

ELLIS F. RASKIN
SENIOR COUNSEL
DIRECT DIAL (415) 995-5835
DIRECT FAX (415) 995-3456
E-MAIL eraskin@hansonbridgett.com



March 21, 2023

VIA E-MAIL planning@carsonca.gov
and cityclerk@carsonca.gov

City of Carson
City Council
City Hall, Helen Kawagoe Council Chambers
701 East Carson Street
Carson, CA 90745

Re: 2040 General Plan Update

Dear Mayor Davis-Holmes and Hon. Councilmembers:

My law firm and I represent Prologis L.P. ("Prologis"). Prologis respectfully submits the following comments to the City of Carson ("City") to urge the City to incorporate critical revisions to the City of Carson's Draft 2040 General Plan update. Prologis appreciates the recent efforts by City staff and Council to incorporate stakeholder feedback from the Council Study session hosted on February 15th, and the continuance of the draft General Plan 2040 public hearing on February 21st, to provide more time to meet with stakeholders and consider revisions to the plan.

Our suggested revisions contained in this letter are supported by a growing chorus of stakeholders in the city, and are essential to ensuring that the City does not cause substantial impacts by displacing logistics, warehousing, and distribution uses. Prologis commends the Council and staff's decision to reverse course and not make logistics uses legal nonconforming status in industrial zones. These revisions are critical to preserving the City's long-term fiscal stability and we appreciate Council and staff's efforts to ensure these remain permitted uses.

However, the new "Flex District" land use designation in the Draft 2040 General Plan creates significant regulatory challenges for existing commercial and industrial operators and property owners in the City. Many industrial operators are still recovering post-COVID and are at risk. The limiting of warehouse size to 30,000 square feet ("SFT") in the "Flex District" is a primary concern for Prologis for the following reasons:

- 1. The Draft 2040 General Plan FLEX DISTRICT warehouse maximum size cap creates significant regulatory challenges for existing commercial and industrial operators.**

Any new logistics facilities over 30,000 SFT will require burdensome permitting, as well as a community benefits agreement. Prologis respectfully requests Council reconsider moving the maximum warehouse cap from 30,000 SFT to 75,000 SFT to reflect realistic market conditions and economies of scale. By shifting the max cap to 75,000 SFT, warehouse developments will

have reduced operational costs for businesses, greater flexibility, and scalability to meet business needs, and better utilization and efficiencies of resources.

Given that the City is a “a prime location for warehousing, distribution, and trade-oriented land uses” (p. 10-4) and given that “[t]he importance of the logistics sector continues to increase with increase in online shopping” (*ibid.*), it is counter to the City’s stated policies to see that the City is now attempting to limit new and existing logistics, warehousing, and distribution facilities.¹

To ensure that the 2040 General Plan is implemented successfully, Prologis recommends that the City incorporate the following edits into future drafts of the 2040 General Plan:

Section	Proposed Edits	Notes
“Flex District (FLX)” Land Use Designation (p. 2-15)	The Flex District designation permits a wide range of uses including (<u>but not limited to</u>) offices, research and development, light-industrial, hotels, local and regional retail commercial uses, commercial entertainment uses, and gas/charging stations in mid- and high-intensity settings. The largest Flex District is along I-405, capitalizing on the visibility and regional access provided by the freeway.	Prologis recommends, small-scale warehouse and distribution facilities are permitted with the size limited to 75,000 square feet with larger facilities requiring a development agreement. In addition, Prologis recommends that once the General Plan 2040 is adopted, and City staff brings forwarded updated zoning changes to implement the General Plan 2040, Flex District warehouses will need dock doors requirements to reflect market conditions which is one door for every 7,500 SFT (1:7,500 SFT)
Land Use Guiding Policy LUR-G-14 (p. 2-25)	Ensure that future industrial development is in harmony to the extent possible with adjacent residential areas. To this end, new logistics buildings should ideally have easy access to freeways and the Alameda corridor. When feasible, truck routes should be designed to prevent trucks passing next to residential	This edit is in addition to the revisions listed in Section IV(A) of your staff report for the March 21, 2023 City Council meeting.

¹ In its 2022-2023, the City identified a number of recently-approved logistics, warehousing, and distribution facilities as “projects that will improve the quality of life in Carson for the next several decades.” (See attached excerpt from 2022-2023 budget.)

	<p><u>areas. This Policy shall not apply to routes that have been designated pursuant to Vehicle Code section 35700.5.</u></p>	
<p>Land Use Implementing Policy LUR-P-19 (pp. 2-29 to 2-30)</p>	<p>Provide lands to accommodate a wide range of light industrial uses including research and development, manufacturing, and agricultural processing near transportation corridors in areas where low- to moderate intensity operations would be sufficiently buffered. Logistics and other heavy trucking uses shall be limited to industrial areas that provide direct access to freeways and the Alameda corridor.</p>	<p>This policy was not updated as part of the latest round of revisions to the 2040 General Plan.</p>
<p>Land Use Implementing Policy LUR-P-21 (p. 2-29)</p>	<p><u>Where feasible, r</u>Require outdoor storage associated with use/building/business to be screened from any public view, including from adjacent streets as well as residential and commercial uses. <u>This Policy shall not apply to master-planned uses.</u></p>	<p>This portion of Policy LUR=P-21 was not updated as part of the latest round of revisions to the 2040 General Plan.</p>

As noted by other commenters, there is an implicit assumption within the 2040 General Plan that logistics, warehousing, and distribution facilities are not “tax-generating uses.” This assumption is demonstrably false. Logistics, warehousing, and distribution facilities provide a crucial source of thousands of local jobs.

Individuals who participate in this workforce (and the many thousands of other logistics professionals who deliver and pick up goods from the City, even if they are not employed here) all contribute a substantial portion of the City’s tax revenue. Local employees and other logistics professionals who visit the City purchase food, gas, and other goods in the City. By the City’s own calculations, 89% of all sales tax revenue comes from individuals who do not reside in the City, and all sales tax revenues comprise 29% of the City’s total general fund revenues.

2. Conclusion.

The above-referenced revisions to the 2040 General Plan will ensure that logistics, warehousing, and distribution uses can remain viable in the City. Prologis looks forward to working collaboratively with your office to address these issues.

If you have any questions, please do not hesitate to contact us.

Very truly yours,

A handwritten signature in black ink that reads "Ellis Raskin". The signature is written in a cursive, flowing style.

Ellis F. Raskin
Senior Counsel

Attachment

Attachment:

Excerpt from 2022-2023 City of Carson Budget

- Produced a Memorandum of Agreement with the County of Los Angeles for the City to form a joint Enhanced Infrastructure Financing District (EIFD) to finance the construction of capital improvements, remediation of Brownfields, and affordable housing in Carson.
- Outreached to owners of Brownfields sites to partner with the City on Brownfield grant applications with the State of California Department of Toxic Substances Control (DTSC) for DTSC's Equitable Community Revitalization Grants (ECRG) Program.
- Selected RRM as the consultant to prepare the City's first Economic Development Strategy. Kicked-off the preparation of the plan.
- Assisted the Park Granada residents with relocation.
- Initiated the Building and Safety RFP.

Planning Division:

The Planning Division's mission is to further develop goals, policies, programs, and plans that direct and guide residential and business development and encourage land uses that are compatible, sustainable and most beneficial to the community. The division's goal is to administer and fulfill the objectives of the General Plan, provide applicants with efficient permit processing services and provide citizens the appropriate opportunities to participate in land use decisions. The Planning Division is intimately involved in the entitlement of major projects in the City, and has worked over the past year on a number of projects that will improve the quality of life in Carson for the next several decades. Major projects include:

- Completion of 36-unit Carson Upton Townhomes (formerly called Brandywine).
- Completion of a 150,000 square foot warehouse by CT Realty Investors.
- Groundbreaking of 175-unit Carson Landing Townhomes.
- Groundbreaking of three warehouses totaling 292,400 square feet by Panattoni Development.
- Approval of Cambria Court, 35 two-story condominiums.
- Approval of new Rascals Teriyaki Grill Restaurant.
- Approval of new Starbucks full-service coffee shop at 860 E. Carson Street.
- The approval of a new 118-room Town Place Suites by Marriot at the former Carson Buffet site.
- The approval of a 9-unit for sale condominium development at 123 East 223rd Street.
- Deployed \$310,000 State of California, Department of Housing and Community Development SB2 Planning Grants Program for Tyler Munis, EnerGov permitting and planning software.
- Deployed \$300,000 State of California, Department of Housing and Community Development Local Early Action Planning Grant for the updated 2021-2029 Housing Element.
- Coordinate with Long Beach Airport and FAA to address citizen complaints regarding aircraft noise.

- Processed The District at South Bay Specific Plan Amendment (Cells 3, 4, and 5), a proposal for an approximately 1.5 million square feet of light industrial campus consisting of fulfillment center/ ecommerce uses and distribution center or parcel hub type uses, within six new warehouses. In addition, the project includes the Carson Country Mart, proposing approximately 33,800 square feet of commercial uses, including approximately 10,000 square feet of retail space catered to pets and animals; 12,600 square feet for up to four restaurants, approximately 9,000 square feet of flexible food and beverage kiosks, and a 2,200 square foot cafe. In addition, the development would include approximately 6.29 acres of passive and active publicly accessible but privately maintained open space and amenity areas.
- Worked with the owner of the former KL Fenix site, who have proposed a business park consisting of 3 distinct warehouses totaling 111,000 square feet and a freestanding 4,000 square foot retail pad on Figueroa Street.
- Completed the entitlement for Shell for the installation of a compressed natural gas (CNG) dispensing station at an existing ethanol loading facility to enable the conversion of seven delivery trucks from diesel fuel to renewable CNG fuel.
- Hanover Company is the new developer of the former Don Kott Ford site. Staff has been working with them to put their entitlement package together for a mixed-use development.
- 215 W. Carson Street is under contract for the development of 35 for-sale townhomes.
- 336 E. Carson Street is under contract for the development of 50 for-sale townhomes.
- 138 W. 223rd is under contract for the development of a 12-unit residential condominium.
- Carson Lofts is a modern 20-unit apartment complex that consist of two freestanding 3-story buildings with at grade parking.
- Demolition of existing General Mills Yoplait facility and the construction of a 127,000 square foot warehouse by Rexford Industrial.
- Negotiating with a major retailer to locate into Carson Costco.
- Preparing the final presentation of the 2040 General Plan to the Planning Commission and City Council for adoption in 2022.
- Continued the development of the Carson Enhanced Infrastructure Plan (EIFD).
- Developing standards for Short Term Rentals.
- Adopted standards for Accessory Dwelling Units.
- Adopted standards consistent with SB9.
- Developing a list of Zoning Code updates.
- Assisted the City's User Fee consultant to complete new fees for the department.
- Completed 2 additional Citywide CFD annexations.
- Developed Citywide VMT standards to be presented for adoption by the City.

- Staffed the Economic Development and Housing Subcommittees.
- Developed the hazardous materials code amendment.
- Continued development of plans for the Marathon Refinery Beautification plan.
- Issued final release of the upgraded Waste Management site.
- Developed alternatives ways to assist the public with the full/partial closure of the City Hall and the Public Counter due to COVID-19.

Fiscal Year 2022-2023 Goals

- Final Adoption of the Comprehensive General Plan Update.
- Final Adoption of the Comprehensive Zoning Ordinance Update.
- Receive certification of the Housing Element from HCD.
- Procurement and deployment of enterprise permitting and planning review software by Tyler Technologies, EnerGov.
- Final adoption of the Carson Enhanced Infrastructure Financing District in partnership with County of Los Angeles.
- Create a city-wide commercial façade program to encourage improvement of and investment in retail properties for the revitalization of the City.
- Complete the City's first Economic Development Strategy Plan.
- Initiate the implementation of the City's General Plan and the Housing Element once adopted including affordable housing components.
- Implementation of the Hazardous Materials Ordinance.
- Adoption of regulations regarding Short Term Rentals.
- Develop standards for industrial developments.
- Assist the remaining Park Granada residents.
- Pursue enterprise software procurement and deployment to provide greater customer service including transferring Planning data into the new software program.
- Continue improving processes and procedures to ensure customer friendly services throughout the department.
- Hire the consultant for the Building and Safety RFP and implement the recommendations.
- Continue to monitor Cal State Dominguez Hills Master Plan and Victoria Golf Course plans.
- Continue participation in an interdepartmental homeless task force to address homeless issues in the City.
- Continue to implement the Oil Code's provisions in regards to existing oil operators.
- Enter into a development impact fee agreement with the LA County Library for use of collected funds to improve library facilities in Carson.
- Continue annexations of new development properties into the City's CFD.
- Complete the sale of City-owned property at 2403 E. 223rd Street to WIN Chevrolet Properties.

ELLIS F. RASKIN
SENIOR COUNSEL
DIRECT DIAL (415) 995-5835
DIRECT FAX (415) 995-3456
E-MAIL eraskin@hansonbridgett.com



March 23, 2023

VIA E-MAIL snaaseh@carsonca.gov

Saied Naaseh, Planning Manager
City of Carson, Community Development
Department, Planning Division
701 East Carson Street
Carson, CA 90745

Re: Updates to 2040 General Plan Text

Dear Mr. Naaseh:

As you know, Hanson Bridgett LLP represents Watson Land Company ("Watson"). We appreciate the City's willingness to work with stakeholders to address community concerns about regulatory challenges for existing commercial and industrial operators and property owners in the City. Watson hopes that the City will continue to work with community stakeholders in advance of the April 4 City Council meeting.

We would like to take this opportunity to call your attention to two portions of the draft 2040 General Plan that were, apparently, not updated in accordance with the direction provided by the City Council at the March 21 meeting.

Specifically, the City Council approved staff's recommendation to make the following revisions to the Light Industrial and Heavy Industrial land use classifications (see March 21, 2023 City Council Staff Report at pp. 2-3):

"Remove listed prohibited uses in the Light Industrial and Heavy Industrial land use classifications as necessary to stay consistent with the City's current Zoning Ordinance in regards to regulation of the following uses: truck yards, truck terminals, container yards, container parking, storage yards. For clarification, under the current Zoning Ordinance, truck yards are prohibited in Light Industrial and conditionally permitted in Heavy Industrial, truck terminals are conditionally permitted in both Light Industrial and Heavy Industrial, and storage of cargo containers is prohibited in Light Industrial and only permitted in Heavy Industrial if over 1,000' from residential or institutional uses. Other storage yard uses are regulated as set forth in Carson Municipal Code Section 9141.1 and other applicable provisions of the Zoning Ordinance."

On March 22, staff posted revised versions of the Land Use and Circulation elements of the 2040 General Plan. For the most part, the revisions incorporate the edits that were approved by the City Council on March 21, but the Light Industrial and Heavy Industrial land use classifications need to be updated.

Accordingly, please make the following edits those sections:

Hanson Bridgett LLP

777 S. Figueroa Street, Suite 4200, Los Angeles, CA 90017 hansonbridgett.com

Section	Proposed Edits
<p>“Light Industrial (INL)” Land Use Designation</p>	<p>The Light Industrial designation is intended to provide for a wide variety of industrial uses and to limit those involving hazardous or nuisance effects as to be defined in the Zoning Code. Typical uses are manufacturing, research and development, and warehouse and distribution facilities including logistic uses. Commercial and retail uses are permitted subject to criteria outlined in the Zoning Ordinance. For sites that are over one acre, predominantly commercial uses are permitted.</p> <p>Performance and development standards are intended to allow a wide range of uses as long as those uses will not adversely impact adjacent uses. The following uses will not be permitted: salvage yards, used vehicle storage lots, major recycling facilities, truck yards, container yards, lay down yards, container parking, storage yards, and similar uses. Self-storage and car storage lots would require a conditional use permit. The maximum allowable FAR is 0.4, or up to 0.5 with inclusion of community benefits by means of a Development Agreement. Any new construction, or expansion of existing light or heavy industrial uses adjacent to sensitive uses must include buffered setback areas and/or appropriate mitigation to ensure compatibility.</p>
<p>“Heavy Industrial (INH)” Land Use Designation</p>	<p>The Heavy Industrial designation is intended to provide for the full range of industrial uses that are acceptable within the community, but whose operations are more intensive and may have nuisance or hazardous characteristics, which for reasons of health, safety, environmental effects, or general welfare, are best segregated from other uses. Extractive, primary processing, rail operations, and food processing industries are typical of this designation. Uses handling acutely or highly hazardous materials would be permitted only with proper safeguards and a conditional use permit. Outdoor storage operations may be permitted ancillary to primary use of site. The following uses are not permitted: lay down yards, storage yards, used vehicle storage lots, and major recycling facilities. Self-storage and new car storage lots would require a conditional use permit.</p> <p>The designation may contain a very limited amount of supportive retail and service uses, when those uses are of a scale and design providing support only to the needs of businesses and their employees in the immediate industrial area. The maximum allowable FAR is 0.6, or up to 0.75 with inclusion of community benefits by means of a Development Agreement. Any new construction, or expansion of existing light or heavy industrial uses adjacent to sensitive uses must include buffered setback areas and/or appropriate mitigation to ensure compatibility.</p>

Please note that Watson reserves the right to submit additional comments regarding the 2040 General Plan update. The purpose of this letter is, simply, to call your attention to additional

March 23, 2023
Page 3

typographic revisions that should be incorporated into the text of the 2040 General Plan prior to the April 4 City Council meeting.

If you have any questions, please do not hesitate to reach out to my office.

Very truly yours,

A handwritten signature in cursive script that reads "Ellis Raskin". The signature is written in black ink and is positioned above the typed name.

Ellis F. Raskin
Senior Counsel