



**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, May 26, 2020 7:00 pm

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

AMENDED AGENDA

This Agenda has been amended to include a Staff Report for Item 3 and staff presentations for Items 2 and 3.

MEETING GUIDELINES

In accordance with Executive Order N-25-20 and guidance from the California Department of Public Health on gatherings, remote public participation is allowed. We will address the Order in the following ways:

Members of the public may NOT physically attend meetings at the Morgan Hill City Council Chamber.

The Planning Commission meeting will be live-streamed on Channel 17 and on the City's website. Those members of the public wishing to participate remotely may do so via the electronic meeting at: <https://bit.ly/052620PlanningCommissionmtg> or by calling in to: (669) 900-9128, then enter the meeting id: 821 3232 3983.

Public comment for Planning Commission meetings will be accepted via email to pcpubliccomment@morganhill.ca.gov. Members of the public participating in the electronic meeting wishing to speak may do so during public comment.

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)

COMMENT FROM JOE BARANOWSKI SUPPLEMENTAL

ORDERS OF THE DAY

MINUTES APPROVAL

1. APPROVE THE MAY 12, 2020 MEETING MINUTES

Recommendation:

Approve Minutes.

PUBLIC HEARINGS

2. UP2019-0005: RAILROAD-GOYAL REQUEST FOR A CONDITIONAL USE PERMIT TO OPERATE A FREIGHT TERMINAL IN CONJUNCTION WITH THE DEVELOPMENT OF AN APPROXIMATELY 21,000 SQUARE FOOT INDUSTRIAL DEVELOPMENT ON A 2.66-ACRE SITE LOCATED AT 16500 RAILROAD AVENUE.

Recommendation:

1. Open/Close public hearing; and
2. Adopt a Resolution approving the Conditional Use Permit.

OTHER BUSINESS

3. IDEAS FOR ECONOMIC DEVELOPMENT RESILIENCY THROUGH LAND USE

Recommendation:

Planning Commission to receive presentation.

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.

Jenna Luna

From: Joe Baranowski <joe.b@mh-rgc.org>
Sent: Tuesday, May 26, 2020 5:23 PM
To: Jennifer Carman; Leslie Little; Jenna Luna; Michelle Bigelow
Cc: Joseph Mueller; Juan Miguel Munoz Morris; Laura Gonzalez-Escoto; Liam Downey; Malisha Kumar; Mohammad Habib; Wayne Tanda; Christina Turner; Maureen Tobin; Adam Paszkowski
Subject: Re: Process Question that caused a LOT of confusion at the end of last Preliminary Design Review

Hi Jenna,

I am requesting that this email, including the forwarded part from Dec 17, 2019 below be included as part of this evening's (May 26th, 2020) Planning Commission meeting non-agenda Public Comment and I plan to reference it when I speak at the meeting.

Near the end of the December 10th Planning Commission meeting on the Trammel Crow preliminary design review this exchange took place:

Commissioner Mueller: "I believe if we don't have another preliminary hearing the next meeting the Planning Commission should have is at the end of the comment period on the Draft EIR."

Adam Paszkowski: "Yes it would be, if there's no other hearing on the preliminary then it will be a public hearing for the Draft EIR clarification along with the General Plan and Zone change."

Commissioner Mueller: "The General Plan and Zoning Amendment, the first meeting would be really focused on the Draft EIR, right? Because the process is the EIR, the Draft EIR is published, I believe we requested an extended comment period, and at the end of that comment period the Planning Commission should hold a public hearing to make comments on the EIR because all those comments have to be responded to before we get the final EIR that comes with the entitlement hearings."

Adam Paszkowski: "Typically that's not, uh, the way it's completed."

Communication: Comment from Joe Baranowski Supplemental (OPEN PUBLIC COMMENT PERIOD)

Leslie Little: "Rite, comments are, there's a circulation period, and there are comments that are received, the final EIR is the compendium of the responses to all the comments from the comment period."

Commissioner Mueller: "O.K."

Leslie Little: "That becomes the document."

Commissioner Mueller: "That's true but this PC HAS held Draft EIR comment meetings."

Adam Paszkowski: "There might have been scoping meetings.?"

Commissioner Mueller: "No. No. OK?"

Leslie Little: I'll have to research that but that's not the process we defined.

Commissioner Mueller: "okay"

Leslie Little: We can look for you.

I believe (but have not asked the participants) that the the background of the exchange includes the fact that during both the first and the second preliminary design review meetings City staff could not or would not answer the basic question of "what is the EIR even looking at" that was asked by multiple planning commissioners and several speakers from the public along with the fact that there were and still are MANY unknown questions about this project.

About a week later I sent the email below asking for clarification.

Here we are some fice and a half months later and the "process" that is intended to be used for what is known to be a highly controversial project continues to be the privy of a few people in the planning department. In the 'new normal' world we find ourselves,

the old normal is still how the City views the public's right and responsibility to participate in decisions that impact our future.

We now have a 259 page Draft EIR produced by a lead 'CEQA consultant' who looked for and found ways "which would avoid the need altogether for a public review period" when they had the same role in the Shoe Palace project. Apparently now, along with City staff, they are looking for ways which would avoid the possibility of having more than one meeting to cram a 259 page Draft EIR, all comments and responses, a Master Plan (that has NEVER been seen yet, not even close, the Preliminary Design Review was pure hand-waving) and what will surely be many hundreds of people wanting to speak into a single meeting.

The silence for the past 5 1/2 months on the question below SPEAKS VOLUMES. There is no 'trick question' here. The public has a right to know how this project will be brought to a vote. The above dialogue showed that not even the Planning Commission had a clue as to what the 'process' will be and raised concerns that 'one more meeting' would not be sufficient and noted that the past shows this does not have to be the way forward.

It doesn't matter whether the time between now and the one meeting that David J Powers and the City have 'defined' the process to be is 60, 90 120 or some other number of days. One meeting will not be sufficient. Reducing public input to one or two minute sound bites, as the current plan would do, is not a 'process' - it is another travesty of everything the CEQA process is supposed to accomplish.

In those December Preliminary Design Review meetings, Planning Commission members made quite an effort to remind the public that they need to respect City staff and should address their comments in a respectful way.

You know what Commissioners? Respect is a two-way street and it doesn't start and end on the day or evening of a public meeting.

The current plan will not be supported by the public because it is nothing but an attempt to ramrod this project to a final city council approval vote without any serious attempt at resolving public concerns.

Make a real plan. Multiple meetings will be necessary - especially if they are forced to be held via remote access only. Tell us when a REAL Master Plan will be made available. Respect the public's right to a fair and reasonable process, one that will give public members a real, not token, opportunity to participate. Tell the residents that are the ultimate decision makers what a fair process will be NOW. It doesn't take 5 1/2 more months.

Joe Baranowski

----- On Tue, 17 Dec 2019 16:25:29 -0800 **Joe Baranowski** <joe.b@mh-rgc.org> wrote -----

Jennifer,

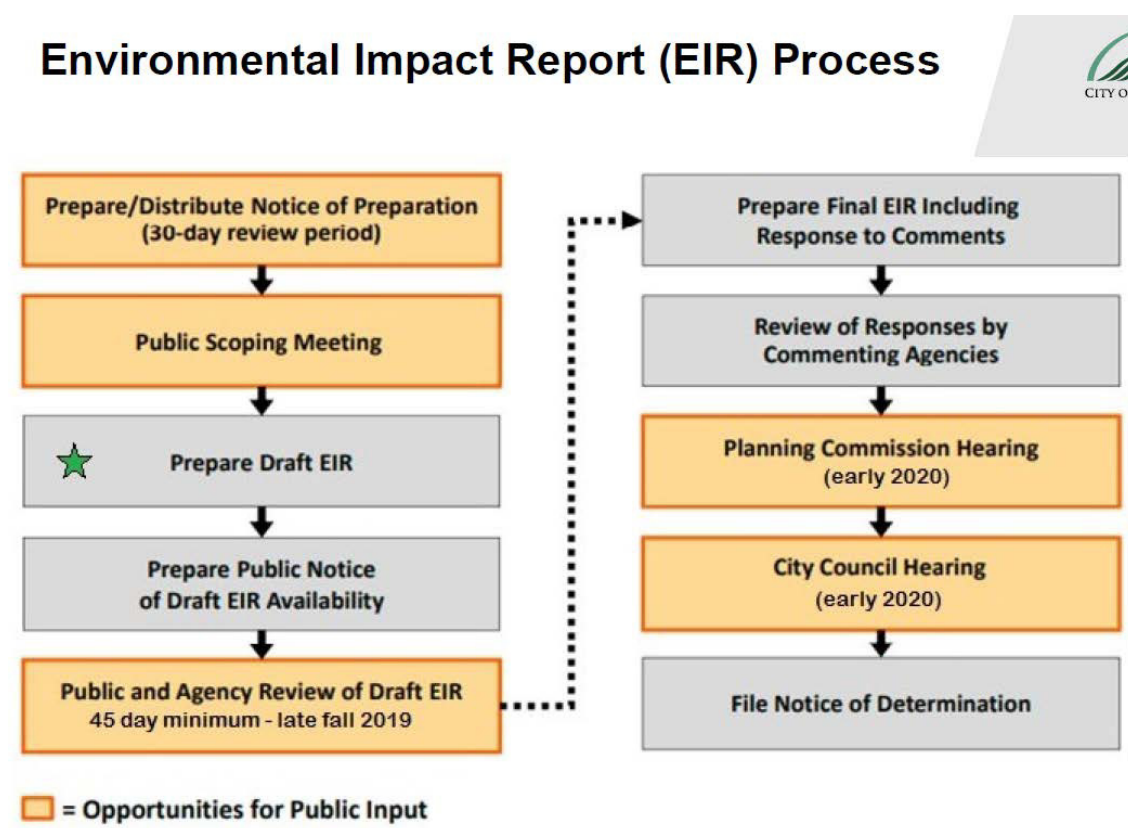
There was confusion at the end of the last Preliminary Design Review meeting that was not really ended by the discussion between the PC and the staff.

Are the "Planning Commission Hearing" meetings depicted in the two process drawings below planned to be one in the same or will there be two separate meetings, one to review the Final EIR and one to review AND vote on the entire 'application' - which would include voting on a Master Plan which we have never seen and have no commitment on a timeline to see?

Given the complexity of the EIR, the high expected community participation for both the EIR and the Planning Commission actual vote and other obvious considerations, it seems guaranteed that trying to do this in a single meeting, as I interpreted the staff comments to indicate as the current plan, can only be expected to result in a very unsatisfactory outcome - for everyone.

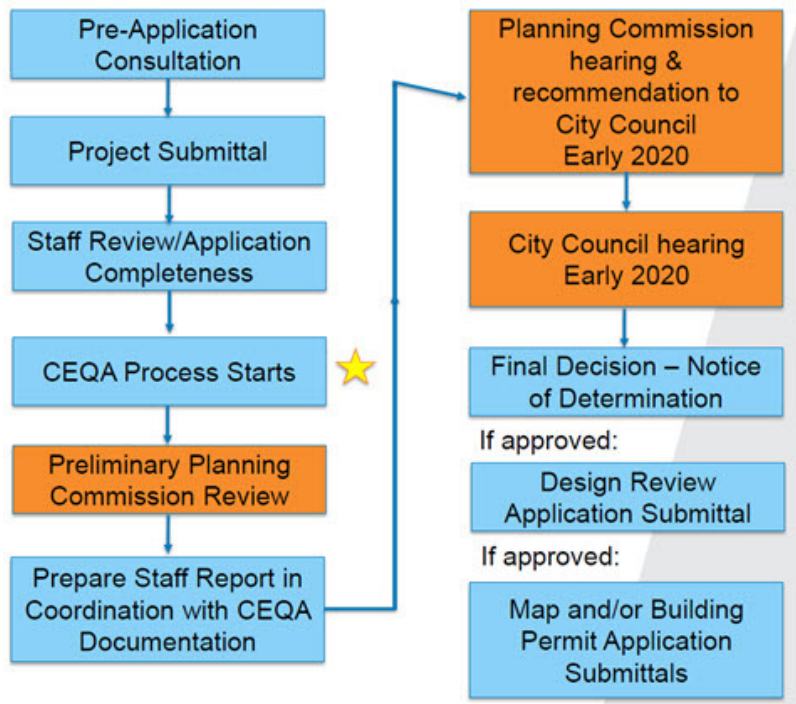
Thank you for your anticipated reply which IMO would be good to also share with the community as this issue is NOT understood.

Joe Baranowski



Communication: Comment from Joe Baranowski Supplemental (OPEN PUBLIC COMMENT PERIOD)

Entitlement Process



WARNING: This message is from an external user. Confidential information such as social security numbers, credit card numbers, bank routing numbers, gift card numbers, wire transfer information and other personally identifiable information should not be transmitted to this user. For question, please contact the Morgan Hill IT Department by opening a new helpdesk request online or call 408-909-0055.

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, May 12, 2020 7:00 pm

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

MEETING GUIDELINES

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Public comment for Planning Commission meetings will be accepted via email to pcpubliccomment@morganhill.ca.gov. Members of the public participating in the electronic meeting wishing to speak may do so during public comment.

CALL TO ORDER

Chair Munoz-Morris called the meeting to order.

Minutes Acceptance: Minutes of May 12, 2020 7:00 PM (Minutes Approval)

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Bigelow called the roll.

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

DECLARATION OF POSTING AGENDA

Deputy City Clerk Michelle Bigelow declared the posting of the agenda.

PLEDGE OF ALLEGIANCE

Planning Commission Mueller led the Pledge of Allegiance.

OPEN PUBLIC COMMENT PERIOD

Chair Munoz-Morris opened the Public Comment Period at 7:03 p.m. Hearing no requests to speak, the Public Comment Period was closed.

MINUTES APPROVAL

1. APPROVE THE APRIL 28, 2020 MEETING MINUTES

Recommendation:

Approve Minutes.

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

ORDERS OF THE DAY

No changes made.

PUBLIC HEARINGS

None.

OTHER BUSINESS

2. FY20/21-25/26 CAPITAL IMPROVEMENT PROGRAM

Recommendation:

1. Receive report on proposed FY 2020/21 through FY 2025/26 Capital Improvement Program (CIP); and,
2. Adopt Resolution accepting CIP and make a Finding of Consistency with the General Plan.

Public Services Director Chris Ghione gave the presentation.

The Planning Commission meeting recessed at 7:14 p.m.
The Planning Commission meeting reconvened at 7:20 p.m.

MOTION:

Adopt a resolution recommending acceptance of City's Capital Improvement Program with a correction to the Fiscal Year date under the first Whereas - This date should read, "Fiscal Year 20/21 - 25/26".

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

DIRECTOR'S REPORT/ANNOUNCEMENTS

Community Development Director Jennifer Carman gave the report.

ADJOURNMENT

There being no further business, Chair Munoz-Morris adjourned the meeting at 9:02 p.m.

MINUTES PREPARED BY:

Jenna Luna, Minutes Clerk

Minutes Acceptance: Minutes of May 12, 2020 7:00 PM (Minutes Approval)



PLANNING COMMISSION STAFF REPORT

MEETING DATE: May 26, 2020

PREPARED BY: Terry Linder, Senior Planner

APPROVED BY: Jennifer Carman, Community Development Director

UP2019-0005: RAILROAD-GOYAL REQUEST FOR A CONDITIONAL USE PERMIT TO OPERATE A FREIGHT TERMINAL IN CONJUNCTION WITH THE DEVELOPMENT OF AN APPROXIMATELY 21,000 SQUARE FOOT INDUSTRIAL DEVELOPMENT ON A 2.66-ACRE SITE LOCATED AT 16500 RAILROAD AVENUE.

RECOMMENDATION(S)

1. Open/Close public hearing; and
2. Adopt a Resolution approving the Conditional Use Permit.

LOCATION MAP



PROJECT SUMMARY

1. Location: 16500 Railroad Ave, East side of Railroad Ave.
2. Site Area: 2.66 Acres
3. General Plan: Industrial
4. Zoning: General Industrial (IG)

PROJECT DESCRIPTION

Request for a Conditional Use Permit to operate a freight terminal in conjunction with the development of an approximately 21,000 square foot industrial development on a 2.66-acre site located at 16500 Railroad Avenue. AU Energy is proposing to construct a 13,000 square foot truck terminal building (Phase 1-Building A). The company's fleet of (12-15) tanker trucks will be dispatched to deliver gasoline products to service stations in the Bay Area. The truck delivery tanks are filled at an off-site location and all truck delivery tanks are empty prior to returning to the proposed facility. An on-site above ground fuel tank is proposed as part of the project to be used to fuel the individual delivery trucks. AU Energy is currently operating their truck terminal on the neighboring site to the north at 16530 Railroad Avenue.

Phase 2 includes demolition of the existing 1,670 square foot residence and construction of an 8,000 square foot industrial office building (Building B). Building B will initially be leased for light industrial space but in the future (2-3 years), the applicant would like to move other (non-trucking) components of the AU Energy Inc. business to the site. Specifically, the applicant would like to move the gas station company offices and wholesale marketing supply warehouse into Building B. The uses in Building B would be limited to uses permitted by right in the General Industrial zoning district unless this CUP is amended. Permitted uses include professional offices and wholesale businesses. Phase 2 includes an additional 24 parking stalls in addition to the 34 provided in Phase 1 for a total of 58 parking stalls. The total number of parking stalls provided exceeds the minimum number required by Chapter 18.72 of the Morgan Hill Municipal Code.

Proposed Operations

The office and service portion of the truck terminal is proposed to operate daily from 7:00 AM to 5:00 PM. There will be a total of 15 trucks in the fleet. Three of the trucks would remain on site for maintenance and washing and approximately 12 trucks would be dispatched from the site in two main shifts that begin at 4:00 AM and 4:00 PM. Truck fueling would occur at the rear of the site. The trucks are filled offsite and return to the site empty. The existing residential structure on the site will potentially be used as a residence for the truck terminal's manager. If the repairs to the residences are determined to be cost prohibitive, the structure will be demolished as part of Phase 1.

A Detailed Project Statement of Operations have been attached (Attachments 2).

Proposed Site Improvements

Curb, gutter and sidewalk currently exist along the parcel's Railroad Avenue frontage. Primary access to the project site will be provided by a single driveway at Railroad Avenue. From the driveway, a new drive aisle will extend eastward and loop around Building A in the eastern portion of the site. The proposed on-site circulation system has been designed to accommodate large truck turning radius requirements, and the project will provide enough area to accommodate delivery truck/emergency vehicle backup and turning movements. As such, adequate emergency vehicle access will be provided at the project site. The truck terminal operation consists of the following components:

Phase I

Office	4,700 square feet
Shop	1,400 square feet
Service Bays	4,300 square feet
Truck Wash	2,600 square feet

Phase 2

Building	8,000 square feet
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Detailed project plans have been provided (Attachment 3). The proposed architectural and landscape plans are conceptual and will be refined as part of the Design Review Permit process.

Site Description

The 2.66 acre, flat, rectangular site is surrounded by the existing AU Energy facility and a light industrial building to the north, a senior housing facility to the east, a light industrial seafood processor/wholesale distributor to the south, and the Union Pacific Railroad (UPRR) tracks to the west on the opposite side of Railroad Avenue. Currently, the site is developed with one residential unit and two accessory structures (a garage and a storage container). Several trees exist throughout the project site.

Surrounding Zoning/Land Use

North: IG / Light industrial building (existing AU Energy facility)

South: IG / Light Industrial

East: CS (PD) / Commercial

West: IG / Light Industrial

ANALYSIS:

The proposed Conditional Use Permit was analyzed for consistency with:

1. General Plan;
2. Zoning Ordinance;
3. Performance Standards;
4. Conditional Use Permit Findings; and,
5. California Environmental Quality Act.

1. General Plan

The proposed truck terminal is consistent with the Industrial General Plan land use designation in the Morgan Hill 2035 General Plan that allows a wide range of research, warehouse, manufacturing, service commercial, and other job generating uses.

The use is appropriate within the Industrial Subarea 4 which is described in the General Plan as the City's Established Employment Area that contains heavier industrial uses and provides future opportunities for a diverse range of industrial uses.

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

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; buffers may include offices adjacent to sensitive uses, landscaping, berms, etc.

Policy CNF-17-5 Industrial Design Standards

Require all new industrial development to be consistent with the design and landscaping standards set forth in the Architectural Review Handbook.

Policy ED-3.1 Business Retention, Expansion, and Attraction Efforts

Encourage retention and expansion of existing businesses, and attract new businesses that:

- add industry diversity to the local economy
- stimulate other businesses to develop in the city
- augment or provide a service/amenity presently needed or lacking in the community, including higher education and medical services opportunities

Consistency

To expand and consolidate operations, AU Energy is proposing to develop a new truck terminal on the property adjacent to their existing operation. They anticipate adding up to 10 new employees and expand their operations by 50 percent. Approval of the Conditional Use Permit would allow for the retention and expansion of an existing industrial use that supports the local economy.

The use is well sited and buffered from incompatible uses. The new development would be located within an established industrial area and setback 172 feet from the easterly property line and separated from the adjacent assisted living facility with a 6-foot masonry wall and 10 feet of landscaping along the property line.

2. Zoning Ordinance

The zoning designation of the site is General Industrial (IG). The purpose of the IG zoning district is to provide areas for general industrial, manufacturing, wholesale and service uses needed by the city and region subject to regulations necessary to protect other nearby uses from hazards and noise and other disturbances.

The table below summarizes the project's consistency with the IG development standards.

Standard	Requirement	Proposed	Consistent
Setbacks:			
Front	30'	60'+	Yes
Rear	20'	172'	Yes
Side	15'	15'	Yes
Height	50'	27'	Yes
Building Coverage	60%		Yes
Parking Truck Terminal: 1/1000 Shop: 1/300 Office: 1/300	26 (Phase 1)	34 (Phase 1)	Yes

Section 18.92.130 of the Morgan Hill Municipal Code, Residential Transition Standards, establishes increased setback, height, and landscaping standards for non-residential land uses that abut residential properties. The standards apply to all properties in a mixed use, commercial, or industrial zoning district that abut a residential zoning district or land use. The adjacent property to the east has a commercial general plan land use designation and service commercial/planned development zoning designation but has been developed with two assisted living facilities. As assisted living facilities', the use functions similar to a residential land use where people reside full time on the property. The proposed project complies with the residential transition standards by providing more than the twenty-foot minimum setback from the eastern property line and provide a 10-foot wide planter area that includes the required tree screen with trees planted at a maximum interval of fifteen feet.

3. Performance Standards

Chapter 18.76 of the Morgan Hill Municipal Code establishes performance standards for uses and activities to protect the community from nuisances, hazards, and objectionable conditions; promote compatibility of different land uses; and to protect the environmental resources. The project was been evaluated for consistency with the applicable Performance Standards pertaining to noise, hazardous materials and air quality.

a. Noise

The proposed project has the potential to generate noise primarily from on-site truck movement and fleet maintenance within the proposed service bays. The proposed project is required to comply with the noise limitations stipulated within Morgan Hill Municipal Code Section 18.76.090, which limits noise as measured at the lot line adjacent to residential uses to 60dB(A).

A Noise Analysis (Appendix D of Initial Study) was prepared for the project and utilized measurements from the existing freight terminal use on the adjacent parcel to the east.

The report concluded that operation of the proposed project would not result in the generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the City's General Plan and the Municipal Code.

On-Site Truck Movements: With the site configuration including a 10-foot setback at the eastern site boundary and the length of the tractor trailer, the engine/exhaust would be located at least 65-feet from the eastern site boundary. An attenuation rate of 6 dB per doubling of distance would result in on-site truck movement noise levels of approximately 44 dB L_{dn} at the eastern site boundary. Accounting for the sound level reduction provided by the existing property line noise barrier, on-site truck movement noise levels would be approximately 39 dB L_{dn} at the residential receptor property line to the east. Noise would be further reduced by the proposed 6-foot concrete wall. Therefore, on-site truck movements are predicted to comply with the City of Morgan Hill maximum outdoor noise level standards 60dB(A), as presented in General Plan Policy SSI-8.1 and the Municipal Code.

Fleet Maintenance: Maintenance activities associated with the proposed project are calculated to be less than 43 dB at the eastern site boundary. Thus, light mechanical and maintenance activities performed in the freight terminal bays are anticipated to comply with the City of Morgan Hill noise level standards.

b. Hazardous Materials.

The proposed project is required to comply with the Performance Standards for Hazardous Materials in Morgan Hill Municipal Code Section 18.76.070 that requires the use, handling, storage and transportation of hazardous materials to comply with the California Hazardous Materials Regulations and the California Fire and Building Codes, as well as the laws and regulations of the California Department of Toxic Substances Control and the County Environmental Health Agency.

The proposed project would include installation of an above-ground fuel tank in the northeast corner of the project site. As indicated in the Initial Study, the tank would hold diesel fuel and would only be used for private AU Energy operations. The amount of fuel to be pumped at the project site annually would range between 200,000 and 300,000 gallons. The fuel tank would be constructed with a double wall and spill protection features as required by State and County laws.

The use and storage of hazardous materials is regulated by the Santa Clara County Hazardous Materials Compliance Division. The applicant will have to prepare a Hazardous Materials Management Plan (HMMP) to be uploaded to the California Environmental Reporting System (CERS). The HMMP would list the quantities of any chemicals to be held on-site, as well as spill prevention materials and training documents. In addition, Morgan Hill Municipal Code Section 8.40.750 establishes regulations related to the types and quantities of hazardous materials that may be stored or used within the City.

c. Air Quality

The proposed project is required to comply with the Performance Standards for Air Contaminants in Morgan Hill Municipal Code Section 18.76.030 as it requires all uses or activity to operate in a manner that will not emit excessive dust, fumes, smoke, or particulate matter. Sources of air pollution must also comply with all rules established by the Environmental Protection Agency (Code of Federal Regulations, Title 40), the California Air Resources Board (CARB), and the Bay Area Air Quality Management District (BAAQMD).

The pollutant concerns with the proposed use are carbon monoxide (CO) emissions that come from the on-site truck fueling and Toxic Air Contaminants (TAC) from the diesel truck exhaust.

Two assisted living facility are located 65 feet to the east of the subject site. Assisted living facilities are classified as sensitive land uses because elderly populations tend to have greater health problems and thus are more vulnerable to the effects of air pollution. The CARB's *Air Quality and Land Use Handbook: A Community Health Perspective* (Handbook) provides recommended setback distances for sensitive land uses from major sources of TACs. Pursuant to the CARB handbook, a 50-foot separation is recommended between sensitive land uses and typical gasoline dispensing facilities.

The proposed on-site fuel tank would qualify as a typical gasoline dispensing facility. The nearest sensitive receptor is located 65 feet to the east of the proposed pump location, which is consistent with the CARB Handbook recommendations.

As for truck exhaust, the CARB considers land uses that experience 100 daily heavy-duty truck trips or more to be a significant source of diesel particulate matter (DPM). The proposed project with 12 trucks, would generate approximately 48 average daily heavy-duty truck trips. Because the proposed project would not result in 100 or more heavy-duty truck per day at the site, operation of the proposed project would not be considered a substantial source of DPM.

4. **Conditional Use Permit Findings**

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

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

A truck terminal may be conditionally allowed in the IG General industrial district, with the approval of a Conditional Use permit. The Planning Commission could approve the request for a Conditional Use Permit for the truck terminal 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.**

A truck terminal is considered an industrial use that is consistent with the Industrial land use designation. A truck terminal is conditionally allowed in the IG General industrial district, subject to the performance and development standards. The project as proposed is consistent with the General Plan and Zoning Code.

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

The 2.66 acre rectangular-shaped parcel has sufficient width and depth to allow for adequate setbacks, parking and on-site circulation thus making it suitable and adequate for the proposed truck terminal use.

- 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.**

The site is bordered on two sides (north/south) by existing industrial uses and buildings and on the third side (east) by two assisted living facilities. The proposed use has operated on the rear portion of the adjacent, three-acre parcel for over 10 years without any known issues or complaints. Current operations include the use of six to eight trucks per day and five to eight on-site employees. The operations proposed at the project site initial will be the same as the current level however in the future, the use would like to expand to 12 to 18 daily employees with as many as 15 trucks (12 dispatched, 3 under maintenance).

The proposed operations at the project site will be the same as the existing AU Energy facility. Specifically, the truck-drivers would come to the proposed facility, park their personal cars, meet with the dispatch personnel and safety team, and then leave the site in delivery trucks. Upon returning from the deliveries, drivers would check in the truck and allow the next driver to make their respective deliveries. All trucks would return empty to the facility.

The hours of operation would remain the same, with office and maintenance personnel working 7:00 AM to 5:00 PM with an after-hours dispatcher on-site for the night shift. The first driver shift would be generally from 4:00 AM to 4:00 PM and the second shift would be from 4:00 PM to 4:00 AM.

The mechanical operations are provided between the hours of 8:00 AM and 5:00 PM and consist of light repairs, inspections, tire changes and oil changes. The proposed truck wash station is hand wash only and would not include any mechanical or automated equipment. It will operate mainly from 8:00 AM and 5:00 PM.

Continued compatibility with existing and future land uses in the vicinity, would be maintained through the improvements proposed on the subject site, and the continued

operations of the existing UA Energy use as it relocates its existing operations from the adjacent site.

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

As discussed earlier in the Performance Standards section of this report, the potential detrimental effects associated with the proposed freight terminal are noise, hazardous materials, and air quality.

Noise

According to the Noise Report prepared for the proposed project, the fleet maintenance and truck movement activities will not exceed the City of Morgan Hill outdoor noise level standards. Therefore, noise levels generated by the proposed use should not be detrimental to the surrounding public health, safety and welfare.

Hazardous Materials

The proposed project is required to comply with the Performance Standards for Hazardous Materials in Municipal Code, the California Hazardous Materials Regulations and the California Fire and Building Codes, as well as the laws and regulations of the California Department of Toxic Substances Control and the County Environmental Health Agency. Compliance with the local, county and state codes and regulations pertaining to hazardous material use and storage, should ensure the proposed use will not be detrimental to the surrounding public health, safety and welfare.

Air Quality

The proposed project meets the recommended 50-foot separation requirement, from sensitive receptors, and based on the maximum number of trucks dispatched (12) will result in emissions below the applicable thresholds of significance. The proposed freight terminal use is also required to meet all City Performance Standards and all State and Federal air quality regulations. The proposed use should not be detrimental to the surrounding public health, safety and welfare.

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

The proposed project would result in approximately 48 truck trips based on up to 12 dispatched delivery trucks for two shifts per day. There would be up to 18 on-site (office/maintenance) employees, potentially resulting in an additional 36 average daily trips (ADT). Thus, the proposed project would result in a total of approximately 84 ADT. For comparison purposes a 21,000 square foot light industrial use would generate approximately 147 ADT based on the Institute of Traffic Engineers trip generation rate of 6.97 trips per 1000 square feet.

Overall, due to the relatively minimal vehicle trip generation associated with the proposed use, the project would not be expected to degrade peak period LOS at any nearby intersections or roadway sections. In addition, development of the project is consistent with the General Plan land use and zoning designations so the associated effects on local transportation facilities have already been anticipated by the City within the General Plan Circulation Element.

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

The proposed use is located within the City limits and within an existing industrial area consistent with the City Zoning and General plan. Utilities, such as gas, water, sewer, and electricity, and public services are available to the site and are adequately sized to support the use at the proposed location.

Stormwater for the project site is proposed through ten, on-site drainage management areas where runoff will be detained and filtered prior to its metered release into the City's storm drain system within Railroad Avenue.

The proposed project will be adequately served by the existing and planned services and infrastructure.

California Environmental Quality Act (CEQA):

An Initial Study was prepared (Attachment 4) to provide substantial evidence supporting a determination that the project can be considered exempt from the California Environmental Quality Act CEQA. The checklist analysis determined that the project would not have a significant effect on the environment and therefore, would be subject to Section 15332 of CEQA as an In-Fill development project on the following basis:

- a. The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.
- b. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
- c. The project site has no value as habitat for endangered, rare or threatened species.
- d. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
- e. The site can be adequately served by all required utilities and public services.

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. A sign was also posted on the site for the minimum 10-day period

LINKS/ATTACHMENTS:

1. PC RESOLUTION
2. Statement of Operations
3. Project Plans (Weblink)
4. CEQA Initial Study and Associated Reports (Weblink)
5. 02 Item 2 - Supplemental #1: Staff Presentation
6. 02 Item 2 - Supplemental #2: Q&A
7. 02 Item 2 - Supplemental #3: Q&A

RESOLUTION NO. 20-06

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL APPROVING A CONDITIONAL USE PERMIT FOR A TRUCK (FREIGHT) TERMINAL TO BE LOCATED AT 16500 RAILROAD AVE. (APN: 817-58-002)

WHEREAS, on October 19, 2019, Mr. Sunny Goyal for Au Energy, LLC submitted an application for a Conditional Use Permit to allow for a truck (freight) terminal; and

WHEREAS, such request was considered by the Planning Commission at their regular meeting of May 26, 2020; and

WHEREAS, pursuant to Morgan Hill Municipal Code Section 18.136.050.A, the Director of Development Services determined the project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15332 In-Fill Development; 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. As described in the Initial Study and associated reports, the Project approved pursuant hereto is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15332 In-Fill development, of the CEQA Guidelines because:

- a. The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.
- b. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
- c. The project site has no value as habitat for endangered, rare or threatened species.
- d. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
- e. The site can be adequately served by all required utilities and public services.

SECTION 2. 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.**

A truck terminal may be conditionally allowed in the IG General industrial district, with the approval of a Conditional Use permit.

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.**

A truck terminal is considered an industrial use that is consistent with the Industrial land use designation. A truck terminal is conditionally allowed in the IG General industrial district, subject to the performance and development standards.

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

The 2.66 acre rectangular-shaped parcel has sufficient width and depth to allow for adequate setbacks, parking and on-site circulation consistent with the requirement of the Morgan Hill Municipal Code thus making it suitable and adequate for the proposed truck terminal use.

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.**

The proposed truck terminal use has operated on the adjacent for over 10 years without any known issues or complaints. The proposed truck terminal operations are consistent with the current terminal operations and the proposed expansion of the use to a maximum of 15 trucks and 20 employees has been found not to create any significant impacts. Continued compatibility with existing and future land uses in the vicinity, would be maintained through the improvements proposed on the subject site, and the operation of the truck terminal use as approved through the subject conditional use permit.

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

The potential detrimental effects associated with the proposed freight terminal have been mitigated through the proposed site design and compliance with all required City, County and State regulations

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

Due to the relatively minimal vehicle trip generation associated with the proposed use, the project would not be expected to degrade peak period LOS at any nearby intersections or roadway sections.

- 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 limits where utilities, such as gas, water, sewer, and electricity and public services are adequate and provided.

SECTION 3. The Planning Commission hereby approves the conditional use subject to the conditions set forth in Section 5 below. The truck terminal use shall be expressly conditioned to operate in conformance with statement of operations incorporated herein and as attached as Exhibit "A", attached hereto and incorporated herein by this reference. Any expansion, intensification, or changes to the uses approved under this Conditional Use Permit shall be permitted only upon amendment of this Conditional Use Permit or approval of a separate Conditional Use Permit application.

SECTION 4. 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.

SECTION 5. The approved project shall be conducted in a manner consistent with the following conditions of approval:

1. TIME LIMITS

The Conditional Use Permit approval shall remain in effect for 24 months to May 26, 2022. 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)**

2. USE LIMITATIONS

- a. The existing single-family residence shall be maintained in a habitable condition or demolished.
- b. Occupancy of the single-family home shall be limited to a truck terminal employee and their immediate family.
- c. Maximum number of trucks in conjunction with the freight terminal shall be 15.
- d. The fuel tank on site is for the sole use of the truck terminal and shall not to be sold or dispensed to the public.
- e. The mechanical operations within the service bays are limited to between the hours of 8:00 AM and 7:00 PM.
- f. The proposed truck wash station is hand wash (pressure nozzle, washing wand) only and shall not include any drive-through or automated equipment. It will operate only between the hours of from 7:00 AM and 7:00 PM.
- g. Any on-site lighting shall be shielded in a downward direction to minimize glare onto the adjacent property to the east. The number and type of lighting fixtures shall be maintained consistent with the lighting plan approved as part of the Design Permit application.
- h. Uses in Building B shall be limited to those uses permitted by-right in the General Industrial zoning district.

3. PRIOR TO COMMENCEMENT OF TRUCK TERMINAL USE:

- a. A Design Permit shall be reviewed and approved and found in substantial compliance with the site plan contained with the plan set titled "Conceptual Design, CUP Application, AU Energy" dated April 16, 2020, on file with the Planning Division, in application UP2020-0005: Railroad-Goyal. The Design Permit shall incorporate all of the conditions of approval referenced in the Initial Study for the Project.

- b. All Phase I improvements as shown on the plans plan set titled "Conceptual Design, CUP Application, AU Energy" dated April 16, 2020, on file with the Planning Division, in application UP2020-0005: Railroad-Goyal, shall be completed to the satisfaction of the Community Development Director.
- c. The existing single-family residence shall be repaired for habitation pursuant to applicable building codes or demolished. Any improvement or demolition of the single-family residence shall be conditioned as described in the initial study.
- d. All applicable City, County and State regulations and documentation shall be completed and in place for the storage and use of hazardous materials.
- e. 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.

4. HABITAT PLAN

- a. The approved project is covered under the Santa Clara Valley Habitat Plan (Habitat Plan) and subject to fees and conditions contained in the Habitat Plan.
- b. Prior to issuance of building permits or grading permits the project shall complete and submit a Habitat Plan Application Package. All fees must be paid prior to issuance building permits or grading permits. **(MHMC 18.132)**
- c. Any additional conditions or mitigations required by the Habitat Plan shall be clearly stated on all plans that involve any ground disturbing activity (i.e. grading plans, improvement plans, paving plans, demolition plans or other plans for site clearing or temporary stockpile of dirt). **(MHMC 18.132)**

5. 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. Submit two (2) signed copies of Resolution No. 20-06 to the Planning Division prior to issuance of building permits.

PASSED AND ADOPTED THIS 26th DAY OF MAY 2020, AT A REGULAR MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSTAIN: COMMISSIONERS:

ABSENT: COMMISSIONERS:

ATTEST:

APPROVED:

Jenna Luna, Deputy City Clerk

Juan Miguel Munoz-Morris, Chair

A F F I D A V I T

Attachment: PC RESOLUTION [Revision 6] (2736 : UP2019-0005: Railroad-Goyal)

We, _____, applicants, hereby agree to accept and abide by the terms and conditions specified in this resolution.

Au Energy, LLC

By: _____

Date: _____

Print Name and Title

Exhibit A

THOMSPSON HARVEY BAY AREA LLC

16530 RAILROAD AVE,
MORGAN HILL 95037
408-778-2610

10/30/2019

The city of Morgan hill,

We are a company that trucks Gasoline products to gas station owners in the greater bay area. Our operations consists of our trucking company office operations which includes corporate executive, sales people, safety managers, dispatchers, Accounting, Accounts receivable and Accounts Payable departments along with a mechanic and service team. All services are to operate and maintain our private network only.

Our drivers will be coming to this facility to park their personal cars, meet with dispatch and our safety team and then pick up their respective ordered and then take the truck. Upon returning after making their deliveries, drivers will check in the vehicle, hand it over to the next driver and then leave the facility in their personal vehicle.

We have two shifts but depending on the work load and schedules. Drivers will return at different times (staggered depending on the driver routes). Not all trucks will be driver every day. It depends on the work load and the seasonal fluctuations of the business along with driver availability.

At the facility daily employee head count is about

5-8 daily employees currently with capacity for more as we grow and shift people such as accounting staff and others.

Our hope is that after we are in operations our staff count will go to 12-18 employees daily from 8am-5pm

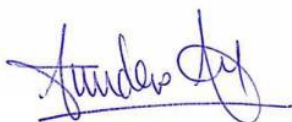
Monthly and quarterly meetings such as safety meeting will have 20-25 people attending total.

Detailed description of the proposed use including but not limited to:

1. Hours and days of operation – office hours are general from 7am -5pm. After hours there is one dispatcher onsite for the night shift.
 - a. Our trucks are on the road constantly and only return to the office for change of shift.
 - b. Currently we have 10 trucks based in the market.
 - c. We have two driver shifts are in general from 4am to 4pm and the second shift is from 4pm to 4 am.
2. Number of employees- 8 daily staff upon opening.
3. Number of average daily trips generated- On Average there will be about 10 trucks coming 2 times a day for a total of 20 truck trips. This assumes all trucks are running which is never the case. We always have 1-2 trucks parked for service or various other reasons.
4. Types of equipment or processes used- We distribute fuel so we do not store any product. We haul our clients materials. The trucks leave empty and return empty. The mechanics bays will have equipment necessary to do light repairs and inspections, such as tire change outs, oil change outs, headlight repairs, on board truck systems upgrades such as GPS etc...
5. Use of hazardous materials- We are proposing an above ground fuel tank that will hold the fuel necessary for truck operations only. This is not fuel that is resold to others but is only used for our truck operations. This is fuel that is pumped into the trucks. There will be some truck fluids such as oil, detergents etc... that will be kept on site.

The front building is speculative in nature and will be leased out to a business to operate in till we consolidate our offices in other locations to this location.

Should you have any further questions, please call me on my cell phone at 650-799-2949



Sunny Goyal

THOMSPSON HARVEY BAY AREA LLC

16530 RAILROAD AVE,
MORGAN HILL 95037
408-778-2610

10/30/2019

The city of Morgan hill,

We are a company that trucks Gasoline products to gas station owners in the greater bay area. Our operations consists of our trucking company office operations which includes corporate executive, sales people, safety managers, dispatchers, Accounting, Accounts receivable and Accounts Payable departments along with a mechanic and service team. All services are to operate and maintain our private network only.

Our drivers will be coming to this facility to park their personal cars, meet with dispatch and our safety team and then pick up their respective ordered and then take the truck. Upon returning after making their deliveries, drivers will check in the vehicle, hand it over to the next driver and then leave the facility in their personal vehicle.

We have two shifts but depending on the work load and schedules. Drivers will return at different times (staggered depending on the driver routes). Not all trucks will be driver every day. It depends on the work load and the seasonal fluctuations of the business along with driver availability.

At the facility daily employee head count is about

5-8 daily employees currently with capacity for more as we grow and shift people such as accounting staff and others.

Attachment: Statement of Operations (2736 : UP2019-0005: Railroad-Goyal)

Our hope is that after we are in operations our staff count will go to 12-18 employees daily from 8am-5pm

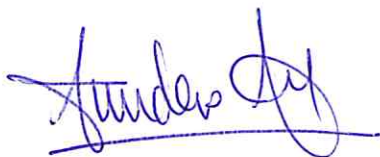
Monthly and quarterly meetings such as safety meeting will have 20-25 people attending total.

Detailed description of the proposed use including but not limited to:

1. Hours and days of operation – office hours are general from 7am -5pm. After hours there is one dispatcher onsite for the night shift.
 - a. Our trucks are on the road constantly and only return to the office for change of shift.
 - b. Currently we have 10 trucks based in the market.
 - c. We have two driver shifts are in general from 4am to 4pm and the second shift is from 4pm to 4 am.
2. Number of employees- 8 daily staff upon opening.
3. Number of average daily trips generated- On Average there will be about 10 trucks coming 2 times a day for a total of 20 truck trips. This assumes all trucks are running which is never the case. We always have 1-2 trucks parked for service or various other reasons.
4. Types of equipment or processes used- We distribute fuel so we do not store any product. We haul our clients materials. The trucks leave empty and return empty. The mechanics bays will have equipment necessary to do light repairs and inspections, such as tire change outs, oil change outs, headlight repairs, on board truck systems upgrades such as GPS etc...
5. Use of hazardous materials- We are proposing an above ground fuel tank that will hold the fuel necessary for truck operations only. This is not fuel that is resold to others but is only used for our truck operations. This is fuel that is pumped into the trucks. There will be some truck fluids such as oil, detergents etc... that will be kept on site.

The front building is speculative in nature and will be leased out to a business to operate in till we consolidate our offices in other locations to this location.

Should you have any further questions, please call me on my cell phone at 650-799-2949



Sunny Goyal



CONDITIONAL USE PERMIT APPLICATION

UP2019-0005: Railroad-Goyal



May 26, 2020

PROJECT SITE LOCATION



Project Description



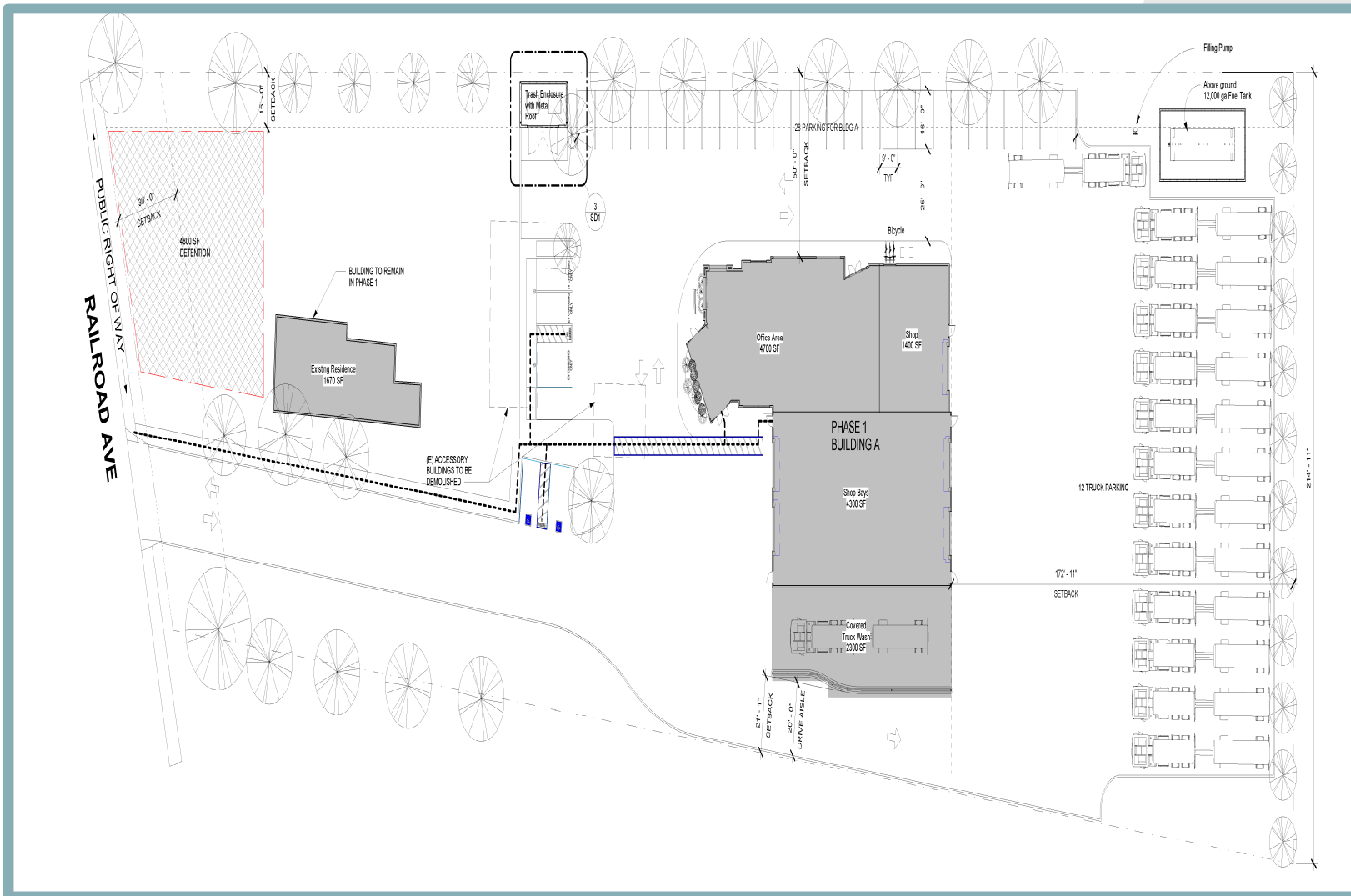
- AU Energy is proposing to construct a 13,000 square foot truck terminal building on a 2.66-acre site located at 16500 Railroad Avenue.
- The company's fleet of (12-15) tanker trucks will be dispatched from the site to deliver gasoline products to service stations in the Bay Area. The truck tanks are filled offsite and return to the site empty.
- Truck terminal office and maintenance (12-18) employees on-site daily from 7:00 AM to 7:00 PM.
- Truck drivers operate in two shifts, beginning at 4:00 AM and 4:00 PM.

Phase 1 Development –Truck Terminal Use



- 13,000 sq. ft. Building consisting of: 4,700 sq. ft. of office, 1,400 sq. ft. of shop area, 4,300 sq. ft. for service bays and 2,600 sq. ft. for truck wash.
- 25 ft. wide access driveway from Railroad Ave.
- Paved on-site circulation areas
- Detention pond
- 12 truck parking spaces
- 34 vehicle spaces
- 12,000-gallon fuel tank and pump
- Perimeter landscaping
- Retention of existing residence for use by AU Energy employee.

Phase 1: Truck Terminal Site Plan





Findings

1. Use is allowed in the applicable district:

A truck terminal use is conditionally allowed in the IG General industrial district

2. Use is consistent with the General Plan, Zoning Code, and any applicable specific plan or area plan adopted by the City Council:

The site development and use proposed if consistent with all applicable planning documents.

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

Site is of sufficient size to accommodate the truck terminal use and meet City site development and parking standards.

4. 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.

The proposed truck terminal use is consistent with adjacent General Industrial uses and provides sufficient buffers to the assisted living facility to the east. Continued compatibility would be maintained through the improvements proposed.



Findings Cont.

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

The potential detrimental effects associated with the proposed freight terminal have been mitigated through the proposed site design and compliance with all required City, County and State regulations

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

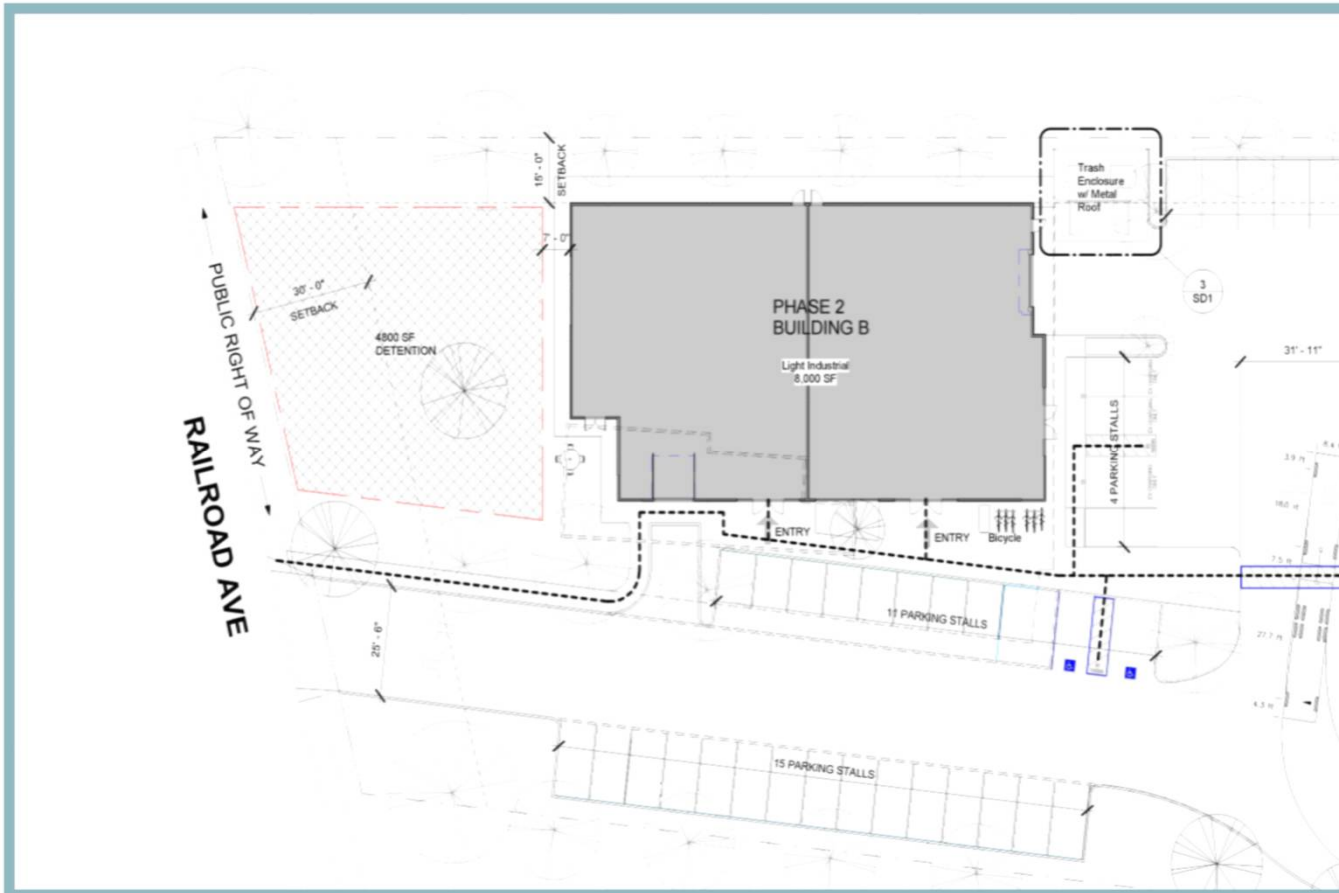
Due to the relatively minimal vehicle trip generation associated with the proposed use, the project would not be expected to degrade peak period LOS at any nearby intersections or roadway sections.

7. 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 limits where utilities, such as gas, water, sewer, and electricity and public services are adequate and provided.



Phase 2: Site Development



- Existing residence is demolished and replaced with 8000 sq. ft. light industrial building.
- 24 parking spaces added

Questions



CITY OF MORGAN HILL

Jenna Luna

From: Terry Linder
Sent: Tuesday, May 26, 2020 3:03 PM
To: Joseph Mueller
Cc: Jennifer Carman; Jenna Luna
Subject: Re: Question for tonight.

Hi Joe,

The maximum overall number of trucks leaving in and out daily is 12. The overall number in the fleet would potentially be 15, because three are rotated out for servicing. Those being serviced would be parked in the service bays or wash bay.

Terry

From: Jennifer Carman <Jennifer.Carman@morganhill.ca.gov>
Sent: Tuesday, May 26, 2020 1:43 PM
To: Terry Linder <Terry.Linder@morganhill.ca.gov>
Subject: Fw: Question for tonight.

From: Joseph Mueller <joseph.mueller@morganhill.ca.gov>
Sent: Tuesday, May 26, 2020 1:42 PM
To: Jennifer Carman <Jennifer.Carman@morganhill.ca.gov>
Subject: Question for tonight.

Jennifer,

Good afternoon,

A quick question for tonight's meeting. The Initial Study (p14 paragraph 2) indicates the study only covers 12 trucks but the Approval Resolution Indicates 15 trucks. Which is correct?

Thanks for the help.

Joe

Attachment: 02 Item 2 - Supplemental #2: Q&A (2736 : UP2019-0005: Railroad-Goyal)

Jenna Luna

From: Liam Downey
Sent: Tuesday, May 26, 2020 3:55 PM
To: Terry Linder
Cc: Jennifer Carman; Leslie Little; Juan Miguel Munoz Morris; Jenna Luna
Subject: Re: Questions - PC meeting 5-26-20 - Agenda item #2 - UP2019-0005

Terry, can you point me to where I can view the permitted uses by zoning district.

I guess my main question is why this is being labeled or applied for as a **freight terminal** when there is no freight handling involved. This is a **maintenance facility**, do we not have any classifications for a maintenance facility?

Liam

On May 26, 2020, at 2:56 PM, Terry Linder <Terry.Linder@morganhill.ca.gov> wrote:

Hi Liam,

Thank you for sharing your questions. My answers are in **blue text** below.

Terry

1. I see the applicant is asking for a CUP for a "FREIGHT TERMINAL". Is there a definition within our planning uses that defines what a freight terminal is? As it what is can an can not do/operate?

Our Definitions Chapter offers the following definition:

18.124.060 - Transportation, communication, and utility uses.

A. Freight Terminals and Transfer. Facilities for transfer and movement of freight, courier, and postal services by truck or rail. Excludes "light fleet-based services."

B. Light Fleet-Based Services. Passenger transportation services, local delivery services, medical transport, and other businesses that rely on fleets of three or more vehicles with rated capacities less than ten thousand pounds. Includes parking, dispatching, and offices for taxicab and limousine operations, ambulance services, nonemergency medical transport, local messenger and document delivery services, and similar businesses. Excludes towing operations (see "towing and impound") or delivery services with two or fewer fleet vehicles on site (see "business support services").

Based on the weight of the applicant's trucks it cannot be defined Light Fleet-Based Services.

Chapter 18.26 Industrial zoning districts

18.26.020 - Land use regulations.

A. Permitted Land Uses. Table 18.26-1 identifies land uses permitted in the industrial zoning districts.

Under the Transportation, Communication, and Utility Uses section of Table 18.26-1, "Freight Terminals and Transfer" is listed as "Conditional" in the General Industrial zoning district. The subject site is in a General Industrial IG, zoning district. The IG zoning district is the most intense (or heavy-duty) of the zoning districts offered by the city. Other industrial zoning districts do not permit (or conditionally allow) Freight Terminals.

2. It looks like the applicant plans to maintain these vehicles at this location (per the letter they submitted) . Appears that includes oil and tire maintenance. Is that allowed within the CUP or zoning for this location? Any information you can provide at the meeting would be helpful in the decision. Looks like phase 1 will have service bays, so that would include full maintenance of the vehicles?

By "vehicles" in the staff report I mean trucks, and only the trucks associate with the AU Energy business. The type of vehicle maintenance services proposed with the AU Energy use is a considered a "Permitted Use" in the IG zoning district.

3. Appears from the report that the applicant also plans to wash the vehicles at this location. Has there been any environmental assessment done on the waste water from these vehicles, which would most likely include gasoline and other oil based materials? Phase 1 includes a truck wash, is this a fully contained truck wash?

It is a fully contained truck wash. The drains associate with the truck wash will be required to have oil and grease separators per our code requirements. All pretreatment requirements for wash water run-off will be a condition of the Design Permit approval.

4. Page 5 of the presentation refers to a "truck terminal" whereas the application appears to be requesting for a "freight terminal"? Are these terms synonymous ? if not, which one is the applicant requesting? I see quite a difference between the two

Sorry, that's just me being inconsistent. As stated earlier our code classifies this use as a freight terminal. In my mind a freight terminal implies "freight" or "goods" being brought to the site. That is really not the case here since the trucks leave empty and return empty, so in my brain I want to call it a truck terminal.

5. On the staff report, under the proposed Operation section, it says **"The existing residential structure on the site will potentially be used as a residence for the truck terminal's manager"**. Is the CUP also asking for a full-time residential use also, in an industrial zoned area? Not clear to me from the report or the presentation. FYI, in the presentation it says "Existing residence is demolished and replaced with 8000 sq. ft. light industrial building."

Because the residence is existing it is considered a Non-Conforming use. So, if the applicant can fix-it up to a more habitable shape then he would like to have a manager reside on the property until phase 2 is built. The house must be demolished to make way for the construction of the phase 2 building which is likely to occur in the next 1-2 years. According to the applicant the cost to make the residences livable for his employees might exceed its value. He said it's very likely going to be demolished with the construction of phase 1.

6. Repot Section 2 - Zoning Ordinance states "**The zoning designation of the site is General Industrial (IG). The purpose of the IG zoning district is to provide areas for general industrial, manufacturing, wholesale and service uses needed by the city and region subject to regulations necessary to protect other nearby uses from hazards and noise and other disturbances.**"

A truck service facility does not really fit into an IG zoning, does it? Or am I missing something?

As I mentioned earlier, the IG industrial district is the most intense industrial district we offer. The proposed use is not consistent with the Light Industrial, office industrial or commercial industrial district. The IG district is the most fitting zoning district we have for this type of use.

7. 3a Noise - A study was completed. Has anyone notified the senior living facility next door of the intended CUP for this location?

Notices were mailed to all surrounding properties within 300 ft. As an adjacent property they received a notice. I have not received any calls or inquiries regarding the proposed application.

8. Is there a reason why the applicant is not asking for a CUP for a vehicle maintenance facility as opposed to a freight terminal? There is no "freight" involved here. The trucks leave empty and come back empty, and the primary purpose of the facility is parking and maintenance, not freight handling?

Vehicle (and truck) maintenance and repair both major and minor, are Permitted Uses in the IG zoning district. A conditional use permit would not be needed to locate or operate a truck or vehicle maintenance facility at this location. "Freight Terminal" is the closest definition we have that matches the proposed use.

From: Liam Downey <liam.downey@morganhill.ca.gov>

Sent: Tuesday, May 26, 2020 1:30 PM

To: Jenna Luna <Jenna.Luna@morganhill.ca.gov>

Cc: Gina Paolini <Gina.Paolini@morganhill.ca.gov>; Jennifer Carman

<Jennifer.Carman@morganhill.ca.gov>; Leslie Little <Leslie.Little@morganhill.ca.gov>; Terry Linder <Terry.Linder@morganhill.ca.gov>; Juan Miguel Munoz Morris <Juan.MunozMorris@morganhill.ca.gov>

Subject: Questions - PC meeting 5-26-20 - Agenda item #2 - UP2019-0005

Some questions for tonight's topic on the CUP for AU Energy - UP2019-0005 - Agenda Item #2

1. I see the applicant is asking for a CUP for a "FREIGHT TERMINAL". Is there a definition within our planning uses that defines what a freight terminal is? As it what is can an can not do/operate?

2. It looks like the applicant plans to maintain these vehicles at this location (per the letter they submitted) . Appears that includes oil and tire maintenance. Is that allowed within the CUP or zoning for this location? Any information you can provide at the meeting would be helpful in the decision. Looks like phase 1 will have service bays, so that would include full maintenance of the vehicles?

3. Appears from the report that the applicant also plans to wash the vehicles at this location. Has there been any environmental assessment done on the waste water from these vehicles, which would most likely include gasoline and other oil based materials? Phase 1 includes a truck wash, is this a fully contained truck wash?

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Thanks

Liam Downey
Planning Commissioner



PLANNING COMMISSION STAFF REPORT

MEETING DATE: May 26, 2020

PREPARED BY: Edith Ramirez, Economic Development Director
APPROVED BY: Jennifer Carman, Community Development Director

IDEAS FOR ECONOMIC DEVELOPMENT RESILIENCY THROUGH LAND USE

RECOMMENDATION(S)

Planning Commission to receive presentation.

REPORT NARRATIVE:

On May 20, 2020, the City Council provided direction to the City Manager to take immediate action and implement an economic recovery plan that takes immediate action to respond to the needs of Morgan Hill's business community and continues to execute strategies that support fiscal sustainability.

The economic landscape has been drastically impacted by the COVID19 pandemic. Since the March 16th Shelter-in-Place (SIP) Order by the County of Santa Clara Public Health Department, most of the City's businesses have experienced closures or decreased production and hotels are functioning at record-low occupancy rates. This pandemic has created an economic crisis that is affecting all, including the City of Morgan Hill due to loss of sales tax, Transient Occupancy Taxes (TOT), and recreation membership fees.

The City's Economic Development team is currently providing support to businesses with the following activities:

A. Information on Business Resources

The City has created a Business Resources webpage with information on loan programs, tax assistance and other resources. Four newsletters have been sent to all businesses with information on the latest financial and technical resources.

B. Business Outreach:

In partnership with the Chamber of Commerce and Visit Morgan Hill, a survey was sent to all businesses to better understand business impacts and needs. Staff has also reached out to the top 100 employers and sales tax generators.

C. Outreach to Developers:

Outreach is underway to developers processing commercial and industrial projects. Many of these projects are impacted and may be delayed and/or may

need to be delayed, value-engineered or temporarily postponed.

D. Technical & Financial Assistance:

The City is collaborating with the Small Business Development Center (SBDC) and the National Development Center to provide much needed financial assistance and technical support. Many Morgan Hill businesses have applied for the Economic Injury Disaster Program through SBA that offers up to \$2 million in debt to small businesses, non-profits, and sole proprietors and for the Paycheck Protection Plan (PPP) that offers up to \$10 million and includes a loan forgiveness associated with (re-)employing or paying salary to affected employees up to eight weeks.

E. Business Resiliency Roundtables:

The team has hosted six Business Resiliency Roundtables on Financial Resources, Communications Strategies, Retail, Tourism, Restaurants and Manufacturing. These roundtables include industry experts as guest speakers and offer a platform for businesses to share ideas and best practices.

Prior to the COVID-19 pandemic, the Economic Development team's work program was already focused on creating fiscal sustainability by growing existing companies, attracting new industry, growing professional jobs; and advancing goals for healthcare, retail, and tourism. The key goals for Fiscal Year 2020-2021 included:

- 1. Industrial Preservation Policy:** Update the Industrial Lands Analysis and develop a fiscal analysis of industrial areas that will help shape land use decisions that protect the job creating lands, further strengthening the General Plan (Fiscal Sustainability, Economic Development)
- 2. Retail Concentration Strategy:** Develop a policy to strengthen retail nodes and identify requirements that pose impediments for retail and identify areas where retail is not likely to succeed (Economic Development)
- 3. Property Business Improvement District:** Work with the downtown businesses to create a Business Improvement District for property improvements and marketing and promotion for Downtown (Economic Development)
- 4. High Speed Rail:** Respond to High Speed Rail's Environmental Impact Report/Study and advocate for mitigations including grade separations for traffic and circulation safety (Transportation, Advancing Regional Initiatives)
- 5. Telecommunications RFP:** Commence contract negotiations with service

provider to service City facility and explore enhanced connectivity to residential and commercial neighborhoods (Fiscal Sustainability, Economic Development)

6. **Healthcare:** Assist with the County of Santa Clara's efforts to revitalize the DePaul Health Center, update the Healthcare Market and Service Needs Study and work with other healthcare providers to facilitate expansion of services in Morgan Hill (Supporting our Youth, Seniors, and Entire Community)
7. **Free Freeze Program:** Perform an evaluation of the program and develop program modifications as an ongoing City program (Economic Development)
8. **Urban Land Institute (ULI) Fall Conference:** Participate with the Silicon Valley Economic Development Alliance to host a program during the 2020 Fall ULI Conference taking place in San Francisco (Economic Development)
9. **Events, Marketing, and Promotions:** Build on the success of 2019 Choose Morgan Hill events, continue to enhance the economic development conversation at a local level. Host a second annual Speaker Series, Wine Stroll VIP business appreciation luncheon, host a Broker Breakfast Retail Runway in partnership with San Jose and Gilroy, and host annual Manufacturing Day (Economic Development)

The above work program continues the implementation of the City's 2017 Economic Blueprint, which is the City's strategy for economic sustainability. The Economic Blueprint is the result of a two-year effort that received hundreds of community inputs and was thoroughly vetted with industry experts and economic development peers to ensure the activities (actions and strategies) would have positive financial return on investment trackable by the tangible economic indicators.

At the May 20th Council meeting, staff discussed a focused Economic Recovery Plan plan implement most of the key projects listed in the 2020-2021 work program in addition to the current activities supporting businesses during COVID-19. Staff presented the following new activities to support recovery of the restaurant industry, retailers, small businesses, encourage tourism, and support new investment.

- A. **ROAD DIET-**Work with the Community Services Department to explore a road diet implementation that will allow for retailers and restaurants to have more space, while at the same time exploring curbside pickup and other on-street parking policies that will help with deliveries, valet parking, etc.
- B. **COMPREHENSIVE PRELIM REVIEW-**Formalize city prelim review of conceptual commercial and industrial developments. City to schedule prelim review once a month to allow developers to schedule meetings and receive immediate feedback across departments.

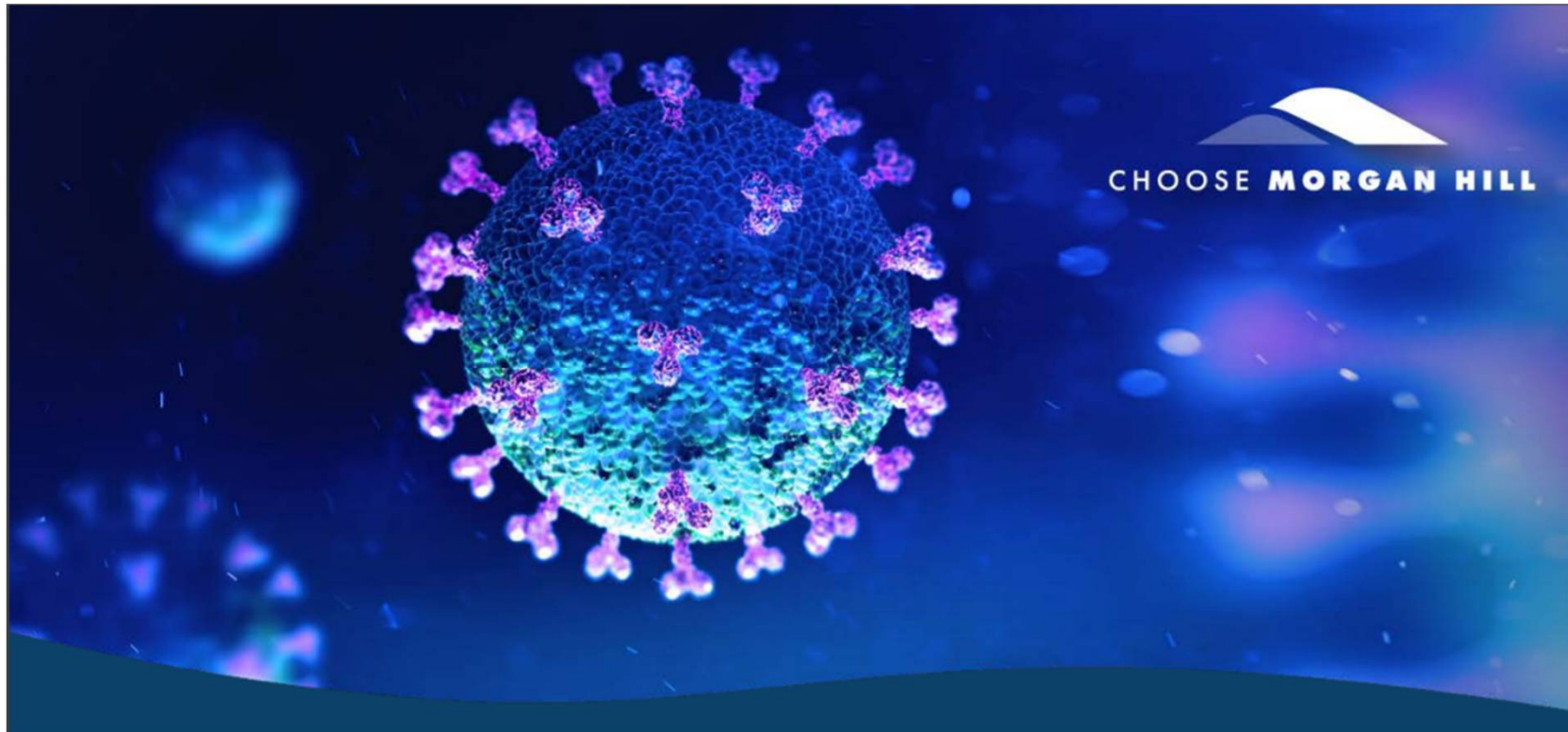
- C. CITY POLICIES** - Review City policies, including CUPs (hours of operation), PDs (clarity on development), Curbside Pickup, Telecommunication requirements for commercial and industrial developments, Placemaking and landscaping opportunities that will support the City's Place Branding, and Sign Policies that will support existing and new retail development.
- D. EVENT PROGRAMMING, DOWNTOWN PLACEMAKING** -Explore partnerships with community organizations to develop and execute events that will meet new distancing requirements and will activate Downtown. Activities could include art fairs and other placemaking opportunities like chalk art, outdoor art galleries, murals, and temporary art projects.
- E. BUY LOCAL CAMPAIGN**-Work with partners to execute a buy local campaign, creating awareness on local retailers and goods and encouraging local spending.
- F. POP UP RETAIL/WINDOW ACTIVATION**-Work with partners to develop opportunities to activate vacant windows and create non-brick and mortar retail opportunities, either with sidewalk activation or with temporary markets.
- G. APPLY FOR EDA FEDERAL GRANT:** Apply to EDA for funding associated with enhancing telecommunications capacity to expand infrastructure to residential and commercial areas in Morgan Hill.
- H. Enhance current crisis management efforts in addition to developing and distributing a handbook with protocols and strategies for re-opening by industry.

B. City is developing a “**Morgan Hill Dine al Fresco**” guide (Attachment B) for restaurants with information about how to obtain a temporary encroachment permit for City-owned/regulated sidewalks and streets from the City and amend necessary permits from the County Health Department and Alcohol Beverage Control (ABC). This will allow restaurants to meet physical distancing requirements by expanding their footprint outdoors onto private outdoor spaces or City's public Right-of-Way, like sidewalks or on street parking spaces. (This authority does not override private property CCR's where applicable)

Staff is seeking feedback from the Planning Commission on how the City of Morgan Hill can support the business community during this pandemic. Specifically, staff is seeking a conversation on how to support the economic recovery through land use.

LINKS/ATTACHMENTS:

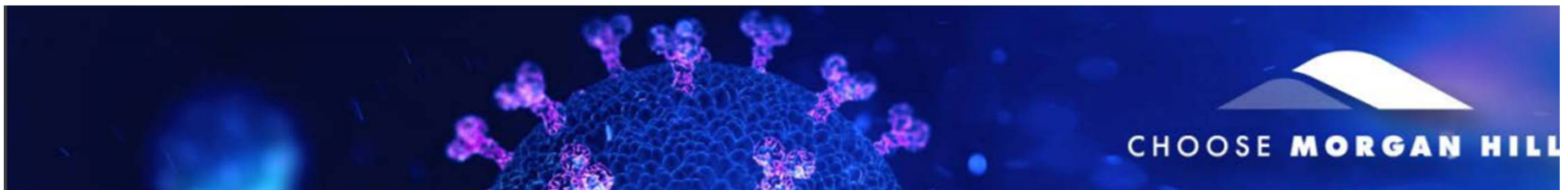
1. 03 Supplemental Item #1 - Staff Presentation



Economic Development Business Recovery
Planning Commission
May 26, 2020

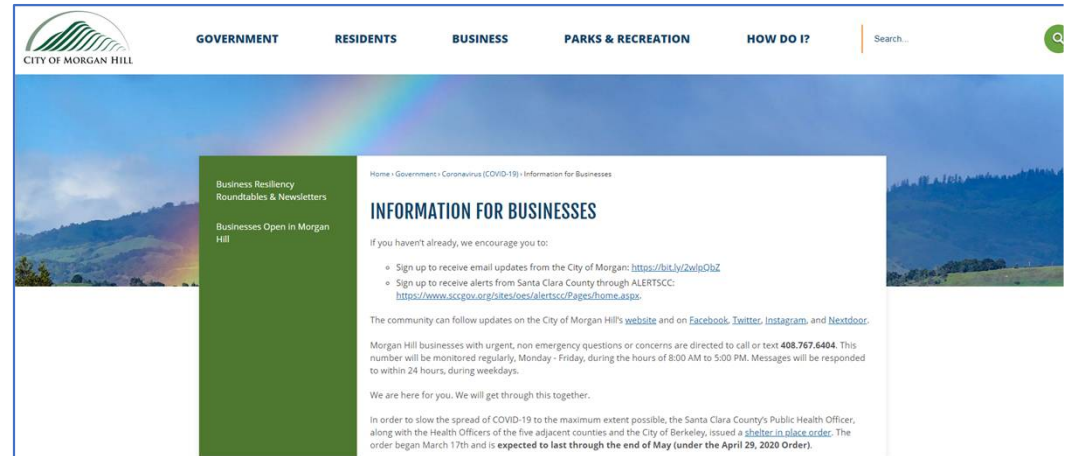
ROLE OF ECONOMIC DEVELOPMENT DURING AN ECONOMIC CRISIS?

How do we best serve our community?



City Efforts Supporting Local Economy- INFORMATION

Posting information, resources and tools on City's web site, Social Media, traditional mailings and newsletters



City Efforts Supporting Local Economy- OUTREACH

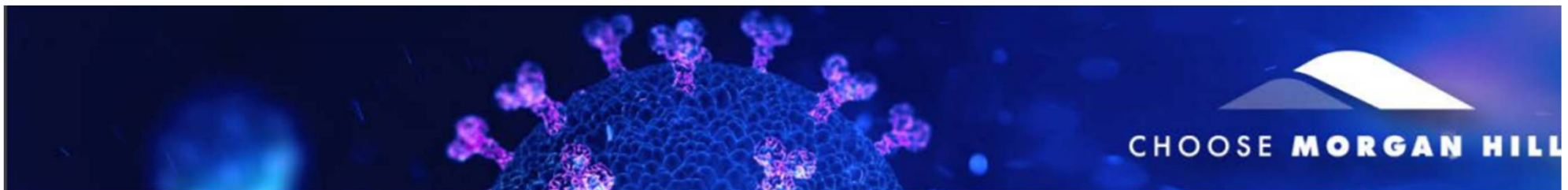
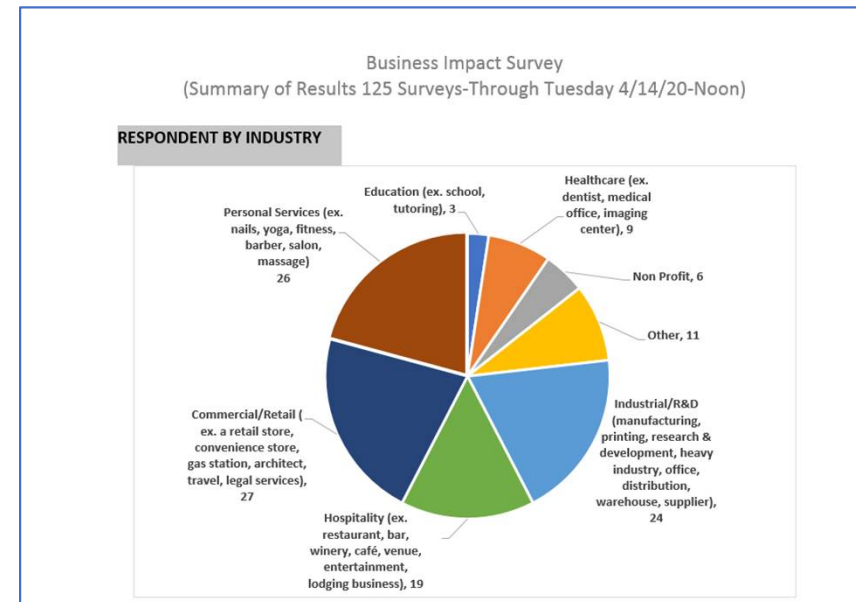
- Collaborated with community partners on a COVID 19 survey
- Contacted top sales tax generators & employers
- Contacted developers

COVID-19 IMPACT ON MORGAN HILL
The City of Morgan Hill, Chamber of Commerce, Downtown Association, and Visit Morgan Hill are all committed to supporting our business community during these uncertain times.

FIND RESOURCES FOR YOUR BUSINESS
The City of Morgan Hill is working to identify all available resources and tools to support your business operations. Find information on financing, tax assistance, and other resources:
morganhill.ca.gov/covid194biz

HELP US UNDERSTAND YOUR NEEDS
To better understand the range of impact COVID-19 is having in our local business community, we are asking businesses to respond to this COVID-19 Morgan Hill Business Impact survey:
business.morganhill.org/form/view/19485





City Efforts Supporting Local Economy- TECHNICAL ASSISTANCE/ROUNDTABLES

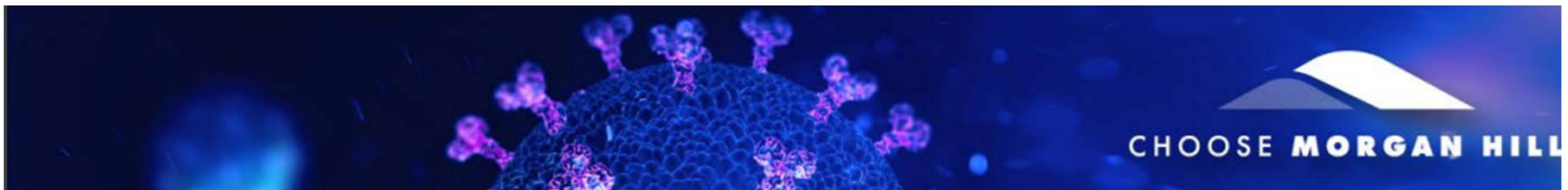
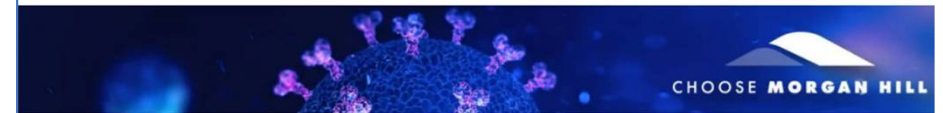
- Collaborated with National Development Council and SBDC on Financial and Technical Resources
- Conducted 6 Resiliency Roundtables

Business Resiliency Roundtables (Videos and Slides)

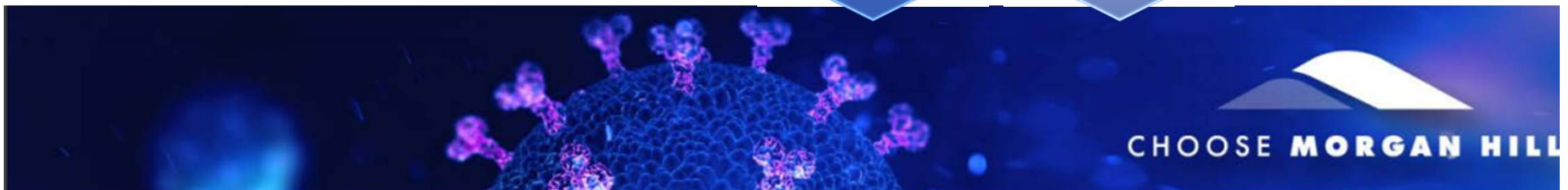
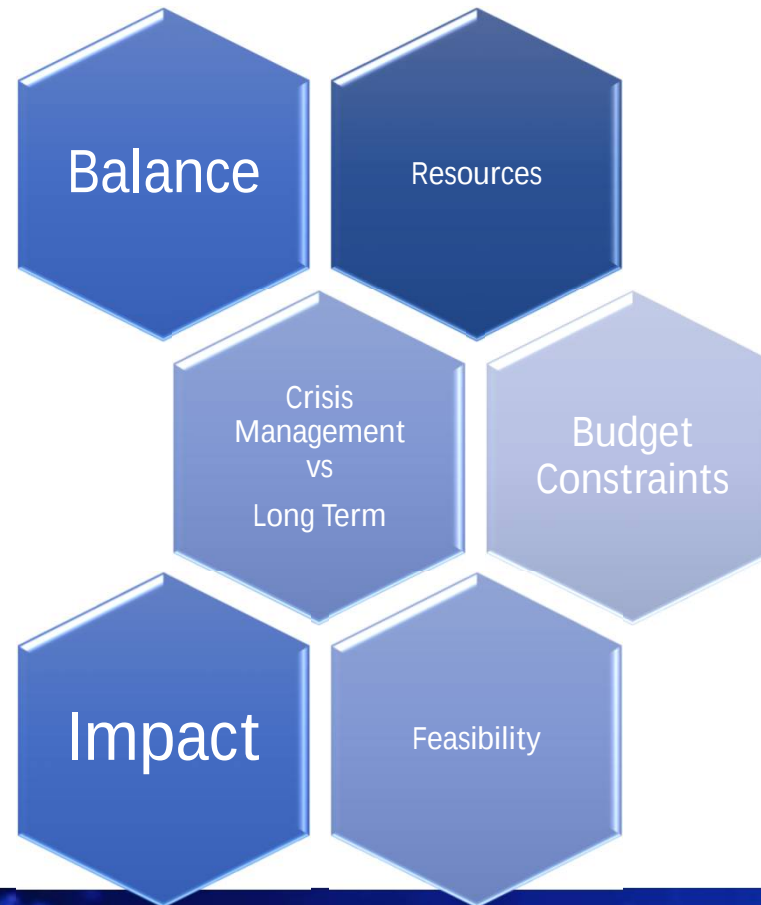
- May 19, 2020 Restaurant Roundtable - Completed
 - [Video of Roundtable](#) (youtube video) | [Slides](#) (pdf)
- May 1, 2020 Retail Roundtable - Completed
 - [Video of Roundtable](#) (youtube video) | [Slides](#) (Not Available yet)
- April 24, 2020 Manufacturing Roundtable - Completed
 - [Video of Roundtable](#) (youtube video) | [Slides](#) (pdf)
- April 22, 2020 Communications Roundtable - Completed
 - [Video of Roundtable](#) (youtube video) | [Slides](#) (pdf)
- April 17, 2020 Tourism Roundtable Completed
 - [Video of Roundtable](#) (youtube video) | [Slides](#) (pdf)
- April 10, 2020 Financial Resources Roundtable Completed
 - [Video of Roundtable](#) (youtube video) | [Slides](#) (pdf)

Business Resiliency Financial Resources Roundtable

1. Welcome
2. Program and Introductions
3. SBA Programs
4. Grow Morgan Hill Fund
5. SBDC Resources
6. Questions & Answers



Provide direction on FY 2020-2021 Economic Development work program



GENERAL PLAN

General Plan 2035--Economic Development Element.

The Economic Development Element establishes policy guidance to support the community's economic well-being. Its strategies include diversifying the local economy, increasing the quality and quantity of available job opportunities, decreasing the need for commuting, creating a thriving Downtown, and enhancing Morgan Hill's appeal as a tourist destination.

Develop & maintain high-quality public infrastructure & services

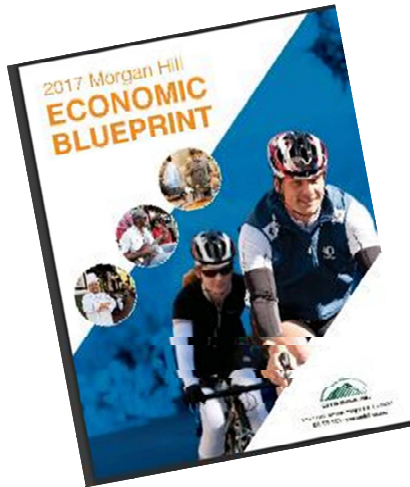
Position Morgan Hill as a compelling choice for companies by providing flexibility

Retain and attract businesses by providing a business-friendly climate

Create fiscal sustainability by cultivating a diversified tax base

Increase economic opportunity through a robust and diverse range of business activity





Economic Blueprint



DOWNTOWN



INDUSTRIAL & COMMERCIAL





General Fund: \$43.49M

Economic Development directly impacts
59% of General Fund revenues:

- **Property Tax: 34%**
- **Sales Tax: 20%**
- **Hotel Tax: 5%**

 **CHOOSE MORGAN HILL**

Did you know?

Tax revenue from new businesses helps our community.



1 Hotel



1.5 Police Officers



1 Dealership



2.5 Police Officers



1 Costco



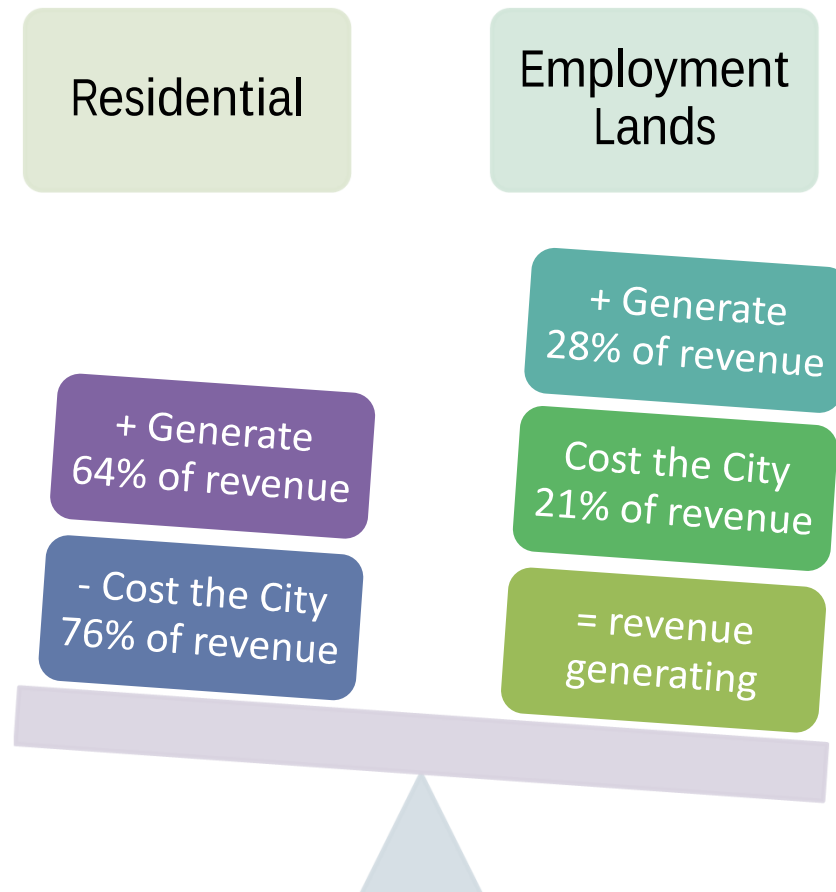
4.5 Police Officers



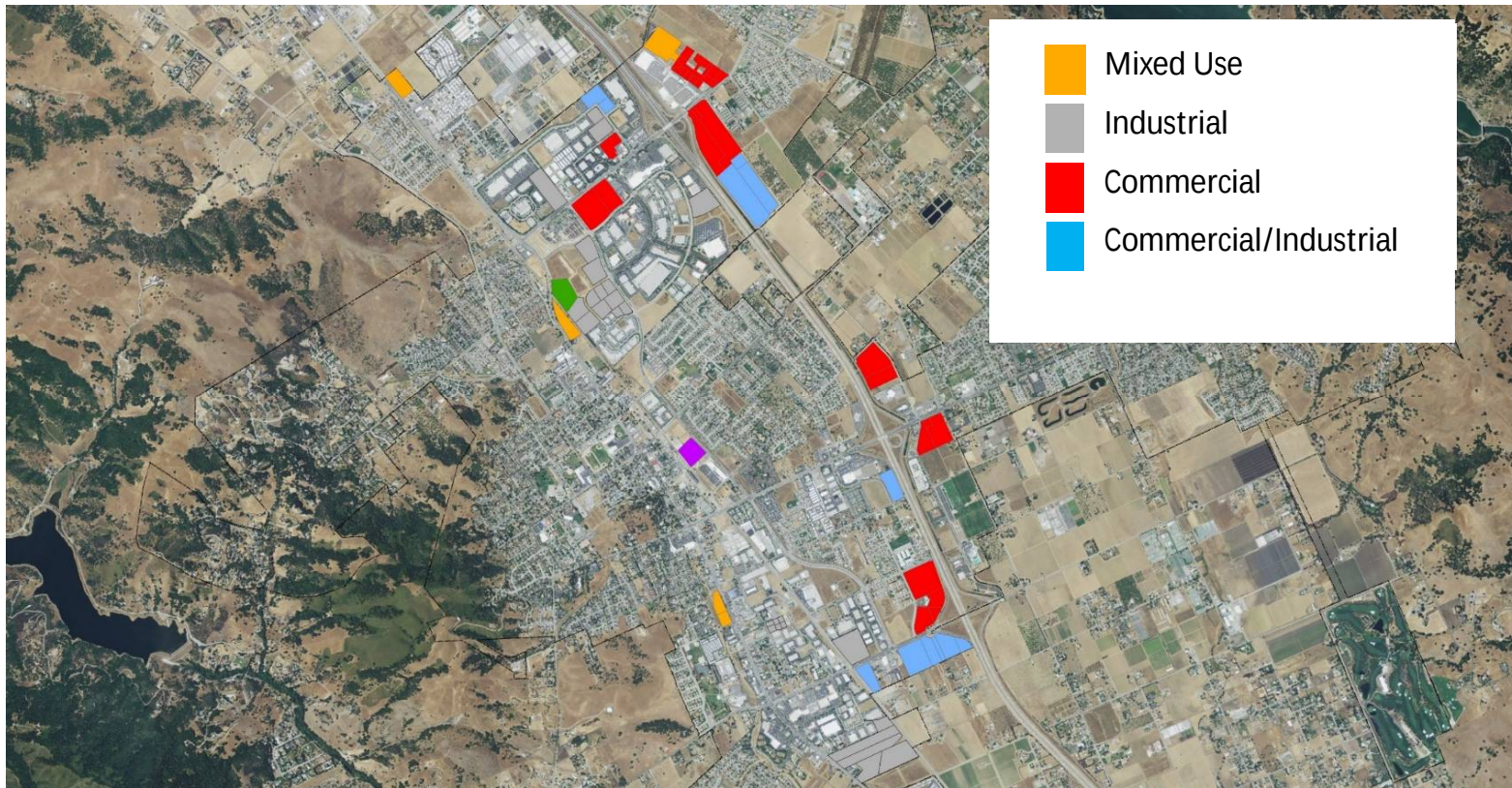
CHOOSE **MORGAN HILL**

PROPERTY TAX TIED TO LAND USE

Commercial & Industrial development generate revenue for the City to pay for services.



VACANT LAND 5+ ACRES



Economic Workplan Pre-COVID

1. Develop Industrial Preservation Policy
2. Develop Retail Concentration Strategy
3. Create a Downtown Property Business Improvement District (PBID)
4. Respond to High Speed Rail EIR
5. Implement Recommendations from Telecommunications RFP
6. Support Expansion of Healthcare Facilities
7. Evaluate Impact Fee Freeze Program
8. Participate in the Urban Land Institute (ULI) Fall Conference
9. Events, Marketing, and Promotions (continuing implementation of speaker series, broker events, etc.

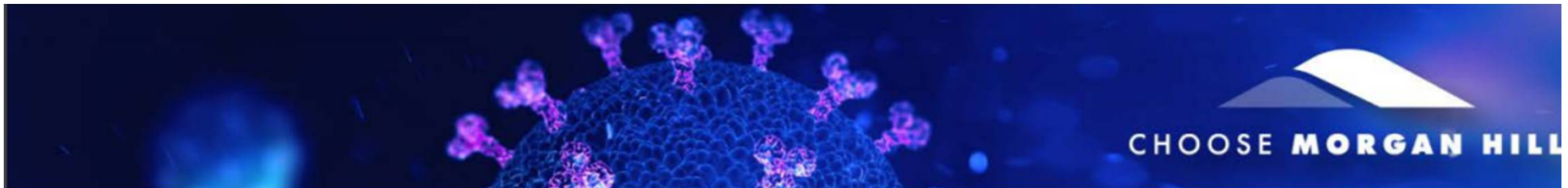


Economic Workplan During-COVID

1. Information for employers and employees
2. Business Outreach—all businesses & top sales tax generators and top employers
3. Development Outreach—current projects in pipeline
4. Technical Assistance & Financial Assistance through website, Newsletters, roundtables, & community partners



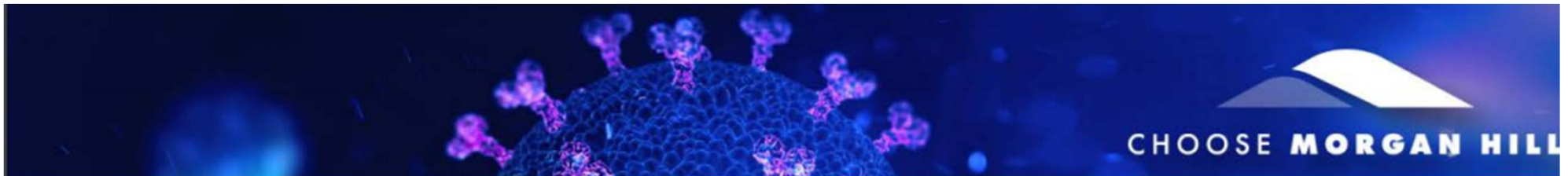
1. Industrial Preservation Policy
2. Retail Concentration Strategy
3. Downtown PBID
4. Respond to HSR EIR
5. Telecommunications
6. Healthcare
7. Impact Fee Freeze Program
- ~~8. Urban Land Institute (ULI) Fall Conference~~
- ~~9. Events, Marketing, and Promotions~~



Local Approaches and Strategies for RECOVERY

IDEAS FOR MORGAN HILL COVID-19 ECONOMIC RECOVERY STRATEGIES

		FUNDING	RESTAURANTS	DOWNTOWN	RETAIL	SMALL BUSINESS	TOURISM	MANUFACTURING	HEALTHCARE	TELCO
Business Outreach										
1	Parklets	\$	X	X	X	X	X			
2	Monterey Road Improvements (Road Diet)	\$	X	X	X	X	X			
3	Alcohol To-Go*		X	X		X	X			
4	Review Curbside Pickup & Drive-Thru Policies		X	X	X	X	X	X		
5	Temporary Art Installations	\$	X	X	X	X	X			
6	Window Activation	\$	X	X	X	X	X			
7	Pop Up Retail Opportunities		X	X	X	X	X			
8	Event Programming/Activation	\$	X	X	X	X	X			
9	Home Delivery of All Goods*			X	X	X		X		
10	Small Business Support Through MHCC		X		X	X		X		
11	Small Business and Downtown Support Through MHDA		X	X	X	X	X			
12	Buy Local Campaign	\$	X	X	X	X	X			
13	Co-Promote		X	X	X	X	X	X	X	
14	Bundle Media Buys	\$	X	X	X	X	X	X	X	
15	Maximize Use of Channel 17		X	X	X	X	X	X	X	
16	Partner Non-Profits with Businesses		X	X	X	X	X	X	X	
17	Promote Regional Hire Program		X	X	X	X	X	X	X	



Economic Workplan Augmentations to Support RECOVERY

Monterey Road Complete Street Improvement/Lane Reduction Work with the Engineering Division to explore repurposing a traffic lane and on-street parking along Monterey Road through Downtown that creates more space for retailers, restaurants, pedestrians and cyclists. Explore curbside pickup and other on-street parking policies that will help with deliveries, valet parking, etc.	POP-UP RETAIL / WINDOW ACTIVATION Work with partners to develop opportunities to activate vacant windows and create non-brick and mortar retail opportunities, either with sidewalk activation or with temporary markets.	EVENT PROGRAMMING & DOWNTOWN PLACEMAKING Explore partnerships with community organizations to develop and execute events that will meet new distancing requirements and will activate Downtown. Activities could include art fairs and other placemaking opportunities like chalk art, outdoor art galleries, murals, and temporary art projects.
CITY POLICIES REVIEW Review City policies, including conditional use permits (CUPs) (hours of operation); Planned Developments (PDs) (clarity on development); Curbside Pickup; Telecommunication requirements for commercial and industrial developments; Placemaking and landscaping opportunities that will support the City's Place Branding; and Sign Policies that will support existing and new retail development.		
BUY LOCAL CAMPAIGN Work with partners to execute a buy local campaign, creating awareness of local retailers and goods to encourage local spending.	COMPREHENSIVE PRELIMINARY REVIEW Formalize City preliminary review of conceptual commercial and industrial developments. City to schedule prelim review once a month to allow developers to schedule meetings and receive immediate feedback across departments.	APPLY FOR EDA FEDERAL GRANT Apply to EDA for funding associated with enhancing telecommunications capacity to expand infrastructure to residential and commercial areas in Morgan Hill.

Existing Work Program, including PBID
+

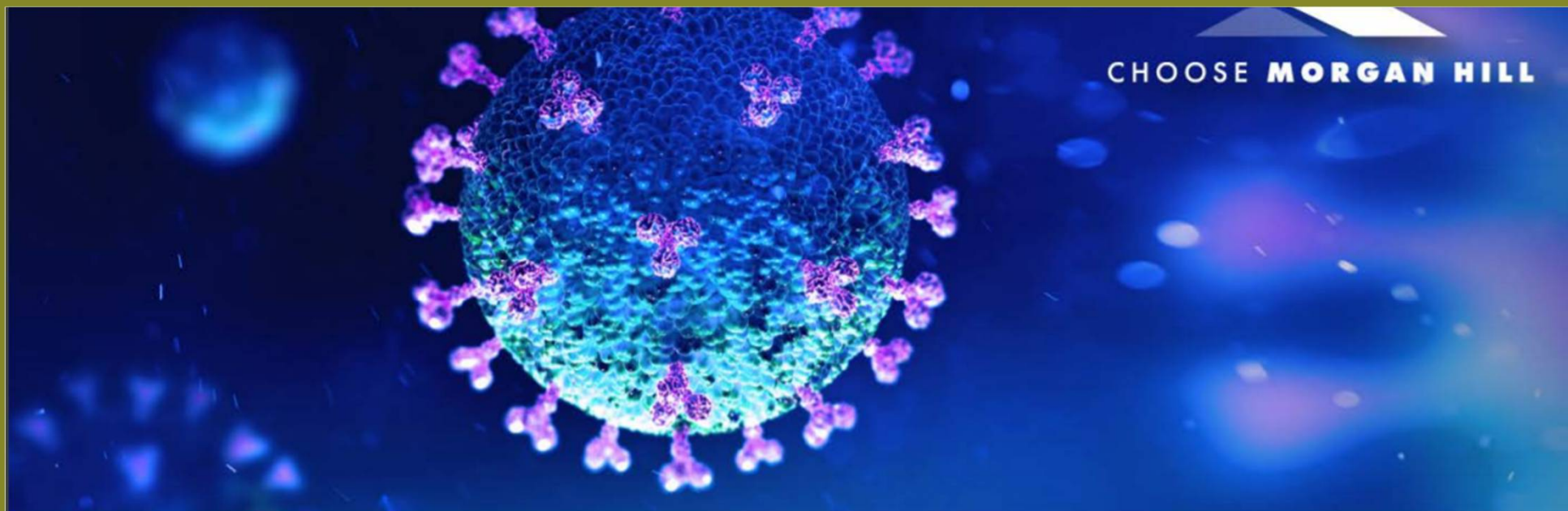
1. Reopening Strategies Handbook
2. Monterey Road/Complete Street Improvements Lane Reduction
3. Pop-up Retail/Window Activation
4. Event Programming & Placemaking
5. Buy Local Campaign
6. City Policies Review
7. Comprehensive Preliminary Review
8. EDA Grant

- Step out of our box & comfort zone
- Be mindful of idealistic vs realistic efforts
- Remove all the hurdles within our control
- Be fast, nimble, risk taking and creative.
- Be aware of what drives the primary funding of our City



Upcoming Activities Related to Economic Development

ULI TAP • June 10-12	HSR EIR • June 3	MTP EIR • Draft Circulating
Monterey Rd. Complete Streets • June 3	Telecommunications Service Contract • Fall 2020	Impact Fee Freeze Program • June 3
Economic Recovery Plan • June 3	City's Budget • June 17	Caltrain Business Plan • TBD



Questions?