



## MILPITAS PLANNING COMMISSION STAFF REPORT

October 28, 2015

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**APPLICATION:** **HANSON SELF-STORAGE PROJECT –SD14-0019, UP14-0020 AND EA15-0004 – 1 HANSON COURT:** A request for a Site Development Permit and Conditional Use Permit to allow the demolition of an existing industrial site and to construct a 98,390 square foot self-storage facility with a 2,360 square foot office and manager’s unit, associated site improvements, a future Phase II 35,500 square foot expansion, and FAR increase.

**RECOMMENDATION:** **Staff recommends that the Planning Commission: Conduct the public hearing and adopt Resolution No. 15-034 approving Site Development Permit SD14-0019, Use Permit UP14-0020, and Environmental Impact Assessment EA15-0004 to allow the demolition of an existing industrial site and to construct a 98,390 square foot self-storage facility with a 2,360 square foot office and manager’s unit, associated site improvements, a future Phase II 35,500 square foot expansion, and FAR increase subject to the findings and conditions of approval.**

**LOCATION:**  
Address/APN: 1 Hanson Court (APN 22-31-020)  
Area of City: Southwest corner at Hanson Ct. and N. Milpitas Blvd.

**PEOPLE:**  
Project Applicant: 1 Hanson Court LLC  
Consultant(s): Ed Borsma, Cubix Construction  
Nektarios Matheou, Kier & Wright Civil Engineering

Property/Business Owner: 1 Hanson Court LLC  
Project Planner: Cindy Hom, Assistant Planner

**LAND USE:**  
General Plan Designation: Manufacturing and Warehousing (MW)  
Zoning District: Heavy Industrial Zoning District (M2)

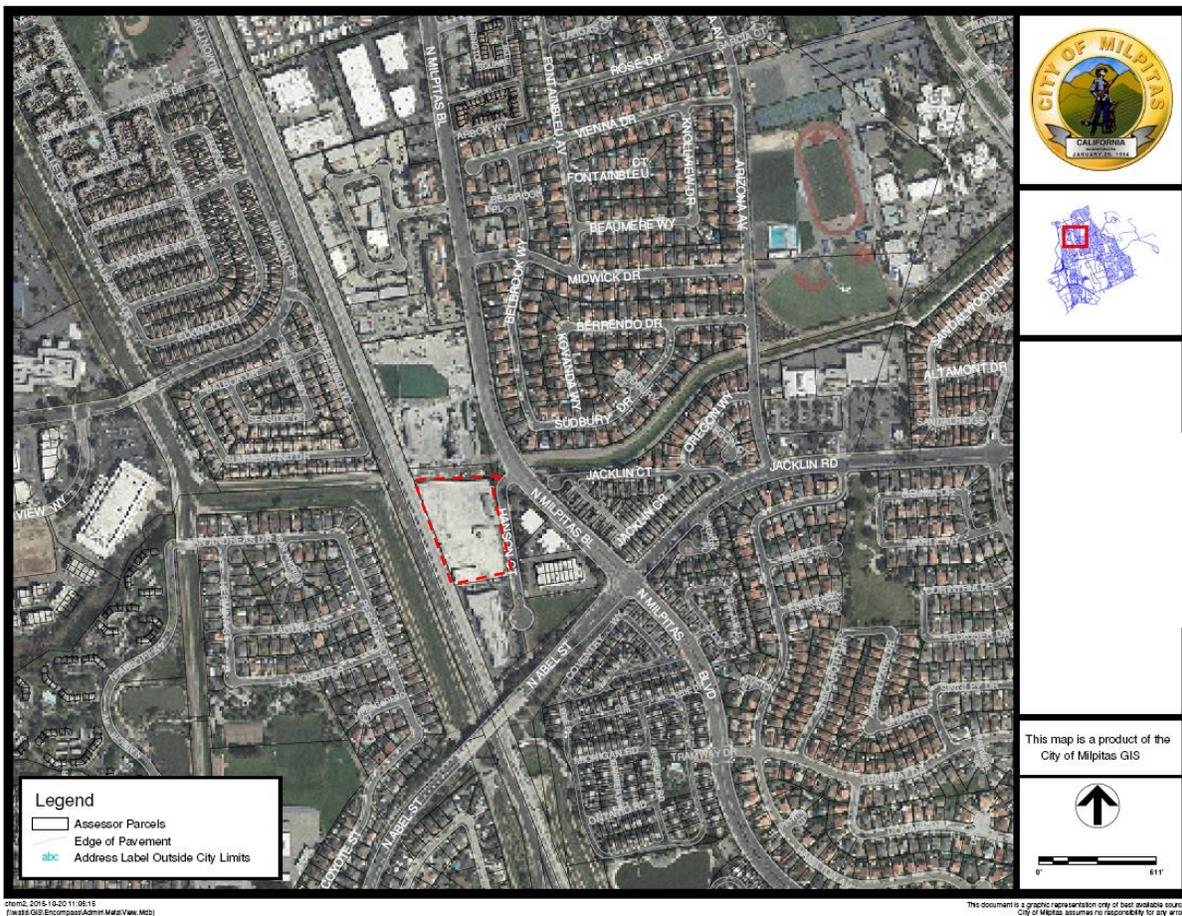
**ENVIRONMENTAL:** In accordance with Section 15070(b), An Environmental Impact Assessment No. EA15-0004 and Initial Study/Mitigated Negative

Declaration was prepared and circulated between October 2, 2015 and October 22, 2015.

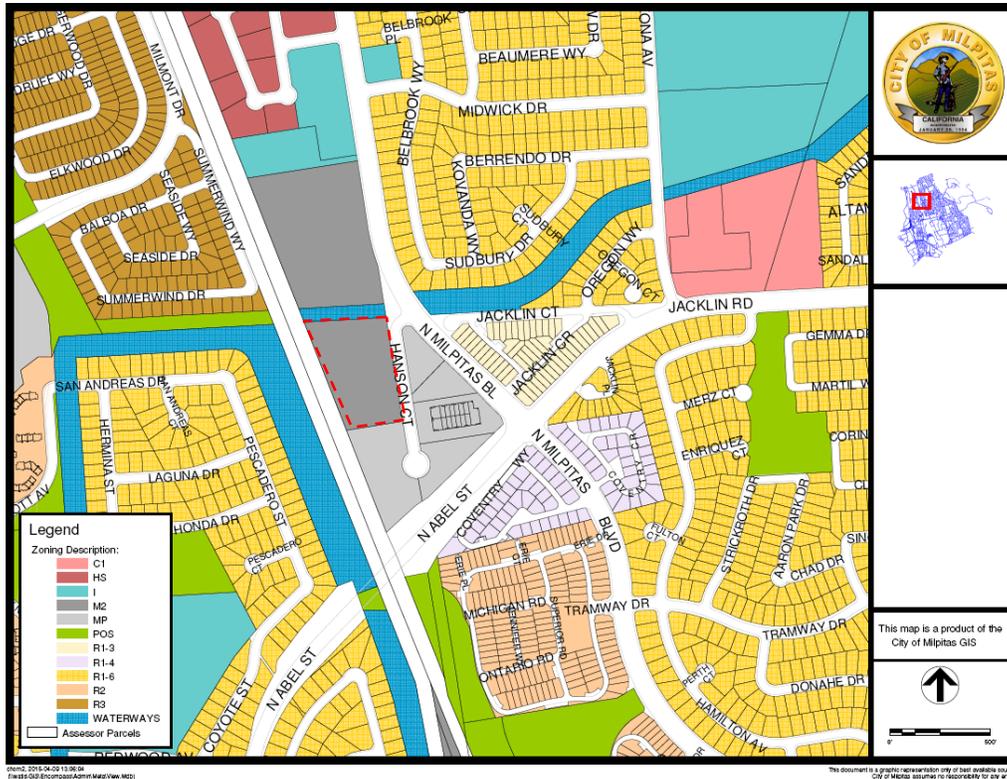
### EXECUTIVE SUMMARY

The applicant is requesting a Site Development Permit to redevelop an existing industrial site with a new self-storage facility and to allow an FAR increase from 0.40 to 0.73 with a potential future phase. The project will consist of six (6) one story storage buildings totaling 98,390 square feet, a 2,360 square foot, two-story manager's building, a future 35,500 square foot, second story over Building C, and installation of associated site improvements. An Initial Study/Mitigated Negative Declaration has been prepared and circulated for this project. A Mitigation Monitoring and Reporting Program has also been prepared for Planning Commission review and consideration.

### Map 1 Project Vicinity Map



## Map 2 Project Zoning Map



### **BACKGROUND**

#### *History*

The site was developed as a concrete plant in 1958. There were three buildings constructed on the site. Two buildings received Planning approval in 1965 and a third building in 1974.

On February 28, 1996, the Planning Commission approved a Site Development Permit Amendment to allow for a 2,700 square foot office and warehouse building and a ground mounted air conditioning unit with screening at the northeast corner to the parcel.

On August 12, 2009, the Planning Commission approved Conditional Use Permit No. UP09-0029 to allow for a 50-foot tall, receive-only satellite dish, a 20-foot by 64-foot temporary office trailer, and perimeter fencing within the Hanson Concrete Product facility located at 1 Hanson Court.

### ***The Application***

On October 27, 2014, One Hanson LLC submitted a Site Development Permit and Conditional Use Permit to allow demolition of an existing industrial site and construction of a 98,390 square foot self-storage facility with a 2,360 square foot office and manager's unit, associated site improvements, a future Phase II 35,500 square foot expansion, and FAR increase. The application is submitted pursuant to Section 57 of the Milpitas Zoning Code that requires Planning Commission review and approval.

### **PROJECT DESCRIPTION**

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#### ***Overview***

The applicant is requesting a Site Development Permit construct a new 98,390 square feet self-storage facility consisting of six (6) one story storage buildings and a 2,360 square foot, two-story manager's building. The project also proposes various on- and off-site improvements that includes new landscaping around the perimeter of the self-storage complex, fencing and entry gate, signage, trash enclosure, public frontage improvements consisting of new 24-inch box street trees and six-foot wide public sidewalk, and relocation of existing waterline and easement, as well as other associated improvements. The proposed self-storage facility provides approximately 683 storage rental units that range in various sizes from 5' x 5' to 10' x 30', with an average unit size of 126 square feet.

The project also includes a request for a Conditional Use Permit to permit an increase in Floor Area Ratio (FAR) from 0.40 to 0.73. The floor area ratio (FAR) for the initial construction is 0.54 and will increase to 0.73 if and when the 35,500 square foot second floor is added to Building C. The total square footages and FAR for each phase is summarized in the table below:

Table 1:  
FAR Summary

<b>Phase</b>	<b>Total Square Footage</b>	<b>Proposed FAR</b>
Phase 1		
Storage Buildings	98,390	
Manager's Unit	2,360	
<b>Total</b>	<b><u>100,750</u></b>	<b><u>0.54</u></b>
Phase 2		
Phase 1	100,750	
2 <sup>nd</sup> story addition over Building C	35,500	
<b>Total</b>	<b><u>136,250</u></b>	<b><u>0.73</u></b>

#### ***Location and Context***

The project is located on a 4.27 acre site bounded by the Union Pacific Railroad tracks to the west, Hanson Court to the east, and industrial buildings to the immediate north and south. The project site is currently zoned Heavy Industrial and was formerly used as a concrete plant. Currently, the subject site is developed with two office/warehouse buildings approximately 4,908

square feet, a 7,200 square foot storage and maintenance building, and a 1,696 square foot fabrication shed.

Adjacent land uses includes the following:

- *North:* A concrete lined SCVWD flood control channel (to be widened) and Milpitas Materials beyond.
- *South:* An existing one-story light industrial tilt-up building that also fronts on Hanson Court and the Railroad right of way.
- *East:* Hanson Court with existing one-story light industrial tilt-up buildings and residential homes beyond.
- *West:* A railroad right of way with a BART extension, and existing one-story single family residential beyond.

A vicinity map of the subject site location is included on the previous page.

## **PROJECT ANALYSIS**

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### ***General Plan and Zoning Conformance***

The General Plan designation for the project site is Manufacturing and Warehousing (MW), which is implemented by the Heavy Industrial (M2) zone. The proposed use of the project site is in conformance with City's General Plan and Zoning in terms of land use and development standards. One purpose of the Manufacturing and Warehousing land use designation is to provide locations for ancillary support uses that can operate in close proximity to commercial and residential uses with minimum mutual adverse impact. The project is located near commercial and residential uses and is therefore neighborhood serving. Furthermore, the proposed self-storage facility and FAR increase are conditionally permitted uses in the Heavy Industrial zone.

### ***Development Standards***

Table 2 below demonstrates the project's consistency with the applicable development standards of the M2 Zone, with approval of a Conditional Use Permit. The project meets the minimum setback requirements for all sides of the building, and also meets the other site improvement standards.

**Table 2:**  
**Summary of Development Standards**

	<b>Standard</b>	<b>Proposed</b>	<b>Complies?</b>
<u>Setbacks</u> (Minimum)			
Front	Non-Major street: 25 ft.	28'	Yes
Interior	None	1 ft. and 5ft.	Yes
Rear	None	2 ft.	Yes
Floor Area Ratio (Maximum)	0.40	Phase 1 = 0.54 Phase 2 = 0.73	Yes; with CUP approval, per Municipal Code Section XI-10-2.03
<u>Building Height</u> (Maximum)	None, However prior to construction of any structure that exceeds three (3) stories or thirty-five (35) feet in height, the Planning Commission must make the following finding: That any such excess height will not be detrimental to the light, air or privacy of any other structure or use currently existing or anticipated.	Two stories; 34-foot	Yes.
<u>Parking</u>	One space for every 5,000 sq. ft.	28	Yes
<u>Landscaping</u>	Required front yard area and Required street side yard area.	Front setback and street frontage improvements along Hanson Court.	Yes

*Site & Architectural Design*

The project is designed in a modern and contemporary architecture that features flat and shed roof forms, decorative metal awnings and sun shade, varied wall material such as stucco wall panels with scoring, horizontal siding, and cement wall panels that provide articulation and visual interest along the street frontage. Compatible materials will carry through on the proposed storage buildings such as, but not limited to, concrete tilt up walls, standing seam metal roof, metal roll up and man doors, and decorative metal awnings. Staff recommends the following conditions to ensure high quality design:

- Provide an roof cornice subject to the approval of the Planning Director.
- Final building color selection shall consist of muted earth tones and be submitted for Planning Director review and approval.
- Provide details and elevations for all architectural elements and site fixtures such as, but not limited to, metal awnings, sun shade, metal lattice, materials and finishes, fences, gates, and exterior lighting

### *Landscaping Design*

The Zoning Code requires landscaping along the front and street side yard areas of industrial projects. The redevelopment of the site requires the removal of sixteen (16) on-site trees to accommodate a new public sidewalk. Nine (9) of the sixteen (16) trees are considered protected (trees greater than 37-inches in circumference of any trunk measured 4 ½ feet from the ground, when removal relates to any transaction for which zoning approval) which requires a replacement ratio of 2:1. The project proposes to install a total of twenty-six (26) new trees, which includes fourteen (14) 24-inch London Plane street trees, twelve (12) Coral Black Maple ornamental trees and various ground cover, shrubs, and creeping vines. Given the proposed landscape design, the project is consistent with the Zoning Code requirements for landscaping. Staff recommends as a condition of approval, all trees shall consist of 24-inch box trees. All landscaping and irrigation shall be installed prior to building permit final, or the applicant shall post a performance bond if drought restrictions are still in force at time of occupancy.

### *Parking*

The City's Zoning Ordinance requires one parking space for every 5,000 square feet of personal storage space. This requirement generates a demand of 28 spaces. The project satisfies this requirement by providing 28 parking spaces on the project site. Therefore, the project is consistent with the City's parking requirements.

### *Access & Circulation*

The adjacent roadways that service the project site include the following:

- Milpitas Boulevard - Milpitas Boulevard is a major arterial consisting of four lanes that run in a north/south direction. This arterial extends from Montague Expressway in the south, Calaveras Boulevard at the midpoint and Dixon Landing Road at the north, where it continues into the City of Fremont as Warm Springs Boulevard.
- Hanson Court – is a two-way road way that runs parallel to North Milpitas Blvd. This road provides the main access to the subject site and abutting industrial properties.

Main access to the site is provided by two driveways on Hanson Court. Secured access to the site would be provided by gate keypads for both entering and exiting. A second gate is provided for emergency vehicle access only and is located at the southern driveway. The interior vehicular circulation is comprised of drive aisles designed to meet the Fire Department turning radius requirements.

There are no sidewalks along the project frontage. To address pedestrian accessibility and circulation, the applicant proposes to install a new 6-foot wide public sidewalk extending from Milpitas Boulevard to the project boundary limits.

#### *Grading, Drainage and Stormwater*

The project includes demolition of various buildings and construction of six new buildings and a manager's building. The project is subject to C.3 stormwater requirements, which require storm water run-off to be treated on-site within landscaped areas that are designed to filter stormwater run-off prior to entering the City's storm drain system. The project is also located within the 100 year flood zone. The applicant proposes to add 3-4 feet of fill to the project site, thereby increasing the overall site elevation and reducing risk of inundation. The project is conditioned to comply with the storm water control plan defined in the Municipal Regional Permit dated October 14, 2009.

#### *Fences, Hedges and Walls*

The applicant proposes wrought iron fencing and rolling gates along the frontage and for the maintenance gates along the north and west boundary. The proposed height and material of these features is consistent with the Zoning Ordinance because it meets the six-foot (6') height requirement and consists of high quality material.

#### *Utilities*

##### Solid Waste

The project complies with the Zoning Code and provides a new concrete trash enclosure with metal gates. The trash enclosure is proposed between the Manager's Building and Building B, and provides adequate access for trash servicing.

##### PG&E

The Zoning Code requires that all wires, pipes, cables, and utility connections be placed in underground or subsurface conduits. Consistent with this requirement, and PG&E comments, the project is conditioned to underground the electrical distribution lines along Hanson Court.

##### Waterline and Easement

Due to the Calera Creek Improvement project, which includes construction of a new flood wall and 15 to 17-foot new maintenance road, the existing Santa Clara Valley Water District easement needs to be widened to 35-feet. There is an existing 14-inch water pipeline and public service utility easement (PSUE) that will need to be relocated on-site. With this project, the applicant will dedicate a new 20-foot wide Public Services Utility Easement (PSUE) to allow for connection of a future 14-inch water main, temporary connection to the existing 14-inch water main as well as access for temporary construction and routine maintenance.

### ***Conditional Use Permit - FAR***

#### **Floor Area Ratio (FAR)**

As identified in Table 1, the project exceeds the maximum allowed FAR for the M2 Zoning Designation. As stated in Section XI-10-2.03 of the Milpitas Municipal Code, an increase above the maximum allowed FAR of 0.4 FAR can be accommodated through the approval of a Conditional Use Permit. The Zoning Ordinance does not establish a maximum FAR. The project demonstrates compliance with the following two code required items as analyzed below:

1. The proposed development will generate low peak-hour traffic; and
2. The proposed development will not create a dominating visual prominence.

### ***Analysis***

#### ***Low Peak Hour Traffic***

Based on the Trip Generation Analysis conducted by TJKM Transportation Consultants, the project is anticipated to generate approximately 19 AM peak hour trips and 36 PM peak hour trips for Phase 1 and 2. Among the 19 AM trips, 10 trips are expected to enter the facility and 9 trips are expected to exit the during the AM peak hour. Similarly, during the PM peak hour, 18 trips are expected to enter and 18 trips are expected to exit the facility, respectively. The trip generation for the proposed self-storage facility will thus not exceed the threshold for traffic impacts, which is 100 peak hour trips. Therefore, the project will generate low peak-hour traffic and will not impact the City's circulation network.

#### ***Dominating Visual Prominence***

The project will not create a dominating visual presence. The Zoning Code permits a height above the 35-foot requirement, if the Planning Commission determines that the increased height will not be detrimental to light, air, or privacy of any other structure or use existing or anticipated. The proposed buildings do not exceed the 35-foot height limit. The tallest building is the two-story Manager's building, which measures 34-feet from adjacent grade. Furthermore, the future second-story addition over Building C measures 21-feet 3-inches. The proposed building height is consistent with the heights and roof forms with other buildings in the area. As such, the proposed height will not create visual prominence or impair light, air or privacy on adjacent properties. Based on this finding, the project is consistent with the development standards contained in the Zoning Code.

### **FINDINGS FOR APPROVAL**

Staff finds that the proposed project is consistent with the General Plan, Zoning Ordinance, and all required Findings. The findings for approval are identified in detail in Attachment A (Resolution 15-034).

### **ENVIRONMENTAL REVIEW**

In accordance with the California Environmental Quality Act (CEQA), an Initial Study and Mitigated Negative Declaration has been prepared per Section 15070(b) of the State CEQA Guidelines. The Initial Study and Mitigated Negative Declaration were circulated for public review from October 2, 2015 through October 22, 2014, inclusive. A copy of the Initial Study/Mitigated Negative Declaration and proposed mitigations are attached for the Planning

Commission review and consideration. It has been determined that with mitigation no significant environmental impacts would result from implementation of the proposed project. The mitigation measures are identified below and will be incorporated into the project as conditions of approval:

### **Mitigation Measure**

**Air-1: Basic Construction Management Practices.** The Project shall demonstrate compliance with all applicable regulations and operating procedures prior to issuance of demolition, building or grading permits, including implementation of the following BAAQMD “Basic Construction Mitigation Measures”.

1. All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day.
2. All haul trucks transporting soil, sand, or other loose material off-site shall be covered.
3. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited.
4. All vehicle speeds on unpaved roads shall be limited to 15 mph.
5. All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.
6. Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]). Clear signage shall be provided for construction workers at all access points.
7. All construction equipment shall be maintained and properly tuned in accordance with manufacturer’s specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation.
8. Post a publicly visible sign with the telephone number and person to contact at the Lead Agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Air District’s phone number shall also be visible to ensure compliance with applicable regulations.

**Construction Emissions Minimization Practices.** The project shall demonstrate compliance with the following Construction Emissions Minimization Practices prior to issuance of demolition, building or grading permits:

1. All off-road equipment greater than 25 hp and operating for more than 20 total hours over the entire duration of construction activities shall meet the following requirements:
  - a. Where access to alternative sources of power are available, portable diesel engines shall be prohibited;
  - b. All off-road equipment shall have:
    - i. Engines that meet or exceed either U.S. Environmental Protection Agency (USEPA) or California Air Resources Board (ARB) Tier 2 off-road emission standards, and
    - ii. Engines that are retrofitted with an ARB Level 3 Verified Diesel Emissions Control Strategy (VDECS).
  - c. Exceptions:

- i. Exceptions to 1(a) may be granted if the project sponsor has submitted information providing evidence to the satisfaction of the City that an alternative source of power is limited or infeasible at the project site and that the requirements of this exception provision apply.
- ii. Exceptions to 1(b)(ii) may be granted if the project sponsor has submitted information providing evidence to the satisfaction of the City that a particular piece of off-road equipment with an ARB Level 3 VDECS is: (1) technically not feasible, (2) would not produce desired emissions reductions due to expected operating modes, (3) installing the control device would create a safety hazard or impaired visibility for the operator, or (4) there is a compelling emergency need to use off-road equipment that are not retrofitted with an ARB Level 3 VDECS and the sponsor has submitted documentation to the City that the requirements of this exception provision apply. If granted an exception to 1(b)(ii), the project sponsor must comply with the requirements of 1(c)(iii).
- iii. If an exception is granted pursuant to 1(c)(ii), the project sponsor shall provide the next cleanest piece of off-road equipment, including a Tier 2 engine standard and the following emissions control/alternative fuel in order of preference if available: 1) ARB Level 2 VDECS, 2) ARB Level 2 VDECS, or 3) Alternative Fuel.

**Bio-1: Nesting Birds.** If construction occurs during the breeding season (February through August), the site and a surrounding radius of not less than 0.5 miles shall be surveyed by a qualified biologist to verify the presence or absence of nesting birds protected under the federal Migratory Bird Treaty Act and the California Fish and Wildlife Code. Pre-construction surveys shall be conducted within 15 days prior to start of work and shall be submitted to the Building Division. If the survey indicates the potential presences of nesting birds, the applicant shall comply with recommendations of the biologist regarding an appropriately sized buffer around the nest in which no work will be allowed until the young have successfully fledged. The size of the nest buffer will be based to a large extent on the nesting species and its sensitivity to disturbance.

**Haz-1: Site Management Plan and Health and Safety Plan.** As a condition of Project approval and prior to start of grading or other construction activities, the Project applicant shall prepare a Site Management Plan and Health and Safety Plan as recommended by the Phase I Environmental Site Assessment and the subsequent Soil and Ground Water Quality Evaluation, to establish appropriate management practices for handling impacted soil and ground water that may be encountered during construction activities. These materials may require special handling and disposal. Compliance with this recommendation will alleviate hazards to the public or the environment.

**Hydro-1: NPDES General Permit for Construction.** As a condition of Project approval and prior to start of grading or other construction activities, the Project applicant shall file a Notice of Intent (NOI) with the RWQCB for compliance with the NPDES General Construction Permit. Pursuant to that permit, the Project will be required to implement management practices of the RWQCB during all phases of construction, including but not limited to the following:

1. Burlap bags filled with drain rock shall be installed around storm drains to route sediment and other debris away from the drains.
2. Earthmoving or other dust-producing activities shall be suspended during periods of high winds.
3. All exposed or disturbed soil surfaces shall be watered at least twice daily to control dust as necessary.
4. Stockpiles of soil or other materials that can be blown by the wind shall be watered or covered.
5. All trucks hauling soil, sand, and other loose materials shall be covered or shall maintain at least two feet of freeboard.
6. All paved access roads, parking areas, staging areas and streets adjacent to the construction site shall be swept daily (with water sweepers).
7. Vegetation in disturbed areas shall be replanted as quickly as possible.
8. All unpaved entrances to the site shall be filled with rock to knock mud from truck tires prior to entering City streets. A tire wash system may also be employed if requested by the City.

**Hydro-2: Compliance with SWPPP.** The Project proponent shall prepare and file a draft Stormwater Pollution Prevention Plan (SWPPP) that addresses measures to minimize and control construction runoff. A copy of the draft SWPPP will be submitted to the City of Milpitas for review and approval prior to start of construction. When approved, the certified SWPPP will be posted at the Project site and will be updated to reflect current site conditions.

**Hydro-3: NPDES C.3 Requirements – Stormwater Control Plan.** Pursuant to the San Francisco Bay RWQCB's Municipal Regional Stormwater NPDES Permit (Permit Number CAS612008) (MRP), the Project applicants shall be required to design, construct and operate stormwater treatment controls to treat post-construction stormwater runoff. These controls shall be sized, designed, implemented and operated in accordance with the Provision C.3 requirements of the regional permit, and the technical requirements of the Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP) C.3 Stormwater Handbook, dated April 2012.

**Hydro-4: NPDES Best Management Practices.** The following measures, based on the RWQCB Best Management Practices (BMPs) and the City requirements, are required of the Project to ensure compliance with NPDES permit requirements for post-construction operations to reduce water quality impacts. When the construction phase is complete, a Notice of Termination (NOT) for the General Permit for Construction will be filed with the RWQCB and the City of Milpitas. The NOT will document that all elements of the SWPPP have been executed, construction materials and waste have been properly disposed of, and a post-construction stormwater management plan is in place as described in the SWPPP for the project site. All post-construction Treatment Control Measures (TCMs) will be installed, operated, and maintained by qualified personnel. On-site inlets will be cleaned out at a minimum of once per year, prior to the wet season. The property owner will keep a maintenance and inspection schedule and record to ensure the TCMs continue to operate effectively for the life of the project. Copies of the schedule and record must be provided to the City upon request and must be made available for inspection on-site at all times. The property owner will ensure that the bio-

retention/treatment areas are maintained as designed for the useful life of the project and preclude operations from diminishing the functionality of the system.

### **PUBLIC COMMENT/OUTREACH**

Staff provided public notice the application in accordance with City and State public noticing requirements. At the time of publishing this report, there have been no public comments received. A notice was published in the Milpitas Post on October 18, 2015. In addition, 904 notices were sent to owners and occupants within 1,000 feet of the project site. A public notice was also posted on the project site, on the City's Website, [www.ci.milpitas.ca.gov](http://www.ci.milpitas.ca.gov), and at City Hall.

### **CONCLUSION**

The proposed project is consistent with the policies and guiding principles identified in the General Plan and satisfies the requirements specified in the Municipal Code. The proposed use, as conditioned, will contribute to attainment of the City's economic development goals and provide necessary public infrastructure improvements.

### **RECOMMENDATION**

1. Open the Public Hearing to receive comments;
2. Close the Public Hearing; and
3. Adopt Resolution 15-034 approving the Site Development Permit No. SD15-0019, Conditional Use Permit No. UP15-0020, and Environmental Impact Assessment EA15-0004 to allow the demolition of an existing industrial site and to construct a 98,390 square foot self-storage facility with a 2,360 square foot office and manger's unit, associated site improvements, a future Phase II 35,500 square foot expansion and permit an FAR increase subject to the findings and conditions of approval.

### **ATTACHMENTS**

A: Resolution 15-034

Exhibit 1 – Conditions of Approval

Exhibit 2 – Mitigation Monitoring and Reporting Program (MMRP)

B: Project Plans

C: Initial Study/Mitigated Negative Declaration