

## REPORT TO THE PLANNING COMMISSION



**DATE:** June 13, 2017

**TITLE:** Request for a One-Year Extension of Time for Development Permit 05-11 and Design Review 06-11 of the Development of a 2.6 Million Square Foot Industrial Warehouse and Distribution Center Located on the East Side of Indian Avenue between 18th and 19th Avenue in the Light-Industrial Zoning District (APN: 66-340-004 and 005)

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**Reviewed by:** Daniel Porras, Community Development Director

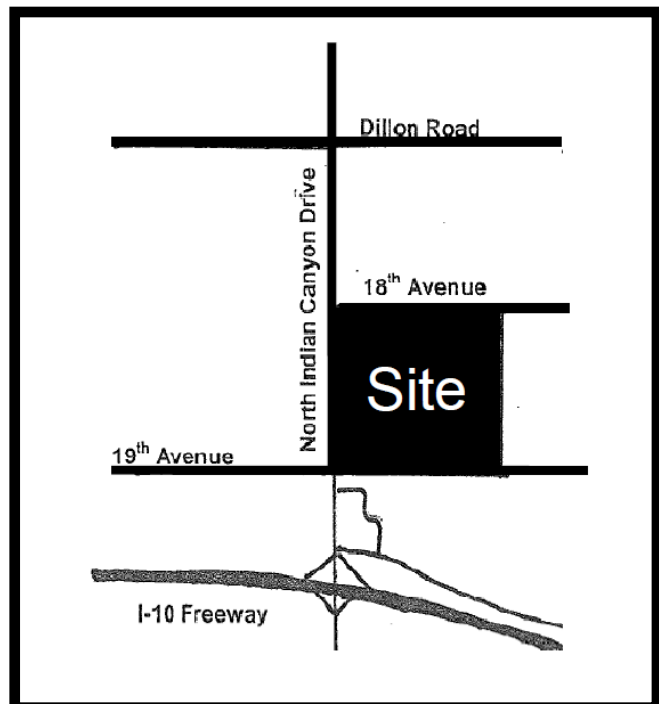
### RECOMMENDATION

- 1) Staff Report;
- 2) Questions of Staff from Planning Commission;
- 3) Open the Public Hearing;
- 4) Invite Applicant to speak;
- 5) Questions for the Applicant;
- 6) Take Public Testimony;
- 7) Opportunity for Applicant Rebuttal;
- 8) Close the Public Hearing;
- 9) Planning Commission discussion and questions to Staff; and
- 10) Approve a request for a one-year time extension from November 17, 2016 to November 17, 2017 for Development Permit No. 05-11 and Design Review Permit No. 06-11, which approved an industrial warehouse and distribution center with an area of approximately 2.6 million square feet containing four buildings ranging in size from 271,000 square feet to 1,171,000 square feet on approximately 161 acres at the southeast corner of North Indian Canyon Drive and 18th Avenue.

### BACKGROUND

In November 2010, the original applicant, ARES Management, LLC, received entitlements from the County of Riverside for the construction of an approximately 2.6 million square foot industrial warehouse and distribution center. The Project consists of four warehouse/office buildings ranging in size from approximately 271,000 to 1,170,000 square feet, building height of approximately forty-two (42) feet, and parking for 1,830 automobiles and 1,230 freight trucks, as shown on the Site Plan contained in Exhibit 1. In addition, staff has provided the approved site plan, elevations, floor plan, and conceptual landscape plan, attached as Exhibits 1, 2, 3, and 4, respectively.

According to the County's conditions of approval, the entitlements were valid for a period of two (2) years from the date of approval, which was November 17, 2010. The County granted time extensions through November of 2012. After the I-10 Annexation, the City



of Desert Hot Springs approved three additional time extensions through November 17, 2016. These time extensions were granted due to the economic conditions and lacking infrastructure. The applicant has requested a sixth time extension to run from November 17, 2016 to November 17, 2017. Pursuant to Section 17.92.100 of the City's Zoning Code the applicant, Coachillin Holdings LLC, has applied for another one-year extension. The applicant is seeking the extension of time to maintain the CEQA clearance and County adopted Mitigate Negative Declaration. The previous staff report analysis, attached as Exhibit 6, illustrates that the project, as originally approved, satisfied the zoning requirements when it was annexed into the City. The Planning Commission may grant an extension of time, not to exceed 12 months, subject to the following findings.

In order to approve a request for Time Extension the City needs to find the following:

1. *The Applicant satisfies all aspects of 17.092.100 of the Desert Hot Springs Municipal Code with respect of Time Extensions;*

The applicant filed the request for a time extension before the project's expiration date and the request is in compliance with section 17.092.100.

2. *There have been no substantial changes to the Project since it was initially approved;*

The applicant is not proposing any changes to the project. The applicant is simply asking for a one-year extension of time.

3. *The Applicant has presented good cause for requesting the extension of time, in that economic conditions and lack of infrastructure have prevented the Applicant from constructing the Project; and*

The applicant has recently filed an application for another project on the site, but until that project receives entitlements on the new project, the applicant wishes to extend the original industrial park entitlements for the purpose of maintaining the CEQA clearance / adopted mitigated negative declaration.

4. *The City has advertised the Public Hearing in the newspaper and provided notice to all property owners within a 300 foot radius.*

The Public Hearing Notice was advertised in the Desert Star Weekly on June 2, 2017 and sent to all property owners as required.

## **FISCAL IMPACTS**

An economic analysis (Exhibit 7) completed by the City's economic development consultant at that time estimated the Project would generate a one-time sales and use tax revenue of \$1,460,000.00, if the City is designated as the "Construction Project Site" pursuant to the State Board of Equalization's "Publication 28" provisions. The analysis also estimates the City will receive an annual revenue stream of \$263,360.53 from Project-generated property taxes. It is also estimated that the Project will generate 1,217 construction jobs and 2,134 permanent jobs at build out.

## **ENVIRONMENTAL ANALYSIS**

An Initial Study was prepared for this project by the County, in accordance with the California Environmental Quality Act ("CEQA"). The study revealed that the project, as proposed, would not have significant impacts on the environment. Therefore, a Mitigated Negative Declaration ("MND") was prepared and circulated for public review in August 2008. In conjunction with the

project entitlements, the Riverside County Board of Supervisors adopted the MND on October 28, 2008.

Pursuant to Section 15162(a) of the CEQA Regulations, once an MND has been adopted for a project, no subsequent environmental review needs to be completed unless there are substantial changes in the project that warrant additional review. The overall project characteristics, in terms of total development area, building heights, lot coverage and parking remain the same as approved by the County. The Planning Commission only needs to make a finding that the Time Extension is consistent with the original Mitigated Negative Declaration and no further analysis is required. The Initial Study is attached as Exhibit 8.

### **RECOMMENDATION**

Staff recommends that the Planning Commission grant a one (1) year extension from November 17, 2016 to November 17, 2017 for the previously approved project containing approximately 2.6 million square foot industrial warehouse and distribution center on approximately 161 acres (150 net acres) located on the east side of Indian Avenue between 18<sup>th</sup> & 19 Avenue.

### **EXHIBITS**

- 1) Site Plan
- 2) Building Elevations
- 3) Building Floor Plans
- 4) Conceptual Landscape Plan
- 5) July 2012 Planning Commission Staff Report
- 6) Initial Study