

**PLANNING COMMISSION MEETING  
THURSDAY, MARCH 25, 2021**

**PRESENTATIONS**

**STAFF PRESENTATION**

**ITEM #1 PH 21-031**

**2701 W. Winton Avenue**



DEVELOPMENT SERVICES

# Amazon Distribution Facility Text Amendment & Conditional Use Permit







# Proposed Project

# Zoning Text Amendment



- ▶ Truck Terminals are conditionally permitted in the IG (General Industrial) District. The proposed project would allow Truck Terminals in the **Industrial Park District** subject to Conditional Use Permit (CUP) approval.
- ▶ **Truck Terminals** do not operate like Warehouse/Distribution Centers in that they result in delivery direct to consumers and result in higher traffic rates and impacts to City infrastructure.
- ▶ **E-commerce and direct to consumer delivery** is a growing sector of the economy providing convenience to residents and businesses.
- ▶ **CUP approval** would provide mechanism to ensure compliance with Industrial District standards and to minimize or mitigate any impacts related to the use.

## Industrial Subdistricts Map

Light Green – Industrial Park District

Orange – General Industrial District

Blue – Limited Industrial District

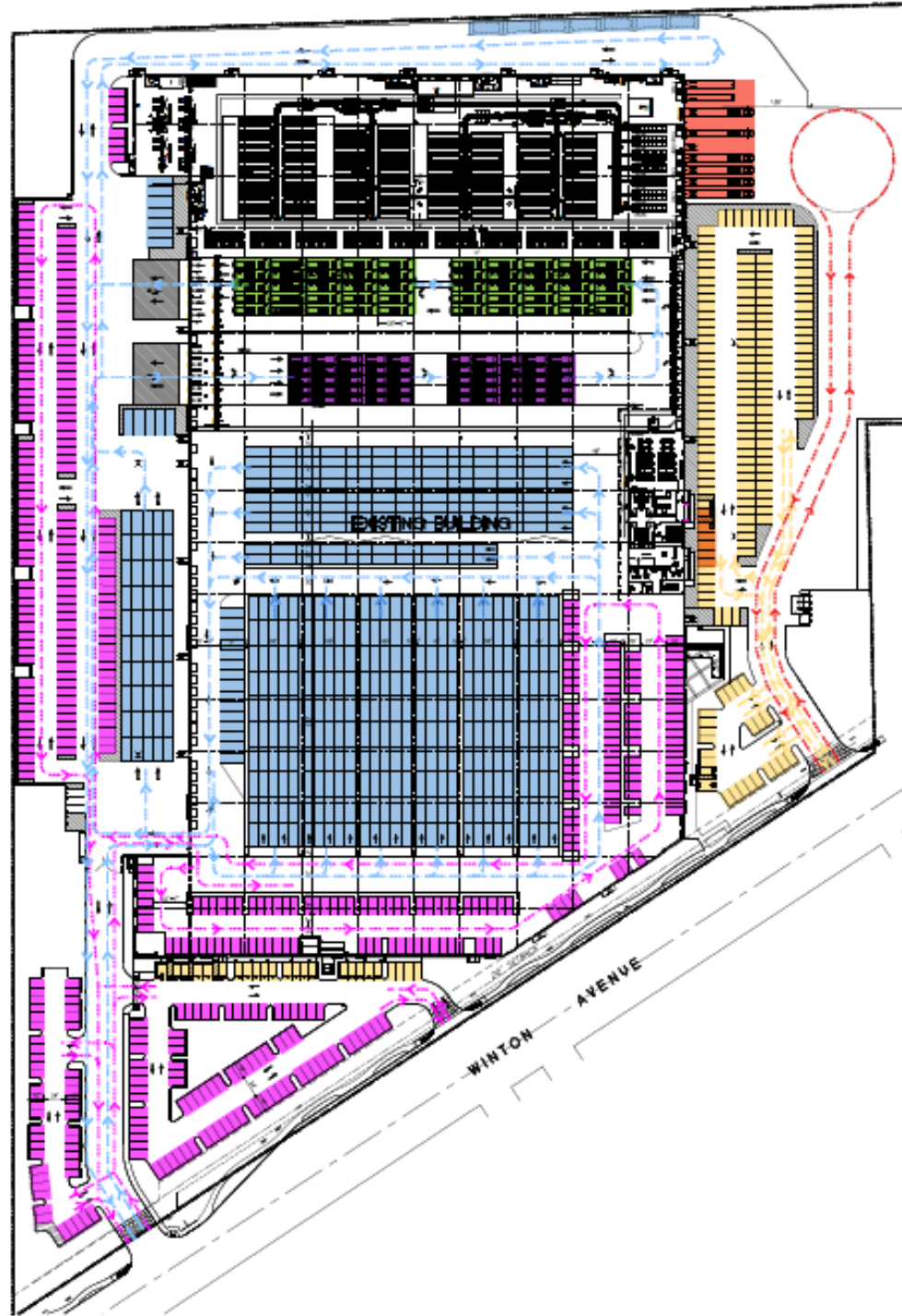
Pink – Airport Terminal District

**Legend**

- Impervious City Limits
- Special Use Areas
- Future
- Interim Proposed Overlay Districts
- AA Terminal (Airport Community) (A/C)
- AT Terminal Industrial Park (A/T)
- General Industrial (G)
- Light Industrial (L)
- Industrial Park (I)
- Open Space (O)
- Planned Development (P)
- Single Family Residential (S)



# Site & Floor Plan



PARKING BREAKDOWN	
TYPE OF PARKING	NUMBER OF SPACES
EMPLOYEE & MANAGER SPACES	189
CUSTOMER SPACES	6
INCAPACITATED VAN HOLDING SPACES	8
VAN PARKING SPACES	480
VAN DRIVER PERSONAL VEHICLE SPACES	460
TOTAL PARKING	1143
VAN & FLEX LOADING	50
VAN & FLEX STAGING	50
LOADING DOCKS FOR LINE HAUL TRUCKS	8

# Conditional Use Permit



## Normal Operations - Assumptions

- ▶ Proposed use would operate 24 hours a day with various operations including Package Arrival, Sorting, Van Deliveries and FLEX Drivers.
- ▶ **Package Arrival.** Approximately 18 line haul trucks would deliver packages between 12 am & 11 am and between 4 pm & 11:30 pm.
- ▶ **Sorting.** Sorting would occur in three shifts in a 24-hour period and assumes a total of 160 employees.
- ▶ **Van Delivery.** Approximately 185 vans would leave the site in waves of 50 vans each between 10:30 am & 12 pm and return 7-9 hours later.
- ▶ **FLEX Delivery.** Approximately 51 FLEX drivers would arrive & leave after van fleet departs.

# Conditional Use Permit



## Seasonal Fluctuation - Assumptions

- ▶ Would occur between Thanksgiving and end of the year; and during Prime Days in July.
- ▶ **Package Arrival.** Assume an increase to about 39 line haul truck deliveries per day.
- ▶ **Sorting.** An additional overnight sorting shift would be added for a total of three shifts and assume a total of 350 employees.
- ▶ **Van Delivery.** Approximately 490 vans that would leave the site in 30-minute intervals between 6:30 am & 12 pm and return to site 7-9 hours later.
- ▶ **FLEX Delivery.** Approximately 51 FLEX drivers would arrive and leave after van fleet departs. No change in number of FLEX drivers.

# Findings



- ▶ Allowing Truck Terminals in the **Industrial Park District** would provide additional land area for ecommerce uses in logistically prime locations benefitting the community with shorter delivery timeframes if impacts to city infrastructure and roadways are analyzed and mitigated appropriately.
- ▶ The proposed project is consistent with **General Plan Goals and Policies** related to Land Use & Economic Development.
- ▶ **CUP approval** would provide mechanism to ensure compliance with Industrial District zoning & design standards and to minimize or mitigate any impacts related to the use.
- ▶ The proposed use **would not impair the integrity of the zoning district** in that it would be located within a well-designed building and **would not result in a nuisance**, subject to conditions of approval.

# Conditions of Approval



- ▶ Implementation of **Transportation Demand Management (TDM) Measures** & ongoing reporting.
- ▶ Timeframes for **electrification of the fleet** & installation of solar panels on the building.
- ▶ Requirement to hold **job fairs** to facilitate local hiring.
- ▶ **No queuing or parking** on West Winton Avenue.
- ▶ **Upgrading** intersections, bicycle facilities and sidewalks in the vicinity of the project site.
- ▶ Payment of one time and ongoing **pavement maintenance** fees, among others.

# Traffic & Transportation



- ▶ **Traffic Studies** dated Jan. 25, 2021 recommended improvements to address project's non-CEQA transportation impacts:
  - ▶ Project (507.5 ksf) results in 4,151 daily trips
  - ▶ Requires Traffic signals/re-striping at 3 intersections
  - ▶ Requires Pedestrian Improvements, Sidewalk extension and connection to Bay Trail

# Traffic & Transportation



- ▶ Operations result in additional need for **Pavement Maintenance**.
  - ▶ Current City costs for Pavement in Project Vicinity: \$22.3 million and minimum \$2.4 million annually
  - ▶ Development's impact share initially calculated at \$4.6 million plus \$307k annually.

# Traffic & Transportation



- ▶ Amazon Trips Generated and Fees paid in other jurisdictions (not including traffic study improvements):
  - ▶ Fremont Pacific Commons (October, 2017/January, 2020):
    - ▶ 371ksf building generating 3,794 daily trips
    - ▶ \$2.45 million in Transportation fees, improvements and alternative transportation programs
  - ▶ Upland Bridge Point (April, 2020):
    - ▶ 201ksf building generating 2,483 daily trips
    - ▶ \$14.5 million “community benefit” and “sales tax in-lieu fee”:
      - ▶ \$10.27 million -> Street Repair/Maintenance
      - ▶ \$2.5 million -> Police/Homeless Programs/General City obligations
      - ▶ \$1.73 million -> Parks, Youth Sports, Education, General Community/Civic/Commerce-related Projects



# Traffic & Transportation



- ▶ **Project Deposits/Contributions:**
  - ▶ Based on **Traffic Study findings** and applicable **ITE rates**
  - ▶ **Contributions** adjusted based on Applicant feedback
  - ▶ Non-CEQA impacts: \$1.55 million **deposit** for signals and sidewalk extension
  - ▶ Pavement impacts: \$2.4 million **contribution** for current pavement costs + annually beginning 2022 starting at \$161,000/year

# CEQA - Addendum



- ▶ On July 25, 2019, the Planning Commission certified an Initial Study/Mitigated Negative Declaration related to development of industrial warehouse on the subject site.
- ▶ In February 2021, LSA prepared an Addendum to that IS/MND analyzing the proposed Text Amendment and Conditional Use Permit.
- ▶ New CEQA Analysis related to Vehicle Miles Traveled (VMT) found a less than significant impact in that Amazon will implement Transportation Demand Management measures as part of the project.

# CEQA - Addendum



- ▶ An Addendum is appropriate where there is no substantial change in the proposed project or circumstances under which the project is undertaken and no new information that would require additional environmental review.
- ▶ Most Mitigation Measures (MM) were implemented with construction of the building. Remaining MM related to ongoing maintenance of on-site facilities were made Conditions of Approval of the project.
- ▶ The project complies with CEQA and the previously certified IS/MND and will not result in a significant environmental impact.

# Staff Recommendation



That the Planning Commission Recommends  
City Council:

Approve the Proposed Zoning Text Amendment to Conditionally Allow Truck Terminals in the IP District & the Conditional Use Permit to Establish an Amazon Distribution Center and Related Environmental Analysis, subject to Recommended Conditions of Approval.

# Questions & Discussion



# Amazon Logistics

Proposed Hayward Last Mile Facility  
2701 West Winton Ave. Hayward, CA 94545



# What is an Amazon Logistics delivery station?

At Amazon, we focus on being the most customer-centric company in the world. Amazon Logistics ("AMZL") specializes in delivery of customer orders from delivery stations, which power the last mile of our customer order process and help speed-up deliveries for customers.

Our proposed growth in Hayward is the result of an outstanding workforce and incredible customers. Our associates and customers in this region are also your residents, and we want to ensure we are being good neighbors.

Fulfillment Center  
(First Mile)



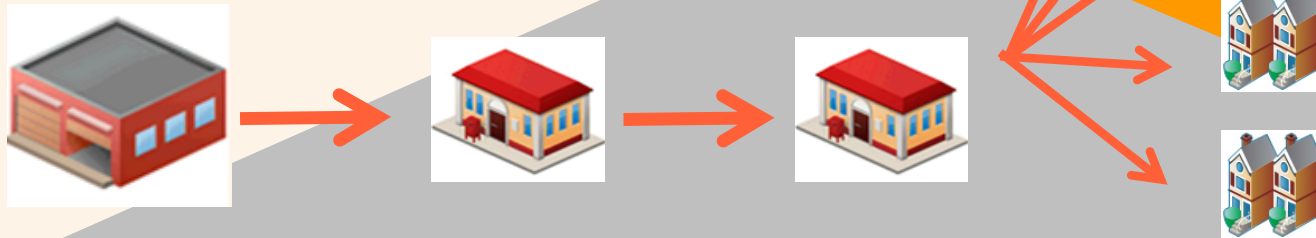
Sort Center  
(Middle Mile)



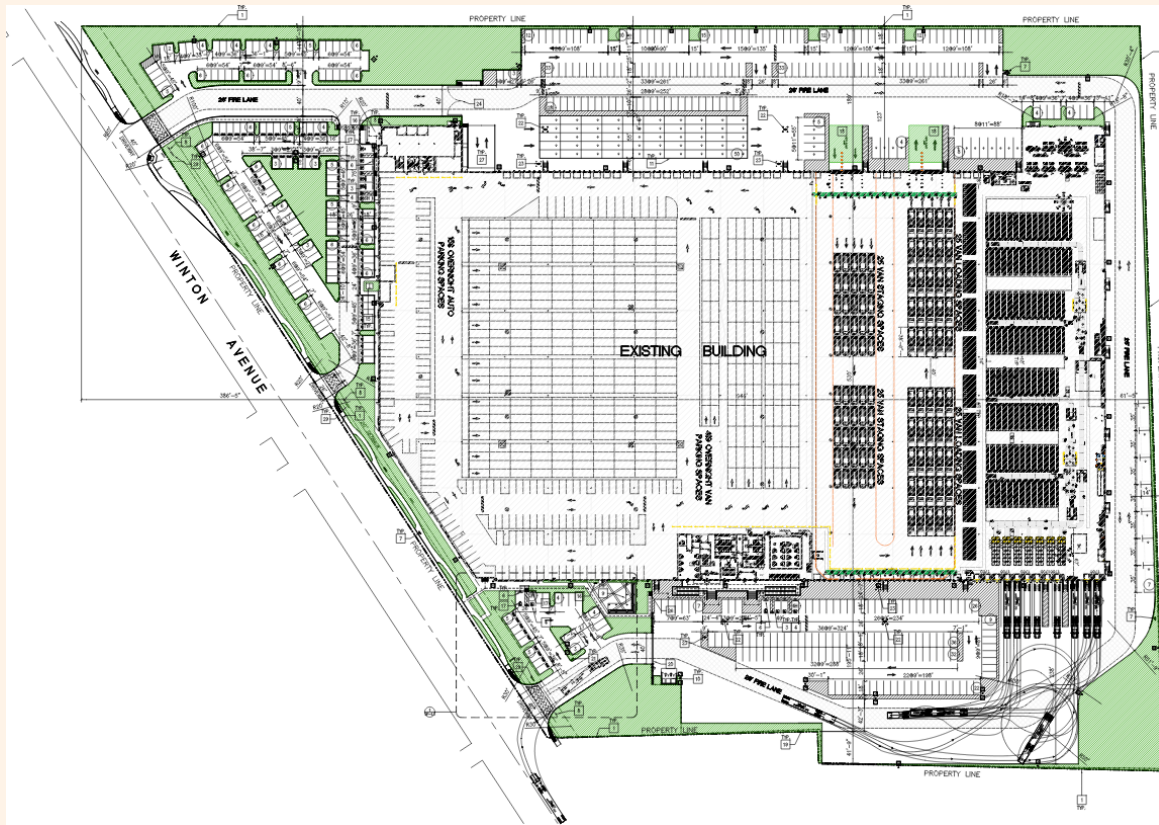
Delivery Station  
(Last Mile)



Customers



# Proposed Amazon Last Mile Facility (DSJ6) Hayward, CA





# Employment Opportunities & Economic Benefits

## **Jobs and Local Hiring**

- The Hayward Amazon Project is anticipated to generate over 400+ jobs for local residents.
- Amazon is committed to hiring a local workforce that is reflective of the Hayward Community.
- Amazon's DSP program helps entrepreneurs build their own businesses delivering Amazon packages in their local communities. Amazon takes an active role helping interested entrepreneurs start and manage their delivery business. DSPs get delivery volume from Amazon, access to the company's sophisticated delivery technology and discounts on a suite of assets and services.
- Amazon Flex is an innovative program that gives independent contractors the opportunity to be their own boss while delivering for Amazon. Flex partners use their own vehicles and set their own schedule via the Amazon Flex app

## **Economic Benefits**

- Redevelopment and beautification of site
- Sales tax generated from delivery vehicle gasoline purchases
- Indirect job creation from construction related investments (plus 400+ operational jobs)
- Induced sales tax revenues from purchases of equipment and local small businesses

# Amazon Hiring to Support Operations

## Amazon Associates:

- Amazon employees receive a minimum \$15 per hour wage.
- Benefits included for full time positions: full medical, vision, dental insurance, 401(k) with 50% match starting on day one. Up to 20 weeks of maternal and parental paid leave and innovative benefits such as Leave Share and Ramp Back, which give new parents flexibility with their growing families.
- Access to Career Choice, Amazon will pre-pay up to 95% of tuition for courses related to in-demand fields, regardless of whether the skills are relevant to a career at Amazon.
- Amazon has pledged to invest over \$700 million to provide upskilling training for 100,000 U.S. employees for in demand jobs.

## Delivery Associates:

- DSPs also have a \$15/hour minimum wage standard plus benefits. Amazon conducts monthly audits to ensure DSPs are maintaining their agreed upon terms per the contract with Amazon.
- All Delivery Associates are subject to background checks prior to employment with a Delivery Service Partner. (7 year Federal/State/City)

All associates go through hours of safety training and ongoing coaching and have access to continuing education opportunities through various avenues.

**amazon** FLEX



# Sustainability

At Amazon, we are committed to and invested in sustainability because it's a win all around – it's good for business, the planet, our customers, and our communities.

<https://www.aboutamazon.com/sustainability>



- Amazon is committed to building a sustainable business for our customers and the planet. In 2019, Amazon co-founded [The Climate Pledge](#)—a commitment to be net zero carbon across our business by 2040, 10 years ahead of the Paris Agreement. As part of this pledge, Amazon has made ambitious commitments toward reaching this goal.
- Powering our operations with 100% renewable energy by 2025
- Shipment Zero. Making all Amazon shipments net zero carbon through Shipment Zero, with 50% of all shipments net zero carbon by 2030.
- Climate Pledge Fund. Investing \$2 billion to support the development of technologies and services that reduce carbon emissions and help preserve the natural world.
- Electric Delivery Vehicles. Purchasing 100,000 electric delivery vehicles, the largest order ever of electric delivery vehicles.
- Reducing Packaging Waste. Our customers want right-sized, recyclable packaging that minimizes waste and ensures damage-free delivery. We work to reinvent and simplify our sustainable packaging options using a science-based approach that combines lab testing, machine learning, materials science, and manufacturing partnerships to scale sustainable change across the packaging supply chain.

# Amazon Logistics Operations Overview

Amazon Operations stickily adhere to a 24hr clock to standardize efficiencies and ensure safety at all times.

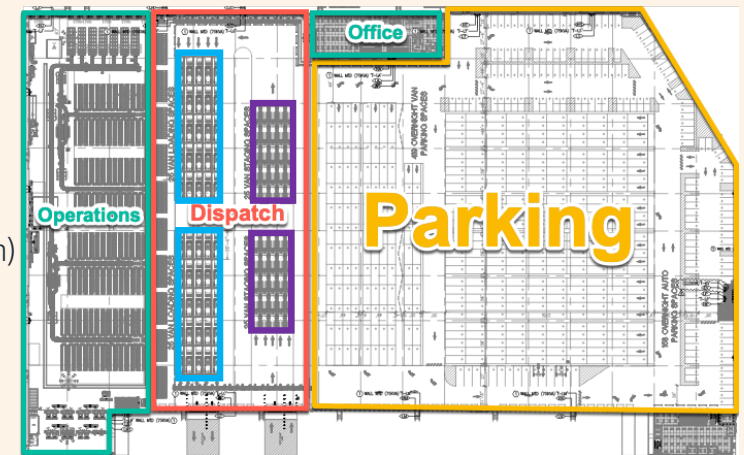
## Layout Details:

- Existing Building = 507,500 SqFt
- Proposed Amazon Use
  - Operations = 122,000 SqFt
  - Interior Parking/Loading/Dispatch = 385,500 SqFt

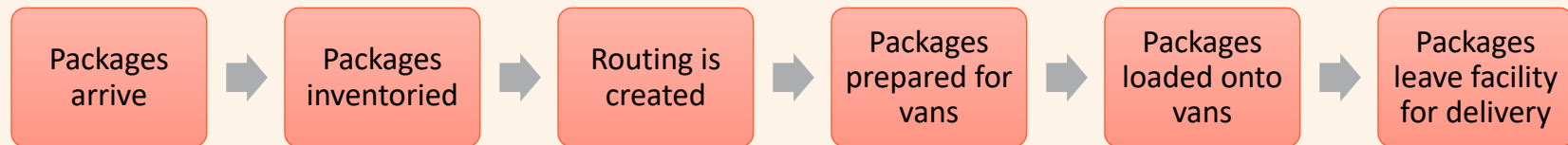
## Standard Operations

- 153 Amazon Associates Daily (Shifts starting 01:30am; 05:30am; 1:00pm)
- 18 Linehaul Trailer over 24hr period (1-in/1-out)
- 185 Delivery Associates & Vans Daily (10:00am-11:30am)
- 60 Amazon Flex Routes Daily (4:30pm-5:00pm)

Once vans are loaded, they will depart the facility every 20-30 minutes. Vans do not return to station until est. 8-10 hours later once they have completed their route for the day.



# Station Operations and Capacity Constraints



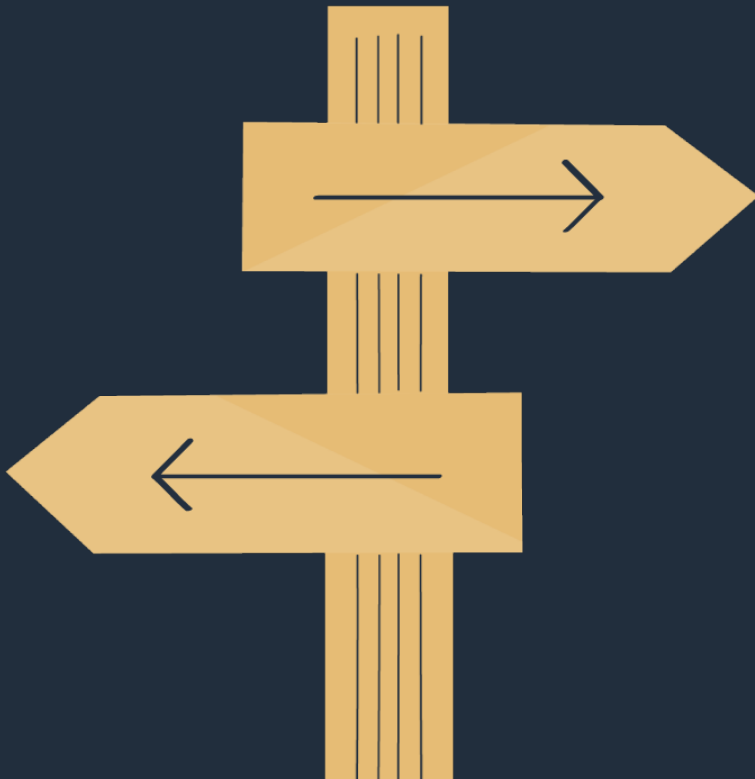
This process takes around 8.5 hours

- No more than 50 vans can be loaded at a time. Additional interior spaces are used for staging of vans as an added safety layer as vans are driven into dispatch locations in one movement (cluster).
- First dispatch starts no earlier than 10am.
- Each site is constrained to no more than 7 phases of vans being dispatched (8-10hr routes).
- Amazon policy restricts delivering packages past 9pm.
- Amazon trip counts are constrained by building design and available parking onsite. (1276 trips)
- With 4151 trips per ITE calculations, this site would need to have 2,075 parking spots.
  - Current max parking count based on design equals 1143.

Per Condition #10, any variation to the Amazon provided business plan (May 2020) "shall be subject to additional review and approval by the City prior to any change, modification or expansion."

## Traffic Impacts

- The City's Local Transportation Analysis (LTA), which was completed in January 2021, failed to use the most current ITE rates, which were adopted in February 2020 – almost a year prior to the LTA being completed.
  - Hexagon retained by Amazon September 2019. Prepared Draft Traffic Impact Analysis, dated May 5, 2020, which concluded that the project would not have any significant impacts. Report applied trip generation rate for Warehouse based on ITE 9th edition.
  - Hexagon then retained by the City in **June 2020** as a sub-consultant to LSA. Prepared Local Transportation Analysis, dated January 25, 2021, which concluded that the project would have significant impacts. Report applied trip generation rate for Fulfillment Center based on ITE 10th edition but failed to include Supplement from February 2020.
- If the most current ITE rate is applied, the facility would generate 919 trips.
- Amazon supports using “real” data for the trip generation rate based on its Operations Plan, which would be 1,276 trips.



# Amazon's Community Support

- Amazon supports using “real” data for the trip generation rate based on its Operations Plan, which would be 1,276 trips.
- Amazon is supportive of the following City improvements:
  - Traffic Signal improvements Cabot Blvd/West Winton (\$500k)
  - Traffic Signal improvements Clawiter/SR 92 EB ramps/Eden Road Intersection (\$500k)
  - Extension of left-turn land at Clawiter/Winton and re-striping (\$5k)
  - \$1M Contribution towards an Approved City Program





Questions?