

STATEMENT OF JUSTIFICATION
K1 SPEED INDOOR KARTING FACILITY – BEER & WINE AMENDMENT

K1 Speed is an indoor kart racing business which presently occupies a portion of an existing 116,096 square foot building at 2925 Mead Avenue in Santa Clara. K1 Speed occupies approximately 62,899 square feet of the building.

K1 Speed is in the process of applying for local and state licenses to serve beer and wine (no hard alcohol) in their 35 karting centers throughout the country. They will be remodeling their concession area cafes to be proposing upgraded and healthier food and beverages in order to keep up with the demands of their modern corporate clientele, who request a more comfortable atmosphere, including couches, cooked food, cheese plates and wine. K1 Speed has had three years of experience with this more contemporary approach in their two Illinois facilities, with great success. Thus, K1 Speed is requesting approval of a use permit amendment to allow the sale and consumption of beer and wine in their existing facility in Santa Clara. They will be following up with a request for State ABC License Type 41.

K1 Speed is also requesting modification of the original approved use permit (File No. PLN2011-08641) to modify the hours of operation to the following:

Monday – Thursday:	Noon to 10:00 PM
Friday:	11:00 AM to 11:00 PM
Saturday:	10:00 AM to Midnight
Sunday:	10:00 AM to 9:00 PM

K1 Speed is also requesting modification of the original conditions of approval Nos. P9 and P10, and related condition P12 (which refers to the adopted mitigations MM AQ-2 and MM AQ-3), to remove the requirements for toxic gas sensors. In discussions with the Santa Clara Fire Department, it has been determined that such sensors may not be necessary for the subject project, or that an alternative alert system could be coordinated with the Fire Department.

Section 18.110.040 of the Santa Clara City Code dictates that use permits can only be granted if the following findings can be made regarding the proposed use:

FINDINGS:

(a) That the establishment or operation of the use or building applied for, under the circumstances of the particular case, are essential or desirable to the public convenience or welfare;

The indoor karting facility has been in operation since 2011. The use has been beneficial to the surrounding industrial business park community, in that it provides a needed, clean recreational use for corporations and corporate headquarters located in the area. Many corporations use these karting facilities as another option to foster corporate association and team building; as an alternative to expensive corporate retreats or motivational presentations. The corporations and businesses that use the facility utilize them for corporate events of team building, morale events, departmental challenges, product launches, and social events and competitions. Thus the existing use is beneficial to the convenience of the surrounding business park uses.

The proposed amendment involves adding beer and wine to the concession area café menu. This inclusion of beer and wine to the menu will improve the entertainment experience of K1 Speed's customers, and thus this upgrade will benefit the community. In addition, the use will maintain compatibility with existing uses and future uses in the area and the change will have no effect on utilities, roads, drainage or other facilities that exist to serve the use.

(b) That said use will not be detrimental to any of the following:

(1) The health, safety, peace, morals, comfort, and general welfare of persons residing or working in the neighborhood of such proposed use;

The proposed use will not be detrimental to the health, safety, peace, morals, comfort or general welfare of persons working in the industrial park. The K1 Speed operation will continue to be fully contained within the existing building. The karts will continue to be the fully electric, environmentally friendly, high performance battery-powered karts that K1 Speed has always operated. They create no noise to speak of and no odor or fumes whatsoever. Further, with the implementation of the a planned strict operational program restricting the potential for drinking and karting, the inclusion of beer and wine to the café menu will not be detrimental to the public health, safety or welfare, and will not be materially injurious to properties in the vicinity.

As a precaution to ensure the welfare of K1 Speed's customers, a business operational program will be implemented which will ensure that onsite drinking does not take place prior to kart racing. This program involves the following standard procedures;

1. Upon entering the facility, customers will be fitted with a plastic wristband allowing them to race.
2. Upon completion of their racing, if they are of age and purchase beer or wine in the concession area café, the bracelet will be cut and removed, and replaced with a fluorescent hand stamp.
3. Customers without bracelets will not be able to race. In the event that a customer violates the rules by attempting an unauthorized re-entry into the line to purchase a racing ticket, this customer's name will be triggered in the cashier computer as already having raced that day, and the hand stamp will identify this customer as having consumed beer or wine. This customer will be denied a racing ticket.
4. A breathalyzer will be employed at the cashier counter to identify any arriving customers who appear to be intoxicated.
5. Beer and wine purchase and drinking will be confined to the concession area café portion of the K1 Speed facility.

The above business operational process has been implemented in a number of the K1 Speed facilities with great success. K1 Speed has maintained the best safety record with the highest liability insurance rating available for businesses of our type in their Illinois facilities as well as their facilities throughout the country.

Further, K1 Speed will not advertise or promote beer or wine on the interior or exterior of their buildings. Beer and wine will simply be an additional beverage on the menu. And while karting is still by far their primary entertainment activity, our concession area menu will be upgraded to include a number of meals, appetizers and sandwich food items cooked on the premises, all of which is intended to provide a relaxing atmosphere for socializing of friends after the high-adrenaline competing in kart racing has been completed, or for non-driving associates, parents or guardians to relax and enjoy while friends or children are racing.

(2) Property or improvements in the neighborhood of such proposed use; or

No significant changes to the property or improvements on the subject site or in the neighborhood are proposed as a result of the proposed amendment, and therefore the use will not be detrimental to property or improvements in the neighborhood. Further, K1 Speed will not advertise or promote beer or wine on the interior or exterior of their buildings. Beer and wine will simply be an additional beverage on the menu. And while karting is still by far their primary entertainment activity, our concession area menu will be upgraded to include at least eight (8) meals, appetizers and sandwich

food items cooked on the premises, all of which is intended to provide a relaxing atmosphere for socializing of friends after the high-adrenaline competing in kart racing has been completed, or for non-driving associates, parents or guardians to relax and enjoy while friends or children are racing.

(3) That said use is in keeping with the purposes and intent of this title.

No other change to the look, design, operations, hours, or overall ambiance of the existing K1 Speed is proposed. The proposed change in the menu beverages is minor in scope, and as such, the use will continue to be in accord with the objectives and purpose of the Santa Clara Zoning Ordinance.