



CITY OF CARSON

Legislation Text

File #: 2017-312, Version: 1

Report to Mayor and City Council

Tuesday, November 21, 2017

Discussion

SUBJECT:

CONSIDER APPROVAL OR DENIAL OF A MORATORIUM EXCEPTION TO ALLOW PROLOGIS, LLC TO FILE AN APPLICATION FOR A CONDITIONAL USE PERMIT AND GENERAL PLAN AMENDMENT 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 (RESOLUTION NO. 17-151 OR RESOLUTION NO. 17-152) (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 November 7, 2017, Mr. John Low, Investment Officer for Prologis, LLC filed a request for an exception 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 of Wilmington Avenue and University Drive within the Dominguez Technology Center (Exhibit No. 2).

If the City Council grants this exception, pursuant to Section 6, staff will continue to process the applications submitted by Prologis 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 (Exhibit 3).

If the City Council does not grant this exception, the applicant's request for Specific Plan Amendment, Conditional Use Permit, Design Overlay Review, and associate environmental documents will be inactive until the moratorium expires or the General Plan and Zoning Code Updates are completed (Exhibit 4). Staff has provided two resolutions for

City Council's consideration.

II. RECOMMENDATION

1. WAIVE FURTHER READING AND ADOPT 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."

AND

2. DIRECT THE CITY MANAGER, PLANNING MANAGER, AND CITY ATTORNEY TO ENTER INTO THE AGREEMENTS ARTICULATED IN RESOLUTION NO. 17-151, IN ACCORDANCE WITH THE TERMS STATED THEREIN.

OR

3. WAIVE FURTHER READING AND ADOPT RESOLUTION NO. 17-152, "DENYING 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 OF WILMINGTON AVENUE AND UNIVERSITY DRIVE WITHIN THE DOMINGUEZ TECHNOLOGY CENTER."

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 22 acre site is in the Dominguez Technology Center with 5 existing office and Research and Development (R&D) buildings which were last occupied by Northrop Grumman. The existing buildings were built in the mid to late 1980's. The building on the northwest corner of Wilmington Avenue and University Drive will remain and is owned by the US government. Prologis is proposing a 438,000 square foot logistics building with 60 truck doors.

State of City's Infrastructure

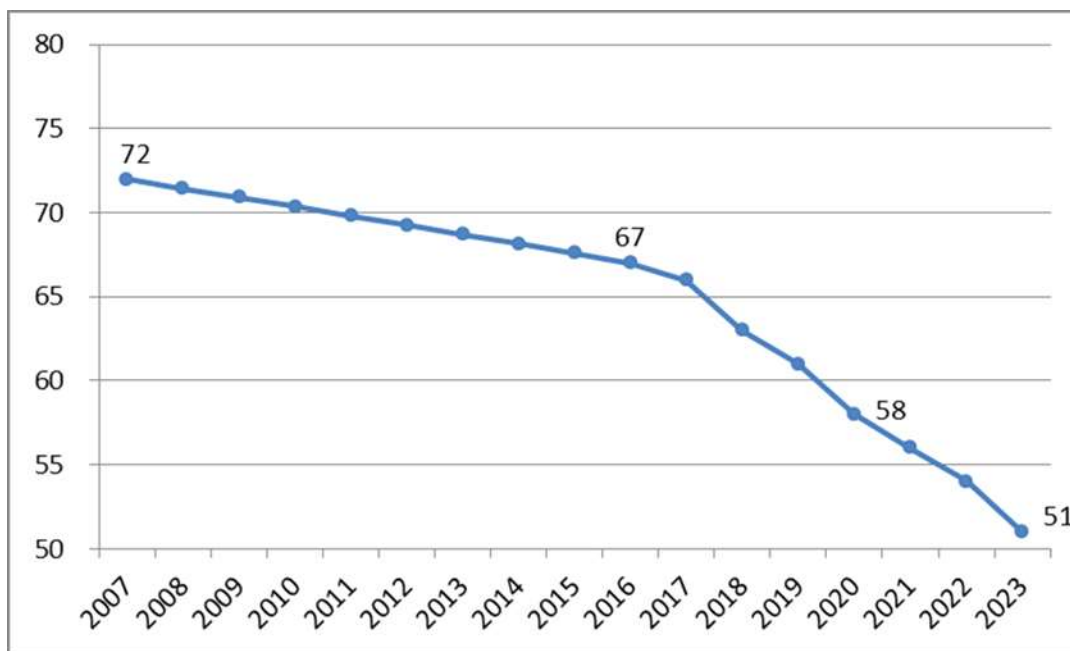
A recent survey of the condition of Carson's streets has revealed that \$8 million in annual

investments will be needed in the next decade to maintain streets in their current condition, including the overweight corridor. The survey revealed that over \$6 million in annual investments 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 (CFD) and Development Impact Fees (DIF).

Applicant's Proposal

The proposed project will generate the following revenues for the City:

- \$876,000 one-time DIF to pay for increased infrastructure needs as a result of

the project;

- Approximately \$40,000 annual CFD assessment to pay for increased City services as result of the project;
- Approximately \$44,000 annual property tax revenue.

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

- Sheriff Enforcement Training

Analysis

The proposed project would be sited on a vacant property that is odd in size, being long and narrow. It is located between buildings as part of the Watson Industrial Center and zoned for heavy industry. The property is also bisected by three streets. The property has several high voltage transmission towers located on it as part of the Los Angeles Department of Water and Power facilities.

The City's comprehensive General Plan and Zoning Code Update are currently underway. The future land uses in this area would be reviewed as part of this update. Staff does not foresee major land use changes in this area; however, the permitted uses and development standards may be revised. The General Plan will also examine the impacts of land uses on the City's ability to provide public services, including street maintenance and public safety services.

If the exception is granted, as part of the Conditional Use Permit process, these impacts would be studied including daily truck trips and street maintenance demands. As part of the CUP process the City staff would also analyze Development Impact Fees and Community Facilities District payments.

Exception Qualifications

The City Council may, but is not required to, allow exceptions to the application of Interim Urgency Ordinance No. 17-1618U if the City Council 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 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.

V. FISCAL IMPACT

Undetermined at this time until such time the DIF and CFD amounts are determined.

VI. EXHIBITS

1. Ordinance No. 17-1618U. (pgs. 6-19)
2. November 7, 2017, Mr. John Low, Investment Officer for Prologis, LLC (pgs. 20-32)
3. Resolution No. 17-151. (pgs. 33-38)
4. Resolution No. 17-152. (pgs. 39-42)

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