



**TOWN OF LOS GATOS
PLANNING COMMISSION
REPORT**

MEETING DATE: 03/08/2017

ITEM NO: 5

DATE: MARCH 3, 2017

TO: PLANNING COMMISSION

FROM: JOEL PAULSON, COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: CONDITIONAL USE PERMIT APPLICATION U-16-008. PROJECT LOCATION: 91 AND 101 W. MAIN STREET. PROPERTY OWNER: VERMONT BUILDING, LLC. APPLICANT: TERI HOPE.
CONSIDER A REQUEST FOR APPROVAL OF A MODIFICATION OF AN EXISTING CONDITIONAL USE PERMIT (LOS GATOS COFFEE ROASTING COMPANY) TO ALLOW ON-SITE AND OFF-SITE BEER AND WINE SERVICE AND ENTERTAINMENT BEFORE 10:00 P.M. ON PROPERTY ZONED C-2:LHP. APN 529-01-025.

DEEMED COMPLETE: FEBRUARY 6, 2017
FINAL DATE TO TAKE ACTION: AUGUST, 6 2017

RECOMMENDATION:

Forward a recommendation to Town Council for approval of the Conditional Use Permit application.

PROJECT DATA:

General Plan Designation:	Central Business District
Zoning Designation:	Central Business District: Landmark Historic Preservation, C-2:LHP
Applicable Plans & Standards:	General Plan
Parcel Size:	10,890 square feet

PREPARED BY: LEVI HILL
Associate Planner

Reviewed by: Planning Manager and Community Development Director

Surrounding Area:

	Existing Land Use	General Plan	Zoning
North	Commercial	Central Business District	C-2:LHP
East	Commercial	Central Business District	C-2:LHP
South	Commercial	Central Business District	C-2
West	Commercial	Central Business District	C-2:LHP

CEQA:

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

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 29.20.190 of the Town Code for granting a Conditional Use Permit.

ACTION:

Forward Conditional Use Permit U-16-008 to the Town Council with a recommendation of approval.

BACKGROUND:

The subject site is located on the south side of W. Main Street. On September 19, 2011 the Town Council approved a CUP (U-11-006) to allow a new restaurant use at 109 W. Main Street, effectively separating the space from 91 and 101 W. Main Street both structurally and in terms of land use entitlement. The approval consequently modified the conditions of approval for the uses at 91 and 101 W. Main Street which currently allows a coffee shop, espresso bar, and retail shop (Exhibit 4).

PROJECT DESCRIPTION:

A. Location and Surrounding Neighborhood

The project is located at 91 and 101 W. Main Street, on the south side of W. Main Street between Park Avenue and Montebello Way (Exhibit 1). The adjacent properties are developed with commercial buildings and are located in the C-2:LHP zone with the exception of the property to the south which is located in the C-2 zone.

B. Conditional Use Permit

The applicant is requesting the following modifications:

- Removal of the condition which restricts alcohol sales and service;
- Addition of a condition which allows on-site and off-site beer and wine service;
- Removal of the condition which restricts entertainment;
- Addition of a condition which allows entertainment before 10:00 p.m. pursuant to the Policy for Late Night Entertainment (Exhibit 8); and
- Modification of a condition to allow hours of operation from 6:00 a.m. to 11:00 p.m., seven days a week.

When reviewing a CUP, the deciding body should consider the information in the applicant's business plan; however, the key consideration should be the explicit proposed use since the business plan can change from owner to owner. The explicit use may be, and is often, defined in the recommended conditions of approval as a "use" condition. The CUP runs with the land, and the deciding body should review applications based on the explicit use as opposed to the applicant or the applicant's business plan.

C. Zoning Compliance

The zoning for the property is C-2:LHP (Central Business District, Landmark Historic Preservation). Pursuant to the Table of Conditional Uses (Town Code Sec. 29.20.185), a restaurant use is allowed with a CUP in the C-2:LHP zone.

DISCUSSION:

A. Project Summary

The applicant is requesting a modification to the existing CUP, which currently prohibits the service or consumption of alcohol on the premises. The applicant is proposing the service of beer and wine with the purchase of a qualified meal pursuant to the Town's Alcoholic Beverage Policy. The applicant has provided a project description and sample menu

detailing the meals that would be available for patrons wishing to purchase beer and wine (Exhibit 5). Additionally, the applicant is proposing wine and beer tasting classes along with off-site beer and wine sales in the existing retail section of the restaurant. All beer and wine sales and service would cease by 10:00 p.m.

The applicant is also requesting to modify the conditions of their existing CUP which currently limits live entertainment to a predetermined number of special events. The applicant is proposing poetry readings, literature readings, light comedy, and musical entertainment before 10:00 p.m. in compliance with the Policy for Late Night Entertainment.

Additionally, the applicant is requesting to modify the restaurant's hours of operation from 6:00 a.m. to 10:00 p.m., seven days a week to 6:00 a.m. to 11:00 p.m., seven days a week.

B. Alcoholic Beverage Policy

The Town's 2001 Alcoholic Beverage Policy (ABP) requires any new service of alcoholic beverages to be reviewed by Planning Commission (Exhibit 7). Pursuant to Town Code, the Planning Commission will make a recommendation to the Town Council and the Council has final review authority. The proposed application meets the purpose, general policy, and specific policy of the Town's ABP.

General Policy

The ABP's General Policy contains eight requirements. Requirements 4 and 6 are not applicable to the subject application as the applicant is not proposing beer and wine sales or service beyond 10:00 p.m.

Requirement 1 states "the Town shall continue to strongly discourage new applications for standalone bars or restaurants with separate bars." The proposed use is an existing restaurant and does not include a separate bar where beer and wine will be served without a meal.

Requirement 2 states "the Town shall continue to discourage applications for entertainment establishments serving alcoholic beverages." Furthermore, requirement 3 states "Entertainment in association with an eating or drinking establishment may be allowed if standards and a permit process are adopted." The applicant is proposing entertainment before 10:00 p.m., in conformance with the Town's Policy for Late Night Entertainment.

Requirement 5 states "an establishment serving alcoholic beverages is subject to following five provisions related to alcohol service:

1. Uniformed privately provided security guards 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.
2. At the discretion of the Chief of Police, periodic meetings will be conducted with representatives from the Police Department for on-going employee training on alcoholic beverage service to the general public.
3. All establishments shall use an employee training manual that addresses alcoholic beverage service consistent with the standards of the California Restaurant Association.
4. All licensed operators shall have and shall actively promote a designated driver program such as complimentary non-alcoholic beverages for designated drivers.
5. Taxicab telephone numbers shall be posted in a visible location."

The provisions are included as conditions of approval.

Requirement 7 defines a meal as "a combination of food items selected from a menu. Appetizers such as popcorn, nachos, pretzels, potato skins, relish trays, etc. are not meals." The applicant is proposing that patrons who wish to purchase beer and wine for on-site consumption (not including tastings) will be required to also purchase a qualified meal. The applicant has provided a sample menu detailing the available meal service in their project description (Exhibit 5).

Requirement 8 states "Alcoholic beverage service in approved outdoor seating areas may be permitted if adequate separation from public areas is provided." The existing restaurant use does provide informal outdoor bench seating, however, the proposed beer and wine service will only occur inside the restaurant. A condition of approval has been included restricting beer and wine sales and service to the indoor portions of the tenant space.

C. Late Night Entertainment

In June of 2016, the Town Council adopted a Policy for Late Night Entertainment (Exhibit 8) allowing entertainment complying with the currently adopted noise ordinance by right before 10:00 p.m., and allowance for late night entertainment after 10:00 p.m. with the approval of a separate Late Night Entertainment permit. This action was consistent with the Town Council's adopted Strategic Priority to strengthen the Town's economic vitality and provide businesses with greater opportunity for customer attraction and retention. Businesses that are not allowed or have limitations on live entertainment and/or amplified sound, such as the subject restaurant, are required to submit applications for a modification to their existing CUPs.

The applicant is requesting a modification to the existing CUP which currently limits live entertainment to a predetermined number of special events. The applicant is proposing

poetry readings, literature readings, light comedy and musical entertainment before 10:00 p.m. in compliance with the Town's Policy for Late Night Entertainment.

D. Parking and Traffic

The applicant is not proposing additional square footage or seating at the existing restaurant, therefore no parking or traffic related impacts are expected.

E. General Plan

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

- 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 to preserve the small-town atmosphere.
- Policy LU-9.5 – Encourage the development and retention of locally owned stores and shops.
- Goal LU-10 - To 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 vitality.

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. No significant effect on the environment will occur since the project uses an existing structure with no increase in floor area.

G. Conditional Use Permit Findings

In order to grant approval of a Conditional Use Permit, the hearing 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 will 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.

The proposed use is desirable to the public convenience and welfare in that it will provide dining and entertainment options for residents and visitors downtown. The proposed use will not impair the integrity and character of the zone in that the proposed use maintains an existing restaurant use in a commercial zone. The proposed use will not impact public health, safety, or general welfare as the conditions regarding operating hours, seating, entertainment, and alcohol service would mitigate potential impacts. The use complies with the objectives of the General Plan and Town Code as discussed within this report.

PUBLIC COMMENTS:

Written notice was sent to property owners and tenants within 300 feet of the subject property. Written comments have been received regarding the proposed project and have been included in Exhibit 9.

CONCLUSION:

A. Summary

The applicant is proposing to modify the conditions of their existing CUP pertaining to beer and wine sales and service, entertainment, and hours of operation. No additional square footage or seating are being proposed, therefore no impacts pertaining to parking or traffic are expected. The existing restaurant use is proposed to remain and is in conformance with the Town Code and is consistent with the General Plan.

B. Recommendation

Based on the above information, staff recommends the Planning Commission forward a recommendation of approval to the Town Council. If the Planning Commission finds merit with the proposal, it should:

1. Make the finding that the proposed project is categorically exempt, pursuant to Section 15301 of the California Environmental Quality Act as adopted by the Town (Exhibit 2); and
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); and
3. Forward a recommendation to Town Council for approval of CUP application U-16-008 with the conditions contained in Exhibit 3.

C. Alternatives

Alternatively, the Commission can:

1. Recommend that the Town Council approve the application with additional and/or modified conditions of approval; or
2. Recommend that the Town Council deny the application; or
3. Continue the application with direction to a specific hearing date.

EXHIBITS:

1. Location Map
2. Required Findings for Conditional Use Permit (one page)
3. Recommended Conditions of Approval (three pages)
4. Existing Conditional Use Permit (two pages)
5. Business Description/Letter of Justification, received November 16, 2016 (one page)
6. Supplemental Business Information, received February 6, 2017 (two pages)
7. Development Plans, received February 6, 2017 (one page)
8. Alcoholic Beverage Policy (six pages)
9. Late Night Entertainment Policy (two pages)
10. Public comments received by 11:00 a.m., Thursday, March 2, 2017

Distribution:

Teri Hope, 212 Bella Vista Ave, Los Gatos, CA 95030

Vermont Building, LLC, 113 Edelen Ave, Los Gatos, CA 95030

91 & 101 W. Main Street

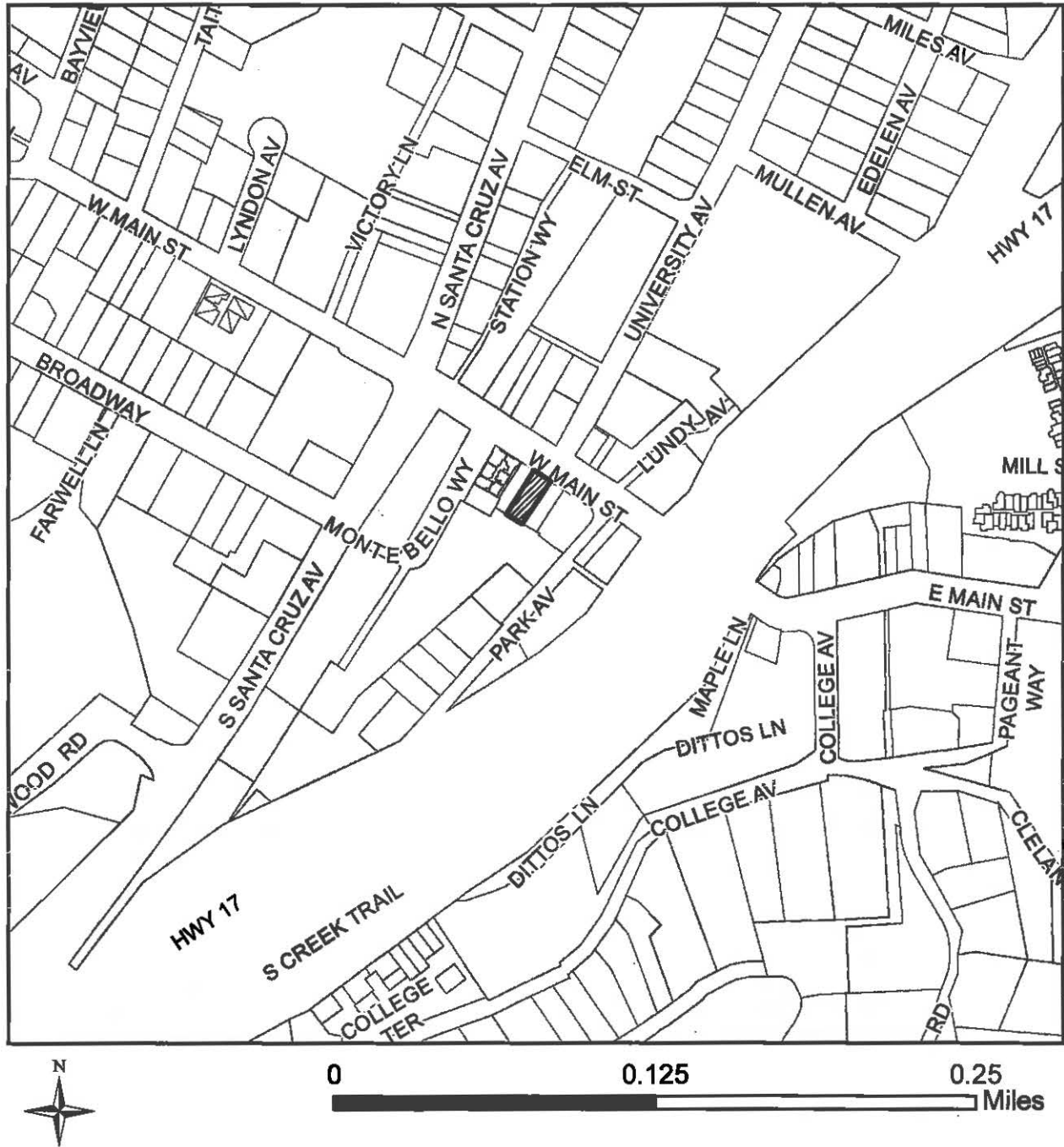


EXHIBIT 1

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PLANNING COMMISSION – March 8, 2017
REQUIRED FINDINGS FOR:

91 & 101 W. Main St.
Conditional Use Permit U-16-008

Requesting approval of a Conditional Use Permit to allow on-site and off-site beer and wine sales as well as entertainment on property zoned C-2: LHP.

APN 529-01-025

PROPERTY OWNER: Vermont Building, LLC

APPLICANT: Teri Hope

FINDINGS:

Required finding for CEQA:

- The project is Categorically Exempt pursuant to Section 15301 of the State Environmental Guidelines as adopted by the Town. No significant effect on the environment will occur since the project uses an existing structure with no increase in floor area.

Required findings for a Conditional Use Permit:

- 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 use is desirable to the public convenience welfare in that it will provide dining and entertainment options for residents and visitors downtown; and
2. 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; and
3. The proposed use would not be detrimental to public health, safety, or general welfare, and the conditions regarding operating hours, seating, entertainment, and alcohol service would mitigate potential impacts; and
4. The proposed use is in harmony with the General Plan and Town Code.

EXHIBIT 2

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PLANNING COMMISSION –March 8, 2017
CONDITIONS OF APPROVAL

91 & 101 W. Main St.
Conditional Use Permit U-16-008

Requesting approval of a Conditional Use Permit to allow on-site and off-site beer and wine sales as well as entertainment on property zoned C-2: LHP.

APN 529-01-025

PROPERTY OWNER: Vermont Building, LLC

APPLICANT: Teri Hope

TO THE SATISFACTION OF THE DIRECTOR OF COMMUNITY DEVELOPMENT:

Planning Division

1. **APPROVAL:** This application shall be completed in accordance with all of the conditions of approval listed below. Any changes or modifications to the approved plans shall be approved by the Community Development Director, the Development Review Committee, the Planning Commission, or Town Council, depending on the scope of the changes.
2. **USE:** The approved use is a coffee shop, espresso bar, and retail shop.
3. **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 pursuant to Section 29.20.340 of the Zoning Ordinance.
4. **NUMBER OF SEATS:** The maximum number of seats shall not exceed 52 indoor seats and 6 seats on the outdoor benches in front of 91 and 101 W. Main Street. No additional seats will be allowed outside of the coffee shop, espresso bar, and retail shop.
5. **HOURS OF OPERATION:** Maximum hours of operation for the restaurant shall be 6:00 a.m. to 11:00 10:00 p.m., seven days a week.
6. **ALCOHOL SERVICE:** ~~Neither alcohol service or consumption is permitted at any time. No beer or wine shall be served without meal service, with the exception of tastings. All alcohol sales, service, and tastings shall cease no later than 10:00 p.m. No beer or wine sales or service shall take place in the outdoor seating area.~~
7. **SECURABLE BARRIER:** The applicant must maintain a securable barrier between 101 and 109 W. Main Street. ~~The barrier must be secured during all special events noted as allowed below (see SPECIAL EVENTS condition).~~
8. **LIVE ENTERTAINMENT:** ~~No live entertainment shall be provided except as permitted during special events in the condition below.~~ Entertainment before 10:00 p.m. in conformance with the Town Policy Regulating Late Night Entertainment is allowed.

9. SPECIAL EVENTS:

Condition #	Special Event	Event Type
10a.	Events for individuals under 21	A maximum of 12 events per year. Amplified music and open microphone. Adult supervision provided for each under 21 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 events shall not go past 11PM.
10b.	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. Music shall end at 9:30 PM.
10c.	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 and food service not permitted. Events will not go past 10 PM.
10d.	Los Gatos Roasting Company Annual Events	Two Los Gatos Roasting Company events per year, by invitation only. Amplified music permitted. Music shall end at 9:30 PM.

10. WINDOW CURTAINS: Opaque window curtains must be placed in all storefront windows during nude figure drawing classes.
11. RECYCLED CONTAINERS: Any take-out food shall be served in containers made of recycled materials.
12. REUSABLE CONTAINERS: Pursuant to Town Code all on-site meals shall be served with reusable dishware and utensils.
13. TOWN INDEMNITY: Applicants are notified that Town Code Section 1.10.115 requires that any applicant who receives a permit or entitlement from the Town shall defend, indemnify, and hold harmless the Town and its officials in any action brought by a third party to overturn, set aside, or void the permit or entitlement. This requirement is a condition of approval of all such permits and entitlements whether or not expressly set forth in the approval, and may be secured to the satisfaction of the Town Attorney.

14. **COMPLIANCE MEMEMORANDUM:** A memorandum, in compliance with standard Town practice, shall be prepared and submitted with the building permit detailing how the conditions of approval will be addressed.

TO THE SATISFACTION OF THE CHIEF OF POLICE:

15. **GENERAL:** The restaurant is subject to the following:
- a. Uniformed privately provided security guards 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.
 - b. At the discretion of the Chief of Police, periodic meetings will be conducted with representatives from the Police Department for on-going employee training on alcoholic beverage service to the general public.
 - c. All establishments shall use an employee training manual that addresses alcoholic beverage service consistent with the standards of the California Restaurant Association.
 - d. All licensed operators shall have and shall actively promote a designated driver program such as complimentary non-alcoholic beverages for designated drivers.
 - e. Taxicab telephone numbers shall be posted in a visible location.

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CONDITIONS OF APPROVAL – September 19, 2011
For 91 and 101 W. Main Street

91 and 101 W. Main Street

Conditional Use Permit U-11-006

Requesting approval to operate a coffee shop, espresso bar, and retail shop (Los Gatos Roasting Company) on property zoned C-2:LHP. APN 529-01-025.

PROPERTY OWNER: Sue Farwell

APPLICANT: Teri Hope

TO THE SATISFACTION OF THE DIRECTOR OF COMMUNITY DEVELOPMENT:

Planning Division

1. **APPROVAL:** This application shall be completed in accordance with all of the conditions of approval listed below. Any changes or modifications to the approved plans shall be approved by the Community Development Director, the Development Review Committee, the Planning Commission, or Town Council, depending on the scope of the changes.
2. **USE:** The approved use is a coffee shop, espresso bar, and retail shop.
3. **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 pursuant to Section 29.20.340 of the Zoning Ordinance.
4. **NUMBER OF SEATS:** The maximum number of seats shall not exceed 52 indoor seats and 6 seats on the outdoor benches in front of 91 and 101 W. Main Street. No additional seats will be allowed outside of the coffee shop, espresso bar, and retail shop.
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:** Neither alcohol service or consumption is permitted at any time.
7. **SECURABLE BARRIER:** The applicant must maintain a securable barrier between 101 and 109 W. Main Street. The barrier must be secured during all special events noted as allowed below (see SPECIAL EVENTS condition).
8. **LIVE ENTERTAINMENT:** No live entertainment shall be provided except as permitted during special events in the condition below.
9. **SPECIAL EVENTS:**

Condition #	Special Event	Event Type
10a.	Events for individuals under 21	A maximum of 12 events per year. Amplified music and open microphone. Adult supervision provided for each under 21 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 events shall not go past 11PM.

Condition #	Special Event	Event Type
10b.	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. Music shall end at 9:30 PM.
10c.	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 and food service not permitted. Events will not go past 10 PM.
10d.	Los Gatos Roasting Company Annual Events	Two Los Gatos Roasting Company events per year, by invitation only. Amplified music permitted. Music shall end at 9:30 PM.

10. **WINDOW CURTAINS:** Opaque window curtains must be placed in all storefront windows during nude figure drawing classes.

N:\DEV\CONDITNS\2011\Main91-101.docx

November 1, 2016

To: **Town of Los Gatos Planning Commission**

Regarding: **Los Gatos Coffee Roasting Company – 91 and 101 West Main Street, Los Gatos.**

Subject: **CUP Modification Application – Written Description of Project**

PROJECT OBJECTIVE - This project involves expanding the product lines and services of the existing business to include artesian wine and beer tasting events, sale and service of beer and wine. The project also proposes to provide live entertainment; including poetry readings, literature, light comedy and musical entertainment inside the café during evening hours. Please note - No additional seating is requested. No remodeling of the existing interior or exterior is requested.

ENTERTAINMENT - Coffeehouses have a long tradition as establishments offering a casual atmosphere and light entertainment. Local musicians, poets, authors and comedians would be provided the opportunity to craft their artistry in public. The coffeehouse venue provides a great alternative to formal dining restaurants or bar serving hard liquor and cover charges. The coffee house rounds out the variety of offerings in the neighborhood for local families and friends to enjoy. Entertainment would be scheduled Wed., Thurs, Friday and Saturday evenings between 6pm and 10pm.

ARTISAN BEER & BOUTIQUE WINE - This project proposes the addition of beer and wine service to with the intention to also allow for off-site sales of locally produced boutique wines and craft beers by the bottle and the addition of a tasting area to allow for "measured-pour" for tastings of beer and wine appreciation activities. The company already maintains a sales room dedicated to its retail merchandise offerings and plans to incorporate the beer and wine by the bottle sales to that area of the store. A Type 20 Liquor License would be acquired in accordance with Santa Clara County ABC.

This request also includes the onsite sale of beer & wine to be served by the glass with meals inside the establishment. Wines and beer will be available by the flight, glass, carafe or bottle. "Meet-the-Winemaker" (or Brew Master) events will be scheduled for customer edification. The company will provide an ample food menu for guests desiring wine or beer. A "qualified meal" will be required to accompany the service of alcohol. A Type 41 Liquor Licenses would be acquired in accordance with Santa Clara County ABC.

EXPANDED MENU - The project will provide an expanded menu to include savory dinner crepes and dessert crepes as well as nightly specials menu to complement the featured beer and wine. The company has an existing infrastructure to prepare and serve food in accordance with the County Health Department.

HOURS OF OPERATION - The coffeehouse will continue to open its doors at 6:00 am daily for morning coffee, breakfast and brunch services. This project proposes the expansion of our hours of operation on Wednesdays, Thursdays, Fridays and Saturdays until 10pm

PLEASE NOTE - No additional seating is requested. No remodeling of the interior or exterior is requested.

In conclusion, we ask that the Town of Los Gatos Planning Commission recommend approval of this CUP modification request to the Los Gatos Town Council.

Thank you for your consideration.

Submitted by Teri Hope, business owner/operator and Los Gatos resident

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NOV 16 2016
TOWN OF LOS GATOS
PLANNING DIVISION
EXHIBIT 5

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FEB 06 2017

TOWN OF LOS GATOS
PLANNING DIVISION

February 6, 2017

Attn: Levi Hill, Project Planner

Cc: Monica Renn, Economic Vitality Manager

Re: Los Gatos Coffee Roasting Company – CUP Application U-16-008

Follow up information requested at the Dec 14, 2016 Staff Technical Review

1.) Re: Meals served with alcohol

- a.) Menu includes Savory Crepes, Panini's, Hearty Soups, & Daily Entries. Please see the attachment "A" with the detailed menu items.
- b.) Ordering Food - guests will place and pay for their food orders at the counter.
- c.) Ordering Alcohol - guests will place and pay for beverage orders at the counter.
- d.) Food with Alcohol - all guests purchasing wine or beer will be required to also purchase a meal to accompany their alcohol beverage.
- e.) Delivery of Food & Beverages will be delivered table side by servers.

2.) Re: Location of wine and beer tastings

- a.) Wine and beer tasting classes will be offered featuring winemakers & brew masters for consumer edification and product marketing
- b.) Tastings will be held in our "Retail Department" located at the rear of the shop where small groups. See the attachment "B" with highlighted "wine tasting area"

3.) Re: Operating Hours change request (Note current CUP is 6am – 10pm daily)

- a.) General hours of operation will change to 6:00 am to 11:00 pm seven days a week
- b.) Alcohol Sales & Service will commence afternoon and cease promptly at 10:00 pm
- c.) Entertainment will commence after noon and cease promptly at 10:00 pm

4.) Re: Special Events

- a.) No "special events" are requested with this application, just the addition of entertainment in compliance with the Town's current entrainment policy.

5.) Re: Neighborhood Notification

- a.) Obtained two lists from the Town including (6) property owner addresses, and (97) business and residential neighbor addresses.
- b.) Mailed informational flyer to all property owners addresses and all residential addresses mentioned above on Monday February 6, 2017.
- c.) Information flyer/invitation offered a complementary preview of music, food and beverages on Friday, February 24th from 6:30 to 9:00 pm. See attachment "C" Flyer contained contact information by phone and email for any who can't attend.

EXHIBIT 6

RECEIVED

FEB 06 2017

Attachment "A"

Los Gatos Coffee Roasting Company

TOWN OF LOS GATOS
PLANNING DIVISION

Lunch & Dinner Meal Menu

(Meals to accompany beer or wine beverages served in the coffeehouse)

Savory Crepes - Savory Crepes are prepared to order with a selection of hearty ingredients including fish, poultry, beef and pork options, such as; smoked salmon, grilled chicken, pancetta, marinated lamb or pork sausage, with the addition of sautéed vegetables and chesses and wrapped in a classic French crepe.

Panini Grilled Sandwiches - Panini sandwiches are served with meat and cheese options such as; Smoked Turkey & Brie on Sourdough, or Ham & Cheese on Rhys, or Tuna Melt on Sourdough. Our Panini grilled sandwiches are accompanied by a side salad of mixed greens with vinaigrette.

Cheese & Charcuterie Platters - Assorted chesses and cured meats like Pancetta, Salami and Ham accompanied by pates, olive tapenade and sliced baguettes.

Smoked Seafood Platter - An assortment of seasonal Smoked fish including Salmon, Herring, Sturgeon, Trout, etc on a platter served with sour cream, fresh dill, lemon wedges, capers, house made pickles and crusty bread.

Seasonal Pri Fixe Evening Menus - Rotating menus utilizing seasonal ingredients will be offered. A sampling of these menus is as follows:

- **Thursday Evening Pri Fixe Menu** - bowl of Curried-Carrot soup, Grilled Lamb Sausage on a bed of herbed couscous grilled zucchini, and Raspberry Cobbler a la mode.
- **Friday Evening Pri Fixe Menu** - mixed greens salad with toasted pecans and goat cheese, Turkey & Rice Stuffed Bell Peppers with lemon mousse Cheesecake for dessert.
- **Saturday Evening Pri Fixe Menu** - crispy green salad with heirloom tomatoes and sweet onion vinaigrette, Chicken Sausage & Aartichoke Paella, and Flan caramel dessert.

"B"

beer +
wine tasting
area

EMPLOYEE
RESTROOM

CUSTOMER
RESTROOM

GFI

GFI

RETAIL SALES

wine tasting area

Retail Sales Dept
coffee, beer & wine

Kitchen

GFI

GFI

Coffee
Roaster

GFI

CREPES

BEV. BAR

ordering
food + bev
coffee
beer
+ wine
service
by the
glass
w/ food

food + bev
ordering
service to
tables by
wait staff

RAMP 1:12 SLOPE

COFFEE BAR

GFI

GFI

RECEIVED

FEB 06 2017

TOWN OF LOS GATOS
PLANNING DIVISION

poetry +
music

entrance

entrance

91 W. Main

101 W. Main

EXHIBIT 7

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RESOLUTION 2001 - 106

**RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
AMENDING THE TOWN'S ALCOHOLIC BEVERAGE POLICY**

WHEREAS, the sale of alcoholic beverages, if not regulated, can jeopardize public safety, result in an increase of calls for police services and compromise the quality of life for Town residents; and

WHEREAS, The Town Council wants to balance the regulation of alcoholic beverage service and protection of residential neighborhoods with the goal of maintaining a vibrant and successful Downtown and commercial areas throughout Los Gatos; and

WHEREAS, the Town Council held a study session on July 2, 2001 to discuss issues relating to service of alcoholic beverages; and

WHEREAS, the Town Council has indicated a desire to review all applications for new alcohol service or change in existing service, and a need to amend the existing Alcohol Policy,

THEREFORE BE IT RESOLVED: the Town Council of the TOWN OF LOS GATOS does hereby adopt the amended Alcoholic Beverage Policy attached hereto as Exhibit A.

PASSED AND ADOPTED at a regular meeting of the Town Council held on the 17th day
of September, 2001, by the following vote:

COUNCIL MEMBERS:

AYES: Randy Attaway, Steven Blanton, Sandy Decker, Steve Glickman,
Mayor Joe Pirzynski.

NAYS: None

ABSENT: None

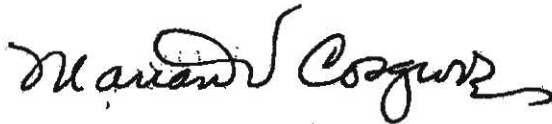
ABSTAIN: None

SIGNED:



**MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA**

ATTEST:



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

POLICY REGULATING THE CONSUMPTION AND SERVICE OF ALCOHOLIC BEVERAGES

I. Purpose

The consumption or service of alcoholic beverages, if not regulated, can jeopardize public safety, result in an increase of calls for police services and compromise the quality of life for Town residents. This policy provides parameters for alcoholic beverage service, particularly addressing late night service when alcohol related incidents are most likely to occur and when the disturbances to Town residents is least tolerable.

The service of alcoholic beverages, with or without meals, past 10 PM is a discretionary privilege to be determined on a case by case basis. The following provisions are intended to balance the protection of residential neighborhoods in close proximity to commercial districts and still maintain the viability of our commercial centers in which restaurants have an essential role. Hours of operation may be regulated based on an establishment's proximity to residential neighborhoods or schools, the concentration of establishments in an area serving alcoholic beverages or for other reasons that may arise at the public hearing.

The deciding body may approve a conditional use permit to serve alcoholic beverages based on the merits of the application and subject to the following requirements:

II. General policy

1. The Town shall continue to strongly discourage new applications for stand alone bars or restaurants with separate bars.
2. The Town shall continue to discourage applications for entertainment establishments serving alcoholic beverages.
3. Entertainment in association with an eating or drinking establishment may be allowed if standards and a permit process are adopted.
4. Alcoholic beverage service for new conditional use permit applications or applications for modification of a conditional use permit shall not be allowed:
 - A. After 11 PM Sunday through Thursday, except for holidays and evenings before holidays.
 - B. After 1 AM Friday, Saturday, holidays or evenings before holidays.

An existing establishment with a conditional use permit in good standing allowed to serve alcoholic beverages past the hours stated above may continue to operate under their existing hours of operation.

Town of Los Gatos
Alcoholic Beverage Policy
Page 2 of 4

5. Any establishment serving alcoholic beverages shall be subject to the following:
 - A. Uniformed privately provided security guards 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.
 - B. At the discretion of the Chief of Police, periodic meetings will be conducted with representatives from the Police Department for on-going employee training on alcoholic beverage service to the general public.
 - C. All establishments shall use an employee training manual that addresses alcoholic beverage service consistent with the standards of the Californian restaurant Association.
 - D. All licensed operators shall have and shall actively promote a designated driver program such as complimentary non-alcoholic beverages for designated drivers.
 - E. Taxicab telephone numbers shall be posted in a visible location.
6. The deciding body shall make the following findings prior to approving an application for conditional use permit to serve alcoholic beverages past 10PM:
 - A. Late night service will not adversely impact adjacent residential neighborhoods.
 - B. The applicant does not have a history of complaints and non-compliance with local ordinances or the Alcoholic Beverage Policy.
 - C. The applicant has demonstrated a clear benefit to the community.
7. A meal is defined as a combination of food items selected from a menu (breakfast, lunch or dinner). Appetizers such as popcorn, nachos, pretzels, potato skins, relish trays, etc. (hot or cold) are not meals.
8. Alcoholic beverage service in approved outdoor seating areas may be permitted if adequate separation from public areas is provided as determined by the Town Manager. The separation shall clearly suggest that alcohol is not allowed outside the restaurant seating area.

III. Specific Policy

1. Restaurants:

Alcoholic beverages may only be served with meals.

2. Restaurants With Separate Bars:

Alcoholic beverage service is permitted in the dining area only in conjunction with meal service. Meal service shall be available until closing or 11 PM Sunday through Thursday and until 12 midnight Friday, Saturday, holidays and evenings before holidays, whichever is earlier, if late night bar service is available. Specific hours of operation for each establishment are determined upon issuance of a conditional use permit.

IV. Review Process

- 1. Proposals for new bars or restaurants with bars and all requests for new alcohol service or a change to existing service shall be reviewed by the Planning Commission. The Commission will make a recommendation to the Town Council and the Council shall have final review authority.**
- 2. Changes in ownership for businesses involving service of alcoholic beverages shall be reviewed by the Community Development Department. The following process will be followed:**
 - a. The Director of Community Development shall contact the new business owner to make them aware of the conditions of approval attached to the Use Permit for the location.**
 - b. One year following issuance of a business license, surrounding/impacted property owners shall be notified and any comments regarding the operation of the business shall be solicited.**
 - c. If the Director of Community Development becomes aware of any alcohol related impacts on the surrounding neighborhood, the Director shall review the operation of the business to determine whether there is a violation of the use permit.**

- d. If there are violations of the use permit that have not been voluntarily corrected by the business owner the matter will be forwarded to the Planning Commission for public hearing pursuant to Section 29.20.310 of the Zoning Ordinance.
- e. Pursuant to Section 29.20.315 of the Zoning Ordinance the Planning Commission may revoke or modify the conditional use permit if it finds that sufficient grounds exist.

IV. Enforcement

All conditional use permits issued to establishments for alcoholic beverage service on-site shall be subject to Section 29.30.310(b) of the Town Code authorizing the Town Manager to take enforcement action if it is determined that the sale of alcohol has become a nuisance to the Town's public health, safety or welfare. Enforcement of section 29.20.310(b) of the Town Code will be based on, but not limited to, the following factors:

- I. The number and types of calls for service at or near the establishment which that are a direct result of patrons actions;
- II. The number of complaints received from residents ad other citizens concerning the operation of an establishment;
- III. The number of arrests for alcohol, drug, disturbing the peace, fighting and public nuisance violations associated with an establishment;
- IV. The number and kinds of complaints received from the State Alcoholic Beverage Control office and the County Health Department;
- V. Violation of conditions of approval related to alcoholic beverage service.

The Alcoholic Beverage Policy is not to be construed to be a right of development. The Town retains the right of review and approval (or denial) of each project based on its merits.



LOS GATOS
CALIFORNIA

COUNCIL POLICY MANUAL

Approved: [Signature]

Controlled: [Signature]

Effective: [Signature]

Title: Policy Regulating Late Night Entertainment

Policy Number: 1-03

Effective Date: 6/22/16

Pages: 2

Enabling Actions:

Revised Date:

Approved:

PURPOSE

Entertainment contributes to Los Gatos' vibrancy and adds to the richness of events and gatherings, and shall not be regulated other than by Town Code. However, entertainment occurring after 10 p.m. ("late night entertainment") can compromise the quality of life for Town residents. Therefore, this policy has been created to establish a permitting process and regulations for late night entertainment.

For the purposes of this policy, entertainment means any activity conducted for the primary purpose of diverting or entertaining persons in a premises open to the general public. Such entertainment may include, but shall not be limited to, live musical performances, instrumental or vocal, dance acts, concerts, live shows, amplified music or sound, dancing, DJ, karaoke, jam sessions, and/or other similar activities.

Late night entertainment is a discretionary privilege and is not to be construed to be a right of development nor run with the land. The following provisions are intended to maintain and enhance the continuing vibrancy and viability of the Town's public and commercial centers while providing reasonable protections to residential neighborhoods in close proximity to those areas.

POLICY AND PROCEDURES


1. Review Processes for Establishments with Late Night Entertainment

1. A late night entertainment permit shall be issued by the Town Manager. The Town Manager may refer any application for a permit to the Development Review Committee for its consideration and determination, which may be appealed to Planning Commission and Town Council. The Town Manager or other deciding body retains the right of approval or denial of each application based on its merits.
2. In determining whether to approve or deny an application for a late night entertainment permit, the following factors will be considered:
 - a. The proposed use of the property is essential or desirable to the public convenience or welfare;
 - b. The proposed use will not impair the integrity and character of the zone;

Title: Policy Regulating Late Night Entertainment	Page: 2 of 2	Policy Number: 1-03
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- c. The proposed use would not be detrimental to public health, safety or general welfare; and
 - d. The proposed use of the property is in harmony with the applicable guidelines, zoning ordinances, and/or provisions of the general plan.
3. An application and permit for late night entertainment shall be subject to all applicable requirements of the Town Code, and any permit issued pursuant to this policy shall include the following conditions:
- a. The applicant shall be responsible for ensuring that noise resulting from the entertainment meets all applicable provisions of the Town's noise ordinance. If noise complaints are received by Town Staff, the Town reserves the right to require the applicant/permittee to hire a consultant to monitor noise levels to ensure that noise levels are within the parameters established by Town Code for the zone in which entertainment is occurring.
 - b. Security measures, which may include the requirement that the applicant employ private security personnel, shall be undertaken and established in and around the entertainment venue to deter unlawful conduct or disturbance to adjacent residential neighborhoods.
 - c. Additional appropriate conditions may be included in any permit as may be determined necessary to protect the public health, safety or general welfare.
- ④ 4. Any venue with a Conditional Use Permit (CUP) that expressly prohibits entertainment will be required to obtain an amendment to its CUP in order to offer entertainment pursuant to this policy. An applicant's request to amend an existing CUP for the express purpose of adding permitted entertainment will not open the remainder of the CUP to amendment or alteration unless specifically requested by the applicant.
5. Any permit issued pursuant to this policy may be suspended, modified or revoked by the body that approved the permit following a public hearing if it is determined that sufficient evidence exists that the permitted entertainment is operating, or has operated, in a manner inconsistent with the requirements of its permit, or in a manner that constitutes a public nuisance.

APPROVED AS TO FORM:


Robert Schultz, Town Attorney

Oct 26, 2017

Teri Hope
Los Gatos Coffee Roasting Company
101 W Main Street
Los Gatos, CA 95032

Dear Teri,

I'm writing to express my support for having live, acoustic music at Los Gatos Coffee Roasting. Live music would add to the cultural character of our town and provide a much needed entertainment option for music enthusiasts. The community character of Los Gatos Coffee Roasting Company would make for an idea setting for moderate volume, intimate music performance.

If there's anything I can do to support your efforts further, please don't hesitate to ask.

Sincerely,



Paul Kent
Director
Los Gatos Music in the Park

15945 Camino del Cerro
Los Gatos, CA 05032
408 356-8585

RECEIVED

NOV 16 2016

TOWN OF LOS GATOS
PLANNING DIVISION

EXHIBIT 1 0



October 4, 2016

Ms. Mary Badame – Chairperson
Los Gatos Planning Commission
110 E. Main Street
Los Gatos, CA 95030

Re: Los Gatos Coffee Roasting CUP Change Application

Dear Madam Chairperson:

Though only being residents for the past four and one-half years, my wife and I have become impressed with Teri Hope as a person, and LGCR as a business in the is wonderful town of Los Gatos. Both Teri and her business have exemplified the best of community relationships and commitment one could ask for as a resident. LGCR, particularly, functions as a positive meeting place for residents, if not a town-hall venue. I have read her application and support it wholeheartedly. Knowing Teri, any changes of hours or method of operation will only benefit the community and carry on the traditions she has so carefully forged.

I support the approval her application.

Regards,

William J. Walsh

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NOV 16 2016

TOWN OF LOS GATOS
PLANNING DIVISION

October 18, 2016

To Whom It May Concern,

We have patronized the Los Gatos Coffee Roasting Company for over 25 years. I have always had high respect and admiration for both Teri Hope and her business. She has always been extremely generous to the community. When visiting her Coffee Shop they are very efficient and well organized. It is always a quiet and peaceful establishment to set and visit with friends. Often in the afternoon I would like to have a glass of wine or a beer and unfortunately I am not able to go to this lovely establishment.

We think it would be a fabulous addition to our town to have Los Gatos Coffee Roasting Company to be able to serve wine and beer.

We have lived in Los Gatos for 27 years. My husband and I both own small business. We love our community and are very involved with the town.

Please take this letter of recommendation into consideration when you make your decision regarding granting Los Gatos Coffee Roasting Company a beer and wine permit.

Thank you,

A handwritten signature in cursive script that reads "P. Murphy Tim Murphy".

Pamela and Tim Murphy

RECEIVED

NOV 16 2016

TOWN OF LOS GATOS
PLANNING DIVISION

Levi Hill

From: Mark Weiner <mark@versa-networks.com>
Sent: Monday, November 21, 2016 11:42 AM
To: Levi Hill
Subject: Support/sponsorship for LG Coffee Roasting wine/beer and music conditional permit

[Levi – can you pls send this to all Planning Commissioners?]

Hello Levi and LG Planning Commission,

Please accept this email as a strong endorsement of Teri Hope and Los Gatos Coffee Roasting's request for a conditional use or related permit to be able to sell wine and beer, as well as offer live music in evening hours.

I have known and worked with Teri for nearly 20 years, including my time as an early board member of LGEF (that she strongly supported), as well as being a wine supplier (with my small Los Gatos wine label Twin Oaks Cellars) to her Los Gatos Gourmet several years ago. I can state with confidence that she always plans and executes her work – be it LG Coffee Roasting, Jazz in the Plazz, or any other initiative – with much thought and carefully planned results. I have no doubt this initiative would be done the same way.

Does Los Gatos need another food establishment providing wine and beer, and/or music? Absolutely!

Wine/beer – we have very few establishments that provide low-cost, fun wine/beer to accompany similarly-priced casual dining. Oakville Grocery and LG Gourmet were two such venues, and sadly neither are remaining today. They were both very popular with residents and Town visitors alike.

Music – my family and friends regularly reflect with frustration how we have so few venues to hear music in the early- to mid-evening hours, especially outside of our (great) summer concert series. Something casual and regularly scheduled, where you can drop in for a quick bite, glass and relax for an hour. Not young people's bar scenes like Mtn. Charley's, but friendly and a casual early evening scene.

I have absolutely no doubt that if Planning and Council approved this permit request that Teri would execute it properly, and Town would have another venue to draw in incremental visitors and residents alike on weekend evenings, and on the quieter E. Main/University side of downtown vs. central N. Santa Cruz Ave.

If I can offer any additional thoughts or perspective, pls let me know.

Cheers,
MW

Mark Weiner
Chief Marketing Officer, Versa Networks
Los Gatos General Plan Committee & Task Force 1998-2005, Community Service Commission 1992-94, LGEF 2002-06

RECEIVED

NOV 21 2016

TOWN OF LOS GATOS
PLANNING DIVISION

Levi Hill

To: Sally Zarnowitz
Subject: RE: Conditional use permits - Toll House and LG Roasting Co.

From: Andrew Wolfe [<mailto:awolfe@awolfe.org>]
Sent: Wednesday, February 15, 2017 8:58 AM
To: Planning
Subject: Conditional use permits - Toll House and LG Roasting Co.

As a long-term tenant at Lyndon Plaza, I encourage the planning commission to approve the conditional use permits requested by the Toll House and the LG Coffee Roasting company. Both are reasonable requests that should be accommodated.

Andrew Wolfe
Wolfe Consulting
20 S. Santa Cruz Ave., St 101
Los Gatos, CA 95030

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