RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERSIDE, CALIFORNIA, CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR SYCAMORE CANYON BUSINESS PARK BUILDINGS 1 AND 2 PROJECT, MAKING CERTAIN FINDINGS OF FACT RELATED THERETO, ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS, AND ADOPTING A MITIGATION MONITORING AND REPORTING PROGRAM, ALL PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

WHEREAS, an application submitted by Hillwood Enterprises, LP and The Magnon Companies for the construction and operation of two industrial warehouse and distribution buildings totaling approximately 1,375,169 square feet, a General Plan Amendment and Specific Plan Amendment to remove planned but not constructed streets, tentative parcel map to consolidate 17 lots into 2 lots, a minor conditional use permit for industrial buildings greater than 400,000 square feet, design review, a grading exception and a variance, ("Project") was presented for consideration; and

WHEREAS, in accordance with the requirements of the California Environmental Quality Act ("CEQA") (Public Resources Code Section 21000 et seq.), the State of California CEQA Guidelines ("State CEQA Guidelines") (California Code of Regulations Title 14, Chapter 3, Sections 15000 et seq.) and the City of Riverside ("City") CEQA Guidelines (collectively "CEQA Regulations") an Environmental Impact Report ("EIR") was prepared for the Project; and

WHEREAS, in accordance with the requirements of Section 15082(a) of the State CEQA Guidelines, on August 18, 2015, the City prepared and distributed a Notice of Preparation ("NOP") to all appropriate responsible and trustee agencies and to all organizations and individuals requesting notice, stating that an EIR would be prepared for the Project; and

WHEREAS, on August 18, 2015, the NOP was sent to the State Clearinghouse (SCH No. 2015081042); and

WHEREAS, on August 26, 2015, a public scoping meeting was held in order to assist with the initial the preparation of the EIR; and

WHEREAS, all responses to the NOP were considered in the preparation of the Draft EIR and interested agencies and individuals were contacted to secure their input; and

WHEREAS, the Draft EIR was completed and a Notice of Completion ("NOC") and the Draft EIR was filed with the State Clearinghouse on or about August 10, 2016, in accordance with the provisions of section 15085 of the State CEQA Guidelines; and

WHEREAS, copies of the Draft EIR were also sent to various public agencies, organizations and individuals, made available at the City's Planning Division, the Riverside Main Library, Orange Terrace Library, and on the City's website, and a Notice of Availability ("NOA") of the Draft EIR was published in the Riverside Press Enterprise, a newspaper of general circulation, mailed to a list of interested parties, and posted with the Riverside County Clerk's Office; and

WHEREAS, the NOC and the NOA provided a 45 day public review period commencing on August 10, 2016, and ending on September 23, 2016; and

WHEREAS, the public review period was extended to October 7, 2016, for a total review period of 59 days; and

WHEREAS, the City received written and oral comments from the public and responsible agencies on the Draft EIR during this public comment period; and

WHEREAS, all comments on the Draft EIR concerning environmental issues that were received during the public review period, as well as those received after the public review period, were evaluated by the City as the Lead Agency in accordance with Section 15088 of the State CEQA Guidelines; and

WHEREAS, the City Planning Commission held a duly noticed hearing on the Draft EIR on December 15, 2016, and made certain recommendations to the City Council; and

WHEREAS, the Final Environmental Impact Report ("FEIR") dated February 2017, for the Project consists of a Draft EIR dated August 2016, comments and recommendations received on the Draft EIR, responses to comments on the Draft EIR, and list of persons, organizations and public agencies commenting on the Draft EIR; and

WHEREAS, the FEIR contains the elements required by the CEQA Regulations, including, but not limited to: (a) identification, description and discussion of all potentially significant environmental effects of the proposed Project; (b) a description of mitigation measures proposed

to minimize potential significant environmental effects on the project identified in the FEIR; (c) a description of those potential environmental effects which cannot be avoided or can be mitigated but not to a level of insignificance; (d) a description of a range of reasonable alternatives to the proposed Project and evaluation of the comparative merits and potential significant environmental effects of the alternatives; (e) a discussion of cumulative impacts in accordance with the requirements of section 15130 of the State CEQA Guidelines; (f) a discussion of growth inducing impacts; (g) a discussion of significant irreversible environmental changes; (h) a discussion of energy conservation; and (i) a list of all federal, state and local agencies, other organizations and private individuals consulted in preparing the FEIR and the firm preparing the FEIR; and

WHEREAS, the FEIR includes comments received on the Draft EIR and written responses to those comments, the focus of which is on the disposition of significant environmental issues raised in the comments, as specified by CEQA Guidelines section 15088(b); and

WHEREAS, the City Council held a duly noticed hearing on the FEIR on February 14, 2017, at which time additional written and oral testimony was received; and

WHEREAS, the City Council has been presented with and is familiar with the information in the administrative record, including the Staff Reports and the written and verbal testimony submitted thereon, and has reviewed and considered the information in the FEIR for completeness and compliance with the CEQA Regulations, has independently reviewed and analyzed the FEIR and has duly heard and considered the Staff Reports and all written and oral arguments presented at its meeting of February 14, 2017; and

WHEREAS, the City has made the written findings set forth in Findings of Fact and Statement of Overriding Considerations ("Findings/SOC") attached hereto as Exhibit "A" and incorporated herein by reference, for each potentially significant environmental impact identified in the FEIR pursuant to State CEQA Guidelines Section 15091 based upon all of the evidence in the administrative record, including, but not limited to the FEIR, written and oral testimony given at meetings and hearings, and submission of testimony from the public, organizations and regulatory agencies, and has determined that the Findings contain a complete and accurate reporting of the environmental impacts and mitigation measures associated with the Project, as

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well as complete and accurate reporting of the unavoidable impacts and benefits of the Project; and

WHEREAS, approval of the Project will result in significant effects which are identified in the FEIR that cannot be avoided or substantially lessened; and

WHEREAS, the City has stated in writing the specific reasons to support its action to approve the Project, despite its significant environmental impacts, based on the FEIR and other information in the record, including in the Findings/SOC set forth in Exhibit "A" attached hereto; and

WHEREAS, the City Council certifies that (1) the FEIR for the Project has been completed in compliance with CEQA; (2) that the FEIR was presented to the City Council, and that the City Council reviewed and considered the information contained in the FEIR prior to making a decision on the Project; and (3) the FEIR reflects the City's independent judgment and analysis, and has reviewed and considered all comments received during the public review process and at the public hearings; and

WHEREAS, the City Council found that the Project identified in the FEIR incorporated alterations or mitigation measures that avoid or substantially lessen potentially significant environmental effects associated with the Project to the fullest extent feasible; and

WHEREAS, in accordance with the requirements of the CEQA Regulations, a Mitigation Monitoring and Reporting Program was prepared that identified (i) all feasible measures required to mitigate potentially significant impacts, and (ii) standards and requirements contained in Ordinances and State Laws with which the Project will be required to comply, which Mitigation Monitoring and Reporting Program is attached hereto as Exhibit "B" and incorporated herein by reference; and

WHEREAS, the City has not received any comments or additional information that constitutes substantial new information requiring recirculation under Public Resources Code section 21092.1 and State CEQA Guidelines section 15088.5; and

WHEREAS, all requirements of the CEQA Regulations have been satisfied by the City in the EIR, which is sufficiently detailed so that all of the potentially significant environmental effects of the Project have been adequately evaluated.

NOW, THEREFORE, IT IS RESOLVED by the City Council of the City of Riverside, California, and making the following findings, as follows:

<u>Section 1</u>: The above recitals are hereby found and determined to be true and correct and are hereby incorporated herein as if stated in full.

<u>Section 2</u>: The City Council hereby makes the following findings and conclusions:

- (a) The FEIR for the Project has been completed and processed in compliance with the requirements of CEQA;
- (b) The FEIR was presented to the City Council, and the City Council, as the decision making body for the City, reviewed and considered the information contained in the FEIR and the administrative record as a whole, which includes, but is not limited to, staff reports, testimony and information received, and scientific and factual data presented in evidence during the review process, prior to approving the Project; and
- (c) The FEIR reflects the City's independent judgment and analysis.

Section 3: The City Council hereby finds that any changes to the FEIR in response to comments received on the Draft EIR merely clarify, amplify or make insignificant modifications to an already adequate EIR pursuant to CEQA Guidelines Section 15088.5(b) and that no significant new information has been received that would require recirculation.

<u>Section 4</u>: The City Council finds that the Findings/SOC set forth in Exhibit "A," attached hereto and incorporated by reference herein as if stated in full, are supported by substantial evidence in the administrative record and are hereby adopted by the City Council.

Section 5: Potential environmental effects have been studied and, except as stated in Section 8 below, there is no substantial evidence in the record, as a whole, that supports any argument that the Project, as designed and mitigated, may cause a significant effect on the environment. No facts, reasonable assumptions predicated on facts, testimony supported by

adequate factual foundation, or expert opinion supported by facts has been submitted that refute the conclusions reached by the FEIR, studies, data and reports. Nor does anything in the record alter the environmental determination, as presented, based upon investigation and independent assessment of those studies, data and reports. No new significant impacts have been raised by any commenting individual or entity, nor has any significant new information been added to the FEIR that would require recirculation under State CEQA Guidelines section 15088.5.

<u>Section 6</u>: The FEIR dated February 2017, for the Project reflects the independent judgment of the City based upon the findings and conclusions stated in the FEIR, staff reports, and in consideration of testimony and information received, and scientific and factual data presented in evidence during the review process.

Section 7: The City Council Finds that the FEIR dated February 2017, has fully examined the environmental impacts of the Project and, based on the information in the administrative record, including the analysis in the FEIR, has determined that the impacts on aesthetics, agricultural and forestry resources, air quality (except for operational NOx), biological resources, cultural/paleontological resources, energy use/conservation, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use and planning, mineral resources, noise (except for exceedance of standards for construction and operational), population and housing, public services, recreation, transportation/traffic (except it would conflict with applicable plans, policies or ordinances regarding freeway segments), and utilities and service systems either have no impact, are less than significant or are potentially significant but that with mitigation the impacts are reduced to less than significant based on the Findings/SOC set forth in Exhibit "A" attached hereto and incorporated herein by reference, as well as the findings and analysis contained in the FEIR (collectively "Findings"). The Findings are supported by substantial evidence contained therein as well as in the record, and as such, said Findings are hereby adopted by the City Council.

Section 8: The City Council finds that the FEIR dated February 2017, has fully examined the environmental concerns associated with the Project and, based on the information in the administrative record, including the analysis in the FEIR, has determined that the following

significant impacts, identified in the FEIR, cannot be mitigated to a level of insignificant: air quality (NOx emissions during Project operations), noise (construction and operational noise will exceed exterior standards), and transportation/traffic (conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for freeway segments). As explained in the Findings/SOC attached hereto as Exhibit "A" and incorporated herein by reference, the City Council finds pursuant to Public Resources Code section 21081(a)(3) that specific economic, legal, social, technological or other considerations make infeasible additional mitigation measures or alternatives that would substantially lessen such impacts. The City Council further finds, pursuant to Public Resources Code section 21081(a)(1) and as explained in the Findings/SOC (Exhibit "A") that changes or alterations have been incorporated into the Project which mitigate or avoid those significant impacts identified in the FEIR to the fullest extent feasible.

Section 9: With the exception of the impacts identified in Section 8 above, the City Council finds that, the Project, including all mitigation measures, conditions, permits and approvals will not have any other significant adverse unmitigated impacts on the environment. Potential environmental effects have been studied and there is no substantial evidence in the record, as a whole, that supports any argument that the Project, as designed and mitigated, would cause a significant effect on the environment, except as to the impacts identified in Section 8. No facts, reasonable assumptions predicated on facts, testimony supported by adequate factual foundation, or expert opinion supported by facts has been submitted that refute the conclusions reached by the FEIR, studies, data and reports. Nor does anything in the record alter the environmental determination, as presented, based upon investigation and independent assessment of those studies, data and reports

Section 10: The City Council finds that two (2) alternatives were considered and rejected from further consideration as set forth in attached Exhibit "A" Findings/SOC. The City Council further finds that three (3) alternatives were identified and analyzed in the FEIR and all were rejected as failing to meet most of the Project objectives, as introducing new/worse significant environmental impacts as compared to the Project, and/or as infeasible, due to specific economic, legal, social technological and other considerations. These grounds are contained in the

administrative record, including the FEIR, the Findings/SOC set forth in Exhibit "A" attached hereto and incorporated herein by reference, and the written and verbal testimony. Specifically:

- (a) Alternative 1 No Project, No Build. This Alternative was rejected because it fails to implement any of the 11 Project objectives; because development of the Project site is likely; and it is not economically viable. Specifically, the Project site would be greatly underutilized, would only meet, to some degree, one of the Project objectives, and the likelihood of a perpetual undeveloped site is not feasible nor realistic.
- (b) Alternative 2 No Project/Specific Plan Build. This Alternative was rejected and determined not to be feasible because it would not meet most of the Project objectives and it would result in greater environmental impacts to air quality and traffic/transportation than the Project. It would also not reduce significant and unavoidable environmental impacts on air quality, noise and traffic/transportation. Further, and specifically, this Alternative does not meet the Project objective associated with development and operation of a logistics center.
- (c) Alternative 3 Reduced Density. This Alternative was rejected and determined not to be feasible because although Alternative 3 would have reduced impacts to air quality, greenhouse gas emissions, noise, and transportation/traffic, Alternative 3 would not meaningfully reduce the significant and unavoidable impacts of the Project; although Alternative 3 implements nine (9) of the eleven (11) Project objectives, six (6) of the objectives are not implement to the same degree as the Project; Alternative 3's largest building would be approximately 709,096 square feet, which would not satisfy the market demand for buildings over one million square feet, thus development is infeasible.

<u>Section 11</u>: The FEIR dated February 2017, for the Project has been completed and processed in compliance with the requirements of the CEQA Regulations (both state and local), and based on the entirety of the administrative record is hereby certified.

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Section 12: The City Council has balanced the benefits of the adoption of the Project against its unavoidable environmental impacts and has determined that for the reasons set forth below, the economic, legal, social, technological and other benefits of the Project outweigh the unavoidable adverse environmental effects which have been identified in the Findings/SOC discussed in Section 8 of this Resolution and in Exhibit "A" attached hereto and the adverse environmental effects are therefore considered acceptable. In making its determination, the City Council has indicated its intention to approve the Project and hereby adopts the Statement of Overriding Considerations contained in Exhibit "A" attached hereto and incorporated herein by reference, which sets forth the considerations made by the City Council. The benefits of implementing and approving the Project are summarized as follows

- (a) Takes advantage of existing City infrastructure; is adjacent to similar industrial logistics and distribution center uses; is in close proximity to March Inland Port, Interstate 215/State Route 60 and Interstate 10; and, limits traffic truck within residential areas in the City and neighboring jurisdictions.
- (b) Creates both temporary and permanent on-site jobs and will indirectly support local and regional jobs. Additionally, construction spending will create a one-time stimulus to the local and regional economies. Once the proposed Project is completed, the facility will ultimately spur the creation of both local and regional jobs, and there would be additional output and earnings to the local and regional economies.
 - (c) Contributes towards maximizing employment opportunities in the City.
 - (d) Provides jobs for residents at a variety of income levels.
- (e) Provides new development that will assist the City in obtaining fiscal balance in the years and decades ahead. Once construction is completed, the facility will annually generate additional City revenue. This increased revenue from the development will be driven by indirect sales tax, property tax, and business license fees.
- (f) Provides additional property tax revenue to the City, which would contribute to the provision of public services.

(g) Responds to the market demand within the Sycamore Canyon Business Park Specific Plan for a logistics center over one million square feet in size by maximizing the use of one of the few remaining large industrial building sites in the City that is in proximity to the Ports of Los Angeles and Long Beach. By realizing the substantial unmet demand in the City and the region for buildings over one million square feet in size, the City will be able to compete on a domestic and international scale through the efficient and cost-effective movement of goods.

- (h) Includes sustainable design project features. Facilitates development of underutilized lands and maximizes the development potential by creating a plan for a unified, cohesive development of multiple parcels rather than a piecemeal, incremental approach to development.
- (i) Provides safe and controlled access to the Sycamore Canyon Wilderness Park for use by fire and park maintenance vehicles, pedestrians, and bicyclists.

These findings are supported by substantial evidence and the data to support these overriding considerations are found throughout the FEIR, the supporting comments and responses section of the FEIR, and by information throughout the administrative record.

Section 13: The City Council further finds that the Project will provide numerous benefits to the City, as stated in Section 12 above, which outweigh its unavoidable environmental impacts and therefore adopts the Statement of Overriding Considerations set forth more fully Exhibit "A" attached hereto and incorporated herein by reference.

Section 14: The City Council finds that all significant environmental impacts from implementation of the Project have been identified in the FEIR and, with the implementation of the mitigation measures set forth in the Mitigation Monitoring and Reporting Program contained in Exhibit "B" attached hereto and incorporated herein by reference, will be mitigated to a less-than-significant level, with the exception of the impacts identified in Section 8 above. The City Council hereby adopts the Mitigation Monitoring and Reporting Program for the Project to implement the policies, goals and implementation measures identified in the FEIR as necessary to preclude the need for further mitigation measures. Said Mitigation Monitoring and Reporting

Program, contained in the FEIR and attached hereto as Exhibit "B", is hereby incorporated as part of the approval of the City Council for the adoption of the Project. Specific environmental, economic, social, legal, technical and other Section 15: considerations and benefits derived from the development of the Project override and make infeasible any alternative to the Project or further mitigation measures beyond those incorporated into this Project. Section 16: The City Council hereby finds that the locations of documents and other materials which constitute the record of proceedings upon which its decision is based are the Community & Economic Development Department, Planning Division and the City Clerk's Office located at 3900 Main Street, Riverside, California 92522, and the custodian of such records shall be the Community & Economic Development Director and the City Clerk, respectively. ADOPTED by the City Council this ______ day of ______, 2017. WILLIAM R. BAILEY, III Mayor of the City of Riverside COLLEEN J. NICOL City Clerk of the City of Riverside

1	I, Colleen J. Nicol, City Clerk of the City of Riverside, California, hereby certify that the
2	foregoing resolution was duly and regularly introduced at a meeting of the City Council on the
3	day of, 2017, by the following vote, to wit:
4	Ayes:
5	Noes:
6	Abstain:
7	Absent:
8	IN WITNESS WHEREOF I have hereunto set my hand and affixed the official seal of
9	the City of Riverside, California, this day of, 2017.
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11	COLLEEN J. NICOL
12	City Clerk of the City of Riverside
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