

Agenda Item Staff Report

To: Honorable Mayor and Members of City Council
For the Meeting of September 24, 2024

From: Chris Constantin, City Manager

Prepared by: Luis Torrico, Director of Community Development

Subject: Discussion and Consideration to Adopt Resolution 2024-27, 2024-28 and Introduce Ordinance 1313 Approving ZC 21-0001 LM 21-0001, DPRB 21-0002 and TRP 21-0004 with a Mitigated Negative Declaration for the Development of a 63,749 Square Foot Warehouse/Office Multi-tenant Building on a 2.58-acre Site Located at the Northwest Corner of Cataract Avenue and Allen Avenue (309 W. Allen Avenue, 917 N. Cataract Avenue, And 929 N. Cataract Avenue) APN's 8392-016-008, -048, and -047.

SUMMARY

The Applicant, Ignacio Crespo of OC Design & Engineering, on behalf of Allen Industrial Investors LLC, is requesting approval of a Zone Change to change the zoning land use designation from Light Agriculture (AL) to Light Manufacturing (M-1), a Lot Merger to consolidate three (3) contiguous lots, a Development Plan Review Board application for a 63,749 square-foot concrete tilt-up warehouse/office multi-tenant building, and a Tree Removal Permit to remove 17 mature trees in conjunction with the project located on a 2.58 acre site located at the northwest corner of Allen Avenue and Cataract Avenue.

On March 23, 2023, the Development Plan Review board, at a regularly scheduled meeting, recommended approval to the Planning Commission of DPRB 21-0002 and TRP 21-0004 for the design and construction of the tilt-up warehouse/office multi-tenant building along with the associated removal of 17 mature trees.

On May 4, 2023, the Planning Commission, at a regularly scheduled meeting, voted 4-1 to recommend to the City Council approval of Zone Change 21-0001 for the change of zoning from Light Agricultural to Light Manufacturing, Lot Merger 21-0001 for the merger of three contiguous lots, Development Plan Review Board 21-0002 for the design and construction of the tilt-up warehouse/office multi-tenant building, and Tree Removal Permit 21-0004 for the associated removal of 17 mature trees, along with recommending adoption of the associated Initial Study/Mitigated Negative Declaration.

On May 14, 2024, the City Council considered the project along with an application for a seven-unit residential subdivision which met the no net loss criteria. The Council voted to continue the residential subdivision project, which also required that the warehouse project be continued to the May 28, 2024, meeting.

On May 28, 2024, the City Council considered and approved an alternate version of the residential subdivision project, which did not address the no net loss issue created by the warehouse project. Therefore, Staff requested that the warehouse project be continued to a date uncertain, until another application for rezoning or up-zoning was brought forward before the Council that would address the no net loss issue.

RECOMMENDATION

Staff, the Development Plan Review Board, and the Planning Commission recommend that the City Council:

1. Adopt Resolution 2024-27, approving DPRB Case No.21-0002 and TRP 21-0004.

Staff and the Planning Commission recommend that the City Council:

1. Adopt Resolution 2024-28, approving the IS/MND.
2. Introduce Ordinance 1313, approving ZC 21-0001.
3. Adopt Resolution 2024-27, approving LM 21-0001, DPRB 21-0002 and TRP 21-0004.

FISCAL IMPACT

There is no fiscal impact for the recommended action. All costs associated with the cost to prepare the Initial Study/Mitigated Negative Declaration (IS/MND) for the project were borne by the Applicant.

BACKGROUND

On November 24, 2020, City Council authorized the initiation of a Zone Change from Light Agriculture (A-L) to Light Manufacturing (M-1) to allow the Applicant, Ignacio Crespo, O.C. Engineering & Design, on behalf of the property owner, Allen Industrial Investors LLC to submit entitlement applications to develop a 2.58-acre site comprised of three (3) contiguous parcels that are currently developed with nine (9) single-family homes into a warehouse building.

On January 25, 2021, the Applicant submitted the following applications for the development of the warehouse project:

- Zone Change No. 21-0001 – A request to change the zoning land use classification from Light Agriculture (AL) to Light Manufacturing (M-1).
- Lot Merger 21-0001 – A request to consolidate three (3) contiguous lots together.
- DPRB Case No. 21-0002 – A request for development of a 63,749 square-foot concrete tilt-up warehouse/office multi-tenant building.
- Tree Removal Permit No. 21-0004 – A request to remove 17 mature trees in conjunction with the project.

The 2.58-acre subject site consists of three (3) contiguous lots, which will be merged as part of the development process and was developed with nine (9) vacant single-family residences (See Figure 1). Typically, existing structures are not demolished until after the project has received all approvals and building permits have been issued. However, since the homes were vacant, there was several issues related to people occupying the vacant structures that resulted in several responses by the Sheriff's Department. Therefore, a demolition permit was issued on March 13, 2023, to address the health and safety issues and concerns that have resulted from the structures being vacant. No other activity, including removal of trees, will occur until after the project has been approved and all permits have been issued.

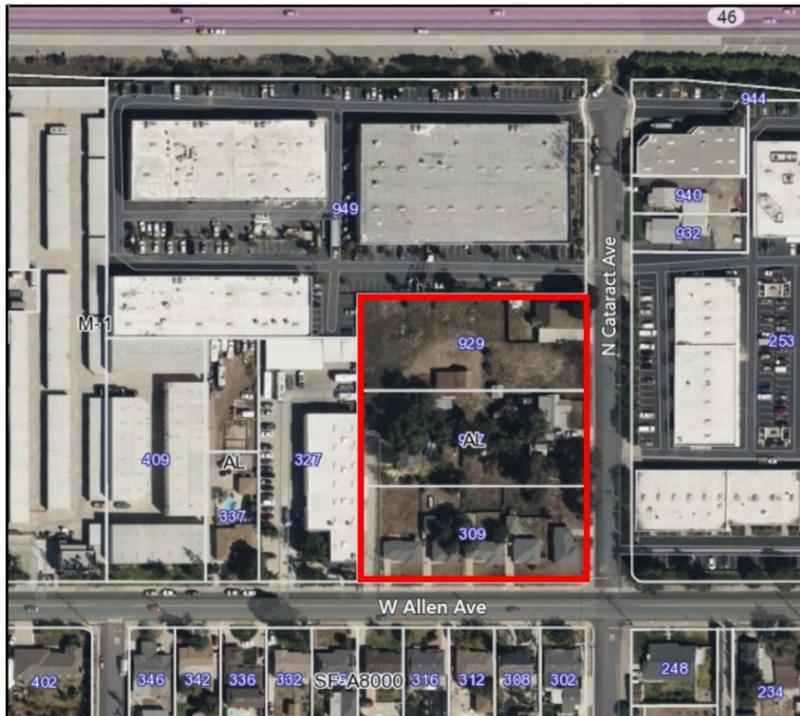


Figure 1 – Aerial Map

At its March 23, 2023, regular meeting, the Development Plan Review board (DPRB) considered DPRB No. 21-0002 and TRP 21-0004 for the design and construction of the tilt-up warehouse/office multi-tenant building along with the associated removal of 17 mature trees. After consideration, the DPRB recommended approval of the two (2) applications to the Planning Commission, subject to the recommended Conditions of Approval. The DPRB did not act on the Zone Change or Lot Merger, as the actions are not under DPRB purview.

At the May 4, 2023, regular meeting, the Planning Commission considered the project applications, along with the associated Initial Study/Mitigated Negative Declaration. The Commission raised concerns with the height (41 feet) of the warehouse building and with the heavy truck traffic that could result from the new warehouse use. In addition, during the public comment period, two (2) residents raised concerns with traffic and noise associated with the trucks for the proposed warehouse use and concerns that employees would park on the street. After conducting a public hearing, the Planning Commission voted 4-1 to recommend approval of all projects and the IS/MND to the City Council, with an added condition that no truck ingress or egress shall be allowed on the Allen Avenue driveway. Chairman Bratt voted against the project

citing concerns with the height of the building and increased traffic. See Attachment 6 for the Commission staff report, the resolutions and minutes.

The AL zone allows residential as a permitted use. Since the project will include the rezoning of three (3) parcels from AL to M-1, to accommodate the construction of the warehouse and to be consistent with the General Plan Land Use designation of Industrial, there will be a net loss of three (3) residential units in the City. Pursuant to Government Code Section 66300, as amended by Senate Bill (SB) 8 in 2021 (No Net Loss Law), the zone change from AL to M-1 cannot occur unless another property is rezoned or up-zoned to increase the residential density in the City by at least three (3) units, one per parcel that were allowed under the AL zoning. Furthermore, No Net Loss Law requires that the rezoning or up-zoning be approved concurrently at the same meeting as the project that is incurring the net loss of units. Thus, the project was put on hold until another project came forward that would address the loss of residential units.

On May 14, 2024, the City Council considered the warehouse project (Attachment 5) along with an application for a seven-unit residential subdivision which met the no net loss criteria. The Council voted to continue the residential subdivision project, which also required that the warehouse project be continued to the May 28, 2024, meeting.

On May 28, 2024, the City Council considered and approved an alternate version of the residential subdivision project, which did not address the no net loss issue created by the warehouse project. Therefore, Staff requested that the warehouse project be continued to a date uncertain, until another application for rezoning or up-zoning was brought forward before the Council that would address the no net loss issue (Attachment 5).

DISCUSSION/ANALYSIS

Zone Change and Lot Merger

The Applicant is requesting approval of a Zone Change from the existing zoning of Light Agriculture (A-L) to Light Manufacturing (M-1). The proposed Zone Change consists of three (3) contiguous parcels all of which are owned by the same owner. The Applicant is also requesting approval of a Lot Merger to consolidate the three (3) contiguous lots together in order to complete the project. The proposed 2.58-acre lot will meet the minimum lot size requirement of 10,000 square feet and the minimum lot dept of 100 feet as required by the proposed M-1 Zone. The Zoning and General Plan designations for the site and surrounding areas are shown in the following maps (Figure 2) and Table 1 below.

General Plan Map (No Change Proposed)



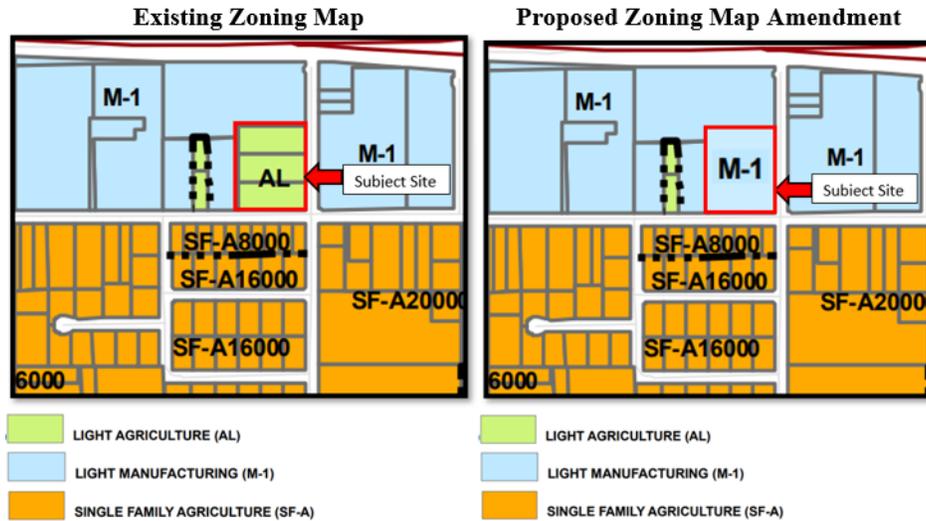


Figure 2 – General Plan / Zoning Maps

Table 1

	Use	Zoning	General Plan
Subject Site	Single-family residential	AL	Industrial
North	Light industrial building	M-1	Industrial
South	Single-family residential	SF-A8,000	Single-Family Low
East	Light industrial building	M-1	Industrial
West	Light industrial building	M-1	Industrial

The site is surrounded by developed single-family residences to the south and developed light industrial buildings to the north, east, and west. The proposed zone change will bring the site into compliance with the General Plan Land Use designation of Industrial and will integrate the parcel to the surrounding industrial zoning thereby making it consistent with the adjacent buildings and uses.

The existing AL land use classification allows for one single-family residential unit per lot. The subject lots are considered to be non-conforming lots due to the fact that they were developed with nine (9) single-family residences; six (6) more than what is currently allowed in the AL zone. As previously mentioned, the project is subject to No Net Loss Law, and thus cannot occur unless another property is rezoned to increase the residential density in the City by at least three (3) units, one per parcel that were allowed under the AL zoning. Furthermore, the final action to approve the rezoning must occur concurrently at the same meeting of the legislative body, in this case, the City Council. The Commission can recommend approval to the City Council of the zone change for the project before them, but the City Council will need to consider another property to upzone residential density at the same meeting. Staff is processing the Zone Change 24-03, which consists of the rezoning of two (2) Housing Element Housing Inventory Sites; one of which is described as APNs: 8386-006-015 & 029, and consists of up-zoning from MF-15, which allows

up to 15 units per acre, to MF-25 which will allow up to 25 units per acres, which meets the no net loss criteria and is being considered at this same meeting.

Site Description/Improvements

The proposed building will be located at the southeast corner of the site, and a new drive aisle with parking will wrap around the building along the west and north property lines and will be accessed from Allen Avenue and Cataract Street. A truck loading dock will be located along the west elevation of the building and will service both proposed units within the new warehouse building, and a trash enclosure will also be constructed adjacent to the drive aisle along the west property line. A new ten-foot-high concrete tilt up screen wall to match the building finish, and an eight-foot-high wrought iron sliding gate will be installed at two (2) locations to secure the parking lot. The first one will be located approximately 86 feet north of the Allen Avenue driveway entrance, and the second one will be located in approximately 253 feet west of the Cataract Avenue driveway entrance. There is an existing masonry wall that is shared with the adjacent lots to the west (327 W. Allen Avenue) and north (949 N. Cataract Avenue); therefore, no new perimeter walls will be incorporated into the project. The existing walls will be required to be finished to match the proposed building finish. All site lighting will be required to install fixtures that direct light downward and does not spillover onto adjacent properties. In addition, as part of the project, the Applicant will be required to install a new sidewalk along their Cataract Avenue frontage and will be required to underground all existing overhead utility lines that are located along the project frontages.

The project requires a total of 54 parking spaces and four (4) motorcycle spaces, and the project is proposing 56 parking spaces and four (4) motorcycle spaces in compliance with the Code requirement. As previously mentioned, the project will be accessed via two (2) driveways located on Allen Avenue and Cataract Avenue. In an effort to reduce impacts to Allen Avenue, Condition of approval No. 72 has been included to require that truck ingress be limited to the Cataract Avenue driveway and that the Applicant also install signing and striping improvements to prevent truck ingress from Allen Avenue. Lastly, the project will provide a bicycle rack near the entrance to each unit, with each rack securing up to five (5) bicycles.

New landscaping, including replacement trees discussed later in the report will be installed throughout the site. New landscaped areas subject to compliance with the City's Model Water Efficient Landscape Ordinance (MWELo) will also be incorporated as part of the overall site improvements. The Council may wish to note that the conceptual landscaping plan is likely to be affected by the manner in which Low Impact Development (LID) compliance is reached for water retention and treatment.

Tree Removal

There are a total of 25 trees on site, of which 23 are proposed for removal, per the Tree Removal Plan (Figure 3), as their continued existence would prevent the reasonable development of the subject site. Of the 23 trees proposed for removal, 17 are considered mature trees per the City's Tree Preservation Ordinance. Under the San Dimas Municipal Code Section 18.162.020, a mature tree is defined as any Oak tree measuring eight (8) inches or more in trunk diameter, and/or any other species of tree that measures ten (10) inches or more in diameter, and any multi-trunk tree having a total circumference of 38 inches or more, with at least one (1) trunk having a minimum diameter of four (4) inches. The diameter must be measured at a point three (3) feet above the ground at the base of the tree. The 17 mature trees that will be removed consist of one (1) Bishop Pine, 12 California Pepper, three (3) White Ash, and one (1) Carrotwood. One Mexican

Fan palm tree will be removed; however, since it's not a canopy/shade tree, it doesn't require a replacement tree.

The City's Tree Preservation Ordinance also requires a two (2) for one (1) replacement with minimum 15-gallon box tree(s), or other replacement of equivalent value and size, be replanted within the subject property. For the removal of 17 mature trees, the Applicant will be required to replant 34 trees in compliance with the Code. The conceptual landscape plan (Attachment 4, Sheets L1 and L2) includes a total of 40 replacement trees, which will include the 34 required replacement trees. The proposed trees are each 24-inch box trees comprised of fifteen (15) Brisbane box, six (6) Forest Pansy Redbud, ten (10) Australian Willow, and nine (9) Canary Island Pine. The landscape plan will be required to identify which are the replacement trees.



Figure 3 - Tree Removal Plan

Building Design

The proposed 63,749 square-foot concrete tilt-up warehouse/office multi-tenant building will consist of two units within one (1) building. Unit 1 will be 24,193 square feet in floor area with a 2,000 square foot mezzanine, and Unit 2 will be 35,556 square feet in floor area with a 2,000 square foot mezzanine. Each unit will include a 1,000 square foot office area included within the aforementioned floor areas. The building will have varying heights, including tower-like elements

ALTERNATIVES

There are no alternatives proposed for this request. The City Council may recommend changes to the project or may recommend denial of the Mitigated Negative Declaration, Zone Change 21-0001, Lot Merger 21-0001, DPRB 21-0002, and TRP 21-0004. However, denying any individual action is recommending denial of the project, as the project may not move forward without all of the actions being approved.

ENVIRONMENTAL REVIEW

The proposed development is a project pursuant to the California Environmental Quality Act (CEQA) and an Initial Study was prepared to determine possible environmental impacts. On the basis of the Initial Study, which indicated that all potential environmental impacts from the project were less than significant or could be mitigated to a level of insignificance, a MND was prepared pursuant to CEQA guidelines. The MND was circulated for the required 20-day public review period from March 7, 2023, until March 27, 2023. Staff received two (2) comments during the comment period, one from a nearby resident who expressed concerns with traffic congestion, and loss of street parking, and one from the Yuhaaviatam of San Manuel Nation who stated that they will not be requesting consultation. In addition, Staff received a comment letter on May 28, 2024, from Lozeau Drury, an environmental firm, on behalf of the Supporters Alliance for Environmental Responsibility (SAFER). SAFER hired Soil/Water/Air Protection Enterprise (SWAPE), an environmental consulting firm to review the MND. SAFER and SWAPE raised concerns that an Environmental Impact Report (EIR) should have been prepared instead of the MND. The City's environmental consultant, UltraSystems reviewed the letter and determined that the MND prepared for the project is adequate and in compliance with CEQA guidelines. Furthermore, as required by CEQA guidelines, UltraSystems prepared a response memo stating that the environmental firm's comment letter stating that their comments lack any merit as they are based upon faulty assumptions and improper use of various methods, thus their comments are not credible. The response will be made publicly available on the City's agenda website as soon as possible before the City Council meeting.

Respectfully submitted,



Luis Torrico
Director of Community Development

Attachments:

1. Resolution 2024-28, MND
Exhibit A Initial Study and Mitigated Negative Declaration
2. Ordinance 1313, Zone Change
3. Resolution 2024-27, Lot Merger, DPRB & Tree Removal
4. Project Plans
5. May 18 & 24, 2024 City Council Staff Report, Resolutions, Ordinance & Minutes
6. May 4, 2023, Planning Commission Staff Report, Resolutions & Minutes