

**RESOLUTION 2025 -xx**

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS APPROVING AN  
ARCHITECTURE AND SITE APPLICATION FOR EXTERIOR MODIFICATIONS TO AN EXISTING  
COMMERCIAL BUILDING IN THE UNIVERSITY/EDELEN HISTORIC DISTRICT; AND A  
CONDITIONAL USE PERMIT FOR FORMULA RETAIL OVER 10,000 SQUARE FEET AND FOR A  
RESTAURANT WITH ALCOHOL SERVICE ON PROPERTY ZONED C-2:LHP:PD.  
LOCATED AT 31 UNIVERSITY AVENUE.**

**WHEREAS**, the subject property is located on the west side of University Avenue at the intersection of Elm Street and University Avenue and is one of the Old Town commercial center buildings, referred to as Building E in the adopted Planned Development (PD) Ordinance 2025; and

**WHEREAS**, the subject property is developed with Building E consisting of a 15,957-square foot vacant tenant space, which was previously demised into two separate units: a 7,723-square foot restaurant space formerly occupied by Steamer's restaurant; and an 8,724-square foot retail space formerly occupied by The Gap, a retail clothing store; and

**WHEREAS**, the applicant, RH, requests approval of an Architecture and Site application for exterior modifications to the existing commercial building, and a Conditional Use Permit (CUP) for a formula retail use over 10,000 square feet and a restaurant use with alcohol service; and

**WHEREAS**, The Old Town commercial center is located within the University-Edelen Historic District, and any exterior modifications to buildings within a district are subject to review by the Historic Preservation Committee; and

**WHEREAS**, the Historic Preservation Committee held a public meeting on February 26, 2025, at which time the Committee reviewed the proposed exterior modifications to Building E, continued the item for further consideration, and provided feedback to the applicant's team; and

**WHEREAS**, the Historic Preservation Committee held a public meeting on March 26, 2025, at which time the Committee reconsidered the proposed exterior modifications to Building E and forwarded a recommendation of denial to the Planning Commission as they were not able to make the findings for approving applications in historic districts; and

**WHEREAS**, the Planning Commission held a duly noticed public hearing on August 27, 2025, at which time the Commission considered the public testimony, the Staff Report prepared for that meeting, and all other documentation related to the Architecture and Site and Conditional Use Permit applications, made findings, and forwarded a recommendation of approval to the Town Council; and

**WHEREAS**, this matter came before the Town Council for public hearing on October 7,

ATTACHMENT 3

2025, and was regularly noticed in conformance with State and Town law; and

**WHEREAS**, the Town Council received testimony and documentary evidence from the applicant and all interested persons who wished to testify or submit documents. The Town Council considered all testimony and materials submitted, including the record of the Planning Commission proceedings and the packet of materials contained in the Council Agenda Report for their meeting on October 7, 2025, along with any and all subsequent reports and materials prepared concerning this application.

**NOW, THEREFORE, BE IT RESOLVED**, that the Town Council of the Town of Los Gatos does hereby declare, determine, and order that the following findings are made by the Town Council of the Town of Los Gatos:

Finding for the California Environmental Quality Act (CEQA):

1. The project is Categorically Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Sections 15301: Existing Facilities. No significant effect on the environment will occur since the project uses an existing structure with no increase in floor area.

Finding for compliance with the Zoning Regulations:

1. The project meets the objective standards of Chapter 29 of the Town Code (Zoning Regulations).

Finding for a Conditional Use Permit:

1. As required by Section 29.20.190(a) of the Town Code for granting a Conditional Use Permit:
  - i. The proposed uses of the property are essential or desirable to the public convenience or welfare in that it provides a bespoke dining and shopping experience, which will be desirable to both residents and visitors as a destination within Los Gatos;
  - ii. The proposed uses will not impair the integrity and character of the zone since it is a commercial use located in a commercial zone. Further, the Proposed Project is consistent with the Commercial Design Guidelines for C-2A zones and as a non-contributing structure within a historic district. The proposed project maintains the existing building's massing and density, reimagines the existing façade variation, and maintains the pedestrian pass-through along the southern wall;
  - iii. The proposed uses would not be detrimental to public health, safety, or general welfare the proposed formula retail use and restaurant use with the selling of alcoholic beverages for consumption on-premises, represent no change from the current uses of the most recent tenants at the existing building (Gap and Steamer's), and would not be detrimental to public health, safety, and general welfare; and

- iv. The proposed uses of the property are in harmony with the various elements or objectives of the General Plan and the purposes of this chapter as they contribute to the variety of commercial uses in the Central Business District and meet the goals and policies of the 2040 General Plan (2020 Land Use and Community Development Elements).

Finding for a Conditional Use Permi for a Formal Retail Business Greater than Ten Thousand (10,000) Square Feet:

1. As required by Section 29.20.190 (b) of the Town Code the deciding body on the basis of evidence submitted at the hearing, may deny a Conditional Use Permit formal retail business greater than ten thousand (10,000) square feet of any of the following findings are made: None of the findings can be made to deny the application.

Instead, the Town Council makes the following affirmative findings:

- i. The proposed use of the property is in harmony with specific provisions or objectives of the general plan and the purposes of this chapter;
- ii. The proposed use will not detract from the existing balance and diversity of business in the commercial district in which the use is proposed to be located;
- iii. The proposed use would not create an over-concentration of similar types of businesses, or
- iv. The proposed use will not detract from the existing land use mix and high urban design standards including uses that promote continuous pedestrian circulation and economic vitality.

Finding for Approving Applications in Historic Districts:

1. As required by Section 29.80.290(2) of the Town Code in evaluating applications in historic districts, the deciding body shall consider the architectural style, design, arrangement, textures, materials, and color, and any other pertinent factors. Applications shall not be granted unless the following findings can be made:

In historic districts, the proposed work will neither adversely affect the exterior architectural characteristics of other features of the property, which is the subject of the application, nor adversely affect its relationship, in terms of harmony and appropriateness, with its surroundings, including neighboring structures, nor adversely affect the character, or the historical, architectural, or aesthetic interest or value of the district.

Findings for compliance with the Commercial Design Guidelines:

1. The proposed modifications are consistent with applicable provisions of the Commercial Design Guidelines.

Required considerations in review of Architecture and Site applications:

1. As required by Section 29.20.150 of the Town Code, the considerations in review of an Architecture and Site application were all made in reviewing this project.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that, upon the effective date of the ordinance amending the PD Overlay Zone, the Town Council of the Town of Los Gatos approves the Architecture and Site application for exterior modifications to an existing commercial building in the University/Edelen Historic District; and the Conditional Use Permit for formula retail over 10,000 square feet and for a restaurant with alcohol service on property zoned C-2:LHP:PD located at 31 University Avenue, subject to the attached Conditions of Approval (Exhibit A and B).

**PASSED AND ADOPTED** at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 7<sup>th</sup> day of October, 2025, by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

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MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

ATTEST:

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TOWN CLERK OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

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