

DATE: April 25, 2023
TO: Los Gatos Planning Commissioners
FROM: Catherine Somers, Executive Director, Los Gatos Chamber
Jim Foley, President, Board of Directors, Los Gatos Chamber

SUBJECT: Public Comment on Item # 2 4/26/23 Planning Commission Agenda

Writing on behalf of the Board of Directors for the Los Gatos Chamber of Commerce, we would like to express our appreciation of the Staff's continued work on economic recovery and the streamlining of the new business permitting process. Certainly, the June 2020 Economic Recovery Resolution did create flexibility and increased opportunities for existing and new businesses. We particularly appreciated the subsidies provided to the businesses who wanted to update their CUPs. Those updated CUPs have, without a doubt, positively impacted the vitality and vibrancy in Town.

Tonight, we will be here to support almost everything staff recommends in this report as it relates to making the 2020 Resolution permanent and we will encourage you do so as well. As indicated above, the Chamber supports any steps taken toward streamlining the building process and making it easier for business to happen in Town. – with a few exceptions.

We hope tonight you will take a little closer look at the language around specialty retail and how it might relate to the coffee industry. The Downtown core currently has a unique and abundant variety of coffee businesses. We feel the discretion provided at the Development Review Committee level will be appropriate to guide any newly proposed coffee businesses in C-2. In other zoning districts in Town a by-right use could be considered.

We also want to point out that formula retailer's 5,000 sq. ft. was a policy meant to regulate larger box retail. In hindsight, that number could have been altered or addressed a few years ago when this Resolution was put in to place but was not. There are some spaces in the commercial core (c-2) that would benefit from marketability of what would be considered a 'formula' use as an approved use within the zone. There are leases in place, building size, and other constraints that self-regulate the concern of overly competitive big box retailers entering the market and creating destructive competition for the mom and pop retailers we cherish. The notion of formula retail is antiquated. With the aggressively changing landscape of retail, we almost want to welcome the few quality retailers that are left to bolster our shopping experience and gain tax revenue. We suggest eliminating this limitation completely. If you are not ready to take that step, the minimum should be increased. We believe that 10,000 sq. ft or potentially larger would create enough discretion to vet uses that could potentially have a negative impact to the established business community.

Lastly, we also think the definition of banks and financial institutions needs to be even more straight forward. Recalling the planning commission meeting a year ago, you unanimously agreed to allow Charles Schwab to open in the now-vacated Gap space. The Chamber appealed that decision, and it went to the Council who ultimately denied it as they did not think it qualified as a banking institution but was an office. Offices are not typically approved on the ground floor in the C2 district. While it is not out of the question, at some level, office uses on the ground floor in C-2 may be warranted. It needs to be carefully studied before allowing that to happen to ensure the integrity of the central business district is not unduly compromised. Council upheld the appeal and denied the project. That night, their definition of a bank was quite different than what is proposed here. One of the qualifications was that the bank

needed to have cash on hand and an ATM. We think you should include that description in your definition.

Again, the Chamber Board and our members approve the elements of the Economic Recovery Resolution and would like to see code amendments put in place to make them permanent. The Development Review Committee has done an excellent job and has certainly provided the correct level of discretion when it comes to ensuring that the Central Business District has the right mix of business types that enhance and do not compromise the charm of Los Gatos. We still have work to do around making the process even more streamlined and will keep advocating for further streamlining.

Thanks.

From: M Millen <[REDACTED]>
Sent: Tuesday, June 13, 2023 10:48 AM
To: Council <Council@losgatosca.gov>
Cc: Monica Renn <mrenn@losgatosca.gov>
Subject: Coffee shop carve out

[EXTERNAL SENDER]

Hi,

As a small business owner and a commercial property owner, I am writing to voice my opposition to requiring new coffee shops to get a CUP as a “restaurant”.

My understanding is that all other specialty food businesses will be exempt from this CUP requirement, and it makes no sense to treat coffee shops differently from a yogurt shop or something similar.

I have a new tenant that is a yogurt shop and it would benefit my tenant to require all other ice cream or yogurt shops to have to struggle through the time and expense of a CUP just to open the doors (just like the town forced my new tenant to do). There is no rational justification to drop barriers to entry for a yogurt/ice cream shop but to keep those exact same barriers in place for a coffee shop.

The town should not be protecting certain businesses from competition or favoring certain businesses by erecting or maintaining barriers to entry.

Please eliminate the CUP restaurant requirements for all coffee shops, and treat them like every other specialty food business.

Thank you,

Mark Millen
Los Gatos, CA

Sent from me to you

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