City of Morgan Hill Request for Proposals Agricultural Farming Businesses to Lease City-Owned Agricultural Land

August 11, 2023



About Our Team

Fattoria Public Market will be a year-round indoor Farmers Market and Regional Food Hub, allowing farmers, ranchers and other local food producers to have a permanent location to distribute their goods directly to consumers and institutional buyers. By selling directly in a controlled and shared environment, agricultural producers thrive and as consumers, we connect with our local food producers to create secure, healthy food systems. As an added benefit, we preserve the rich agricultural history of Santa Clara County for future generations.

Organization Information

Organization Name

Fattoria Public Market

Contact Joe Raineri

Phone

408-209-7667

Email

joe@fattoriapublicmarket.com

Organization Details

Terra Amico Corporation and its subsidiaries have been in business for more than 15 years, currently operating as a California C Corporation. The corporation has never been involved in litigation and is currently managed by Joe Raineri as CEO, Lisa Raineri as COO, and Trevor Raineri as Program and Marketing Director. Presently Terra Amico Corporation has a crew of 15 people. If the City of Morgan Hill awards this contract to our proposal, we plan to form a new entity, most likely a California C Corporation. As a new entity, *Fattoria Public Market* will be led by Joe and Lisa Raineri as Principals and the appointed Board of Directors, and will fill positions as appropriate based on stage and funding.

Collaboration Team Members

- Joe Raineri, Terra Amico Corporation, CEO
- Lisa Raineri, Terra Amico Corporation, COO
- Lauren Maass, Multistudio, Principal-in-Charge
- Teresa Jan, Multistudio, Director of Climate Positive Design
- Graham Smith, Multistudio, Planning
- Amanda Harper, Multistudio, Brand Experience
- Patricia Algara, BASE Landscape Architecture, Principal-in-Charge
- Dan Rubins, Fehr and Peers, Traffic Engineering Consultant
- Nahum Goldberg, NG Associates, Food Services Consultant
- Josiah Cain, Sherwood Design Engineers, Civil Engineering
- Brian Turner, CMTA, MEP Engineering
- City of Morgan Hill
- County of Santa Clara
- Julie Morris, Santa Clara County Ag Liaison
- TBD, Structural Engineering and Acoustic Consultant

Advisory Board

- Richard Furtado, Founder and Partner, South Bay Construction
- Debbie Furtado, Designer, Owner of Horse Thief Vineyards, Partner in South Bay Construction.
- Steve Borkenhagen, Founding Partner and Former Market Manager, San Pedro Square Market
- Zack Andrade, Founder and President, Spinaca Farms
- Tim Herlihy, Founder and President, Creative Manufacturing Solutions
- Jen and Sam Thorp, Founders, Owners, Farmers, Spade and Plow Organics
- Jess Brown, Executive Director, Santa Clara County Farm Bureau

1. Description of Development Proposal

This proposal is for the development of a **Public Market** and **Regional Food Hub** on the 25.6 acres of property at the intersection of Hwy 101 and Tennant Avenue. The working name is *Fattoria Public Market*, referring to "farm".

Fattoria Public Market will be a year-round indoor farmer's market and food hub, purposely designed to allow local agricultural producers the opportunity to sell their goods directly to both institutional and individual consumers at their peak of freshness. The marketplace will alleviate the burden that farmers, ranchers and other agricultural producers face when struggling to sell their goods at pop-up roadside stands and weekly parking lot farmers markets. By selling directly to consumers in a predictable environment, farmers can increase their income, economically thrive and allow the South County's agricultural history to continue into the future.

Regional food hubs have been identified by the USDA as a feasible model to advance local agriculture and agricultural start up endeavors. *Fattoria Public Market* will also include a food hub that provides cold and dry storage, production facilities, packing and distribution, and cooperative marketing services. These collaborative services will make it easier for farmers to gain entry into new and additional markets with high barriers to entry for them individually.

Fattoria Public Market will also be a gathering place for the community and will serve as an enhanced tourist destination within Morgan Hill. The Market will include an event facility for local public and private events, farm education programs to teach the public about the rich agricultural history of Santa Clara County, an operating farm and gardens on site, demonstration gardens, a plant nursery, winery and beer gardens, a Greenhouse Tasting Room serving local food within hours of harvest, and a food truck venue.

Fattoria Public Market will serve as a year-round destination for foodies of all ages to come together in a one of a kind space designed to unite the agricultural producers of our region with the local consumers that they serve. Its presence will support local agriculture, agritourism, and the arts while connecting South Santa Clara, San Benito, and Monterey County producers to the Bay Area markets.

Why here in South Santa Clara County/ Morgan Hill?

Increased agricultural infrastructure in our community means:

- Improved efficiency and sustainability of the local food system and increased food availability.
- Increased access to healthy foods, especially fresh produce (fruits and vegetables), in underserved communities;
- Increased support for the continued viability of agriculture;
- Increased focus on agritourism, creation of new jobs locally and development of new economic opportunities
- Opportunity for partnership with Silicon Valley Clean Energy for Agrivoltaics demonstration and usage
- Preservation of valuable farmlands
- Revenue Generation for Morgan Hill



What is a Food Hub?

The USDA defines a food hub as a "business or organization that actively manages the aggregation, distribution, and marketing of course-identified food products primarily from local and regional producers to strengthen their ability to satisfy wholesale, retail, and institutional demand." Agricultural infrastructure commonly is defined to encompass aggregation, packing, processing, storage, marketing and distribution capacity and facilities, including "food hubs." The Food Hub is an extension of the core retail component of the *Fattoria Public Market*, extending the reach from individual retail consumers to industrial buyers.

What problems can it solve?

The challenge for Small-Medium Sized Agricultural Producers:

Limited Distribution and Marketing Capacity – Producers often don't have the available capital or access to facilities to store, process, and distribute their products. Furthermore, due to limited staff or lack of experience, they are not always able to devote the attention necessary to develop successful business relationships with key wholesale buyers or have the resources to develop an effective marketing strategy by themselves.

The challenge for Institutional Buyers:

Logistics – Wholesale buyers often find it too costly to purchase products directly from numerous farms and prefer to reduce transaction costs by buying product from distributors.

Consequently, regional food hubs have emerged as an effective way to overcome these infrastructural and market barriers. For those smaller and mid-sized producers who wish to scale up their operations or diversify their market channels, food hubs offer a combination of production, distribution, and marketing services that allows them to gain entry into new and additional markets that would be difficult or impossible to access on their own. For larger producers, food hubs can provide the product-differentiation strategies and marketing services to ensure the best possible price in the market place. Moreover, for wholesalers, distributors, retailers, and food service buyers who would like to purchase larger volumes of locally and regionally grown products, food hubs lower the procurement costs by providing a single point of purchase for consistent and reliable supplies of source-identified products from local and regional producers.

Regional food hubs are key mechanisms for creating large, consistent, reliable supplies of mostly locally or regionally produced foods. At the core of food hubs is a business management team that actively coordinates supply chain logistics. Food hubs work on the supply side with producers in areas such as sustainable production practices, production planning, season extension, packaging, branding, certification, and food safety—all of which is done to enable these producers to access wholesale customers, such as buyers for food service institutions and retail stores. Simultaneously, food hubs also work on the demand side by coordinating efforts with other distributors, processors, wholesale buyers, and even consumers to ensure they can meet the growing market demand for sourceidentified, sustainably produced, locally or regionally grown products.

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Regional food hubs are increasing market access for local and regional producers. Institutional food buyers face difficulty finding small and medium sized local producers who can provide a consistent supply of product. **These hubs complement and add considerable value to the current food distribution system.**

Regional food hubs are having significant economic, social, and environmental impacts within their communities. In addition to core operational facilities, the *Fattoria Public Market* food hub can provide training and assistance in areas such as sustainable production, season extension, postharvest handling, branding, certification and food safety.

Public markets increase agritourism opportunities for all members of the community including hotels, restaurants, wineries, and travel and leisure activities. Agritourism is becoming increasingly popular in large and small communities across the country – and for good reason. Today's travelers have become bored with mundane and predictable tourist trap activities; instead, today's travelers crave adventurous, immersive, and valuable experiences. Agri-tourism provides the unique opportunity of mutual benefit between both the community's visitors and the local farms and businesses that help establish these location's character and history. Through agri-tourism, cities and farms are able to teach the rich history of local agriculture through operations and leave a lasting impression upon curious visitors wanting to truly experience and connect with their food, drink, flora, and fauna.

Fattoria Public Market will be designed and constructed as a model for regenerative agriculture, architecture and building construction. The development seeks to demonstrate opportunities for zero waste local food infrastructure and regenerative agriculture that operates without the use of fossil fuels by utilizing both bio-based practices and technological solutions to limit our extraction of natural resources such as energy and water. Energy efficiency will be achieved through bio-climatic architecture and design, rooftop solar, agrivoltaics, and wind energy; On-site water management including permeable surfaces, bioswales and rainwater harvesting will be deployed for recharging the aguifer and reducing water use. Water efficiency including waterless urinals, composting toilets, low flow fixtures, drips, drip irrigation, and greywater treatment will be implemented. Composting, waste management stations, and biodigester will be incorporated to turn compost and manure into nutrients, and back in the soil as a demonstration of regenerative farming. The diverse crops, pollinator gardens, farm animals, and bee farming altogether provide a rich biodiverse habitat for sustainable farming, education, and agricultural tourism.

Our Vision for Fattoria Public Market

The following programming elements for the *Fattoria Public Market* create a synergy that is not only engaging and invites participation, but also educational and demonstrates sustainable living. The spaces, both interior and exterior, support adjacency of activities and encourages gathering of community agricultural and hospitality businesses.

- Main Building houses both the Indoor Public Market and the Regional Food Hub. The Indoor Public Market would allow the community to have access to local, year-round agricultural products on a consistent basis. The space would accommodate year-round producers that meet the requirements of County Health Regulations (e.g. fish mongers, butchers). The Regional Food Hub encompassing cold storage, dry storage, co-packing and collaborative services including packing, distribution and marketing. It also includes commercial kitchen for food processing and catering/food truck use.
- Outdoor Canopy for seasonal producers. These spaces would allow seasonal agricultural producers an opportunity to market their products efficiently without the burden of attending parking lot farmers markets and pop-up roadside stands.
- Post and beam Indoor Event Facility and Outdoor Event Facility available for use by individuals, corporate and government entities, and large-scale public events, workshops, retreat and celebration.
- Farm to Fork Demonstration and Tasting Venue Farm to Fork- serving seasonal dishes featuring locally grown food that is prepared and served by local chefs within hours of being harvested.
- **Outdoor Piazza** will be centrally flanked by the Main Building, Outdoor Canopy, Indoor Event Facility, and Farm to Fork Tasting Venue. The design intent is for all indoor programming to easily expand into the Piazza to accommodate outdoor gathering and seating. The Piazza will host outdoor performances and varying gathering sizes while highlighting views of the farm.
- Wine and Beer Garden allowing local winemakers and brewers to collaborate on tastings and events.
- **Co-op Farm** onsite including livestock, composting, demonstration farms, bee sanctuary, fungi lab, and gardens, and plant nursery. 3rd Party container vertical farming may also be incorporated on-site. Landscape berm might be provided along the highway to provide noise buffer.

2. Estimated Timeline of Development and Operations

Design, Documentation, and Entitlements: 1-1/2 to 2 Years

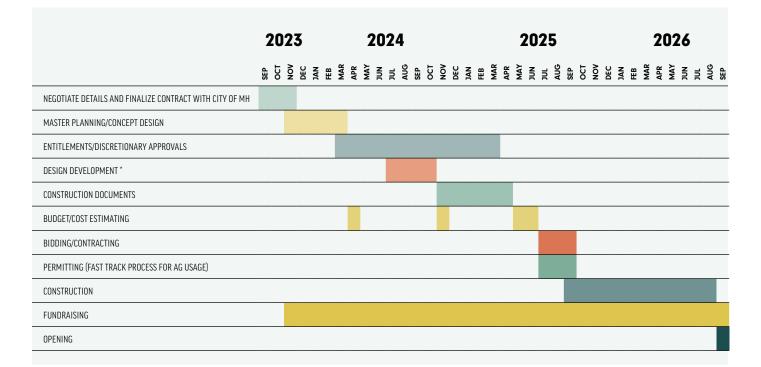
The master planning/ conceptual design phases through permitting may follow the timelines below and will include approvals from different Authorities Having Jurisdiction (AHJ's). As the proposed property is not within Morgan Hill city limits and considered part of County of Santa Clara, reviews and approvals will bridge between city and county agencies. The following list is assumed but not limited to:

- Local Fire Department
- County Health Department
- City and County zoning, planning and building review agencies
- Wet and Dry Utility Companies
- Public Right-Of-Way and Traffic Engineer AHJ

See the forthcoming section on County Zoning and Permitting for additional information.

*It is assumed that planning approval may run concurrently with design development and construction document phases. If planning approval is required prior to drawing documentation, this may add an additional 6 months to the process.

Construction Administration: 1 Year



3. Anticipated Use Levels, Target Markets, and Preliminary Vehicle Access Planning

Target Markets

- Consumers Individual consumer, including local residents and tourists, wanting to purchase fresh, local agricultural products, learn about agricultural practices or eat and drink at an inspiring venue.
- Institutional Buyers Industrial buyers including schools, hospitals and restaurants looking to purchase a wide array of fresh local agricultural products at wholesale pricing.

Day to Day Operations

The major uses of the property are proposed as follows:

- Year-Round Indoor Farmers Market
- Food Hub for local farmers, ranchers, and other food producers
- Event "Barn" with indoor and outdoor event spaces
- Nursery for vegetable starter plants and other native and drought tolerant species
- · Wine and Beer Garden for local winemakers and brewers
- Operating farm surrounding the improvements including demonstration gardens.
- Educational programming with local public and private school districts focused on climate smart agriculture and regenerative farming in practice
- Special Events such as cooking demonstrations, cooking classes, gardening classes, seasonal pumpkin patch, "Live" Christmas tree farm, school field trips, and food truck experiences.
- Annual Community Harvest Festival highlighting the grape harvest and the South County Wine Trail. This family friendly festival can help fill the void from other Morgan Hill festivals that have been recently suspended.

Site Access and Circulation Reviews

Fehr & Peers will assist the development team by providing multimodal site access and circulation recommendations early in the process to minimize site design changes later in the environmental review process. We will participate in two site plan review cycles. With each review cycle we will help the development team refine the multimodal access and circulation of the project and assist on any traffic-related planning approval. We will focus on the following:

- Pedestrian access and circulation including street-oriented entrances, pathways to transit, driveway treatments, and pathways to parking.
- Bicycle access and circulation including routes to bike parking.
- Vehicle access and circulation including street and driveway locations and permitted driveway turn movements.
- Emergency and service vehicle access.
- On-street and off-street loading areas for transportation network companies, taxis, shuttles, trucks, and waste management/garbage truck access.
- Location of car-share parking (if any).



4. Detailed Description of Understanding of County Zoning and Permitting

The County policies have identified this area for agricultural and resources preservation designating the site as appropriate for "Agricultural Medium Scale" land uses, designation within the "Scenic Roads Combining District," and zoned "Agriculture Preservation." To implement the land use and policies desired by the county, the proposed development plan aligns with the land use intent, zoning purpose, use regulations, and development standards for the A-20ac-sr zoning category of Santa Clara County. The intent is to create a mixed-use, sustainable, agriculture-based destination to demonstrate best practices through the creation of a Public Market and Food Hub.

A use permit will be required for the Event Structure and the Farm to Fork Tasting Venue to ensure that use of these elements can be supported by the site and to account for their environmental impacts. The Event Structure will be used for a variety of activities from educational to entertainment programming for people visiting the site and bringing people to the site. The Farm to Fork Tasting Venue will engage people in the preparation of local, site food resources through a test kitchen and on-site food offerings. Application will be made to the Santa Clara County Planning Commission for approval of the use permits as part of the entitlement process prior to development of the site.

All components described in this proposal are permitted under current zoning but may be subject to use permits and architectural site approval. Preliminary meetings have been held with key stakeholders in Santa Clara County who support this proposal and are supportive of its development on this parcel. Permitted Uses:

- Food Hubs for local farmers and ranchers
- Operating Farm on site
- Demonstration Gardens
- Seed Starting and Plant Nursery
- Year-Round Indoor Farmers Market allowing farmers to sell directly to consumers
- Educational Programs and Field trips for educating children and adults about the history of agriculture in the area as well as the future of farming
- Beer Garden and Wine Garden for local brewers and vintners to sell direct to consumers.
- Greenhouse Tasting Room



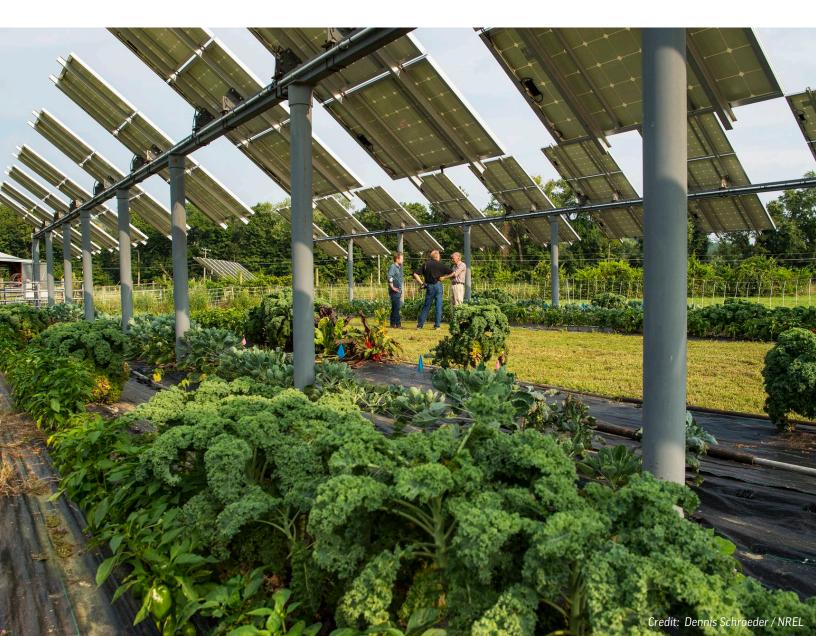
5. Incorporation of Solar Agriculture Component (Agrivoltaics)

One of the guiding principles of *Fattoria Public Market* is to educate the community, farmers and our policy makers about farming practices that are climate smart.

Agrivoltaics is a new form of solar energy for agricultural systems that can be demonstrated on-site. We have had discussions with Tony Eulo at Silicon Valley Clean Energy and indicated a willingness to work with SVCE on an area dedicated to demonstration of an agrivoltaics system as part of the Climate Smart Agriculture program at *Fattoria Public Market*.

Some of the benefits of Agrivoltaics include:

- Farmers benefit from utilizing farmland to grow crops as well as produce energy
- Agrivoltaics protect certain plants and soils from the harmful effects of direct sun exposure all day, making them yield more, and by keeping the soil cooler they require less water.



6. Lease Payment and/or Desired Financial Agreement with the City



It is our understanding that the City of Morgan Hill will continue with the existing organic farm lease on a month to month basis with existing tenant until such time as we have secured all necessary approvals and permits from Santa Clara County and commence construction.

At the start of construction and development *Fattoria Public Market*, lease payments would be made to the City of Morgan Hill at the rate of \$13,000 per year. (Based on \$500/acre per ag land value.)

Fattoria Public Market opens to the public and is operating at a net profit, the City of Morgan Hill will be paid an additional 10% of net revenue from operations. (e.g. Net Revenue in 2026 is \$500,000, the City of Morgan Hill would receive an additional \$50,000)

Lessee to have an exclusive option to purchase the property anytime during the lease term at the unimproved Agricultural Land Value at the time option is exercised.

Lease term to be 15 years.



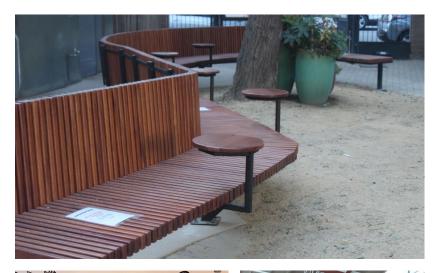
7. References and Past Work

Terra Amico Corporation

Terra Amico is more than just a furniture company – it's a family. Founded in 2010 by certified green builder Joe, and his wife Lisa, Terra Amico revolves around the idea of long term sustainability. It aims to create unique, stylish, and functional furniture for all spaces and needs.

Terra Amico is now one of the largest custom wood and steel furniture/fixture/millwork manufacturers in the state of California. The company has artfully handcrafted custom furnishings for thousands of clients. From homes, to restaurants, to offices, hotels and retail stores, Terra Amico furniture is present at many locations across the country and even the world.

We are a team of almost 30 people, who are passionate about what we do, and thankful for the opportunity to do what we love. In addition to fabricating unique statement pieces of furniture, we are proud to be teaching the art of woodworking to the next generation. All of our children have worked with us, as well as most of their friends. We are fortunate to be able to see our passion for creating and fabricating handed down as the torch is passed to the next generation.





San Pedro Square Market Tom McEnery, Steve Borkenhagen

Food hall with a mix of boutique food eateries and beer, wine and cocktails. Terra Amico was the primary designer/builder of furniture, fixtures, and millwork. Salvaged and repurposed historic elements from project site.

San Jose, California

Reference

Steve Borkenhagen, Partner and Market Manager stephen.borkenhagen@gmail.com | 408.813.5984

Relevant Program Elements

Food Hall; Public Market; Eateries; Bars

State Street Market

Bon Appetit, Los Altos Community Investments

Designed and fabricated furniture, millwork, fixtures, planters, and displays.



Google, Inc., eBay, Paypal, Pinterest, Amazon One Workplace, Pivot Interiors, InsideSource

Designed and fabricated furniture, millwork, fixtures, displays, office furnishings, barn doors, and various creative projects including "adult" playgrounds, dog parks and RV themed workspaces.



Bay Area Bars and Restaurants Orchard City Kitchen, Paper Plane, Luna Mexican Kitchen, Sushi Confidential, Palmerinos

Designed and fabricated furniture, millwork, fixtures, displays, lighting



Los Altos, California

Reference

Robert Hindman, Managing Director Los Altos Community Investments

robert@losaltoscommunityinvestments.com | 408.841.6366

Relevant Program Elements

Food Hall

Nationwide

Reference

Mark Bulman, Account Executive, One Workplace mbulman@oneworkplace.com | 408.667.4586

Relevant Program Elements

Creatively Enhanced Workspace; Corporate Cafes; Collaborative Work Areas

Northern California

Reference

Randy Musterer, Founder and CEO, Sushi Confidential

sushirandy@gmail.com | 408.761.7341

Relevant Program Elements

Restaurants; Bars

Multistudio

Multistudio has been in business for 49 years, evolving from an architecture firm to a multidisciplinary practice that also includes brand experience, city design, education design, and interiors. Our team consists of members of different backgrounds, disciplines, and practice areas to help insure that the spaces we design connect with the people they are intended for. Our process is highly collaborative and investigative. We immerse ourselves in specifics of the site and seek to uncover the unique challenges and opportunities as we aspire to establish a strong source of pride and identity for the city of Morgan Hill. We enter into this opportunity with the intention of creating an experience that improves the community's relationship to their local food system, stokes urban vitality and promotes people's health, happiness, and well-being.

The depth of our expertise in the hospitality sector helps us conceive spaces, such as the one proposed, that all visitors find welcoming, easy to navigate, and memorable. We aim to develop a compelling brand idea that can be expressed holistically over a connected system of interrelated touchpoints. These touchpoints may include physical environments, graphics and interiors, amenities and activities, digital platforms, entertainment and educational programs. Ultimately we are charged with orchestrating and enhancing a dynamic and cohesive experience that resonates with audiences and reinforces the regenerative food hub mission.

Master Plan of The Center for Food and Agriculture Marin Institute of Agriculture

A zero-waste farmers market and educational space dedicated to healthier food culture. The Center will foster deeper connections between our community and their favorite farmers' market, and advance the collective efforts for better food, a cleaner climate, and economic justice for a part of the renewed food system.



Marin, California

6,820 sqft (4.7 acre site)

Reference

Andy Naja-Riese, CEO, Agricultural Institute of Marin

andy@agriculturalinstitute.org | 415.472.6100

Relevant Program Elements

Visitor Center; Demo Kitchen; Workshop Meeting Rooms; PV Canopy; Plaza; Education Farm Garden; Greenhouse; Climate Garden; Learning Yurt; Farmer's Market; Restroom Stations; Cold Storage

Yosemite Valley Aramark

Working with Aramark, we redesigned the concession spaces to maximize the enjoyment of nature; improve circulation to move visitors from entry to eating more efficiently; and celebrate the history of the park and unique story of each destination.



Yosemite National Park

18,000 sqft (Degnan's); 22,000 sqft (Base Camp); 17,800 sqft (Curry Village)

Reference

Bob Concienne, Vice President of Operations, Aramark Concienne-Bob@aramark.com | 720.255.9548

Relevant Program Elements

Eateries

The American Royal American Royal

The new complex is envisioned as an innovative hub for agricultural education and events that combines diverse programs, including 5,000- seat and 3,500-seat arenas, an outdoor arena, exposition barns, a museum, an exhibition hall, and outdoor festival space to host a range of industry events, rodeos, and horse shows, as well as an education and welcome center for food and agricultural education.



Kansas City, Kansas

1,000,000 sqft

Reference

Peter Lacy, President, Lacy & Company lacy@kcnet.com | 816.531.7000

Relevant Program Elements

Auditorium, Barns, Educational Exhibits, Kids Programming, Bar, Cafe, Outdoor Plaza with Event Space, Festival Grounds

BASE Landscape Architecture

BASE Landscape Architecture is an optimistic and insatiably curious team with a portfolio that spans multiple sectors and typologies, including education and play, parks and gardens, residential, and public spaces. BASE is a Woman & Minority-Owned Business Enterprise (WMBE) and a Local Business Enterprise (LBE) in San Francisco, with another office in beautiful Portland, Oregon.

Treasure Island Job Corps Farm Treasure Island Job Corps

The one acre Treasure Island Community Farm was designed with a strong focus on educational and highly productive agricultural programs. Patricia Algara, along with Willow Rosenthal of City Sliker Farms, and Architecture for Humanity consulted with the Job Corps center to develop a farm plan that included the farm site design and a planting plan of specific crops that had been researched and tested as the best producing crops for this area. The plan also included methods to integrate green construction of the planting beds and various structures (chicken coop, greenhouse, farm stand, etc.) that the students could perform themselves



Treasure Island, California

1 acre site

Reference

Corey Block, Farm Coordinator, Treasure Island Job Corps

coreyblock@gmail.com | 415.217.7999

Relevant Program Elements

Farm, Gardens, Greenhouse, Farm Stand