



May 21, 2024

Town of Los Gatos
110 E. Main Street
Los Gatos, CA 95030

RE: Conditional Use Permit
15920 Los Gatos Blvd., Los Gatos, CA
Written Description for Application for CUP and Letter of Justification

Dear Town of Los Gatos:

We represent the property owners of the Cornerstone of Los Gatos Shopping Center, which includes 15920 Los Gatos Blvd., the premises recently vacated by Rite Aid. We are requesting a Conditional Use Permit (CUP) for a private health club.

The 15920 building has been home to a drug store since it was built the early 1960s, first as Thrifty Drugs and then as Rite Aid. When Rite Aid declared bankruptcy in 2023, they closed over 300 stores on the same day, ours being one of them. Walgreens and CVS are now following suit, closing unprofitable drug stores and pharmacies across the country.

We have identified and are working with an upscale, boutique, private health club that is ready to open at this location. This health club emphasizes fitness and wellness, including, for example, yoga, Pilates, cycling, and personal training for those customers who prioritize a healthy lifestyle. They also offer post-workout services such as cryotherapy and guided stretching. They plan to open the doors at 5:00 AM for those who wish to workout before going to the office and therefore request permission to open before the Town's established hours of operation. Being that the parking lot and entrance faces Los Gatos Blvd., we do not believe this will have a negative impact on the residences to the rear of the property, on Camelia Terrace.

The health club may, at some time in the future, wish to open a juice bar for its members only. The juice bar would typically serve fruit and vegetable juices and smoothies with organic and superfood ingredients. They anticipate the juice bar will encompass no more than 600 square feet. We would therefore like to include this use in our application.

We strongly feel a health club such as this will be welcomed by residents in the surrounding neighborhood and throughout greater Los Gatos. It will fill the need for those residents who wish to exercise in a modern, state-of-the art facility close to home. This club will also blend well with the current tenant mix at the Cornerstone of Los Gatos Shopping Center and add to the charm and character of the shopping center and surrounding neighborhood.

We do not anticipate that the health club will negatively impact neighborhood parking. I have attached a parking analysis for your review, calculated per Section 29.10.150 of the Town Code, indicating a

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surplus of 59 parking spaces after the addition of the health club. You will also find a detailed site map attached.

The land beneath the Cornerstone of Los Gatos Shopping Center has been in the Cilker family since the 1890s. It has gone through many changes since then, from family farm to commercial use. One thing that has not changed is the family's connection and commitment to the Los Gatos community. Their pride of ownership is evidenced by the property's showcase lighting and landscaping features, as well as the high-quality tenants, such as Whole Foods, Skin Spirit, and Morgan Stanley. The Cilker family would now like to continue this tradition by bringing in a high-quality health club that will benefit the residents of Los Gatos.

Thank you for your consideration of this application. We believe this tenant use will uphold the integrity of the shopping center, enhance the quality of the businesses along The Boulevard and create a desirable public convenience, all while keeping in harmony with various elements and objectives of the general plan.

Please feel free to contact me at the email address or phone number listed below should you have any questions or require additional information.

Sincerely,

Mary C. Egan

Mary C. Egan, CPM
Cilker Orchards Management Corp.
Vice President Real Estate
DRE#00967596

