



CITY OF MILPITAS

Economic Development and Trade Commission

DRAFT MEETING MINUTES

4:30 PM

Monday, May 8, 2023

First Floor Committee Conference Room

- CALL TO ORDER** Chairperson Casey McNeil called the meeting to order at 4:34 PM.
- PLEDGE OF ALLEGIANCE** Commissioner Romero led the pledge of allegiance.
- ROLL CALL** Economic Development Specialist Michael Thomas called the roll.
- PRESENT:** Chair Casey McNeil, Vice Chair Chris Norwood, Commissioners Michael Nguyen, Conrad Shapira, Paul Medawar, Cheri Romero, Parkash Daryani, and Stephen Huang (Student Commissioner). Mayor Carmen Montano (Council Liaison), and City staff: Alex Andrade, Daniel Degu and Michael Thomas
- ABSENT:** Commissioner Lynne Rice
- SEATING OF ALTERNATES** Alternate Member No. 1: Conrad Shapira was seated in place of Commissioner Lynne Rice
- Alternate Member No. 2: Michael Nguyen was seated in place of the vacant seat representing the Milpitas Chamber of Commerce
- APPROVAL OF AGENDA** **Recommended Action:** Approve May 8, 2023 regular meeting agenda of the Economic Development & Trade Commission as submitted.
- Mover/Second:** Norwood/Romero
- Motion carried by a vote of:** AYES: 7 NOES: 0
- Ayes:** Nguyen, Shapira, Medawar, Romero, Daryani, McNeil, Norwood
- Noes:** None **Abstentions:** None
- APPROVAL OF MINUTES** **Recommended Action:** Approve March 28, 2023 special meeting minutes of the Economic Development & Trade Commission as submitted.
- Mover/Second:** Shapira/Daryani
- Motion carried by a vote of:** AYES: 5 NOES: 0
- Ayes:** Nguyen, Shapira, Medawar, Daryani, McNeil
- Noes:** None **Abstentions:** Romero, Norwood

Recommended Action: Approve April 10, 2023 regular meeting minutes of the Economic Development & Trade Commission as submitted.

Mover/Second: Norwood/Daryani

Motion carried by a vote of: AYES: 6 NOES: 0

Ayes: Nguyen, Shapira, Romero, Daryani, Norwood, McNeil

Noes: None **Abstentions:** Medawar

PUBLIC FORUM

No public comment was submitted.

ANNOUNCEMENTS

Chairperson McNeil introduced the commissioner events and activities signup sheet.

Vice Chair Norwood reported that the Milpitas Unified School District (MUSD) is scheduled to host an elementary school Olympics event May 20 at Milpitas High School. The next MUSD School Board meeting is scheduled for May 9 at 5:30 PM.

Commissioner Romero offered to provide residential and commercial real estate data to the Commission on a monthly basis pending discussion with City staff.

Commissioner Huang reported that an Asian-American-themed night market featuring food and music is scheduled for May 19 at Milpitas High School.

Vice Chair Norwood asked for clarification on the status of the Commission's vacant seat representing the Milpitas Chamber of Commerce. Mayor Montano and Director Andrade stated the City is considering the Chamber's recommended candidate. Following review, Commission appointments are made by the Mayor and decided by the City Council.

Mayor Montano informed the Commission that an individual contacted her about hosting a skateboarding event in Milpitas on a future date. City staff is learning more about this event concept with the individual at this time.

The City Council will review the City's draft FY 24 Operating Budget at a study session scheduled for May 8 at 5:30 PM in the Council Chambers.

Economic Development Specialist Thomas reported that Milpitas' daytime population is approximately 118,000 people to follow up on Commissioner Rice's request from the Commission's regular meeting on April 10.

Chairperson McNeil requested to re-open the Public Forum to allow Milpitas Chamber of Commerce Interim President Kelly Yip-Chuan make announcements regarding Chamber business.

Mover/Second: Norwood/Daryani

Motion carried by a vote of: AYES: 7 NOES: 0

Ayes: Nguyen, Shapira, Medawar, Romero, Daryani, McNeil, Norwood

Noes: None **Abstentions:** None

Mrs. Yip-Chuan reported that the Chamber of Commerce sold 210 tickets to its annual Crab Feed event held April 14 at the Milpitas Community Center. The Chamber will host a business networking event at Casa Azteca on May 18. Mrs. Yip-Chuan offered to distribute the Asian-American night market event flyer among the Chamber's membership per Commissioner Huang's request.

Chairperson McNeil closed the Public Forum.

BUSINESS ITEMS

9a. American Rescue Plan Act (ARPA) Program Updates

Recommended Action: Receive update.

Economic Development Director Alex Andrade and Economic Development Coordinator Daniel Degu presented status updates regarding the Milpitas Youth Force (MYF) and Business Improvement District (BID) feasibility study.

Mr. Degu stated that the City's BID feasibility consultant is scheduled to present during the Commission's regular meeting in June.

Mayor Montano asked if development impact fees would be considered for the BID. Director Andrade stated that development impact fees are applied to development projects during the entitlement process and are not included as a traditional BID component. Mr. Andrade stated the Gateway-Main Street Specific Plan would include development impact fees.

Director Andrade summarized the Milpitas Youth Force's purpose and scope, and reported that 21 local youth and 14 businesses applied to participate.

Chairperson McNeil opened the public forum and no comment was submitted on this item. Chairperson McNeil closed the public forum.

Mover/Second: Norwood/Daryani

Motion carried by a vote of: AYES: 7 NOES: 0

Ayes: Nguyen, Shapira, Medawar, Romero, Daryani, McNeil, Norwood

Noes: None **Abstentions:** None

9b. Job Fair Event

Recommended Action: Receive update and determine Commissioner volunteer event roles.

Specialist Michael Thomas explained event purpose, scope, date and venue, as well as completed tasks and pending tasks, and how the Commission members can assist.

Commissioner Daryani asked who is eligible to attend the job fair. Mr. Thomas said the event would be open to the public, but allow Milpitas residents early entry with proof of residency.

Chairperson McNeil opened the public forum and no comment was submitted on this item. Chairperson McNeil closed the public forum.

Commissioners offered to distribute flyers to employers regarding the employment needs and interest survey.

Mover/Second: Norwood/Daryani

Motion carried by a vote of: AYES: 7 NOES: 0

Ayes: Nguyen, Shapira, Medawar, Romero, Daryani, McNeil, Norwood

Noes: None **Abstentions:** None

9c. Innovation District Branding Initiative

Recommended Action: Receive presentation and provide input on Innovation District Branding Initiative draft scope of work.

Mayor Montano (Council Liaison) left the meeting at 5:35 PM.

Director Alex Andrade and Coordinator Daniel Degu presented a slide deck dated May 8, 2023. Mr. Degu explained the purpose, scope and deliverables of the Innovation District Branding Initiative. This initiative will include consultant services to develop a branding campaign to attract new businesses in emerging sectors like bioscience, R&D, artificial intelligence, and automated technology.

This branding initiative is included in the Council-adopted Innovation District Action Plan that builds upon the vision Council-adopted policies and plans including the Economic Development Strategy, Milpitas Metro Specific Plan, and the City's General Plan 2040.

Vice Chair Norwood asked if the Innovation District's Zoning standards are in place. Messrs. Andrade and Degu stated that the district's zoning standards will be updated as part of the Zoning Code Update process to reflect the General Plan 2040's land use vision and standards.

Chairperson McNeil asked if the yet-to-be-selected consultant and City will reach out to targeted industries. Mr. Degu confirmed that the chosen consultant would do so.

Chairperson McNeil opened the public forum and no comment was submitted on this item. Chairperson McNeil closed the public forum.

Mover/Second: Daryani/Romero

Motion carried by a vote of: AYES: 7 NOES: 0

Ayes: Nguyen, Shapira, Medawar, Romero, Daryani, McNeil, Norwood

Noes: None **Abstentions:** None

9d. Commissioner Roles and Responsibilities

Recommended Action: Receive presentation and select a Commissioner to present at the Commission's regular meeting on June 12, 2023.

Vice Chair Norwood explained his entrepreneurial and professional background and community involvement experience.

Chairperson McNeil opened the public forum and no comment was submitted on this item. Chairperson McNeil closed the public forum.

Chairperson McNeil nominated Commissioner Daryani to present at the Commission's regular meeting on June 12.

Mover/Second: Norwood/Medawar

Motion carried by a vote of: AYES: 7 NOES: 0

Ayes: Nguyen, Shapira, Medawar, Romero, Daryani, McNeil, Norwood

Noes: None **Abstentions:** None

9e. New Business Item Discussion

Recommended Action: None. Staff note and file Commissioners' suggestions.

Chairperson McNeil introduced this item and invited Commissioners to make suggestions related to economic development. Commissioner Daryani asked if an overpass connecting Interstate 880 and 680 is under consideration.

Acting City Manager Ashwini Kantak stated that such an overpass would be a better fit in Fremont where the two freeways are closer together. Widening Highway 237 / Calaveras Blvd. is on VTA's projects list and the next steps include preparing construction documents, securing right-of-way access and obtaining additional federal funding.

Chairperson McNeil requested that Highway 237 widening be considered as a future workplan item. Vice Chair Norwood encouraged fellow commissioners to read the Economic Development Strategy document.

Chairperson McNeil opened the public forum and no comment was submitted on this item. Chairperson McNeil closed the public forum.

ADJOURNMENT

Motion to adjourn meeting at 6:02 PM

Mover/Second: Daryani/Nguyen

Motion carried by a vote of: AYES: 7 NOES: 0

Ayes: Nguyen, Shapira, Medawar, Romero, Daryani, McNeil, Norwood

Noes: None **Abstentions:** None

MEMORANDUM

Office of Economic Development



DATE: September 11, 2023

TO: Economic Development and Trade Commission

FROM: Holly Pearson, Senior Special Projects Associate

VIA: Alex Andrade, Economic Development Director

SUBJECT: **Item 9a: Comprehensive Zoning Ordinance Update**

BACKGROUND

The City of Milpitas recently launched an effort to comprehensively update the Zoning Ordinance (Milpitas Municipal Code Title XI, Chapter 10), which is the primary implementation tool for the City's General Plan with regard to land use and urban development. Zoning regulations are a tool to implement the vision and goals for growth and preservation of the city by setting forth rules and standards for what may be built, and what types of land uses are allowed in each zone. Zoning regulations are important for economic development because they determine what types of businesses may be located in specific locations and what level of review and permit (if any) a proposed business would be required to obtain in order to operate in Milpitas. Well-crafted zoning regulations can be a strong incentive for attracting certain types of businesses or industries to the city.

The City's Zoning Ordinance was originally written and adopted in 1955, with the most recent significant update having taken place in 2008. Although there have been multiple *ad hoc* amendments in recent years in response to changes in state law, zoning practice, and technology, overall, the Zoning Ordinance has not kept pace with changing trends in land use, evolving business operations and economic growth and does not reflect current best practices in planning and development regulations. In addition, it contains many outdated terms and needs to be reorganized to improve clarity and ease of use.

In 2021, the City completed a comprehensive update to its General Plan. Subsequently, the Milpitas Metro Specific Plan (Metro Plan)—which focuses on an area of approximately 510 gross acres in the southern end of Milpitas, including the BART station and Milpitas Transit Center, the Great Mall, and surrounding areas—was adopted in February 2023. The adoption of these policy documents created an opportunity, as well as a legal mandate to update the Zoning Ordinance (also referred to as the Zoning Code) to ensure that the code achieves the type of development that will carry out the vision set forth in the General Plan and Metro Plan. The zoning update aims to ensure that the code implements the General Plan and Metro Plan policies and actions related not only to land use, but also to economic development policies, strategies and actions in the [General Plan 2040's Economic Development Element](#) and the [Economic Development Strategy](#).

This memo focuses on the first phase of the comprehensive zoning update project, which includes work on new zoning districts: the Business Park Research and Development (BPRD) Zone and the Metro Area Zones. The BPRD Zone is being created to implement the new General Plan land use designation by the same name, while the Metro Area Zones are being developed to implement the policies and standards in the Metro Specific Plan. It also includes updates to the City's zoning map to bring the zoning of all

MEMORANDUM

Office of Economic Development



properties in the city into consistency with the land use designations in the new General Plan and Metro Plan.

ANALYSIS

New Zones: Amendments to the Zoning Ordinance

The new Business Park Research and Development (BPRD) land use designation in the updated General Plan is an industrial classification that is “intended to accommodate business parks, high-intensity office buildings, light manufacturing parks, and light industrial areas that provide for a variety of businesses that support employment opportunities and services for Milpitas and the region” (Milpitas 2040 General Plan, Land Use Element, page LU-7). The map in Attachment B illustrates the proposed location and boundaries of the BPRD Zone, which corresponds with the Southwest Employment Area.

Chapter 2 of the [Metro Specific Plan, Land Use and Public Space](#), outlines eight land use classifications within the plan area and their corresponding zoning districts (see Table 2-1, included as Attachment A). The zoning districts listed in the Metro Plan are similar to other zoning districts that currently exist in the City’s Zoning Ordinance: High Density Mixed Use (MXD2) and Very High Density Mixed Use (MXD3); Multi-Family High Density Residential (R3), Multi-Family Very High Density Residential (R4), and Urban Residential (R5). In addition, the Metro Plan includes two variations of the new BPRD land use classification and corresponding BPRD zones (BPRD and BPRD-R), with the distinguishing factor being that the latter allows residential uses on a limited basis.

The following are the two BPRD variant zones in the Metro Plan area, which are discussed in the “Metro Area Zones” section below starting on page 5:

- Metro Business Park Research and Development, Limited Residential; (BPRD-R-Metro)
- Metro Business Park Research and Development (BPRD-Metro)

The map in Attachment C shows the location of the proposed BPRD-R Metro and BPRD Metro zones. The portion of the BPRD Metro zone to the east of S. Milpitas Boulevard corresponds to the Innovation District that is included in strategies and actions in the Economic Development Strategy and Economic Development Element of the General Plan, and is also depicted as an overlay in the General Plan Land Use Map.

New and Revised Use Definitions (Zoning Ordinance Section XI-10-2)

Several new and revised definitions are proposed for land uses that are to be encouraged or restricted (as appropriate) in the BPRD Zones. These are included in the draft amendments for Section 2-Definitions of the Zoning Ordinance. Newly defined land uses include:

- **Advanced Manufacturing:** The use of innovative technologies to create existing and new products or to improve products and processes. Advanced manufacturing focuses on the rapid transfer of science and technology into production activities and may incorporate high technology elements such as information, automation, computation, software, sensing, and networking.

MEMORANDUM

Office of Economic Development



- **Contractor's Shop:** An establishment for specialized business activities related to building construction, including establishments for trades such as painting, carpentry, plumbing, glass working, heating, air conditioning, roofing, landscaping, cabinetmaking, and sign-making.
- **Convenience Store:** A retail establishment selling food, beverages, and small convenience items such as personal hygiene products, cigarettes, magazines, etc. Food and beverage products sold primarily consist of packaged and canned goods, prepared foods and hot drinks for immediate consumption, fountain sodas, etc., with less than 10 percent of the net retail floor area allocated for the sale of fresh fruits, fresh vegetables, fresh meat and dairy products, and other similar perishable items. Convenience stores are smaller in floor area than supermarkets/grocery stores (typically 4,000 square feet or less) and have long or late hours of operation (open before 7:00 am or after 10:00 pm).
- **Custom and Artisan Manufacturing:** An establishment primarily engaged in on-site production of goods by hand manufacturing or artistic endeavor, which involves only the use of hand tools or small mechanical equipment and the incidental direct sale to consumers of only those goods produced on site. Typical uses include metalworking, pottery and ceramic studios, film processing, photo finishing, printmaking, lithography, glass furnace, or woodworking.
- **Parcel Hub:** A "last mile" facility or similar establishment for the processing and/or redistribution of parcels or products to end-user consumers. A parcel hub's primary function is moving a shipment from one mode of transport vehicles with rated capacities less than 10,000 pounds, for delivery directly to consumers or end-users primarily within a ten-mile radius.
- **Retail, Limited:** An establishment which offers the sale of a limited line of merchandise that is generally necessary or desirable for everyday living or everyday business activities. Examples include small grocery stores offering primarily prepared or pre-packaged food and beverage items, small drugstores and variety stores, small stationery and office supply stores, shops selling other small household goods, and walk-out retail stores. This classification excludes convenience stores.
- **Self-Storage or Mini-Storage:** The storage, generally of furniture and/or other household items, in small individual units (typically 400 square feet or less) that are available for rental by the general public.
- **Warehousing, General:** The commercial receipt, storage, and distribution of goods generally handled in containers, such as boxes, barrels, and/or drums, with the use of equipment such as forklifts, pallets, and racks. General warehouse facilities typically have 80 percent or more of the gross floor area dedicated to storage activities, with the remaining floor area dedicated to office and other auxiliary uses.

The existing definition of "Research and Development" in the zoning code is proposed to be revised:

- **"Research and Development (R and D) Uses"** means ~~one or more buildings which feature a combination of offices, manufacturing, assembly, warehousing, distribution, laboratories and clean rooms, and ancillary uses such as cafeterias and employee fitness facilities.~~ industrial or scientific research for the design, development, engineering and testing of high technology,

MEMORANDUM

Office of Economic Development



clean technology, industrial, or scientific products. Research and development uses may include limited manufacturing as necessary for the production of prototypes, but exclude the full-scale manufacturing of final products.

BPRD Zone (Zoning Ordinance Section XI-10-7)

The proposed new zoning regulations for the Business Park Research and Development Zone have been incorporated into the existing Industrial Zones code section (Section 7). In order to prioritize and incentivize target industries such as research and development, advanced manufacturing, and other high-tech sectors, and to ensure an appropriate level of review and permit type for various types of uses in BPRD, Planning staff worked closely with Economic Development staff in drafting the use regulations (Table XI-10-7.02-1: Industrial Zone Uses, with footnotes).

The table below summarizes proposed key land uses and levels of review within the BPRD Zone. Levels of review/permit types are indicated by the following abbreviations:

- **P:** The use is permitted (no discretionary Planning review required).
- **MCS:** The use is permitted subject to the issuance of a Minor Conditional Use Permit (staff-level review)
- **MC:** The use is permitted subject to the issuance of a Minor Conditional Use Permit (Zoning Administrator review; public hearing required)
- **C:** The use is permitted subject to the issuance of a Conditional Use Permit (Planning Commission Review; public hearing required).

<i>Selected Land Uses – Business Park Research and Development Zone Excerpted from Table XI-10-7.02-1: Industrial Zone Uses, Milpitas Zoning Ordinance</i>	
Land Use	Level of Review/Permit Type
COMMERCIAL USES	
Business Support Services	MCS ^[1]
Personal Services	C
Printing (newspaper, blueprint, publishing)	MC
Retail, Limited	MCS ¹
ENTERTAINMENT AND RECREATION USES	
Commercial Athletic Facilities (max. 8,000 square feet)	MCS ¹
HEALTH CARE USES	
Medical Support Laboratories	MC
Medical and Dental Offices and Clinics	MC
INDUSTRIAL USES	
Advanced Manufacturing	P
Assembly from pre-processed materials	P
Commercial Laboratories	P
Contractor's Shops	C
Custom and Artisan Manufacturing	MCS
Distribution Facility	P

MEMORANDUM

Office of Economic Development



Parcel Hub	
Plant or Facility (assembly, manufacturing, packaging, processing, repairing, etc.)	MC
Research and Development	P
Soils and Materials Testing Laboratories	P
Warehousing, General	P ^[2]
Wholesale Sales	P
PROFESSIONAL OFFICE USES	
Offices, Business and Professional	P
PUBLIC, QUASI-PUBLIC AND ASSEMBLY USES	
Childcare Center	MCS ¹
Conference Center	MCS
Colleges and Universities, Public and Private	C
Vocational Schools	C
Farmer's Markets	MC
RESTAURANT AND FOOD SERVICE USES	
Catering Establishments	MC
Restaurants with on-site service of alcohol	C ¹
Restaurants without on-site service of alcohol	MCS ¹
Commissaries	MC

^[1] For indicated small-scale, ancillary commercial and quasi-public uses that support a primary employment-generating use on the same site, it is envisioned that these uses would provide amenities and services for employees working in tech-focused, campus-style developments.

^[2] Proposed to be permitted if integrated with and accessory to a primary use such as office or Research & Development; must be limited no more than 20 percent of the floor area of the primary use of the property.

Most other commercial uses, including grocery stores, general retail, convenience stores, and all vehicle-related uses (e.g., auto repair and service stations) and all residential uses would be prohibited. In addition, prohibited industrial uses would include building material sales/equipment rental, commercial fueling facilities, freight and trucking yards, mini-storage/self-storage, and recycling/processing facilities

Metro Area Zones (Zoning Ordinance Section XI-10-9)

A new draft code section has been added for the Metro Area Zones (Section 9). As mentioned previously, there are two proposed variations of the BPRD zone in the Metro Specific Plan area. The distinction between the “regular” BPRD zone and the BPRD Metro and BPRD-R Metro versions is that the Metro variants generally allow a higher density and/or intensity of development, with a more urban character and greater emphasis on a transit-oriented, pedestrian-oriented built environment. As noted above, the BPRD-R Metro zone allows limited residential uses, while BPRD Metro prohibits residential development.

Proposed use regulations and requirements for review/permitting, as set forth in Table XI-10-9.02-1: Metro Area Zone Uses and related footnotes, are focused on allowing vibrant, walkable, high-intensity

MEMORANDUM

Office of Economic Development



mixed-use areas around the BART station and Milpitas Transit Center. The proposed review/permit levels required for selected key land uses in BPRD Metro and BPRD-R Metro are shown in the table below. Generally, these zones allow a broader range of small-scale uses that are appropriate for a more urban context, as compared to the “regular” BPRD zone.

Levels of review/permit types are indicated by the following abbreviations:

- **P:** The use is permitted (no discretionary Planning review required).
- **MCS:** The use is permitted subject to the issuance of a Minor Conditional Use Permit (staff-level review)
- **MC:** The use is permitted subject to the issuance of a Minor Conditional Use Permit (Zoning Administrator review; public hearing required)
- **C:** The use is permitted subject to the issuance of a Conditional Use Permit (Planning Commission Review; public hearing required).
- **NP:** The use is not permitted.

<i>Selected Land Uses – Metro Area Zones: BPRD-R Metro and BPRD Metro Excerpted from Table XI-10-9.02-1: Industrial Zone Uses, Milpitas Zoning Ordinance</i>		
Land Use	BPRD-R Metro Level of Review/ Permit Type	BPRD Metro Level of Review/ Permit Type
COMMERCIAL USES		
Business Support Services	MCS ¹	MCS ¹
Retail, Limited	P ¹	P ¹
ENTERTAINMENT AND RECREATION USES		
Commercial Athletic Facilities (max. 8,000 square feet)	MCS ¹	MCS ¹
HEALTH CARE USES		
Massage Establishments	C ¹	C ¹
Medical Support Laboratories	MC	MC
Medical and Dental Offices and Clinics	MC	MC
Opticians/Optometrists	MC	MC
Pharmacies and Drugstores	MC	MC
INDUSTRIAL USES		
Advanced Manufacturing	P	P
Art and Artisan Studios	MCS	P
Commercial Laboratories	P	P
Custom and Artisan Manufacturing	MCS	MCS
Manufacturing, Assembly, Packaging, and Processing Facilities	MCS	MCS
Parcel Hub	NP	MC
Printing (Newspaper, Blueprint, Publishing)	NP	MC
Research and Development	P	P

MEMORANDUM

Office of Economic Development



Soils and Materials Testing Laboratories	P	P
Warehousing, General (max. 25,000 square feet)	P	P
Wholesale Sales	MC	MC
LODGING USES		
Hotels	P	P
PROFESSIONAL OFFICE USES		
Offices, Business and Professional	P	P
Financial Institutions (banks, savings & loans, etc.)	MCS ¹	MCS ¹
PUBLIC, QUASI-PUBLIC AND ASSEMBLY USES		
Childcare Center	P ¹	P ¹
Large Family Child Care Home (within a residence)	P	NP
Small Family Child Care Home (within a residence)	P	NP
Colleges and Universities, Public and Private	C	C
Community Gardens	P	P
Farmer's Markets	MCS	MCS
RESIDENTIAL USES		
Accessory Dwelling Units	P	NP
Group Living Accommodations	C	NP
Live/Work	MCS	NP
Multi-Family Dwellings	P	NP
Residential Care Facilities	P	NP
Transitional and Supportive Housing	P	NP
RESTAURANT AND FOOD SERVICE USES		
Restaurants with on-site service of alcohol	C ¹	C ¹
Restaurants without on-site service of alcohol	P ¹	P ¹

¹⁾ For indicated small-scale, ancillary commercial and quasi-public uses that support a primary employment-generating use on the same site, it is envisioned that these uses would provide amenities and services for employees working in tech-focused, campus-style developments.

Other prohibited commercial uses include general retail, grocery stores, convenience stores, personal services, and all vehicle-related uses (e.g., auto repair and service stations). Prohibited food service uses include catering establishments and commissaries. In addition, many larger-scale, more “traditional” industrial uses would be prohibited, such as contractor’s shops, distribution facilities, building material sales/equipment rental, commercial fueling facilities, freight and trucking yards, mini-storage/self-storage, and recycling/processing facilities.

Questions for Discussion and Feedback for Planning Staff

Planning staff requests input from the Economic Development and Trade Commission on the following points:

MEMORANDUM

Office of Economic Development



- Are there additional land use or business types that should be included in the BPRD zones?
- Are the levels of review and permit types appropriate for each of the land uses listed? Would you recommend any changes?
- Are there any specific limitations or restrictions on the land uses listed that you think should be added or removed, either to better promote these uses or to provide better protection for public health, safety and welfare?

FISCAL / ECONOMIC ANALYSIS

Adoption of the BPRD and BPRD Metro zones is expected to bring significant economic benefits to Milpitas. These zoning districts are designed specifically to encourage and attract high-tech, R&D, advanced manufacturing, and emerging technologies to Milpitas. Developing the BPRD zoning district will allow for growing the Milpitas economy, which is expected to result in job creation, revenue generation, and strengthening the City's long-term fiscal sustainability.

The BPRD zoning districts will incentivize new development of properties designed for high tech/R&D uses, bringing new high-paying employment opportunities and significant tax revenue to the city. This will benefit not only the local economy of Milpitas, but also the City's long-term fiscal outlook. Therefore, adoption of the BPRD zones will serve to advance Goal ED-2 of the General Plan's Economic Development Element of achieving fiscal sustainability and maintaining adequate revenues to provide quality and essential public services.

Nexus to Economic Development Policies

1. Economic Development Element Goal ED-1: Cultivate a strong, stable and diverse local economy.

Policy ED 1-2: Promote and support innovative and emerging technologies for 21st century business and community needs

Policy ED 1-3: Strengthen the City's position as a premier regional location for high-tech industrial and advanced manufacturing uses in Silicon Valley

2. Economic Development Element Goal ED-3: Encourage new development in key opportunity areas that provide high-quality work environments and competitive business locations.

Policy ED 3-3: Attract development of new high-quality creative office and R&D projects around the BART Station to meet market demand, compete for regional growth opportunities and create high-quality jobs in the Milpitas Metro Specific Plan area (formerly the Transit Area Specific Plan).

The BPRD Metro and BPRD-R Metro zones will apply in key areas near the Milpitas BART station, as called for in the Metro Specific Plan (see map, Attachment B). These prioritize development of space for R&D and other innovative industries. The strategic mapping of the BPRD zones near the BART station and Milpitas Transit Center will connect future development to the regional transportation system and the San Jose International Airport, offering a competitive advantage for new businesses that locate there.

MEMORANDUM

Office of Economic Development



- Economic Development Strategy 27:** Identify and preserve high-priority office/R&D development sites in and near the Metro Specific Plan Area (MSPA), including changes to land use policy.

Action 27.2: Identify potential office and R&D development opportunity sites in and near the current MSPA boundaries (especially around the Milpitas Transit Center). As part of the MSPA update, expand the area's boundaries to incorporate potential Innovation District sites. Enact land use policy and zoning that prioritize appropriate sites in the MSPA for office and R&D development that have a high potential for these uses, while allowing for continued residential development.

The adopted Metro Specific Plan identified opportunity sites for office/R&D and applied the BPRD land use designation to those sites, as indicated in the Land Use Diagram (Figure 2-1 on page 42 of the Metro Specific Plan). The BPRD Metro and BPRD-R Metro zones implement that designation in the selected areas with specific land use regulations and development and design standards. In addition, the BPRD-R Metro zone allows for residential development.

- Economic Development Strategy Action 11.1:** Review and revise zoning and land use regulations to encourage incorporation of amenities like childcare centers, gyms, and other services in office/R&D districts.

The proposed use regulations for the BPRD zones allow childcare centers, commercial athletic facilities, limited retail, and restaurants by right, provided that they are ancillary to primary employment-generating uses (e.g., office, R&D, advanced manufacturing) on the same site. This is integral to the success of these zoning districts since these amenities will provide needed services in close proximity to employment centers.

- Potential FY 24 EDTC Workplan Item:** Explore nexus between zoning and economic development.

The draft BPRD zoning regulations have been crafted specifically to promote economic development by incentivizing and attracting industries the City of Milpitas has identified as being key drivers for economic growth. The Planning Department has collaborated carefully with Economic Development staff on the creation of the BPRD zones. Input from the EDTC on these proposed zoning regulations will help to optimize opportunities for economic growth in the BPRD areas.

RECOMMENDATION

Receive a progress report on the work completed to date on Phase 1 of the Comprehensive Zoning Update and review and provide suggestions on the draft new zones (Business Park Research and Development Zone [BPRD] and Metro Area Zones).

ATTACHMENTS

- Metro Specific Plan Table 2-1: Land Use Classifications
- Draft Updated Zoning Map: Southwest Employment Area (BPRD Zone)
- Draft Updated Zoning Map: Metro Specific Plan Area (Metro Area Zones)

Table 2-1. Land Use Classifications







Land Use Classification	Allowed Density	Maximum Height	Active Use Requirements	Allowed Zoning Districts
Residential Retail High Density Mixed Use (RRMU)	Mixed Use ¹ : 1-2.5 FAR Residential Only: 40-85 units/ac	85 feet Within 60 feet of adjacent existing residential zoned parcels, building height shall be stepped down to be the same max height plus 10 feet of the adjacent parcel.	Ground floor retail and active uses are required on 80 percent of the ground floor facade along any Activity Street.	Metro High Density Mixed Use (MXD2-Metro)
Boulevard Very High Density Mixed Use (BVMU)	Mixed Use ¹ : 2.5-5.0 FAR Residential Only: 85-250 units/ac	275 feet 50 percent of base footprint above 85 feet and 25 percent of base footprint to a maximum height of 275 feet tall	Ground floor retail and active uses are required on 80 percent of the ground floor facade along any Activity Street.	Metro Very High Density Mixed Use (MXD3-Metro)
Multi-Family High Density Residential (MFH)	Residential: 30-40 units/ac	75 feet	N/A	Metro Multi-Family High Density Residential (R3-Metro)
Multi-Family Very High Density Residential (VHD)	Residential: 40-85 units/ac	35-75 feet	N/A	Metro Multi-Family Very High Density Residential (R4-Metro)
Urban Residential (URR)	Residential: 70-120 units/ac	6 stories and 75 feet	N/A	Metro Urban Residential (R5-Metro)

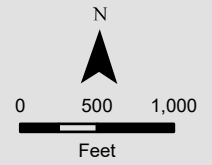
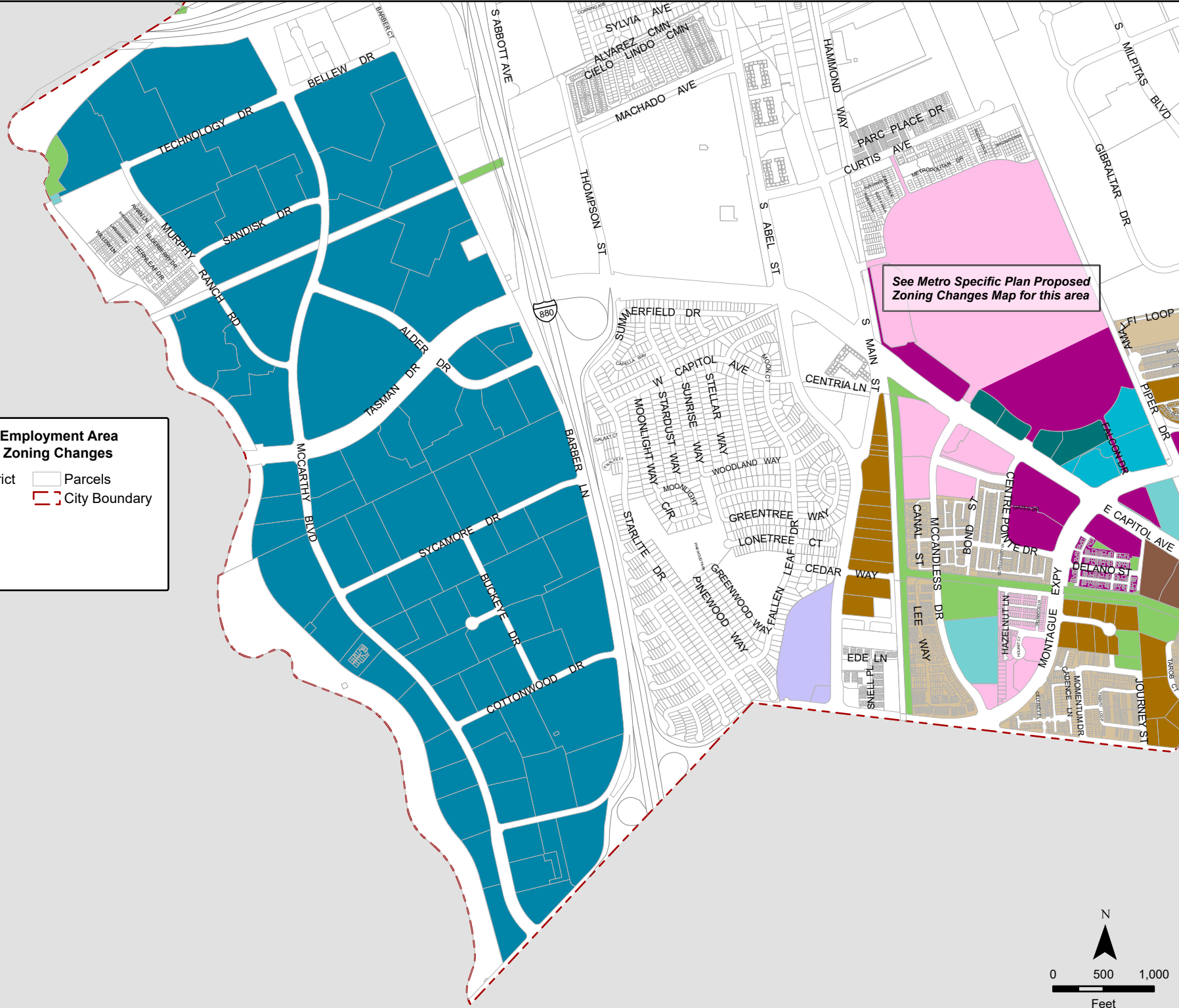
¹ On Housing Element opportunity sites, upper story non-residential uses are prohibited.

Land Use Classification	Allowed Density	Maximum Height	Active Use Requirements	Allowed Zoning Districts
Business Park Research & Development (BPRD)	Non-residential: 1.0-2.5 FAR	8 stories	Ground floor retail and active uses are required on 80 percent of the ground floor facade along any Activity Street.	Business Park Research & Development, (BPRD) ²
Business Park Research & Development, Limited Residential (BPRD-R)	Mixed-use: 1.0-5.0 FAR; minimum of 1.0 FAR of office or R&D	275 feet or 18 stories	Ground floor retail and active uses are required on 80 percent of the ground floor facade along any Activity Street.	Business Park Research & Development, Limited Residential (BPRD-R)

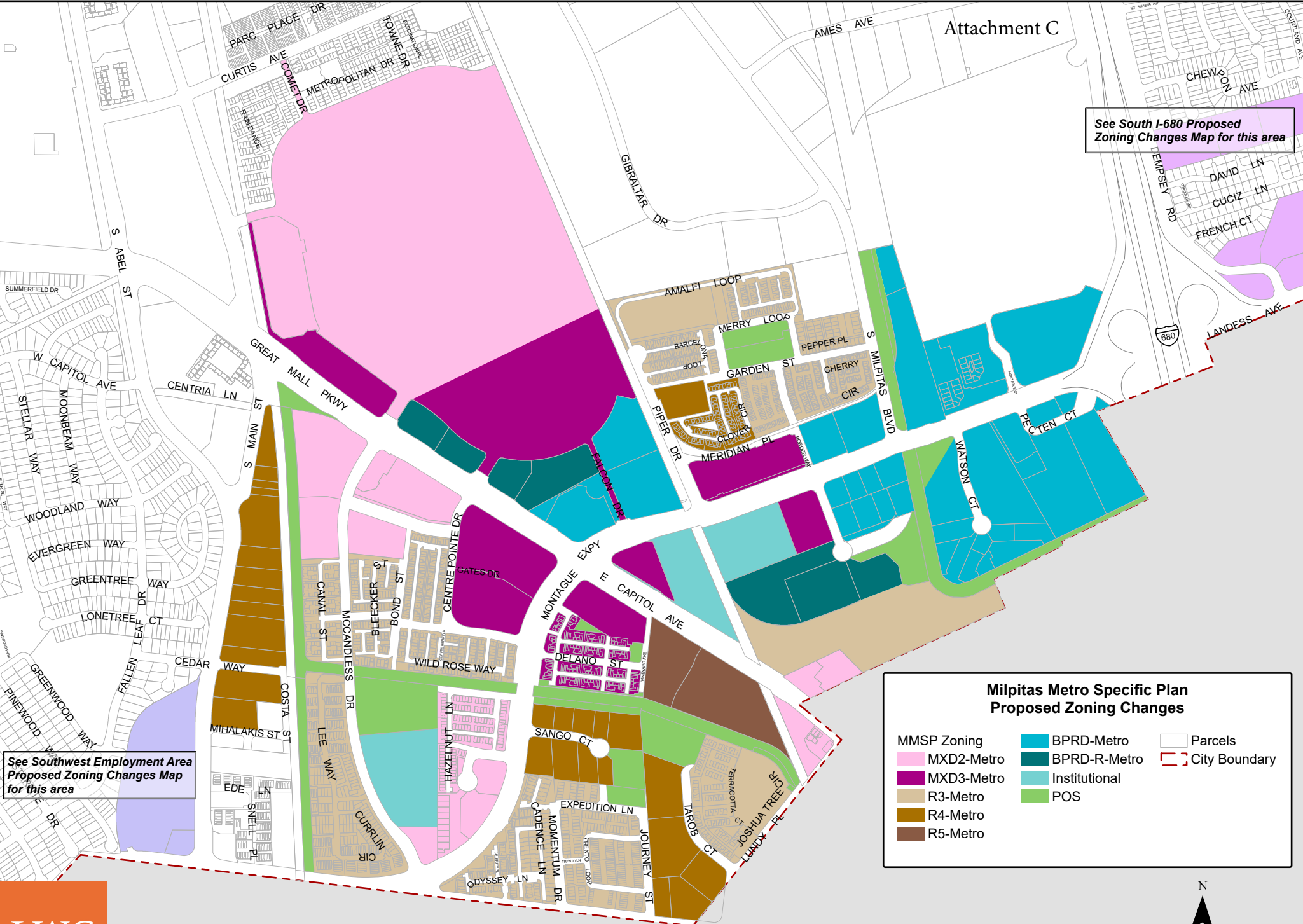
² Zoning will provide additional details to differentiate between BPRD-L and BPRD-H by creating a sliding scale to increase density by proximity to the Transit Center.

**Southwest Employment Area
Proposed Zoning Changes**

 BPRD	 Parcels
 I	 City Boundary
 MXD	
 POS	



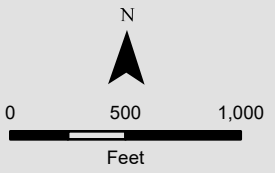
See South I-680 Proposed Zoning Changes Map for this area



See Southwest Employment Area Proposed Zoning Changes Map for this area

**Milpitas Metro Specific Plan
Proposed Zoning Changes**

MMSP Zoning	BPRD-Metro	Parcels
MXD2-Metro	BPRD-R-Metro	City Boundary
MXD3-Metro	Institutional	
R3-Metro	POS	
R4-Metro		
R5-Metro		



MEMORANDUM

Office of Economic Development



DATE: September 11, 2023
TO: Economic Development and Trade Commission
FROM: Michael Thomas, Economic Development Specialist
VIA: Alex Andrade, Director of Economic Development
SUBJECT: **Item 9b – Manufacturing Day 2023**

BACKGROUND

Each year in October since 2017, The City of Milpitas in collaboration with Milpitas Unified School District (MUSD) and local manufacturing businesses host [Manufacturing Day](#) (MFG Day) to inform and educate local high school-aged students about the manufacturing industry. Manufacturing Day is an initiative of the Manufacturing Institute to inspire and build the future manufacturing workforce and generate awareness about the manufacturing industry. While Manufacturing Day occurs on October 6 this year, communities, educational institutions, manufacturers and community partners host events throughout October. Manufacturing Day in Milpitas is scheduled for Friday, October 13. The City Council-adopted [Economic Development Strategy](#) calls for annual participation in and funding assistance for Manufacturing Day (EDS Action 17.1)

[Manufacturing Day events](#) in Milpitas traditionally include facility tours, product and process demonstrations, and Q&A sessions between manufacturing employees and students. During the COVID-19 pandemic, virtual events like panel discussions among manufacturing industry representatives, educational leaders, workforce development representatives and community partners occurred in lieu of in-person events from 2020 to 2022 due to gathering restrictions and emergency declarations. With such temporary measures since rescinded, City and MUSD staff are making preparations for the first in-person event since 2019.

DISCUSSION

City and MUSD staff are engaged with two local manufacturers that have expressed interest in serving as site hosts. This event will be a private and invite-only event in consideration of facility capacity limits and enhancing student enrichment. For reference, 76 people participated during the last in-person event in 2019, half of which were students (38 students). One goal of this event is to make MFG Day relatable to high school-aged students by discussing career path, salary, employment opportunities, job training and requirements.

As of the writing of this memo, further discussions are scheduled with the prospective site hosts to confirm participation and discuss event planning, logistics and division of labor. Staff will provide a status update at the Commission's meeting on September 11. Working event details are listed on the next page.

MEMORANDUM

Office of Economic Development



Date: Friday, October 13

Time: 9:00 AM to 2:30 PM (Site A 9:00 AM to 11:30 AM and Site B 12:00 PM to 2:30 PM)

Audience: Milpitas High School, Middle College & Calaveras Hills students

Student Count: 50 students

Other Attendees: MUSD administrators, teachers and staff, City elected/appointed officials, administrators and staff

Sites: Two Milpitas-based manufacturing firms, TBA

Tentative Event Itinerary

Site A	Site B
<ul style="list-style-type: none">• Arrival and Check-In• Business overview and presentation by host• Employee Panel/Q&A• Tour and product / process demonstrations/simulations/tactile activities• Photo Op• Depart for Site B	<ul style="list-style-type: none">• Arrival and Check-In• Lunch• Business overview and presentation• Employee Panel/Q&A• Tour and product / process demonstrations/simulations/tactile activities• Photo Op• Return to campus

RECOMMENDATION

Receive a status update regarding planning and preparation for the 7th Annual Manufacturing Day event in Milpitas, and provide suggestions on event preparation.

MEMORANDUM

Office of Economic Development



DATE: September 11, 2023
TO: Economic Development and Trade Commission
FROM: Michael Thomas, Economic Development Specialist
VIA: Alex Andrade, Director of Economic Development
SUBJECT: **Item 9c – FY 24 Workplan**

BACKGROUND

The Commission's mission is to advise the City Council on business issues, international trade relationships, and make recommendations on the design, development, and implementation of economic development in Milpitas. [The Commissioners Handbook](#) requires that each commission prepare its own annual workplan to identify anticipated topics, assignments and goals to address during a 12-month period. Commission workplans are traditionally considered by City Council in the fall annually. The Commission's FY 23 Workplan is attached. This item was originally agendaized for the Commission's regular meeting of August 14, 2023, but was continued to the Commission's regular meeting on September 11 to enable more Commissioners to provide feedback.

At its special meeting on March 28, 2023, the Commission voted to add a standing item to its regular meeting agenda so Commissioners may introduce items the Commission may consider including or modifying in future work plans. Ideas suggested during the Commission's previous meetings are included to help with discussing the FY 24 Workplan:

Meeting Date	Suggested Item	Commissioners
April 10, 2023	Explore the nexus between zoning and economic development	Norwood
	Subsidized Housing for unhoused individuals, educators and students	Daryani
	Home affordability and financial assistance education	Romero
	Student scholarships	
	Commercial and residential real estate activity and data	
May 8, 2023	Highway 237 / Calaveras Blvd. widening	Daryani and McNeil

DISCUSSION

Since commissioners' new business item suggestions focus on new or modifying workplan items are being covered in this item, the Commission may elect to continue the standing agenda item regarding *New Business Item Discussion* to a future meeting.

RECOMMENDATION

Identify prospective topics, assignments and goals for development and consideration at a future Commission meeting in preparation of City Council consideration.



**ECONOMIC DEVELOPMENT & TRADE COMMISSION (EDTC)
WORK PLAN FY 2022-2023**

Topic/Overall Goal	Specific Action(s) Required	Schedule
Economic Development Strategy	Implement Strategies and Actions: Storefront Improvement Grant Program, Business Improvement District (BID), economic indicators, branding/marketing assets, improving & updating website, & demonstration project policy. <ul style="list-style-type: none"> • EDTC Commissioners may volunteer as ambassadors to assist in formal and informal business outreach as directed by staff, particularly along Main Street • EDTC Commissioners may participate and present at Chamber of Commerce events such as breakfast and lunch convenings 	
American Rescue Plan Act (ARPA) Economic Vitality Framework	Economic Vitality: support re-building the Milpitas economy through a Small Business Assistance Grant Program, Workforce Development, Financial Assistance to Chamber & Hotels, Main St. Revitalization & Limited Term Economic Development Specialist. <ul style="list-style-type: none"> • EDTC Commissioners may provide expertise and feedback on hospitality and workforce development matters • Volunteer ambassadors may help with business outreach for re-building the Milpitas economy 	
Main Street Revitalization	Main Street Revitalization will encourage economic vitality, enhance business marketability, increase property values, and attract people and new businesses. <ul style="list-style-type: none"> • Economic Development Strategy 31: Position Midtown as a community destination for independent retail & restaurants and Implementation Action 9.1: Implement Pilot Storefront Improvement Grant Program under Retail and Restaurant Strategies • Business Improvement District Feasibility Analysis 	
Workforce Development & Education	Promote a diversified workforce and provide training opportunities for Milpitas residents. <ul style="list-style-type: none"> • COVID-19 Workforce Recovery implementation, education/outreach on Phase II • FlexFactor Initiative - Workforce dev./training to Milpitas High School students • City/MUSD MOU - Workforce/Educ., MFG Day, career fair, business outreach • As directed by staff, EDTC Commissioners may help facilitate opportunities with MUSD, engage with Milpitas High School students, and leverage networks at San Jose State University, San Jose City College, Evergreen Valley College, NextFlex, etc. 	

Innovation District	Market development opportunities with the real estate development & brokerage communities & business attraction in the emerging technologies arena.	
International Trade & Commerce	<p>Support business expansion into global markets, attract foreign investment through information gathering, needs assessment, & cultivate relationships w/service providers.</p> <ul style="list-style-type: none"> • Provide expertise and feedback on the draft International Trade and Commerce work effort • Help facilitate trade events, including hosting dignitaries, trade missions, attending trade shows, etc. 	
Manufacturing Day 2022	<p>Manufacturing Day 2022: Focus on career opportunities in tech/advanced manufacturing, impacts of on-shoring of jobs and supply chain disruption on Milpitas and Silicon Valley manufacturing industry.</p> <ul style="list-style-type: none"> • Continue to partner with the Office of Economic Development to support Manufacturing Day 2022 by participating as program speakers; event promotion and marketing; leveraging networks, and/or providing feedback. 	Oct. 13, 2022