

1 COMMISSIONER TALESFORE: Exactly. Okay. Thank you.  
2 I'm ready to make a motion as well.

3 CHAIR MICCICHE: Wait a minute. I prohibited Mr.  
4 Kane from making the motion, so I am not going to have you  
5 bypass him. However, Mr. Kane, we did ask Ms. Quintana to  
6 hold her forgotten statement until this time, and it appears  
7 like she's remembered it.

8 COMMISSIONER QUINTANA: It was my forgotten  
9 question. One of the community uses requires the locking of  
10 the door, and I was wondering whether that had been  
11 discussed with the fire department?

12 ORRY KORB: Yes, it has, and again that passageway  
13 is not a required access point.

14 CHAIR MICCICHE: It still isn't.

15 COMMISSIONER QUINTANA: Okay. I'll hold my  
16 comments until I hear the motion.

17 CHAIR MICCICHE: Mr. Kane, would you like to make  
18 your motion now?

19 COMMISSIONER KANE: Thank you, Mr. Chair and  
20 perhaps the Commissioner could second it as soon as I'm  
21 done.

22 This application comes to us and is subject to the  
23 Town's alcohol policy, so because of that we are not going  
24 to be approving or disapproving the application; we're going  
25 to be recommending what we think about this application to  
the Town Council. They will rule on it and give the final.

LOS GATOS PLANNING COMMISSION 4/26/2006  
Item #1, 91, 101, 109 Main Street

1 ruling, so therefore I'm simply recommending that we  
2 recommend to the Town Council approval of the application  
3 subject to the conditions in Exhibit C, but first I need to  
4 make the findings required in Exhibit A.

5 As required by Section 29.20.190 of the Town Code  
6 for granting a conditional use permit, that the use of the  
7 property is essential or desirable to public convenience or  
8 welfare; the proposed use does not impair the integrity and  
9 character of the zone; the proposed use would not be  
10 detrimental to public health, safety, or general welfare;  
11 and the proposed use of the property is in harmony with the  
12 various elements or objectives of the General Plan and  
13 purpose of the Town Code; that the work proposed is  
14 consistent with the redevelopment plan for the Central Los  
15 Gatos redevelopment project area; and as required by Section  
16 15.301 of the state Environmental Guidelines as adopted by  
17 the Town, that this project is categorically exempt. Those  
18 are the findings.

19 The recommended conditions of approval are on  
20 Exhibit M, and I can refer to that identification or I can  
21 read them.

22 CHAIR MICCICHE: No, please refer to them.

23 COMMISSIONER KANE: I want to see if we can work  
24 into the recommendation, Mr. Tsuda, language acceptable to  
25 Commissioner O'Donnell regarding the unplugging at either

LOS GATOS PLANNING COMMISSION 4/26/2006  
Item #1, 91, 101, 109 Main Street

1 delicatessen, not the wine tasting bar in association with  
2 the off sale of the wine, but the fact that those activities  
3 are somehow intermingled with the other portion and it's not  
4 a clean division. It seems unrealistic to me that you sell  
5 wine by the glass to people who buy a sandwich in one place  
6 and you allow them to eat in another, but the people who are  
7 buying the product in the Coffee Roasting Company portion  
8 cannot have a glass of wine with their meal.

9 Also, the other thing is that I would recommend  
10 that the Council look at that factor and perhaps we look at  
11 the possibility of them being separate operations, and then  
12 you don't have that difficulty of intermingling these two  
13 groups.

14 The other question that I didn't ask Staff was  
15 whether it's possible under the special events permit to  
16 have amplified music and the alcohol for the employee  
17 functions, whereby not necessitating that we go against the  
18 current stated policy that those events don't happen  
19 together unless there is a procedure in place to allow it. I  
20 believe that was one of the reasons that Wine Cellar was not  
21 allowed to do that.

22 CHAIR MICCICHE: Your comments are recorded. You  
23 have another comment?

24 COMMISSIONER TALESFORE: In response to  
25 Commissioner Quintana, with your forwarding request that the  
Council look at separating the two uses, I would have to

1 disagree with that because in many of the fine cafes of  
2 Europe, and locally here in town, and with the old Oakville,  
3 I remember that it all worked quite well and it didn't seem  
4 to (inaudible) anything, so I wouldn't agree with that.

5 CHAIR MICCICHE: Excuse me, there doesn't have to  
6 be a debate.

7 COMMISSIONER TALESFORE: It's not a debate, but I  
8 don't want that recommended.

9 CHAIR MICCICHE: Excuse me; let me finish. She has  
10 made her recommendations to Council. If you'd like to  
11 recommend to Council that they do not think about that,  
12 that's fine. You don't have to argue with her about it.

13 COMMISSIONER TALESFORE: I just did.

14 CHAIR MICCICHE: Fine.

15 COMMISSIONER TALESFORE: But could I finish my  
16 comment?

17 CHAIR MICCICHE: Oh, you can finish your comment  
18 now.

19 COMMISSIONER TALESFORE: But I looked at this as  
20 well because I wondered is this precedent, but I think the  
21 precedent is already here. I think that because in the  
22 original business this will be maintained, and I appreciate  
23 that, and I think that its character probably will be  
24 enhanced by this new evolving business highlighting local  
25 wineries, I think it will serve us well in this town, and as

1 CHAIR MICCICHE: Whether it's during the week or a

2 Friday or Saturday.

3 ORRY KORB: Oh, any time they're in operation they  
4 can operate till 11:00?

5 CHAIR MICCICHE: They can operate until 11:00.

6 ORRY KORB: Okay.

7 CHAIR MICCICHE: I'll call the motion. All in  
8 favor? Against?

9 COMMISSIONER QUINTANA: No, with the...

10 CHAIR MICCICHE: One dissenting with the comments  
11 that were made to refer to Council. Thank you.

12 ORRY KORB: And Mr. Chair, this as you know is a  
13 recommendation to the Town Council. The Town Council will  
14 hold a noticed public hearing at a future date.

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Date: April 21, 2006  
For Agenda Of: April 26, 2006  
Agenda Item: 1

REPORT TO: The Planning Commission  
FROM: The Development Review Committee  
LOCATION: 91, 101 and 109 W. Main Street  
Conditional Use Permit U-06-12

Requesting approval to modify a conditional use permit to change the hours of operation, allow special events, delicatessen, off-site beer and wine sales and wine bar on property zoned C-2. APN 529-01-025.

PROPERTY OWNER: Sue Farwell  
APPLICANT: Teri Hope

DEEMED COMPLETE: March 7, 2006  
FINAL DATE TO TAKE ACTION BY: September 7, 2006

FINDINGS:

- As required by Section 29.20.190 of the Town Code for the granting of a Conditional Use Permit
- As required by Section IV.B of the Redevelopment Plan for the Central Los Gatos Redevelopment Project that it meets the use set forth in the Town's General Plan.
- It has been determined that the project is Categorical Exempt pursuant to Section 15301 of the State Environmental Guidelines as adopted by the Town.

EXHIBITS:

- A. Required Findings (1 page)
- B. Existing Conditions of Approval for 101 and 109 W. Main Street
- C. Recommended Conditions of Approval (2 pages)
- D. Letter of Justification, Project Description and Current/projected Sales sheet (5 pages), received April 21, 2006
- E. Community letters of support, (5 pages), received February 2, 2006
- F. Town's Alcoholic Beverage Policy, Resolution 2001-106, (6 pages)
- G. Town's Review of Additional Restaurant Use in the Downtown area Policy, Ordinance 2021, (1 page)
- H. Letter of opposition from neighbor (2 pages), received April 17, 2006
- I. Letter from applicant describing neighborhood meeting held on April 19, 2006 (1 page), received April 21, 2006
- J. List and Map of existing establishments with alcohol service in C-2 zoning district (2 pages), generated by staff
- K. Rendering of modified interior space-109 W. Main Street, (2 pages), received, February 2, 2006
- L. Interior development Plan, received February 2, 2006

RECOMMENDATION  
SUMMARY:

Forward a recommendation to Town Council

ATTACHMENT 2

## 2. Hours of Operation

The proposed hours of operation for the three tenant spaces are 6:00 AM to 10:00 PM seven days a week. The wine bar will close at 9:30 PM seven days a week. The previous hours of operation are outlined in the Background section of this report.

## 3. Use Modifications

### *Grocery Retail Store/Delicatessen- Store A:*

In 1996, a Conditional-Use-Permit modification was approved for Store A to convert a portion of the floor area for a food service counter (Los Gatos Creperie). The food service business operated for two years, and then returned to retail. The CUP for this space has since expired because the approved use has not operated for more than a year.

The applicant is proposing to use a portion of Store A as a gourmet grocery store. The grocery store will include a full service delicatessen counter in this space which will offer sandwiches made to order, bulk meats, cheeses, and deli items (Exhibit L).

In 1996, the Town Council amended the Town Code to require a more comprehensive review of restaurant uses in the Downtown area. It was found that an over concentration of restaurants in the Downtown would displace retail uses that are vital to continued success of the Downtown retail environment. The intent of the amendment was to discourage the displacement of retail uses by new restaurant uses.

In the case of the subject application, the delicatessen is a restaurant use, but it compliments the grocery retail element of the business and has not displaced a retail use.

### *Wine Service Bar and Alcohol Sales:*

The applicant is proposing a wine service bar and off-site sale of wine. The plans show the location of the wine service bar area (Exhibit K and L). The wine bar will function as a wine tasting area for a small number of patrons, sales area, and order counter for wine sold by the glass.

No seats will be added to the wine service bar area. Patrons will have the option to sample wine as a tasting, or purchase a glass of wine with a meal from a menu available at the wine bar. Pursuant to Alcohol Beverage Control (ABC) requirements, patrons are required to pay for the taste, which will be limited to a one ounce servings, and prepackaged snacks will be available at the bar for consumption.

Staff met with the applicant and discussed that the Town's Alcohol Policy requires alcoholic beverages be served with a lunch or dinner meal. The applicant agreed to a condition of approval requiring patrons to order a meal with each full glass of wine. The menu will be comprised of

4. Parking

The subject property is located in the Parking Assessment District and has a credit of 39 parking spaces. There are no on-site parking spaces. The required parking for the proposed use is one space per 4 seats. The total required parking for the proposed use is 20 spaces. With approval of the proposed application, there will be no change to the total parking requirement for the subject property. Following is a breakdown of the required parking for the entire property, including the two additional tenant spaces.

Use	Square Footage	Number of Seats	Parking Ratio	Parking Required
Nibus Salon- Personal Service	1,225		1:235	5
Blendz/Juice Bar- Restaurant	1,225	6	1 space per 4 seats	2
L.G. Roasting Co. (Stores B and C)	1,225	52	1 space per 4 seats	13
L.G. Roasting Co. (Store A)	1,350		1:235	6
		TOTAL PARKING REQUIRED		26
		ON SITE PARKING PROVIDED		0
		PARKING CREDITS		39

5. Traffic

Due to the change of use from retail to delicatessen, there will be a net increase of 126 Additional Daily Trips (ADT) and no additional peak hour trips. The traffic impact is considered minor according to the Town's Traffic Impact Policy, and a traffic study and community benefit are not required. Payment of a Traffic Impact Mitigation Fee, however, is required as a condition of approval.

determine if the proposed use is consistent with the General Plan, Zoning Code, Town's Alcohol Policy, and the Town's policy on the review of new restaurants in the downtown.

D. RECOMMENDATION:

Pursuant to the Town's Alcohol Policy, this matter must be referred to Town Council with a recommendation from the Planning Commission.

If the Planning Commission finds merit with the proposal, it should:

1. Make the required findings (Exhibit A),
2. Recommend approval of the application to Council, subject to conditions (Exhibit C).

If the Commission has concerns with the application, it can:

1. Recommend approval of the application to Council with additional and/or modified conditions of approval, or
2. Deny the application.



Prepared by:  
Rachel B. Peled, Assistant Planner



Approved by:  
Bud N. Lortz,  
Director of Community Development

BNL:RT:RP:

cc: Teri Hope, 212 Bella Vista Avenue, Los Gatos, CA 95030  
Sue Farwell, 121 Laurel Avenue, Los Gatos, CA 95030

## REQUIRED FINDINGS FOR

91, 101 and 109 W. Main Street  
Conditional Use Permit U-06-12

Requesting approval to modify a conditional use permit to change the hours of operation, allow special events, deli, off-site beer and wine sales and wine bar on property zoned C-2. APN 529-01-025.  
PROPERTY OWNER: Sue Farwell  
APPLICANT: Teri Hope

- As required by Section 29.20.190 of the Town Code for granting a Conditional Use Permit.

The deciding body, on the basis of the evidence submitted at the hearing, may grant a conditional use permit when specifically authorized by the provisions of the Town Code if it finds that:

- (1) The proposed uses of the property are essential or desirable to the public convenience or welfare; and
  - (2) The proposed uses will not impair the integrity and character of the zone; and
  - (3) The proposed uses would not be detrimental to public health, safety or general welfare; and
  - (4) The proposed uses of the property are in harmony with the various elements or objectives of the General Plan and the purposes of the Town Code.
- That the work proposed is consistent with the Redevelopment Plan for the Central Los Gatos Redevelopment Project Area (Section IV.B).
  - As required by Section 15301 of the State Environmental Guidelines as adopted by the Town that this project is Categorically Exempt.

RECOMMENDED CONDITIONS OF APPROVAL FOR:

\* 109 W. Main Street  
Project Application PRJ-96-134

Requesting a Conditional Use Permit to convert the retail space of the Los Gatos Roasting Company to a restaurant (Los Gatos Creperie) on property zoned C-2 LHP.

PROPERTY OWNER: Susan Farwell

APPLICANT: Teri Hope

TO SATISFACTION OF PLANNING DIRECTOR:  
(Planning Department)

1. **SEATING:** No seating shall be allowed in the space.
2. **HOURS:** The hours of operation shall be limited to:

Monday	8:00 a.m. - 2:00 p.m.
Tuesday - Thursday	8:00 a.m. - 8:00 p.m.
Friday - Saturday	8:00 a.m. - 9:30 p.m.
Sunday	8:00 a.m. - 6:00 p.m.
3. **TRASH:** The area in front of and adjacent to the restaurant shall be kept clear of trash.
4. **REUSABLE UTENSILS:** All meals served on-site shall be on re-usable utensils.
5. **TRAFFIC IMPACT MITIGATION FEE:** A Traffic Impact Mitigation Fee shall be paid for an additional 124 A.D.T. prior to the issuance of a Certificate of Use and Occupancy. The amount of the fee shall be based on the current fee schedule adopted by Council at the issuance of building permits.

TO THE SATISFACTION OF THE DIRECTOR OF BUILDING & ENGINEERING SERVICES:

6. **PERMITS REQUIRED:** A building permit application shall be required for each proposed structure. Separate Electrical/Mechanical/Plumbing permit shall be required as necessary.
7. **CONSTRUCTION PLANS:** The Conditions of Approval shall be stated in full on the cover sheet of construction plan submitted for building permit.
8. **SIZE OF PLANS:** The maximum size of construction plans submitted for building permits shall be 24 in. X 36 in.
9. **TITLE 24 ENERGY COMPLIANCE:** California Title 24 Energy Compliance forms shall be blue lined on the construction plans.
10. **PLANS:** The construction plans for this project shall be prepared under direct supervision of a licensed architect or engineer. (Business and Professionals Code Section 5538)
11. **TITLE 24 ACCESSIBILITY - COMMERCIAL:** On site parking facility shall comply with the latest California Title 24 Accessibility Standards for disabled.
12. **TITLE 24 ACCESSIBILITY - COMMERCIAL:** On site general path of travel shall comply with the latest California Title 24 Accessibility Standards for disabled. Work shall include but not limit to have accessibility to building entrances from parking facilities and sidewalks.
13. **TITLE 24 ACCESSIBILITY - COMMERCIAL:** The building shall be upgraded to comply with the latest California Title 24 Accessibility Standards for disabled. Necessary work shall be first investigated by the design architect then confirmed by the Town staff.

N:\DEV\CONDITNS\109WMAIN.DR

July 25, 1986

Louise and Jim Farwell  
18841 Blythewood Drive  
Los Gatos, CA 95030

101 W. Main Street  
Conditional Use Permit Application U-85-8A

Requesting permission to expand an existing restaurant (Los Gatos Coffee Roasting Co.) on property in the C-2 zone.

PROPERTY OWNER: Louise Farwell and Jim Farwell

BUSINESS OWNER: Teri Hope

The Town of Los Gatos Planning Commission, at its meeting of July 23, 1986, approved Conditional Use Permit Application U-85-8A making the following findings as required by Section 5.20.210 of the Zoning Ordinance:

1. The proposed use of the property is desirable to the public convenience or welfare because it provides a specialized restaurant use to the community.
2. The proposed use will not impair the integrity and character of the zone because the use has existed at this location one year without any significant negative impact on the surrounding business district.
3. The proposed use would not be detrimental to public health, safety or general welfare because the conditions of this permit are intended to reduce any unforeseen impact on the surrounding neighborhood.
4. The proposed use of the property is in harmony with the various elements or objectives of the General Plan, Downtown Specific Plan and purposes of the Zoning Ordinance.

The Commission's approval of Conditional Use Permit Application U-85-8A is subject to the following conditions:

1. The maximum number of seats shall be limited to 36.

2. Hours of operation:

7:30 a.m. to 6:00 p.m. Monday through Wednesday  
7:30 a.m. to 10:30 p.m. Thursday through Saturday  
9:30 a.m. to 6:00 p.m. Sundays

July 25, 1985

Louise Farwell and Jim Farwell  
18841 Blythwood Drive  
Los Gatos, CA 95030

Re: 101 West Main Street  
Conditional Use Permit Application U-85-8

Requesting permission to operate an existing restaurant in the C-2 zone.

OWNER: Louise Farwell and Jim Farwell

APPLICANT: Teri A. Hope (Los Gatos Coffee Roasting Co.)

The Town of Los Gatos Planning Commission, at its meeting of July 10, 1985 made the following findings as required by Section 5.20.210 of the Zoning Ordinance for the granting of a Conditional Use Permit.

1. The proposed use of the property is desirable to the public convenience or welfare because it provides a specialty product to the community;
2. The proposed use will not impair the integrity and character of the zone because it is located in a commercial area with similar and/or compatible uses;
3. The proposed use would not be detrimental to public health, safety or general welfare because the conditions of this permit are intended to reduce any unforeseen impact on the surrounding neighborhood; and
4. The proposed use of the property is in harmony with the various elements or objectives of the General Plan and purposes of the Zoning Ordinance;

The Commission approved Conditional Use Permit Application U-85-8, subject to the following conditions:

1. The maximum number of seats shall be limited to 16.
2. The hours of operation shall be limited to 7:30 a.m. to 6:00 p.m., Monday through Saturday and 9:30 a.m. to 6:00 p.m. on Sundays.
3. This use is nonconforming as to parking and if not abated prior to March 23, 1986, shall become illegal without further action of Council.

This approval will expire one year from the date of this approval pursuant to Section 5.30.160 of the Zoning Ordinance unless the approval is used before expiration. Section 5.30.170 defines what constitutes the use of an approval granted under the Zoning Ordinance.

(Continued on Page 2)

The applicant originally proposed that alcohol be served until 11:00 PM. After meeting with staff, the applicant agreed to reduce the hours of the wine bar to 9:30 PM, require patrons to order a meal with a wine order, and restrict alcohol service during special events. With modifications, staff believes that the request for wine service complies with the Town's Alcohol Policy (Exhibit F of Attachment 2).

3. *Special Events:*

The applicant is proposing four types of special events. The following table explains the types of proposed special events.

Special Event	Event Type
Events for Individuals Under 21 of Age	A maximum of 12 events per year. Amplified music and open microphone. Alcohol not permitted during hours of scheduled youth group events. Adult supervision provided for each Under 21 Club event. Amplified music shall not go past 9:30 PM Sunday through Thursday. Amplified music shall not go past 10 PM Friday and Saturdays. Under 21 Club shall not go past 11PM.
Poetry/Music Weekend Evening Events	A maximum of 10 events per year. One event per month scheduled on a weekend evening. Poetry and amplified music. Alcohol service not permitted during hours of weekend events. Music shall end at 9:30 PM.
Community Meetings	Weekly community meetings (including the Los Gatos Art Association Board, Co-op nude figure drawing group, and wine appreciation lecture group) held within non-business hours. Music, alcohol, and food service not permitted. Events will not go past 10 PM.
Los Gatos Coffee Roasting Company Annual Events	Two Los Gatos Coffee Roasting Company events per year, by invitation only. Amplified music and alcohol permitted. Music shall end at 9:30 PM.

To address staff's concerns about the stand alone wine bar in relation to the operation of the overall business, the applicant has agreed to install a securable barrier between Store A and Store B that can be locked during scheduled special events.

- L.P.5.1 - Maintain a variety of commercial uses (a strong downtown commercial area combined with Los Gatos Blvd and strong neighborhood commercial centers) to meet the shopping needs of residents and to preserve the small-town atmosphere.
- L.P.5.2 - Encourage a mix of retail, office and professional uses in commercial areas, except in the Central Business District where retail should be emphasized.
- L.P.5.5 - Encourage the development and retention of locally-owned stores and shops.
- L.G.6.2 - Preserve downtown Los Gatos as the historic center of the Town with goods and services for local residents while maintaining the existing Town identity, environment and commercial viability.

#### PLANNING COMMISSION DISCUSSION

On April 26, 2006 the Planning Commission heard public testimony and discussed the issues regarding the proposed project. Ms. Jacqui Kemp, representing the Under 21 Club, requested that the Commission consider extending the hours of operation for the Under 21 Club. The Commission discussed the issue and revised the recommended conditions of approval to allow the Under 21 Club to play amplified music until 9:30 PM on week nights and 10:00 PM on weekdays and operate until 11:00 PM.

Commissioner Quintana voiced concern with portions of the application. She asked the Council to consider separating the Los Gatos Coffee Roasting Company and the food service/wine sales operation into two businesses to provide a clear separation between the two services. The applicant will be present at the Town Council hearing to answer any questions regarding the proposed operation.

Commissioner Quintana also requested that the Council give the Planning Commission direction on how to consider new limited menu restaurants that propose wine tasting and sale of wine by the glass. This is a policy issue that the Council may or may not want staff to pursue. If Council decides to pursue this issue, staff will bring this issue back to Council as a separate report so that Council can provide direction. It will be prioritized in relation to council interest and other workload items.

The Planning Commission recommended approval of the project with a 6 to 1 vote, with Commissioner Quintana dissenting.

**RECOMMENDED CONDITIONS OF APPROVAL FOR:**

**91, 101 and 109 W. Main Street**  
**Conditional Use Permit U-06-12**

**Requesting approval to modify a conditional use permit to change the hours of operation, allow special events, deli, off- site beer and wine sales and wine bar on property zoned C-2. APN 529-01-025.**

**PROPERTY OWNER: Sue Farwell**

**APPLICANT: Teri Hope**

**TO THE SATISFACTION OF THE PLANNING DIRECTOR:**  
**(Planning Section)**

1. **APPROVAL:** This application shall be completed in accordance with all of the conditions of approval listed below and in substantial compliance with the plans approved and noted as Exhibit in the report to the Planning Commission. Any changes or modifications made to the approved plans shall be approved by the Director of Community Development or the Planning Commission, depending on the scope of the changes.
2. **LAPSE FOR DISCONTINUANCE:** If the activity for which the Conditional Use Permit has been granted is discontinued for a period of one (1) year the approval lapses.
3. **USE:** The approved use is a restaurant, delicatessen, wine bar. The use shall be consistent with the description contained in the letter from Teri Hope dated March 15, 2006.
4. **NUMBER OF SEATS:** The maximum number of seats for the restaurant shall not exceed 52 seats. No seats will be allowed outside of restaurant.
5. **HOURS OF OPERATION:** Maximum hours of operation for the restaurant shall be 6:00 a.m. to 10:00 p.m. seven days a week.
6. **ALCOHOL SERVICE:** The service of wine by the glass for the restaurant is permitted only with meals. A meal is defined as a combination of food items selected from a menu (breakfast, brunch, lunch, or dinner). Appetizers such as popcorn, nachos, pretzels, potato skins, relish trays, etc. (hot or cold) are not meals.
7. **WINE TASTING:** Wine tasting is permitted at the wine bar located at the front of store 'A' as shown on Exhibit J of the report to Planning Commission. No seats are permitted at the wine bar. The maximum sample size for the wine tasting shall not exceed one ounce. Packaged snacks may be served as part of the wine tasting.
8. **SECURABLE BARRIER.** The applicant must install a securable barrier between Store 'A' and Store 'B' as show on Exhibit J to the satisfaction of the Community Development Director. The barrier must be secured during all special events that do not permit the service of alcohol.
9. **LIVE ENTERTAINMENT:** No live entertainment shall be provided during the service of alcohol.
10. **SPECIAL EVENTS.**

Special Event	Event Type
Under 21 Club Events (Alive and Loving Life)	A maximum of 12 events per year. Amplified music and open microphone. Alcohol not permitted during hours of scheduled youth group events. Adult supervision provided for each Under 21 Club event.

April 21, 2006

RECEIVED

APR 21 2006

To: Town of Los Gatos Planning Commissioners

TOWN OF LOS GATOS  
PLANNING DIVISION

Re: **Los Gatos Coffee Roasting Company**

101 W. Main - CUP: U-85-8A (7/23/86 - w/seating max. 36)

91 W. Main - CUP: (1986 - w/seating believed to be max. 16)

109 W. Main - CUP: PRJ-96-134 (1996 - Creperie w/o seating)

~ **CUP Modification Application Letter of Justification** ~

Teri Hope has been operating her business, Los Gatos Coffee Roasting Company, on West Main Street in downtown Los Gatos since 1982. The business occupies three common-wall spaces in one building in the Historic Downtown District of Los Gatos. Internal doorways and wheelchair ramps allow customer foot traffic to flow between rooms within the building.

The primary justification for this request for CUP modification is based on economic viability. Due to substantial rising rents, increased property taxes passed on to the tenant via the triple-net lease, and other escalating overheads there is an immediate need to evolve the business by expanding the product line in an effort to remain viable in a highly competitive market.

The proposal includes expanding the existing specialty coffee product-line with new offerings that fill a niche not adequately served in the downtown area. A modified CUP is requested to allow for the operation of a specialty delicatessen and grocery store concept featuring gourmet cheeses, cured meats, hams, pates, and savory items complimented by a selection of locally produced wines. The Los Gatos Creperie formerly occupied the general area designated for these new products.

The request includes the off-site sales of locally produced boutique wines by the bottle and a wine tasting area to allow for "measured-pour" wine sampling as well as "measured-pour" wines by the glass to be served along with meals inside the establishment. This request does not call for adding any seating in any of the spaces, but will rely solely on the existing seating allowance in the 101 & 91 West Main spaces.

**Note Regarding Seating:** - In July 1986, Los Gatos Coffee Roasting was granted a CUP with a maximum allowance of 36 seats in the 101 West Main "*espresso bar space*" (currently the use includes 4 stools, 24 chairs and 1 bench which seats 3 = 31 seats currently provided). Later that same year, an additional CUP was granted for the adjoining space, 91 West Main "*café & coffee roaster space*" with an allowance believed to be a maximum of 16 seats, (currently 12 chairs and one bench which seats 3 = 15 seats currently provided). In 1996, a third CUP was approved allow a Creperie to be operated in the 109 West Main adjoining space with no allowance seating. Similarly, the current application requests no new seating.

Cont.

Exhibit D

## CUP Modification Application - Revised April 21, 2006

### Re: Los Gatos Coffee Roasting Company

101 W. Main - CUP: U-85-8A (7/23/86 - w/seating max. 36)

91 W. Main - CUP: (1986 - w/seating believed to be max. 16)

109 W. Main - CUP: PRJ-96-134 (1996 - Creperie w/o seating)

*Note: This application does not request any seating in the 109 W. Main space or any additional seating in the adjoining spaces. Applicant will rely on the existing 52 seats available in the adjoining spaces.*

### Description of Proposed Project:

#### 1. Standardize the CUPs for the three common-wall spaces housing Los Gatos Coffee Roasting Company:

- *91 West Main, 101 West Main, and 109 West Main Street*

#### 2. Standardize maximum operating hours for three adjoining spaces

- *Seven days a week maximum operating hours - 6:00 AM to 10:00 PM*

#### 3. Allow coffeehouse special event functions as listed below:

- *Annual Coffee Company's Anniversary party & Holiday Open House event*  
*Includes live acoustic music. Events from 6:30 PM to 9:30 PM. Max 2 annually.*
- *Poetry & live acoustic music - Low volume amplification - maximum 10 annually.*  
*Hours of music and poetry reading 6:30 PM to 9:30 PM*
- *Los Gatos Art Association Board Meetings: The LGAA board of directors meet in the café space, after business hours, from 7:00 PM to 9:00 PM, and complementary coffee is provided. The board generally meets once a month except in December when they take a recess.*
- *Co-op figure drawing group - A private non-profit co-op group of up to a maximum of 10 semi-professional and professional artists, meeting Monday nights, after business hours, from 7:30 PM to 9:30 PM. Professional model hired from the Bay Area Models Guild posing nude and/or simi-nude. Windows & doors are fully draped with canvas screening for privacy & doors are locked during sessions for security. Group has been meeting for more than six years.*
- *Under 21 Club functions with live acoustic music and open mic, meeting once a month from 7:00 PM to 10 PM, music and open mic to finish by 9:30 PM.*  
*Event has constant adult supervision. Store will be closed to the public during the U21 club functions. Maximum 12 annually.*  
*Note: The gourmet grocery space 109, which plans to display and store bottled wines, will be strictly off limits during U21 events and will be segregated by means of a locking security gate and electronic security system.*

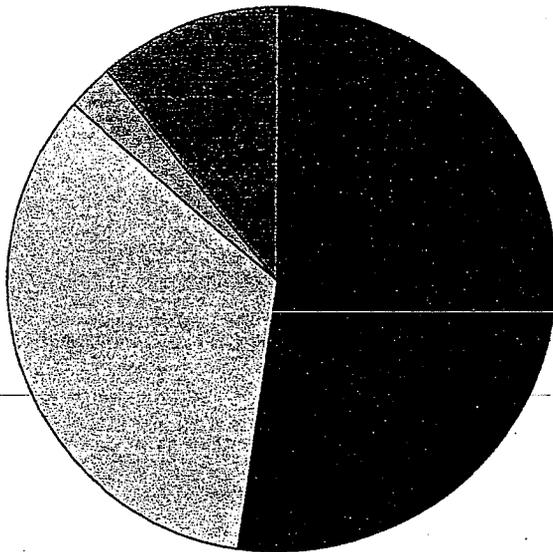
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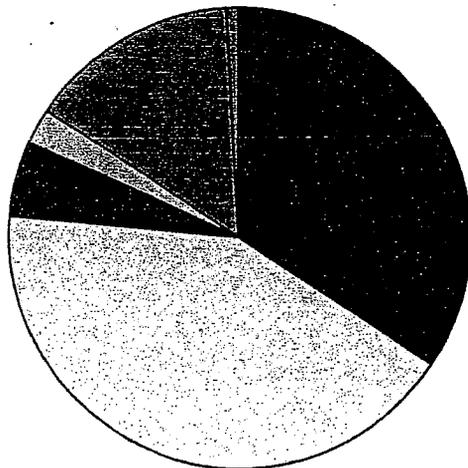
## Current Sales Ratios

TOWN OF LOS GATOS  
PLANNING DIVISION



- 52% Espresso & Coffee Beverages
- ▣ 34% Retail Grocery: Coffee Beans, Bulk Teas, Juices & Soft Drinks
- ▣ 3% Retail: Merchandise (cups, grinders & coffeemakers)
- 11% Prepared Foods: Pastries, Ice Cream, Soup & Sandwiches

## Projected Sales Ratios



- 34% Espresso & Coffee Beverages
- ▣ 42% Retail Grocery: Coffee Beans, Bulk Teas, Juices & Soft Drinks, Artisanal Cheeses & Charcuterie, Specialty Grocery
- 6% Retail: Wines (regional vintners, bottles and/or cases)
- ▣ 3% Retail: Merchandise (cups, grinders & coffeemakers)
- ▣ 15% Prepared Foods: Pastries, Ice Cream, Soup & Sandwiches, Deli items (salads, cheese plates & savory items)
- ▣ < 1% Wines by the glass (local wines served by the glass)

January 26, 2006

Gary Ball  
135 Vista del Monte  
Los Gatos, CA 95030

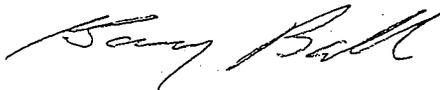
Los Gatos Town Planners  
Bud Lortz, Planning Director  
110 East Main Street  
Los Gatos, CA 95031

Dear Los Gatos Town Planners,

This letter is written to enthusiastically support and encourage the approval of Los Gatos Coffee Roasting Company's application. Since the closing of Oakville Grocery, there has been a gap in the offerings of downtown Los Gatos. Oakville not only filled a community need, by providing a wide range of gourmet specialty items such as fine wines, cheeses and cold cured meats, but more importantly had a wonderfully knowledgeable staff who took pleasure in educating and assisting its clientele in making their highly personal food choices. To this day I miss the relationship I developed with Oakville's wine master along with the convenience and "feeling of loyalty" in being able to shop in downtown Los Gatos. The prospect of Los Gatos Coffee Roasting Company, having a deli and specialty store in it truly excites me as it fills this void.

As a Los Gatos resident who takes great pride in his town, I hope that you will approve Los Gatos Coffee Roasting Company's application. A deli and specialty food shop will be a wonderful addition to downtown Los Gatos' offerings and will compliment the surrounding businesses.

Sincerely,



Gary Ball