

RESOLUTION NO. 17-151

APPROVING AN EXCEPTION TO THE APPLICATION OF INTERIM URGENCY ORDINANCE NO. 17-1618U TO ALLOW CONTINUED PROCESSING OF ALL APPLICATIONS NECESSARY TO CONSTRUCT A 438,000 SQUARE-FOOT LOGISTICS FACILITY ON A 22 ACRE SITE AS REQUESTED BY PROLOGIS, LLC. LOCATED AT THE NORTHWEST CORNER WILMINGTON AVENUE AND UNIVERSITY DRIVE WITHIN THE DOMINGUEZ TECHNOLOGY CENTER

WHEREAS, on March 21, 2017, the City Council of the City of Carson adopted Interim Urgency Ordinance No. 17-1615U by a 5-0 vote, pursuant its authority under Government Code Section 65858; and

WHEREAS, Interim Urgency Ordinance No. 17-1615U enacted a 45-day moratorium on the establishment, expansion, or modification of truck yards, logistics facilities, hazardous materials and hazardous waste facilities, container storage, and container parking (collectively, "Logistics Facilities") in the City of Carson; and

WHEREAS, on May 2, 2017, the City Council adopted Interim Urgency Ordinance No. 17-1618U by a 5-0 vote, pursuant to its authority under Government Code Section 65858; and

WHEREAS, Interim Urgency Ordinance No. 17-1618U enacted a 10-month and 15-day extension of the moratorium on the establishment, expansion, or modification of Logistics Facilities (the "Ordinance"); and

WHEREAS, during the effective period of the Ordinance, no application for permit is being accepted, no consideration of any application for permit is being made, and no permit is being issued by the City for the establishment, expansion, or modification of Logistics Facilities; and

WHEREAS, the City Council may, but is not required to, allow exceptions to the application of the Ordinance if, based on substantial evidence presented, it determines any or a combination of the following:

1. The City's approval of an application for a permit to establish, expand, or modify a Logistics Facility within the City's jurisdiction will not have a material negative impact upon the public health, safety, and welfare.
2. Application of the Ordinance would impose an undue financial hardship on a property or business owner;
3. Land controlled by the City or by any of its agencies and authorities including, transactions approved by the Department of Finance;

4. The developer or tenant agrees to form or to participate in a Community Financing District (CFD) to pay for ongoing City services, including but not limited to, road maintenance, landscape maintenance, lighting, public safety, storm water management, etc., to the satisfaction of the City Council;
5. The developer or tenant enters into an agreement that guarantees the City the same financial assurances offered by a CFD;
6. The fiscal impact analysis for the business shows that the business will not, after taking into consideration all fiscal and employment benefits to the City and its residents, have material adverse negative fiscal impacts on the City;
7. The Logistics Facility will not generate additional materially adverse truck traffic impacts in excess of those generated by the use of the property as of the effective date of this Ordinance;
8. The facility enters into a development impact fees agreement with the City;
9. The use is permitted or conditionally permitted in the zone;
10. The use is consistent with the purposes of this Ordinance and the General Plan;
11. The use will not be in conflict with any contemplated general plan, specific plan, or zoning code update that the City Council is considering or studying or intends to study;
12. The use is not and will not become a hazardous materials facility, a truck yard, or a container storage facility;
13. The use will not abut a sensitive land use, or the impacts on an abutting sensitive land use can be adequately mitigated with reasonable conditions;
14. The use will not constitute a threat to the public health, safety, and welfare.

WHEREAS, on November 7, 2017, Mr. John Low, Investment Officer for Prologis, LLC. (the "Applicant") filed a request on for an exemption to allow continued processing of all applications necessary to construct a 438,000 square-foot logistics facility on a 22 acre site located at the northwest corner Wilmington Avenue and University Drive within the Dominguez Technology Center; and

WHEREAS, the proposed Project is subject to the Ordinance since it is proposing to build a logistics facility. The project does not qualify for any of the exemptions articulated in Section 4 of the Ordinance; and

WHEREAS, the City has just started the General Plan and Zoning Code updates and is conceivable that the proposed use will be consistent with the updated General Plan and Zoning Code; and

WHEREAS, the applicant agrees to cooperate in good faith with the City to determine the appropriate DIF and CFD for the project; and

WHEREAS, upon approval of the exception, the applicant will cooperate with the City to provide all studies, plans, and materials necessary to continue processing the applications for the Specific Plan Amendment, Conditional Use Permit, and Design Overlay Review; and

WHEREAS, the site is within the Dominguez Technology Center which includes a variety of industrial uses;

WHEREAS, applicant has agreed to comply with several of the following in exchange for being granted an exception under Ordinance No. 17-1618U:

a. The Applicant has agreed to enter into an Interim Development Impact Fee Agreement ("IDIF Agreement").

b. The Applicant has agreed to negotiate in good faith to form, fund, and/or participate in a Community Facilities District (CFD) and/or a Development Agreement to pay for on-going costs associated with their project relating to law enforcement, street maintenance, landscape maintenance, street sweeping, or any other impacts. The Applicant will be required to enter into a CFD agreement ("CFD Agreement").

c. At the City's discretion, the Applicant may be required to enter into a Development Agreement relating to the Project, if the City deems the IDIF and CFD Agreements do not adequately mitigate the Project's impacts.

d. Applicant will enter into an agreement to reimburse the City for all its costs (the "Reimbursement Agreement"), including but not limited to all consultant costs (such as the CFD consultant work associated with the processing of the portion of the Applicant's CFD assessment), and attorney fees associated with the Applicant's exception application and finalizing of the CFD Agreement, IDIF Agreement, Reimbursement Agreement, and Development Agreement, if applicable, or other agreements and/or entitlement processes.

e. The IDIF/CFD Agreement and/or the Development Agreement including the amounts for the IDIF and CFD shall be determined, finalized, agreed upon, and executed prior to the Planning Commission hearing for the Specific Plan Amendment, Conditional Use Permit, and Design Overlay Review. The CFD amount shall be determined at a later date. The IDIF will be based on \$2.00 per square foot for a total of \$876,000.00.

f. Applicant will enter into a development agreement and/or a community benefits agreement to contribute towards community projects.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CARSON HEREBY MAKES THE FOLLOWING FINDINGS:

1. Applicant is proposing to construct a 438,000 square-foot logistics facility on a 22 acre site located at the northwest corner Wilmington Avenue and University Drive within the Dominguez Technology Center (the "Project").

2. The Project is subject to the moratorium on the establishment, expansion, or modification of Logistics Facilities pursuant to Interim Urgency Ordinance No. 17-1618U.

3. The Project does not qualify for any of the exemptions articulated in Section 4 of the Ordinance.

4. Section 6 of Interim Urgency Ordinance No. 17-1618U provides that the City Council may, but is not required to, allow exceptions to the application of the Ordinance.

5. The Applicant shall pay the one-time Interim Development Impact Fee (IDIF) of \$876,000.00. The Applicant will be required to enter into an IDIF Agreement with the City.

6. The Applicant shall form, fund, and participate in a Community Facilities District (CFD) to pay for on-going costs associated with their project relating to law enforcement, street maintenance, landscape maintenance, street sweeping, and all other impacts of its project. The City has engaged the services of a consultant to calculate the amount of this assessment, which amounts Applicant will not challenge. Applicant shall enter into a CFD or Development Agreement with the City. At the discretion of City, Applicant may be required to enter into a Development Agreement, to mitigate any impacts that are not mitigated by the IDIF or the CFD Agreements.

7. Applicant shall enter into a Reimbursement Agreement to reimburse the City for all its fees and costs, including attorney and consultant fees, for all agreements and entitlements necessary pursuant to this Resolution and the City's Zoning Ordinance.

8. The IDIF Agreement, CFD Agreement, Development Agreement and/or community benefits agreement and Reimbursement Agreement are conditions precedent to the validity of this exception.

9. If within ninety (90) days of adoption of this Resolution, the IDIF Agreement, CFD Agreement, Development Agreement (if applicable) and Reimbursement Agreement have not been finalized, then the Council has the right to

rescind this Resolution in its sole discretion and the Applicant will be subject to the Ordinance.

10. Applicant's failure to enter into the IDIF Agreement, the CFD Agreement, the Reimbursement Agreement, and the Development Agreement may be grounds for the City to deny the Applicant's permits to construct the Project, and all of Applicant's land use applications and entitlements being null and void.

11. The IDIF/CFD Agreement and/or the Development Agreement including the amounts for the CFD shall be determined, finalized, agreed upon, and executed prior to the Planning Commission hearing for the Specific Plan Amendment, Conditional Use Permit, and Design Overlay Review. The CFD amount shall be determined at a later time.

12. The Council makes the following findings relating to Section 6.A.1, 2, 4, 5, 9, 10, 11, 12, 13, and 14 of the Ordinance:

1. The City's approval of an application for a permit to establish, expand, or modify a Logistics Facility within the City's jurisdiction will not have a material negative impact upon the public health, safety, and welfare.
4. The developer or tenant agrees to form or to participate in a Community Financing District (CFD) to pay for ongoing City services, including but not limited to, road maintenance, landscape maintenance, lighting, public safety, storm water management, etc., to the satisfaction of the City Council;
5. The developer or tenant enters into an agreement that guarantees the City the same financial assurances offered by a CFD;
6. The facility enters into a development impact fees agreement with the City;
9. The use is permitted or conditionally permitted in the zone;
10. The use is consistent with the purposes of this Ordinance and the General Plan;
11. The use will not be in conflict with any contemplated general plan, specific plan, or zoning code update that the City Council is considering or studying or intends to study;
12. The use is not and will not become a hazardous materials facility, a truck yard, or a container storage facility;

13. The use will not abut a sensitive land use, or the impacts on an abutting sensitive land use can be adequately mitigated with reasonable conditions;
14. The use will not constitute a threat to the public health, safety, and welfare.

PASSED, APPROVED AND ADOPTED THIS ____ DAY OF _____, 2017.

MAYOR ALBERT ROBLES

ATTEST:

DONESIA L. GAUSE, CITY CLERK

APPROVED AS TO FORM:
