sight of these concerns as you wade through the myriad details of your task.

I have attended most of your Committee meetings, listened to the developer's presentations and read some of his correspondence to you. It is apparent that Grosvenor intends to retire its infrastructure costs by building and selling as many housing units as it can in the Lark District. In order to address the concerns I have mentioned as well as to provide Grosvenor the direction it will need for planning purposes, I submit that important items for your next meeting ought to include: revisiting and debating the maximum number and type of housing units permitted in total; the number of units and type that will be permitted in the Lark District; traffic circulation within the first phase development, including frontage roads, to minimize area congestion.

I think this approach, though less ethereal than recent discussions, will be of more tangible benefit to both the Town and the developer.

Sincerely,



Woody Nedom
16280 Azalea Way
Los Gatos, CA 95032



July 25, 2013

Town of Los Gatos
North Forty Specific Plan Advisory Committee
c/o Sandy Baily, Planning Manager
110 E. Main St.
Los Gatos, California 95031

RECEIVED

JUL 26 2013

**TOWN OF LOS GATOS
PLANNING DIVISION**

Dear Committee Members:

Since recommending in May, the Specific Plan Advisory Committee has rigorously reviewed the majority the Draft Specific Plan, taken public testimony, and provided additional feedback to the Specific Plan consultants and Staff. As the primary developer for the North 40, we have attempted to offer comments regarding implementation at these meetings while respecting the Town-driven Specific Plan process. We have recently taken notice that many committee members want to better understand how the development standards proposed in the Specific Plan translate into a plan that captures the Vision Statement and goals of the process.

Attached are exhibits that outline a detailed plan for the Lark and Transition Districts of the North 40. The plan reflects the development standards discussed to date by your Committee, such as open space requirements and permitted land uses, and how these goals can be achieved with thoughtful site design. It also features property that we currently control and thus can implement immediately. Given questions to date from the Committee, we are sharing this plan with you as a way to demonstrate how implementation of the vision statement truly does result in a neighborhood that is in keeping with the spirit and feel of Los Gatos. It is a neighborhood that provides a thoughtful mix of unmet residential opportunities and retail and personal service amenities that will support the new neighborhood and provide much needed restaurant and other services to the north end of Town. We propose reviewing it against the standards that you have already discussed, and if it meets those standards, the details shown in this plan be incorporated into the Specific Plan for the Lark and Transition Districts.

As revealed at your last meeting, the timing of our acquisition of the northern portion of the land owned by the Yuki family will be delayed due to the presence of family members and their strong desire to continue to remain on their land and be a part of the Los Gatos community in the near future. In addition to the Yuki family, this section of the North 40 includes many different land owners. Unlike the Lark and Transition Districts, we propose that land use and design parameters for the Northern District provide higher level guidance in defining allowable development standards—with the goal of providing enough direction to give a developer certainty on what types of land use and how much of each of land use is appropriate. We also suggest, as we will very likely be in a different economic cycle when it is implemented, that a menu of options be considered for the Northern District with each option containing the critical mass of certain property types to help better ensure success of those projects. We believe that development themes that are compatible with our shared vision for the Lark and Transition Districts would include: 1) retail as previously outlined by Grosvenor and currently contemplated in the draft Specific Plan; 2) state-of-the art office designed to West Silicon Valley expectations; or 3) an expanded residential program. We will continue to work with the Town to explore these options.

In summary, specific development parameters can be provided for Lark and the Transition Districts because the land assembly and timing allow for detailed plans to be vetted. Given their immediate availability for implementation, those parameters should be incorporated in the Specific Plan. Due to land assembly and timing issues in the Northern District, more general development parameters and a menu of styles of development should be provided through the Specific Plan.

Grosvenor remains committed to a comprehensive plan for the Town's North 40 planning area. We have assembled a high quality team to implement this important first phase. Grosvenor, SummerHill Homes, and Eden Housing will set a high bar for thoughtfulness of development and will also provide substantial infrastructure improvements and an increased tax basis for Phase I, which ultimately will ensure successful development of the balance of the site.

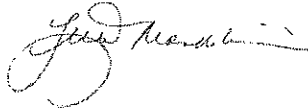
Our consultants conservatively estimate that implementing the retail program currently outlined in the Specific Plan for the Northern District in combination with the plans that are attached for the Lark and Transition District, will result in increasing the assessed value of the North 40 planning area from approximately \$30 million today to over \$530 million at full build out. We will be sharing additional fiscal impact data with you in upcoming weeks, but in brief, the North 40 has considerable positive economic potential for both the Town's General Fund and the School Districts.

We have included as an attachment to this letter the Illustrative Phase I Context Plan, and updated Phasing/Open Space/ and Building Height Plans. We will present these plans at the next Advisory Committee Meeting on August 7th. We also continue to welcome individual meetings with Advisory Committee members and are always available to answer any questions.

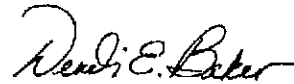
Sincerely,



A. Don Capobres
Senior Vice President
Grosvenor



Linda Mandolini
President
Eden Housing



Wendi Baker
Vice President of Development
SummerHill Homes