



**TOWN OF LOS GATOS  
PLANNING COMMISSION  
REPORT**

MEETING DATE: 11/13/2019

ITEM NO: 5

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DATE: November 8, 2019  
TO: Planning Commission  
FROM: Joel Paulson, Community Development Director  
SUBJECT: Architecture and Site Application S-19-005, Variance Application V-19-002, and Conditional Use Permit U-19-001. Property Location: **25 W. Main Street**. Property Owner: Steven and Mary Leonardis. Applicant: Gordon Wong. Project Planner: Erin Walters  
Requesting approval for construction of an addition to a contributing building in the Downtown Historic Commercial District, including variances for maximum floor area and driveway length for a multi-family use in a mixed-use project on property zoned C-2:LHP. APN 529-01-017.  
  
Deemed complete: October 23, 2019  
Final date to take action: April 23, 2020

**RECOMMENDATION:**

Approval, subject to the recommended Conditions of Approval.

**PROJECT DATA:**

General Plan Designation: Central Business District  
Zoning Designation: Central Business District with a Landmark and Historic Preservation Overlay, C-2:LHP  
Applicable Plans & Standards: General Plan; Commercial Design Guidelines  
Parcel Size: 3,132 square feet

**PREPARED BY:** ERIN WALTERS  
ASSOCIATE PLANNER

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Reviewed by: Planning Manager and Community Development Director

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Surrounding Area:

	Existing Land Use	General Plan	Zoning
North	Commercial and Multi-Family Residential	Central Business District	C-2:LHP
East	Mixed-Use	Central Business District	C-2:LHP
South	Parking Lot	Central Business District	C-2
West	Commercial	Central Business District	C-2:LHP

CEQA:

The project is Categorically Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15303: New Construction or Conversion of Small Structures; and Section 15331: Historical Resource Restoration/Rehabilitation.

FINDINGS:

- As required, pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, this project is Categorically Exempt, Section 15303: New Construction or Conversation of Small Structures; and Section 15331: Historical Resource Restoration/Rehabilitation.
- As required by Section 29.20.170 of the Town Code for granting a Variance application to exceed the maximum allowable FAR.
- As required by Section 29.20.170 of the Town Code for granting a Variance application for reduced driveway length.
- As required by Section 29.20.190 of the Town Code for granting a Conditional Use Permit.
- That the proposed project is consistent with the applicable Commercial Design Guidelines.
- As required by Section 29.10.150 (b) of the Town Code for granting a reduction of required visitor parking spaces for residential units in the downtown.

CONSIDERATIONS:

- As required by Section 29.20.150 of the Town Code for granting approval of an Architecture and Site application.

ACTION:

The decision of the Planning Commission is final unless appealed within ten days.

BACKGROUND:

The subject site is located on the on the southeastern corner of W. Main Street and Park Avenue (Exhibit 1). The subject property is approximately 3,132 square feet, developed with an existing pre-1941, two-story 2,169-square foot contributing commercial building located in the Downtown Historic Commercial District.

The project is being considered by the Planning Commission as the applicant is requesting approval of an Architecture and Site application for the construction of a two-story rear addition to an existing two-story commercial building, a Conditional Use Permit (CUP) for a multi-family use in a mixed-use project, and a Variance application to exceed the maximum allowable Floor Area Ratio (FAR) for the C-2 zone, and to reduce the required driveway length, and an exception to the required number of guest parking spaces.

PROJECT DESCRIPTION:

A. Location and Surrounding Neighborhood

The subject property is located on the southeastern corner of W. Main Street and Park Avenue (Exhibit 1) and is developed with a pre-1941 two-story contributing building in the Downtown Historic Commercial District. The surrounding area contains an adjacent mixed-use project with commercial and two-family residential uses located to the east, a commercial use located to the west, and a retail use and a multi-family residential use located to the north.

B. Project Summary

The applicant is requesting approval of an Architecture and Site application for the construction of a two-story rear addition for a multi-family use in a mixed-use project. The proposed addition includes a three-car garage at the ground floor located behind the existing commercial space and the addition of three multi-family rental units on the second floor (one market rate unit, and two below market price units).

C. Zoning Compliance

The property is zoned C-2:LHP, which requires a Conditional Use Permit to allow a multi-family use in a mixed-use project.

The proposed project is in compliance with setbacks, height, and recreational open space requirements for multi-family dwellings. As described above the applicant is requesting a variance to exceed the maximum allowable FAR and to reduced the required driveway length. The applicant is also requesting an exception for a reduced number of guest parking spaces for the project.

DISCUSSION:

A. Project Summary

The applicant is proposing a two-story addition to an existing 2,169-square foot two-story commercial building. The existing two-story commercial building, originally constructed in the 1880s, is a contributing building to the Downtown Historic Commercial District.

The proposed project includes tenant improvements to the existing ground floor commercial space, and the addition of an enclosed garbage and recycling room. The existing second story remodel proposes a 404-square foot Below Market Price (BMP) studio rental unit, and a one bedroom 562-square foot BMP rental unit, which includes raising the ceiling height from six feet, 10-inches to eight feet.

The proposed two-story addition to the rear of the existing building includes a one-bedroom 696-square foot market rate rental unit with an 81-square foot rear private balcony. The second story also includes 95 square feet of common balcony area.

The proposed addition also includes a three-car garage with barn style doors taking access off of Park Avenue. The project includes a request for a variance to reduce the required driveway length to one-foot, six-inches where a minimum driveway length of 18 feet is required.

The project would include 435 square feet of community open space proposed to be located at the rear of the building.

The existing building is 22 feet in height and the proposed addition is 23 feet, two inches in height. The maximum height allowed in the C-2 zone is 45 feet.

The two-story addition will match the materials and color of the existing building which include horizontal wood siding, composition shingles, and wood trimmed double-hung windows. The materials and color sheet is included in Exhibit 13. Exterior modifications include relocating the front door from its current location at the corner of W. Main Street and Park Avenue to the historic location on W. Main Street (Exhibit 15, Sheet A200). The applicant's project description and letter of justification are provided in Exhibit 4 and Exhibit 5, and development plans are included in Exhibit 14.

DISCUSSION (continued):

B. Conceptual Development Advisory Committee

The Conceptual Development Advisory Committee (CDAC) reviewed the applicant's request for a proposal for exterior modifications and an addition to the contributing building on November 14, 2018. At that meeting the CDAC discussed driveway length, parking, BMPs, building rehabilitation, building color, and FAR. Meeting minutes are included as Exhibit 7. The applicant responded to the CDAC's comments in Exhibit 8.

C. Conditional Use Permit

In order to grant approval of a CUP for the proposed multi-family use in a mixed-use project, the deciding body must make the following findings:

1. The proposed use of the property is essential or desirable to the public convenience or welfare;
2. The proposed use will not impair the integrity and character of the zone;
3. The proposed use would not be detrimental to public health, safety, or general welfare; and
4. The proposed use of the property is in harmony with the various elements or objectives of the General Plan and the purposes of the Town Code.

In regard to the first finding, the proposed use would be considered desirable to the public convenience in that it would provide new housing opportunities, including new BMP units in the downtown. As required by finding two, the proposed use would not impair the integrity and character of the zone in that the proposed multi-family use would be compatible with similar existing uses within the Central Business District zone while preserving the historic character of the district. In regard to the third finding, the proposed use would not be detrimental to public health, safety, or general welfare, and the conditions of approval would maintain the welfare of the community. In regard to the final finding, the proposed use would provide BMP housing downtown, increase the Town's rental housing stock in the Downtown, and would be consistent with other developments in the downtown which include ground floor retail/commercial uses with residential units above.

D. Parking

The existing site is currently developed with a 2,169-square foot commercial building, with credit for seven parking spaces in the Parking Assessment District (PAD) and no on-site parking spaces.

The proposed 1,079 square feet of ground floor retail space requires four parking spaces (based on one parking space per 300 square feet). The proposed three residential

DISCUSSION (continued):

apartment units require five resident parking spaces (1.5 spaces per unit) and three guest parking spaces (one space per unit) unless an exception for a reduced number of guest parking spaces is granted by the deciding body.

The project proposes an attached three-car garage for the three residential apartment units located in the rear addition along Park Avenue. The proposed project would provide three on-site parking spaces with credit for seven parking spaces in the PAD, for a total of ten parking spaces, while the minimum required parking for the proposed project would be 12 parking spaces. The Planning Commission may grant an exception for a reduced number of guest parking spaces when it is determined to be appropriate. The applicant has provided justification in Exhibit 5 stating an exception for two visitor parking spaces is justified as the proposed three, one-bedroom rental units would be located in a pedestrian-friendly downtown and located within a half-mile radius of 10 public transit stops.

E. Historic Preservation Committee

On March 28, 2018, the owner requested a preliminary review by the Historic Preservation Committee (HPC) to consider exterior modifications to the existing building, including alterations to existing windows, new windows, a modification to the existing roof, and a two-story rear addition. The HPC discussed the matter and provided comments to the owner, including recommendations to retain the character defining features of the contributing building and to separate the addition with a recess or “hyphen” element. The minutes for the March 28, 2018 meeting are included in Exhibit 9.

On August 22, 2018, the applicant returned to the HPC for review of the revised plans ahead of submitting a formal Planning application. The applicant proposed to retain the character defining features of the building with no modifications to the existing doors and windows along the front, left, and right elevations, and to construct a two-story rear addition separated by a recessed stairwell element. The HPC discussed the matter and the minutes for the August 22, 2019 meeting are included in Exhibit 10.

On April 24, 2019, the applicant returned to the HPC for review after formally submitting Architecture and Site, Conditional Use Permit, and Variance applications with the following modifications:

- Relocation and replacement of the front entrance door and building corner to restore to the historic condition;
- Remodel and reduction of the middle storefront wall on front elevation to accommodate the door and ADA access;
- Replacement of several windows to match the existing double-hung style;
- Installation of barn style garage doors;

DISCUSSION (continued):

- Increase in the dimension of the garage posts;
- Revision of the proposed dormer to incorporate a shed roof; and
- Addition of balconies on the second story to meet open space requirements.

The HPC discussed the matter and recommended approval of the design as proposed. The minutes for the April 24, 2019, meeting are included in Exhibit 11.

F. Variance - Driveway Length

The proposed three-car garage exits directly onto Park Avenue with a driveway length of one-foot, six-inches. The applicant is requesting a variance to reduce the required driveway length of 18 feet.

The applicant's traffic consultant, KD Anderson & Associates, Inc., prepared a report to investigate the feasibility of the proposed garage access. Two main issues were identified:

1. The constraints that could be encountered while backing out of and entering the driveway and immediately making a 90-degree turn onto or from the roadway with the close proximity of the garage entrance to the driveway, see Diagram 1.

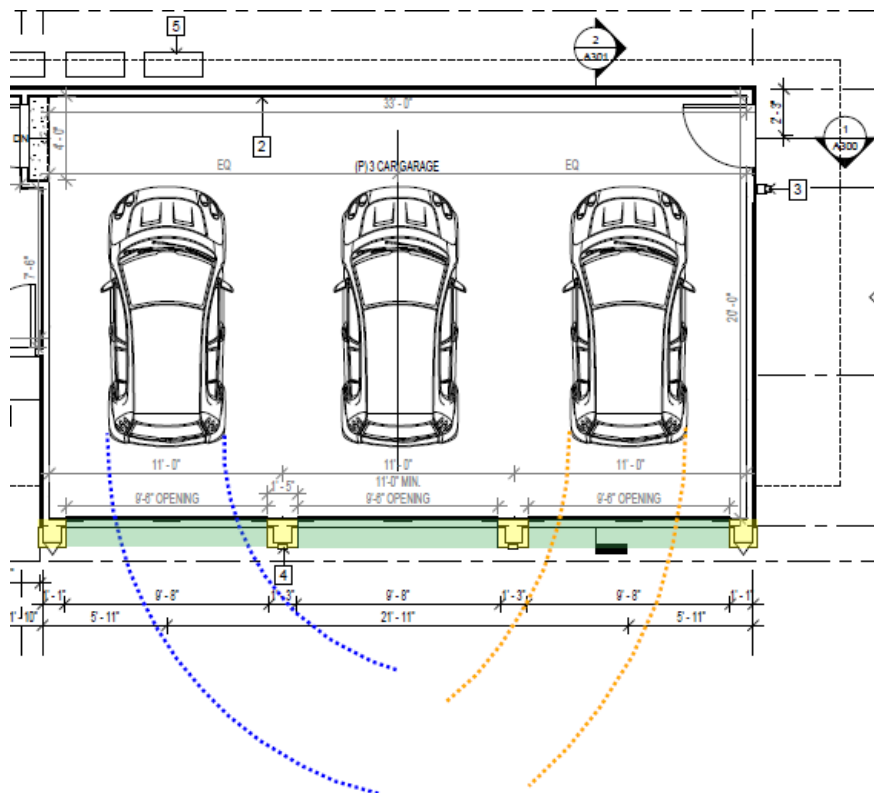


Diagram 1

DISCUSSION (continued):

2. Inadequate sight distance between vehicles exiting the driveways and the approaching vehicles on Park Avenue.

The report found the possibility of striking the garage entrance could be mitigated with increasing the garage door opening to a minimum of nine feet, six-inches in width. The report also found that the sight distance should be adequate for the approaching vehicles on Park Avenue due to the low speeds; however, drivers backing out of the driveways would need to back out slowly until their vehicle extends into Park Avenue. The report recommends mounting a flashing beacon by the garage door openings, which would be activated when vehicles are exiting the garages to alert approaching vehicles on Park Avenue to the exiting vehicles as a mitigation measure. The Town's traffic consultant, TJKM, has peer reviewed and concurred with the findings and recommendations provided in the report.

Based on the report's recommendation, the applicant has modified the garage door openings to meet the minimum width of nine feet, six-inches in width as reflected in the development plans (Exhibit 15, Sheet A101). Per the report's second recommendation, the applicant has incorporated flashing beacons at the garage door openings on the Park Avenue elevation and provided specifications in the development plans (Exhibit 15, Sheet A701).

The applicant has provided written justification for the request (Exhibit 5), citing that the garage door openings are proposed to be located closer to Park Avenue due to the significant (more than 10 feet) elevation change at the southeast side of the site which requires the addition of retaining walls. Due to the site constraints and topography of the existing property the applicant is requesting a reduced driveway length to provide a covered parking space for each of the proposed residential units.

G. Variance - Floor Area Ratio

As required by Section 29.20.170 of the Town Code, the deciding body, on the basis of the evidence submitted at the hearing, may grant a variance if it finds that:

1. Because of special circumstances applicable to the property, including size, shape, topography, location or surroundings, the strict application of this ordinance deprives such property of privileges enjoyed by other properties in the vicinity and under identical zone; and
2. The granting of a variance would not constitute a grant of special privileges inconsistent with the limitations upon other properties in the vicinity and zone which such property is situated.



DISCUSSION (continued):

Per Section 29.60.345 of the Town Code the expansion of gross floor area of an existing building in the C-2 zone, shall not exceed an FAR of sixty-hundredths (0.60). The existing FAR of the two-story building is 0.69 and exceeds the maximum allowable FAR. The project requires a 10-foot wide dedication for the public sidewalk along W. Main Street, reducing the gross lot size of the property from 3,132 square feet to a net lot size of 2,870 square feet (Condition 48, Exhibit 3). The addition to the existing building results in a proposed FAR of 1.38. The applicant is requesting a variance to exceed the maximum allowable FAR in the C-2 zone. The applicant has provided written justification for the request (Exhibit 5), citing compatibility with the neighborhood pattern of development which exceeds the maximum allowable FAR.

H. Neighborhood Compatibility

The immediate area is made up of one and two-story commercial, multi-family residential, and mixed-use buildings. Based on Town and County records, the surrounding buildings FARs range from 0.35 to 2.00. The Neighborhood Analysis table below reflects the current conditions of the immediate area.

<b>FAR Comparison - Neighborhood Analysis</b>					
Address	Zoning	Building Area	Gross Lot Area	FAR	No. of Stories
14 W. Main St.	C-2:LHP	11,526	13,240	<b>0.87</b>	2
21 W. Main St.	C-2:LHP	6,573	7,308	<b>0.90</b>	2
35 W. Main St.	C-2:LHP	4,926	8,276	0.60	2
50 W. Main St.	C-2:LHP	3,446	9,940	0.35	1
78 W. Main St.	C-2:LHP	2,484	1,382	<b>1.80</b>	2
81 W. Main St.	C-2:LHP	9,888	10,890	<b>0.91</b>	1
88 W. Main St.	C-2:LHP	2,520	2,602	<b>0.97</b>	1
100 W. Main St.	C-2:LHP	5,238	5,759	<b>0.91</b>	2
135 W. Main St.	C-2:LHP	10,973	5,492	<b>2.00</b>	2
140 W. Main St.	C-2:LHP	15,444	8,710	<b>1.77</b>	2
11 Montobello Wy.	C-2:LHP	2,450	2,673	<b>0.92</b>	1
11 E. Main St.	C-2	2,898	1,686	<b>1.72</b>	2
23 E. Main St.	C-2	2,340	3,150	<b>0.74</b>	1
<b>25 W. Main St. (P)</b>	<b>C-2:LHP</b>	<b>3,963</b>	<b>2,870</b>	<b>1.38</b>	<b>2</b>
25 W. Main St. (Ex)	C-2:LHP	2,169	3,132	<b>0.69</b>	2

DISCUSSION (continued):

The proposed project would be the fifth largest for FAR in the neighborhood. 11 out of the 13 existing properties listed above have a FAR over the maximum allowable FAR of 0.60 for the C-2 zone, and four properties have a FAR greater than the project's proposed 1.38 FAR.

I. Below Market Price (BMP) Units

The density for the site of 20 dwelling units per acre, would allow for one residential unit on the site. The Town's Housing Element Action HOU-1.1 states that BMP units are not included when calculating density for a site.

Therefore, Unit 2 and Unit 3 have been designated as BMP units. Unit 2 is proposed as a 562 square feet one bedroom and one bathroom. Unit 3 is proposed as a 404 square feet studio with one bathroom. As required by the BMP Guidelines, the units will be low-income units (80 percent of the median area income). Conditions 14 and 15 pertain to the provision and rental of the BMP units (Exhibit 3).

J. Recreational Open Space for Multi-Family Dwellings

For multi-family dwelling rental units, 200 square feet of private and/or community open space area is required for each unit. The proposed three apartment units require a total of 600 square feet. The applicant proposes a total of 611 square feet in the form of 81 square feet of private balconies, 95 square feet of common balcony space, and 435 square feet of common open space located to the rear of the building (Exhibit 14, Sheet A000). The proposed common open space has a permeable paver open space surrounded by landscaping.

K. Tree Impacts

The site does not contain any existing trees. One existing street tree is located in the public right-of-way along W. Main Street. If the project is approved, tree protection measures would be implemented prior to and during construction.

L. CEQA Determination

The project is Categorically Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15303: New Construction or Conversion of Small Structures, which includes an addition of three residential units to an existing commercial building resulting in mixed-use building in a central business district zone, and Section 15331: Historical Resource Restoration/Rehabilitation.

PUBLIC COMMENTS:

Story Poles and signage were installed on the site and written notice was sent to property owners and tenants within 300 feet of the property. The applicant provided a summary of their efforts to communicate with adjacent tenants and property owners (Exhibit 12).

CONCLUSION:

A. Summary

The applicant is requesting approval of an Architecture and Site application to construct a two-story addition to an existing two-story commercial building resulting in the addition of three residential units (two BMP units) on the second floor, a three-car garage on the first floor, and tenant improvements for the existing commercial space. In addition, the applicant is requesting approval of a Conditional Use Permit application to allow for a multi-family use in the C-2:LHP zone, a Variance application to exceed the maximum allowable FAR and to reduce the required driveway length, and exceptions to the required number of guest parking spaces. The project is consistent with the Zoning (except for the Variance requests), General Plan, and applicable Commercial Design Guidelines.

B. Recommendation

Based on the analysis above, and justification provided by the applicant, staff recommends approval of the Architecture and Site, Variance, and Conditional Use Permit applications subject to the recommended conditions of approval (Exhibit 3). If the Planning Commission finds merit with the proposed project, it should:

1. Find that the proposed project is Categorically Exempt, pursuant to the adopted Guidelines for the implementation of the California Environmental Quality Act, Section 15303: New Construction or Conversion of Small Structures; and Section 15331: Historical Resource Restoration/ Rehabilitation (Exhibit 2);
2. Make the required findings as required by Section 29.20.170 of the Town Code for granting a Variance to exceed the maximum allowable FAR (Exhibit 2);
3. Make the required findings as required by Section 29.20.170 of the Town Code for granting a Variance for reduced driveway length (Exhibit 2);
4. Make the findings as required by Section 29.20.190 of the Town Code for granting approval of a CUP (Exhibit 2);
5. Make the required finding that the project complies with the applicable Commercial Design Guidelines (Exhibit 2);
6. Make the required findings for a reduction of required visitor parking spaces for the residential units (Exhibit 2);
7. Make the required considerations as required by Section 29.20.150 of the Town Code for granting approval of an Architecture and Site application (Exhibit 2); and

CONCLUSION (continued):

8. Approve Architecture and Site Application S-19-005, Variance Application V-19-002, and Conditional Use Permit Application U-19-001 with the conditions contained in Exhibit 3 and the development plans in Exhibit 14.

C. Alternatives

Alternatively, the Commission can:

1. Continue the matter to a date certain with specific direction; or
2. Approve the application with additional and/or modified conditions; or
3. Deny the applications.

EXHIBITS:

1. Location Map
2. Required Findings and Considerations (two pages)
3. Recommended Conditions of Approval (13 pages)
4. Applicant's Scope of Work, received October 11, 2019 (one page)
5. Applicant's Letter of Justification, received October 29, 2019 (ten pages)
6. Project Data Sheet, received October 23, 2019 (two pages)
7. November 14, 2018, Conceptual Development Advisory Committee Meeting Minutes (two pages)
8. Applicant's Response to Conceptual Development Advisory Committee Meeting Comments, received October 11, 2019 (two pages)
9. March 28, 2018, Historic Preservation Committee Meeting Minutes (three pages)
10. August 22, 2018, Historic Preservation Committee Meeting Minutes (three pages)
11. April 24, 2019, Historic Preservation Committee Meeting Minutes (six pages)
12. Summary of applicant's outreach efforts, received October 23, 2019 (two pages)
13. Materials and Color Sheet, received October 23, 2019 (one page)
14. Development Plans, received October 23, 2019 (26 pages)