City of Milpitas
Zoning Ordinance Update

Stakeholder Interviews Summary Report

May 2023

Prepared for:

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INTRODUCTION

Lisa Wise Consulting, Inc. (LWC) is preparing the Comprehensive Zoning Ordinance Update for the City of Milpitas. The Zoning Ordinance will implement the community-driven 2040 General Plan and recently adopted Metro Specific Plan. A strong collaborative effort between stakeholders, community members, and decision-makers is essential to the Ordinance update, and as one of several community outreach events, LWC conducted interviews with key stakeholders. The interviews were intended to provide an insider's perspective of existing standards and to identify community needs and priorities related to zoning, including uses, development standards, design, and procedural requirements.

The City identified and contacted 24 individuals as potential interviewees and 14 participated in the interviews. Included were residents, designers, real estate brokers, developers, and business community representatives. LWC conducted a total of nine individual or small group interviews (no more than three interviewees per group). Interviews were conducted from April 3 to April 25, 2023 via Zoom videoconference.

Interviews were scheduled for 60 minutes each out of respect for respondents' time and to limit informant fatigue; most interviews lasted the full 60 minutes. The interviews followed a list of 10 questions developed by LWC that was reviewed and approved by the City and distributed to interviewees prior to the interview (see below and Appendix). All interviews were initiated with a greeting and a brief: 1) introduction to the project, 2) description of intent of the interviews, 3) assurance of confidentiality, and 4) and overview of the format and expected time commitment.

STAKEHOLDER RESPONSES SUMMARY

Respondents provided useful, candid information and were appreciative of the opportunity to be involved. Summaries of the responses to each question are included below.

Question 1: What is your relationship with the City of Milpitas (property owner, resident, business owner/operator, developer, non-profit organization, etc.)?

Respondents included individuals who identified themselves as residents/property owners; design professionals; for-profit and non-profit developers; real estate professionals; local business owners, operators or consultants; and prior member of the City's Planning Commission.

Question 2: Please describe your level of familiarity with the Zoning Code. What types of development are you involved with, if any?

Familiarity with the Zoning Code ranged from not very familiar to intimate familiarity with the Zoning Code. Participants were involved with residential (single-family and multi-family), commercial, industrial, and mixed-use development. Some interviewees had been involved with the 2040 General Plan Update and Metro Specific Plan.

Question 3: What aspects of the current Code do you find effective or beneficial?

Respondents noted that the following regulations work well:

- Building height limits, FAR limits, and density limits are beneficial.

- The Code generally promotes certainty and is clear and easy to understand.

- Parking standards and ratios are clear for different uses.

- It's helpful that parking spaces are not required for ADUs within a half mile from BART.

- Safety regulations applicable to industrial zones are beneficial. For instance, if a church goes into an industrial zone, it needs to have a chemical monitoring alarm system and fire sprinklers.

- It's good that the Code requires that projects foster community pride as a required finding for approval.

- The searchable interface works well both on a computer and smartphone.

Question 4: What do you think are the Code's shortcomings in achieving quality development?

Below is a summary of responses related to the Codes' shortcomings in achieving quality development:

- Cases where applicants want exceptions to the Code are often problematic. Conditional use permits function to allow such exceptions (e.g., for tall buildings near single-family residential neighborhoods).

- For industrial buildings, the City should allow up to 50 feet in height from ground level to the top of the parapet. Setbacks and landscaping for these types of buildings are important.

- FAR standards are too low to be financially feasible, particularly along Calaveras Boulevard.

- Development standards such as screening, sidewalk requirements, design guidelines, setbacks for residential are onerous and financially burdensome on a project.

- The Zoning Code should give more authority to Planning staff and/or the Zoning Administrator to streamline development.

- Code users need a clear path that demonstrates how to entitle a project so that there are no surprises.

Question 5: Do you think the Zoning Code reflects the community's needs? If not, what changes need to be made?

Participants identified where particular uses identified in the Zoning Code are/are not reflective of community needs, as well as issues with development standards such as parking standards and other topics:

- The required number of parking spaces for residential uses and commercial businesses is excessive. To reduce VMT impacts, the Code should limit the required parking, especially if close to transit. However, this should balance appropriate parking for employees.

- Conditional use permits should be reviewed by the Planning Commission and the City Council.

- The Code devotes too much space to office, technology, and manufacturing uses (many areas zoned for theses use are vacant because these uses are not consistent with market demand, given the cost of doing business in California).

- Residential on the ground floor is not working for mixed-use districts. The City should make sure there is demand for those uses.

- Higher density residential/mixed-use should be allowed downtown and along BART corridors.

- Smaller restaurants should be accommodated, as large restaurants are no longer being built. New restaurants are mostly small to medium in scale.

- The Code needs flexibility since businesses evolve.

Question 6: Are there aspects of the zoning regulations you find vague or unclear? If so, please describe.

Participants asked for clarity in the Code regarding the following items:

- Terminology in the Code is not always clear (e.g., acronyms should be explained; what is the difference between an exception, a variance, and a conditional use?).

- Overlay zones are difficult to interpret on the zoning map – when do they apply? (e.g., when do overlay districts apply in downtown?).

- The optimal affordable housing requirement is 20 percent, but the Code requires only 15 percent. The City should be clear on the requirement.

- In some instances, it is not clear where setbacks should be measured from (e.g., along Montague Expressway).

- Park in-lieu fees are not clear; they should be transparent enough to determine the fee without having to call City staff.

Question 7: Are the use regulations effective in promoting desirable development, welcoming new business opportunities, and keeping out incompatible uses?

Participants commented on use regulations as summarized below:

- Generally, the Code is effective in promoting desirable development and keeping out incompatible uses, although exceptions and conditional use permits can allow for projects that are not compatible with the community.

- Use regulations should be flexible. There is currently a preschool that wants to open in an existing warehouse space, but the proximity of a liquor store is preventing the preschool from opening.

- The Code should have a robust list of defined uses allowed (including audio/visual production studios, tea shops, escape rooms, karaoke, hobby brewing) to eliminate ambiguity and the need for staff interpretation (e.g., UPS/Fedex as warehouse/distribution vs. a parcel sorting service).

- The Code should allow more manufacturing uses, and instead of not allowing uses altogether, should allow a conditional use permit for other expanded commercial redevelopment uses.

- The Code limits how close automotive uses can be to one another. This is too restrictive, as it does not differentiate uses like window tinting and ceramic coating (low impact uses that generate little waste) from other automotive uses with a lot of oil waste (like mechanic shops).

- In malls or retail centers that already have restaurants that sell alcohol, new restaurants still need a use permit to sell alcohol. This is discouraging for applicants.

Question 8: How well do you think the permitting and administrative procedures work, including community meeting/noticing requirements?

A consistent comment received included support for alternative forms of noticing (e.g., social media noticing), among other comments:

- Notice should be given sooner in the development process.

- Notice should also occur through social media (e.g., Facebook, Nextdoor), electronic message signs, and through Mayor updates at City Council.

- Notice should be given within a one-mile radius of the project.

- The City has suggested that projects also be reviewed at a community meeting, which is not required by State law and adds time and expense to projects.

- It is helpful that the City allows applicants to package all requests (including tentative maps) for one hearing.

- Administrative processing can take too long.

- Use of the density bonus allowed by State law and associated concession/waiver has been helpful.

- The timeline of the building permit process is often unclear. The online portal tracks submittal date but doesn't give a due date for comments from the City. It would be better if the online portal could tell you which departments have reviewed, and which have yet to review (some cities do this).

- It would be better if the City had in-house plan check. It's much harder when the City uses a third-party plan checker.

Question 9: Are there any issues regarding the Zoning Code that you would like to better understand?

Some questions had to do with the relationship between zoning and other planning documents, as well as how zoning overlays function/where they apply:

- Overlays are complicated; it would be nice if in GIS you could click on a parcels to see which zoning district supersedes the other.

- I would like to better understand the Main St. revitalization process.

- How will the revisions to the Zoning Code affect the General Plan and various specific plans?

Question 10: Is there anything else that you would like to add?

Stakeholders generally expressed being pleased with their interactions with City staff, but also mentioned some frustrations with the CEQA process. Other comments are summarized below:

- Planning staff has done a great job – they are collaborative, receptive, and responsive.

- The City's developer roundtable meetings have been useful.

- CEQA takes too long and slows down the project.

- It would be useful to have a master fee schedule and automatic fee calculator tool that shows all relevant fees.

- Higher residential fees may prevent development due to feasibility problems.

- It would be great if there were a program specifically for restaurants to streamline applications (e.g., a program coordinator that applicants could deal with directly).

- Small business owners need a checklist of everything they need to do to open a business and should be made aware of what resources are available (e.g., façade improvement program).

- It would be great if the City had a designated planner or staff person dedicated to streamlining affordable housing projects.

- PG&E and other utilities create delays. Is there anything that the City's planning or engineering departments can do about that?

City of Milpitas Comprehensive Zoning Ordinance Update
Stakeholder Interview Questions

Name(s): _____ **Day:** _____ **Time:** _____

Project Objectives: Modernize the Zoning Ordinance, make the Zoning Ordinance more user-friendly; ensure consistency; promote compact, mixed-use, and transit-oriented development where appropriate.

Purpose: These interviews enable the consultant team and the City to gain better understanding of zoning issues that need to be addressed and the highest priority items from the perspective of community members and local stakeholders.

Confidentiality: Results from the interviews will be reported in aggregate form where comment cannot be attributed to an individual unless consent to use affiliation or personally identifiable information is granted by the interviewee. Your participation is completely voluntary. You can stop the interview at any time.

May we use your name and/or affiliation in reporting results of this interview? Yes / No

Format: We'll ask 10 questions (see below). There are no right or wrong answers; you will not be judged on your responses. Please answer each question as sincerely as you can. The interview should take no more than 60 minutes. There will be other opportunities for input throughout the project.

1. What is your relationship with the City of Milpitas (property owner, resident, business owner/operator, developer, non-profit organization, etc.)?

2. Please describe your level of familiarity with the Zoning Code. What types of development are you involved with, if any?

3. What aspects of the current Code do you find effective or beneficial?

4. What do you think are the Code's shortcomings in achieving quality development?

5. Do you think the Zoning Code reflects the community's needs? If not, what changes need to be made?

6. Are there aspects of the zoning regulations you find vague or unclear? If so, please describe.

7. Are the use regulations effective in promoting desirable development, welcoming new business opportunities, and keeping out incompatible uses?

8. How well do you think the permitting and administrative procedures work, including community meeting/noticing requirements?

9. Are there any issues regarding the Zoning Code that you would like to better understand?

10. Is there anything else that you would like to add?