



**TOWN OF LOS GATOS  
PLANNING COMMISSION  
REPORT**

MEETING DATE: 07/26/2023

ITEM NO: 4

---

DATE: July 21, 2023  
TO: Planning Commission  
FROM: Joel Paulson, Community Development Director  
SUBJECT: Requesting Approval for Construction of an Addition to a Contributing Building in the Downtown Historic Commercial District; a Conditional Use Permit for a Restaurant Use with Alcohol Service; Variances for Maximum Floor Area and Reduced Parking; and Site Work Requiring a Grading Permit on Property Zoned C-2:LHP. **Located at 25 W. Main Street.** APN 529-01-017. Categorically Exempt Pursuant to CEQA Guidelines Section 15301: Existing Facilities. Architecture and Site Application S-22-039, Variance Application V-22-001, and Conditional Use Permit Application U-23-002. PROPERTY OWNER: Reveal Corp. APPLICANT: Gordon Wong, Gkw Architects. PROJECT PLANNER: Erin Walters.

RECOMMENDATION:

Approval.

PROJECT DATA:

General Plan Designation: Central Business District  
Zoning Designation: C-2:LHP, Central Business District with a Landmark and Historic Preservation Overlay  
Applicable Plans & Standards: General Plan; Commercial Design Guidelines  
Parcel Size: 3,133 square feet  
Surrounding Area:

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

PREPARED BY: Erin Walters  
Associate Planner

---

Reviewed by: Planning Manager and Community Development Director

---

CEQA:

The project is Categorically Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, 15301: Existing Facilities.

FINDINGS:

- As required, pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, this project is Categorically Exempt, Section 15301: Existing Facilities.
- 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 parking.
- 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.

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 3,133 square feet, developed with an existing pre-1941, two-story 2,170-square foot contributing commercial building located in the Downtown Historic Commercial District.

On November 13, 2019, the Planning Commission approved: an Architecture and Site application for the construction of a two-story rear addition to the existing two-story commercial building; a Conditional Use Permit (CUP) for a multi-family use in a mixed-use project including two below market price units; and a Variance application to exceed the maximum allowable Floor Area Ratio (FAR) for the C-2 zone, reduce the required driveway length, and allow an exception to the required number of guest parking spaces. The approved project included 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

BACKGROUND (continued):

unit, and two below market price units). The ownership has since changed and new project applications have been submitted.

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 128 square-foot two-story rear addition to an existing two-story commercial building; a CUP for a restaurant use with alcohol service; and a Variance application to exceed the maximum allowable FAR and allow the reduction of the required on-site parking.

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 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 a 128-square foot two-story stairwell addition to the rear of the existing 2,170-square foot two-story commercial building. The enclosed stairwell will provide access to the second floor of the existing building. The proposed project includes a request for a grading permit for on-site improvements to the rear of the property including an outdoor patio, deck, and landscaping. The project proposes exterior modifications to the historic building including removal of the existing rear shed, and modifications to existing windows and doors. The applicant is requesting a Variance to exceed the maximum allowable FAR for the C-2 zoning district, where a maximum of 0.60 FAR is allowed and the project proposes an FAR of 0.79. The applicant is requesting a Variance from the on-site parking requirements, in that the project provides a total of seven parking spaces where eight are required. The applicant is requesting a CUP to allow a restaurant use with alcohol service.

C. Zoning Compliance

The property is zoned C-2:LHP, which requires a CUP to allow restaurant with alcohol use. The proposed project is in compliance with setbacks and building height. As described above, the applicant is requesting a Variance to exceed the maximum allowable FAR and allow the reduction of one required on-site parking space.

DISCUSSION:

A. Architecture and Site Analysis

The applicant is proposing a 128-square foot two-story addition to an existing 2,170-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 restaurant tenant improvements to the existing first and second floor commercial spaces, removal an attached rear shed, and the addition of a 128-square foot two-story stairwell located to the rear of the existing building.

The two-story rear addition proposes vertical exterior siding to denote a material difference between the historic structure's horizontal wood siding and the addition. The proposed addition and exterior modifications match the existing building's materials which include composition shingles, wood doors, and wood trimmed double-hung windows. The materials and color sheet is included on Sheet A200 of Exhibit 9.

Exterior modifications also include retaining the existing front door at the corner of Park Avenue and W. Main Street and making the corner door inoperable. The proposal introduces a new operable front door located at the left side of the front elevation on W. Main Street, which historically served as the front door opening for the building (Sheet A301 of Exhibit 9).

The proposed project includes on-site improvements to the rear of the property including an outdoor patio, deck, and landscaping. The rear property has an existing steep slope, requiring fill to accommodate the proposed outdoor patio and deck area. The applicant's project description and letter of justification are provided in Exhibit 5 and development plans are included in Exhibit 9.

B. Historic Preservation Committee

On August 24, 2022, the owner requested preliminary review by the Historic Preservation Committee (HPC) to consider exterior modifications to the existing building, including removal of an existing attached rear shed, the addition of a new two-story enclosed stairwell located to the rear of the commercial building, relocation of the front door, and window replacement for one of the main front windows. The HPC discussed the proposal, supported the relocation of the front door, and expressed support of the overall project. The minutes for the August 24, 2022, meeting are included in Exhibit 6.

DISCUSSION (continued):

On December 14, 2022, the applicant returned to the HPC for review with the following modifications:

- Demolition of the existing attached rear shed;
- Construction of a new 128-square foot enclosed stairwell at the rear elevation with vertical exterior siding to denote a material difference between the historic structure and addition;
- Retain location of existing front door located at the corner of Park Avenue and W. Main Street and make the door inoperable;
- Introduce a new operable front door at the left side of the front elevation on W. Main Street;
- Replacement in-kind of one of the large first story store front windows at the front elevation;
- All new windows and doors to be replaced in-kind with the same style, material and trim as the existing windows and doors;
- Construction of a new deck located at the rear of the building;
- Construction of a new free-standing wood pergola at the rear deck; and
- Construction of a new detached trash enclosure.

Town Code Section 29.10.020 defines demolition of historic structures as removal, enclosure, or alteration of more than twenty-five percent of the wall(s) facing a public street, or fifty percent of all exterior or walls. The proposal does not propose demolition to the contributing building, per the definition.

The HPC discussed the matter and recommended approval of the design as proposed. The minutes for the December 14, 2022, meeting are included in Exhibit 7.

C. 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 on the following page reflects the current conditions of the immediate area.

The proposed project would be the fifth largest for FAR in the neighborhood. 11 out of the 13 existing properties listed have a FAR over the maximum allowable FAR of 0.60 for the C-2 zone, and 10 properties have a FAR greater than the project's proposed 0.79 FAR.

DISCUSSION (continued):

<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 Montebello 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>2,281</b>	<b>2,871</b>	<b>0.79</b>	<b>2</b>
25 W. Main St. (Ex)	C-2:LHP	2,170	3,133	0.69	2

D. 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.

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 3,133 square feet to a net lot size of 2,871 square feet (Condition 52, Exhibit 3). The addition to the existing building results in a proposed FAR of 0.79. 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

DISCUSSION (continued):

compatibility with the neighborhood pattern of existing development which exceeds the maximum allowable FAR.

E. Variance - Parking

The existing site is currently developed with a 2,170-square foot commercial building, with credit for seven parking spaces in the Parking Assessment District (PAD) and no on-site parking spaces. Per Section 29.10.150.b. of the Town Code the number of on-site spaces required for the 2,281 square feet of proposed restaurant use requires a total of eight parking spaces (based on one parking space per 300 square feet). The project site has credit for seven parking spaces in the PAD and is one parking space short of meeting the required on-site parking requirements. The applicant requests a Variance for meeting on-site parking requirements.

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.

The applicant has provided written justification for the request (Exhibit 5), citing for the first finding, due to the site's shape and size, the applicant's previous attempts at adding one parking space, an accessible van parking space and an accessible aisle, is prohibitive due to the long and narrow shape of the lot. The proposed parking layout created safety concerns with a reduced driveway back-up onto Park Avenue. The vehicle back-up would have to go into the street and into the sidewalk area. The reduced driveway backup raised concerns regarding pedestrian safety.

For the second variance finding the applicant cites in Exhibit 5, that this request is not granting special privileges inconsistent with the limitations upon other properties in the vicinity and zone as many neighboring restaurants with outdoor seating do not provide on-site parking spaces. The project would encourage a pedestrian zone, to boost walkability and connectivity which enhances positive business activity in the neighborhood.

DISCUSSION (continued):

F. Conditional Use Permit

When reviewing a CUP, the deciding body should consider the information in the applicant's business plan; however, the key consideration should be the proposed use since the business plan can change from owner to owner. The CUP runs with the land, and the deciding body should review the application based on the use described in the recommended Conditions of Approval (Exhibit 4), as opposed to the applicant or applicant's business plan.

The applicant is requesting approval of a CUP to allow a restaurant use with alcohol service in the 2,281-square-foot two-story building and in the rear deck/patio area. The existing use is retail. There is not a restaurant tenant proposed at this time.

The proposed restaurant use is located next door to residential mixed-use building at 21 W. Main Street and a multi-family building is located across the street located at 14 W. Main Street. The proposed hours of operation are Sunday through Wednesday 7:00 a.m. to 11:00 p.m., and Thursday through Saturday 7:00 a.m. to 1:30 am. The applicant's originally proposed business hours were 7:00 a.m. to 2:00 a.m., seven days a week however following further review of approved business hours for restaurants located in the Downtown and the adjacent residential uses, the applicant reduced the proposed hours of operation.

The rear dining patio is visible from the inside of the restaurant and staff will monitor the area during dining areas. The Town's Police Department has reviewed the proposed project and had no comments. The applicant provided a project description and letter of justification (Exhibit 5), and development plans (Exhibit 9). Hours of operation are included in the recommended Conditions of Approval (Exhibit 4).

In order to grant approval of a CUP for the proposed restaurant use with alcohol service, 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.

The applicant has provided written justification for the request (Exhibit 5), citing that in regard to the first finding, the proposed use would be considered desirable to the public



DISCUSSION (continued):

convenience in that it would provide a restaurant tenant improvement and rehabilitation of the historic building, and enhance the shopping and dining experience 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 restaurant with alcohol service and with outdoor dining 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 is in conformance with the Town Code and General Plan with the exception of the request for the two variances: to exceed the maximum allowable FAR; and for reduced on-site parking.

G. 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 (Exhibit 3, Condition 8).

H. Grading

The project includes site improvements with grading quantities exceeding 50 cubic yards, which requires approval of a Grading Permit. Site improvements to the rear of the building would require zero cubic yards of cut and 70 cubic yards of fill. The site work includes a new patio, landscaping area, outdoor deck, and ADA ramp. Public Works Engineering staff have included a condition of approval requiring submittal and evaluation of a Grading Permit in parallel with the required Building Permits (Exhibit 3).

I. CEQA Determination

The project is Categorically Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15301: Existing Facilities.

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 8). At the time of this report's preparation, the Town has not received any public comment.

CONCLUSION:

A. Summary

The applicant is requesting approval of an Architecture and Site application for a 128-square foot two story stairwell addition to the rear of the existing two-story commercial building and exterior modifications to a Contributing Building in the Downtown Historic Commercial District. The proposed project includes a request for a grading permit for on-site improvements to the rear of the property. The applicant is requesting a Variance to exceed the maximum allowable floor area (FAR) for the C-2 zoning district, where a maximum of 0.60 FAR is allowed and the project proposes an FAR of 0.79. The applicant is requesting a Variance from the on-site parking requirements, the project provides a total of seven parking spaces through the PAD, where eight are required. The applicant is requesting a CUP to allow a restaurant use with alcohol service. The project is consistent with the Zoning (except for the Variance requests), General Plan, and applicable Commercial Design Guidelines, and has been reviewed by the HPC.

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 and 4). 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 15301: Existing Facilities (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 parking (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 considerations as required by Section 29.20.150 of the Town Code for granting approval of an Architecture and Site application (Exhibit 2); and
7. Approve Architecture and Site Application S-22-039, Conditional Use Permit Application U-23-002, and Variance Application V-22-001, with the conditions contained in Exhibits 3 and 4 and the development plans in Exhibit 9.

C. Alternatives

Alternatively, the Commission can:

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

EXHIBITS:

1. Location Map
2. Required Findings and Considerations
3. Recommended Conditions of Approval – A&S and VARIANCE
4. Recommended Conditions of Approval – CUP
5. Project Description and Letter of Justification
6. August 24, 2022, Historic Preservation Committee Meeting Minutes
7. December 14, 2022, Historic Preservation Committee Meeting Minutes
8. Neighborhood Outreach
9. Development Plans

***This Page  
Intentionally  
Left Blank***