

Andrew W. Zepeda azepeda@lurie-zepeda.com

FILE NAME: MARNJB

August 7, 2017

VIA EMAIL

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

Re: <u>ORDINANCE NO. 17-1615U- EXEMPTION AND/OR EXCEPTION</u> <u>REQUEST</u> - Request to Present to City Council at August 8 meeting

Dear Mr. Naaseh:

This letter is intended to clarify my letter dated July 24, 2017 regarding the exemption/exception from application of Ordinance No. 17-1615U (the "Moratorium Ordinance.") In that letter I referred to a use of the 6.736 acres owned by Harbor Land Company ("HLC") at 24690 South Wilmington Avenue in Carson (the "Property") "as a logistics facility for cargo container storage and truck and trailer parking." The reference to "truck and trailer parking" was incorrect. The use proposed by the new tenant, J.B Hunt Transport, is simply that of a cargo container storage facility. <u>It is not intended to be used for truck parking</u>. There will be incidental stacking of a small number of trailer chassis which are used to move the empty containers to and from the site. That use is incidental to the cargo container storage use.

That clarification removes the use from any need for a conditional use permit. The cargo container use to which the Property will be put fits within the permitted use under the heavy industrial/manufacturing zoning the Property enjoys. The Property is far more distant from residential uses than the 1000 foot minimum and is not visible to any residential use. Consequently, the use does not require a conditional use permit.

HLC desires to proceed with its application for exemption/exception to the Moratorium Ordinance as quickly as possible. We would like to know what the City Manager thinks about HLC's proposal to make a one-time contribution to the City's street improvements fund. We would very much appreciate your getting us onto the agenda for the August 8 meeting of the City Council.

Very truly yours,

and new Lepeda

Andrew W. Zepeda of LURIE, ZEPEDA, SCHMALZ, HOGAN & MARTIN

LOS ANGELES • IRVINE 1875 Century Park East. Suite 2100, Los Angeles, CA 90067-2574 Phone: (310) 274-8700 • Fax: (310) 274-2798

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Exhibit No. 2



Andrew W. Zepeda azepeda@lurie-zepeda.com

FILE NAME: MARNJB

July 24, 2017

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

Re: <u>ORDINANCE NO. 17-1615U- EXEMPTION AND/OR EXCEPTION</u> <u>REQUEST</u> - Request to Present to City Council on August 1, 2017

Dear Mr. Naaseh:

This office represents Harbor Land Company ("HLC"). HLC has owned the 6.736 acre parcel at 24690 South Wilmington Avenue in Carson (the "Property") since at least 2003. That land has been zoned CAMH at all times. HLC has leased the Property for use as a logistics facility since it acquired the Property. As can be seen from the attached Google Earth satellite photo, the Property is surrounded by other heavy industrial uses, to wit, Shell's refinery and the cargo container storage facilities owned and operated by Tesoro.

HLC's Prospective Tenant is Exempt from the Moratorium Ordinance

HLC proposes to lease the Property to a new tenant commencing October 1, 2017 for a term of seven (7) years. The tenant proposes to continue to use the Property as a logistics facility for cargo container storage and truck and trailer parking.

We therefore believe that the Property and proposed use qualify for an exemption under several provisions of Section 4.B of the Moratorium Ordinance:

- (1) HLC has "a vested property right in the use of the property to which the moratorium applies", to wit, as 'a logistics facility" under its zoning and pursuant to permits for the same use previously issued by the City. Moratorium Ordinance, Section 4.B.4;
- (2) The proposed new lease agreement "does not exceed 7 years." Moratorium Ordinance, Section 4.B.5;

Saied Naaseh July 24, 2017 Page 2

- (3) The "facility does not abut a sensitive use" (To the contrary, it is almost encircled by the Shell refinery and Tesoro's cargo containers facilities.). Moratorium Ordinance, Section 4.B.5; and
- (4) The new lease agreement is "for a logistics facility located within a Planned Industrial Area", Moratorium Ordinance, Section 4.B.6.

HLC's Prospective Tenant is Entitled To Be Treated as Exception Under the Moratorium Ordinance.

Pressing time urgencies require HLC to conclude this lease transaction as quickly as possible. Consequently, to prevent the loss of this leasing opportunity and the losses that would result from vacancy, HLC also requests, in an abundance of caution, the following exception request under Section 6 of the Ordinance, should the City for some reason disagree about the exempt status of the Property. HLC's prospective tenant is also entitled to be treated as an "exception" to the Moratorium Ordinance under Section 6.A. for at least six (6) of the fourteen (14) specified grounds for grant of an "exception":

- (1) The City's approval of HLC's prospective tenant's permit application "to establish... a logistics facility within the City's jurisdiction will not have a material negative impact upon the public health, safety, and welfare." Moratorium Ordinance, Section 6. A.1;
- (2) HLC is a family-owned company and any refusal or delay in processing a permit will cause it and its ownership family an "undue financial hardship." Moratorium Ordinance, Section 6.A.2;
- (3) "The logistics facility will not generate additionally materially adverse truck traffic impacts in excess of those generated by the use of the property as of the effective date of this Ordinance." The existing logistics facility operator will be replaced with another. Moratorium Ordinance, Section 6.A.7;
- (4) "The use is permitted . . . in the zone." Moratorium Ordinance, Section 6.A.9;
- (5) "The use will not abut a sensitive land use. . . " Moratorium Ordinance, section 6.A.13;
- (6) "The use will not constitute a threat to the public health, safety, and welfare." Moratorium Ordinance, Section 6.A.14.

Saied Naaseh July 24, 2017 Page 3

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> If the City disagrees with the request for exemption for "vested property rights," please notify HLC immediately and place its exception request on the agenda for the August 1 City Council meeting.

> > Very truly yours,

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Andrew W. Zepeda of LURIE, ZEPEDA, SCHMALZ, HOGAN & MARTIN

Saied Naaseh

From:Saied NaasehSent:Wednesday, August 30, 2017 12:34 PMTo:Saied NaasehSubject:FW: ORDINANCE NO. 17-1615U- EXEMPTION AND/OR EXCEPTION REQUEST

From: Andrew Zepeda [mailto:azepeda@lurie-zepeda.com]
Sent: Wednesday, August 30, 2017 9:54 AM
To: Saied Naaseh
Cc: Nicolas E. Martin - Martin Container, Inc. (nick@container.com); Andy Martin - RREEF Management LLC, Deutsche Asset & Wealth Management (andy.martin@db.com); Mark Vanis (mvanis@kiddermathews.com)
Subject: FW: ORDINANCE NO. 17-1615U- EXEMPTION AND/OR EXCEPTION REQUEST

Saied, the full name of the entity is Harbor Land Company, a California limited liability company.

As we understand it, HLC will pay a one-time fee of \$75,000 to the City as a condition to its being afforded an exception under the Ordinance and in lieu of entering into a Community Financing District or Development Agreement with the City. The one-time fee will not be in lieu of any assessment that the City may subsequently levy on the property and HLC will not be entitled to a credit against any new taxes imposed by the City. The Fee will be payable upon the issuance of a business license to J.B. Hunt Transportation for the cargo container storage usage during its seven year lease of the property.

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