



MILPITAS PLANNING COMMISSION STAFF REPORT

April 13, 2016

APPLICATION: **BRANAGH SELF STORAGE – Site Development Permit No. SD15-0004, Conditional Use Permit No. UP15-0009, and Environmental Impact Assessment EA15-0003 (Mitigated Negative Declaration, and Mitigation Monitoring and Reporting Program) –** A request for a Site Development Permit and Conditional Use Permit to allow the demolition of an existing industrial buildings and to construct a 171,924 square foot self-storage facility in a Heavy Industrial zone (M2) and to allow for a FAR increase.

RECOMMENDATION: **Staff recommends that the Planning Commission adopt Resolution No. 16-014, adopting a Mitigated Negative Declaration, approving the Mitigation Monitoring and Reporting Program, and approving Site Development Permit No. SD15-0004, Conditional Use Permit No. UP15-0009, and Environmental Impact Assessment EA15-0003 subject to the attached Conditions of Approval.**

LOCATION:
Address/APN: 985 Montague Expressway (APNs 086-32-020)
Area of City: North of Montague Expressway at the intersection with South Milpitas Boulevard

PEOPLE:
Project Applicant: Mike Branagh
Consultant(s): Cristian Streeter
Property Owner: El Camino MV Holdings LLC and AE Montague LLC
Project Planner: Bhavani Potharaju, Contract Assistant Planner

LAND USE:
General Plan Designation: Manufacturing and Warehousing (MW)
Zoning District: Heavy Industrial (M-2)
Site Area: 4.42 acres

ENVIRONMENTAL: In accordance with Section 15070, an Initial Study/Mitigated Negative Declaration was prepared and circulated for public review starting February 10, 2016 through March 11, 2016.

EXECUTIVE SUMMARY

The applicant is requesting a Site Development Permit and Conditional Use Permit to allow the demolition of existing industrial buildings and to construct a 171,924 square foot self-storage facility in a Heavy Industrial zone (M2) and allow an FAR increase from .40 to .87. The project will include construction of four buildings and associated site improvements. Building A is a 123,565 square foot three story storage, Buildings B and C are one story storage buildings totaling 32,343 square feet, and Building D is a two story storage and manager's office which will be built in two phases (phase 1 is 4,189 square feet and phase 2 is 11,827 square feet of storage building). Per CEQA, Section 15070, an Initial Study/Mitigated Negative Declaration was prepared and circulated for public review starting February 10, 2016 through March 11, 2016. Staff is recommending approval of the proposed project based on the findings and subject to the Conditions of Approval. A Mitigation Monitoring and Reporting Program has also been prepared for Planning Commission review and consideration. Staff is recommending approval of the proposed project based on the findings and subject to the Conditions of Approval.

Map 1 Project Location



Map 2 Zoning Map



Map 3 Zoning Map



BACKGROUND

History

The project site was developed in the early 1960s by Jones Chemical, Inc. (JCI) for chemical storage, repackaging, and distribution. JCI operated on-site until about 2000, at which time JCI vacated the property. While at the site, JCI operated an office/warehouse building; chemical mixing, storage, and handling areas; aboveground storage tanks (ASTs); underground storage tanks (USTs); wastewater sumps; a wastewater treatment building; rail spurs for tanker car unloading and storage; and outdoor storage areas.

On February 3, 1982, a partially filled JCI-operated AST containing an estimated 2,000 to 4,000 gallons of chlorinated solvents (VOCs) exploded, releasing its contents to the ground surface, which flowed into the adjacent Berryessa Creek (to the west of the project site) via storm drains. The spill resulted in impacts to underlying groundwater, which migrated westward. Subsequently, JCI has been engaged in ongoing environmental investigation and cleanup activities pursuant to Site Cleanup Requirement Orders adopted by the Regional Water Quality Control Board (RWQCB). These activities continue to this day under Site Cleanup Requirements, Order No. 90-072. According to files maintained by the Regional Water Quality Control Board, JCI pumped and treated 24,140 pounds of contaminant from groundwater from 1985 to 2004. From 2003 to 2010, JCI conducted in situ treatment on-site. These remedial activities involved injection of a carbohydrate solution into the groundwater. Semiannual groundwater monitoring occurs at the project site and surrounding area via groundwater monitoring wells. Currently, 12 groundwater monitoring wells are operating on-site and 3 groundwater monitoring wells are operating off-site.

The Application

The following is a summary of the applicant's request:

- *Site Development Permit:* To allow the construction of a 171,924 self-storage facility with site improvements.
- *Conditional Use Permit:* To allow self-storage use in a Heavy Industrial (M2) zone and to allow an increase in FAR from 0.40 to 0.87.

PROJECT DESCRIPTION

Overview

The applicant is requesting a Site Development Permit and Conditional Use Permit to allow the demolition of an existing industrial site in order to construct a 171,924 square foot self-storage facility in a Heavy Industrial zone (M2) and to allow an FAR increase from .40 to .87. The project will include construction of four buildings and associated site improvements. Building A is a 123,565 square foot three-story storage, Building B and C are one-story storage buildings totaling 32,343 square feet, and Building D is a two-story storage and manager's office which will be built in two phases (phase 1 is 4,189 square feet and phase 2 is 11,827 square feet of storage building). The proposed self-storage facility would include 1,241 storage units (or 132,288 square feet of storage space), a customer service office, and other ancillary uses (i.e., restroom, elevator lobbies, trash room, janitor's closet, hallways, and stairwells). Rental units would range in size from 5-foot by 5-foot to 12-foot by 30-foot with an average unit size of 107 square feet. The project also proposes various on site improvements.

Location and Context

The project site is located in the southeastern portion of the City of Milpitas, near Berryessa Creek north of Montague Expressway and at the northeast intersection of Montague Expressway and South Milpitas Boulevard. The following table provides a summary of the Zoning and Land Uses surrounding the site:

Table 1:
Surrounding Zoning and Land Uses

	General Plan	Zoning	Existing Use
Subject Site	Manufacturing and Warehousing (MW)	Heavy Industrial (M2)	Vacant site with abandoned building
North	Manufacturing and Warehousing (MW)	Heavy Industrial (M2)	Vacant site
South	Manufacturing and Warehousing (MW)	Heavy Industrial (M2) / Parks and Open Space	Mini-Storage Complex
East	Manufacturing and Warehousing (MW)	Heavy Industrial (M2)	Dental Office
West	Parks and Open Space (POS)	Parks and Open Space (POS)	Berryessa Creek

PROJECT ANALYSIS

General Plan and Zoning Conformance

The General Plan designation for the project site is Manufacturing and Warehousing (MW), which is intended to accommodate light and heavy industrial activities such as manufacturing, packaging, processing, warehousing and distribution, and ancillary support uses. The use of the project site is in conformance with City’s General Plan.

The site is zoned as Heavy Industrial (M2) zone in the Zoning Ordinance, which is intended to accommodate facilities for office, research, general manufacturing, warehousing and distribution, and similar uses compatible with the district. The proposed storage facility is a conditionally permitted use in the Heavy Industrial (M2) Zoning Designation.

Development Standards

Table 2 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

Standards	Required	Proposed	Complies
Front Setback	Along major street: 35 ft. from face of curb	42.6 ft. from the property line	Yes

Standards	Required	Proposed	Complies
Side Yard Setback	None	None on west, and 41.6 ft. on east.	Yes
Rear	None	None	Yes
Floor Area Ratio (Maximum)	0.40	0.87	Yes*
Building Height (Maximum)	None, but special finding is required if building height exceeds 35 feet.	38.8 ft.	Yes**
Parking	35 spaces required: One space for every 5,000 sq. ft.	35 spaces	Yes
Landscaping	Required front and street side yard area	Front yard area	Yes
*With approval of a Conditional Use Permit			
**Finding: Any such excess height will not be detrimental to the light, air or privacy of any other structure or use currently existing or anticipated.			

Site & Architectural Design

The project is designed in a modern and contemporary style. Building elevations visible from Montague Expressway and South Milpitas Boulevard are articulated through massing and fenestrations that create architectural interest. The single story buildings that are not visible from public right-of-way are consistent with other industrially designed buildings in the vicinity of the project. The facades are articulated with metal panels, spandrel glass, aluminum, and trim cap elements. Building walls are proposed to be reinforced concrete with a gray color and an orange trim along the parapets. The colors used and materials are similar to other industrial buildings surrounding the project site and create a consistent design between the industrial properties.

Landscaping & Open Space Design

The Zoning Code requires landscaping along the front and street side yard areas of industrial projects. The landscape plan proposes landscaping in the front setback as well as interior side setbacks. The new landscaping along Montague Expressway includes various flowering shrubs, perennials and groundcover and provides an inviting atmosphere on the project site.

Parking

The proposed self-storage buildings comprise a total area of 171,924 square feet. The City's Zoning Ordinance requires one parking space for every 5,000 square feet of storage space. This requirement generates a demand of 35 spaces. The project satisfies this requirement by providing 35 parking spaces on the project site. Therefore, the project is consistent with the City's parking requirements.

Access & Circulation

The project site has two access point from Montague Expressway. The City's Fire Department and Utilities Department have reviewed the plans, and have noted that the project complies with emergency vehicle and solid waste truck circulation requirements. Customers are provided access through the gate located at southeast corner of the site. The drive aisles and parking stalls are designed consistent with City standards, which ensures adequate vehicle circulation onsite. Given these design parameters, the project provides a circulation system that is consistent with City standards.

Grading, Drainage and Storm water

The project includes demolition of all existing vacant buildings and construction of new buildings. The proposed project would change the impervious surface by more than 50% of the existing condition and hence triggers the C.3 storm water requirement that requires on-site landscape areas designed to filter storm water prior to entering the City's storm drain system. The project complies by providing sufficient landscaping and bio-retention area. The storm water control plan of the project is conditioned to comply with the current Municipal Regional Permit (MRP) requirements for Low Impact Development (LID) treatment.

Fences, Hedges and Walls

The Zoning Code provides the Planning Commission with the authority to approve fencing, hedges and walls for new development. The proposed tubular steel fencing for the site is consistent with the Zoning Ordinance because it meets the six-foot (6') height requirement. The fencing encloses the project site and provides security for the business.

Utilities

Solid Waste

The project includes a trash and recycling room in the northeast corner of Building D. The Zoning Code requires that the trash enclosure be encompassed by a solid masonry wall that is typically found in industrial buildings. The proposed enclosure is consistent with City standards.

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, the applicant is conditioned to underground the electrical distribution lines along Montague Expressway, and per PG&E comments, signs and trees shall not exceed 15 feet in height within the PG & E easement.

Conditional Use Permit

Floor Area Ratio (FAR)

As identified in Table 2, 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 can be accommodated through the approval of a Conditional Use Permit. The Zoning Ordinance does not establish a maximum FAR, however, the project must demonstrate compliance with the following two items below:

1. The proposed development will generate low peak-hour traffic; and

2. The proposed development will not create a dominating visual prominence.

Based on the Trip Generation Analysis conducted, the project generates approximately 31 PM trips during the peak hour. The trip generation for the proposed self-storage project is less than the number of new trips generated that would cause an impact to the circulation system, which is 100 trips. Therefore, the project will generate low peak-hour traffic and will not impact the City's circulation network.

The project will also not create a dominating visual presence. The two-story building along Montague Expressway is setback by over 40 feet. It is obscured from views from Montague Expressway by trees and other landscaping. Further, it is setback from South Milpitas Boulevard by approximately 100 feet. This distance reduces the perception of bulk and size of the structure. In addition, the proposed buildings on the project site have varying heights, with one three-story structure, one two-story structure, and two single story structures. The design features used on the elevations also minimize the bulk and massing of the buildings and they do not create a dominating visual presence.

Building Height

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 the to the light, air, or privacy of any other structure or use existing or anticipated. The site has one three-story building measuring at 34 feet 8 inches, and has a tower element at the southeast and south west corner of the building that exceeds the 35 foot height requirement, measuring 38 feet 8 inches. This portion of the building is located away from the property line on all sides. The difference in height between the tower element and the separation between parcels eliminates impacts to light, air and privacy. Based on this finding, the project is consistent with the development standards contained in the Zoning Code.

FINDINGS FOR APPROVAL (OR DENIAL)

A finding is a statement of fact relating to the information that the Planning Commission has considered in making a decision. Findings shall identify the rationale behind the decision to take a certain action. Staff has found 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 16-014).

ENVIRONMENTAL REVIEW

In accordance with the California Environmental Quality Act (CEQA), an Initial Study and Mitigated Negative Declaration has been prepared per Section 15070 of the State CEQA Guidelines. The Initial Study and Mitigated Negative Declaration were circulated for public review on February 10, 2016 through March 11, 2016. 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 incorporated into the project as conditions of approval.

PUBLIC COMMENT/OUTREACH

Staff provided public notice for the application in accordance with City and State public noticing requirements. At the time of writing this report, there have been no inquiries from the public. A notice was published in the Milpitas Post on 04/01/2016. In addition, 694 notices were sent to owners and occupants within 1,000 feet of the project site. A public notice was also provided on the project site, on the City's Website, www.ci.milpitas.ca.gov, and posted at City Hall.

CONCLUSION

In 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 will contribute towards City's economic development goals and provide necessary public infrastructure improvements (as conditioned).

RECOMMENDATION

STAFF RECOMMENDS THAT the Planning Commission:

1. Open the Public Hearing to receive comments;
2. Close the Public Hearing; and
3. Adopt Resolution 16-014, adopting a Mitigated Negative Declaration, approving the Mitigation Monitoring and Reporting Program, and approving Site Development Permit No. SD15-0004, Conditional Use Permit No. UP15-0009, and Environmental Impact Assessment EA15-0003 subject to the attached Conditions of Approval.

ATTACHMENTS

- A: Resolution 16-014, Exhibit 1- COA, Exhibit 2- Mitigation, Monitoring and Reporting Program.
- B: Project Plans
- C: Draft Initial Study/Mitigated Negative Declaration
- D: Final Mitigated Negative Declaration