

ITEM NO: 1 CONSENT

PREPARED BY:

Jennifer L. Savage, Associate Planner

jsavage@losgatosca.gov

APPLICATION NO:

Conditional Use Permit Application U-14-003

LOCATION:

15551 Union Avenue (southwest corner of Union Avenue and

Los Gatos Almaden Road)

APPLICANT/

**CONTACT PERSON:** 

Jana Vickers

PROPERTY OWNER:

DS Downing LP, A Delaware Limited Partnership

APPLICATION SUMMARY: Requesting approval to conduct group fitness classes (Core

Evolution Studio) on property zoned C-1. APN 523-41-036.

DEEMED COMPLETE: March 5, 2014

FINAL DATE TO TAKE ACTION: September 5, 2014

RECOMMENDATION:

Approve, subject to conditions.

PROJECT DATA:

General Plan Designation:

Neighborhood Commercial

Zoning Designation:

C-1 – Neighborhood Commercial

Applicable Plans & Standards: General Plan

Parcel Size:

5.8 acres

Surrounding Area:

	Existing Land Use	General Plan	Zoning
North	Commercial and Residential	Neighborhood Commercial and City of San Jose	C-1, O, and City of San Jose
East	Commercial and Residential	Neighborhood Commercial, Office Professional, and City of San Jose	C-1, O, and City of San Jose
South	Residential	Medium Density Residential	RD
West	Residential	Medium Density Residential	RD & RM-5:12

CEQA:

The project is Categorically Exempt according to Section 15301 of the State Environmental Guidelines as adopted by the Town because the project consists of permitting a use in an existing facility involving negligible use beyond the existing use.

Planning Commission Staff Report - Page 2 15551 Union Avenue/U-14-003 March 26, 2014

FINDINGS:

- As required by Section 15301 of the State Environmental Guidelines as adopted by the Town that this project is Categorically Exempt.
- As required by Section 29.20.190 of the Town Code for granting a Conditional Use Permit.

CONSIDERATIONS:

None.

ACTION:

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

**EXHIBITS:** 

- 1. Location Map
- 2. Findings and Considerations
- 3. Recommended Conditions of Approval
- 4. Business Plan (five pages), received February 19, 2014
- 5. Letter of Justification (four pages), received February 19, 2014
- 6. Development Plans (three pages), received February 19, 2014

#### BACKGROUND:

The proposed project would occupy a vacant space in an existing commercial shopping center. The subject space is one of 18 commercial spaces located on the property. A nineteenth space is located on a separate parcel on the corner.

New owners recently acquired the shopping center. The new owners are working towards minor modifications to the site including adding more parking spaces. The new parking spaces are not yet installed; the parking analysis for the subject application uses the existing parking spaces currently on the site.

#### PROJECT DESCRIPTION:

#### A. Conditional Use Permit

The applicant is requesting approval to operate group fitness classes. Maximum hours of operation would be 5:00 a.m. to 10:00 p.m. seven days a week. The applicant provided a business plan (Exhibit 4), letter of justification (Exhibit 5), and development plans (Exhibit 6) describing the proposal.

When reviewing a Conditional Use Permit (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

March 26, 2014

"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.

#### B. Location and Surrounding Neighborhood

The project site is located on the southwest corner of Union Avenue and Los Gatos-Almaden Road (Exhibit 1). The subject commercial space is located in the southwest corner of the property. Commercial uses border the property to the north and east; residential uses border the property to the west, east, and south.

#### C. Zoning Compliance

The zoning designation allows group classes subject to the approval of a Conditional Use Permit.

#### **ANALYSIS:**

### A. Project Summary

The applicant is requesting to operate group fitness classes, Core Evolution Studio, in an existing 1,281 square foot commercial space. The applicant is proposing to operate during the following hours:

Monday - Thursday	6:00 a.m. – 11:00 a.m.					
	5:00 p.m. – 9:00 p.m.					
Friday	6:00 a.m. – 12:00 p.m.					
Saturday	7:00 a.m. – 11:00 a.m.					
Sunday	8:00 a.m. – 11:00 a.m.					
	3:00 p.m. – 5:00 p.m.					

However, the applicant may expand the hours based on demand for the classes (5:00 a.m. to 10:00 p.m., seven days a week). Staff included a condition of approval to encompass the maximum hours of operation envisioned by the applicant.

The applicant is proposing a maximum number of 11 students and one staff member for each class. The applicant provided a business plan (Exhibit 4), letter of justification (Exhibit 5), and development plans (Exhibit 6) describing the proposal.

#### B. Parking

The commercial shopping center has 324 parking spaces (314 plus 10 ADA spaces). As shown below, the proposed use and the existing uses would meet the parking requirements.

Address	Business Name	Type of Use	Main SF	No. of Students (staff)	Res'l Seats	Required Parking				
						Bank	Retail	Classes	Restaurant	Total
15521	Chase Bank	bank	4200				17.9			17.9
15525	Vacant	retail	2000				8.5			8.5
15527	Vacant	retail	1520				6.5			6.5
15529	Vacant	retail	2098				8.9			8.9
15531	Vacant	retail	667				2.8			2.8
15541	Union Nails	personal ser	587				2.5			2.5
15543	DC Barber	personal ser	587				2.5			2.5
15545	Sweet Retreat	restaurant	880		11				3.7	3.7
15549	Safeway	retail	45697				194.5			194.5
15551	Core Evolution	classes	1281	11 (1)				4.7		4.7
15553	Vacant	retail	1440				6.1			6.1
15555	Fantastic Sam's	personal ser	1390				5.9			5.9
15557	Azarpour Art Studio	retail	1200				5.1			5.1
15559	Aim Mail Center	retail	1120				4.8			4.8
15561	Dry Clean City	personal ser	1150				4.9			4.9
15563	Los Gatos Eye Care	medical	1656				6.6			6.6
15565	Los Gatos Eye Care	medical	953				3.8			3.8
15567	Barefoot Coffee	restaurant	1150		15				5.0	5.0
15569	Vacant	retail	2300				9.8			9.8
		Total SF	71876				Tota	l Require	d Parking	304
							Total Provided Parking			324

#### C. Traffic

The project would convert a vacant commercial space to a group fitness classes within an existing commercial shopping center. The project would not result in an increase of ADT (average daily trips) or peak trips.

#### D. Conditional Use Permit Findings

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

In regards to finding one, the applicant explains in their letter of justification that the use would add to the overall health and well-being of Town residents through physical fitness.

Planning Commission Staff Report - Page 5 15551 Union Avenue/U-14-003 March 26, 2014

In regards to the second finding, the use will not impair the integrity of the zone since the use will be in a commercial zone. In regards to finding three, the use will not be detrimental to public health safety or general welfare because conditions placed on the permit will mitigate potential impacts. In regards to the final finding, the proposed use meets the objectives of the General Plan and Town Code 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:

- 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-9.3 Encourage the development and retention of locally owned stores and shops.
- Goal HS-2 To foster all residents' health and well-being.

#### F. Environmental Review

The project is Categorically Exempt according to Section 15301 of CEQA as adopted by the Town, which exempts permitting an existing facility involving negligible use beyond the existing use. No significant effect on the environment will occur since the project uses an existing structure with no increase in floor area.

#### **PUBLIC COMMENTS:**

At this time, the Town has not received any public comment.

#### **SUMMARY AND RECOMMENDATION:**

#### A. Summary

Staff recommends conditions of approval consistent with the applicant's proposed use regarding the operating hours and number of students. The site has adequate parking to accommodate the existing and proposed uses. The proposed use would close by 10:00 p.m. The proposed application is in conformance with Town Code and is supported by the General Plan.

Planning Commission Staff Report - Page 6 15551 Union Avenue/U-14-003 March 26, 2014

#### B. Recommendation

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

- 1. Find 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. Approve Conditional Use Permit application U-14-003 with the conditions contained in Exhibit 3.

If the Commission has concerns with the proposed use, it can:

- 1. Continue the matter to a date certain with specific directions; or
- 2. Approve the application with additional and/or modified conditions; or

3. Deny the application.

Jennifer L. Savage, AICP

Associate Planner

Approved by:

Sandy L. Bally, AICP

**Director of Community Development** 

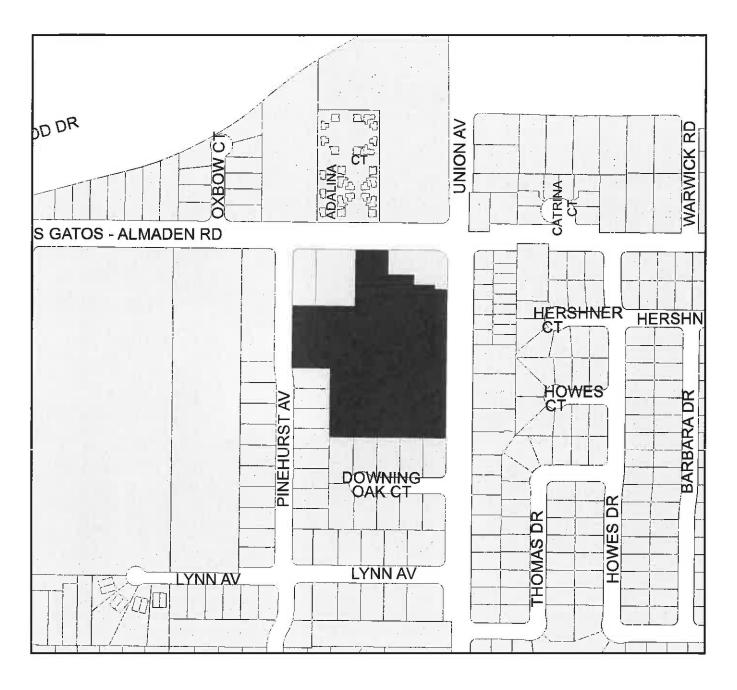
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cc: Jana Vickers, PO Box 2116, Los Gatos, CA 95031

DS Downing LP, A Delaware Limited Partnership, 200 E. Baker St., Costa Mesa, CA 92626

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# 15551 Union Avenue



#### **REQUIRED FINDINGS FOR:**

#### 15551 Union Avenue

Conditional Use Permit U-14-003

Requesting approval to conduct group fitness classes (Core Evolution) on property zoned C-1. APN 523-41-036.

PROPERTY OWNER: DS Downing LP, A Delaware Limited Partnership

**APPLICANT: Jana Vickers** 

#### **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 of the property is essential or desirable to the public convenience or welfare in that the use would add to the overall health and well-being of Town residents through physical fitness; and
- (2) The proposed use will not impair the integrity and character of the zone in that the use will be in a commercial zone; and
- (3) The proposed use would not be detrimental to public health, safety or general welfare in that conditions placed on the permit will mitigate potential impacts; 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 as discussed within the March 26, 2014, Planning Commission Staff Report.

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#### CONDITIONS OF APPROVAL - March 26, 2014

#### 15551 Union Avenue

Conditional Use Permit U-14-003

Requesting approval to conduct group fitness classes (Core Evolution) on property zoned C-1. APN 523-41-036.

PROPERTY OWNER: DS Downing LP, A Delaware Limited Partnership APPLICANT: Jana Vickers

#### 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 and in substantial compliance with the plans approved and noted as received by the Town on February 19, 2014. 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. EXPIRATION: The approval will expire two years from the approval date pursuant to Section 29.20.320 of the Town Code, unless the approval has been vested.
- 3. USE: The approved use is for group fitness classes.
- 4. NUMBER OF STUDENTS: The maximum number of students is limited to 11.
- 5. NUMBER OF STAFF/INSTRUCTORS: The maximum number of staff/instructors onsite at any given time is limited to one.
- 6. HOURS OF OPERATION: Maximum hours of operation are 5:00 a.m. to 10:00 p.m., seven days a week.
- 7. 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.

#### **Building Division**

- 8. PERMITS REQUIRED: A Building Permit shall be required for the any alterations to the existing commercial building. Separate permits are required for electrical, mechanical, and plumbing work as necessary.
- 9. CONDITIONS OF APPROVAL: The Conditions of Approval must be blue-lined in full on the cover sheet of the construction plans. A Compliance Memorandum shall be prepared and submitted with the building permit application detailing how the Conditions of Approval will be addressed.
- 10. SIZE OF PLANS: Four sets of construction plans, maximum size 24" x 36".
- 11. TITLE 24 ACCESSIBILITY COMMERICAL: For any proposed tenant improvements, on-site parking and general path of travel shall comply with the latest California Title 24 Accessibility Standards. Work shall include, but not be limited to, accessibility to building entrances from parking facilities and sidewalks. The building shall be upgraded to comply

- the latest California Title 24 Accessibility Standards. Necessary work shall be first investigated by the design Architect and then confirmed by Town staff.
- 12. APPROVALS REQUIRED: The project requires the following departments and agencies approval before issuing a building permit:
  - a. Community Development Planning Division: Jennifer Savage (408) 399-5702
  - b. Santa Clara County Fire Department: (408) 378-4010
  - c. County Environmental Health Department: (408) 885-4200

### TO THE SATISFACTION OF THE SANTA CLARA COUNTY FIRE DEPARTMENT:

- 13. FIRE SPRINKLER SYSTEMS: Fire Department records indicate that the building is equipped with a fire sprinkler system. Any interior remodeling may require modification to this system. Note: The owner(s), occupant(s), and any contractor(s) or subcontractor(s) are responsible for consulting with the water purveyor of record in order to determine if any modification or upgrade of the existing water service is required. A State of California licensed (C-16) Fire Protection Contractor shall submit plans, calculations, a completed permit application an appropriate fees to the fire department for review and approval prior to beginning their work.
- 14. PREMISES IDENTIFICATION: Approved numbers or addresses shall be placed on all new and existing buildings in such a position as to be plainly visible and legible from the street or road fronting the property. Numbers shall contrast with their background.

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## RECEIVED

FEB 1,9 2014
TOWN OF LOS GATOS
PLANNING DIVISION

# **Core Evolution Studio**

Fitness...Evolved

Business Plan

Prepared January 2014

# Company Overview

Core Evolution Studio is a licensed Lagree Fitness studio to be launched in early 2014. Lagree Fitness is one of the fastest growing and hottest workouts in the fitness industry. Invented by international fitness expert, Sebastien Lagree, Core Evolution Studio will specialize in the fitness regime of choice by Hollywood's elite. All exercises are performed on the state-of-the-art patented Megaformer. Each addicting class will give the body the optimum full body workout. Stretching. Lengthening. Tightening your body...all in 45 minutes.

It is very important to note that Lagree Fitness is a unique fusion of workouts that EFFECTIVELY combines strength training, cardio, endurance, balance, core, and flexibility not only in one session but in *each* and *every* move. Lagree Fitness allows for maximum muscular effort while minimizing the stress on the joints, the connective tissues, and the spine. Each set is designed to work the muscle to failure through slow and controlled movements.

The Lagree Fitness Method will help you loose fat and build muscle. Clients may or may not loose weight...but the method will change a person's body composition.

Lagree Fitness has partnered with over 150 licensed studios (including 4 international ones) and has 100 new licensees opening studios in the coming months. Lagree Fitness also has over 5,000 Certified Lagree Fitness Method trainers who have taught thousands of people.

Customers would be predominately female (80%), medium- and high-income residents of the Silicon Valley, with a target age range of 25-45 interested in maximizing their fitness 3x a week in 45 minute sessions. Exercises are, however, designed to include men and women at any fitness level.

For more information on Lagree Fitness please go to www.lagreefitness.com

### Management Team

Jana Vickers is the owner of Core Evolution Studio. Jana has an extensive history in sales and marketing but has always been a lifelong advocate of healthy living. Her own personal success with the Lagree Fitness Method spurred her desire to share her love of this fitness method with others. The Lagree Fitness Method has been extremely successful in SoCal where Jana recently relocated from. She believes in Lagree's method so much she and her family moved to Los Gatos to open her first, of several, planned studios.

The studio will hire and oversee at least 7 part-time independent instructors. Each instructor will undergo extensive training by a Lagree Master Trainer to become a Certified Lagree Fitness Method instructor prior to opening. Continuing education is offered every two months in Los Angeles or online through live streaming events. There will be one instructor per class with a class size of up to 11 participants per session (currently we'll have 10 participants).

Jana will utilize Dreamscape Media to handle all marketing and PR efforts. This boutique firm specializes in creative marketing of new ventures with innovative ideas. Marketing for Core Evolution Studio will begin immediately upon signing a retail lease.

# **Products and Services**

Core Evolution Studio's services are as follows:

- Core Xpress Class Regardless of fitness level, all students will take this class. Each 45 minute class will vary depending on instructor as there are over 200 core movements and variations of those movements. Each instructor is an expert in basic, intermediate, and advanced level exercises as well as the appropriate modifications necessary to accommodate different body types and fitness levels.
- Private Training Private training will be offered when normal scheduled classes are not operating. These sessions will be by appointment only.

# **Hours of Operation**

Monday – Thurs 6:00am – 11:00am and 5:00pm – 9:00pm

Friday 6:00am - Noon

Saturday 7:00am - 11:00am

Sunday 8:00am - 11:00 am and 3:00pm-5:00pm

Hours are subject to change as needed and we will add class times based on demand.

The number of employees on site will normally be one at a time (one for each group class). The maximum number of students in a group class is currently 10 (if we add one more machine at a later date it will be 11).

### **Market Overview**

Los Gatos is an established upscale neighborhood nestled in the foothills of the Santa Cruz Mountains adjacent to Silicon Valley. There are several major employers nearby. Currently, there are over 297,000 people living and working within a 5 mile radius of Los Gatos. It is believed that a studio offering the Lagree Fitness method will be very attractive to our customers since this is an unbelievable fitness opportunity that fits the time constraints of an individuals personal life or job. Our location in the Downing Center will be within easy driving distance from freeways, residential areas and corporate offices and would have more than adequate available parking.

# **Startup Costs**

Start-up expenses for Core Evolution Studio include (1) leasing 10 Megaformer machines, (2) license fees to Lagree Fitness, (3) general liability and business renter's insurance, (4) rent for 1 month's security and 2 months to allow for tenant improvement of the retail space, (5) pre-launch online marketing, and (6) the development of a website to purchase and schedule classes.

Marketing will include ads on Facebook and other social media sites leading up to the launch and then continue into the first few months of operation. Marketing expenses are expected to drop considerably in future months as new client acquisition comes more heavily from word-of-mouth and referrals.



Core Evolution Studio 15551-A Union Ave Los Gatos, CA 95032

January 27, 2014

To:

Re: Core Evolution CUP for 15551-A Union Ave

FEB 1,9 2014

RECEIVED

TOWN OF LOS GATOS PLANNING DIVISION

Planning Commission
Town of Los Gatos
Community Development Department

### Revised Letter of Justification

Core Evolution Studio is a licensed Lagree Fitness studio and the first of its kind in the South Bay offering the M3S Megaformer. Lagree Fitness is the only workout that effectively combines strength, endurance, cardio, balance, core and flexibility training not only in one session but in each and every move. The workout is intense on the muscles but low-impact and safe on joints, the spine and connective tissues. Our classes are 45 minutes long and performed on the state-of-the-art M3S Megaformer.

### **Summary of Opportunity**

According to Section 29.20.185 of the Town Code, my proposed use is allowed in areas zoned C-1 when a conditional use permit is issued so I'd like to request a permit for 15551-A Union Ave so we can open our studio for the following reasons:

- The Town of Los Gatos would be the first location of the Lagree Fitness Method in the South Bay using the new M3S Megaformer
- We are providing a uniquely effective total body workout in 45 minutes, thereby improving the workout experience for our clients and helping them change their bodies...to be stronger, leaner and more physically fit

### Breakdown of Space Usage

The Downing Center of Los Gatos is an established retail center recently purchased by Donahue Schriber Realty Group. 15551 Union Ave is 1,281 total sq ft located in the furthest southwest corner of the center.

Our intended use of the 1281 sq ft space is:

- Approx 1200 sq ft dedicated to 10 (no more than 11) M3S Megaformer machines on which group and private classes will be taught and an open check-in area
- 60 sq ft for ADA bathroom

Attached please find floor plan showing our proposed layout of the space

#### **Operations**

The hours of operations will be approximately:

Monday – Thurs 6:00am – 11:00am and 5:00pm – 9:00pm

Friday 6:00am - NoonSaturday 7:00am - 11:00am

Sunday 8:00am – 11:00 am and 3:00pm-5:00pm

We will very hours slightly as needed and add hours based on demand. We will also be available for appointment only private classes scheduled during non-group class times.

The number of employees on site will normally be one at a time (one for each group class). The maximum number of students in a group class is currently 10 (if we add one more machine at a later date it will be 11).

#### Retail Plan

We will only carry a small assortment of Toesox or other form of grip socks which are required for clients to wear and possibly some bottled water. At a later time we may add some logo wear for sale.

#### Group Class Plan

We will start by offering  $\sim$  40 classes a week. Each class is 45 minutes and currently will be limited to 10 participants and one instructor. We may in the future add one more Megaformer for a total of 11 participants.

#### **Parking**

The Downing Center will have a total 354 spaces (314 existing spaces, 30 "new" spaces to be added, and 10 accessible spaces). There currently are 20 spaces to the side of the studio and 18 spaces directly behind the studio with 7 spaces to be added in front of the studio this spring.

#### Justifications for Approval

The Town of Los Gatos will benefit from the approval of the requested Conditional Use Permit Sec 29.20.190 for several reasons:

- We are a small business that has made a significant investment in bringing Lagree Fitness to the South Bay and chose Los Gatos based on its friendly culture to small business owners and the Town's health conscious residents
- Our family are new residents of Los Gatos so we have many years of being an
  active member of the community both in education and as a business that supports
  the town
- Opening in the Downing Center will bring a new, significant number of clients to the Center and will help improve the overall vitality of the neighborhood center

Town Code Sec 29.20.190 Findings for Conditional Use Permit

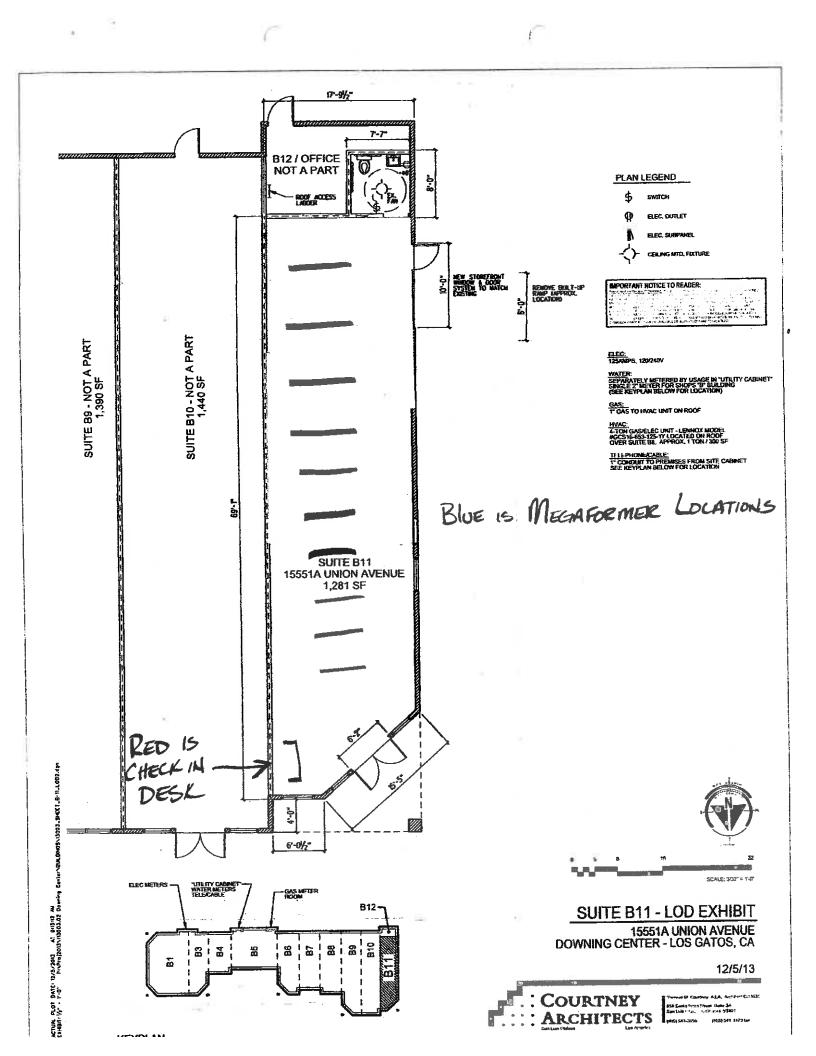
- 1. The proposed use of the property are essential and desirable to the public convenience or welfare because it would contribute to the overall health and well-being of Town residents through physical fitness.
- 2. The proposed use would not be detrimental to public health, safety or general welfare because the use would be in a commercial retail strip center with no late night hours past 10pm.
- 3. There will be no impact from this use of the property. It will be in harmony with the various elements or objectives of the General Plan and up to Town Code because we'll be in a retail center and we would help the overall vitality of the center.

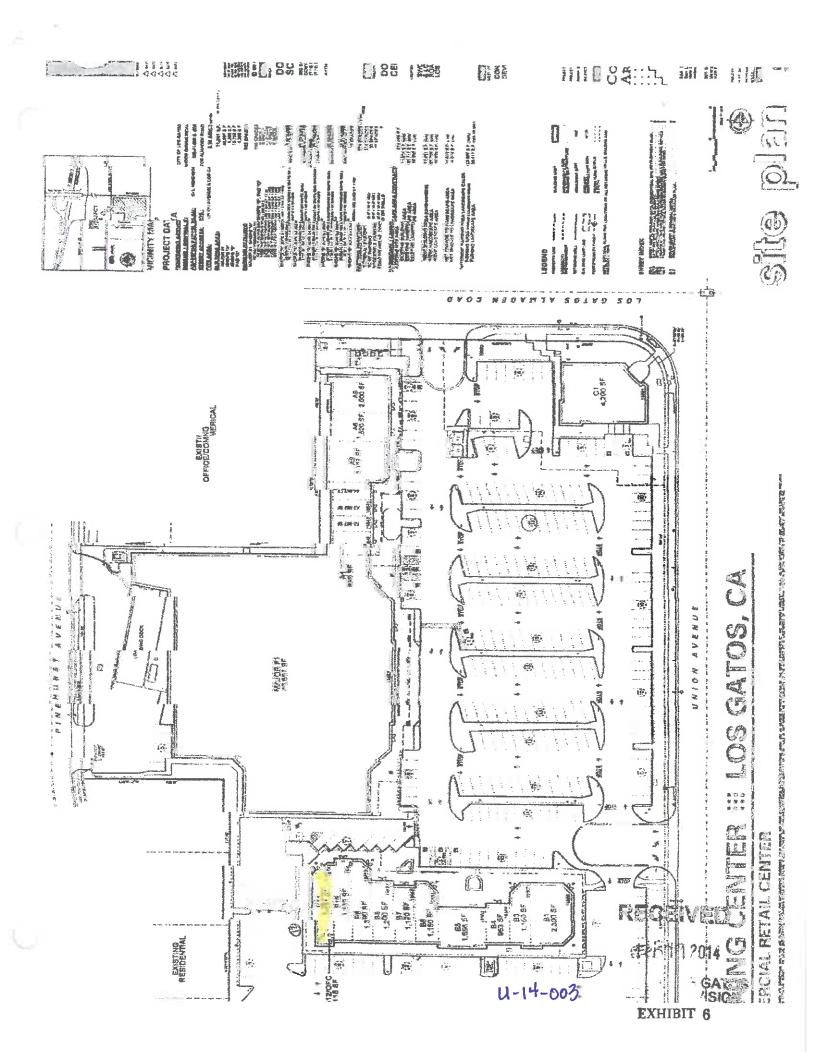
If you have any questions, please do not hesitate to contact me.

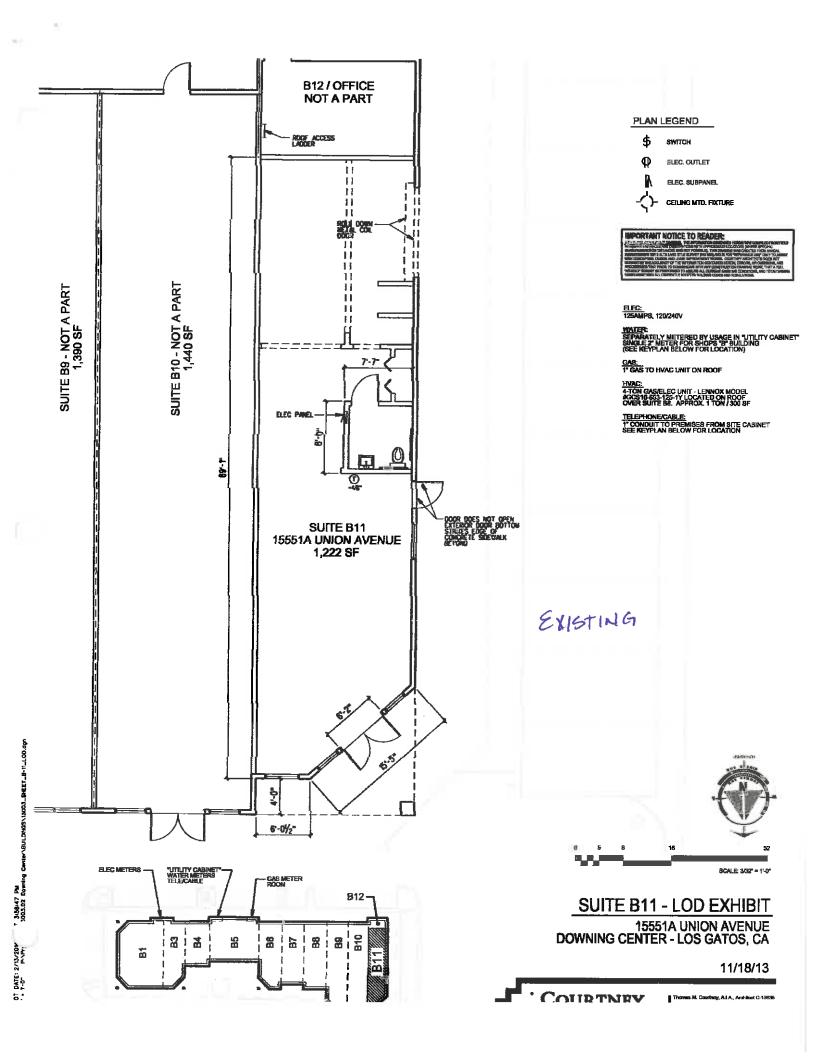
Sincerely,

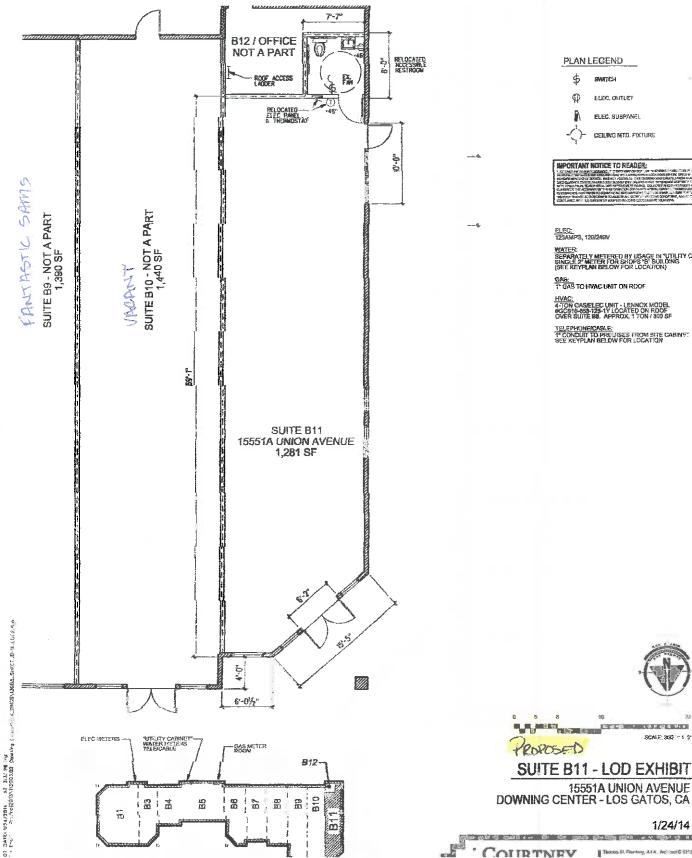
Jana Vickers Owner Core Evolution Studio

jana@coreevolutionstudio.com









CEILING MTD. FIXTURE

REPORTANT NOTICE TO READER

WATER: SEPARATELY METERED BY USAGE IN "UTILITY CABINET" SINGLE 2" METER FOR SHOPS "B" BUILDING (SEE KEYPLAN BELOW FOR LOCATION)

TELEPHONECABLE:
1\*CONDUIT TO PREMISES FROM SITE CABINET
SEE KEYPLAN BELOW FOR LOCATION





SUITE B11 - LOD EXHIBIT

1/24/14

