



Council Agenda Report

From: Darren Nash, City Planner

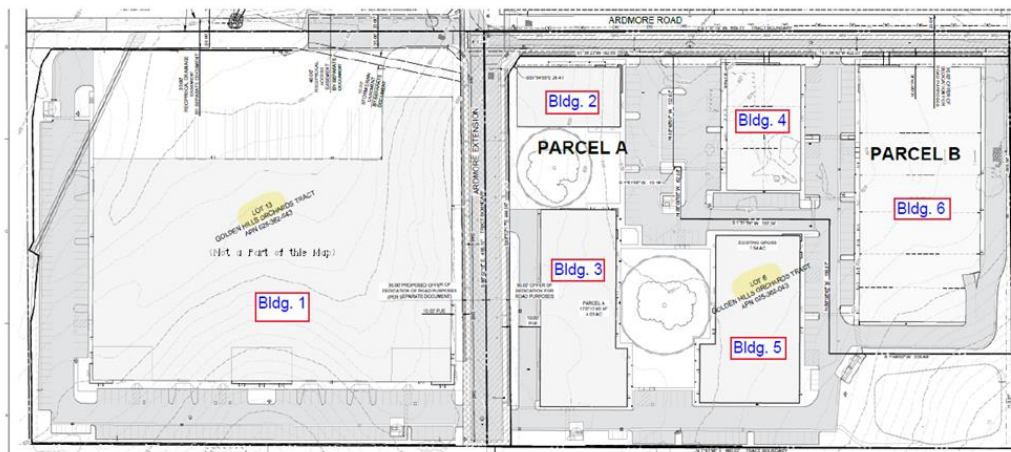
Subject: Approval of Development Plan (PD22-20), Oak Tree Removal (OTR23-11), Vesting Tentative Parcel Map PR 22-0054, and Conditional Use Permit 23-14 at 2930 Union Road/APN: 025-362-043

CEQA Determination: Approve the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Plan for Project.

Date: February 20, 2024

Facts

1. An application for Planned Development 22-20, Oak Tree Removal 23-11, Vesting Tentative Parcel Map PR22-0054, and CUP 23-14 has been filed by Kirk Consulting on behalf of Covelop/MD3, to develop on existing Lot 13 and existing Lot 6 located at 2930 Union Road.
2. The proposed development consists of subdividing existing Lot 6 into two parcels (Parcel A and Parcel B). The project proposes to then develop newly created Parcel A, Parcel B, and Lot 13 as shown below:



3. The site has a General Plan land use designation of Commercial Service (CS) and is in the Commercial-Light Industrial, Planned Development zoning overlay (C3-PD).
4. Commercial light industrial uses are allowed in the C3-PD zoning district. The purpose and intent of the planned development (PD) district zoning overlay is to provide for innovation and flexibility in the design of residential, commercial, and industrial developments. Approval of a development plan is required for all development in the planned development (overlay) district.
5. Paso Robles Municipal Code Section 21.13.030.F.2 requires that all new uses within the C3-PD zoning district east of Golden Hill Road, South of Union Road obtain a Conditional Use Permit (CUP) to ensure that all uses do not create noise, visual and/or land use impacts to neighboring land uses. The applicant is seeking a CUP in accordance with this requirement.

6. Oak Tree Removal Permit 23-11 requests removal of six of the eight native oak trees located on the parcel, totaling 270-inches of diameter removed, with the requirement to plant 67.5-inches diameter of mitigation trees on site.
7. Vesting Tentative Parcel Map PR 22-0054 would subdivide Parcel 6, which is currently 6.76 (net) acres, into two parcels where Parcel A would be 4.03 acres and Parcel B would be 2.73 acres. Existing Lot 13 is approximately 7 acres and while included as part of the development plan, is not included in the subdivision.
8. The Development Review Committee (DRC) reviewed the design of the project at their meeting on July 31, 2023, where they were in favor of the project and recommended that the project be scheduled before the Planning Commission for review. The DRC noted that more detailed information related to internal pedestrian connectivity, truck turning movements, and additional perspective views of buildings would be helpful for the Planning Commission to review. The applicants have provided a memo, attached as Attachment 3, that outlines how they have updated the plans to address DRC questions.
9. In compliance with the California Environmental Quality Act (CEQA), an initial study and mitigated negative declaration (SCH 2023090132) were prepared for the project and circulated between September 11, 2023 and October 10, 2023.
10. The project was scheduled to be reviewed by the Planning Commission on October 10, 2023. Prior to the meeting Planning Staff received two letters with comments related to the MND:
 - Air Pollution Control District Letter (Attachment 4) with suggestions regarding additional thresholds to consider and associated dust control conditions and greenhouse gas emission conditions.
 - Lozeau Drury, LLP, on behalf of Supporters Alliance for Environmental Responsibility (SAFER) Letter – (Attachment 5) indicating that SAFER is concerned that the proposed MND does not analyze the project impacts related to proposed oak removals and San Joaquin Kit Fox habitat impacts and requesting that an EIR be prepared for the project.
11. The project was reviewed by the Planning Commission on October 10, 2023 where, on a 5-0 vote (two Commissioners were absent), the Commission recommended that the City Council approve the project, with the added conditions related to the APCD letter.
12. At the October 10, 2023 meeting, staff, after consulting with the City Attorney, reported to the Commission as part of the staff presentation that the proposed MND was adequate to address the project impacts.
13. Kirk Consulting has provided a letter from LSA, the City's air quality consultant, providing additional information regarding the air quality impacts and conditions of approval (see Attachment 6).
14. The project was scheduled for the November 7, 2023 City Council agenda, however after information was provided by Lozeau Drury, LLP, just hours prior to the start of the City Council meeting, it was recommended that the City Council continue the item to the next Council agenda to allow time for staff to review the information.
15. The item was continued to December 5, 2023, where the City Council continued the item to a date uncertain to provide staff additional time to review and respond to the extensive comments provided by Lozeau Drury, LLP.
16. On January 31, 2023, the City Clerk received a letter from Lozeau Drury, LLP, withdrawing the previous comments on the MND for the project, indicating that SAFER and the applicants have reached an agreement resolving the issues raised in their comments on the project (see Attachment 7).

Community Outreach

The City has provided public notices to neighbors and the general public regarding the CEQA document availability, Planning Commission hearing, and City Council hearing. The Planning Commission held a public hearing for the project on October 10, 2023.

Options

After consideration of any public testimony, the City Council should consider the following options:

1. Approve the following:
 - a. Resolution 23-XXX(A) to adopt the proposed Mitigated Negative Declaration and Mitigation Monitoring and Reporting Plan; and
 - b. Resolution 23-XXX(B) approving Planned Development 22-20, CUP 23-14, and Oak Tree Removal Permit 23-11; and
 - c. Resolution 23-XXX(C) approving Vesting Tentative Tract Map PR 22-0054.
2. Recommend approval of the project with modifications.
3. Refer the project back to staff for additional analysis.
4. Deny the project by adopting findings of denial.

Analysis and Conclusions

Project Summary

- Development Plan for a 240,000 square foot commercial/light-industrial complex on an approximate 14-acre site consisting of six buildings.
- Subdivision of Lot 6 to create Parcels A and B, where buildings 2, 3, and 5 are on Parcel A, and Buildings 4 and 6 would be on Lot B. Lot 13 would remain as it presently is and would accommodate Building 1.
- Development of Parcel 13 with a 126,000 square-foot warehouse and distribution building.
- Removal of six oak trees with associated mitigation.

Table 1: Project Summary Table

Lot	Building	Building Area (sf)	Use	Use Area (sf)
13	1	125,812	Office	9,000
			Warehouse	116,812
6 "Parcel A"	2	9,360	Retail Winemaking Storage Manufacturing	7,392
	3	23,370		41,016
	5	22,565		40,271
6 "Parcel B"	4	13,950		25,836
	6	45,270		
Total Lot 6		114,515		
Total Combined		240,327		

General Plan Consistency

The General Plan Land Use element lists the following uses as typical for the CS land use category: "include[s] but are not limited to light manufacturing and assembly, as well as commercial uses."

Land Use Element Policy LU-2B is to “[p]romote architectural and design excellence by imposing stringent design and construction standards for commercial, industrial, mixed use, and multi-family projects.”

The proposed business is planned to be commercial/light-industrial, which is like other uses typical of the CS land use designation.



LOOKING EAST TO THE OAK TREE PLAZA BETWEEN BUILDING 3 & 5

Zoning Ordinance

The site is in the Commercial/Light-Industrial zoning district with a Planned Development overlay (C3, PD).

The intent and purpose of the planned development overlay district includes:

- Encouraging creative and higher quality development design through allowed flexibility in project design while providing for essential development standards;
- Ensuring quality of overall project design, architectural treatment, and appropriate use of color and materials; and
- Encouraging projects which are compatible with surrounding development.

The surrounding area includes a mix of uses including a commercial/industrial complex, construction yards, and large lot residential to the east, with residential zoned land to the south (North Chandler Ranch). The building has been designed in a warehouse-industrial style design. An earth-tone color palette has been selected to tie the project to the surrounding landscape and the project will use industrial-agrarian materials in its construction. Setbacks and parking areas include attractive landscaping.

Section 21.13.030.F – Conditional Use Permit requirement

Paso Robles Municipal Code Section 21.13.030.F.2 requires that all new uses within the C3-PD zoning district east of Golden Hill Road, South of Union Road, requires a Conditional Use Permit (CUP) to ensure that uses do not create noise, visual and/or land use impacts to neighboring land uses.

The project has been designed in a manner that provides a 6-foot decorative masonry wall and a 10-foot-wide landscape planter which will provide visual screen from the residentially zoned land (North Chandler

Ranch) to the south as required by Section 21.13.030.F.1a & b., as a result of the wall and the planter area, and since this project is not proposing any outdoor storage of equipment or materials, the project has been designed to adequately screen the site from the residential land to the south.

The project has been designed with commercial and light-industrial uses that do not create noise, visual and/or land use impacts to neighboring land uses, because of the design of the project providing perimeter setbacks, walls, fences, landscape planters to help separate the project from neighboring land uses.

The Covelo/MD3 project includes commercial light-industrial uses along with warehousing, which are uses that will not have a detrimental effect on the city's goal to revitalizing the downtown.

Development Standards

The project meets all zoning ordinance development standards. In the C3 zoning district, the maximum building height permitted is 50 feet. The minimum lot area is 5,000sf. There are no required building setbacks. Building 1 is the tallest building and would be 44-feet tall at the highest point, which is below the 50-foot height limit for the C3 zone. The multiple buildings are setback from all property lines by varying amounts. All the proposed lots would exceed the 5,000 square foot minimum lot size.

Signage

The project plans show potential wall mounted signs and free-standing monument signs for the multi-tenant project. A condition of approval has been added to the PD Resolution that requires a specific sign program to come back to the DRC prior to the issuance of a building permit for Phase 1.

Parking

The project would require a minimum of 300 parking stalls based on the proposed uses and Zoning Code parking ratios per square foot. The project site plan has been designed to provide 310 spaces, not including 16 truck dock parking spaces for Building 1.

Landscaping

Paso Robles Municipal Code Section 21.22.080 requires irrigated perimeter landscaping at least 10 feet deep along the front property line and 3 feet deep on interior property lines. Eight square feet of landscaping is required for every parking space with an emphasis on shade trees. In general, these landscape setback requirements have been complied with.

The Zoning Code also requires the installation of thick landscaped screening, at least 10 feet wide, along the southern property line of Lot 13 (Section 21.13.030.F.1.b). The intent of this landscape screening standard is to establish a visual buffer from the commercial/industrial uses and the future residential uses within the North Chandler Ranch Specific Plan area adjacent to the project site.

The original project submittal requested a reduction of the 10-foot setback requirement. However, after discussing the reduction request at the DRC, and the DRC having concern that there is not the ability for the Planning Commission to reduce a code requirement (unless the code section indicates modifications can be made), the applicant team has provided a revised site plan and landscape plan that can accommodate the 10-foot landscape area along the southern boundary of Lot 13. The plans are part of the plan set included with this staff report as an exhibit to PD Resolution B.

Subdivision Ordinance

The project includes the subdivision of one existing lot into two parcels. The minimum lot size in the C3 zoning district is 5,000 sf, whereas the lot sizes for the project will range from 2.73 acres up to 7 acres. each. As part of the project's frontage improvements, the applicant will be required to install new utilities for sewer and water.

Oak Tree Removal Request

There are six native valley oaks (Tree numbers 1, 2, 3, 4, 9 and 11), that will require removal to support the proposed project. These trees range in diameter at breast height (dbh) from 4 to 67 inches and received health ratings ranging from "fair" to "poor".

The remaining two oak trees (Tree numbers 10 & 13) are proposed to be retained and have been incorporated into the proposed design. Several mitigation measures are required by the project to protect the trees that will remain, and there is a requirement to plant 34 1.5-inch diameter replacement Valley oaks on site, with the option of paying in-lieu fees to the City's oak replacement fund for any trees that may not fit to plant on site.

Fiscal Impact

There is no direct fiscal impact from approving the recommended actions, however, the project is expected to have positive economic impacts to the City, which supports City Council's overall economic development goals.

CEQA

The city has prepared an Initial Study/Mitigated Negative Declaration (MND) (SCH No. 2023090132) for the project in compliance with the California Environmental Quality Act (CEQA), which is included as an Exhibit to Draft Resolution A. The MND found that although the proposed project would generate potentially significant impacts to Biological Resources and Cultural Resources, the implementation of mitigation measures would reduce all potentially significant impacts to less than significant. A summary of proposed mitigation measures for the entirety of the project includes preconstruction surveys for special status species, oak tree protection measures, and monitoring during ground disturbing activities. For a full list of mitigation measures, see Exhibit B, Draft Resolution A. These mitigation measures have been incorporated as conditions of approval for the Project.

The MND was made available for public comment from September 11, 2023 through October 10, 2023 to a set list of state and local agencies, designated Native American Tribes under AB 52, on the city's website, at Paso Robles Community Development Department, and at the Paso Robles Library. The Notice of Intent to Adopt a Mitigated Negative Declaration was made available by the following methods to indicate the availability of the environmental document during the public comment period: (i) published in the Tribune Newspaper, a newspaper of general circulation; (ii) filed with the San Luis Obispo County Clerk; (iii) filed with the State Clearinghouse; (iv) mailed to various interested persons, agencies, and tribes; and (v) posted on the City's website.

The City has received the following comment letters:

- Attachment 4. San Luis Obispo Air Pollution Control District Letter
- Attachment 5. SAFER – Lozeau Drury, LLP

Responses to the comment letters received prior to the October 10, 2023 Planning Commission meeting have been prepared, and are attached to Resolution A, as Exhibit A.

Since November 5, 2023, City Council meeting Covelop and SAFER have reached an agreement to resolve the issues raised by SAFER on the project. Lozeau Drury, LLP, on behalf of SAFER provided the January 31, 2023 letter withdrawing all comments file with the city and urges the City to approve the project.

Recommendation (Option 1)

Approve the following:

- a. Resolution 24-XXX(A), adopting the proposed Mitigated Negative Declaration and Mitigation Monitoring and Reporting Plan; and
- b. Resolution 24-XXX(B), approving Planned Development 22-20, CUP 23-14, and Oak Tree Removal Permit 23-11; and
- c. Resolution 24-XXX(C), approving the Vesting Tentative Tract Map PR 22-0054.

Attachments

1. Vicinity Map
2. Project Description
3. Ardmore Industrial DRC Update Memo
4. SLO APCD Letter
5. SAFER Letter – Lozeau Drury, LLP - 10.10.23
6. LSA/Applicant Letter re: APCD
7. SAFER – Lozeau Drury, LLP “Withdrawal of Comments on the Initial Study (IS) and Mitigated Negative Declaration (MND for the Ardmore Industrial Project” - 01.31.24
8. Resolution 24-XXX(A) - Proposed Mitigated Negative Declaration and Mitigation Monitoring and Reporting Plan
9. Resolution 24-XXX(B) - Planned Development 22-20, CUP 23-14, and Oak Tree Removal Permit 23-11
10. Resolution 24-XXX(C) - Vesting Tentative Tract Map PR 22-0054
11. Legal Affidavit
12. Mail Affidavit