ABDALAH LAW OFFICES

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EMPLOYMENT, REAL ESTATE, BUSINESS,
CONSTRUCTION,
TRANSACTIONS AND LITIGATION

October 20, 2020

Cupertino City Council City Planning Commission Planning Department 10300 Torre Avenue Cupertino, CA 95014

Re: Application for Development Permit

20130 Stevens Creek Blvd. (APN#369-56-001)

Development Permit, File#M-2020-02

Dear Members of the City Council, Planning Commission and Planning Department:

I am writing this letter on behalf of Cupertino Adobe LLC that is owned by Catherine Chen and her husband ("Owners") and located at the address listed above. The Owners have title to two units at the front of the building. The Owners occupy one of the units for their State Farm Insurance business. In 2009, the City of Cupertino approved the Owners application for a Use Permit Modification for one of the two commercial units. For the reasons explained hereinafter, the Owners request approval to use the other space for professional or business use.

As explained in a letter from one of the Owners, Catherine Chen, has occupied one of the spaces for a State Farm Insurance. The Owners have made good faith efforts to lease the other unit for retail use. However, in the past five years, they have been unsuccessful and that unit has remained empty, resulting in the loss of \$180,000 in rental income. The main impediment to lease to a commercial tenant has been the lack of available parking. The usable area for parking is fixed and cannot be modified. In the past eleven years, the majority of businesses opening in the Cupertino have been restaurants. Restaurants require a substantial number of parking spaces that the Owners cannot provide.

Section 1.10.020(A) of the Heart of the City Specific Plan" allows commercial uses including, but not limited to, "professional, general, administrative, business offices, business services, . . ." However, the same section limits such uses to 25% of the "total building frontage along Stevens Creek . . ." As practical matter, the arrangement of the Owner's units occupies all of the existing office space in the front of the building. It is impossible to reduce the office space use to 25% of the frontage. In back of the office is a residential condominium use that occupies the vast majority of the total square footage in the building.

The location in question can only accommodate a single tenant. It does not have the "synergy" that would normally be enjoyed if the use was surrounded by other retail stores. It is a true "destination" location that, in itself, is a significant detriment to generating business. The parking, while adequate and meets code, is modest at best.

Of course, the COVID-19 pandemic has impacted all of us. Among the hardest businesses hit is commercial real estate. I think most knowledgeable people would agree that the commercial property leasing business is "frozen" for the foreseeable future. In addition, many retail businesses, both large and small, have been devastated. Many businesses have been forced to close their doors.

After eleven years seeking a retail tenant in good faith without success and loss of thousands of dollars in rental income, it is apparent that the Owner's available space should not be limited to leasing space to retail operators. The hardship posed by the lack interest in retail use interest is further compounded by pandemic that has no end in sight. For the reasons stated herein, the Owners seek to have the property in question excluded from the retail restriction and the Heart of the City Specific Plan. Your consideration is appreiciated.

Very truly yours,

RICHARD K. ABDALAH

RKA/drr Cc: Client