Monterey Corridor Market Analysis & Implementation Options
City of Morgan Hill
Planning Commission Meeting | February 27, 2018
Background

General Plan Update (2016)
- Mixed Use Flex Designation
- Transform Monterey Corridor
  - Vibrant, walkable mixed-use

Targeted, Flexible, Economically Grounded Planning Approach
- Land Use Inventory
- Market Analysis
- Zoning Recommendations
Purpose

Market Analysis & Implementation Memo

- High-level assessment of economic/market conditions
- Develop market-based regulatory options
Market Analysis

Key Findings - Retail

- Retail market is stable
- Sales tax leakage in all economic categories except transportation
- Highest leakage for restaurants and apparel stores
Market Analysis

Key Findings

- **Office**
  - Cool/stable office market

- **Residential**
  - Residential is most highly favored
Market Analysis

Key Findings - Capacity

• 215,000 sf theoretical commercial market demand
• 600,000 – 1.5 million sf capacity
• 385,000 – 1.3 million sf for non-commercial uses
Conclusions

• Zone for fluctuating market conditions
• Strategically locate commercial
  • Additional analysis for retail viability and siting
• Standards for revitalization
  • Parking
  • Building frontage standards
• High-quality public space
Conclusions (cont.)

• Allow “Missing Middle” housing
• Streamline projects supporting mixed-use
• Encourage temporary uses and events
Implementation Options

Introduction

1. Form-Based Code (FBC)
   1.1 Comprehensive FBC
   1.2 Scaled-Down FBC
2. Conventional Code Updates
3. Specific Plan
4. Guidelines for “Block-Level Master Plans”
5. Streetscape Improvements Plan & Façade Incentive Program
Implementation Options

1. Form-Based Code (FBC)
   - Prioritize relationship of buildings and public realm
   - Regulate building placement, frontages, open space, and streets
   - Responsive to context
Implementation Options

1.1 Comprehensive FBC
• New form-based zones
• Form-based standards
• Building, frontage, open space, and street types
• Design charrette (interactive multi-day workshop)

1.2 Scaled-Down FBC
• May include new zones
• Form-focused conventional standards
• Frontage types
Implementation Options

2. Conventional Code Updates
   • Revise standards applicable to the Corridor
   • Revise uses for flexibility/modernization

3. Specific Plan
   • Establish a vision; goals, policies, and programs
   • Substantial community engagement
   • Includes zoning standards
Implementation Options

4. Guidelines for “Block-Level Master Plans”
   • Required by the General Plan
   • Conceptual plan
   • Difficult to ensure form/character consistency

5. Streetscape Improvement Plan & Façade Incentive Program
   • Street and façade improvements prioritized
   • Less likely to achieve desired change
## Implementation Options

<table>
<thead>
<tr>
<th>Option</th>
<th>Effectiveness</th>
<th>Timeframe</th>
<th>Cost</th>
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</thead>
<tbody>
<tr>
<td>1.1 Comprehensive FBC</td>
<td>★★★★★</td>
<td>10-18 months</td>
<td>$$$$</td>
</tr>
<tr>
<td>1.2 Scaled-Down FBC</td>
<td>★★★</td>
<td>8-12 months</td>
<td>$$</td>
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<td>2. Conventional Code Updates</td>
<td>★★★</td>
<td>6-10 months</td>
<td>$$</td>
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<tr>
<td>3. Specific Plan</td>
<td>★★★★</td>
<td>18-24 months</td>
<td>$$$$</td>
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<td>4. Guidelines for “Block-Level Master Plans”</td>
<td>★★</td>
<td>4-6 months</td>
<td>$</td>
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<td>5. Streetscape Improvement Plan &amp; Façade Incentive Program</td>
<td>★</td>
<td>TBD</td>
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Discussion