

ECONOMIC DEVELOPMENT ELEMENT



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ECONOMIC DEVELOPMENT ELEMENT



INTRODUCTION

Although Los Altos is mostly built out, with relatively few vacant parcels available for large-scale development, many opportunities exist for expanding the existing commercial and employment base. As described in the Land Use Element, development efforts within specified areas will allow new investment and complementary uses to meet local and regional shopping needs, provide expanded job opportunities, and build the City's tax base.

PURPOSE OF THE ECONOMIC DEVELOPMENT ELEMENT

The Economic Development Element is an optional element under California law, rather than a mandatory element of the General Plan. The purpose of the Economic Development Element is to maintain and enhance the economic character of the community.

SCOPE AND CONTENT OF THE ECONOMIC DEVELOPMENT ELEMENT

The Economic Development Element is comprised of four sections: 1) Introduction; 2) the Economic Plan; 3) Issues, Goals and Policies; and 4) Implementation Programs Appendix. The Plan section provides background information and describes how the Economic Development goals and policies will be achieved. In the Issues, Goals and Policies section, major issues related to the city's economy are identified and related goals and policies are established to address these issues. The goals, which are overall statements of community desires, are comprised of broad statements of purpose and direction. The policies serve as guides for working with local and regional

agencies to ensure the economic viability of the community. The Implementation Programs Appendix identifies specific implementation programs for the Economic Development Element.

RELATED LAWS, PLANS AND PROGRAMS

This Element provides the overall framework for decision-making that affects economic development in the City. More detailed plans set forth specific strategies for economic development, and establish regulations and standards for focus areas. As discussed in the Land Use Element, specific plans and area or district plans are regulatory documents, which work in concert with the General Plan to accomplish the City's goals and policies. Plans and programs specifically focused on economic development are as follows:

Loyola Corners Specific Plan

The Loyola Corners Specific Plan was adopted in 1990 for the 17-acre commercial area near the intersection of Fremont and Miramonte Avenues with Foothill Expressway. The first goal of the plan is to create attractive and functional shopping and commercial use facilities in order to increase use and provide for long term viability of the area.

Sherwood Gateway Specific Plan

In 1999, the City adopted the Sherwood Gateway Specific Plan for the 26-acre commercial area southeast of El Camino Real and San Antonio Road. Economic revitalization of the plan area is one of the primary goals.



Commercial Retail Sales (CRS) Ordinance

The City adopted an Ordinance establishing provisions for the Commercial Retail Sales (CRS) zoning district, which applies to property located in the downtown area. Findings and provisions thereof encourage retail uses for economic and aesthetic purpose.

Chamber of Commerce Economic Development Committee

The Chamber of Commerce Economic Development Committee was established for the City of Los Altos and Los Altos Hills to promote local economic development strategies. Two members of the Los Altos City Council sit on the committee.

Downtown Urban Design Plan

In 1992, the City adopted the downtown Urban Design Plan to reinforce the identity of Downtown as a retail center, to improve the visual quality of the area, and to create an attractive pedestrian environment.



RELATIONSHIP TO OTHER GENERAL PLAN ELEMENTS

According to State planning law, the Economic Development Element must be consistent with the other General Plan elements. All of the elements are interdependent, as well as being interrelated. Certain goals and policies of each element may also address issues that are primary subjects of other elements. This integration of issues throughout the General Plan creates a strong basis for the implementation of plans and programs and achievement of community goals. The Economic Development Element is most directly related to Land Use, Circulation, Community Design & Historic Resources, and Housing Elements.



ECONOMIC DEVELOPMENT PLAN

In all cities, interdependence exists between local economic issues and the overall quality of life. Los Altos is a mature community with little undeveloped land. With a limited commercial base, Los Altos is considered primarily a residential community.

Economic development efforts will focus on the development, redevelopment and intensification of the El Camino Real corridor, Foothill Plaza and the Downtown core as described in the Land Use Element, as well as other business districts suitable for redevelopment. Background information and specific strategies are provided in this section of the Element.

EXISTING CONDITIONS AND PROJECTIONS

Demographics

According to the U.S. Census, the population in Los Altos in year 2000 was 27,693 persons. The planning area for Los Altos had a population of 31,900 in 2000. Because the community is nearly built out, the rate of local population growth over the last two decades has been substantially slower than Santa Clara County and the Bay Area region. As identified in the Housing Element, the population in Los Altos is not significantly diverse in terms of ethnicity and the age distribution favors an older population. To the contrary, Santa Clara County and the Bay Area became more ethnically and age diverse throughout the 1990s.

In 2000, there were 10,462 households in Los Altos, primarily in low-density single-family residential units. While the number of households in Los Altos did not change substantially throughout the 1990s, Santa

Clara County and the Bay Area region experienced substantial household growth during the period.

Employment

During the 1990s, the total number of jobs in Los Altos grew by almost ten percent to 11,840 jobs, primarily in the industry sectors of retail and service. In Santa Clara County during this same period, the rate of job growth was over 20 percent and the job base was more diverse. Job opportunities were no longer tied to a handful of high-tech sectors, but expanded to complementary and competitive industry clusters. Companies and jobs began to move from the urban centers, causing cities ringing the edges of the region to grow.

While the Los Altos work force makes up less than half of its population (15,900 employed residents in 2000), the majority of its residents hold higher-paying managerial and professional jobs. Most of the jobs in Los Altos are retail, service, and government-oriented jobs. Therefore, the economic well-being of Los Altos residents is dependent upon the economic vitality of the County and the region.

ABAG projects that between the years 2000 and 2020, jobs in the Bay Area will be more diversified and the technology center in Silicon Valley will be diffused, resulting in a more broad-based regional economy that is less volatile than in recent years. In Santa Clara County, the rate of job growth is expected to slow from recent years as information technology companies disperse. However, the County is still expected to be the regional leader in adding new jobs through 2020.

During the forecast period to 2020, Santa Clara County will add 231,000 new jobs, 30 percent of which are anticipated in the manufacturing sector and 50 percent in the service sector. Los Altos is expected to add



1,050 new jobs by 2020, the majority of which would be in manufacturing/wholesale, retail, and other job sectors. Projected population and job growth in the City are comparable, while job growth in the County is projected to outpace population growth. See Table ED-1.

The average household income in Los Altos grew 30 percent in the 1990s to \$159,300. During that same period, household income in Santa Clara County grew almost 23 percent to \$86,300. ABAG projects household income in the City and County to grow 27 and 22 percent, respectively by the year 2020.

In Santa Clara County, high paying service sector jobs are closely linked to the manufacturing sector. If growth (in terms of sales volume and productivity) does not continue in the electronics industry due to declining market share or maturation of the industry, the demand and/or ability to pay for professional services would level off or decline. The demand for related business service jobs such as engineers, management consultants, and computer programmers could decline, and pay scales may be driven down. Because the City's labor force is concentrated in the high paying end of the service spectrum, it is vulnerable to these potential long-term structural changes.

**Table ED-1
Historic and Projected Economic Data**

LOS ALTOS PLANNING AREA CHARACTERISTICS	1990	2000	% Change 1990-2000	2020	% Change 2000-2020
Total Population	29,438	31,900	8.4 %	35,000	9.7 %
Employed Residents	15,192	15,900	4.6 %	18,400	15.7 %
Total Jobs	10,800	11,840	9.6 %	12,890	8.9 %
Ag/Mining Jobs	230	250	8.5 %	200	- 20.0 %
Manufacturing/Wholesale Jobs	670	680	1.5 %	790	16.2 %
Retail Jobs	2,650	3,170	19.6 %	3,610	13.9 %
Services Jobs	5,140	6,010	16.9 %	6,360	5.8 %
Other Jobs	2,110	1,730	- 18.0 %	1,930	11.5 %
Household Income	122,200	159,300	30.0 %	202,100	26.9 %
SANTA CLARA COUNTY CHARACTERISTICS	1990	2000	% Change 1990-2000	2020	% Change 2000-2020
Total Population	1,497,577	1,755,300	17.2%	2,016,700	14.8 %
Employed Residents	812,345	928,700	14.3 %	1,137,800	22.5 %
Total Jobs	890,930	1,077,220	20.9 %	1,308,220	21.4 %
Ag/Mining Jobs	7,210	7,430	3.1 %	7,010	-5.6 %
Manufacturing/Wholesale Jobs	339,880	348,670	2.6 %	418,800	20.1 %
Retail Jobs	129,700	149,250	15.1 %	169,270	13.4 %
Services Jobs	270,230	390,470	44.5 %	504,430	29.2 %
Other Jobs	143,910	181,400	26.1 %	208,710	15.1 %
Household Income	70,300	86,300	22.8 %	105,300	22.0 %
<i>Source: Association of Bay Area Governments Projections 2000</i>					



FISCAL BALANCE

The City must formally monitor the changing economic indicators and conditions of the subregion to anticipate the impacts of the subregional economy on Los Altos and the City of Los Altos, thereby assuring that the City's fiscal policies are related to their economic context.

Economic Base

The majority of the approximately 11,840 jobs in the Los Altos planning area are in the commercial sector, which is composed of retail and office/service uses. Retail uses are typically small-scale and are dispersed among Downtown and half-a-dozen other commercial areas (shown in Figure ED-1).

During the 1990s, Los Altos experienced growth of retail, office, and personal service uses. Office uses have expanded along San Antonio Road, the El Camino Real corridor, and in the Downtown triangle. Personal services, such as beauty salons that only incidentally involve retailing, have replaced some retail shops resulting in a loss of sales tax revenues to the City and interruption of retail frontage. This change in the mix of commercial uses is not altogether desirable – it reduces sales tax revenue; it can eliminate retail business needed or desired by the community; and it can sap the vitality of a retail area by reducing the synergy that comes from a pattern of retail location that is concentrated, with retail uses adjacent to one another and not interrupted by “dead space.”

The popularity of large retail centers grew throughout the 1990s. Large retailers require a significant amount of property to accommodate buildings and parking. To better serve a regional customer base, such businesses also prefer freeway visibility and arterial accessibility. Given the limitations in the size of commercial property and lease space in Los Altos, the City is not well positioned to attract this type of large retail development. Rather, commercial development in Los Altos serves

primarily local residents and does not generally compete with the large regional shopping centers.

Looking toward the future, an important dimension of the commercial development picture is the mix of businesses in the City's commercial areas. Whereas shopping centers can select tenants, cities often allow, limit, eliminate, or redirect businesses. Los Altos took this step in 1983 to prevent further displacement of retail uses by banks, savings and loans, and other offices in the Downtown area. More recently (2001), the City refined the allowed use list in the Commercial Retail Sales (CRS) Zoning District to encourage specific uses in particular portions of the Downtown.

Commercial land use policy presents important fiscal issues. The City's fiscal situation is related to the mix of businesses. Since Proposition 13, property tax revenues have not grown at the same rate as the cost of providing city services, largely because of limitations placed on property tax increases unless property is sold (the sale, or “turnover” of property triggers reassessment, and hence a property tax increase). This, coupled with the fact that approximately 80 percent of land use in Los Altos is devoted to residential land use, means that “the Proposition 13 effect” is magnified in Los Altos. Another factor impacting property tax revenue is the fact that property tax is paid to the County and redistributed to the cities in proportion to their contribution to the total assessed value of the county. Without significant non-residential tax base, Los Altos receives a disproportionately smaller tax payout than its neighboring cities with significant industrial and commercial tax bases.

Retail uses contribute significantly to City revenues through sales tax. In most cases, an office use would have to be developed at a much greater intensity than a retail use in order to generate, through property tax and business licenses, the same amount of revenue that retail stores generate for the City through sales taxes. Loss of retail uses would diminish the City's tax base.



- ① El Camino Real
- ② Sherwood Gateway
- ③ Downtown
- ④ Rancho Shopping Center
- ⑤ Loyola Corners
- ⑥ Woodland Plaza
- ⑦ Foothill Plaza

- Commercial Centers
- City Boundary
- Planning Area Boundary

Source: City of Los Altos GIS.



Figure ED-1
Commercial Centers



While retailing has a fiscal edge over other kinds of commercial uses, there appears to be a market for non-retail uses. Some of the pressure for office development stems from the prestige value of a Los Altos address. For that reason, it may be possible to develop office space in Los Altos and achieve acceptable levels of occupancy, even when vacancy rates are high elsewhere. If office development is encouraged, revenue generating vehicles will be needed to assure equitable taxation of commercial areas and that the change will be fiscally positive for the community.

Figures from the Board of Equalization show that taxable sales in Los Altos are low in relation to personal income when com-

pared to most other cities in Santa Clara County. Table ED-2 lists the total and retail taxable sales in Los Altos and Santa Clara County between 1997 and 2000. Retail sales in the City were stagnant during the 1980s, but retail activity and employment potential have grown in recent years. In 2000, retail sales in Los Altos grew 12.4 percent and total sales grew 17.4 percent. Comparatively, retail sales and total sales in Santa Clara County in 2000 grew by 17.8 and 22.9 percent, respectively. While Los Altos sales figures have grown in recent years, it is important to note that retail sales have grown at a rate slower than overall sales and per capita data shows a growth in food stores/restaurant sales and a decline in general merchandise sales.

**Table ED-2
City and County Taxable Sales Data
(in thousands of current dollars)**

Taxable Year	City of Los Altos		Santa Clara County	
	Retail Sales	Total Sales	Retail Sales	Total Sales
2000	\$ 187,406	\$ 244,839	\$ 19,773,484	\$ 37,303,662
1999	\$ 166,698	\$ 208,468	\$ 16,781,972	\$ 30,348,644
1998	\$ 155,753	\$ 193,431	\$ 15,000,747	\$ 27,488,815
1997	\$ 152,163	\$ 188,841	\$ 14,363,950	\$ 26,951,487

Source: State Board of Equalization

COMMERCIAL VITALITY

As previously mentioned, commercial development and corresponding sales tax play an important role in the quality of life for Los Altos residents. In year 2000, sales tax comprised approximately 15 percent of the City's total general purpose revenues, which are used to provide services to the community. While actual sales tax has superseded budgeted expectations in recent years, a significant decline in sales tax would have a negative impact on Los Altans.

There are seven primary commercial areas in Los Altos. The list below identifies each of the commercial areas described in this section. See Figure ED-1 for locations.

- ❖ Downtown
- ❖ El Camino Real
- ❖ Sherwood Gateway
- ❖ Loyola Corners
- ❖ Rancho Shopping Center
- ❖ Woodland Plaza
- ❖ Foothill Plaza



Downtown

Downtown is the commercial core of the greater Los Altos area and is the historic center of the City. Located in a triangular area, Downtown is bound by Foothill Expressway to the southwest, San Antonio Road to the east, and Edith Avenue to the north. Unlike all other commercial developments in the City, Downtown has a pedestrian-oriented development and design pattern, which creates a unique, small-town atmosphere. The Downtown is treasured by Los Altos as the “heart” of the City.

In a proactive approach to ensure the functional and aesthetic integrity and economic vitality of the Downtown, the City adopted special plans and provisions for the area. These actions are described below.

Downtown Urban Design Plan: In 1992, the City adopted the Downtown Urban Design Plan to reinforce the identity of downtown as a retail center, to improve the visual quality of the area, and to create an attractive pedestrian environment. The plan establishes a use and design review process, along with specific solutions and priorities for implementing the specified urban design concepts.

Commercial Retail Sales (CRS) Zone: In 2001, City Council adopted special use provisions and specific design criteria for the CRS Zoning District to retain and enhance the village atmosphere and pedestrian-oriented environment of the commercial core of Downtown. The district allows only retail and limited service uses on the first floor with other uses allowed on the second floor.

The Land Use Element identifies the Downtown as one of the few areas of the City for potential land use intensification. New policies introduce a residential land use component and allow the potential for an increased floor area ratio for housing above the ground floor within the commercial core.

El Camino Real

Located at the northern edge of Los Altos, El Camino Real is a commercial corridor shared with both Palo Alto and Mountain View. This corridor presents a unique economic opportunity for the City. Unlike the other smaller commercial developments in Los Altos that are located on two- and four-lane roads surrounded by residential neighborhoods, El Camino Real is a six-lane arterial with contiguous larger scale commercial development and property. Therefore, more intense commercial development throughout this corridor will not jeopardize the small-town residential character of the City.

As specified in the Land Use Element, El Camino Real is identified as one of the few areas in the City with opportunity to redevelop or intensify existing development. Most of the land along the corridor is designated Commercial Thoroughfare, which allows a wide variety of more intense commercial uses. New policies in the Land Use Element allow the potential to encourage retail and residential use throughout the corridor as follows:

- ❖ Retail use may be encouraged on the first floor with the incentive of an increase in the allowable floor area ratio;
- ❖ As a disincentive for exclusive office development, the allowable floor area ratio for such projects may be reduced; and
- ❖ Finally, if housing is included as part of a mixed-use project, the height limit may be increased from two- to three-stories.

To address the diversity in development type and scale between communities, Los Altos and Mountain View should establish improvement standards for a consistent and pedestrian-friendly streetscape. Streetscape improvements should include sidewalk design and dimension, streetlights, street trees and median planting, sidewalk furniture, and signs. As identified in the Land Use Element, special consideration shall be provided to nearby Los Altos resi-



dences to address potential impacts from non-residential development along El Camino Real. Where residences adjoin commercial areas, the proposed commercial development should be evaluated with respect to its surroundings. The privacy, solar access, and noise environment of the adjacent residential areas should be preserved or improved.

The El Camino Real corridor serves as a gateway to Los Altos from the north. Two commercial centers are located at this northern gateway, where El Camino Real intersects San Antonio Road: Sherwood Gateway and Village Court.

In an effort to establish a plan for revitalization of this area, the City adopted the Sherwood Gateway Specific Plan. The Specific Plan comprehensively addresses land use, circulation and parking, site planning, and design guidelines for the 26-acres on east of the intersection of El Camino Real and San Antonio Road. Implementation of this Specific Plan will ensure greater harmony in the development patterns at the City's northern gateway.

Loyola Corners

Loyola Corners is a 17-acre neighborhood commercial area located just off Foothill Expressway at Fremont and Miramonte Avenues. Most of the commercial buildings are small single-story structures built in the late 1940s to early 1960s. The Loyola Corners Neighborhood Commercial Center Specific Plan was adopted in 1990 to improve the aesthetics, use, and vitality of the area. The Specific Plan also addresses circulation and compatibility with surrounding residential neighborhoods.

Rancho Shopping Center

Rancho Shopping Center is well known for its innovative 1950s architecture with covered walkways, landscape, and store-front

parking configuration. This is the largest shopping center in Los Altos with dozens of stores and offices. Retaining the village character of the center and maintaining access to Springer Road are the primary goals for this center.

Woodland Plaza

Woodland Plaza fronts Grant Road (a frontage road along Foothill Expressway) south of Newcastle Drive. This small community shopping center includes a variety of retail and office uses.

Foothill Plaza

Foothill Plaza is located on Homestead Road near the intersection of Foothill Expressway and Interstate 280. This shopping center houses a wide variety of uses and is positioned at the southern gateway to Los Altos.

FUTURE CONDITIONS

The appearance of Los Altos, its location within a particularly affluent area of the region, and its historical role as a local retail center suggest that the community's future economy may focus on retailing. Recent economic conditions and local retail sales data indicate that Los Altos is well positioned for retail growth and revitalization. Throughout the 1990s, the City focused its efforts on land use regulations and area plans that ensure a successful and appropriate mix of commercial uses and development to meet the needs of Los Altos residents and visitors.

Public and private efforts will be required to ensure the success of future retailing in the City, which in turn, ensures the maintenance and improvement of City services for Los Altos residents. This retail focus is a critical element of the Los Altos General



Plan. This focus is important to the City's fiscal vitality and for maintaining the unique small-town character and identity that so many residents value. The goals, policies, and programs set forth in this chapter reflect the philosophy of retaining retail primacy in the local economy, and look toward ways of restoring and reinforcing that primacy for the benefit of the entire community.

The goals, policies, and programs in this Element and the Land Use Element reinforce development strategies of the City's shopping centers and commercial areas. Most of the commercial developments in Los Altos are neighborhood commercial shopping centers. Goals and policies for these neighborhood commercial centers focus on providing retail and service uses to meet the needs of nearby residents and ensuring compatibility with surrounding neighborhoods.

The General Plan also recognizes the unique characteristics and opportunities of the City's Downtown and the El Camino Real corridor. In these two commercial areas, goals and policies focus on promoting retail use, incorporating the option for a residential component, and allowing for intensification of development. Given that non-retail commercial development is less fiscally advantageous than retailing, exclusively office uses are discouraged and retail uses are encouraged on the ground floor with the option for office and services uses on the second floor. Potential incentives for mixed-use with a residential component include an increase in the floor area ratio and/or number of stories.

Overall, the General Plan supports retailing. The intent of the retail-related goals and policies is the restoration and enhancement of retail vitality in the City's shopping areas. The Plan strengthens the retail sector by concentrating retail activities, discouraging non-retail land uses, and providing both physical amenities and program support for retailing in established commercial areas, without physically expanding those areas.





ISSUES, GOALS AND POLICIES

The structure of the City's economy plays an important role in the physical development of the planning area and the stability of the local tax base. The issues, goals, and policies in this section are intended to provide direction as to how the community can focus resources to retain local businesses, attract new commercial enterprises, support the tax base, and continue to provide public services for existing and future residents of Los Altos.

Major issues addressed by the goals, policies, and plan of the Economic Development Element are as follows:

- 1) Existing economic conditions;
- 2) Fiscal balance; and
- 3) Commercial vitality.

Each issue and the related goals and policies are included in this section of the Element.

EXISTING ECONOMIC CONDITIONS

Los Altos is primarily an affluent residential community with less than four percent of the land area designated for commercial land use. In recent years, property and sales tax comprise approximately 27 and 15 percent of the City's total general purpose revenues, respectively.

As identified in the Housing Element, most of the jobs held by Los Altos residents are managerial and professional positions. However, the majority of jobs available in the City are retail, service, and government-oriented. Therefore, the majority of Los Altos' employed residents commute to jobs in surrounding jurisdictions.

Economic conditions in Los Altos are directly related to the economic conditions of Santa Clara County and the Bay Area region. While the population, development, and total job growth in Los Altos is growing at a rate slower than both the County and region, household income is higher and growing at a faster rate.

The Association of Bay Area Governments (ABAG) projects that over the next 20 years, jobs in the region will be more diversified and the technology center in Silicon Valley will be diffused, resulting in a more broad-based regional economy. In Santa Clara County, job growth is expected to slow from recent years as information technology companies disperse. However, the County is still expected to be the regional leader in adding new jobs and households during the 20-year-period from 2000 to 2020. In Los Altos, the projected number of employed residents is expected to outpace local job growth slightly with proportionally significant job growth in the manufacturing/wholesale, retail, and other job sectors.

FISCAL BALANCE

Commercial development is important to Los Altos since it provides the City with the financial resources necessary to meet the community's needs for public services and facilities. While commercial uses provide important benefits to Los Altos, the City needs to balance these benefits with the impacts of commercial activities on surrounding neighborhoods. Targeting a commercial strategy that meets residents' needs within the community, rather than attracting people from outside the City, is one way to minimize traffic and other impacts related to people traveling to the community.

Goal 1: Formulate a commercial strategy that is fiscally sound for the City.



Policy 1.1: Actively seek a desirable mix of businesses that reinforce the unique community identity.

Policy 1.2: Balance community tax revenue needs with the benefits of retaining a business mix that serves community shopping and service needs.

COMMERCIAL VITALITY

There are several commercial areas within Los Altos including: Downtown, El Camino Real, Sherwood Gateway, Loyola Corners, Rancho, Woodland, and Foothill Plaza (See Figure ED-1). The majority of these areas are developed, and future development will focus on upgrading and redeveloping these commercial districts to ensure their continued vitality. Potential impacts to surrounding neighborhoods will be assessed when developing and implementing revitalization plans for each commercial area.

Goal 2: Promote the economic and commercial success of all commercial districts in Los Altos.

Policy 2.1: Promote an optimum mix of commercial uses in existing commercial locations to meet both the shopping needs of residents and fiscal needs of the City.

Policy 2.2: Work to attract businesses that utilize smaller shops and/or smaller storefronts, which are in keeping with the character of the community.

Policy 2.3: Work with property owners and business associations to improve the functioning of commercial areas, including their viability, appearance, cleanliness and accessibility.

Policy 2.4: Promote City/private cooperation to attract a balanced mix of businesses that emphasize a healthy proportion of retail uses, minimizing service and office uses in retail zones.

Policy 2.5: Work with property owners and business associations to ensure an adequate supply of attractive parking with convenient access, as well as pedestrian and bicycle facilities, to accommodate patron and employee needs in all commercial areas in Los Altos.

Policy 2.6: Consider the impact of traffic on surrounding neighborhoods when considering new commercial development.

Downtown

Downtown is the City's central commercial core, located in a triangular area formed by the boundaries of Foothill Expressway to the southwest, San Antonio Road to the east, and Edith Avenue to the north. This area is characterized by speciality and convenience retail development, some professional office, and both personal and business service uses with two-lane roadways and on-street diagonal parking on Main Street. In 1992, the City adopted the Downtown Urban Design Plan establishing a vision for development and improvements within the area. Downtown is one of the few areas of the City identified for potential intensification in the Land Use Element.

Goal 3: Increase the attractiveness of Downtown area to shoppers and pedestrians to enhance the economic vibrancy of the area.

Policies and programs related to appearance and design are located in the Community Design and Historic Resources section.



Policy 3.1: Improve and seek to eliminate current perceived and real difficulties in finding parking places.

Policy 3.2: Actively work to retain successful existing businesses.

Policy 3.3: Continue to implement the Downtown Urban Design Plan.

Policy 3.4: Seek businesses in the Downtown area with the potential to:

- ❖ attract shoppers,
- ❖ provide additional retail and entertainment opportunities,
- ❖ provide unique businesses that meet the everyday needs of residents, of the greater Los Altos area as well as businesses with regional attraction,
- ❖ directly enhance sales tax revenue and property tax revenues to the City,
- ❖ attract residents and visitors during the night, as well as the day,
- ❖ provide needed services for residents, and
- ❖ be consistent with the existing pedestrian oriented scale of downtown development.

Policy 3.5: Allow mixed-use development with multi-family residential and commercial uses to provide alternative housing opportunities within the community.

Policy 3.6: Limit ground floor uses to retail and limited personal services in the Downtown

Commercial Retail Sales District, with a special emphasis on retail uses on Main and State Streets.

Policy 3.7: Promote the retention of a post office in the Downtown.

Policy 3.8: Work with the businesses that have their backs to San Antonio Road to create an attractive, friendly presentation.

Policy 3.9: Work to ensure that the Downtown is a clean, attractive and safe area.

El Camino Real

The El Camino Real commercial corridor is located at the northern end of the City, functioning as a gateway to Los Altos from Palo Alto and Mountain View. This area is characterized by a mix of existing land uses, including offices, retail stores, personal services, and lodging. El Camino Real is an area with some underdeveloped land and opportunity to redevelop or intensify existing development as described in the Land Use Element.

Goal 4: Increase the economic potential of the El Camino Real commercial area.

Policy 4.1: Promote retail land use.

Policy 4.2: Look for opportunities to intensify uses while avoiding adverse impacts on surrounding residential neighborhoods.

Policy 4.3: Promote the development of mixed-use commercial and residential developments within the El Camino Real area to provide housing opportunities within the community.



Policy 4.4: Discourage the division of land and encourage the aggregation of parcels in the El Camino Real commercial area.

Policy 4.5: Designate El Camino Real as the principal area for intensification of commercial and residential development.

Sherwood Gateway

Sherwood Gateway is a commercial shopping center located on 26-acres southeast of El Camino Real and San Antonio Road. A Specific Plan was adopted for this area in 1999 with economic revitalization as a primary goal.

Goal 5: Increase the economic potential of and visually upgrade the Sherwood Gateway.

Policies and programs related to appearance and design are located in the Community Design and Historic Resources section and the Sherwood Gateway Specific Plan.

Policy 5.1: Recognize that the accessibility and visibility of the Sherwood Gateway commercial area are important to the overall business environment of Los Altos, and that this area functions as a visual and commercial entrance to Los Altos.

Policy 5.2: Continue to implement the improvements identified in the Sherwood Gateway Specific Plan.

Policy 5.3: Encourage a unified architectural approach to commercial development between Sherwood Triangle and Village Court (across San Antonio Road).

Policy 5.4: Encourage high-revenue-generating businesses for the area.

Policy 5.5: Participate with business owners and property owners to implement revitalization of the area.

Policy 5.6: Consider establishing a re-development project area for the Sherwood Gateway.

Loyola Corners

Loyola Corners is a commercial shopping center on 17-acres near the intersection of Fremont and Miramonte Avenues with Foothill Expressway. In 1990, the City adopted a Specific Plan for this project for the purpose of improving aesthetics, increasing use, and ensuring long term viability of the area.

Goal 6: Improve the economic viability of Loyola Corners: address the needs of improved traffic, parking, and architectural design.

Policies and programs related to appearance and design are located in the Community Design and Historic Resources section and the Specific Plan for Loyola Corners Neighborhood Commercial Center.

Policy 6.1: Retain the neighborhood/convenience commercial character of the area, supplemented on a limited basis with specialty retail and general professional office uses.

Policy 6.2: Retain and promote low intensity retail uses consistent with neighborhood commercial needs.

Policy 6.3: Improve compatibility of commercial and adjacent residential land uses.



Policy 6.4: Continue to implement the improvements identified in the Loyola Corners Neighborhood Commercial Center Specific Plan.

Policy 6.5: Improve circulation in the Loyola Corners/Foothill Expressway area, and ensure adequate on-site parking.

Other Commercial Centers

Other small commercial centers in Los Altos include Rancho, Woodland, and Foothill Plaza, all of which are located along Foothill Expressway.

Goal 7: Maintain healthy neighborhood businesses in Neighborhood Commercial zones along Foothill Expressway.

Policy 7.1: Retain emphasis on neighborhood-serving retail use and personal service uses.

Policy 7.2: Require beautification of commercial areas.

Policy 7.3: Determine the appropriate maximum development for Rancho Shopping Center, Woodland Office Plaza, and Foothill Plaza, ensuring adequate parking is provided on site.

Policy 7.4: Evaluate the accessibility, visibility, and potential for intensification of Foothill Plaza for destination-oriented uses.



IMPLEMENTATION PROGRAMS APPENDIX

The Implementation Programs Appendix provides a guide to implement adopted General Plan policies and plans for City elected officials, staff and the public. The purpose of the Implementation Programs are to ensure the overall direction provided in the General Plan for City growth and development is translated from general terms to specific actions.

Each implementation program is a measure, procedure, or technique that requires additional City action. This action may either occur on a City-wide basis or in specific areas within the City. The City Council, by relating the Implementation Programs to the General Plan, recognizes the importance of long-range planning considerations in day-to-day decision making and budgeting. Implementation of the specific programs will be subject to funding constraints.

Use of the General Plan Implementation Program

The Implementation Programs are intended for use in preparing the Annual Report to the City Council on the status of the City's progress in implementing the General Plan, as described in Section 65400 of the California Government Code. Because some of the individual actions and programs described in the Implementation Programs Appendix act as mitigation for significant environmental impacts resulting from planned development identified in the General Plan, the annual report can also provide a means of monitoring the application of the mitigation measures as required by Section 15097 of the State CEQA Guidelines. This Implementation Programs Appendix may be updated annually with the budget process and whenever the City's General Plan is amended or updated to ensure continued consistency and usefulness.



ECONOMIC DEVELOPMENT

This Implementation Program provides actions to implement the adopted policies and plans identified in the Economic Development Element. The Economic Development Implementation Program is a series of actions, procedures and techniques which includes a description of the responsible agency/department, funding source, time frame and related policies in the Economic Development Element.

FISCAL BALANCE

ED 1: COMMERCIAL STRATEGY

Develop a fiscally sound commercial strategy to encourage a mix of uses that meet the City's needs and provide sufficient tax base to maintain adequate community service levels as follows:

- 1) Periodically study typical tax revenues generated by Los Altos business types to determine the kinds of businesses that are advantageous to Los Altos;
- 2) Monitor the impact of City controlled taxes to establish the level of such taxes that will attract desired businesses to and maintain them in Los Altos;
- 3) Continue to evaluate and decide the desirable maximum potential build-out in each of the City's commercial areas;
- 4) Identify methods to retain successful existing businesses;
- 5) Identify and target businesses that will enhance commercial vitality;
- 6) Review the permitted and conditionally permitted uses in the various zoning districts with respect to commercial vitality; and
- 7) Monitor land use in each commercial area with the intention of assuring that departing businesses are replaced by new uses consistent with City goals.

Responsible Agency/Department:	Community Development, City Manager
Funding Source:	General Fund
Time Frame:	Annual
Related Policies:	1.1, 1.2, 2.1, 2.4, 3.2, 3.4, 4.1, 4.3, 5.4, 7.1

COMMERCIAL VITALITY

ED 2: ECONOMIC DEVELOPMENT COMMITTEE

Continue to participate in the Chamber of Commerce Economic Development Committee for the City of Los Altos.

Responsible Agency/Department:	Community Development, City Manager
Funding Source:	General Fund
Time Frame:	Ongoing
Related Policies:	5.5



ED 3: DOWNTOWN

Facilitate economic development of the Downtown as follows:

- 1) Encourage land use intensification of the Downtown Core for mixed-use development with an emphasis on retail development on the ground floor (especially on Main and State Streets) consistent with the applicable General Plan policies and plan;
- 2) Work to improve both real and perceived parking issues relative to overall numbers and proximity to businesses;
- 3) Implement the Downtown Urban Design Plan and Downtown Commercial Retail Sales (CRS) Zoning District; and
- 4) Work with the Los Altos Village Association and Chamber of Commerce to publicize shopping opportunities Downtown.

Responsible Agency/Department: Community Development, City Manager
 Funding Source: General Fund, development fees
 Time Frame: Ongoing
 Related Policies: 3.1, 3.2, 3.3, 3.4, 3.8

ED 4: EL CAMINO REAL COMMERCIAL CORRIDOR

Increase the economic potential of the El Camino Real Commercial Corridor by:

- 1) Allowing land use intensification throughout the area consistent with the land use and economic development policies outlined in the General Plan;
- 2) Promoting the development of mixed-use commercial and residential and discourage development of exclusively office uses; and
- 3) Implementing the Sherwood Gateway Specific Plan and the Thoroughfare Commercial (CT) Zoning District.

Responsible Agency/Department: Community Development, City Manager
 Funding Source: General Fund, development fees
 Time Frame: Ongoing
 Related Policies: 4.1, 4.3, 4.4, 5.1, 5.2, 5.4

ED 5: NEIGHBORHOOD COMMERCIAL CENTERS

Improve the economic vitality of the City's neighborhood commercial centers by:

- 1) Promoting a mix of uses that meet the consumer needs of residents and the fiscal needs of the City;
- 2) Working with individual business owners and collective business associations to improve their appearance, marketing, access, and parking;
- 3) Implementing the Loyola Corners Neighborhood Commercial Center Specific Plan; and
- 4) Improving the compatibility of new commercial development and redevelopment with surrounding residential neighborhoods.

Responsible Agency/Department: Community Development, City Manager
 Funding Source: General Fund, Development Fees
 Time Frame: Ongoing
 Related Policies: 2.1, 2.3, 6.3, 6.4, 7.1