



Agenda Report

19-1663

Agenda Date: 2/27/2019

REPORT TO PLANNING COMMISSION

SUBJECT

Public Hearing: Action on Use Permit to allow a hydrogen vehicle fueling facility at 1375 Norman Avenue

REPORT IN BRIEF

Project: Use Permit to allow the construction and operation of a hydrogen vehicle fueling facility as an ancillary activity an existing hydrogen production and distribution hub (Air Products) located on the contiguous property at 1700 Russell Avenue. The proposal would support California Energy Commission efforts in the building and establishment of a hydrogen supply network of hydrogen fueling facilities to serve the Fuel Cell Electric Vehicle (FCEV) market in northern California.

Applicant: Matt Sovitski, Air Products & Chemical Inc.

General Plan: Low-Intensity Office/Research and Development (R&D)

Zoning: Heavy Industrial (MH)

Site Area: The project site is a 0.5 acre portion of a 11.6 acre parcel.

Existing Site Conditions: The project site is a vacant gravel lot with minimal landscaping along the frontage and two paved access driveways.

Surrounding Land Uses: Industrial uses surround the project site that include manufacturing operations to the east, auto body and warehouse uses to the south, air separation and hydrogen production supply operations (Air Products Plant) to the west and northwest, and office/warehouse activities to the north.

Issues: Consistency with the City's General Plan and Zoning Ordinance.

Staff Recommendation: Recommend that the Planning Commission approve the Use Permit to allow a hydrogen vehicle fueling facility at 1375 Norman Avenue.

BACKGROUND

On August 27, 2018 the applicant applied for a Use Permit to allow a hydrogen vehicle fueling facility on a 0.5 acre portion of an 11.6 acre MH zoned parcel on the north side of Norman Avenue (PLN2018-13492). The project is proposed to augment existing hydrogen gas production, storage and distribution operations occurring on contiguous parcels owned and operated by Air Products & Chemicals Inc. (1700 Russell Avenue and 1515 Norman Avenue). The adjacent Air Products Plant provides industrial gases (including nitrogen, oxygen and argon) to customers via pipeline and truck trailer delivery and is a hydrogen supply hub. The existing project site is an unimproved portion of an industrial property covered by gravel that may be used for parking by Air products employees.

DISCUSSION

The project, which supports California's Zero Emission Vehicle and Low Carbon Standard objectives under the Energy Commission's Alternative and Renewable Fuel and Technology Program, would replace the existing gravel lot with asphalt paving, provide four on-site parking spaces, and install a

fueling station with up to two hydrogen dispenser units (which look similar to a standard gasoline dispenser with hose and nozzle), 36' x 24' overhead canopy, 40' x 10' x 10' equipment enclosure, site lighting, landscaping, and trash receptacles. The equipment enclosure would house a 4,000 gallon (534.7 cubic feet) above ground hydrogen tank and associated distribution equipment protected by bollards at the rear of the project site. The project retains the two existing driveways for vehicle access, adds vinyl clad slats to existing fencing for screening/security, and enhances the frontage with expanded landscape area for new trees and vegetation.

The facility is to be designed, built, operated and maintained in compliance with applicable codes and standards, and monitoring protocols set forth in, but not limited to, the California Building Code, National Fire Protection Association, National Electrical Code, American Society of Mechanical Engineers, Occupational Safety and Health Administration, and Compressed Gas Association.

Operations

The proposed facility would operate seven days a week, 24 hours a day without an attendant or provision of customer services on-site (i.e. restrooms, retail goods, vending machines, or compressed air for tire service). Vehicle fueling would be self-service and payment is to be made by credit card only via dedicated card readers, screen, and key pad on each fueling dispenser, thus eliminating the need for a cashier.

The facility would be monitored remotely by an Air Products Equipment Support Team at all times and their telephone number will be posted on each fueling dispenser in the event customer assistance is needed. Fail safe procedures and mechanisms are designed into the project to monitor and shut down functions manually on-site and remotely in the event of an emergency or otherwise required.

Capacity

The maximum daily capacity of the facility would be 200 vehicles and hourly capacity of 28 vehicles with two dispensers in operation simultaneously. These capacities assume an average of four kilograms of fuel dispensed per vehicle, and may vary.

Delivery

The facility would be supplied by a truck with a tractor and 30-foot long trailer. The circulation plan is designed to accommodate movement of the supply vehicle to not obstruct customer traffic in and out of the site. Delivery would occur every one to two days and take approximately 30 minutes to fill the hydrogen storage tank at the rear of the site.

Maintenance

The facility would be maintained by hydrogen fueling technicians for preventative maintenance and testing of safety devices in conformance with regulatory requirements. The Air Products Equipment Team, in the course of monitoring the site, would deploy technicians to the site if an abnormal event is detected outside the routine maintenance schedule.

General Plan Conformance

The General Plan land use designation for the project site is Low Intensity-Office R&D. This designation is intended for campus-like office development that includes office and R&D, as well as medical facilities and free standing data centers, with manufacturing uses limited to a maximum of 20

percent of the building area. Accessory, or secondary, small scale supporting retail uses that serve local employees and visitors are also permitted. The project is consistent with the land use designation for the site in that it is a secondary operation of the Air Products Plant and would serve local and regional drivers of EV vehicles. The project is also consistent with the following General Plan policies of the Low Intensity-Office R&D land use classification:

- 5.3.1-P8 Work with property owners to improve or redevelop underutilized vacant properties.
- 5.3.1-P10 provide opportunities for increased landscaping and trees in the community, including requirements for new development to provide street trees and a minimum of 2:1 on- or off-site replacement for trees removed as part of the proposal.
- 5.3.1-P27 Encourage screening of above-ground utility equipment to minimize visual impacts. The project is consistent with the above policies in that the proposal would improve the 0.5 acre undeveloped portion of a 11.6 acre parcel with site and infrastructure improvements that include asphalt paving, sidewalk enhancements, planting of street trees and vegetation along the frontage of the property, and screening of the hydrogen storage tank in an equipment enclosure.
- 5.3.3-P1 Provide a mix of retail and commercial uses to meet the needs of local customers and draw patrons from the greater region.
- 5.3.5-P12 Promote development, such as manufacturing, auto services and data centers in Light Industrial and Heavy Industrial classifications to compliment employment areas and retail uses area

The project is consistent with the above policies in that the proposal would establish a new hydrogen vehicle fueling facility in the industrial sector to serve and support the local and regional FCEV market.

Zoning Conformance

The project site is zoned MH- Heavy Industrial. This designation allows for heavy industrial uses that include manufacturing, processing and storage; trucking and motor freight stations; and outdoor storage and exposed mechanical equipment, subject to Chapter 18.50 of the Zoning Ordinance. The MH zone also conditionally permits uses that are not expressly authorized by right but that are appropriate for an industrial area, in the opinion of the Planning Commission. The proposed project is consistent with this MH zoning designation in that the proposal involves the storage and vehicle fueling of liquid hydrogen and is an ancillary use to augment existing hydrogen gas production, storage and distribution operations occurring at the contiguous Air Products Plant.

ENVIRONMENTAL REVIEW

A Mitigated Negative Declaration (MND) was prepared and distributed for the adjacent Air Products facility at 1700 Russell Avenue from June 19, 2017 to July 19, 2017, and approved by the Planning Commission on August 9, 2017. The proposed project is categorically exempt from the California Environmental Quality Act (CEQA) per CEQA Section 15301, Existing Facilities (Class 1) as the project is a minor modification to the existing facility at 1700 Russell Avenue. Class 1 consists of operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination.

FISCAL IMPACT

There is no impact to the City for processing the requested application other than the administrative staff time and expense typically covered by processing fees paid by the applicant.

COORDINATION

This report has been coordinated with the City Attorney's Office.

PUBLIC CONTACT

On February 15, 2019, a notice of public hearing of this item was posted in three conspicuous locations within 300 feet of the project site and mailed to property owners within 500 feet of the project site. At the time of this report, Planning staff has not received public comments regarding the proposed project.

Public contact was made by posting the Commission agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

ALTERNATIVES

1. Approve the proposed Use Permit to allow a hydrogen vehicle fueling facility at 1375 Norman Avenue.
2. Deny the proposed Use Permit to allow a hydrogen vehicle fueling facility at 1375 Norman Avenue.

RECOMMENDATION

Adopt a Resolution approving a Use Permit to allow a hydrogen vehicle fueling facility at 1375 Norman Avenue.

Prepared by: Debby Fernandez, Associate Planner
Reviewed by: Alexander Abbe, Assistant City Attorney
Reviewed by: Reena Brilliot, Planning Manager

ATTACHMENTS

1. Project Data Summary Sheet
2. Applicant's Statement of Justification
3. Development Plans
4. Resolution Approving Use Permit
5. Conditions of Approval