PROJECT DATA:

Application: PLN200025 / Use Permit / Fireclay Tile

Public Hearing: July 1, 2020

Applicant/Owner: Erin Harwayne (Senior Planner/Project Manager for Denise Duffy and

Associates, Inc.) / Eric Edelson (Fireclay Tile)

Location: 521 Quarry Road Aromas, CA 95004

APN: 011-390-006 (Existing Fireclay Tile Facility), 011-390-040 (Driscoll

property), and 011-309-050 (Granite Rock Property)

General Plan: Industrial Heavy (IH)
Zoning: Heavy Industrial (M-2)
Planner: Arielle Goodspeed

PROJECT DESCRIPTION:

The proposed project consists of the expansion of the existing Fireclay Tile Factory at an industrial site. The proposed expansion includes construction of two new production and storage buildings, and an office building. The proposed storage building (Building X) would be approximately 29,100 square feet ("SF"), the proposed production building (Building Z) would be approximately 22,680 SF, and the proposed office (Building Y) would be approximately 11,900 SF. The project would also include access and drainage improvements on two adjacent parcels.



Figure 1. Project Site within Broader Region

SITE DESCRIPTION:

The proposed project is located at 521 Quarry Road, Aromas CA, 95004, within San Benito County, California. The project site is made up of a 4.89-acre parcel (Assessor's Parcel Number ["APN"] 011-390-006) and would include access and drainage improvements on two adjacent parcels; 30.18 acre parcel APNs 011-390-040 (Driscoll property) and 25.63 acre parcel 011-309-050 (Granite Rock property).

The property, which houses the Fireclay Tile factory, is located between the Pajaro River (about 660 feet to the west) and the Union Pacific Railroad. The railroad runs parallel with, and is adjacent to the eastern property line. The property is about 500 feet southwest of the entrance to the Graniterock AR Wilson Quarry. The approximately 4.98-acre parcel slopes gently upward via graded terraces and natural slopes from the lowest elevations in the southwest corner of the property. The low corner of the property is near level with the adjacent agriculture fields at an elevation about 20 feet above the Pajaro River. There is about 25 feet of elevation gain from the southwest corner to the northeast corner of the property.

Currently, the site is improved with four main buildings, auxiliary structures, concrete slabs, storage areas and parking lots. The level building pads for the existing structures and concrete slabs were created by cut and fill grading operations at various elevations. The site is also improved with a few residential buildings which will be demolished prior to construction of the proposed new buildings. The site is minimally vegetated.

Local access to the project site is provided by State Route ("SR") 129, which is located approximately 1.5 miles north of the project site by way of street; regional access to the site is provided by Highway ("Hwy") 101. The property is located in a rural location and is surrounded by heavy industrial and mineral resource uses. There is a single driveway entrance to the project site that crosses over Union Pacific Rail Road ("UPRR") tracks located along the easterly side of the project site. The western border of the project parcel borders Santa Cruz County.

PROJECT BACKGROUND:

Fireclay Tile has an existing use permit County file number MDR 87-08. Fireclay Founder and Chief Ceramicist Paul Burns set out on his own and made Fireclay Tile in 1986. Fireclay Tile is the first tile company to be certified as a Benefit Corporation. Every ceramic tile to order is made at the project site location in Aromas. The primary goal of the proposed project is to consolidate and expand existing facilities to increase efficiency and production. The project's key objectives is to terminate the temporary lease for the warehouse in Gilroy and expand the existing site in Aromas and consolidate facilities and operation, to provide the employees a layout which would lead to enhanced efficiencies for both labor and utilities, to build a more efficient and productive operation to accommodate the company's growth, and to continue to provide competitive wages and benefits for its team members.



Figure 2. Project Site and Vicinity Map

USE PERMIT ELEMENTS and SITE CONFIGURATION:

The proposed project consists of the expansion of the Fireclay Tile Factory at an existing industrial site and within portions of two adjacent parcels (Attachment 2 / Figure 4). Fireclay Tile would discontinue their use of a facility in Gilroy, CA, and would consolidate all business activities to the existing facility in Aromas. The existing facility in Aromas consists of eight buildings totaling approximately 31,501 SF, of which, four buildings totaling approximately 18,069 SF would be demolished (Attachment 3 / Figure 5). The proposed expansion includes construction of two new production and storage buildings and an office building. The proposed project would consist of the construction of approximately 63,680 SF of new production, storage, and office space to replace the existing facility in Gilroy. The specific dimensions of each building are as follows:

- One 29,100 SF storage building;
- One 22,680 SF production building; and
- One 11,900 SF office building.

The existing facilities remaining after demolition (15,506 SF) and the proposed improvements (63,680 SF) would total approximately 79,186 SF. In addition, the project proposes site improvements include drainage and septic infrastructure, signage, parking, and emergency vehicle access. The access and drainage improvements proposed on the two adjacent parcels would be facilitated by long-term leases with the two property owners. The proposed project

would have the same operating hours, and would have an increase of seven employees from the Gilroy facility (please refer to *Operations* discussion below). The following discussion provides a more detailed description of key proposed project elements, including construction, grading, security, site fencing, lighting, access and parking, water supply, septic, drainage, and operation.

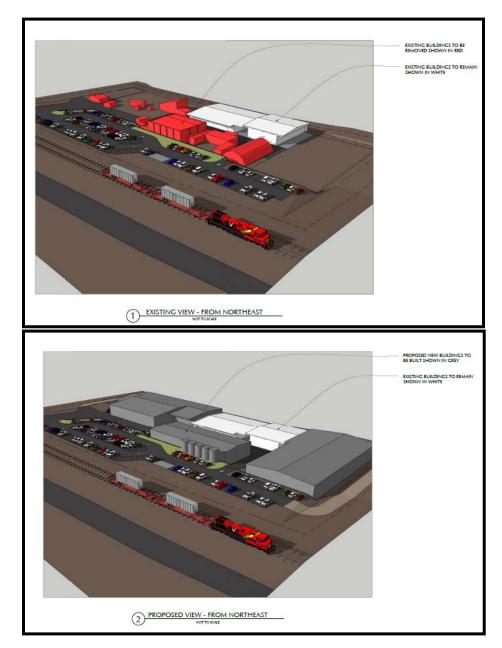


Figure 3. Project Site Existing and Proposed View Comparison

Construction activities for the proposed project would consist of constructing the proposed storage, production, and office buildings shown in (Attachment 2 / Figure 4). Construction

activities would be limited to weekdays between the hours of 7 a.m. to 6 p.m. and 8 a.m. to 5 p.m. on the weekends, and no nighttime construction is proposed. Minimal paving would be required for access and parking areas. Construction activities would include site preparation, grading, paving, building construction, and architectural coating. Construction equipment would include, but would not be limited to, graders, tractors/loaders/backhoes, rollers, and dozers. The extent of demolition activities would include the demolition of asphalt, concrete and structures. Construction staging areas would occur on-site. Construction employees at the construction site would range between one and 10 employees per day. Parking would be provided on-site, and no separate construction access roads would be needed. Access to the project site during construction activities would be provided via the baserock driveway at the front of the property. The baserock driveway would include a rumble pad to remove mud and dirt and reduce tracking offsite. Construction would take place over approximately 240 calendar days beginning on or around July 1, 2020, depending on weather and local permitting processes, and would be completed as early as February 2021. Construction would begin with earthmoving, which would take place of the course of 20 days, and 10 days for fine grading.

Potable water would be supplied by an on-site well at the northeast corner of the property site. A reverse osmosis ("RO") system would be installed. Within the vicinity of the on-site well, there would be water storage for fire sprinklers with the capacity to hold 100,000 gallons of water.

The existing septic system would be expanded and relocated to the southern side of the site to maintain the required 100 feet from site drainage (Attachment 3 / Figure 6).

A 0.4-acre detention pond is proposed on the western side of the new buildings on the adjacent parcel to the west (i.e., Granite Rock property), and is designed to detain the difference between a 10-year pre and 100-year post development, in accordance with County standards (Attachment 3 and 4 / Figures 6 and 7).

The project would require minimal grading to facilitate construction of the proposed buildings. The site is generally flat. Construction would result in approximately 9,202 cubic yards ("CY") of cut and 10,325 CY of fill, a total of 19,527 CY of earthmoving with a net importation of 1,123 CY (Attachment 4 / Figure 7). Imported fill would be required and would be sourced by the Granite Rock – A.R. Wilson Quarry approximately 1,000 feet to the northeast of the project site. The project would require disturbance of approximately 4.89 acres of the existing industrial site, 1.1 acres of the Granite Rock property to the west and north, and 0.14 acres of the Driscoll property to the south.

The proposed expansion project would require additional exterior security lighting.; however, all lighting will be downward facing and employ shades and other measures to protect surrounding parcels.

During construction and operation, the project site would be accessed via a private base rock driveway that runs through the property, which is accessible via Quarry Road. Parking would be available on-site for construction and operation (Attachment 5 / Figure 8). The project site consists of an existing parking lot along the front of the property; however, the proposed project PLN200025

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proposes improvements to include 129 standard parking spaces and six accessible spaces. Additionally, a 20-foot wide access driveway would be constructed along the perimeter of the property within the existing industrial and two adjacent parcels for semi-truck and emergency vehicle access, requiring approximately 0.8 acres of disturbance on the adjacent parcels (i.e., approximately 0.1 acres on the Driscoll property and 0.7 acres on the Granite Rock property). The width of the access driveway could potentially be expanded to 30 feet if required for adequate semi-truck access.

The proposed project operations would remain unchanged: all months of the year with the hours of operation 24 hours of the day, Monday through Friday, including some weekends. The intake of the Gilroy employees would result in a total of seven employees, resulting in a total of 114 employees. Pick-up and delivery truck trips would be approximately two daily pickups and one daily drop off per day. In addition, visitors and other suppliers and partners would be in and out throughout the day, representing on average three more truck trips per day.

PLANNING AND ZONING:

Agricultural Rangeland (AR). The San Benito County General Plan designates the existing Fireclay Tile Factory parcel as Industrial Heavy ("IH") land use designation. The County Zoning Ordinance the subject parcel is zoned Heavy Industrial ("M2"). The adjacent parcel to the west and north (APN 011-309-050) is designated as Industrial Heavy ("IH") and zoned Heavy Industrial ("M2"). The adjacent parcel to the south (APN 011-390-040) is designated as Rural ("R") and zoned Heavy Industrial ("M2").

- The proposed project is consistent with the area's Industrial Heavy (IH) land use designation in the General Plan in that it meets or fulfills, LU-6.1 Employment Centers, LU6.3 Industrial Uses, and LU-6.5 New Industrial Heavy Areas as the expansion of the Fireclay Tile facility will generate additional employment opportunities within the county, continue to encourage industrial land uses in an area that would not pose significant land use conflicts, and is properly located to transportation corridors.
- The proposed project is consistent with the parcel's Heavy Industrial (M-2) designation under the County's zoning ordinance, Section 25.17.063 conditional uses (D) Chemicals, compounding, and packaging from previously prepared materials, (N) Machinery, general and special industrial, including pumps and compressors, ball and roller bearings; food products, textiles, woodworking, paper-making and printing machinery, ventilating and heat treating equipment; patterns; and mechanical power transmissions and (EE) Uses similar to the above as determined by the Planning Commission.

ENVIRONMENTAL EVALUATION:

In accordance with the California Environmental Quality Act (CEQA) Guidelines Section 15074, the County prepared an initial study/mitigated negative declaration (IS/MND) for the project. The environmental factors identified to be potentially affected include: biological resources, cultural resources, geology and soils, hydrology and water quality, transportation and traffic, tribal resources, utilities and service systems, and mandatory findings of significance. Major factors of consideration for review included traffic network and traffic intersection operations, particularly to the ingress and egress over the railroad crossing onto the subject parcel. Mitigation measures utilized to address factors included site distance, design and crossing improvements, approach gradient improvements, traffic control improvements, and street illumination. Mitigation measures have been crafted to assure a less than significant impact to those identified potential impacts; biological resources, cultural resources, geology and soils, hydrology and water quality, transportation and traffic, tribal resources, utilities and service systems, and mandatory findings of significance.

The County circulated the draft IS/MND for public comment from June 3 and ending June 24, 2020. The County has not received any comments as of the writing of this report in relation to the draft IS/MND, although any comments that do arise may be addressed during the public hearing. The IS/MND found all potential environmental impacts to be less than significant provided adherence to stated mitigation measures, which have been included as conditions of project approval. The IS/MND reflects the County of San Benito's independent judgment and analysis.

PUBLIC COMMENT:

The County received two letters from Graniterock (a neighbor) and San Benito County Business Council in support of proposed expansion, see attached Exhibit D.

STAFF ANALYSIS:

The proposed project already has an existing use permit with the County, county file number MDR 87-08. The existing facility in Aromas consists of eight buildings totaling approximately 31,501 SF, and the current use is manufacturing tile, same as the proposed use. The current number of employees is 107. The new proposal would allow the new construction, 7 new employees, and new safety features such as the access road, improved parking, security lighting, drainage facility, and improvements along the Railroad crossing. The proposed project operations would remain unchanged: all months of the year with the hours of operation being 24 hours a the day, Monday through Friday, including some weekends. The intake of the Gilroy employees would result in a total of seven employees, resulting in a total of 114 employees. The new proposal for expansion continues to meet the allowed uses within the Industrial Heavy designation include heavy industrial activities that are not suitable for urban areas due to their size, noise, dust, traffic, or safety concerns. The use, as presented, conforms to the General Plan in that it supports and protects industrial heavy uses in the county by keeping industrial land uses within properly placed land uses. All potential environmental concerns have been evaluated, analyzed, and mitigated as part of the Initial Study / Mitigated Negative Declaration that was circulated to the public.

STAFF RECOMMENDATION: Staff recommends that the Planning Commission review the staff report, draft initial study and recommendation to adopt a Mitigated Negative Declaration (of no significant impact), review the attached draft resolution, which includes findings and conditions of approval. Staff further recommends that the Planning Commission make the findings included in the resolution and adopt the resolution to approve Use Permit PLN200025, subject to the conditions of approval found in the resolution.

Exhibits and Attachments

Exhibit A. Project Data Sheet PLN200025

Exhibit B. Resolution for approval, with conditions of approval, and with attachments:

Attachment 1. MMRP

Attachment 2. Project Site Plan

Attachment 3. Existing Site / Easements / Demolition Plan

Attachment 4. Preliminary Utility Plan

Attachment 5. Preliminary Grading Plan

Attachment 6. Preliminary Improvement Plan

Exhibit C. Notice of Decision (NOD) and the Initial Study and Proposed Mitigated Negative Declaration

Exhibit D. Public Comments Received PLN200025

Exhibit A: Project Data Sheet PLN200025 Fireclay Tile / 521 Quarry Road, Aromas

Project proposal: The expansion of the existing Fireclay Tile Factory at an industrial site.

Assessor Parcel Number: APN 011-390-040, APN 011-390-040, and APN 011-309-040.

Legal Lot of Record: This parcel was established as a legal lot of record being a portion of Jesse Carr's subdivision of a portion of the Rancho Aromitas Y Agua Caliente according to the map thereof filed in Book 1 of Maps, Page 58, San Benito County Records, and being also a portion of Parcels 2 and 3 according to the Parcel Map (P.M. NO. 534-80) filed in Book 5 of Parcel Maps, at Page 37, San Benito County Records.

Permit Requirement: Use Permit **Zoning:** (M-2) Heavy Industrial

General Plan: (IH) Industrial Heavy

Land Use Designations: The San Benito County General Plan designates the existing Fireclay Tile Factory parcel as Industrial Heavy ("IH") and is zoned Heavy Industrial ("M2"). The adjacent parcel to the west and north (APN 011-309-050) is designated as Industrial Heavy ("IH") and zoned Heavy Industrial ("M2"). The adjacent parcel to the south (APN 011-390-040) is designated as Rural ("R") and zoned Heavy Industrial ("M2").

Minimum Building Site Allowed: The building site area for CM, M-1 and M-2 districts shall be of sufficient and adequate size to meet all of the parking, storage and materials handling and yard areas, including landscaping, screening and buffering area requirements of this title. No building shall exceed 40 feet in height. Chimneys, silos, towers and similar structures shall be allowed as provided by § 25.29.014 of this title. The lot coverage of all buildings on any site shall not exceed 40% of the site.

Lot Sizes: The existing Fireclay Tile Factory parcel is 4.89 acres and the two adjacent parcels are approximately 30.18 acres (APN 011-390-040) and 25.63 acres (APN 011-309-050).

Sewage Disposal: New Septic System.

Water: New Well and Public Water System.

CEQA Determination: IS/MND.

FEMA Flood Zone: Not within a 100-year floodplain. Portion within AE floodplain.

Fire Severity: Non-Wildland/Non-Urban.

Within earthquake fault zone: Not within an Alquist-Priolo Earthquake Fault Zone.

Endangered Species: No known species habitat on site.

Archeological Sensitivity: High sensitivity

Williamson Act Contract Area: Not within Williamson Act Contract Area.

Is the proposal consistent with the General Plan Designation and Zoning? The proposed expansion of Fireclay Tile conforms to the General Plan Industrial Heavy land use designation and is consistent with Heavy Industrial zoning, subject to approval by the Planning Commission.

Exhibit D: Public Comments Received PLN200025



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Intero Real Estate
John Smith Road Landfill
JNM Company
Commercial Real Estate
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Monterory Bay Community

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Nino Real Estate
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PG&E
Richland Communities
Ruggerl, Jensen & Azar
Salinas Valley Chamber
of Commerce
San Bentlo & Santa Clara
County Building & Trades
Council
San Bentlo County
San Bentlo County
San Bentlo County

Chamber of Commerce
San Benito County
Farm Bureau
San Benito Heating &
Sheetmetal
San Benito High School District
Sierra Pacific Associates
Sunnysiope County
Water District
Tanimura & Antie
Teknova
TriCal, Inc.
Union Bank

May 26, 2020

San Benito County Planning Department 2301 Technology Drive Hollister, CA 95023

Re: Fireclay Tile, Inc. Expansion Project at 521 Quarry Road, Aromas

To Whom It May Concern:

I am writing on behalf of the San Benito County Business Council in support of the planned expansion of Fireclay Tile, Inc., located at 521 Quarry Road in Aromas.

One of the primary goals of the Business Council is to support the growth and expansion of local business and good jobs in our community. Our regional manufacturing sector is strong and growing and a targeted sector for economic and workforce development.

Fireclay Tile has been a successful business and good neighbor in San Benito County since 1992. Fireclay's Aromas manufacturing plant has added 50 full-time, local jobs in the last 5 years, and plan to add another 50 over the next 2-3 years with the investment of approximately \$4-7M in their facility expansion.

Fireclay Tile is a good corporate citizen in our local community. They've supported the Aromas School, and employ numerous Aromas residents and many others from the surrounding area. As the county's only California Benefit Corporation (B Corp), they are committed to following sustainable manufacturing practices, using recycled and domestically-sourced materials, and taking care of their employees. We believe that Fireclay will continue to be an industry leader and a positive force in the local economy.

We've just recently been introduced to Fireclay and their strong leadership team. We were impressed to learn that Fireclay's handcrafted tiles adom homes throughout the US, with custom decorative molding and backsplashes, in bathrooms, washrooms, kitchens, pools and fountains. Commercially, Fireclay Tile is featured in restaurants such as Starbuck's and Peet's, as well as in hotels, malls and airports.

Thank you for your consideration of this project and our support. If you have any questions or concerns, please do not hesitate to contact us.

Sincerely,

Robert C. Tiffany

President

San Benito County Business Council

CC: San Benito County Planning Commission, San Benito County Supervisors

341 First Street, Hollister, CA 95023 831.524.0408 SBCBusinessCouncil.com Executive Director, Kristina Chavez Wyatt Kristina@SBCBusinessCouncil.com

Exhibit D: Public Comments Received PLN200025



June 3, 2020

San Benito County Planning Department 2301 Technology Drive Hollister, CA 95023



Re: Fireclay Tile, Inc. Expansion Project at 521 Quarry Road, Aromas, CA 95004

To whom it may concern:

We write in support of the proposed expansion project for Fireclay Tile, Inc. at 521 Quarry Road, Aromas, CA 95004. Fireclay Tile has been a neighbor and Aromas resident since 1992, and has been a supportive member of the local community.

We understand Fireclay Tile has provided funds and support for the Aromas School, employs Aromas residents and many from the surrounding area. We trust that Fireclay, as a California Benefit Corporation, will continue to be a positive force in the local economy.

We support this proposed expansion. If you have any questions or concerns, please do not hesitate to contact me.

Sincerely

P.P. aleden Olini Graniterock

Kevin Jeffery, Vice President and General Counsel kjeffery@graniterock.com 831.818.1675

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Monterey County

San Benito County

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