



CITY OF CARSON

Legislation Text

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Report to Mayor and City Council

Tuesday, April 04, 2017

Discussion

SUBJECT:

CONSIDER RESOLUTION NO. 17-049, AN EXCEPTION TO THE APPLICATION OF INTERIM URGENCY ORDINANCE NO. 17-1615U ALLOWING AN EXCEPTION TO THE APPLICATION OF INTERIM URGENCY ORDINANCE NO. 17-1615U TO ALLOW FILING AND PROCESSING OF PLANS AND PERMITS NECESSARY TO OPERATE A NEW LOGISTICS FACILITY ON SITE LOCATED AT 2254 E. 223RD STREET (CITY COUNCIL)

I. SUMMARY

On March 21, 2017, the City Council adopted Interim Urgency Ordinance No. 17-1615U for 45-day temporary moratorium on the establishment, expansion, or modification of truck yards, logistics facilities, hazardous materials or waste facilities, container storage, and container parking, (Exhibit No. 1). Section 6 of this Ordinance allows the City Council to make exceptions to the application of this Ordinance. On March 23, 2017, Mr. Mark Payne, Partner at Panattoni filed a request to make an exception to this ordinance to allow filing and processing of all applicable applications and/or permits necessary to allow a new tenant to move into the yet to be constructed building, (Exhibit No. 2). The new tenant is CRRC, an international manufacturing company, which would bring 52 skilled jobs to Carson within a 70,000 SF industrial building.

If the City Council determines to allow an exception pursuant to Section 6, such applications and/or permits may be filed and processed in accordance with the City's regulations and authority, and any other applicable laws, ordinances and regulations. Staff recommends adoption of Resolution No. 17-049 approving Panattoni's request, (Exhibit No. 3).

II. RECOMMENDATION

WAIVE FURTHER READING AND ADOPT RESOLUTION NO. 17-049, "ALLOWING AN EXCEPTION TO THE APPLICATION OF INTERIM URGENCY ORDINANCE NO. 17-1615U ALLOWING AN EXCEPTION TO THE APPLICATION OF INTERIM URGENCY ORDINANCE NO. 17-1615U TO ALLOW FILING AND PROCESSING OF PLANS AND

PERMITS NECESSARY TO OPERATE A NEW LOGISTICS FACILITY ON SITE LOCATED AT 2254 E. 223RD STREET.”

III. ALTERNATIVES

TAKE such other action as the City Council deems appropriate, consistent with the requirements of the law.

IV. BACKGROUND

About the New Tenant

According to the applicant, CRRC is the world's largest supplier of rail transit equipment with the most complete product lines and leading technologies. Its main businesses cover the R&D, design, manufacture, repair, sale, lease and technical services for rolling stock, urban rail transit vehicles, engineering machinery, all types of electrical equipment, electronic equipment and parts, electric products and environmental protection equipment, consulting services, industrial investment and management, asset management, import and export. CRRC has won the contract to supply new rail cars to the Los Angeles County Metropolitan Transportation Authority (Metro). CRRC's revenues in 2015 was \$37.8 billion, ranking 266 on the Fortune Global 500 List.

Section 6 of Ordinance No. 17-1615U states that the City Council may allow exceptions to the application of this Ordinance, if the City Council determines any of the provisions included in Section 6.A. 1 through 8 apply to the request. Staff has determined that provisions of Section 6.A.3, 4, and 5 apply to this request. Section 6.A.3. of Interim Urgency Ordinance states:

“If an existing building is empty on the effective date of this Ordinance, or a tenant moves out of an existing building during the effective period of this Ordinance, and the property or facility owner wishes to have a new tenant or new use, provided the Council makes the following findings: the new use is permitted or conditionally permitted in the zone; the City Council deems the proposed new use or new tenant to be consistent with the purposes of this Ordinance and the General Plan; and the proposed new use or new tenant will not be in conflict with the contemplated general plan update, any specific plan or zoning code update that the City Council is considering or studying or intends to study.”

Section 6.A.4. of Interim Urgency Ordinance states:

“Land controlled by the City or by any of its agencies and authorities including, transactions approved by the Department of Finance.”

Section 6.A.5. of Interim Urgency Ordinance states:

“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.”

Staff has determined the following for the said project:

- It is a permitted use in the Manufacturing Light (ML) zone;
- The new tenant is consistent with the purposes of this Ordinance and the General Plan as the area is an existing industrial park and the property is zoned MH;
- The proposed new use or the new tenant will not be in conflict with the contemplated general plan update, any specific plan or zoning code update that the City Council is considering or studying or intends to study.
- The said property is still owned by the Carson Successor Agency and is due to transfer to Panattoni on July 24, 2017.
- The developer 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.

The permits and applications will be reviewed by staff when they are submitted to ensure compliance all applicable City codes.

V. FISCAL IMPACT

Cities have used development impact fees to pay for capital improvements necessary to finance city infrastructure needs as a result of the impacts of new development. However, unlike a number of cities, Carson does not have impact fees. However, there are several current General Plan policies requiring them. Chapter 4, Policy T-I-2.5 directs the establishment of a comprehensive traffic impact fee program. Policy SAF-2.4 directs the consideration of storm drain improvements through impact fees. The General Plan also contains Policy SAF-6.9 establishing the need for an impact fee for future additions to the Sheriff's station.

As part of the Carson Market Place (the 157 acres), the final environmental impact report calls for the payment of development impact fees for a fire station, sheriff staffing and facilities, parks and library improvements. Staff has recently calculated these fees for the new property owner as part of a development project on 11-acres of the site.

When approved by the Planning Commission, the 2254 E. 223rd project includes a standard condition of approval requiring the developer to pay for impact fees in the future. Staff wants to provide more certainty to the development community and many developers recognize the need for impact fees since they are routinely paid in surrounding communities.

The City Council directed staff to retain a planning consultant to assist the City in developing appropriate impact fees, which will be part of the General Plan Update. Staff

has completed the RFP process for a planning consultant and will be recommending moving forward on the General Plan Update in May.

In working with several developers and the City Attorney, we are suggesting an interim measure while the General Plan Update and impacts fees are completed. We suggest a flat fee based on the square footage of the industrial building to mitigate development impacts - roads, traffic signals, park land and park improvements and public safety. Many cities use impact fees as their local match in grants to leverage funding for the improvement.

In addition, the developer has agreed to form or 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. based on a district type of CFD in the Southeast portion of the City.

VI. EXHIBITS

1. Ordinance No. 17-1615U. (pgs. 5-17)
2. Letter from Mr. Mr. Mark Payne, dated March 23, 2017. (pgs. 18-19)
4. Resolution No. 17-049. (pgs. 20-22)

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