

MEASURE A

TOWN ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE A

Measure A, if approved by voters, would repeal Town Council approvals for development on a 21.6-acre site at 90—160 Albright Way and 14600 Winchester Boulevard (site) and adopt the Albright Specific Plan for development of the Albright Office Park Project.

The Project approved by the Town Council in June 2013 allowed for the development of a new office and research and development (R&D) park. The Town Council approved Project provided for the removal of existing buildings on the site and the construction of four new office and R&D buildings up to a maximum of 485,000 square feet of enclosed space. Parking, driveways, and landscaping would also be developed.

If approved by the voters, Measure A would repeal Town Council approvals for the Project, amend the Los Gatos General Plan and Zoning Code, and adopt the Albright Specific Plan for this site. The Albright Specific Plan provides standards, rules and guidelines for development of the site. In general, the development allowed by the Albright Specific Plan would be similar to the project the Town Council approved in June 2013 including the developer's obligation to pay similar fees, including a Traffic Impact Mitigation Fee, school impact fees, and a Community Benefit Payment. The Albright Specific Plan would be exempt from any further environmental review but does incorporate all the mitigation measures identified in the Environmental Impact Report for the 2013 Project approved by the Town Council and also incorporates all of the Conditions of Approval adopted by the Town Council for the Project.

However, Measure A would allow 11 more parking spaces and development of elevated walkways (pedestrian bridges) between buildings on the site. Under the project as approved by the Town Council, future changes to allowed land uses on the site would be made by the Town Council. Under Measure A, such changes could only be made by Town voters until 2021, after which the Town Council would again decide on changes.

To be adopted, Measure A must be approved by a simple majority of the voters in the Town of Los Gatos.

A "yes" vote on Measure A favors amending the General Plan and Zoning Code and Adopting a Specific Plan for the project site.

A "no" vote on Measure A opposes amending the General Plan and Zoning Code and adoption of the Albright Specific Plan. A "no" would allow development for the project site to proceed pursuant to June 2013 Town Council approvals.

Date: March 17, 2014

/s/ Robert Schultz
Town Attorney

The above statement is an impartial analysis of Measure A. If you desire a copy of the measure, please call the Los Gatos Town Clerk's office at (408) 345-6888. The text of Measure A also appears on the Town's website at <http://www.losgatosca.gov/AlbrightWayInitiative>

COMPLETE TEXT OF MEASURE A

The people of the Town of Los Gatos ordain as follows:

Section 1. Title.

This initiative measure ("Initiative") shall be known as the "Los Gatos Economic Development and Jobs Retention Initiative."

Section 2. Findings and Purpose.

A. Findings. The people of the Town of Los Gatos find and declare the following:

1. The office park located at 90-160 Albright Way and 14600 Winchester Boulevard, APNs 424-31-053, -054, -063, 424-32-038, -045, -049, -054, -059, -060, -063, (collectively, the "Property") as shown in Figure 2-3 of **Exhibit D** hereto, has been used as an industrial office park that was previously developed with ten one- and two-story concrete office buildings constructed in the 1970s and 1980s, and which together were approximately 250,000 square feet.
2. The office park consists of low-quality, "Class C" space that does not meet market demand. The Town of Los Gatos would be ideally served at this location by high-quality "Class A" space suitable for a corporate headquarters, which will attract the types of companies and jobs that will enhance the community and benefit the residents of the Town of Los Gatos.
3. The Property is located near State Route 85 and the proposed future Vasona Light Rail Station, and is proximate to bus stops and sidewalks. Appropriate and well-regulated growth of this strategically-located site could help reduce greenhouse gas emissions by promoting use of alternative modes of transportation for commuting, consistent with the vision of the Vasona Light Rail Element of the Town of Los Gatos 2020 General Plan ("General Plan").
4. The best use of the Property would be for office and research and development and related uses rather than mixed-use development because of the Property's proximity to a freeway and railroad line, which produce noise that may be incompatible with residential uses.
5. In April 2013, the Town completed an environmental impact report ("EIR") in connection with a proposal for a project on the Property that would have allowed the development of 550,000 square feet of office and research and development uses, including office-serving amenities, in four, 65-foot tall buildings, as well as surface parking, a structured parking garage, and landscaping. The EIR and associated technical reports analyzed that project's potential impacts on land use and planning; aesthetics; biological resources; geology and soils; hydrology and water quality; transportation and traffic; noise; air quality; greenhouse gas emissions; hazards and hazardous materials; cultural resources;

ARGUMENT IN FAVOR OF MEASURE A

Passage of Measure A will once and for all allow for the expansion of the Netflix headquarters in Los Gatos.

Independent analysis shows that the Netflix headquarters expansion will:

- Create jobs in Los Gatos and improve the local economy
- Generate over \$1 million in annual property tax revenue for Los Gatos schools
- Produce over \$223,000 in annual tax revenue for Town services such as police, fire, traffic improvements, libraries and parks
- Bring approximately \$835,000 in community benefit funds
- Generate additional development fees for the Los Gatos school districts

Measure A was placed on the ballot as a result of an unprecedented outpouring of community support which resulted in more than 4,000 signatures on the initiative petitions in less than 4 weeks. The purpose of Measure A is to bring an end to the lawsuits (including preventing future lawsuits), which only serve to delay the completion of the Netflix headquarters expansion, and give the community the opportunity to vote on this important project.

Following qualification of the initiative, the Town Council requested an independent review to determine if any substantial differences existed between the project that was approved by the Town Council in June of 2013 and the "Albright Specific Plan" project which is proposed by the initiative. The independent review concluded that "the physical aspects of the Specific Plan would be similar to the 2013 Project" and "key differences . . . are primarily procedural."

At the March 3, 2014 Town Council meeting, the individuals responsible for the lawsuits joined with Town leaders and the developers of the Netflix headquarters expansion to sign a settlement agreement. In the words of many attendees at that meeting, "It's time to move on." We couldn't agree more.

Please join us in voting Yes on A to ensure that Netflix calls Los Gatos home for years to come.

/s/ Mike D. Kail
Netflix Vice President

/s/ LezLi Logan
Founding Member, We Support Los Gatos

/s/ Linda Nanez
Retired Los Gatos Elementary School Teacher

/s/ Carl Guardino
President and CEO, Silicon Valley Leadership Group

/s/ Ginger Reynolds-Rowe
Los Gatos Business Owner and Parent

NO ARGUMENT AGAINST MEASURE A WAS SUBMITTED