



Agenda Item

City Council

Item #: 8.1.

8/22/2023

File #: 23-0525

TO: Honorable Mayor and Members of the City Council

THRU: Tom Kisela, City Manager

FROM: Russell Bunim, Community Development Director

1. SUBJECT

Public Hearing to consider adoption of a resolution approving the demolition of an existing 40,000 square foot (SF) manufacturing facility and site redevelopment with a 57,900 SF truck terminal that includes 52,900 SF of warehouse space, 5,000 SF of office space, and an accessory 5,400 SF maintenance building located at 534 W. Struck Avenue; certifying Environmental Impact Report No. 1870-20; and adopting all findings and a Mitigation Monitoring and Reporting Program.

2. SUMMARY

The applicant, Prologis, L.P., is proposing the demolition of an existing 40,000 square foot (SF) manufacturing facility and site redevelopment with a 57,900 SF truck terminal that includes 52,900 SF of warehouse space, 5,000 SF of office space, and an accessory 5,400 SF maintenance building.

3. RECOMMENDED ACTION

Adopt Resolution No. 11487. A Resolution of the City Council of the City of Orange certifying Environmental Impact Report No. 1870-20, adopting a Mitigation Monitoring and Reporting Program and approving Conditional Use Permit No. 3137-21, Major Site Plan Review No. 1039-21, Design Review No. 5028-21 to demolish an existing 40,000 SF manufacturing facility and site redevelopment with a 57,900 SF truck terminal that includes 52,900 SF of warehouse space, 5,000 SF of office space, and an accessory 5,400 SF maintenance building, located at 534 W. Struck Avenue.

4. FISCAL IMPACT

None

5. STRATEGIC PLAN GOALS

Goal 1: Provide for a safe community

d: Assure the development of the City occurs in a fashion that maximizes public safety.

Goal 2: Be a fiscally healthy community

e: Create an environment to attract, retain, and expand economic opportunities.

6. DISCUSSION AND BACKGROUND

Proposal

The project involves the demolition of an existing 40,000 SF manufacturing facility and complete redevelopment of the project site. The project would also include the removal of the existing unused

railroad spur located on the east side of the site. The site would then be redeveloped with a 57,900 SF truck terminal, that includes 52,900 SF of warehouse space, 5,000 SF office space, and an accessory 5,400 SF maintenance building to be located at the southeast portion of the site. The proposed building would be up to 45 feet in height and include 84 loading dock doors. The project would provide 62 automobile parking stalls, 15 in excess of the required parking. Additionally, the project would provide 188 trailer parking stalls. The building would operate 24 hours a day, 7 days a week. It is anticipated that the facility would employ a total of 60 to 130 employees over the work shifts.

Development of the project would enhance the existing industrial character of the site and surrounding area with new modern building elevations, new landscaping, hardscape, other on-site improvements, and street frontage improvements. Development of the truck terminal would replace the existing building with a new modern concrete tilt-up building. Additional details about the architectural and landscape design can be found in the Design Review Committee (DRC) staff reports, (Attachment 3), Planning Commission (PC) staff report (Attachment 5) and development plans (Attachment 7).

The project has been designed to comply with the development standards of the Industrial (M-2) zone with the exception of the landscape guidelines and to be compatible with the adjacent surrounding development and uses. The proposed contemporary building design and scale complement the character of the area. Overall, the proposed project presents an integrated design that provides a renewed, updated, and improved appearance to the site and to the surrounding community.

Landscaping

The landscape program for the site concentrates landscaping along the property frontage on Struck Avenue consisting of different types and sizes of trees, a variety of shrubs, and ground cover. Based on the City's Landscape Guidelines the benchmark calculation for tree quantity, 125 trees are recommended for the project site. The revised proposal includes 78 trees, which is short of the benchmark for the site. Landscaping is not proposed along the east, south, and west perimeter beyond the security gates, as it would interfere with the trailer parking areas located along the perimeter of the site. However, landscaping does include drought tolerant trees on the south side corner areas at the rear of the property.

The DRC reviewed the proposal and made a recommendation of approval with conditions designed to alleviate the lack of landscaping on the site. Conditions of Approval No 18-24, in Resolution No. 11487 (Attachment 1) address tree upsizing, in some areas to a minimum of 50 feet in height, upsizing from 15-gallon trees to 24" box trees, and increasing the number of on-site trees from 68 to 78 (Attachment 4).

Given the nature of the use, a majority of the site is needed for the movement and parking of trucks. Further, the project and the multi-family residential project across the cul-de-sac use the same or similar tree and planting materials in an effort to provide a compatible landscape theme. Staff believes that the landscape plan achieves the intent of the City's landscape standards despite the lack of landscaping on the truck bay area of the site.

7. ENVIRONMENTAL

A Mitigated Negative Declaration (MND) was originally prepared for the proposed project. On September 23, 2021, the City circulated a Notice of Intent to Adopt Mitigated Negative Declaration No. 1870-20 for the Project. The MND was circulated for public review from September 23, 2021, to

October 25, 2021. During the 30-day public review period, comments received requested additional technical analysis (e.g., air quality and noise modeling, traffic). Therefore, in order to address the environmental concerns raised, additional analyses were prepared, and an Environmental Impact Report (EIR) was prepared to provide comprehensive environmental review of the Project (Attachment 8).

The EIR (California State Clearinghouse (SCH) No. 2021090399), was prepared in accordance with California Environmental Quality Act (CEQA) Guidelines Article 9, Sections 15120-15132 to evaluate the potential environmental impacts associated with constructing and operating the proposed project. The draft EIR was made available for public review in accordance with CEQA between March 31, 2023, and May 15, 2023.

Staff received five written comment letters during the public review period. The City prepared a Response to Comments to address environmental comments received during the public review period. The public comments and responses can be found in the Final EIR (Attachment 9).

Pursuant to CEQA Guidelines Section 15087(c)(6), the project site is listed on the EnviroStor database for a historic recognized environmental condition for past release of any hazardous substances or petroleum products; however, a no further action was recommended as remediation of soil was completed by Orange County. Implementation of the proposed project may result in significant environmental effects related to the following topical issues:

- Biological Resources (impacts to nesting migratory birds)
- Cultural Resources (potential to encounter significant subsurface archaeological resources)
- Geology and Soils (potential to unearth and adversely impact paleontological resources)
- Hazards and Hazardous Materials (soils contaminated with volatile organic compounds)
- Tribal Cultural Resources (potential to unearth and adversely impact tribal cultural resources)

Mitigation measures have been incorporated into the EIR that reduce potential impacts to less than significant levels (Attachment 10).

Findings of Fact (Attachment 11) have been prepared based upon the entire record before the City Council, as described in Subsection 1.4 of the Findings, including the EIR.

8. PUBLIC NOTICE

On August 10, the City mailed a Public Hearing Notice to a total of 38 property owners/tenants within a 400-foot radius of the project site and persons specifically requesting notice. The project site has been posted in one location with the notification on that same date. The Public Hearing Notice was published in the newspaper on August 12, 2023.

9. ATTACHMENTS

- Attachment 1 City Council Resolution No 11487
- Attachment 2 Planning Commission Resolution No. PC 10-23
- Attachment 3 Design Review Committee Staff Reports dated November 3, 2021, and February 16, 2022
- Attachment 4 Design Review Committee Minutes dated November 3, 2021, and February 16, 2022

- Attachment 5 Planning Commission Staff Report dated July 17, 2023
- Attachment 6 Planning Commission Minutes dated July 17, 2023
- Attachment 7 Development Plans with Color Elevations and Color Martials Board
- Attachment 8 Draft Environmental Impact Report (DEIR) No. 1870-20
- Attachment 9 Final Environmental Impact Report (FEIR) No. 1870-20
- Attachment 10 Mitigation Monitoring and Reporting Program
- Attachment 11 Findings of Fact
- Attachment 12 Economic and Fiscal Impact Report