



City of Arts & Innovation

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: JANUARY 25, 2022**  
**FROM: COMMUNITY & ECONOMIC DEVELOPMENT      WARD: 2**  
**DEPARTMENT**

**SUBJECT: CERTIFY THE ENVIRONMENTAL IMPACT REPORT FOR PLANNING CASES P20-0025 PARCEL MAP, P19-0626 MINOR CONDITIONAL USE PERMIT, P19-0627 DESIGN REVIEW, P20-0258 VARIANCE, P20-0282 GRADING EXCEPTION, AND P20-0024 ENVIRONMENTAL IMPACT REPORT; AND APPROVE THE PROPOSAL BY DARRELL BUTLER AND KHOSRO KHALOGLI OF KB DEVELOPMENT FOR THE CONSTRUCTION OF TWO WAREHOUSE BUILDINGS TOTALING 603,100 SQUARE FEET - SITUATED ON THE NORTH SIDE OF ALESSANDRO BOULEVARD, EAST OF BARTON STREET AND WEST OF SAN GORGONIO DRIVE**

## **ISSUE:**

Certify the Environmental Impact Report (EIR) for Planning Cases P20-0025 Parcel Map, P19-0626 Minor Conditional Use Permit, P10-0627 Design Review, P20-0258 Variance, P20-0282 Grading Exception and P20-0024 Environmental Impact Report; and approve the proposal by Darrell Butler and Khosro Khaloghli of KB Development to facilitate the development of two warehouse buildings totaling 603,100 square feet on 48.64 acres, situated on the north side of Alessandro Boulevard, east of Barton Street, west of San Gorgonio Drive (Project).

## **RECOMMENDATIONS:**

That the City Council:

1. Adopt the attached Resolution certifying the Final Environmental Impact Report for the Sycamore Hills Distribution Center and finding that the Final Environmental Impact Report:
  - a. Has been completed in compliance with the California Environmental Quality Act;
  - b. Was presented to the City Council and the City Council reviewed and considered the information contained in the Final Environmental Impact Report prior to approving the Project; and
  - c. Reflects the City's independent judgment and analysis and making certain findings of fact.

2. Concur with the findings contained in the Final Environmental Impact Report, the attached California Environmental Quality Act Resolution, the case file and the administrative record, and adopt the Findings of Fact attached to the California Environmental Quality Act Resolution;
3. Adopt the Statement of Overriding Considerations attached to the California Environmental Quality Act Resolution;
4. Adopt the Mitigation Monitoring and Reporting Program attached to the California Environmental Quality Act Resolution;
5. Find that no feasible alternatives to the Project have been proposed that will avoid or substantially lessen the significant environmental effects as set forth in the Final Environmental Impact Report;
6. Reject all late comments as untimely; and
7. Approve Planning Cases P20-0025 Parcel Map, P19-0626 Minor Conditional Use Permit, P19-0627 Design Review, P20-0258 Variance, P20-0282 Grading Exception, and P20-0024 Environmental Impact Report, based on and subject to the Planning Commission findings and recommended conditions found in the attached staff report.

## **BACKGROUND:**

On August 23, 2021, a timely appeal was filed from Hannah Bentley of Blum Collins, LLP, on behalf of Golden State Environmental Justice Alliance (GSEJA). The appeal letter indicated the DEIR is inaccurate and disagreed with the conclusions. The appeal also claimed the Planning Commission approved the project without a Final EIR. On December 9, 2021, GSEJA withdrew their appeal, indicating the applicant has addressed their environmental concerns. (Attachment A).

After the publication of the City Council Memorandum and prior to the City Council hearing on December 14, 2021, the City Council received two letters requesting clarification of noticing and project features and four comment letters expressing opposition to the project (Attachment B). In order to allow the applicant and staff adequate time to review and address the comment letters, the City Council approved, by a vote of 6 ayes and 1 abstention, a 30-day continuance (Attachment C).

For additional background, please refer to the December 14, 2021, City Council Memorandum and Attachments (Attachment F).

## **DISCUSSION:**

The following concerns were raised in the comment letters received prior to the December 14, 2021, City Council hearing:

1. Comment: Four of the letters expressed opposition to the project based on concerns regarding truck traffic on Alessandro, negative air quality impacts, and impacts to Sycamore Canyon Wilderness Park.

Response: Impacts related to truck traffic, air quality, and the Sycamore Canyon Wilderness Park have been analyzed and addressed in the Final Environmental Impact Report. With implementation of the recommended mitigation measures and conditions of approval, the impacts related to the project are less than significant.

2. Comment: Truck traffic should be restricted from heading westbound along Alessandro Boulevard.

Response: Per Condition of Approval #106.d, truck traffic will be restricted from heading westbound on Alessandro Boulevard. Additionally, the City has an existing axle restriction in place along Alessandro Boulevard at Trautwein Road.

3. Comment: Clarification regarding widening of Barton Street to accommodate additional truck traffic and turning movements onto and from Alessandro Boulevard.

Response: Per Condition of Approval #107.a, Barton Street will be widened along the project frontage; at the intersection of Barton Street and Alessandro Boulevard the project will construct an exclusive southbound left-turn lane and provide a minimum of 100 feet of vehicle stacking.

4. Comment: Clarification regarding project contribution to ongoing road maintenance of Alessandro Boulevard.

Response: The project will be required to pay one-time City transportation development impact fees and contribute to the Western Riverside Council of Governments (WRCOG) Transportation Uniform Mitigation Fee (TUMF) program.

5. Comment: Clarification on outreach to County of Riverside residences and residents.

Response: Due to the COVID-19 pandemic, outreach efforts by the applicant were restricted during much of the project. The majority of the project EIR analysis and plans were completed as restrictions began to be lifted. A public notice was advertised in the Press Enterprise on July 28, 2020, July 30, 2021, and November 30, 2021. Individual notices were sent to property owners within 1,500 feet (300 feet required by State and City requirements) of the project site on these dates as well. Finally, the applicant attended a meeting on December 8, 2021, organized by Councilmember Cervantes, to answer questions from the community regarding the project.

6. Comment: Clarify if the driveway at Vista Grande drive would be restricted to right-in-right-out movements, or if it would become a full intersection for automobile and truck traffic.

Response: Per Conditions of Approval #106.a, and 106.d, the Vista Grande driveway will be converted to a full signalized intersection by the applicant.

7. Comment: The traffic signal east of Barton Street and west of Vista Grande Drive should not be removed.

Response: The applicant has agreed to work with the City and the adjacent property owner at the northeast corner of Alessandro Boulevard and Barton Street to explore alternatives to the removal of the traffic signal. Conditions of Approval #106 and #107 have been modified to reflect this change (Attachment D).

The comment letters did not include any additional information that has not already been

addressed in the EIR, Planning Commission staff report, or the December 14, 2021, City Council Memorandum and Attachments (Attachment F).

## **PUBLIC COMMENTS**

During public comment at the City Council hearing on December 14, 2021, the following concern was raised:

1. Comment: Lack of Notice.

Response: The Planning Division noticed the Scoping Meeting, Planning Commission hearing, and City Council Hearing consistent with State and City requirements. Refer to Response #5, under the Discussion section, above for more information.

## **STRATEGIC PLAN ALIGNMENT:**

This item contributes to **Strategic Priority 3 – Economic Opportunity (Goal 3.3 – Cultivate a business climate that welcomes entrepreneurship and investment)**.

The Project aligns with each of the Cross-Cutting Threads as follows:

1. **Community Trust** – As part of the environmental review process for the proposed project, a Scoping Meeting was held with the community. The Good Neighbor Guidelines 2020 were considered as the project was being designed; the Project complies with all applicable Good Neighbor Guidelines 2020. The project was also considered at a public meeting held by the City Planning Commission where public comment is part of the process.
2. **Equity** – The proposed project will provide employment opportunities available to all residents.
3. **Fiscal Responsibility** – The applicant is responsible for all project costs. Additionally, the Project will increase Business Tax revenue when the distribution center is open for business.
4. **Innovation** – The proposed project is a well-designed project in the area, sensitive to the adjacent Sycamore Canyon Wilderness Park, biological habitat, and single-family residences.
5. **Sustainability & Resiliency** – The proposed project will be required to follow all requirements related to water collection, recycling, and conservation.

## **FISCAL IMPACT:**

There is no fiscal impact since all Project costs are borne by the Applicant.

Prepared by: David Welch, Community & Economic Development Director

Certified as to

availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer

Approved by: Rafael Guzman, Assistant City Manager

Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

- A. Appeal Withdrawal Letter – December 9, 2021
- B. Public Comments
- C. City Council Minutes - December 14, 2021
- D. Revised Recommended Conditions of Approval
- E. Presentation
- F. City Council Memorandum and Attachments – December 14, 2021