



**TOWN OF LOS GATOS  
PLANNING COMMISSION  
REPORT**

MEETING DATE: 07/10/2019

ITEM NO: 4

DATE: July 2, 2019  
TO: Planning Commission  
FROM: Joel Paulson, Community Development Director  
SUBJECT: Conditional Use Permit Application U-19-010. Project Location: **66 E. Main Street**. Property Owner: Jane Thomas Living Trust. Applicant: Alex Anderson. Appellant: Thomas Spilsbury.  
Consider an appeal of a Development Review Committee decision approving a Conditional Use Permit Application requesting approval for group classes on property zoned C-2. APN 529-29-049.

RECOMMENDATION:

Deny the appeal and uphold the decision of the Development Review Committee to approve the application, subject to the recommended conditions of approval.

PROJECT DATA:

General Plan Designation: Central Business District  
Zoning Designation: C-2  
Applicable Plans & Standards: None  
Parcel Size: 10,600 square feet  
Surrounding Area:

|       | Existing Land Use | General Plan              | Zoning |
|-------|-------------------|---------------------------|--------|
| North | Commercial        | Central Business District | C-2:PD |
| South | Commercial        | Central Business District | C-2    |
| East  | Public            | Public                    | C-1:PD |
| West  | Commercial        | Central Business District | C-2    |

PREPARED BY: Jennifer Armer  
Senior Planner

Reviewed by: Planning Manager and Community Development Director

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CEQA:

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

FINDINGS:

- The project is Categorically Exempt pursuant to the adopted Guidelines for the Implementation of the California Environmental Quality Act, Section 15301: Existing Facilities.
- As required by Section 29.20.190 of the Town Code for granting a Conditional Use Permit.

ACTION:

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

BACKGROUND:

The subject property is an existing commercial property at the corner of E. Main Street and Pageant Way (see Exhibit 1). The lot is approximately 10,600 square feet with two existing primary structures of approximately 5,500 square feet combined.

The applicant proposes to use the existing buildings for group classes and exercise equipment for the members of the Club at Los Gatos during the renovation of their current location at 285 E. Main Street.

The application was submitted on April 23, 2019. Revisions were submitted on May 15, 2019, to provide additional information requested by staff.

At its June 4, 2019 hearing, the Development Review Committee (DRC) approved the proposed project (Exhibit 4). The application is being reviewed by Planning Commission because the decision of the DRC has been appealed (Exhibit 6).

PROJECT DESCRIPTION:

A. Location and Surrounding Neighborhood

The subject site is located on the southwest corner of E. Main Street and Pageant Way (Exhibit 1). A hotel use is located to the west and south, other commercial uses are located to the north across E. Main Street, and Town Hall is located to the west across Pageant Way.

PROJECT DISCRIPTION (continued):

B. Project Summary

The proposed project is the reuse of two existing vacant commercial buildings for group classes and exercise equipment for an existing private sports recreation club (The Club at Los Gatos) during the renovation of their current location at 285 E. Main Street. The applicant is proposing to operate at this location during the following hours:

|                   |                        |
|-------------------|------------------------|
| Monday – Friday   | 5:00 a.m. – 10:00 p.m. |
| Saturday & Sunday | 6:00 a.m. – 9:00 p.m.  |

The applicant is proposing that the front building (approximately 1,700 sq. ft.) be used for dance, yoga, and pilates classes, and the rear building (approximately 3,700 sq. ft.) be used for exercise equipment, employees, and administrative offices (Exhibits 5 and 7).

C. Zoning Compliance

The property is zoned C-2. The proposed use, group classes and exercise equipment, requires a Conditional Use Permit (CUP) in the C-2 zone.

DISCUSSION:

A. Conditional Use Permit

The proposed project is the reuse of two existing vacant commercial buildings for group classes and exercise equipment. This use is allowed in the C-2 zone with a CUP. Per Town Council Resolution 2019-012, effective March 19, 2019 through December 31, 2019, the CUP application for group classes and exercise equipment may be reviewed at DRC.

B. Parking

The project site is located within the Town’s Downtown Parking Assessment District. The project has credits within the district for 22 parking spaces. The recommended conditions of approval limit the use to no more than six staff/instructors and no more than 48 participants/students on site at any one time in order to not exceed the available parking. Based on these limitations the use will comply with the Town’s parking requirements for the proposed use which requires the largest number of spaces, group classes, of one parking space per instructor and one parking space for every three students.

DISCUSSION (continued):

C. Noise and Light

At the DRC hearing concerns were expressed about the potential impacts of noise and light on the residential properties located in the Forbes Mill community. Although the property is not immediately adjacent to any residential properties, the use would be required to comply with all applicable Town noise and lighting standards. The applicant has described that music will be played at a reasonable volume. Lights are required to be shielded and directed to shine onsite, not directly on other property or any public right-of-way. Any complaints regarding non-compliance with these standards would be addressed through code compliance.

D. Conditional Use Permit Findings

In order to grant approval of a CUP, 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; and
2. The proposed use would not impair the integrity and character of the zone; and
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.

Regarding the first finding, the proposed use is desirable to the public convenience because it provides group classes and exercise opportunities, for visitors and residents in the downtown and surrounding areas during the renovation of an existing sports recreation club. Regarding the second finding, the proposed use would not impair the integrity of the zone, in that the proposed use is a commercial use and would be located in a commercial zone. Regarding the third finding, the proposed use would not be detrimental to public health, safety, or general welfare, as the conditions placed on the permit would maintain the welfare of the community. Regarding the final finding, the proposed use is in conformance with the Town Code and General Plan as discussed within this report.

E. General Plan

The goals and policies of the 2020 General Plan applicable to this project include but are not limited to:

DISCUSSION (continued):

- 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.
- Policy LU-9.2 – Maintain a variety of commercial uses, including a strong Downtown commercial area combined with Los Gatos Boulevard and strong neighborhood commercial centers to meet the shopping needs of residents and preserve the small-town atmosphere.
- Policy LU-9.6 – Encourage development that maintains and expands resident-oriented services and/or creates employment opportunities for local residents consistent with overall land use policies of the Town.

F. 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.

G. Development Review Committee

The DRC held a public hearing for the proposed CUP application on June 4, 2019. Written public hearing notices were sent to the surrounding property owners and tenants within 300 feet.

Eight members of the public attended and spoke at the hearing expressing concerns about parking, noise, light, hours of operation, and compatibility with nearby uses.

The DRC discussed the project. The DRC then approved the project making the required findings (Exhibit 2) and with the recommended conditions of approval (Exhibit 3).

H. Appeal

On June 14, 2019, the June 4, 2019 decision of the DRC was appealed to the Planning Commission by Thomas Spilsbury, property owner of 61 E. Main Street (Exhibit 6). The reasons for the appeal are summarized below, along with responses in *italic* font.

1. The appellant's concern is that the use is too high intensity for the location and building structure at 66 E. Main Street because of the diverse neighborhood around Main Street and the Civic Center.

*The DRC considered the proposed use and evaluated it for compliance with current Town Code and found that, as conditioned, it complied with applicable regulations, including permitted uses, parking, noise, and lighting.*

PUBLIC COMMENTS:

Written notice was sent to property owners and tenants of the properties within 300 feet of the property. Written comments have been received regarding the proposed project, including two comments received prior to the DRC hearing (see Exhibit 8).

CONCLUSION:

A. Summary

The proposed use is compliant with the Zoning Code, including parking. The project proposes a commercial use to reuse two existing vacant commercial buildings within the Central Business District zone. Other commercial properties abut the subject property on all sides providing a buffer for residential properties in the greater area.

B. Recommendation

Based on the analysis above, staff recommends the Planning Commission take the following actions to deny the appeal, uphold the decision of the DRC, and approve the CUP subject to the recommended conditions of approval (Exhibit 3):

1. Find that the 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 29.20.190 of the Town Code for granting approval of a Conditional Use Permit (Exhibit 2);
3. Approve Conditional Use Permit Application U-19-010 with the conditions contained in Exhibit 3.

C. Alternatives

Alternatively, the Commission can:

1. Continue the matter to a date certain with specific direction; or
2. Deny the appeal and approve the application with additional and/or modified conditions; or
3. Grant the appeal and remand the application to the DRC with direction for revisions; or
4. Grant the appeal and deny the Conditional Use Permit application.

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EXHIBITS:

1. Location Map
2. Required Findings (one page)
3. Recommended Conditions of Approval (three pages)
4. June 4, 2019 Development Review Committee Minutes (four pages)
5. Letter of Justification/Business Description, received May 15, 2019 (one page)
6. Appeal Letter, received June 14, 2019 (2 pages)
7. Building Dimension and Use Plans (two pages)
8. Public comments received by 11:00 a.m., Friday, July 5, 2019