



, PLANNING COMMISSION HEARING DATE: DECEMBER 15, 2016

AGENDA ITEM NO.: 4

PROPOSED PROJECT

<i>Case Numbers</i>	P16-0101 (General Plan Amendment/Specific Plan Amendment), P16-0102- (Tentative Parcel Map No. 36879), P14-1082 (Minor Conditional Use Permit), P16-0103 – (Variance/Grading Exceptions), P14-1081 (Design Review) and P14-1072 (Environmental Impact Report)	
<i>Request</i>	To consider the following entitlements for the construction and operation of two industrial warehouse buildings, Building 1 (1,012,995 square feet) and Building 2 (362,174 square feet): 1) a General Plan Amendment and a Specific Plan Amendment to remove planned but not constructed streets; 2) Tentative Parcel Map No. 36879 to consolidate 17 parcels into two parcels; 3) Minor Conditional Use Permit to permit industrial buildings greater than 400,000 square feet in area; 4) Design Review of a plot plan and building elevations for the construction of two distributions centers and on-site improvements; 5) Grading Exceptions for creation of slopes in excess of 20 feet in height and Variance to allow fewer parking spaces than required by the Zoning Code; and 6) Environmental Impact Report related to the project.	
<i>Applicant</i>	Hillwood Enterprises, L.P. and The Magnon Companies	
<i>Project Location</i>	West side of Lance Drive between Dan Kipper Drive and Sierra Ridge Drive	
<i>APNs</i>	263-020-003, 263-020-004, 263-020-005, 263-020-006, 263-300-001, 263-300-002, 263-300-003, 263-300-004, 263-300-005, 263-300-006, 263-300-025, 263-300-029, 263-300-030, 263-300-033, 263-300-034 (portion), 263-300-035, and 263-300-036	
<i>Project area</i>	76 acres	
<i>Ward</i>	2	
<i>Neighborhood</i>	Sycamore Canyon/Canyon Springs	

<i>Specific Plan</i>	Sycamore Canyon Business Park – Industrial Subarea
<i>General Plan Designation</i>	B/OP – Business/ Office Park
<i>Zoning Designation</i>	BMP-SP – Business and Manufacturing Park and Specific Plan (Sycamore Canyon Business Park) Overlay Zones
<i>Staff Planner</i>	Patricia Brenes, Principal Planner; 951-826-2307; pbrenes@riversideca.gov

RECOMMENDATIONS

That the City Planning Commission:

1. **RECOMMEND TO THE CITY COUNCIL that the City Council find:**
 - a. The draft project EIR have been completed in compliance with the California Environmental Quality Act (CEQA);
 - b. The project will have a significant effect on the environment; but
 - c. There are no feasible alternatives to the project or mitigation measures that will avoid or substantially lessen the significant environmental effects as identified in the Draft EIR for Air Quality standards as to cumulative and project-specific impacts during operations; project specific noise impacts during construction and operation; project specific and cumulative traffic impacts to the I-215 freeway on ramps Levels of Service (LOS).
2. **RECOMMEND APPROVAL** of Planning Cases: P14-1081(DR), P14-1082 (MCUP), P16-0101 (GPA and SPA), P16-0102 (TPM) and P16-0103 (VR and GE), based on the findings outlined in the staff report and summarized in the attached findings and subject to the recommended conditions and mitigation measures.

BACKGROUND

At the November 3, 2016 Planning Commission meeting, the applicant requested a continuance to December 22, 2016. The Planning Commission continued the item to the December 15, 2016 meeting in order to encourage greater public participation.

Staff has been working diligently with the applicant and EIR consultant on the preparation of responses to 46 comments received regarding this project. Usually, public comments received in response to a project specific Draft EIR are provided to the Planning Commission for review but the responses to those comments are only provided to the City Council in its consideration of the Final EIR. However, due to the nature of this project and the community interest in the project, staff and the applicant considered it important to provide the Planning Commission, as well as the public, with the draft responses to the comments.

To ensure the community is aware of the continued Planning Commission hearing date, a second notice of public hearing was sent to property owners within 300 feet of the project site and to various Federal, State, regional, and local government agencies and other interested parties, including the agencies/interest groups that commented on the Notice of Preparation and the DEIR. Also, a second notice of public hearing was published in the Press Enterprise and an update with the new Planning Commission meeting date was added to the City's website. Lastly, revisions to the staff report and conditions of approval have been made for clarification purposes and to eliminate redundancies.

Site Background

The project site consists of 17 contiguous vacant parcels, totaling approximately 76 acres. It is located within the Sycamore Canyon Business Park Specific Plan (SCBPSP), originally adopted on April 10, 1984. The SCBPSP provides for a planned industrial park consisting of approximately 920 acres of industrial and commercial uses and a 480 acre wilderness park (Sycamore Canyon Wilderness Park) within an approximately 1,500 acre area. The project site is surrounded to the north and northwest by residences, built between 1998 and 2000. The residences are located within the Sycamore Highlands Specific Plan, adopted on November 13, 1990. Sycamore Wilderness Park is located to the west of the site and is located within the Sycamore Canyon Specific Plan and the Sycamore Canyon Business Park Specific Plan. Industrial distribution centers are located to the east, across Lance Drive, and south of the site within the Sycamore Canyon Business Park Specific Plan.

The site has an average natural slope of approximately 8.4% and is generally flat. Two jurisdictional drainages, Drainage 1 and Drainage 2 and a small isolated ponded area, extend from the northwest to the southeast across the property. Drainage 1 and Drainage 2 contain riparian habitat and riverine characteristics, totaling approximately 1.91 acres. The drainages are fed by a culvert that collects stormwater flows from the residences in the Sycamore Highlands Specific Plan area at the north and west of the property and water that sheet flows across the property. Man-made earthen trails lead into the Sycamore Canyon Wilderness Park, located to west of the site. A small disturbed area, southeast of the property, has been used for rock crushing, sand stockpiling, and construction equipment storage. Except for the riparian habitat and disturbed southeast area, the site consists of non-native grasslands with evidence of recent discing along the perimeter of the site and bicycle and off-road motorized vehicular use in several places throughout the site. Access to the site is provided from Dan Kipper Drive, Lance Drive, and Sierra Ridge Drive.

PROPOSAL

The proposed project involves the consolidation of the subject 17 parcels into two parcels for the construction and operation of two industrial warehouse and distribution buildings, totaling 1,375,169 million square feet. The businesses will operate 24 hours a day, 7 days a week. There are no specific tenants identified for the buildings. Construction is anticipated to begin in the first quarter of 2017 and to open for business in the first quarter of 2018.

Parcel 1 will be approximately 56 acres and is proposed to be developed with Building 1, approximately 1,012,995 square feet in size. Building 1 will consist of a 10,000 square foot area for office use and a 1,002,995 square foot warehouse area. A total of 147 dock doors are proposed along the east and west sides of the property. An on-site trail and fire access lane will be provided in an easement along the southern property line and a portion of the western property line. The trail will provide connectivity to the Sycamore Canyon Wilderness Park from Lance Drive. As part of this project, a 16 space public parking lot will be provided on the southeast corner of the

property to serve the trail users. The parcel will be served by 446 parking spaces and 278 trailer spaces. Vehicular access to Parcel 1 will be provided by two driveways from Lance Drive at the southeast and northeast portions of the parcel.

Parcel 2 will be 20.2 acres and is proposed to be developed with Building 2, approximately 362,174 square feet in size. Building 2 will consist of a 10,000 square foot area for office use, and 352,174 square foot warehouse area. A total of 49 dock doors are proposed along the south side of the building. No dock doors are proposed along the north side of the building, adjacent to the existing residential neighborhood. Building 2 will be setback from the residential property line to the north with a 100 foot setback. Within this 100 foot setback, there will be a 64 foot wide landscaped area adjacent to the residential properties, a 30 foot access lane for emergency vehicles only, and a six foot wide landscape planter at the base of the building. The site will be served by 143 parking spaces and 74 trailer spaces. Access to Parcel 2 will be provided by one driveway from Lance Drive at the southeast corner of the parcel.

This project will remove Drainage 1 and Drainage 2 and provide a 2.96 acre biological Mitigation Conservation Area along the western side of the property, adjacent to the Sycamore Canyon Wilderness Park, to mitigate for the proposed 1.91 acre permanent impact to riparian/riverine habitat. The biological Mitigation Conservation Area will include a meandering habitat area planted with native riparian and riparian scrub habitat consisting of approximately 106 trees and 538 shrubs. The biological Mitigation Conservation Area will be dedicated to an approved mitigation entity to be managed in perpetuity and protected from future development by a conservation easement.

PROJECT ANALYSIS

<i>Authorization and Compliance Summary</i>			
	N/A	Consistent	Inconsistent
<p><i>General Plan 2025</i></p> <p>The proposed project is consistent with the underlying General Plan 2025 land use designation of B/OP – Business/Office Park, and will further the intent of the General Plan Policy LU-80.6 which states: “Promote the development of Sycamore Canyon to achieve economic success defined by a diverse and compatible industrial base that provides economic opportunities for all its citizens...” The amendment to the General Plan consists of the removal of planned but not constructed streets to facilitate the development of the site with two industrial warehouse buildings. Overall, implementation of the proposed General Plan Amendment is considered beneficial as the proposed industrial distribution center will provide trail connectivity to the Sycamore Canyon Wilderness Park and an adequate separation from the residences to the north and northwest.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p><i>Specific Plan</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

<i>Authorization and Compliance Summary</i>			
	N/A	Consistent	Inconsistent
The project site is located within the Industrial Subarea of the Sycamore Canyon Business Park Specific Plan and complies with the requirements of the Specific Plan. The amendment to the Specific Plan Circulation Plan is proposed for consistency with the proposed modifications to the General Plan Circulation and Community Mobility Element.			
<i>Zoning Code Land Use Consistency (Title 19)</i> The underlying BMP-Business and Manufacturing Park Zone is consistent with the B/OP – Business/Office Park General Plan land use designation. The proposed industrial warehouses are subject to the approval of a Minor Conditional Use Permit and Design Review.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Compliance with Citywide Design & Sign Guidelines</i> The proposed project substantially meets the objectives of the City’s design guidance document, subject to the recommended conditions of approval and mitigation measures detailed below and contained in the Environmental Impact Report prepared for this project.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Compliance with the Riverside County Airport Land Use Compatibility Plan</i> The site is located within Zones C1 and D of the March Air Reserve Base/Inland Port Airport Land Use Compatibility Plan. Approximately 46 acres of Parcel 1 is located within Zone C1 and 28 acres of Parcel 2/Building 2 and the small north portion of Parcel 1/Building 1 are located within Zone D. The Riverside County Airport Land Use Commission considered the proposed project on December 10, 2015 and determined the project to be consistent with the ALUCP. Further, on October 17, 2016, ALUC staff determined the legislative actions related to the project, General Plan Amendment and Specific Plan Amendment, are also consistent with the ALUCP.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

COMPLIANCE WITH APPLICABLE DEVELOPMENT STANDARDS
SYCAMORE CANYON BUSINESS PARK SPECIFIC PLAN AND BMP DEVELOPMENT STANDARDS

Parcel 1/Building 1						
Standard				Proposed	Consistent	Inconsistent
Max. Floor Area Ratio	1.50			0.42	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Lot Requirements	Lot Size	5 Acres		55 Acres	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Lot Width	300 Feet		1,349 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Building Height	45 Feet			41 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Building Min. Setbacks	Front Yard, adjacent to Lance Drive	Buildings over 30 Feet in Height	50 Feet	214 - 291 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Side Yard	Interior Sides	0 Feet	155-239 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Rear Yard	West - Adjacent to Sycamore Wilderness Park	20 Feet	199 - 257 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		West - Adjacent to R Zone	50 Feet	193 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Min. Parking	<ul style="list-style-type: none"> • Office : 1 Space/250 Sq. Ft. (10,000 Square Feet) • Warehouse: 1 space/1,000 Sq. Ft. (1,002,995 Square Feet) 		1,043 Spaces	446 Spaces	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Min. Landscape Setbacks	Front Yard, adjacent to Lance Drive		20 Feet	51 – 104 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Side Yard	Interior Sides	0 Feet	42-125 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Rear Yard	West- Adjacent to Sycamore Wilderness Park	20 Feet	72– 113 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		West - Adjacent to R Zone	0 Feet	113 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Parking Lot Landscaped Setback		15 Feet	20 – 104 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Parcel 2/Building 2						
Standard			Proposed	Consistent	Inconsistent	
Max. Floor Area Ratio	1.50		0.42	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Lot Requirements	Lot Size	5 Acres	21 Acres	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Lot Width	300 Feet	657 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Building Height	45 Feet		37 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Building Min. Setbacks	Front Yard, adjacent Lance Drive	Buildings over 30 Feet in Height	50 Feet	124 - 210 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Side Yard	South - Not Adjacent to any R Zone	0 Feet	190 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		North - Adjacent to R Zone	50 Feet	100 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Rear Yard	West - Adjacent to R Zone	50 Feet	138 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Min. Parking	<ul style="list-style-type: none"> Office : 1 Space/250 Sq. Ft. (10,000 Square Feet) Warehouse: 1 space/ 1,000 Sq. Ft. (362,174 Sq. Ft.) 		393 Spaces	143 Spaces	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Min. Landscape Setbacks	Front Yard, adjacent to Lance Drive		20 Feet	56-142 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Side Yard	South - Not Adjacent to R Zone	0 Feet	0 - 9 1/2 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		North - Adjacent to R Zone	0 Feet	64 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Rear Yard	West - Adjacent to R Zone	0 Feet	101 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Parking Lot Landscaped Setback		15 Feet	65-142 Feet	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Variance

Parking variances are necessary to allow 446 spaces where 1,043 spaces are required for Parcel 1 and 143 spaces where 393 spaces are required for Parcel 2. The applicant has provided justifications in support of the variance. As well, supplemental variance justifications, prepared by staff, are provided. The project is anticipated to generate 860 to 1,335 jobs for both buildings,

spread over a 24-hour period, resulting in approximately 445 employees per shift. A total of 589 passenger parking spaces are proposed to serve Buildings 1 and 2. Given the anticipated number of employees, an excess of 144 parking spaces is anticipated. The Applicant is also proposing 352 trailer parking spaces, or 1.8 trailer spaces per dock-door. Furthermore, the proximity of the project to the residences, the park and the on-site mitigation area is unique to this project and despite these constraints, adequate parking would be provided to accommodate more than the anticipated number of employees and sufficient trailer parking for the number of dock doors. If the use changes in the future, tenants would need to demonstrate the existing parking will comply with the minimum parking requirements of the Code or that additional parking can be provided.

PARCEL MAP

The 76-acre site will be subdivided into two parcels and three letter lots, A, B, and C. Each parcel will be under separate ownership and will be developed with an industrial warehouse building. Lots A and C are proposed for the extension of Lance Drive to connect with Dan Kipper Drive. Lot B is a 16 space parking lot for users accessing the trail. Lot B will be dedicated to the Parks, Recreations and Community Services Department. The proposed subdivision complies with the minimum lot requirements of the Sycamore Canyon Business Park Specific Plan and Zoning Code. Therefore, Staff is supportive of the proposed parcel map.

DESIGN REVIEW

Site Plan

Building 1, the large industrial warehouse building, is proposed south of Building 2 so it is not readily visible from the residential neighborhood to the north. It is approximately 199 to 257 feet from the Sycamore Canyon Wilderness Park and 193 feet from the west property line shared with the residences. There is a 25 foot grade difference between Building 1 and Building 2, which further reduces views of the building from the residences to the north. Views of Building 1 from the park and the residences to the northwest will be softened by landscaping and biological Mitigation Conservation Area.

Building 2 is proposed to be 100 feet from the north property line, adjacent to the residences, and 138 feet from the west property line, adjacent to the residences. The 100 foot setback includes a 64 foot landscape planter, which will soften views of the building from the residences to the north and serve as a visual and noise buffer. Building 2 is approximately 7 to 16 feet lower in elevation than the residences to the north (side) and approximately 34 feet lower in elevation than the residences to the west (rear). A 101 foot landscape setback, which includes the biological Mitigation Conservation Area, is proposed along the west side (rear) of Parcel 2, adjacent to the residences. The residences to the west have a rear yard setback ranging from 72 to 114 feet, which further increases the separation from Building 2. Additionally, no loading docks or parking are proposed on the north and west sides of Building 2, so as to locate those activities away from the residences.

Furthermore, a trail is proposed to connect to the Sycamore Canyon Wilderness Park and a 16 space parking lot on the southeast area of the site to serve the trail users.

Staff supports the site plan as it has been designed to exceed the minimum development standards to ensure the proposed industrial business center will be compatible with the adjacent residential uses and the Sycamore Canyon Wilderness Park.

Site Circulation and Access

The three proposed, two-way driveways will provide adequate ingress and egress to Parcels 1 and 2. The driveways include geometric physical restrictions (“pork chops” design) to prevent vehicles from making left turn movements onto Lance Drive, so that no vehicles may exit the site using Dan Kipper Drive. Delivery trucks and passenger vehicles will access Building 1 from the northern and southern driveways on Parcel 1. Delivery trucks will access the loading docks on the south side of Building 2 from the southern driveway on Parcel 2. The access lane to the north of the Building 2 will be restricted to emergency vehicles only. No truck traffic is proposed on the north side of the site, adjacent to the residences. To ensure vehicles and delivery trucks do not enter the access lane, a condition of approval is recommended requiring the access lane to be gated and accessible to emergency vehicles only.

Access to the site will be provided from Lance Drive, Dan Kipper Drive and Sierra Ridge Drive. As part of this project, Lance Drive will be extended northward approximately 960 feet from its current northern terminus, which is about mid-point along the site’s eastern frontage, to connect with the existing western terminus of Dan Kipper Drive. The proposed street extension will allow for improved circulation in the area and vehicular access to this site. Further, in order to limit truck traffic from entering residential areas, conditions of approval are recommended requiring weight limit signage to be installed on the west leg of the intersection of Sycamore Canyon Boulevard & Fair Isle Drive pursuant to the 5 Ton Restriction in Municipal Code, and coordinated signal timing improvements to encourage Eastridge Avenue and I-215 Interchange as the preferred inbound and outbound truck routes.

Access to the fire access/parks maintenance road, proposed on the south side of Parcel 1, will be provided from an internal driveway on the south side of the site. The fire access road will be 12 feet wide and consist of a minimum 10 foot wide 4 inch thick decomposed gravel surface.

Pedestrian access to the multi-purpose trail, proposed on the south side of Parcel 1, will be provided from the proposed 16 space parking lot. The trailhead, near the parking lot, will be gated and closed on an as needed basis.

With implementation of the recommended conditions of approval, Staff supports the proposed site access and circulation, as it will provide adequate circulation and access to each building, the fire access road, multi-purpose trail with parking and the emergency access road.

Building Elevations

The front building elevations have been designed to be consistent with modern light industrial logistics centers and similar in architectural style to other structures within the Sycamore Canyon Business Park Specific Plan area. They will consist of concrete tilt-up paneling with a color palette largely consisting of grays as well as accented use of white, brown, and blues. Window treatments will include the use of spandrel glass, tempered vision glass, and vision glass and with blue reflective glazing.

The side and rear building elevations, readily visible to the public, have very little articulation. The west elevation of Building 1 will be readily visible from the residences to the northwest and partially visible to Sycamore Canyon Wilderness Park, as such warrants more articulation. Similarly, the north elevation of Building 2 faces residences to the north and needs to be articulated in the same manner as the front elevation. To offset the long expanses of wall surface readily visible to the public, Mitigation Measure AES 9 will require additional articulation on Buildings 1 and 2, similar to the design features on the front elevations.

All roof-mounted equipment will be fully screened from public, street-level view. To further ensure roof mounted equipment will be screened, Mitigation Measure AES 8 will require roof mounted equipment be adequately screened.

Staff supports the proposed building elevations, subject to recommended Mitigation Measures.

Walls and Fencing

The Project proposes the construction of a 6 foot high block wall on the north boundary and portion of the west boundary, adjacent to residential uses. Mitigation Measure AES 1 requires this wall to be increased to 8 feet in height to create a better visual appearance and help reduce noise potential impacts. Further, as the existing fence, north of the property, was setback approximately 2 feet from the property line, the installation of the proposed block wall along the north property line would result in a 2 foot space between them. A condition of approval requires the applicant to offer to remove the existing fence at the discretion of the adjacent property owner.

Construction of 14 foot high tilt up concrete walls, painted to match the buildings are also proposed to screen the loading dock areas from the public right of way. As these walls will be visible from the public right of way, Mitigation Measure AES 11 requires the walls to be articulated to avoid the appearance of flat walls. Additionally, installation of 8 foot high tubular steel fencing and gates is proposed in the rear of Building 1 and side of Building 2 to secure the loading dock areas.

PVC and tubular steel fencing are proposed along the north side of the trail. The fence adjacent to the Sycamore Canyon Wilderness Park and trail will be required to be designed and constructed in compliance with the City's Park and Recreation and Community Services Department standards and specifications.

With the recommended conditions of approval and mitigation measures, staff supports the proposed walls and fences.

Conceptual Landscaping

Landscaping is proposed along the perimeters of Buildings 1 and 2 and along the proposed trail easement. In total, approximately 749,413 square feet of the Project site will be landscaped with drought-tolerant and climate appropriate trees, shrubs and ground cover that will meet or exceed the City's requirements. The landscape plan proposes approximately 1,354 trees outside of the conservation area. To ensure the plant palette will provide visual appeal and minimize views of Buildings 1 and 2 from the adjacent residential areas and the Sycamore Canyon Wilderness Park, a condition of approval is recommended requiring the landscaped areas adjacent to residences to also be planted with 36 inch box evergreen trees in addition to the proposed 24 inch box Oak and California Sycamore trees and other smaller plant materials.

Further, the 101 foot landscaped area, proposed as the biological Mitigation Conservation Area along the west side of the property, will be planted with native riparian and riparian scrub habitat consisting of approximately 106 trees and 538 shrubs.

Staff supports the proposed conceptual landscape plans, as the proposal exceeds the minimum landscape requirements of the Zoning Code and will provide adequate buffer between this project and the nearby residences.

Biological Features and Grading

The project proposes to remove Drainage 1 and Drainage 2, containing riparian habitat and riverine characteristics, to facilitate development of the site with Building 1 and Building 2. As impacts to the riparian habitat cannot feasibly be avoided, the project proposes to provide a 2.96 acre biological Mitigation Conservation Area along the western side of the site in proximity to the Sycamore Canyon Wilderness Park. In compliance with the Multi Species Habitat Conservation Plan (MSHCP), a project-level Determination of Biologically Equivalent or Superior Preservation (DBESP) was prepared and has been accepted by the Wildlife Agencies. The biological Mitigation Conservation Area is required to be placed under a conservation easement and dedicated to an approved mitigation entity to be managed in perpetuity.

The Project's grading plan is designed so that all earthwork will be balanced on the project site. Therefore, there will be no import or export of earthen materials from the site. Three grading exceptions are needed to allow 2:1 and 3:1 slopes with a bench, between 20-feet and 35-feet in height. The Grading Code permits slopes higher than 20 feet in height with the approval of grading exceptions. The applicant provided justifications in support of grading exceptions. Staff was able to make the necessary findings in support of the grading exceptions to allow the proposed over height slopes, as they are proposed to be landscaped and located behind the biological Mitigation Conservation Area, and near the trail away from the street, where they will not be readily visible from the public right of way.

ENVIRONMENTAL REVIEW

A Project EIR has been prepared for the proposed project pursuant to Sections 15161 and 15126.6 of the California Environmental Quality Act (CEQA) and City of Riverside CEQA Resolution No. 21106. These sections indicate a Project EIR should focus primarily on the changes in the environment that would result from the project and describe a range of reasonable alternatives to the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives. The Draft EIR includes 3 alternatives to the project, Alternative 1—No-Project Alternative, Alternative 2 — No Project/Specific Plan Build Alternative, and Alternative 3—Reduced Density Alternative, analyzed in the DEIR.

The EIR includes an analysis of potential effects associated with aesthetics, agriculture and forestry resources, air quality, biological resources, cultural resources, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use and planning, mineral resources, noise, population and housing, public services, transportation/traffic, utilities and service systems.

In addition the project was analyzed for compliance with the City's Good Neighbor Guidelines, adopted in 2008, and it complies. In compliance with the Good Neighbor Guidelines, a Health Risk Assessment was completed for this project to estimate the health risks to surrounding sensitive receptors from Project-generated diesel particulate matter (DPM). The South Coast Air Quality Management District (SCAQMD) considers a sensitive receptor to be a location where a sensitive individual could remain for 24 hours, such as residences, hospitals, or convalescent facilities. The results of the HRA indicate the maximum incremental cancer risk (MICR) is 8.3 in one million during Project construction and 5.3 in one million during Project operation. For non-cancer risks, the SCAQMD threshold of significance is a non-cancer index of 1. The results of the HRA indicate the chronic hazard index (HIC) will be 0.0093 during Project construction and 0.0014 during Project operation. SCAQMD also has thresholds for 24-hour exposure to incremental concentrations of particulate matter less than 2.5 microns in diameter (PM-2.5) of 10.4 and 2.5 micrograms per cubic

meter (g/m³) for constructions and operation, respectively. Project construction and operation will result in a 24-hour PM-2.5 concentration of 2.4 g/m³ and 0.4 g/m³, respectively. As indicated above, none of the cancer or non-cancer thresholds are exceeded as a result of Project construction or operation for workers or residents within the proposed Project vicinity.

To further ensure this project operations would not exceed the cancer and non-cancer thresholds, a refined HRA was prepared in November 2016 using methodology recommended by the South Coast Air Quality Management District (SCAQMD). The refined HRA was prepared using AERMOD, as recommended by SCAQMD staff to properly model individual emission sources, discrete receptor locations, wind data, and terrain data. Vehicle diesel particulate matter emissions were estimated using emission factors for PM-10 generated with the 2014 version of the Emission Factor model (EMFAC) developed by the Air Resource Board. The EMFAC model was run for speeds traveled near the Project, which represent conservative assumptions because lower speeds result in higher emission rates. The refined HRA also concluded that none of the SCAQMD cancer or non-cancer thresholds are exceeded as a result of Project operation for either workers or residents within the Project site and vicinity. Specifically, the MICR attributable to Project diesel particulate matter (DPM) source emissions is estimated at 1.64 in one million, which is less than the threshold of 10 in one million. At this same location, non-cancer risks were estimated to be 0.001, which would not exceed the non-cancer threshold of 1.0. The MICR impact at this location is 0.14 in one million and the non-cancer risks were estimated to be 0.0004 neither of which would exceed the applicable thresholds.

The EIR concludes that with the exception of Air Quality, Transportation/Traffic, and Noise, all other impacts have been identified as less than significant or have been reduced to below the level of significance with mitigation. Notwithstanding the implementation of mitigation measures, the following impacts would remain significant and unavoidable and a Statement of Overriding Considerations is required to be adopted by the City Council:

Air Quality:

- o Nox emissions of 339.39 lbs/day (winter) during Project operation will exceed the SCAQMD threshold of 55 lbs/day. (Project-specific and cumulative impact).

Noise:

- o Construction noise of up to 80 dBA Leq at the westerly property line will exceed the City's daytime exterior standard for residential property of 55 dBA Leq and the standard for public recreational facilities of 65 dBA Leq. (Project-specific and cumulative impact).
- o Operational noise of up 52 dBA Leq (without mitigation) will exceed the City's nighttime exterior standard for residential property of 45 dBA Leq for certain sensitive receptors west of the Project site. (Project-specific).

These noise impacts would be reduced to a less than significant level if the property owners to the northwest agree to the installation of a barrier on their property.

Transportation/Traffic:

Project traffic will contribute to an exceedance of LOS at:

- o I-215 Northbound off-ramp at Eastridge-Eucaplytus during the PM peak hour for the Existing plus Ambient Growth plus Project condition (Project-specific and cumulative).
- o I-215 Northbound on-ramp at Fair Isle-Box Springs during the AM and PM Peak hours for the Existing plus Ambient Growth plus Cumulative Development plus Project condition (Cumulative).

The LOS will be exceeded at these ramps as a result of ambient growth and cumulative development. To restore satisfactory operations to the freeway ramps, the RCTC I-215 North Project and one mainline mixed flow for northbound I-215 at Fair Isle Drive-Box Springs Drive on-ramp are required to be completed. However, this project cannot reduce the impacts to a less than significant level because the freeway facilities are under the jurisdiction of Caltrans and no mechanism is available to require the contribution of fair share.

PUBLIC NOTICE, COMMUNITY MEETINGS, AND COMMENTS

On August 26, 2015, staff held a public scoping meeting to determine the topics to be analyzed in the Environmental Impact Report (EIR) for the Sycamore Canyon Business Park. In addition, the applicants have reached out to the community adjacent to the site and have held two community meetings, the first one on May 18, 2016 and a second one on August 31, 2016. The applicants have also contacted multiple individual property owners to answer questions or provide clarification regarding the project.

Pursuant to CEQA, a 45-day review and comment period was provided from August 10, 2016 to September 23, 2016. Upon request by Abigail Smith from Johnson & Sedlack Attorneys at Law, the City extended the comment period an additional 14 days to October 7, 2016. A Notice of Availability was mailed to property owners within 300 feet of the project site and to various Federal, State, regional, and local government agencies and other interested parties, including the agencies/interest groups that commented on the Notice of Preparation. Additionally, a 1/8 page ad was published in the Press Enterprise. During this period, staff received written comments from the following agencies:

1. State of California Department of Transportation – Requested additional clarification and further analysis be included in the Traffic Impact Analysis.
2. Moreno Valley Unified School District – Provided information on school fees.
3. City of Moreno Valley – Provided comments regarding air quality and transportation and recommendations for mitigation measures.
4. South Coast Air Quality Management District – Provided recommendations for revisions to the methodology used for the preparation of the Health Risk Assessment and provided recommendations for mitigation measures.
5. Governor’s Office of Planning and Research – Indicated that no State agencies submitted comments. It also acknowledges the City has complied with the State Clearinghouse requirements for draft environmental documents, pursuant to CEQA.

Staff received a total of 46 comment letters, which include the five letters from the agencies mentioned above. Nine of the letters were received after the DEIR comment period. Staff has

reviewed all submitted comments where residents expressed concerns with impacts to their quality of life including but not limited to: noise, traffic, loss of views, and pollution associated with the operation and construction of the proposed industrial business center and consider inappropriate the siting of the project in close proximity to residences. Draft responses to the comments are attached to this report. Staff will commence contact and dialogue with the agencies requesting further information or mitigation measures.

NEIGHBORHOOD COMPATIBILITY CONSIDERATIONS

The proposed project has been designed with sensitivity to the adjacent land uses, particularly Sycamore Canyon Wilderness Park to the west, and the existing residential neighborhood to the north and northwest.

The project includes the following design features: a biological Mitigation Conservation Area to mitigate impacts to the existing drainages on site; a minimum 100 foot landscaped area is provided along the western boundary to transition from the loading docks and trailer parking area to the Sycamore Canyon Wilderness Park and minimize noise and aesthetic impacts to the residences northwest of the site; a 64 foot wide landscaped area is provided between Building 2 and the residences to the north to also minimize noise and aesthetic impacts to the residences north of the site; Building 2 does not propose any dock doors or parking on the north side of the building, so as to locate activities associated with loading areas away from the Sycamore Highlands residential neighborhood; no access or parking of trucks or passenger vehicles is proposed along the northerly and northwest areas of the site to eliminate traffic in proximity to the residential neighborhood; concrete barriers are proposed at each driveway to preclude truck traffic from exiting onto Dan Kipper Drive. The project also includes a trail to provide controlled access for pedestrians and bicyclists to the park and a fire access/parks maintenance road so emergency vehicles can access the park when needed. To further ensure the project will be compatible with the residences and the Sycamore Canyon Wilderness Park, conditions of approval are recommended to prevent light spillage onto adjacent properties, prevent trucks and passenger vehicles from entering the emergency access lane north of the site, add larger size trees along the north and northwest to enhance the aesthetics for the nearby residents, and to encourage Eastridge Avenue & I-215 Interchange as a primary route for inbound and outbound truck traffic.

In summary, staff supports the proposed project because it is consistent with the intent of the B/OP General Plan land use designation, the Industrial Subarea of the Sycamore Canyon Business Park Specific Plan, and the underlying BMP Zone, which anticipate and permit the site to be developed with industrial uses. The General Plan and Specific Plan Amendments are related solely to map changes for the removal of planned streets that have not been constructed. Furthermore, the project, as conditioned and mitigated, will be compatible with surrounding uses by providing adequate buffer between them, providing infrastructure to improve circulation in the area, and allowing for extension of the trail system and connection to the Sycamore Wilderness Park consistent with the goals and policies of the General Plan and the Sycamore Canyon Business Park Specific Plan.

APPEAL INFORMATION

Actions by the City Planning Commission, including any environmental finding, may be appealed to the City Council within ten calendar days after the decision. Appeal filing and processing information may be obtained from the Planning Department Public Information Section, 3rd Floor, City Hall.

EXHIBITS LIST

1. Staff Recommended Findings
2. Staff Recommended Conditions of Approval
3. Aerial Photo/Location
4. General Plan Map
5. Specific Plan Map
6. Existing /Proposed General Plan/Specific Plan Amendment
7. Zoning Map
8. Jurisdictional Delineation Map
9. Project Plans (Tentative Parcel Map, Site Plan, Building Elevations, Photo Simulations, Conceptual Landscape Plan, Preliminary Grading Plan, Line of Sight Plans, and Grading Exceptions Plan)
10. Existing Site Photos
11. Applicant Prepared Variance Justifications
12. Applicant Prepared Grading Exceptions
13. Comment Letters and Draft Responses to Comments
14. Draft EIR and Refined Health Risk Assessment - City's Website
<https://riversideca.gov/static/planning/>
15. Refined Health Risk Assessment

Draft EIR – Also on File with the City's Community & Economic Development Department, 3900 Main Street, Riverside, CA 92522, Riverside Main Public Library, 3581 Mission Inn Avenue, Riverside, CA 92501 and Riverside Public Library, Orange Terrace Branch, 20010-B Orange Terrace Parkway, Riverside, CA 92508.

Color / Material Board to be available at the City Planning Commission Meeting

Full sized plans are available for inspection at the Planning Division Office.

Prepared by: Patricia Brenes, Principal Planner

Reviewed by: Ted White, City Planner

Approved by: Rafael Guzman, Community Development Director



EXHIBIT 1 – REQUIRED FINDINGS

PLANNING CASES: P16-0101 (General Plan Amendment/Specific Plan Amendment), P16-0102 (Tentative Parcel Map No. 36879), P14-1082 (Minor Conditional Use Permit), P16-0103 – (Variance/Grading Exceptions), P14-1081 (Design Review) and P14-1072 (Environmental Impact Report)

FINDINGS:

Minor Conditional Use Permit Findings pursuant to Chapter 19.730.040

- a. The proposed use is substantially compatible with other uses in the area, including factors relating to the nature of its location, operation, building design, site design, traffic characteristics and environmental impacts. The project has been designed in a manner sensitive to the surrounding residences and provide connectivity to the Sycamore Canyon Wilderness Park to the west of the site.
- b. The proposed industrial business center will not be materially detrimental to the health, safety and general welfare of the public or otherwise injurious to the environment or to the property or improvements within the area. The project incorporates design features to ensure compatibility with the adjacent residences and Sycamore Canyon Wilderness Park. Some of these features include siting and orienting the buildings away from the residences, providing a 64 foot wide landscaped area between Building 2 and the residences to the north and over 100 feet of landscaping from the residences to the northwest, locating dock doors and parking on the south side of Building 2 away from the residences, designing the driveways to preclude truck traffic from exiting onto Dan Kipper Drive. In addition, a multi-purpose trail and a 16 space parking lot are proposed for use by the community to connect to the Sycamore Canyon Wilderness Park.
- c. The proposed use will be consistent with the purposes of the Zoning Code. The proposed use is consistent with the intent of the B/OP General Plan land use designation, the Industrial Subarea of the Sycamore Canyon Business Park Specific Plan, and the underlying BMP Zone, which anticipate and permit the site to be developed with industrial uses.
- d. The proposed use is in conformance with specific site location, development; and operation standards as may be established in the Zoning Code for the particular use. Except for parking, the proposed use exceeds the specific development and operation standards established in the Sycamore Canyon Business Park and Zoning Code.

Variance - Recommended Justification Findings

Variance - to allow 446 spaces where 1,043 spaces are required for Parcel 1 and 143 spaces where 393 spaces are required for Parcel 2.

1. *The strict application of the provisions of the Zoning Regulations would result in practical difficulties or unnecessary hardships in the development of this property.*