



Special-Regular Meeting Agenda
Planning Commission

Juan Miguel Munoz-Morris - Chairman
Mohammad Habib - Vice Chairman
Joseph Mueller - Planning Commissioner
Wayne Tanda - Planning Commissioner
Laura Gonzalez-Escoto - Planning Commissioner
Malisha Kumar - Planning Commissioner
Liam Downey - Planning Commissioner

Tuesday, August 13, 2019 6:00 pm

Council Chamber
17555 Peak Avenue, Morgan Hill, CA 95037

NOTICE

The Planning Commission is scheduled to attend training from 6:00 p.m. - 8:00 p.m.
The regular scheduled meeting will begin immediately following the conclusion of the scheduled training.

SPECIAL/REGULAR MEETING

A special meeting is called at 6:00 p.m. for the purpose of conducting the Bi-annual Harassment Training.

6:00 p.m. Training

8:00 p.m. Regular Meeting

BI- ANNUAL HARASSMENT TRAINING

REGULAR MEETING

8:00 P.M.

CALL TO ORDER

ROLL CALL ATTENDANCE

DECLARATION OF POSTING AGENDA

Pursuant to Government Code Section 54954.2

PLEDGE OF ALLEGIANCE

OPEN PUBLIC COMMENT PERIOD

Members of the public are entitled to address the Planning Commission concerning any item within the Morgan Hill Planning Commission's subject matter jurisdiction. Public comments are limited to no more than three minutes. Except for certain specific exceptions, the Planning Commission is prohibited from discussing or taking action on any item not appearing on the posted agenda. (See additional noticing at the end of this agenda)

ORDERS OF THE DAY

MINUTES APPROVAL

1. APPROVE THE JUNE 25, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

2. APPROVE THE JULY 23, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

PUBLIC HEARINGS

3. UP2019-0002: TENNANT – TONI'S KITCHEN: CONDITIONAL USE PERMIT TO ALLOW A FOOD PRODUCTION FACILITY (WHOLESALE BAKERY) ON PROPERTY IDENTIFIED BY ASSESSOR PARCEL NUMBER 817-04-030 LOCATED ON THE NORTH SIDE OF TENNANT AVENUE, 275 FEET WESTERLY OF VINEYARD BOULEVARD.

Recommendation:

1. Open/close public hearing; and,
2. Adopt a Resolution approving a Conditional Use Permit for a food production facility.

DIRECTOR'S REPORT/ANNOUNCEMENTS

ADJOURNMENT

NOTICE

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act that are distributed to a majority of the legislative body less than 72 hours prior to an open session, will be made available for public inspection at the Office of the City Clerk at Morgan Hill City Hall located at 17575 Peak Avenue, Morgan Hill, CA, 95037 at the same time that the public records are distributed or made available to the legislative body. (Pursuant to Government Code 54957.5)

PUBLIC COMMENT

Members of the Public are entitled to directly address the Commission concerning any item that is described in the notice of this meeting, before or during consideration of that item. If you wish to address the Commission on any issue that is on this agenda, please complete a speaker request card located in the foyer of the Commission Chambers, and deliver it to the Minutes Clerk prior to discussion of the item. You are not required to give your name on the speaker card in order to speak to the Commission, but it is very helpful. When you are called, proceed to the podium and the Mayor will recognize you. If you wish to address the Commission on any other item of interest to the public, you may do so during the public comment portion of the meeting following the same procedure described above. Please limit your comments to three (3) minutes or less.

Please submit written correspondence to the Minutes Clerk, who will distribute correspondence to the Commission.

Persons interested in proposing an item for the Commission agenda should contact a member of the Commission who may plan an item on the agenda for a future Commission meeting. Should your comments require Commission action, your request may be placed on the next appropriate agenda. Commission discussion or action may not be taken until your item appears on an agenda. This procedure is in compliance with the California Public Meeting Law (Brown Act) Government Code §54950.

City Council Policies and Procedures (CP 03-01) outlines the procedure for the conduct of public hearings. Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the Commission at, or prior to the Public Hearing on these matters.

The time within which judicial review must be sought of the action by the Commission, which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.

For a copy of Commission Policies and Procedures CP 97-01, please contact the City Clerk's office (408) 779-7259, (408) 779-3117 (fax) or by email cityclerk@morganhill.ca.gov.

AMERICANS WITH DISABILITIES ACT (ADA)

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (408)779-7259, (408)779-3117 (fax) or by email cityclerk@morganhill.ca.gov. Requests must be made as early as possible and at least two-full business days before the start of the meeting.

DRAFT



Meeting Minutes Planning Commission

Liam Downey - *Chairman*
Juan Miguel Munoz-Morris - *Vice Chairman*
Mohammad Habib - *Planning Commissioner*
Joseph Mueller - *Planning Commissioner*
Wayne Tanda - *Planning Commissioner*
Laura Gonzalez-Escoto - *Planning Commissioner*
Malisha Kumar - *Planning Commissioner*

Tuesday, June 25, 2019 7:00 pm

Council Chamber
17555 Peak Avenue, Morgan Hill, CA 95037

CALL TO ORDER

Chair Downey called the meeting to order.

ROLL CALL ATTENDANCE

Minutes Clerk Luna called for attendance.

Attendee Name	Title	Status	Arrived
Liam Downey	Chairman	Present	
Juan Miguel Munoz-Morris	Vice Chairman	Present	
Mohammad Habib	Planning Commissioner	Present	
Joseph Mueller	Planning Commissioner	Present	
Wayne Tanda	Planning Commissioner	Present	
Laura Gonzalez-Escoto	Planning Commissioner	Present	
Malisha Kumar	Planning Commissioner	Present	

DECLARATION OF POSTING AGENDA

Minutes Clerk Luna declared the posting of the agenda.

Minutes Acceptance: Minutes of Jun 25, 2019 7:00 PM (MINUTES APPROVAL)

PLEDGE OF ALLEGIANCE

Commissioner Gonzalez-Escoto led the pledge of Allegiance.

OPEN PUBLIC COMMENT PERIOD

Chair Downey opened the Public Comment Period at 7:03 p.m. The following individuals addressed the Planning Commission:

- Joe Baranowski

Hearing no further requests to speak, the Public Comment Period was closed.

ORDERS OF THE DAY

No changes made.

OTHER BUSINESS

1. SELECTION OF PLANNING COMMISSION CHAIR AND VICE-CHAIR

Recommendation:

Select members to serve as Chair and Vice-Chair of the Planning Commission for a one-year term.

MOTION:

The Planning Commission selected Commissioner Munoz-Morris as Chair and Commissioner Habib as Vice Chair.

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	Joseph Mueller, Planning Commissioner
SECONDER:	Laura Gonzalez-Escoto, Planning Commissioner
AYES:	Downey, Munoz-Morris, Habib, Mueller, Tanda, Gonzalez-Escoto, Kumar

PUBLIC HEARINGS

2. TDC2017-0001: KRUSE RANCH LANE - VALENCIA: TRANSFER OF DEVELOPMENT CREDITS FROM A 73.05-ACRE PARCEL. THE PROPERTY, IDENTIFIED BY ASSESSOR PARCEL NUMBER 728-01-001 IS LOCATED AT THE EASTERLY END OF KRUSE RANCH ROAD NORTH OF THOMAS GRADE (EVERADO VALENCIA, OWNER).

Recommendation:

1. Continue Planning Commission review.

Chair Downey opened the Public Hearing at 7:21 p.m. The following individuals addressed the Planning Commission:

- Daniel Ayoub

Hearing no further requests to speak, the Public Hearing was closed.

RESULT:	CONTINUED TO A DATE UNCERTAIN [UNANIMOUS]
MOVER:	Juan Miguel Munoz-Morris, Vice Chairman
SECONDER:	Joseph Mueller, Planning Commissioner
AYES:	Downey, Munoz-Morris, Habib, Mueller, Tanda, Gonzalez-Escoto, Kumar

3. SIGN2018-0044: COCHRANE- SOUTHBAY EVERGREEN: MASTER SIGN PROGRAM FOR AN APPROVED COMMERCIAL DEVELOPMENT. THE PROPERTY, IDENTIFIED BY ASSESSOR PARCEL NUMBER(S) 726-25-035 AND 726-32-021 ARE LOCATED AT THE SOUTHEAST QUADRANT OF COCHRANE ROAD AND BUTTERFIELD BOULEVARD.

Recommendation:

1. Open/close public hearing; and
2. Adopt a Resolution approving a Master Sign Program

Associate Planner Tiffany Brown presented the staff report.

Chair Downey opened the Public Hearing at 7:56 p.m. The following individuals addressed the Planning Commission:

- Zach Lauterbach

Hearing no further requests to speak, the Public Hearing was closed.

MOTION:

Adopt a resolution approving the Master Sign Program.

RESULT:	ADOPTED [6 TO 1]
MOVER:	Juan Miguel Munoz-Morris, Vice Chairman
SECONDER:	Laura Gonzalez-Escoto, Planning Commissioner
AYES:	Downey, Munoz-Morris, Habib, Tanda, Gonzalez-Escoto, Kumar
NAYS:	Mueller

DIRECTOR'S REPORT/ANNOUNCEMENTS

The next Planning Commission meeting on July 9, 2019 has been cancelled.

ADJOURNMENT

There being no further business, Chair Downey adjourned the meeting at 8:15 p.m.

MINUTES PREPARED BY:

Jenna Luna, Minutes Clerk

DRAFT



Meeting Minutes Planning Commission

<i>Juan Miguel Munoz-Morris</i>	-	<i>Chairman</i>
<i>Mohammad Habib</i>	-	<i>Vice Chairman</i>
<i>Joseph Mueller</i>	-	<i>Planning Commissioner</i>
<i>Wayne Tanda</i>	-	<i>Planning Commissioner</i>
<i>Laura Gonzalez-Escoto</i>	-	<i>Planning Commissioner</i>
<i>Malisha Kumar</i>	-	<i>Planning Commissioner</i>
<i>Liam Downey</i>	-	<i>Planning Commissioner</i>

Tuesday, July 23, 2019 6:00 pm

**Council Chamber
17555 Peak Avenue, Morgan Hill, CA 95037**

SPECIAL/REGULAR MEETING

A special meeting of the Planning Commission is called at 6:00 p.m. for the purpose of conducting a workshop.

6:00 p.m. Cannabis Workshop

7:00 p.m. Regular Meeting

SPECIAL MEETING

6:00 p.m.

CALL TO ORDER

Chiar Munoz-Morris called the meeting to order at 6:02 p.m.

ROLL CALL ATTENDANCE

Minutes Clerk Luna called the attendance.

Minutes Acceptance: Minutes of Jul 23, 2019 6:00 PM (MINUTES APPROVAL)

Attendee Name	Title	Status	Arrived
Juan Miguel Munoz-Morris	Chairman	Present	
Mohammad Habib	Vice Chairman	Present	
Joseph Mueller	Planning Commissioner	Present	
Wayne Tanda	Planning Commissioner	Absent	
Laura Gonzalez-Escoto	Planning Commissioner	Present	
Malisha Kumar	Planning Commissioner	Late	7:25 PM
Liam Downey	Planning Commissioner	Present	

DECLARATION OF POSTING AGENDA

Minutes Clerk Luna declared the posting of the Agenda.

WORKSHOP

The Purpose of this workshop is to:

- Discuss potential land use standards for future cannabis uses, including what zones would be appropriate for different types of cannabis uses and what types of land use permits should be required; and
- Discuss whether buffer distance requirements for potential cannabis uses should exceed state required distances and if so, how much; and
- Discuss how many retail establishments would be appropriate for the City should City Council choose to allow the use in the future.

Community Development Director Jennifer Carman gave a presentation.

Chair Munoz-Morris opened Public Comment Period at 6:18 p.m. The following individuals addressed the Planning Commission:

- Joseph Devlin
- Rayn Kocot
- Doug Chloupek
- Hirsh Jain
- Joy Joyner
- Ryan Leary
- Edesa Bitbadal

Hearing no further requests to speak, the Public Comment Period was closed at 6:58 p.m.

No action was taken. The Planning Commission reviewed, discussed, and provided feedback to staff.

The workshop recessed at 7:18 p.m.

The meeting reconvened to the regular scheduled meeting at 7:25 p.m.

REGULAR MEETING

PLEDGE OF ALLEGIANCE

Planning Commissioner Kumar led the Pledge of Allegiance.

OPEN PUBLIC COMMENT PERIOD

Chair Munoz-Morris opened Public Comment Period at 7:26 p.m. Hearing no requests to speak, the Public Comment Period was closed.

ORDERS OF THE DAY

No changes made.

MINUTES APPROVAL

1. APPROVE THE MAY 28, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	Joseph Mueller, Planning Commissioner
SECONDER:	Laura Gonzalez-Escoto, Planning Commissioner
AYES:	Munoz-Morris, Habib, Mueller, Gonzalez-Escoto, Kumar, Downey
ABSENT:	Tanda

2. APPROVE THE JUNE 11, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

Minutes Clerk Luna will correct the meeting date in the Directors Report from 2018 to 2019.

RESULT:	ACCEPTED AS AMENDED [UNANIMOUS]
MOVER:	Joseph Mueller, Planning Commissioner
SECONDER:	Laura Gonzalez-Escoto, Planning Commissioner
AYES:	Munoz-Morris, Habib, Mueller, Gonzalez-Escoto, Kumar, Downey
ABSENT:	Tanda

PUBLIC HEARINGS

3. 2018 RESIDENTIAL DEVELOPMENT CONTROL SYSTEM (RDACS) COMPETITION: PUBLIC HEARING FOR DEVELOPMENT PROJECTS REQUESTING RESIDENTIAL DEVELOPMENT ALLOTMENTS PURSUANT TO THE CITY'S RDACS IN ACCORDANCE WITH CHAPTER 18.156 OF THE CITY OF MORGAN HILL MUNICIPAL CODE.

Recommendation:

1. Adopt a Resolution awarding RDACS residential building allotments to qualifying projects.

Minutes Acceptance: Minutes of Jul 23, 2019 6:00 PM (MINUTES APPROVAL)

Principal Planner Gina Paolini presented the Staff Report at 7:27 p.m.

Chair Munoz-Morris opened the Public Hearing at 7:51 p.m. The following individuals addressed the Planning Commission:

- Dick Oliver
- Gershon Yakir
- Joe & Sheila Giancola
- Joseph Becker
- Terry Williams
- Paul Latala
- Tim Lu
- Phil Kerr
- Jan Sltebaus

Hearing no further requests to speak, the Public Hearing was closed at 8:29 p.m.

MOTION:

Adopt a resolution awarding RDCS residential building allotments to qualifying projects.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Laura Gonzalez-Escoto, Planning Commissioner
SECONDER:	Liam Downey, Planning Commissioner
AYES:	Munoz-Morris, Habib, Mueller, Gonzalez-Escoto, Kumar, Downey
ABSENT:	Tanda

The Following are the 2018 RDCS Competition Applications:

A. RDCS2019-0002: Llagas - Sabini/Strolata:

Request for one residential Building Allotment. The proposal includes 4 custom lots at full build-out. The property, identified by Assessor Parcel Number 773-32-013, is located at the northeast end of Sabini Court (Strolata Properties, Owner).

B. RDCS2019-0003: Tennant - Osito Holdings:

Request for 11 residential building allotments. The proposal includes 11 residential attached units at full build-out. The property, identified by Assessor Parcel Number 817-04-059, is located along Tennant Avenue, west of Vineyard Boulevard (Osito Holdings, LLC, Owner).

C. RDCS2019-0004: Monterey - Dobkin:

Request for 115 residential building allotments. This is a multi-year request. The proposal includes 116 multi-family units at full build-out. The property, identified by Assessor Parcel Number 726-25-006, is located east side of Monterey Road opposite the southerly terminus of Old Monterey Road (Robert C. Dobkin Trustee & Et al., Owner).

D. RDCS2019-0005: Monterey - Lucky Shing:

Request for 62 residential building allotments. This is a multi-year request. The proposal includes 62 multi-family units at full build-out. The property, identified by Assessor Parcel Number 725-01-018, is located at the northeast corner of Monterey Road and Burnett Avenue (Luckyshing, LLC, Owner).

E. RDCS2019-0006: Half - Brookfield:

Request for 246 residential building allotments. The proposal includes 247 residential attached units at

full build-out. The property, identified by Assessor Parcel Number 728-30-001, is located on the north side of Half Road between Condit Road and Mission View Drive (Llagas, LLC, Owner).

F. RDCS2019-0007: Spring - Giancola:

Request for 26 residential building allotments. This is a multi-year request. The proposal includes 26 residential attached units at full build-out. The property, identified by Assessor Parcel Number 767-11-030, is located on Spring Avenue between Lone Hill Drive and Barnell Avenue (Giancola Joseph Trustee & Et al., Owner).

G. RDCS2019-0008 Dakota - Dunne:

Request for three residential building allotments. The proposal includes 4 single-family units at full build-out. The property, identified by Assessor Parcel Number 726-09-024, is located on Dakota Drive between Lotus Way and Corsica Way (Dunne Michael F. Jr. and Jonna Trustee, Owner).

OTHER BUSINESS

No other business.

DIRECTOR'S REPORT/ANNOUNCEMENTS

The next Planning Commission meeting will be August 13, 2019.

ADJOURNMENT

There being no further business, Chair Munoz-Morris adjourned the meeting at 8:53 p.m.

MINUTES PREPARED BY:

Jenna Luna, Minutes Clerk

Minutes Acceptance: Minutes of Jul 23, 2019 6:00 PM (MINUTES APPROVAL)



PLANNING COMMISSION STAFF REPORT

MEETING DATE: August 13, 2019

PREPARED BY: Rich Buikema, Contract Planner

APPROVED BY: Jennifer Carman, Community Development Director

UP2019-0002: TENNANT – TONI’S KITCHEN: CONDITIONAL USE PERMIT TO ALLOW A FOOD PRODUCTION FACILITY (WHOLESALE BAKERY) ON PROPERTY IDENTIFIED BY ASSESSOR PARCEL NUMBER 817-04-030 LOCATED ON THE NORTH SIDE OF TENNANT AVENUE, 275 FEET WESTERLY OF VINEYARD BOULEVARD.

RECOMMENDATION(S)

1. Open/close public hearing; and,
2. Adopt a Resolution approving a Conditional Use Permit for a food production facility.

LOCATION MAP



PROJECT SUMMARY:

1. Location: 235 Tennant Avenue, northside of Tennant Avenue, approximately 225 feet west of Vineyard Boulevard (APN 817-04-030)
2. Site Area: 1.14 acres
3. General Plan: Industrial
4. Zoning: Light Industrial (IL)

BACKGROUND:

Toni's Kitchen is proposing to locate an approximately 3,104 square foot food production facility (Wholesale Bakery) within an existing 20,000 square foot multi-tenant industrial building. Food and beverage production are permitted uses in the Light Industrial (IL) zoning district except a Conditional Use Permit is required when it is proposed to be located within one hundred fifty feet from a residential zoning district. The rear of the proposed food production facility will be located approximately 30 feet south of an existing residentially zoned and developed area.

The building was constructed in 1979. A Conditional Use Permit (UP-09-05: Tennant-AAMCO) was approved in 2009 to operate an AAMCO Transmission Shop, a major automotive repair business, within an 8,000 square foot tenant space within the same building. Because of parking demands for the automotive use, 4,000 square feet within the building is limited to warehouse/wholesale use or other uses that do not require more than one parking space per 1,000 square feet of gross floor area for the duration of the AAMCO Transmission lease. There are three other tenants within the building.

PROJECT DESCRIPTION

The proposed 3,104 square foot food production facility will prepare and package single-serving cups and pouches of "Toni's High-Performance Protein Meals" that are sold online, in health clubs, juice bars and specialty markets. Some baking is involved in the preparation of the meals, and the facility may prepare muffins and cupcakes in the future. The facility will be divided as follows:

- 20 percent dry storage
- 20 percent storage of finished product
- 60 percent kitchen production

The facility will operate six days a week, Monday through Saturday, but may include Sundays, as the business grows. The proposed use will operate between the hours of 5:00 AM to 9:00 PM, with major operations occurring between 8:00 AM to 5:00 PM. There would be a maximum of 5 employees. A Statement of Operations, floor plan and site photographs have been provided (Attachments 2, 3 and 4).

Site Description

The 1.14-acre site is developed with an approximately 20,000 square foot building and improved parking lot with 33 parking spaces. Access to the site is provided via a single driveway off Tennant Avenue. A 6-foot concrete wall is located along the westerly property line and a 5-foot wall along the northerly property line.

Surrounding Zoning/Land Use

North: RAL/Residential development (duplex and triplex units) along East

Edmundson Boulevard
 East: IL/Office and industrial uses on Vineyard Boulevard
 South: PUD/Tennant Station Shopping Center
 West: RAL/Undeveloped residential land-11 RDCS allotments received as part of the 2019 RDCS competition

ANALYSIS:

The proposed Conditional Use Permit to operate a food production facility inside an existing industrial building was analyzed for consistency with the: 1) General Plan; 2) Zoning Code; and 3) Conditional Use Permit Findings.

1. General Plan

The site has an Industrial land use designation in the Morgan Hill 2035 General Plan. The Industrial land use designation allows a variety of research, warehouse, manufacturing, service commercial, and other job generating uses. This designation allows a maximum floor area ratio (FAR) of 0.6 and maximum height of 50 feet. The building is in the area designated as Industrial “Subarea 4” within the General Plan which is known as an established employment area which contains heavier industrial uses and provides future opportunities for a diverse range of industrial uses, including manufacturing, materials processing and indoor storage. The proposed business will be located within an existing building with no building expansion proposed.

The following are General Plan Goals and Policies that are relevant to the proposed Use Permit.

Goal CNF-2: An improved, orderly, and efficient pattern of urban development.

Policy CNF-2.1 Orderly Development

Promote the orderly development of the City with concentric growth and infill of existing developed areas.

Policy CNF- 17.2 Industrial Land Use Conflicts

Ensure proposed new uses adjacent to industrial uses do not introduce land use conflicts that would adversely impact industrial activities.

Policy CNF- 17.3 Buffer between Industrial and Incompatible Uses

Ensure that all industrial uses are well sited and buffered from incompatible uses.

Policy CNF- 18.1 Vibrant Job Centers

Encourage land with a Commercial/Industrial designation to develop with job-generating uses with amenities that support workers and businesses, such as restaurants, lodging, fitness centers, and hair salons.

Policy ED-3.6 Business Friendly Environment

Support and align policies around a business first culture that welcomes a range of sectors that employ people across wage levels.

Consistency

Facilitating the location of a business such as Toni's Kitchen within an existing industrial area, is consistent with land use and economic development policies that promote orderly development and support a range of different business activities in Morgan Hill. There are residential uses north of the property, and residentially zoned property to the west. The existing building has been designed with an intent to limit the potential conflict between commercial and residential uses. Baking operations will occur entirely indoors. The loading area is located on the south side of the building, on the opposite side from the adjacent residential property to the north. The business typically receives small boxes, usually delivered by USPS or FedEx. Larger deliveries occur on a quarterly basis. Deliveries and pick-ups will occur during normal business hours of 8:00 AM to 5:00 PM.

Food production and manufacturing by Toni's Kitchen aligns well with Morgan Hill's Economic Blueprint, specifically Advanced Manufacturing and Innovation. Toni's Kitchen is experiencing growth and needs a facility that more ideally suits its business needs. The Economic Blueprint calls for an environment that supports business growth investment for Advanced Manufacturing and Innovation businesses.

2. Zoning Ordinance

The zoning designation of the site is Light Industrial (IL). The purpose of the IL zoning district is to provide areas for research, administrative, lighter manufacturing, wholesale and heavy service commercial uses not suitable in commercial districts. As stated previously, food and beverage production are a permitted use in the IL zoning district except a Conditional Use Permit is required when located within 150 feet from a residential zone district. The rear of the proposed food production facility will be located approximately 30 feet south of an existing residentially zoned and developed area.

This is a multi-tenant building; therefore, parking is required for all uses. The following demonstrates the parking required and provided for each use at the site:

REQUIRED ON-SITE PARKING				
Tenant	Use	Tenant Space	Parking Required	Parking Provided
AAMCO	Vehicle Repair	8,000 square feet	12 parking lot (11 within building) (CUP)	12
Mancanitas Machine Shop	Manufacturing	3,000 square feet	6 (1 per 500 square feet)	6
Good Life Construction	Warehouse	3,000 square feet	3 (1 per 1,000 square feet)	3
Interior Design Staging	Warehouse	2,400 square feet	2 (1 per 1,000 square feet)	2
Storage Space for	Warehouse	1,000	1 (1 per 1,000)	1

building owner		square feet	square feet)	
Toni's Kitchen	Food Production	3,104 square feet	6 (1 per 500 square feet)	6
Total Required				30

The City requires one parking space for each 500 square feet of gross floor area for food and beverage production. Toni's Kitchen (3,104 square feet) would require 6 parking spaces. Thirty parking spaces are required for all existing and proposed uses and 33 are provided. The applicant expects no more than two deliveries or pick-ups per day during the business hours of 8:00 AM to 5:00 PM. Larger deliveries would occur on a quarterly basis. All business activity will occur within the building.

3. Conditional Use Permit Findings

In reviewing the Conditional Use Permit, the Planning Commission shall consider the following:

a. The proposed use is allowed in the applicable district.

Food and Beverage Production is identified as a "Permitted Use" in the IL zoning district except when proposed within 150 feet from a residential zoning district, a Conditional Use Permit is required. The Planning Commission could approve the Conditional Use Permit if all the findings for approval can be met.

b. The proposed use is consistent with the General Plan, Zoning Code, and any applicable specific plan or area plan adopted by the City Council.

Food production is considered a light industrial use that is consistent within the Industrial land use designation. Food and Beverage Production is identified as a "Permitted Use" in the IL zoning district except when proposed within 150 feet from a residential zoning district, where a Conditional Use Permit is required for the specific use. All activities will be contained within the building and will not impact the adjacent residential uses; therefore, the Conditional Use Permit would be appropriate for the use.

c. The site is suitable and adequate for the proposed use.

The proposed use can be accommodated within an existing building that has adequate on-site parking. The use is proposed within an existing building and is not considered to be an intensification of a light industrial use. The site is screened from the vacant residentially designated site to the west by an existing solid wall and landscaping. The use will not adversely affect the existing uses that are adjacent to the site.

d. The location size, design, and operating characteristics of the proposed use will be compatible with the existing and future land uses in the vicinity of the property.

Given the small scale of the operation, the utilization of this existing building for a food

production facility will not negatively impact existing and future residential uses. Baking operations will be contained within the building, where doors will be securely closed. Screening is provided along the side and the rear of the property by a solid wall and landscaping.

e. The proposed use will not be detrimental to the public health, safety, and welfare.

The facility will operate six days a week, Monday through Saturday, but may include Sundays, as the business grows. The proposed use will operate between the hours of 5:00 AM to 9:00 PM, with major operations occurring between 8:00 AM to 5:00 PM. Deliveries and pick-ups will occur during normal business hours. The potential hours of operation are consistent with the surrounding land uses.

Although the operation will be located approximately 30 feet from residential uses, because baking operations will be contained within the building, with doors securely closed, the use will not be detrimental to the public.

f. The proposed use would not have a substantial adverse effect on traffic circulation and on the planned capacity of the street system.

The level of traffic associated with the project is not expected to impact the capacity of the streets for the surrounding businesses. A facility of this size would not warrant the preparation of a Transportation Impact Study in accordance with the Planning Commission Policy regarding Guidelines for Preparation of Preparation of Transportation Impact Reports.

g. The proposed use is properly located within the city and adequately served by the existing and planned services and infrastructure.

The proposed use is within the City's Urban Service area where utilities, such as gas, water, sewer, and electricity and public services are provided.

Conclusion

The proposed use is compatible with the surrounding uses and will provide a desired food production facility in the area. Staff recommends approval of the proposed Conditional Use Permit.

California Environmental Quality Act (CEQA):

The proposal to allow an approximately 3,000 square foot Food Production facility (Wholesale Bakery) within an existing approximately 20,000 square foot multi-tenant industrial building is exempt from the California Environmental Quality Act (CEQA) in accordance with Section 15301 (Existing Facilities) of the CEQA Guidelines. The project is consistent with the general plan designation of Industrial and zoning designation of IL. Only interior tenant improvements would be required for the use. The project is

expected to be adequately served with required utilities and public services. The project does not have any value for habitat protected species nor would it result in significant effects to traffic, noise, air quality, or water quality. No further environmental review is required.

Community Engagement

The proposed project was publicly noticed (mailing to property owners within 300 feet of the project and newspaper legal noticing) for the minimum 10-day period.

LINKS/ATTACHMENTS:

1. Planning Commission Resolution
2. Statement of Proposed Operations
3. Plans
4. Pictures of Site

RESOLUTION NO.

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL APPROVING A CONDITIONAL USE PERMIT TO ALLOW A FOOD PRODUCTION FACILITY TO LOCATE AT 235 TENNANT AVE (APN: 817-04- 030)

WHEREAS, such request was considered by the Planning Commission at their regular meeting of August 13, 2019; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process.

NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES RESOLVE AS FOLLOWS:

SECTION 1. The approved conditional use is consistent with the Zoning Ordinance and the General Plan.

SECTION 2. The project is categorically exempt from CEQA pursuant to Section 15301, Existing Facility.

SECTION 3. The approved conditional use has been found consistent with the criteria for Conditional Use Permit approval contained in Section 18.108.030 of the Zoning Code and hereby adopted:

a. **The proposed use is allowed in the applicable district.**

Food and Beverage Production is identified as a “Permitted Use” in the IL zoning district except when proposed within 150 feet from a residential zoning district, a Conditional Use Permit is required. The Planning Commission could approve the Conditional Use Permit if all the findings for approval can be met.

b. **The proposed use is consistent with the General Plan, Zoning Code, and any applicable specific plan or area plan adopted by the City Council.**

Food production is considered a light industrial use that is consistent within the Industrial land use designation. Food and Beverage Production is identified as a “Permitted Use” in the IL zoning district except when proposed within 150 feet from a residential zoning district, where a Conditional Use Permit is required for the specific use. All activities will be

contained within the building and will not impact the adjacent residential uses; therefore, the Conditional Use Permit would be appropriate for the use.

c. The site is suitable and adequate for the proposed use.

The proposed use can be accommodated within an existing building that has adequate on-site parking. The use is proposed within an existing building and is not considered to be an intensification of a light industrial use. The site is screened from the vacant residentially designated site to the west by an existing solid wall. The use will not adversely affect the existing uses that are adjacent to the site.

d. The location size, design, and operating characteristics of the proposed use will be compatible with the existing and future land uses in the vicinity of the property.

Given the small scale of the operation, the utilization of this existing building for a food production facility will not negatively impact existing and future residential uses. Baking operations will be contained within the building, where doors will be securely closed. Screening is provided along the side and the rear of the property by a solid wall and landscaping.

e. The proposed use will not be detrimental to the public health, safety, and welfare.

The facility will operate six days a week, Monday through Saturday, but may include Sundays, as the business grows. The proposed use will operate between the hours of 5:00 AM to 9:00 PM, with major operations occurring between 8:00 AM to 5:00 PM. Deliveries and pick-ups will occur during normal business hours. The potential hours of operation are consistent with the surrounding land uses.

Although the operation will be located approximately 30 feet from residential uses, because baking operations will be contained within the building, with doors securely closed, the use will not be detrimental to the public.

f. The proposed use would not have a substantial adverse effect on traffic circulation and on the planned capacity of the street system.

The level of traffic associated with the project is not expected to impact the capacity of the streets for the surrounding businesses. A facility of this size would not warrant the preparation of a Transportation Impact Study in accordance with the Planning Commission Policy regarding Guidelines for

Preparation for Preparation of Transportation Impact Reports.

- g. **The proposed use is properly located within the city and adequately served by the existing and planned services and infrastructure.**

The proposed use is with the City's Urban Service area where utilities, such as gas, water, sewer, and electricity and public services are provided.

SECTION 4. Application UP2019-0002: Tennant-Toni's Kitchen is approved. The use shall be expressly conditioned in conformance with conditions incorporated herein and as attached as Exhibit "A".

SECTION 5 The approved project shall be conducted in a manner consistent with the proposed operations explained within the staff report of the Planning Commission Meeting of August 13, 2019.

SECTION 6. Notice is hereby given that, pursuant to the Mitigation Fee Act, the City of Morgan Hill charges certain fees (as such term is defined in Government Code Section 66000) in connection with approval of your use for the purpose of defraying all or a portion of the cost of public facilities related to your development project (Mitigation Fee Act Fees). These fees do not include fees for processing applications for governmental regulatory actions or approvals, or fees collected (a) under development agreements, (b) pursuant to agreements with the Morgan Hill Redevelopment Agency or (c) as a part of your application for development allocations under the City's Residential Development Control System. The Mitigation Fee Act Fees applying to your project are listed in the schedule of fees provide. Notice is also hereby given that you have the opportunity to protest the imposition of the Mitigation Fee Act Fees within 90 days of the approval of the approval or conditional approval of your development project and that the 90-day approval period in which you may protest has begun. This right to protest does not apply to voluntary Residential Development Control System fees.

PASSED AND ADOPTED THIS 13rd DAY OF AUGUST 2019, AT A REGULAR MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSTAIN: COMMISSIONERS:

ABSENT: COMMISSIONERS:

City of Morgan Hill
Resolution No.
Page 4 of 7

ATTEST:

APPROVED:

JENNA LUNA, Deputy City Clerk

JUAN MIGUEL MUNOZ-MORRIS, Chair

Attachment: Planning Commission Resolution [Revision 2] (2374 : UP2019-0002- Tennant-Toni's Kitchen)

EXHIBIT "A"

STANDARD CONDITIONS

APPLICATION: UP2019-0002 Tennant – Toni's Kitchen

THE FOLLOWING ARE STANDARD CONDITIONS OF APPROVAL THAT MUST BE MET PRIOR TO THE ISSUANCE OF BUILDING PERMITS AND/OR SITE DEVELOPMENT PERMITS EXCEPT AS MAY BE SPECIFIED IN THE CONDITIONS. THE APPROVAL REQUIREMENTS INCLUDE THESE REQUIREMENTS AND ANY SPECIAL CONDITIONS THAT ARE APPLIED THROUGH THE DEVELOPMENT APPROVAL PROCESS. APPLICANTS ARE REQUIRED TO SIGN THE APPROVAL CERTIFICATE/RESOLUTION FORM INDICATING THEY UNDERSTAND AND AGREE TO IMPLEMENT THESE STANDARD CONDITIONS AND ANY SPECIAL CONDITIONS APPLIED TO THEIR PERMIT APPROVAL.

ACRONYMS:

MHMC – Morgan Hill Municipal Code

MHARH – Morgan Hill Architectural Review Handbook

PLANNING DIVISION

I. TIME LIMITS

- A. The Conditional Use Permit approval granted as described in the Planning Commission Staff report dated August 13, 2019 shall remain in effect for 24 months to August 13, 2021. Failure to exercise the use within this term shall result in termination of approval unless an extension of time is granted prior to the expiration date. **(MHMC 18.104.210)**

II. OTHER CONDITIONS

- A. Applicant agrees to defend, indemnify, and hold harmless the City of Morgan Hill, its officers, agents, employees, officials and representatives (Indemnitees) from and against any and all claims, actions, or proceedings arising from any suit for damages or for equitable or injunctive relief which is filed against City to attack, set aside, void or annul its approval of this discretionary project or any related decision, or the adoption of any environmental documents which relates to said approval. The City shall promptly notify the Applicant of any such claim, action or proceeding and the City shall cooperate fully in the defense thereof. In the event that Applicant is required to defend Indemnitees in connection with the proceeding, Indemnitees shall retain the right to approve (a) the counsel to

so defend Indemnitees; (b) all significant decisions concerning the manner in which the defense is conducted; and (c) any and all settlements, which approval shall not be unreasonably withheld. This indemnification shall include, but is not limited to, (a) all pre-tender litigation costs incurred on behalf of the City, including City's attorney's fees and all other litigation costs and expenses, including expert witnesses, required to defend against any lawsuit brought as a result of City's approval or approvals; (b) reasonable internal City administrative costs, including but not limited to staff time and expense spent on the litigation, after tender is accepted; and (c) all damages, costs, expenses, attorney fees or expert witness fees that may be awarded to the prevailing party arising out of or in connection with the approval of the application or related decision. City may, in its sole discretion, participate in the defense of such action; but such participation shall not relieve Applicant of its obligations under this condition. The undersigned hereby represents that they are fully empowered by the Applicant as their agent to agree to provide the indemnification, defense and hold harmless obligations, and the signature below represents the unconditional agreement by applicant to be bound by such conditions.

- B. Notice is hereby given that, pursuant to the Mitigation Fee Act, the City of Morgan Hill charges certain fees (as such term is defined in Government Code Section 66000) in connection with approval of your development project for the purpose of defraying all or a portion of the cost of public facilities related to your development project (Mitigation Fee Act Fees). These fees do not include fees for processing applications for governmental regulatory actions or approvals, fees collected under development agreements, or as a part of your application for development allocations under the City's Residential Development Control System. The Mitigation Fee Act Fees applying to your project are listed in the schedule of fees provide. Notice is also hereby given that you have the opportunity to protest the imposition of the Mitigation Fee Act Fees within 90 days of the approval of the approval or conditional approval of your development project and that the 90-day approval period in which you may protest has begun.
- C. Submit two (2) signed copies of Resolution No. _____ to the Planning Division prior to issuance of building permits.

PRETREATMENT

- A. An industrial waste discharge permit is required from the Pretreatment Program prior to any industrial wastewater discharge (non-domestic) to the Sanitary Sewer System. The permit shall be maintained and renewed

as required. Please email to Jennifer.Rojero@cityofgilroy.org for a pretreatment application.

Kitchens/Cooking facilities: All commercial cooking and food preparation facilities shall be provided with a grease trap or clarifier (clarifier with sample box), sized for the anticipated flows. No garbage disposals are allowed. Contact Pretreatment at 408 846-0438 for Grease Interceptor Policy Documents for sizing and type, etc. Submit plans and obtain permit from Pretreatment.

POLICE DEPARTMENT

- A. The Police Department shall review and approve a safety and security plan for the facility including a security camera plan prior to the issuance of a building permit or site development permit, whichever one is issued first.

ENGINEERING DIVISION

- A. An occupancy permit will not be issued until impact fees, if any, have been paid.
- B. Impact fees will be calculated upon submittal of accurate floor plans showing existing and proposed usages.

June 5, 2019

City of Morgan Hill
Development Services – Planning Division
17575 Peak Avenue
Morgan Hill, CA 95037

Re: Statement of Proposed Operations

DEVELOPMENT
SERVICES

JUN 06 2019

CITY OF MORGAN HILL

To whom it may concern:

I represent the ownership of Toni's Kitchen, LLC. We are pleased that we have negotiated a lease at 235 Tennant Avenue in Morgan Hill. It is our objective to create a commercial wholesale bakery.

The purpose of this letter is to support our request for a Conditional Use Permit to allow operations of Toni's Kitchen, LLC at this location.

Toni's Kitchen LLC is expected to operate six days a week, Monday through Saturday, during the first year of operations, but may include occasional Sundays as the business grows.

The hours of operation could begin as early as 5:00am and run as late as 9:00pm, with the expectation that the majority of operations will take place from 8:00am to 5:00pm.

During the first year of operations, we expect to have approximately 2 full-time employees with that number increasing to as many as 5 as the business grows.

We envision no more than two deliveries or pick-ups per day. Deliveries or Pick-ups will take place during regular business hours.

Within Toni's Kitchen, a variety of bakery ingredients will be held in inventory (room temperature, refrigerated and frozen). The ingredients will be prepared and packaged into single-serving cups and sealed foil pouches. Toni's Kitchen holds a PFR (Processed Food Registration) and is in exceptional standing with the health department. The bakery may also provide freshly baked muffins and cupcakes in the future. Typical equipment includes mixers, ovens, hand-sealers and lidding equipment.

Additional equipment will include refrigerators, freezers, microwave ovens, stove, and dishwasher.

Aside from the warehouse area, to be used for shipping and receiving, approximately 20% of the leased space will be used for dry storage, 20% for storage of finished product, and 60% for kitchen production. Please see attached preliminary layout and note that all walls and spaces are existing and will not be changed.

Attachment: Statement of Proposed Operations (2374 : UP2019-0002- Tennant-Toni's Kitchen)

We have no expectation that any hazardous material will be used at the food manufacturing facility or knowledge of any potential impact or conflict with the surrounding businesses or residences.

We look forward to working with the Morgan Hill's Development Services team and the City's Planning Commission.

Please contact me directly should you have any questions or comments regarding our request for a Conditional Use Permit or assumptions regarding the operation of Toni's Kitchen.

Respectfully,



Toni Julian
CEO
Toni's Kitchen LLC
(408) 206-1405

TONI'S KITCHEN LLC

235 TENNANT AVE, UNIT 5, MORGAN HILL, CA 95037

PROPERTY DATA:

APN: 817-04-030

SITE AREA: 49,658 SQ FT
EXISTING BUILDING AREA: 20,400
UNIT 5: 3,104 SQ FT

Existing Zoning: IL-Light Industrial
Built- Industrial Building-Existing

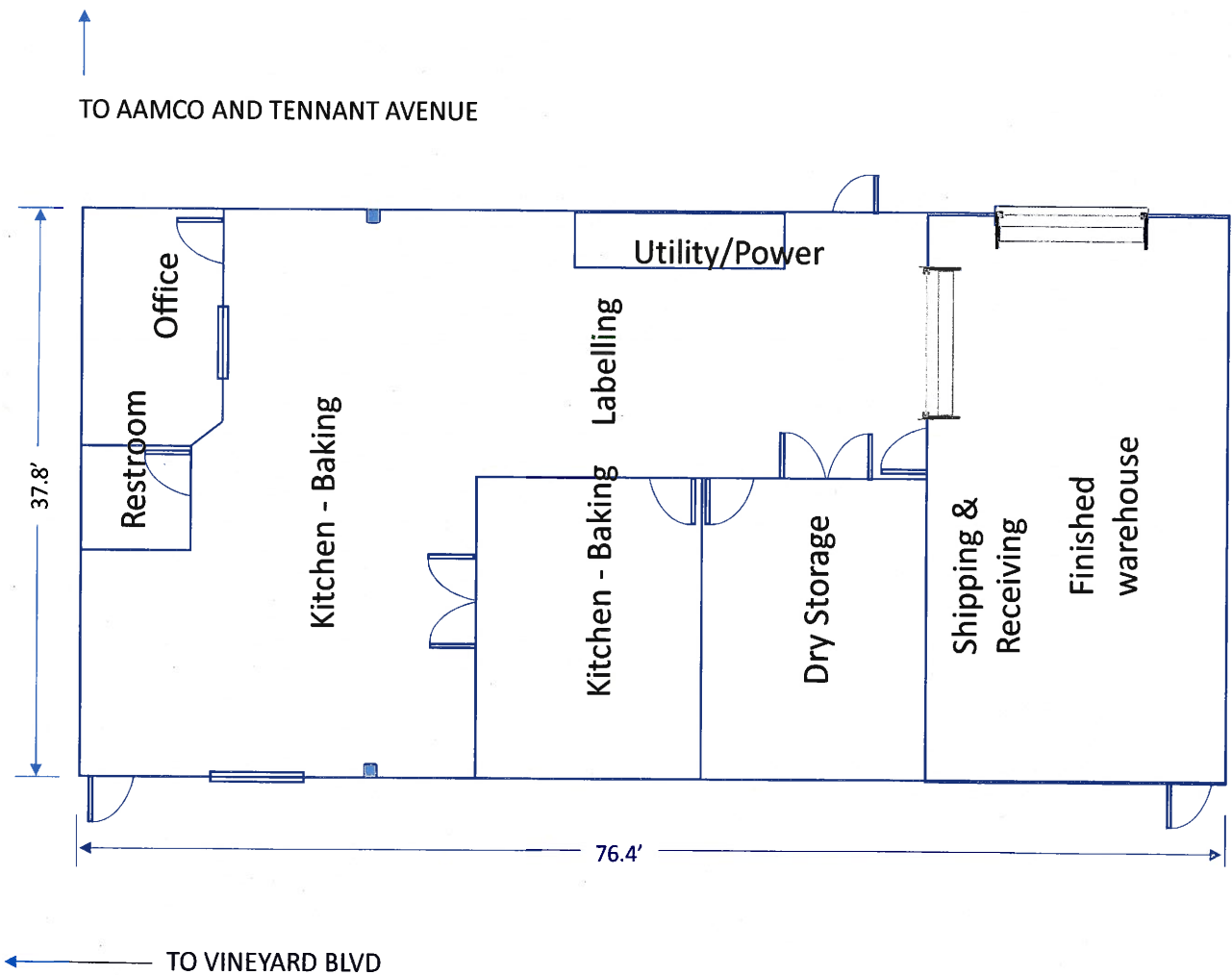
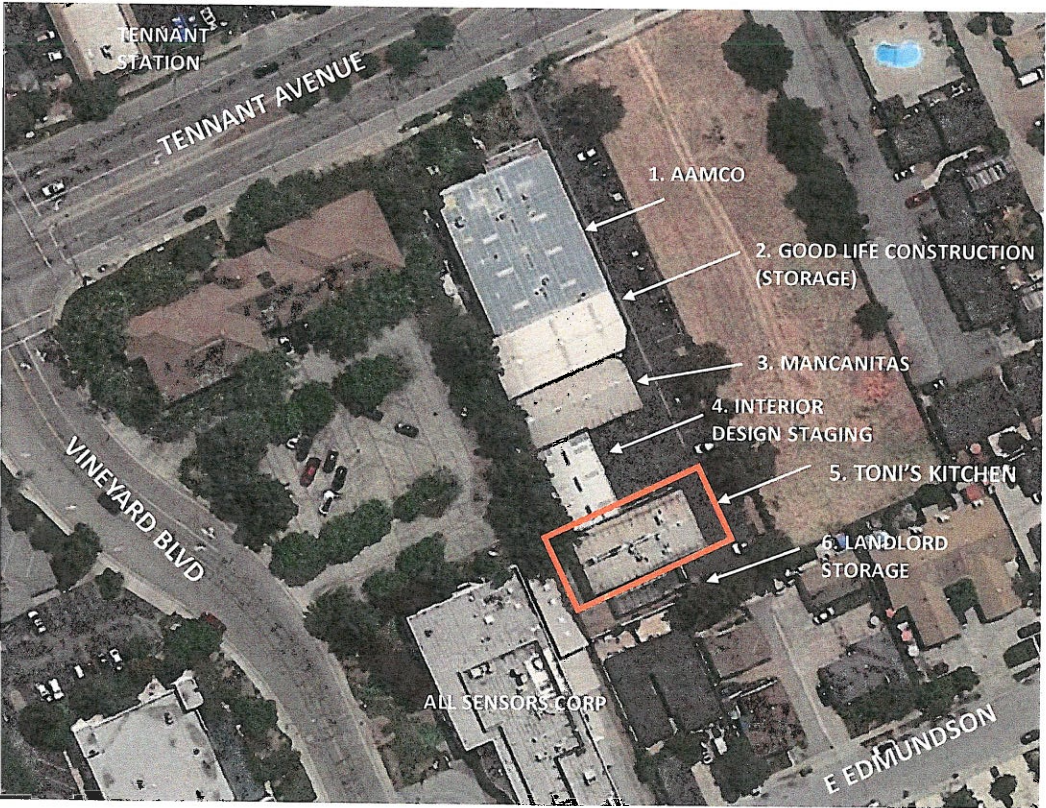
SCOPE OF WORK:

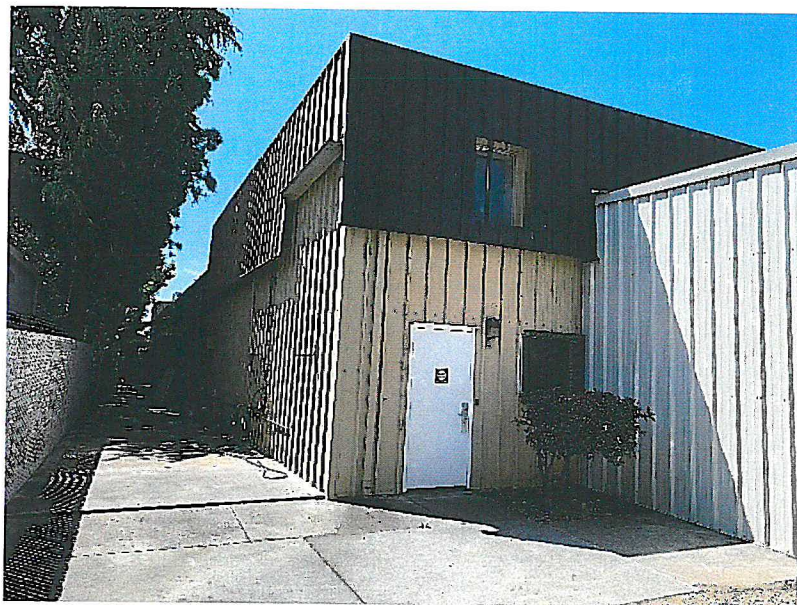
NO DEMO OR NEW CONSTRUCTION.
INSTALLATION OF INTERIOR FINISHING
MATERIALS (PAINT, FLOORING).
INSTALLATION OF OVEN, MIXER AND SINKS.

PARKING SUMMARY:

Parking Spaces Total: 33
HC: 2

VACINITY MAP:





Back of building showing kitchen exit and opposite side of storage unit owned by landlord.



Neighboring AAMCO business with shared accessible parking.

235 TENNANT AVENUE PHOTO'S OF UNIT 5 AND ADJOINING BUSINESSES



Unit 5 main entrance, showing warehouse entrance on left side and main entrance door to the right.



Back of building showing warehouse exit and adjoining storage unit (owned by Landlord and not part of unit 5)