



# City of Rialto

## Legislation Details (With Text)

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**Title:** Conditional Development Permit No. 2018-0043: A request to allow up to a ten (10) percent increase in the permitted floor area ratio through the implementation of non-residential development incentives, as it relates to a proposal to develop a 99,999 square foot industrial warehouse building on 4.63 gross acres of land (APNs: 0240-181-32 & -33) located on the north side of Base Line Road approximately 315 feet east of Palmetto Avenue within the Employment (EMP) zone of the Renaissance Specific Plan. This project includes a Mitigated Negative Declaration (Environmental Assessment Review No. 2018-0024) for consideration in conjunction with the project.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Exhibit A - Location Map, 2. Exhibit B - Site Plan, 3. Exhibit C - Floor Plan, 4. Exhibit D - Elevations, 5. Exhibit E - Conceptual Landscape Plan, 6. Exhibit F - Public Art, 7. Exhibit G - Initial Study, 8. Exhibit H - SCAQMD Comment Letter, 9. Exhibit I - Health Risk Assessment Report, 10. Exhibit J - Draft Resolution for EAR No. 2018-0024, 11. Exhibit K - Draft Resolution for CDP No. 2018-0043

Date	Ver.	Action By	Action	Result
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For the Planning Commission Meeting of January 9, 2019

TO: Honorable Chairman and Planning Commissioners

APPROVAL: Robb Steel, Assistant CA/Development Services Director

REVIEWED BY: Gina M. Gibson-Williams, Planning Manager

FROM: Daniel Casey, Senior Planner

***Conditional Development Permit No. 2018-0043:*** A request to allow up to a ten (10) percent increase in the permitted floor area ratio through the implementation of non-residential development incentives, as it relates to a proposal to develop a 99,999 square foot industrial warehouse building on 4.63 gross acres of land (APNs: 0240-181-32 & -33) located on the north side of Base Line Road approximately 315 feet east of Palmetto Avenue within the Employment (EMP) zone of the Renaissance Specific Plan. This project includes a Mitigated Negative Declaration (**Environmental Assessment Review No. 2018-0024**) for consideration in conjunction with the project.

### **APPLICANT:**

CDRE Holdings 11, LLC, 523 Main Street, El Segundo, CA 90245.

### **LOCATION:**

The project site consists of two (2) parcels of land located on the north side of Base Line Road approximately 315 feet east of Palmetto Avenue (APNs: 0240-181-32 & -33) (Refer to the attached Location Map (**Exhibit A**)).

## **BACKGROUND:**

### *Surrounding Land Use and Zoning*

<b>Location</b>	<b>Existing Land Use</b>	<b>Zoning</b>
Site	Vacant Land	Employment (EMP)
North	Industrial Warehouse Building	Planned Industrial Development (I-PID)
East	Church	Employment (EMP)
South	Single-Family Residences	City of Fontana
West	Single-Family Residences	Employment (EMP)

### *General Plan Designations*

<b>Location</b>	<b>General Plan Designation</b>
Site	Specific Plan with a Specific Plan Overlay (Renaissance SP)
North	Business Park with a Specific Plan Overlay (Rialto Airport SP)
East	Specific Plan with a Specific Plan Overlay (Renaissance SP)
South	City of Fontana
West	Specific Plan with a Specific Plan Overlay (Renaissance SP)

### *Site Characteristics*

The project site is a relatively flat, rectangular-shaped piece of land comprised of two (2) parcels. Altogether, the project site is 4.63 gross acres in size with approximate dimensions of 340 feet (east-west) by 591 feet (north-south). The property is entirely undeveloped and covered only with natural grasses. The project site is bound on the south by Base Line Road.

### *Surrounding Area*

To the north of the project site is a 677,225 square foot industrial warehouse building on 29.5 acres of land, and to the east is a church on 0.95 acres of land. To the south, across Base Line Road, is tract of single-family residences developed in 1981, and to the west is a mixture of vacant land and three (3) separate single-family residences. The zoning of the project site and the properties to the east and west is Employment (EMP) within the Renaissance Specific Plan, the zoning of the property to the north is Planned Industrial Development (I-PID) within the Rialto Airport Specific Plan, and the properties to the south are within the City of Fontana.

## **ANALYSIS/DISCUSSION:**

### *Project Proposal*

CDRE Holdings 11, LLC, the applicant, proposes to consolidate two (2) parcels of land into one (1) 4.61 net acre parcel of land and then construct a 99,999 square foot warehouse building on the project site. There is no proposed tenant for the new building at this time, but the building's design will accommodate a wide-range of warehouse uses.

### Site Design

According to the site plan (**Exhibit B**), the applicant will construct the building in the center of the project site. The proposed layout will place the truck court on the west side of the building and the employee/customer parking areas on the west, north, and east sides of the building. A new forty (40) foot wide driveway connected directly to Base Line Road at the west end of the project frontage will provide the primary access in and out of the site, while a second twenty-six (26) foot wide driveway connected directly to Base Line Road at the east end of the project frontage will provide emergency access only. Other proposed on-site improvements include landscape planters throughout the site, screen walls around the truck court, and an underground infiltration basin for water quality treatment.

### Floor Plan

The floor plan (**Exhibit C**) indicates that the building will consist of 7,000 square feet of office space and 92,999 square feet of warehouse space. The office space will occupy the southwest corner of the building, with 3,836 square feet on the first floor and another 3,164 square feet up above on a second floor. The west side of the building will have fourteen (14) dock high loading doors and one (1) grade level roll-up door. The applicant will place the main entrance to the building on the south side of the office space, along with sixteen (16) secondary/emergency exits distributed amongst all four (4) sides of the building.

### Architectural Design

The proposed building will feature significant vertical and horizontal wall plane articulation in the form of projected masses and panel height variations on all the sides of the building that are visible from the public right-of-way. As shown on the elevations (**Exhibit D**), the building height ranges from forty (40) feet to forty-five (45) feet from the finished floor level, with the highest points being the southwest corner of the building and the heightened wall panels on all four (4) sides of the building. The exterior of the building will be of concrete tilt-up wall construction painted with a palette of three (3) different colors - white, light gray, and dark gray. Other architectural features of the building include panel reveals, metal brow accents, and blue reflective glazing.

### Parking

The development will have 82 auto-parking spaces, including three (3) disabled parking spaces. This quantity equals the minimum parking requirement as shown in the parking calculation chart below and as required by Table 3-6 (Parking Standards) of the Renaissance Specific Plan, which requires one (1) parking space for every 250 square feet of office space gross floor area, one (1) parking space for every 1,000 square feet of warehouse space gross floor area up to 40,000 square feet, and one (1) parking space for every 4,000 square feet of warehouse space gross floor area beyond 40,000 square feet:

Type of Use	Floor Area (square feet)	Parking Ratio	Number of spaces required
Office Warehouse	7,000	1 / 250	28
Floor area up to 40,000 square feet	40,000	1 / 1,000	40
Floor area 40,001 square feet or more	52,999	1 / 4,000	14

Total Required/Total Provided

82/82

*Landscaping*

The landscape coverage for the project is 10.1 percent, which slightly exceeds the minimum required amount of 10.0 percent. This includes a 20 foot landscape setback along Base Line Road, as well as planters around the perimeter of the building and the project site. All of the landscape planters will feature a variety of trees spaced every 30 feet and an abundant amount of shrubs (**Exhibit E**).

*Fiscal Analysis*

Prior to completion of the project, the applicant will be required to pay plan check, permit, and development impact fees to the City. The applicant will pay approximately \$773,000 for those one-time fees, as shown in the chart below:

<b>Fee</b>	<b>Capital</b>	<b>Operating</b>	<b>Total</b>
Development Impact Fees	\$655,000	-	\$655,000
Building Plan Check / Permit Fees	-	\$30,000	\$30,000
Planning Fees	-	\$8,000	\$8,000
Engineering Plan Check / Permit Fees	-	\$80,000	\$80,000
<b>One Time Fee Revenues</b>	<b>\$655,000</b>	<b>\$118,000</b>	<b>\$773,000</b>

Additionally, the project will generate approximately \$17,800 in annual recurring revenues to the City General Fund. The applicant will pay increased property taxes, business license taxes, and utility taxes on a recurring basis.

<b>Revenue Source</b>	<b>Estimated First Year Revenue</b>
Property Taxes	\$6,000
Utility Taxes	\$6,800
Business License Tax	\$5,000
<b>Total Annual Revenues</b>	<b>\$17,800</b>

Furthermore, the project will generate approximately 50 to 60 jobs with a warehouse use tenant. Not only will the project provide additional employment opportunities for City of Rialto residents, but it will also result in employees spending their discretionary income as they frequent local restaurants, gas stations, and other local businesses.

*Floor Area Ratio*

Per Section 3 (Development Criteria), Table 3-5 of the Renaissance Specific Plan the maximum allowable Floor Area Ratio (FAR) for a 4.61 net-acre project site within the EMP zone is 40.0 percent. The FAR for the proposed project is 49.7 percent, which exceeds the maximum allowable by 9.7 percent.

However, page 3-45 of Section 3 (Development Criteria) of the Renaissance Specific Plan contains provisions for incentives, or development standard bonuses, in exchange for desired development features. The incentives may provide an FAR bonus, setback reduction, parking reduction, etc., and may be awarded through a Conditional Development Permit on a case-by-case basis. As written, the Renaissance Specific Plan indicates that the City may only award two (2) incentives per project, and that the same incentive may not be awarded twice for the same project. However, the Renaissance Specific Plan gives the City the discretion to work with a developer and allow additional development incentives beyond two (2) and use the same incentive without limit. Thus, the applicant proposes to incorporate five (5) development features into their project to obtain the desired FAR. The following is a list of each proposed development feature and a discussion of each:

1. **Reciprocal Driveway Access** - Projects that consolidate and combine driveway access to minimize conflicts with traffic are eligible to receive an increase of 2.0 percent in the floor area ratio. The applicant proposes to provide shared access to the driveway on Base Line Road to the neighboring property owner and will record a reciprocal driveway easement. As a result, the project will receive a 2.0 percent FAR bonus.
2. **Pedestrian Building Orientation** - Projects that orient the main entrance of the building toward the public sidewalk are eligible to receive an increase of 2.0 percent in the floor area ratio. The applicant proposes to orient the main entrance of the building as close as possible to the public sidewalk along Base Line Road. As a result, the project will receive a 2.0 percent FAR bonus.
3. **Public Art** - Projects that provide permanent, outdoor art that is viewable by the public from the public sidewalk are eligible to receive an increase of 2.0 percent in floor area ratio. The applicant proposes to install a decorative steel sculpture near the public sidewalk along Base Line Road (**Exhibit F**). The inclusion of public art will provide a 2.0 percent FAR bonus.
4. **Employee Plaza** - Projects that incorporate an outdoor employee plaza, to serve as a break/lunch/meeting area, are eligible to receive an increase of 2.0 percent in floor area ratio. The project plans include a 224 square foot employment plaza containing a decorative overhead trellis and outdoor seating on the west side of the building. The inclusion of the employee plaza will provide a 2.0 percent FAR bonus.
5. **Landmark Features** - Projects that provide features such as a unique corner building treatment, entries or monuments, fountain, or other similar features are eligible to receive an increase of up to 2.0 percent in floor area ratio. The proposed building will contain significant horizontal and vertical wall plane articulation, metal accents, and a generous amount of glass at the southwest corner of the building, thereby providing a unique feature. In addition, the proposed public art will also contribute towards this incentive. All of the landmark features together will provide a 2.0 percent FAR bonus.

The addition of the two (2) development features results in a 10.0 percent bonus to the allowable FAR. As such, the maximum allowable FAR for the project is now 50.0 percent, which exceeds the proposed FAR.

*Transportation Commission*

Kunzman Associates, Inc. prepared a traffic study for the project, dated August 15, 2018, to assess

the projects potential impacts to local streets and intersections. The Transportation Commission reviewed and approved the traffic study on October 3, 2018. A total of 599 daily Passenger Car Equivalent (PCE) trips are anticipated, with 53 AM peak hour trips and 54 PM peak hour trips. The traffic study determined that the project is responsible for “fair-share” payment of \$31,200 towards the installation of a future traffic signal at the intersection of Base Line Road and Palmetto Avenue.

Half-width street improvements along the project frontage and payment of development impact fees related to traffic are also required. All street improvements and “fair-share” payments, as established by the traffic study, must be paid and/or completed prior to occupancy.

### **GENERAL PLAN CONSISTENCY:**

The project is consistent with the following goals of the Land Use Element and Economic Development Element of the Rialto General Plan:

**Goal 2-16:** Improve the architectural and design quality of development in Rialto.

**Goal 2-22:** Promote commercial and/or industrial development that is well designed, people-oriented, environmentally sustainable, sensitive to the needs of the visitor or resident, and functionally efficient for its purpose.

**Goal 3-1:** Strengthen and diversify the economic base and employment opportunities, and maintain a positive business climate.

### **ENVIRONMENTAL IMPACT:**

#### *California Environmental Quality Act*

The applicant engaged Lilburn Corporation to prepare an Initial Study (Environmental Assessment Review No. 2018-0024) for the project in accordance with the requirements of the California Environmental Quality Act (CEQA). The Initial Study is attached to the agenda report (**Exhibit G**). Based on the findings and recommended mitigation within the Initial Study, staff determined that the project will not have an adverse impact on the environment and prepared a Mitigated Negative Declaration. The Planning Division published a Notice of Intent to adopt the Mitigated Negative Declaration for the project in the San Bernardino Sun newspaper, and mailed notices to all property owners within 300 feet of the project site. A twenty (20) day public comment period for the Mitigated Negative Declaration began on October 31, 2018 and ended on November 19, 2018. The Planning Division received one (1) comment letter during this period from the South Coast Air Quality Management District (SCAQMD).

On November 14, 2018, the Planning Division received a letter from Jillian Wong, Planning and Rules Manager with SCAQMD (**Exhibit H**). The letter recommended the preparation of a Health Risk Assessment (HRA) to determine if the project will have a significant effect on the nearby residential uses. Subsequently, the Planning Division directed the applicant to prepare an HRA for the project. The applicant submitted a completed HRA for the project on December 3, 2018 (**Exhibit I**), which concluded that toxic air contaminants generated by the project, such as diesel particulate matter from diesel fueled trucks visiting the site, will not exceed any thresholds of significance established by SCAQMD. The Planning Division forwarded a copy of the HRA and with its modeling files to the SCAQMD on December 7, 2018. The SCAQMD did not provide any further comment upon receiving the HRA.

*Native American Tribal Consultation (Assembly Bill 52)*

In accordance with California Assembly Bill 52, the Planning Division mailed notices to six (6) Native American tribes informing them of the project and allowing them to request consultation on the project. The six (6) tribes were given thirty (30) days, from September 17, 2018 to October 16, 2018 to request consultation on the proposed project. One (1) tribe, The Gabrieleño Band of Mission Indians-Kizh Nation (Kizh Nation), requested formal consultation during the period. Planning staff conducted formal consultation with Chairman Andrew Teutimez-Salas and Matt Teutimez of the Kizh Nation on October 24, 2018. The topics discussed included a basic background of the project and the anticipated construction activities. During the consultation, Chairman Teutimez-Salas requested the ability to allow a certified Native American Monitor on-site during all ground disturbance activities. The Draft Resolution of Approval includes a Condition of Approval requiring the applicant to coordinate with the Kizh Nation to allow access to the project site during all ground disturbance activities.

**PUBLIC NOTICE:**

The City mailed a public hearing notice for the proposed project to all property owners within 300 feet of the project site, posted a copy of the public hearing notice outside the council chambers, and published the public hearing notice in the *San Bernardino Sun* newspaper as required by State law.

**RECOMMENDATION:**

The Planning Division recommends that the Planning Commission:

- Adopt the attached Resolution (**Exhibit J**) to approve the Mitigated Negative Declaration for the proposed project and authorize staff to file a Notice of Determination with the Clerk of the Board of San Bernardino County; and
- Adopt the attached Resolution (**Exhibit K**) to approve Conditional Development Permit No. 2018-0043 to allow up to a ten (10) percent increase in the permitted floor area ratio through the implementation of five (5) non-residential development incentives, as it relates to a proposal to develop a 99,999 square foot warehouse building, subject to the findings and conditions therein.