



**TOWN OF LOS GATOS  
PLANNING COMMISSION  
REPORT**

MEETING DATE: 03/13/2024

ITEM NO: 3

DATE: March 8, 2024  
 TO: Planning Commission  
 FROM: Joel Paulson, Community Development Director  
 SUBJECT: Requesting Approval of a Modification to an Existing Conditional Use Permit for a Convenience Market that Includes the Sale of Beer and Wine at an Automobile Service Station on Property Zoned C-1. **Located at 666 North Santa Cruz Avenue.** APN 529-10-141. Categorically Exempt Pursuant to CEQA Guidelines Section 15301: Existing Facilities. Conditional Use Permit Application U-22-004. Property Owner/Applicant: Samir Dave, HDLM Associates. Project Planner: Jocelyn Shoopman.

RECOMMENDATION:

Approval.

PROJECT DATA:

General Plan Designation: Neighborhood Commercial  
 Zoning Designation: C-1  
 Applicable Plans & Standards: General Plan; Commercial Design Guidelines  
 Parcel Size: 0.504 acres (21,980 square feet)  
 Surrounding Area:

	Existing Land Use	General Plan	Zoning
North	Office, Single-Family Residential, and Multi-Family Residential	Office Professional and Medium Density Residential	O and R-M:5-12
East	Commercial	Service Commercial	LM
South	Commercial	Neighborhood Commercial	C-1
West	Commercial and Residential	Neighborhood Commercial	C-1 and R-M:5-12

PREPARED BY: Jocelyn Shoopman  
Associate Planner

Reviewed by: Planning Manager and Community Development Director

PAGE 2 OF 8

SUBJECT: 666 North Santa Cruz Avenue/U-22-004

DATE: March 8, 2024

CEQA:

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

FINDINGS:

- The project is Categorical Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15301: Existing Facilities.
- The project meets the objective standards of Chapter 29 of the Town Code (Zoning Regulations).
- As required by Section 29.20.190 of the Town Code for granting a Conditional Use Permit.
- As required for compliance with the Commercial Design Guidelines.

ACTION:

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

BACKGROUND:

The subject property is located at the intersection of Blossom Hill Road and North Santa Cruz Avenue (Exhibit 1). The project site is 0.504 acres (21,980 square feet) and is currently occupied by a Mobil gas station, convenience market, and three automotive service bays. For the remainder of the staff report, the Mobil automobile service station will be referred to as a service station, consistent with Town Code terminology for the use. The site has three points of access with ingress and egress on Blossom Hill Road, North Santa Cruz Avenue, and Industrial Way (Exhibit 1).

PROJECT DESCRIPTION:

A. Location and Surrounding Neighborhood

The subject property is located at the intersection of Blossom Hill Road and North Santa Cruz Avenue (Exhibit 1). The surrounding area contains a mix of uses with office, single-family residential, and multi-family residential to the north, commercial uses to the east, as well as residential and commercial uses to the west and south.

PROJECT DESCRIPTION (continued):

B. Project Summary

The applicant is requesting approval of a modification to the existing Conditional Use Permit (CUP) for a convenience market that includes the sale of beer and wine at a service station (Exhibit 6). No modification to the existing fuel dispensers is proposed.

C. Zoning Compliance

The sale of beer and wine at a service station requires approval of a CUP in the C-1 zone. The existing use is operating with an approved CUP from 1970 (Exhibit 4). The proposed project includes a modification to the existing CUP for expansion of the existing convenience market into three existing automotive service bays.

DISCUSSION:

A. Zoning

The sale of beer and wine at a service station is allowed as a conditional use in the C-1 zone, requiring approval of a CUP. The existing service station is operating with an approved CUP from 1970 (Exhibit 4). The proposed project includes a modification to the existing CUP for a convenience market that includes the sale of beer and wine at a service station. The proposed project includes expansion of the existing convenience market into three existing automotive service bays and would not result in an increase in the existing building square footage or lot coverage.

The project complies with the zoning requirements related to lot coverage, building height, parking, and circulation. The applicant is not requesting any exceptions or Variances to the Town Code.

B. Conditional Use Permit

The existing service station is operating under CUP application, U-70-7, approved by the Planning Commission on May 27, 1970 (Exhibit 4). On February 27, 1985, the Planning Commission denied a request to modify the existing CUP to convert an existing salesroom into a convenience market. On May 6, 1985, the Town Council denied the appeal of the Planning Commission decision to deny the CUP (Exhibit 5). Presently, there is a convenience market on the property. The property owner does not have information as to when the conversion of the sales room to a convenience market occurred and stated that the condition was present when the property was purchased in 2007. The applicant has stated that with the retirement of the operator of the automotive service bays, and with a

DISCUSSION (continued):

change in the technology of automobiles, an expanded convenience store is a better fit for the neighborhood and in keeping with the commercial character of the zone (Exhibit 6). Additionally, the Town has no Building or Planning permit records that the conversion of the sales room into a convenience store was done with the benefit of a permit.

In order to grant approval of a CUP for the proposed use, 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 modifications would be considered desirable to the public convenience or welfare in that the modification would provide convenience goods to residents and visitors. As required by finding two, the proposed modification to the existing use would not impair the integrity and character of the zone since the existing use is located in a commercial zone. In regard to the third finding, the proposed modifications to the existing use would not be detrimental to public health, safety, or general welfare. In regard to the final finding, the proposed use meets the objectives of the General Plan and Town Code as described in this report.

Pursuant to Section 29.20.197 of the Town Code, the deciding body must also consider the following factors:

1. The number of locations of retail on-sale and off-sale licenses to sell alcohol located within a reasonable distance, generally one mile, of the proposed location;
2. The proximity of the location to schools, public parks, playgrounds, youth-oriented facilities, and residential neighborhoods. Generally, beer and wine sales within 500 feet of school, public park, playground, or youth-oriented uses should not be allowed;
3. Hours of operation and of alcohol sales;
4. Past history of businesses on the property; and
5. History of loitering and police activity in the general neighborhood of location.

In regard to the first factor, staff researched the number of active retail on- and off-sale Alcoholic Beverage Control (ABC) licenses within one mile and determined that there are approximately 86 active license. This approximation of active licenses includes restaurants,

DISCUSSION (continued):

grocery stores, service stations, and a convenience store. In regard to the second factor, there are no schools located within 500 feet of the subject property; however, Oak Meadow Park is located within 500 feet of the subject property. In regard to the third factor, the hours of operation are proposed to remain the same with operating hours of 5:00 a.m. to 12:00 a.m. Monday through Friday and 6:00 a.m. to 12:00 a.m. Saturday and Sunday. In regard to the fourth factor, the service station has been at this location since 1970. Lastly, in regard to the fifth factor, the Los Gatos Monte Sereno Police Department does not have a record of loitering or police activity at this location. The applicant has also provided a letter of justification in response to the additional factors for review of a CUP to sell beer and wine at a convenience market (Exhibit 6).

Pursuant to Section 29.20.197 of the Town Code, the following conditions of approval have been included in Exhibit 3:

1. No beer or wine shall be displayed within five feet of the cash register;
2. No advertisement or display of beer or wine shall be made outside the building in which sales of beer and wine occur;
3. No sale of beer or wine shall be made from a drive-in window;
4. No beer or wine for sale shall be refrigerated, and no display or sale of beer or wine shall be made from an ice tub;
5. No self-illuminated advertising for beer or wine shall be located on buildings or windows;
6. Employees on duty between the hours of 10:00 p.m. and 2:00 a.m. who may sell beer or wine shall be at least 21 years of age;
7. There shall be no on-premises consumption of beer or wine;
8. The sale of beer and wine shall at all times be incidental to the operation of the building as a service station. Whether the sale of beer or wine is incidental shall be determined by measurement of the space devoted to sales of beer and wine with relation to sales of grocery and convenience items, and the volume of sales of beer and wine with relation to sales of other grocery and convenience items;
9. Uniformed security personnel may be required in or around the premises by the Chief of Police if alcohol-related problems recur that are not resolved by the licensed owner;
10. At the discretion of the Chief of Police, periodic meetings will be conducted with representatives of the Police Department for ongoing employee training on alcoholic beverages sales to the general public; and
11. The operator shall post and maintain a warning regarding driving after consumption of alcoholic beverages in a visible location near the cash register.

DISCUSSION (continued):

C. Design and Compatibility

The proposal will not result in an increase in the existing building height or addition to the existing building, rather an interior and exterior renovation of the existing convenience market into the three existing automotive service bays will be done (Exhibits 6 and 7). The proposed exterior finishes include tile wainscot, wood panel lap siding, wood trim, and aluminum windows in a dark bronze color. The existing tile roofing is proposed to remain (Exhibit 8).

The proposed exterior modifications to the existing building are consistent with the applicable provisions of the Commercial Design Guidelines to provide a unified design around all sides of the building and to utilize high quality building materials. The proposed building materials are provided on Sheet A301 of Exhibit 8 and would match the existing materials. The only site improvement proposed as part of the project is to re-stripe the existing off-street parking spaces to be compliant with the Town Code.

F. General Plan

The 2020 General Plan Land Use designation for the site is Neighborhood Commercial. This designation provides for necessary day-to-day commercial goods and services required by the residents of the adjacent neighborhoods. This designation encourages concentrated and coordinated commercial development at easily accessible locations. In addition to maintaining neighborhood quality, the 2020 General Plan Land Use Element focuses on maintaining a “full-service” Town that provides a range of goods and services that support economic vitality, while limiting adverse impacts on the quality of life of all the residents.

Applicable goals and policies of the 2020 General Plan Land Use and Community Design Elements include, but are not limited to the following:

- Policy LU-2.1: Minimize vehicle miles traveled for goods and services by allowing and encouraging stores that provide these goods within walking distance of neighborhoods in Los Gatos;
- Goal LU-4: To provide for well-planned, careful growth that reflects the Town’s existing character and infrastructure;
- Goal LU-9: To provide residents with adequate commercial and industrial services;
- Policy LU-9.4: Encourage existing light industry and service commercial uses to remain or be replaced with similar uses;
- Policy LU-9.5: Encourage the development and retention of locally owned stores and shops;

DISCUSSION (continued):

- Policy LU-9.8: Retail sales tax “leakage” should be kept to a minimum by providing in-town convenience and comparative shopping opportunities;
- Policy CD-1.1: Building elements shall be in proportion with those traditionally in the neighborhood;
- Policy CD-1.2: New structures, remodels, landscapes, and hardscapes shall be designed to harmonize and blend with the scale and rhythm of the neighborhood and natural features in the area;
- Policy CD-1.4: Development on all elevations shall be of high-quality design and construction, a positive addition to and compatible with the Town’s ambiance. Development shall enhance the character and unique identity of existing commercial and/or residential neighborhoods; and
- Goal CD-8: Promote, enhance and protect the appearance of the Los Gatos’s commercial areas.

G. Parking

The proposed use requires 10 parking spaces. The proposal includes 10 compliant on-site parking spaces.

PUBLIC COMMENTS:

Written notice was sent to property owners and tenants within 300 feet of the subject property. At the time this report was published, no comments had been received.

CEQA DETERMINATION:

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

CONCLUSION:

A. Summary

The applicant is requesting approval of a modification to the existing CUP for a convenience market that includes the sale of beer and wine at a service station in the C-1 zone. The project is consistent with the Zoning Code, General Plan, and applicable Commercial Design Guidelines.

CONCLUSION (continued):

B. Recommendation

Based on the analysis above, staff recommends approval of the CUP application subject to the recommended Conditions of Approval.

If the Planning Commission finds merit with the proposed project, it should:

1. Make the finding 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 finding that the project complies with the objective standards of Chapter 29 of the Town Code (Zoning Regulations) (Exhibit 2);
3. Make the findings as required by Section 29.20.190 of the Town Code for granting a CUP (Exhibit 2); and
4. Approve CUP application U-22-004 with the conditions contained in Exhibit 3, and development plans included as Exhibit 8.

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 application.

EXHIBITS:

1. Location Map
2. Required Findings
3. Recommended Conditions of Approval
4. Conditional Use Permit U-70-7
5. Resolution 1985-61
6. Letters of Justification
7. Project Description
8. Development Plans