



CITY OF CARSON

Legislation Text

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Report to Mayor and City Council

Tuesday, September 05, 2017

Discussion

SUBJECT:

CONSIDER RESOLUTION NO. 17-125, AN EXCEPTION TO THE APPLICATION OF INTERIM URGENCY ORDINANCE NO. 17-1618U TO ALLOW FILING OF PLANS AND PERMITS NECESSARY TO OPERATE A CONTAINER YARD LOCATED AT 24690 SOUTH WILMINGTON AVENUE (CITY COUNCIL)

I. SUMMARY

On May 2, 2017, the City Council adopted Interim Urgency Ordinance No. 17-1618U, extending for 10 months and 15 days a 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 grant exceptions.

On July 24, 2017 and August 7, 2017, Mr. Andrew W. Zepeda of Lurie, Zepeda, Schmalz, Hogan & Martin representing Harbor Land Company, filed a request for an acknowledgment of an exemption or, in the alternative, for the grant of an exception to allow continuation of the existing logistics facility with a new leaseholder. More specifically, J.B. Hunt Transport will be the operator of the container storage yard on the 6.7 acre property. (Exhibit No. 2). "Logistics Facility" is defined in Section 2, subsection M, of the Ordinance. Container storage yards are a permitted use by right in the Manufacturing Heavy zone as long as they are not within 1000' of residential areas.

If the City Council grants an exception, pursuant to Section 6, such the 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. The grant of the exception is not the final approval of the project. Staff recommends adoption of Resolution No. 17-125 approving Harbor Land Company's request (Exhibit No. 3).

II. RECOMMENDATION

WAIVE FURTHER READING AND ADOPT RESOLUTION NO. 17-125, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, FINDING AND DETERMINING THAT HARBOR LAND COMPANY, LLC HAS COMPLIED WITH THE

CONDITIONS NECESSARY TO BE GRANTED AN EXCEPTION TO THE APPLICATION OF INTERIM URGENCY ORDINANCE NO. 17-1618U IN CONNECTION WITH A NEW LEASE OF A 6.736 ACRE PARCEL OF REAL PROPERTY, LOCATED AT 24690 SOUTH WILMINGTON AVENUE, AS AND FOR A CONTAINER FACILITY”

III. ALTERNATIVES

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

IV. BACKGROUND

Existing Conditions and Proposed Project

The site is located on the southern edge of the City surrounded by heavy industrial uses such as the Philips 66 refinery and Tesoro Logistics storage tank facilities. The site is approximately 2,000 feet from residential areas and there are no sight lines from any nearby residential areas to the subject site. Harbor Land Company (HLC) has owned the site since 2003.

The site is paved and no other improvements exist on the site. The property has been leased as a container storage yard since 2003. J.B. Hunt Transport will be storing a maximum of 1,400 containers on the site. According to the applicant, the proposed use is a container storage yard and will not include truck parking. There will be incidental stacking of small number of trailer chassis which are used to move empty containers to and from the site. The seven (7) year term of the new lease will initiate on October 1, 2017.

Section 4.B. 5 of Ordinance No. 17-1618U exempts project with a 7 year or less lease; however, since the proposed use is a container yard storage facility, it does not qualify for an exemption under the seven year lease term basis. Section 4.B. 6 of Ordinance No. 17-1618U exempts projects within Planned Industrial Areas; however, since the proposed use is a container yard storage facility, it does not qualify for an exemption under the Planned Industrial Area basis. Therefore, applicant has filed for an Exception.

Staff supports the proposed request as described below. The proposed use is permitted use by right since it is at least 1000 feet from residential areas. The use does not abut a sensitive use nor does it impact abutting sensitive uses. The project site and its immediate surroundings are and are expected to remain heavy industrial uses.

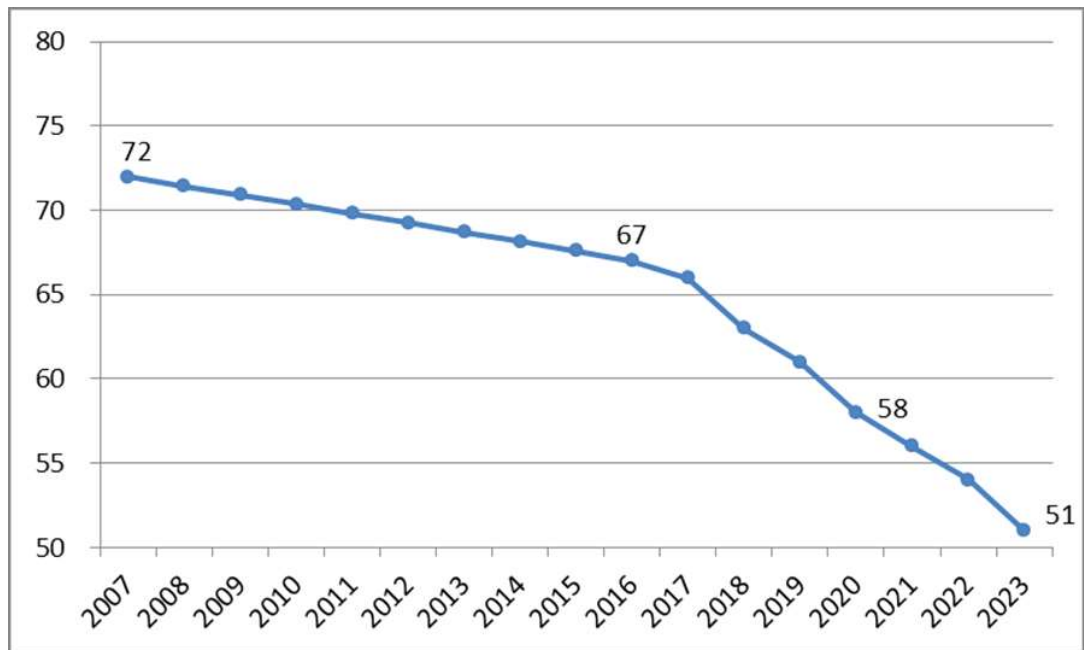
The site is also adjacent to the overweight truck corridor located in the southeastern portion of the community. However, a recent survey of the condition of Carson's streets has revealed that \$8 million in annual investments will be need in the next decade to maintain streets in their current condition, including the overweight corridor. The survey revealed that over \$6 million in annual investment will be needed to improve Carson's truck routes and truck impacted streets alone. The pavement management engineers recommend that Carson invest \$9 million annually to begin to improve our street conditions. The City has identified only \$3.8 million in annual street repair funds and the

streets will continue to deteriorate without major investments during the next decade.

The pavement engineer's estimates Carson's pavement condition to be 72 and will deteriorate to 51 by 2023, without significant new investment from the City.

Survey of the Pavement Condition of Carson's Streets

January 2017



The City also surveyed lifted, cracked and damaged sidewalks. This survey revealed over \$11 million in critical repairs that are unfunded. The City staff has been working with an industry group to identify additional opportunities for grants at the State level. Funding may be available in the State's Trade Corridor Enhancement Account and the Local Partnership Program. However, these efforts are in their early stages and many grants require local matching funds. The City has been working on alternative funding sources to assist the City to improve street conditions and capacity, including the use of Community Facilities Districts and Development Impact Fees.

Since the site is has been used as a container storage facility and no intensification of the use is proposed, the project is not subject to the payment of the Interim Development Impact Fee and the Community Facilities District (CFD). However, the applicant has agreed to pay a one-time fee of \$75,000.00 to mitigate the impacts of the project on City's streets during the term of the lease. This fee was calculated based on 65 truck trips per day for seven years, and 50 cents per truck trip. A discount was applied for paying the entire amount upfront.

Exception Qualifications

The proposed project is within a Planned Industrial Area; however, provisions of Ordinance No. 17-1618U apply to this project since it is a container storage facility. Section 6 of

Ordinance No. 17-1618U 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 14 apply to the request. Staff has determined that provisions of Section 6.A.1, 5, 7, 9, 10, 11, 13, and 14 apply to this request. These Sections of Interim Urgency Ordinance state:

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.
5. The developer or tenant enters into an agreement that guarantees the City the same financial assurances offered by a CFD.
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.
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;
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.

V. FISCAL IMPACT

The applicant will be making a one-time payment of \$75,000.00 to the City within five (5) days from the adoption of Resolution No. 17-125 and prior to occupying the site and approval and release of the Business License.

VI. EXHIBITS

1. Ordinance No. 17-1618U. (pgs. 5-18)
2. July 24, 2017 and August 7, 2017 Letter, Mr. Andrew W. Zepeda of Lurie, Zepeda, Schmalz, Hogan & Martin (pgs. 19-23)
3. Resolution No. 17-125. (pgs. 24-27)

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